



Police Staff Council Trade Union Side
Pay Claim for 2019
(Submitted April 2019)

1. Introduction

- The pay and allowances of police staff in England and Wales have risen by only 7.2% over the seven years since 2011
- If pay and allowances had risen by the cost of living (RPI measure), they would be 23.5% higher today than they were in 2011
- Government cost cutting in the police service has slashed the value of police staff pay to a level where it is no longer competitive. Police staff are finding it hard, if not impossible, to manage on their current salaries
- The latest retail prices index (RPI) measure of inflation stood at 2.4% in March 2019 and is projected to average around this level over the rest of 2019.

The table below shows the major fall in living standards suffered by police staff since 2011:

	Police Staff pay increases	Rise in cost of living (as measured by Retail Prices Index)
2011	0%	5.2%
2012	0%	3.2%
2013	1%	3.0%
2014	2.2%	2.4%
2015	0%	1.0%
2016	1%	1.8%
2017	1%	3.6%
2018	2%	3.3%

While the value of total police staff pay rises over the last eight years has been 7.2%, the cost of living has risen by 23.5%.

These statistics open the PSC Trade Union Side's pay claim for police staff members for 2019. As we remarked in our 2018 pay claim, Part 2 of the Police Staff Council Pay and Reward Review, which is now underway, will look at how police staff basic pay is determined, including the role of job evaluation and force pay grading schemes, but the Review is unlikely to be concluded during the 2019/20 pay year.

2. Synopsis

This claim is split into the following sections:

- Executive Summary
- Pay Movements Elsewhere in the Public Sector/Elsewhere in the Economy
- Movements in the Retail Prices Index
- Police Service Funding
- Addressing Low Pay in the Police Service
- An Increase in Basic Annual Leave Entitlement
- Dying to Work Campaign
- Conclusion

3. Executive Summary

3.1 Headline Claim

The Police Staff Council Trade Union Side submits the following pay claim on behalf of our police staff members in England and Wales to take effect from 1 September 2019:

- **One year claim**
- **5% increase on all pay points**
- **5% increase on standby allowance**
- **The deletion of pay points 7 & 8**
- **An additional two days on the minimum annual leave entitlement in the Police Staff Council Handbook, to provide 25 days annual leave on appointment and 30 days leave after 5 years service**
- **Support and encouragement from the Police Staff Council for police forces to sign up to the 'Dying to Work' Charter which provides for a compassionate approach to staff who have been diagnosed with a terminal illness**

A table is attached at Appendix A setting out the impact of this claim on the existing PSC pay spine.

3.2 PSC Pay Determination Factors

The Police Staff Council Handbook sets out the following five factors to which the negotiators must have regard when negotiating PSC pay awards. They do not constitute a rigid formula, but they are significant reference points for any pay claim, and the pay award negotiations which will follow.

The current values attaching to the factors, at the time of submitting this claim, are:

- pay movements elsewhere in the public sector: 2.0 %
- pay movements elsewhere in the economy: 2.8 %
- movements in the retail prices index (RPI): 2.4 %
- recruitment and retention factors: no measure available
- police service funding 7.2%

Police staff take a keen interest in comparator pay awards across the whole economy when taking into account the continuing pressure on the value of their salaries due to the sharp rise in the retail prices index of inflation since the start of 2017. The Trade Union Side wishes to emphasize the need for the eventual pay award this year to recognise the substantial increases in inflation since 2015, and their detrimental impact on our members' spending power.

The rise in inflation is accompanied this year by the second year of real increase in police funding. The Provisional Police Funding Settlement 2019-20 published on 13 December 2018 by the Home Office confirmed that there would be:

- an increase of £161 million in police grant for the forthcoming year and
- permission for PCCs in England to increase their police precept level for a typical (Band D) household by a maximum of £2 a month without holding a local referendum. All Police and Crime Commissioners, as far as the Trade Union Side is aware, have taken advantage of these new rules allowing for an increase of £24/year per household in precept for the 2019/20 funding year.

As a result of these commitments/permissions the total increase in police funding for the coming year is 7.2%

At the time of writing, the Police Staff Council has no measure available in respect of recruitment and retention issues in forces in England and Wales.

