



**SPECIAL EDITION
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An important update for the membership of Cheshire Police Federation

Policing Budget

As you are aware when the current Government came to office they announced a range of financial cuts for all Police Forces, for Cheshire this translated into a reduction of £1.7 million pounds this financial year. This meant that the Force had to immediately put in place a recruitment freeze in the current year to save this money. This will mean there will be only 1 intake of 18 officers this financial year.

In the budget in June the Government made a further announcement that in Comprehensive Spending Review which will be announced on 22nd October, the Home Office would have to find savings of 25% in its Budget. The Home Office Budget is predominantly Policing and it is therefore obvious that the majority of this cut will be met by a reduction in Police Force Budgets. This figure is not yet set in stone and may well change before October, but even if it does it is clear that there will be significant cuts to Police Force Budgets.

The Force cannot wait until the cuts are announced and has to look at how these savings can be made. This work falls under the Transforming Business Services programme, Middle Office Review and the Transforming Policing Review.

85% of Police Budgets are taken by staffing costs, so the obvious conclusion is that if there are cuts approaching 25% the number of staff within Cheshire Police will have to reduce to make ends meet. To what extent numbers will

reduce is unclear and any proposals will have to be agreed and signed off by the Police Authority so no firm decisions have yet been made.

What does this mean to the Force?

It is clear that we are to lose Police Officers and Staff and we cannot continue to Police in the current style. It will require significant reorganisation of resources focussing on identified priorities of responding to calls for service, delivering neighbourhood policing and tackling serious and organised crime.

As staff leave the Organisation a central resourcing panel will look to redistribute staff to fill these gaps. This will mean more staff movement than we have been previously used to but will be unavoidable in this financial climate if we are to continue to deliver a service to the public.

What about Redundancy?

Police Officers are currently Crown Servants and cannot be made redundant. We have become aware that a number of National ACPO members have indicated to Government that they would be unable to meet the levels of cuts without changes to conditions of service including the ability to make officers redundant. Peter Fahy their spokesman has issued the following Press Statement:

"The police are operating in a new economic environment. The Prime Minister has made it very clear things need to be done differently to make savings - Stopping overtime alone will not generate the savings forces need to yield.

"Stopping recruitment of new officers can only be a temporary measure. Chief Constables need greater flexibility to get through these uncertain times, while maintaining frontline services.

"My ACPO colleagues and I are working with the Home Office to explore numerous options; a voluntary redundancy scheme is something we would consider. There is good reason why officers can't be made redundant, although, let me make it clear, if people aren't performing there are capability procedures in place. However, if there are officers who have lost their thirst for policing, they should have the option to leave the service."

In terms of Cheshire, the clear indication from our Chief Officer Group is that redundancy, if it were to be introduced, would be a very last resort. They recognise that most restricted duty officers play an important role in delivering policing services. However, as with their fully fit colleagues their roles may change as the service becomes more focussed on direct front line delivery.

If there was legislative change to allow officers to be made redundant then this would have to be accompanied by changes that allowed police officers greater employment rights to challenge unfair and constructive dismissal procedures.

At this stage there have been no formal discussions on redundancy proposals and it is clear that it has not progressed beyond the thought processes of some Chief Officers.

What about Pay and Conditions?

The Home Secretary has confirmed that this year's pay award, which is the last of the three year pay deal, will be honoured. However, she has also indicated that along with the rest of the Public Sector police officers pay will be frozen for the next two years.

She has also indicated a wider review of pay and conditions and there are some obvious signs that overtime in particular will come under attack. On top of Peter Fahy's statement above at a recent speech to the ACPO Conference the Home Secretary stated:

"But we have to be realistic about what we can afford, so we will also undertake a review of police terms and conditions. Let me be crystal clear from the beginning: police officers and staff need to be ready, along with the rest of the public sector, to make sacrifices and accept pay restraint.

It cannot be right, for example, that police overtime has become institutionalised. We may not win popularity contests for asking these difficult questions, but it is time for them to be asked."

At this moment in time we do not have details of any firm proposals but it is clear that the current review will not deliver improvements to our pay and conditions on the current financial climate. The Federation will do everything we can in this environment to ensure that our position is understood and heard by those who will make these decisions about our future pay.

What about Pensions?

As with pay and conditions the Government has undertaken to review all public sector pensions including the pension scheme. The review is being conducted by John Hutton and there will be an interim report in September and the final recommendations will be made next March.

In a press release from John Hutton he indicated that the Commission will consider issues including:

- the growing disparity between public service and private sector pension provision;
- the need to ensure that future pension provision is fair across the workforce;
- how risk should be shared between the tax payer and employee; and
- Wider Government policy intended to encourage adequate saving for retirement and longer working lives.

There is much speculation and rumour about the potential outcome and whilst this is understandable it is not always helpful.

The Police Federation has been invited to submit evidence by the end of July and our National Office is currently working on those submissions.

Apart from the more technical submissions regarding the cost and benefit we will ensure that the Commission is fully aware that:

- The police pension scheme was reviewed as recently as 2006 and a new pension scheme which introduced a thirty five year career for new joiners is already in place.
- That Police Officers pension contribution is far higher than those of other public sector workers.
- That the risks faced by Police Officers in their daily duty require a pension scheme that supports them should they be no longer able to work.
- The potential impact on morale and recruitment and retention if a pension scheme does not afford the proper protections to police officers as they go about their daily duties.

Whilst we will do everything we can to ensure a fair and equitable outcome to the review it should be noted that unlike pay and conditions pensions are not negotiable and any changes can and will be imposed. Clearly if they breach legal obligations, the Federation, as they have demonstrated in the past, will legally challenge the Government through the Judicial Review Process.

Special Priority Payments

This years scheme has been signed off by the Police Authority and is still with the Home Office for ratification. No timescales are available for a resolution regarding the future of SPP and we will continue to push the Home Office for a response.

Regulation A19 Police Pension Regulations 1987

This refers to compulsory retirement at 30 years service in the general interest of efficiency.

Cheshire is one of a number of Forces who have jointly funded legal advice to determine all of the issues around the application of Regulation A19. We are due a meeting with Mr Whatton, Chief Constable and Justine Steele, the Director of HR on 26th July, when we should have some indication as to the direction the Force intend to go with this.

Once we have that detail, then we will be able to determine our response.

Rumour Control

Given the enormity of all the potential changes and the uncertainty this brings it is understandable that officers will seek to try and gather as much information as possible. In the absence of information the rumour mill is rife and speculation quickly becomes fact. The Federation is committed to ensure that we communicate based on fact and not engage in the speculation. As information comes out, we will get that information out to Representatives and place the same on our web site

www.cheshirepolfed.org.uk