

HOME OFFICE

Police Remuneration and Conditions

The Secretary of State for the Home Department (Theresa May): This statement is about police pay and pensions. It provides the Government's response to the Police Arbitration Tribunal's findings on the recommendations in the Part 1 report of Tom Winsor's Independent Review of Police Officer and Staff Remuneration and Conditions and the consultation on the proposed increase in pension contributions for police officers. Both issues have the potential to affect police officer remuneration and so the Government has considered them in the round.

On 30 March 2011 I laid a statement to respond to Tom Winsor's Part 1 Report of the review of remuneration and conditions of service for police officers and staff. I announced that I was directing the Police Negotiating Board and the Police Advisory Board for England and Wales to consider proposals within their remits for police officers in England and Wales as a matter of urgency.

The Police Negotiating Board was not able to reach agreement on several important proposals, and these were referred to the Police Arbitration Tribunal. The Tribunal has now provided its recommendation and reasons, which I received on 9 January. The Tribunal considered 18 recommendations from the Winsor Part 1 report. The Tribunal accepted 10 recommendations, modified 5 and made no award on 3. I have today placed a copy of the Police Arbitration Tribunal report in the House of Commons Library.

I am grateful to the Tribunal for its comprehensive and balanced consideration of these important issues. I have now considered its report thoroughly. I have decided to accept its recommendation and am minded to implement the package of reforms it has put forward in full.

I have also decided to accept the recommendation of the Police Negotiating Board on those recommendations that it agreed in principle, which were not referred to the PAT.

These reforms represent an important first step in modernising police pay and conditions so that they are fair to officers and to taxpayers. They include redistributing pay to officers who work unsocial hours, abolishing ineffective post-related payments (SPPs), suspending some elements of time served pay and improving managers' ability to manage shift arrangements. However, as a Government we remain committed to further reform and to the principles set out in the Winsor Part 1 Report. The PAT recommended that a small number of recommendations should be deferred until Part 2 has made longer-term recommendations on pay structures. We will consider these matters along with Part 2, in light of the Review's principles. In particular, the link between pay and skills remains a key principle and will be an important part of our consideration.

We have the best police service in the world, and these reforms will support the police in maintaining and improving the service that they give the public. In particular, they will support the objectives I set out in the review's terms of reference to:

use remuneration and conditions of service to maximise officer and staff deployment to frontline roles where their powers and skills are required;

provide remuneration and conditions of service that are fair to and reasonable for both the public taxpayer and police officers and staff;

enable modern management practices in line with practices elsewhere in the public sector and the wider economy.

In reaching this decision, I have had regard to a number of vital considerations, including:

the review's three key objectives as set out above

the absolute necessity to reduce the fiscal deficit inherited from the previous Government and the part the police service must play in this and the role that changes to pay and conditions can play in protecting police jobs

the need to maintain and improve the service provided to the public, taking account of a strong desire from the public to see more police officers and operational staff out on the frontline of local policing and also recognising that there are less visible frontline roles that require policing powers and skills in order to protect the public

the particular frontline role and nature of the Office of Constable, including the lack of a right to strike

the Government's wider objectives for police reform, including the introduction of police and crime commissioners, the reduction of police bureaucracy and collaboration between police forces and with other public services

the Government's wider policy of pay and pensions in the public sector

the review's analysis of the value of officers' remuneration and conditions, as compared to other workforces

parallel work by the police service to improve value for money, including collaboration with the private sector

the impact of the recommendations on equality and diversity.

The service must be able to benefit from these reforms as soon as possible. I will therefore begin the necessary action to amend the Police Regulations 2003 and issue determinations under them shortly.

These reforms will make short-term improvements to police remuneration and conditions. Part 2 of the review will look at longer term reform and is due to be published shortly.

Increases to police officer pension contributions

Turning now to police officer pensions, the Government wants to ensure that public sector workers continue to have access to pension schemes that are among the very best available. However, reform is inevitable because people are living longer. Costs have risen by one-third over the last ten years to £32bn. That is more than we spend on police, prison and the courts. These costs have generally fallen to the taxpayer. This is unfair and unaffordable, so it is also fair that we should ask public sector workers, including police officers, to contribute a bit more towards their pension.

That is why on 29 July 2011, I wrote to members of the Police Negotiating Board asking that they consider a proposal to increase police officer pension contribution rates. I am grateful to members of the Police Negotiating Board for considering the proposal and for the responses they provided.

Having considered the points raised alongside the recommendation from the recent Police Arbitration Tribunal, I have decided to implement the first year of increases in line with the proposal put to the Police Negotiating Board. This proposal meets the Government's objectives of protecting lower earners, asking higher earners to pay more and, by reducing the burden on those in the first two years of their career, minimising the rate of opt-out.

The Government is committed to securing in full the savings announced at Spending Review 2010 from increases in employee pension contributions for the unfunded schemes for 2013-14 and 2014-15. I will ask the Police Negotiating Board to consider the proposed increases for these years in line with other public service schemes.

Again I will begin the necessary action to amend the relevant regulations in order that the changes take effect in April of this year.