3.3 Explanation of Claim

- The claim for a headline increase in all PSC pay points of 5% is justified in relation to the current RPI inflation rate of 2.4% and the necessary process of catching up with inflation over the last 8 years. Police staff salaries are down 23.5% on what they would have been today, had they kept up with inflation.
- The lowest two pay points on the PSC pay spine are currently £17,262 and £17,676. These rates do not compare favourably with the lowest pay points in Police Scotland and in the NHS. If the police service does not address these shortfalls, salaries for the most junior police staff posts will become increasingly uncompetitive.

- In 2017 the Trade Union Side welcomed the increase in minimum annual leave entitlement from 22 to 23 days as part of the agreement to the 2017 Police Staff Council Handbook. We subsequently sought an additional day on the minimum leave entitlements as part of our 2018 claim. Although the Employers Side committed to discuss this element of last year's claim as part of the PSC Pay and Reward Review, this commitment has unfortunately not been translated into action. The Trade Union Side and our members remain acutely aware of the on-going differentials in police staff annual leave entitlement across different forces. We therefore seek to continue the work we have begun to reduce these differentials by increasing the minimum annual leave entitlement in the Police Staff Council Handbook of police staff from 23 to 25 days per annum on appointment, and from 28 to 30 days after 5 years service.

4. Pay Movements Elsewhere in the Public Sector and Elsewhere in the Economy

Pay settlements in the public sector are running at 2.0%. Private sector awards stand at 2.8%. Private sector awards have been running far in advance of the public sector since 2010.

When the public sector pay freeze was in place for the 2011 and 2012 pay years, average private sector pay rises were running at 2.5% and, over the period of the subsequent 1% cap, the private sector has seen pay awards at least double those in the public sector. This pattern has changed only recently, with the official ending of the public sector pay cap resulting in average public pay settlements rising to 2%.

The table below shows that pay settlements over the last year across the economy have been running at 2.8%, which stands in contrast to the most recent Police Staff settlement of 2%.

Sector	Average pay settlements
Across economy	2.8%
Private sector	2.8%
Public sector	2.0%
Not for profit	2.5%

Source: Labour Research Department, settlements year to March 2019

A longer term perspective, shown in the table below, reflects the huge cumulative impact of police staff pay settlements lagging behind average pay settlements across the economy since 2011.

Year	Average pay settlements	Police Staff pay increases
2011	2.5%	0%
2012	2.5%	0%
2013	2.5%	1%
2014	2.5%	2.2%
2015	2.2%	0%
2016	2.0%	1%
2017	2.0%	1%
2018	2.5%	2%

The Labour Research Department has published the following average earnings growth figures for the whole economy:

- In the year to January 2019, average weekly earnings for the whole economy, excluding bonuses, provisionally increased by 3.5% - up from revised increase of 3.4% for December.
- Growth in the January headline rate (the latest three-month average) for regular pay, excluding bonuses, was 3.4% - the same as for December and November, according to the Office for National Statistics.
- In the private sector as a whole, growth was unchanged at 3.5%.

5. Movements in the Retail Prices Index

As the following tables show, the value of police staff salaries has fallen drastically over the last seven years. Inflation has picked up considerably over the last two years, making police staff pay ever more uncompetitive in the market place.

The most accurate indicator of changes in the cost of living facing workers is the Retail Prices Index (RPI). The Police Staff Council pay determination factors recognise this.

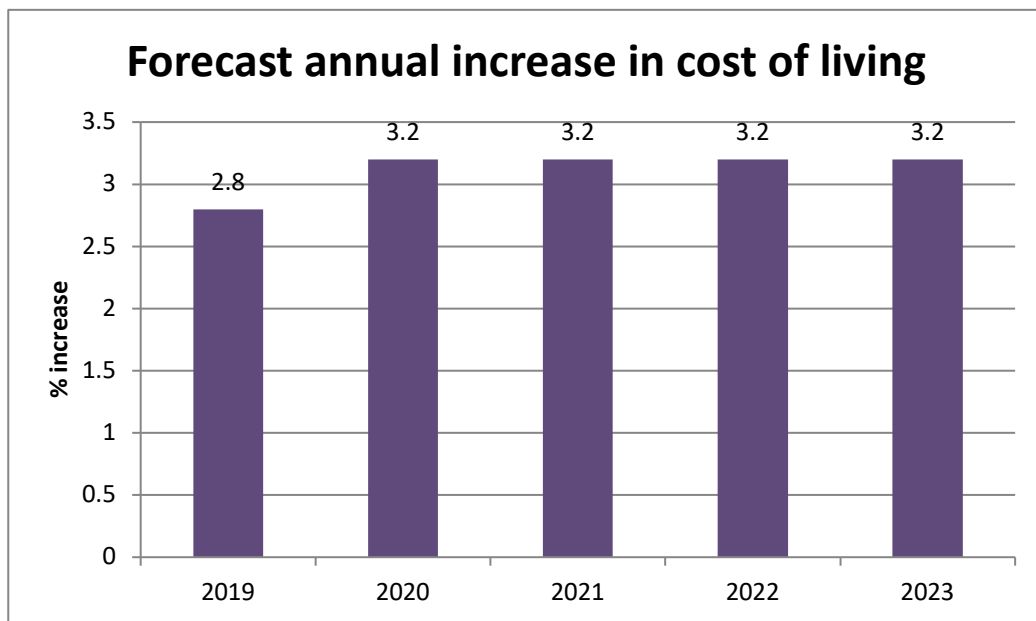
Over 2010 and 2011, RPI inflation centred on the 5% mark, before a decline which saw the rate cluster around 3% during most of the three years between 2012 and 2014. Inflation then went into a further slide, with RPI around 1% over most of 2015. However, inflation began to rise again during 2016. It escalated sharply throughout 2017 peaking at 3.6% , before declining to 3.3% in 2018.

