

Briefing to National Board, and national Council Chairs and Secretaries on the Scottish Police Pay Deal [28th September 2018]

Authors: Research and Policy, under direction of National Secretary, Alex Duncan

1. Contents

2. Background:	1
3. The positives and the risks for the SPF settlement	2
4. The England and Wales context - Why has England and Wales not got a 3 year deal?....	2
5. Can we achieve a deal on this scale?	3
6. Detail of the Scottish deal.....	4

2. Background:

On 28th September it was announced that the Scottish Police Force would receive an uplift of 6.5%, which is to cover a 31 month period.

The purpose of this briefing is to provide background information about the key differences between the SPF uplift and the pay process and uplift in England and Wales.

Key differences:

1. The Scottish settlement covers 31 months, whereas the England and Wales uplift is for 12 months. In essence the SPF pay uplift *could* be considered to be 1.5% for the last seven months, followed by 2.5%, and another 2.5%, to the end of the period. By contrast, the uplift in England and Wales this year was 2% consolidated (and the removal of 1% unconsolidated from last year).
2. The SPF still has a Police Negotiating Board, whereas England and Wales has the Police Remuneration Review Body.

3. The SPF were not subject to many of the reforms of the Winsor Review, and whereas the forces in England and Wales have standards set by the College of Policing, the SPF do not.
4. Decisions regarding police pay are devolved to the Scottish government, whereas in England and Wales the final decision falls to the Home Secretary.
5. We understand that this uplift was budgeted for in Scotland, last March. Forces in England and Wales are currently contributing to the Comprehensive Spending Review, due in November 2018.

3. The positives and the risks for the SPF settlement

The 3 year deal obviously gives certainty to officers in Scotland, and the fact that all 31 months' uplift – the full 6.5% – are to be paid with immediate effect, means that officers' financial benefit occurs right away.

That said, projections following BREXIT are that inflation may rise faster than in the last few years. The Scottish deal has an element of risk, as it does not take account of these unknown inflation rates.

4. The England and Wales context - Why has England and Wales not got a 3 year deal?

The Treasury has set a number of objectives regarding public sector pay. In the last few years these included a pay cap of 1%. Now, there is an impetus to move to pay based on productivity. As a result, the National Police Chief's Council has been working for some years to completely redesign the pay system, and this is being done alongside College of Policing reforms such as the Assessing and Recognising Competence work, which introduced competence based pay progression. The PFEW has been engaged in this process. From the outset of the PRRB, we have expressed our concern that if the NPCC reform is slow, then the Treasury may well hold back money from policing pay uplifts, in order to be able to ultimately invest differently in the paybill. That is, instead of uplifting all pay within the current pay structure, and immediately, we believe that when pay reform is enacted, monies will be used to introduce different pay structures, and incentivise differently. This

would be similar to what has occurred in the NHS, where some currently very poorly paid employees have had uplifts of 9.7% (including increments), while others have had uplifts that are well below inflation.

To date, therefore, there has been reluctance on the part of the employers to enter into longer term pay deals. However, we believe that attitude is changing.

5. Can we achieve a deal on this scale?

As mentioned, the political will seems different in England and Wales, and the NPCC progress with pay reform will also be a key determinant. We have calculated that, were the SPF deal to have been enacted in England and Wales, **then it would have added £305.5 million to the paybill in England and Wales this year.** We will seek to ensure that investment of at least this level is included in the budgeting process. We will seek for the Comprehensive Spending Review, due in November, to take this into account, and in our engagements with the NPCC we will remind them of the need to properly invest in any reform.