5.1 RPI inflation Rate

The retail prices index of inflation was 2.4% in March 2019.

5.2 Inflation Forecast

The Treasury average of independent forecasts predicts that RPI inflation will average 2.8% over 2019 and remain at 3.2% in every following year until 2023, as shown in the graph below. These annual rates show the level of pay rises which would be needed for police staff salaries just to maintain their current value up to 2023.

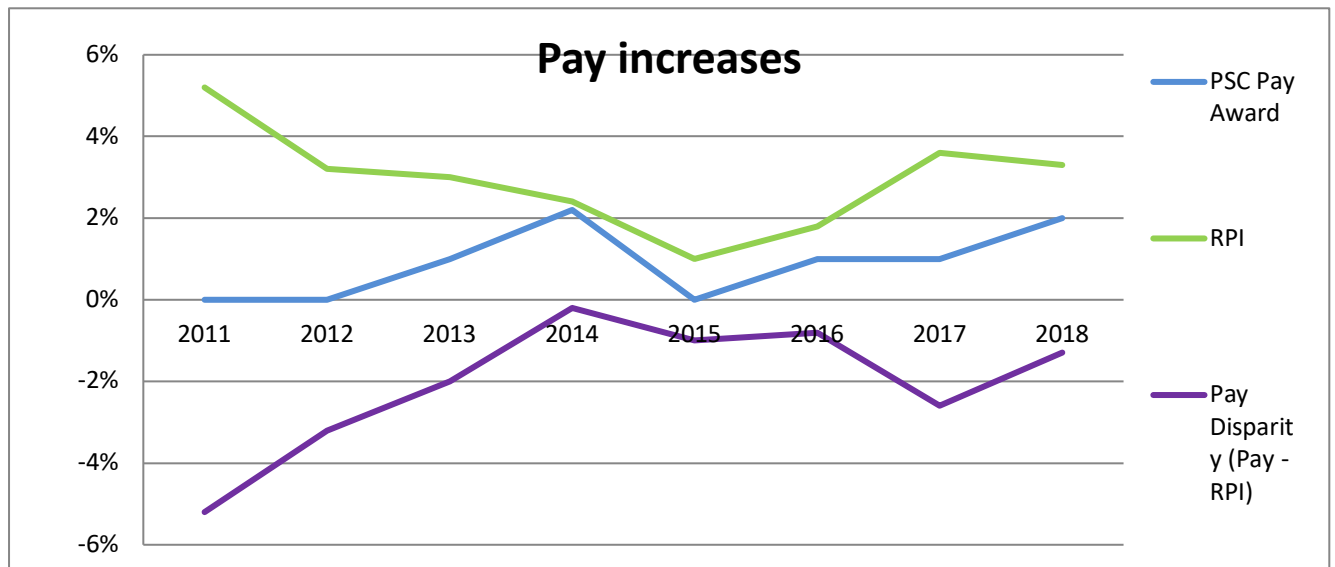


Source: HM Treasury, Forecasts for the UK Economy, February 2019

5.3 Relationship between RPI and PSC Pay Awards (2011 – 2018)

The following table shows the relationship between the PSC pay award and RPI inflation since 2011. RPI inflation is shown in green, the PSC pay award in blue and the disparity between the two in purple.

The table shows very clearly that the PSC pay award has been lower than RPI inflation for the period in question.



6. Police Service Funding

One of the PSC pay determination factors is the level of police funding for the coming pay year.

The table at Appendix B shows the increase in police funding between 2018/19 and 2019/20 for each police force in England and Wales. These are Home Office figures and form part of the Factsheet on Police Funding published in December 2018. They show an overall percentage increase in police funding for 2019/20 of 7.2%.

These funding figures take into account the increase in police grant as well as the increase in local police precept by Police and Crime Commissioners up to the new £24 limit without the need for a referendum. This is the biggest increase in police funding for many years and is a significant change in the PSC pay determination factors.

The Trade Union Side expects this major increase in police funding for this year to be reflected in the eventual police staff pay award for 2019.

7. Addressing Low Pay in the Police Service

The Trade Union Side acknowledges the progress which was made in the 2017 pay award on low pay with the deletion of PSC pay points 4 and 5 and the subsequent deletion of pay point 6 as part of the 2018 pay award.

These positive developments mean that the lowest PSC pay point has pulled clear of the government national minimum wage figure of £8.21/hour, or £15,839 per annum calculated on the PSC 37 hour week.

PSC pay point 7 now stands at £17,262 per annum, or £8.94/hour, but although this salary is now clear of the national minimum wage, the PSC cannot sit on its laurels. The following evidence supports the Trade Union Side's claim for PSC pay points 7 and 8 to be deleted with effect from 1 April 2019.

7.1 Living Wage

The Living Wage, set by the Living Wage Foundation, has become a standard benchmark for the minimum needed for low-paid staff to have a "basic, but acceptable" standard of living.

Police forces are now competing in a labour market where the Living Wage of £9.00 an hour outside London and £10.55 an hour in London has become an increasingly common minimum point in the pay scale.

Studies supported by Barclays Bank have shown that Living Wage employers report an increase in productivity, a reduction in staff turnover / absenteeism rates and improvements in their public reputation.

Consequently, there are now over 3,500 employers accredited as Living Wage employers by the Living Wage Foundation, including some of the largest private companies in the UK, such as Barclays, HSBC, IKEA and Lidl.

The following ten police forces in England and Wales have, to their credit, signed up already as Living Wage employers for their police staff workforces:

- Cheshire
- Cleveland
- Durham
- Greater Manchester
- Humberside
- Lancashire
- Northumbria
- Nottinghamshire
- West Midlands
- West Yorkshire

Research by the Living Wage Foundation has shown that employers paying the Living Wage experience a range of benefits from increasing the wages of low-paid staff; most notably Living Wage accreditation^[2]:

- enhances the organisation's reputation as an employer (86%)

^[2] The proportion of employers supporting each finding is shown in brackets

- improves relations between staff and managers (58%)
- increases the commitment and motivation of Living Wage employees (57%)
- improves recruitment of employees into jobs covered by the Living Wage (53%)

7.2 Police Scotland Pay Rates

The minimum pay point for police staff working for Police Scotland is £18,616 with effect from 1 April 2019. This is a result of the implementation of the award which harmonised the pay and conditions of the former 8 Scottish regional forces and the Scottish Police Services Authority.

In order to match the minimum pay point for police staff in Scotland, PSC pay points 7, 8, 9 & 10 would need to be removed with immediate effect in England and Wales.

7.3 Local Government NJC Pay Rates

The lowest pay point on the NJC for Local Government pay scale is £17,364 with effect from 1 April 2019.

7.4 Health Service Pay Rates

The lowest pay point on the Agenda for Change pay scale for Health Service workers is £17,652 with effect from 1 April 2019. This will rise to £18,005 on 1 April 2020. The whole of NHS Agenda for Change pay band 1 has been closed to new entrants from 1 December 2018 and band 1 jobs are in the process of being up-skilled to pay band 2 by 31 March 2021. This change will allow former band 1 employees to progress in the higher pay band 2.

7.5 The Cost of Resolving the Problem of Police Staff Low Pay

Information collected for the PSC Pay and Reward Working Party, to support pay negotiations and the PSC Pay and Reward Review, shows that the numbers of police staff on PSC pay points 7 & 8 are very low in relation to the overall police staff workforce. There are:

- 262 police staff on pay point 7
- 162 police staff on pay point 8

The Trade Union Side therefore contends that the cost of resolving the low pay element of our claim this year is realistic, affordable and achievable.