6. Detail of the Scottish deal

- It should be noted at the outset that the Constables pay scales are different in Scotland from those in E&W since they were not part of the Winsor Review. No new Constables' pay scale was introduced in Scotland. However, whereas in E&W the old Constables' pay scale was reduced to an 8-point scale (1-7) the old 11-point scale (0-10) was retained in Scotland. Figures on the PNB Scotland website show Constables' pay range was the same as in E&W in 2017 but spread over more pay points - £24,447 (pp0) to £38,382 (pp10). Competency Related threshold Payments (CRPT) payments also still exist in Scotland and in 2017 were worth £1,272. However, it's worth pointing out that the 8 point scale (0-7) in E&W means that officers get to the top of the scale quicker than in Scotland.
- The deal recently negotiated between the Sides of the Scottish PNB [ASPS, SPF, Scottish Police Authority (SPA), Police Scotland and the Scottish Government] covers the period 1 September 2018 to 31 March 2021 (31 months).¹
- Under the deal all ranks below that of Assistant Chief Constable will receive a 6.5% increase to all pay points. Although it is technically a multi-year deal in that it covers a period of 2 years 7 months, the full 6.5% increase will take effect immediately and be backdated to the 1st September.
- There is an obvious advantage for officers in receiving the full increase in the first year in that it represents an immediate payment on both pay and pensions which would not be the case if the increase were spread over the whole period of the deal. If the award had been spread across each year it would have resulted in an uplift of 2.5% in year 1, 2.5% in year 2 and 1.5% over the last 7 months.
- It is claimed by all Sides that a mid-point Constable (pay point 5 in Scotland where the 11-point scale of 0 to 10 was retained) will see an immediate salary increase of £2,300. It is argued that this effectively means an additional £6,000 over the next 31 months (i.e. the £2,300 increase stays in place going forward, and the last 7 months is pro-rated to £1,342 – a total of £5,942 additional pay over the 2½ years).

¹ This is because from 2021 future pay awards in Scotland will align with the financial year.

- Whilst SPF is correct to say that this award represents the greatest annual uplift to police pay for over 20 years (there was a 4% increase in 1998), unlike previous uplifts it has to last for 2½ years. Essentially it is a pay uplift of 6.5% in one year, but then 0 uplifts for the remaining 19 months.
- Full details of the agreement will be in a PNB Circular to be published by the Scottish Government in the coming days (as well as in a SPF Circular).
- There are additional elements of the deal:
 - All allowances (dog handlers etc.) will also be increased immediately by 6.5%;
 - Also CRTP payments (which were retained in Scotland since the Winsor Review changes only applied to E&W officers) are also to be uprated by 6.5% from £1,272 to £1,356. The top of scale will increase to £40,875 and with the increased CRTP Constables could earn £42,231. This will become the new top of scale point for Constables when CRTP is incorporated into basic pay from 1 April 2020 (see below)²;
 - With effect from 1 April 2020 the current bottom point on the Sergeants' pay scale will be removed – so reducing from a 5-point to 4-point scale (this occurred in E&W a few years back);
 - With effect from 1 April 2020 the current bottom point on the Chief Inspectors' pay scale will be removed – so reducing from a 3-point scale to a 2-point scale (which has not occurred in E&W);
 - With effect from 1 April 2020 an additional £291 will be added to the top point on the Chief Inspectors' pay scale;
 - With effect from 1 April 2020 CRTP will be incorporated into a new top increment for each of the federated rank pay scales, and the current process for application/approval will cease. This is a major change that cannot be replicated in E&W since CRTPs have been abolished;

² Note these are our calculations based on the 2017 pay scales on PNB Scotland's website. They have yet to be confirmed in a new PNB Circular for 2018.

- There is also a commitment to a 4 hour minimum payment of overtime for officers attending court from night shift where the minimum 11 hours rest was not afforded between tours of duty [details not yet available].
- Police Scotland on their website hailed the pay award as part of “a strategic investment in policing”. The increased cost of £125 million in officer salaries over the period of the settlement is said to be “consistent with efforts to bring the police budget back into financial balance”. No details on this are yet available, but it would seem that the Scottish Government will be putting in additional funding, since the Police Scotland press release also states that the final agreement reached “is affordable within the anticipated financial settlements now expected between **central government** and policing over the 31 month period covered by the award”.
- Unlike the situation in E&W, in Scotland collective bargaining was retained, via the Police Negotiating Board. The SPA and Police Scotland approved a 3-year financial plan in May 2018 which sets out their aim to achieve “financial balance by the beginning of the financial year 2020-21”.