The above data shows conclusively that police forces in England and Wales are at risk of falling behind other major public sector employers in relation to the salaries paid to the most junior staff in the service. To fix the problem and provide decent pay for the most junior police staff involves lifting only 422 police staff the few hundred pounds to place them on pay point 9 as the proposed new base point of the PSC pay spine.

8. An Increase in Minimum Annual Leave Entitlement

The Trade Union Side is aware of the continuing disparity in police staff annual leave entitlement across forces in England and Wales. There remain a small number of forces which provide only the bare minimum annual leave entitlement provided for by the PSC Handbook, namely 23 days on appointment and 28 days after 5 years service.

The majority of forces have improved on this basic entitlement and provide 24, or 25 days annual leave on appointment for their police staff. The Trade Union Side believes that police staff deserve a level playing field when it comes to annual leave, because working for the police service can be stressful and staff benefit from time away from work to allow for proper recreation and relaxation.

It is far from clear why certain forces are lagging behind and why they continue to apply lower levels of annual leave than in the majority of forces.

As part of the settlement of our 2018 pay claim, the Employers Side undertook to discuss annual leave entitlement as part of the PSC Pay and Reward Review Part 2. Unfortunately this has not come to pass. It is for this reason that we wish to reiterate our ambition to improve the minimum annual leave entitlement for police staff and also for this reason that we have upped our claim from one additional day to two additional days on the PSC Handbook minimum annual leave entitlements with effect from this year's pay anniversary date.

9. Dying to Work Campaign

The Trade Union Side supports the Dying to Work campaign which is a TUC backed initiative pressing for additional employment protection for terminally ill employees. The Trade Union Side seeks as part of this pay claim for the Police Staff Council to throw its collective weight behind the campaign and to encourage all forces and their recognised trade unions to sign up to the charter.

Being told that you are to die as a result of a disease for which there is no cure or effective treatment and that you have only months, or at best a year or so to live is a traumatic event and everyone will react differently.

Sometimes the nature of the illness is such that the person is unlikely to be able to work again. In other cases, a person may decide that they do not want to work anymore and would rather spend their remaining time with their family and friends, getting their affairs in order, or simply doing what they want. However, a lot of workers with a terminal diagnosis decide that they want to continue working as long as they can, either because they need the financial security, or because they find that their work can be a helpful distraction from their illness. Whichever choice a person makes, they should be able to expect help and support from their employer. Unfortunately the experience of many workers is that their employer is either unsympathetic, or puts up barriers to them continuing in work.

If a worker with a terminal illness loses their job they lose their income. They can also lose any death in service payments they have earned through a life-time of work, but are only payable to those who die while still in employment.

The Dying to Work Charter sets out the following commitments:

- We recognise that terminal illness requires support and understanding and not additional and avoidable stress and worry.
- Terminally ill workers will be secure in the knowledge that we will support them following their diagnosis and we recognise that, safe and reasonable work can help maintain dignity, offer a valuable distraction and can be therapeutic in itself.
- We will provide our employees with the security of work, peace of mind and the right to choose the best course of action for themselves and their families which helps them through this challenging period with dignity and without undue financial loss.
- We support the TUC's Dying to Work campaign so that all employees battling terminal illness have adequate employment protection and have their death in service benefits protected for the loved ones they leave behind.

Leicestershire Police, Nottinghamshire Police, Northamptonshire Police and Derbyshire Police have, to their credit, already signed up to the Dying to Work Campaign.

10. Conclusion

The Police Staff Council Trade Union Side submits this claim in the expectation that police staff will receive a proper pay rise in 2019. Our claim is reasonable and proportionate, particularly given the drastic decline in the value of our members' earnings over the last seven years relative to RPI inflation.

The Police Staff Council pay determination factors clearly justify a decent pay rise for police staff this year. This claim highlights in particular that RPI inflation remains high, public sector pay awards are up, private sector pay awards remain ahead of the public sector and 2019/20 has seen the second increase in police service funding for many years, and a very noteworthy 7.2% increase at that. These are significant factors which will inform this year's pay negotiations.

The work of our members is vital to the security and safety of the people in our two countries, and it is time for the Employers to acknowledge this with a decent pay award for 2019.

Appendix A:

SCP	Current Pay	5% Increase	New SCP
7	£17,262	£863	£18,125
8	£17,676	£884	£18,560
9	£18,078	£904	£18,982
10	£18,486	£924	£19,410
11	£18,885	£944	£19,829
12	£19,290	£965	£20,255
13	£19,704	£985	£20,689
14	£20,115	£1,006	£21,121
15	£20,820	£1,041	£21,861
16	£21,507	£1,075	£22,582
17	£22,275	£1,114	£23,389
18	£22,668	£1,133	£23,801
19	£23,361	£1,168	£24,529
20	£24,057	£1,203	£25,260
21	£24,759	£1,238	£25,997
22	£25,566	£1,278	£26,844
23	£26,433	£1,322	£27,755
24	£27,339	£1,367	£28,706
25	£28,353	£1,418	£29,771
26	£29,289	£1,464	£30,753
27	£30,195	£1,510	£31,705
28	£31,095	£1,555	£32,650
29	£31,995	£1,600	£33,595
30	£32,907	£1,645	£34,552
31	£33,771	£1,689	£35,460
32	£34,614	£1,731	£36,345
33	£35,481	£1,774	£37,255
34	£36,525	£1,826	£38,351
35	£37,677	£1,884	£39,561
36	£38,700	£1,935	£40,635
37	£39,705	£1,985	£41,690
38	£40,719	£2,036	£42,755
39	£41,745	£2,087	£43,832
40	£42,759	£2,138	£44,897
41	£43,779	£2,189	£45,968
42	£44,787	£2,239	£47,026
43	£45,801	£2,290	£48,091
44	£46,809	£2,340	£49,149
45	£47,826	£2,391	£50,217

Appendix B

Increase in Police Service Funding 2018/19 to 2019/20

The following table shows the increase in police funding between 2018/19 and 2019/20 for each police force in England and Wales. These are Home Office figures and form part of factsheet on Police Funding published in March 2018. They show an overall percentage increase of 7.2%.

Police Force	Total resource funding			% Increase
	2018/19	2019/20	Cash increase	
	£m			
Avon & Somerset	281.7	302.9	21.2	7.53%
Bedfordshire	104.6	112.7	8	7.65%
Cambridgeshire	134	144.5	10.5	7.84%
Cheshire	177.9	192	14.2	7.98%
City of London	57	61	4	7.02%
Cleveland	125.4	132.7	7.2	5.74%
Cumbria	102.9	110	7.1	6.90%
Derbyshire	167.2	179.6	12.4	7.42%
Devon & Cornwall	291.3	314.1	22.8	7.83%
Dorset	124.7	135	10.4	8.34%
Durham	115.6	123.1	7.5	6.49%
Dyfed-Powys	99.1	107.2	8.1	8.17%
Essex	275.9	298.8	23	8.34%
Gloucestershire	110.3	118.8	8.5	7.71%
Greater London Authority	2,560.1 0	2,732.10	172	6.72%
Greater Manchester	556.1	590.8	34.7	6.24%
Gwent	123.5	132	8.5	6.88%
Hampshire	314.2	339.2	25	7.96%
Hertfordshire	188.9	204.9	16	8.47%
Humberside	175.3	186.8	11.5	6.56%
Kent	288.8	312.4	23.6	8.17%
Lancashire	266.8	285.2	18.4	6.90%
Leicestershire	175.5	188.2	12.7	7.24%
Lincolnshire	113.9	122.4	8.6	7.55%
Merseyside	312.6	330.9	18.2	5.82%
Norfolk	153.6	164.8	11.2	7.29%
North Wales	146.5	157.2	10.7	7.30%
North Yorkshire	144.8	155.9	11.1	7.67%

Police Force	Total resource funding			% Increase
	2018/19	2019/20	Cash increase	
	£m			
Northamptonshire	126	135.3	9.2	7.30%
Northumbria	265.3	283.3	18	6.78%
Nottinghamshire	195.1	208.2	13.1	6.71%
South Wales	271	290.1	19.1	7.05%
South Yorkshire	245.8	261.4	15.6	6.35%
Staffordshire	182.7	195.9	13.3	7.28%
Suffolk	116.2	125.3	9.2	7.92%
Surrey	217	234.6	17.6	8.11%
Sussex	264.9	287.2	22.3	8.42%
Thames Valley	389.7	422.4	32.7	8.39%
Warwickshire	94.1	101.5	7.4	7.86%
West Mercia	205.8	221.9	16.2	7.87%
West Midlands	534.3	568.6	34.2	6.40%
West Yorkshire	418.1	446.6	28.5	6.82%
Wiltshire	109.2	118.3	9.1	8.33%
Total England & Wales	11,323.40	12,136.00	812.5	7.18%