UK unions push probation worker pension cuts

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Around 18,000 probation workers in England and Wales are being balloted on whether to accept an agreement between the National Association of Probation Officers (NAPO) and the government, imposing drastic cuts in pensions.

The attack on pensions through the Local Government Pension Scheme (LGPS) is part of an unprecedented assault on the services that probation workers provide and their working terms and conditions.

LGPS is also supported by the largest public sector trade union, Unison and the Unite and GMB unions. It is to replace the existing Career Average Revalued Earnings (CARE) scheme. LGPS will be based on a career average wage rather than the final wage the worker has attained when they reach pension age. Although the unions claim it will benefit lower paid workers, it will generally result in lower pensions at retirement.

The new scheme links pensions to the Consumer Price Index rather than the Retail Prices Index, reducing their future value by 15 percent, about £400 million. The age at which a worker can claim that pension is to increase to 66 in 2020, rising to 68 by 2044. This follows a 10 percent cut in pensions already agreed by the unions and the previous Labour government in 2007 on the basis it would make pensions "sustainable". Today the average pension payment for local government workers is only £4,200 for men and £2,800 for women.

To sweeten the pill, and to divide low paid, generally younger public sector workers from higher paid ones, pension contributions increases will be limited to those earning £43,000 and over. A three percent increase on pension contributions has been put back to 2014 and a new accrual rate of 1/49th compared to the current 1/60th will occur from 2014. This is being hailed a victory by the unions.

A wage freeze has been imposed on all public sector workers for the past three years. With the current inflation rate at 2.4 percent, this amounts to a substantial wage cut.

The probation service, which supervises over 240,000 people a year, has already suffered cuts of 10 percent to its resources over the last 18 months. It now faces a further 15 percent in cuts over the next three years. Staff cuts of 10 percent in London, 15 percent in Manchester and 10 percent in Humberside and West Yorkshire are being made.

These attacks have prepared the ground for the privatisation of the probation service. In March Secretary of State Justice Kenneth Clarke published new proposals, "Punishment and reform: Effective Community Sentences" and "Punishment and reform: Effective Probation Services". These follow from the previous Labour government's Offender Management Act 2007, which set out to "Make arrangements for the provision of probation services from a range of providers in the public, private and voluntary sectors."

Under Clarke's proposals, 60 percent of probation services are to be opened to privatisation including Community Payback (unpaid work in the community introduced by the Labour government), Approved Premises (Probation hostels), Electronic Monitoring (curfew with tagging), Support Services, Attendance Centres, Victim work, Accredited Programmes, Specified Activity Requirements, and Supervision and Offender Management of low risk of harm offenders, including supervision on release from prison.

Probation Trusts can bid for the contracts to provide these services, but are likely to be undercut by private security and facilities companies such as G4S, Serco, Reliance, Mitie, and Sodexo which pay staff less money on poorer terms and conditions. Such inferior conditions already exist in the 11 privately-run prisons of the 137 in England and Wales, in prisoner transport, and the cleaning and maintenance of probation establishments.

As with the on-going privatisation of Community Payback, which has cost £20 million so far, the areas to be tendered have been expanded beyond 35 single Probation Trust areas such as Merseyside to larger geographical areas such as the northwest of England. The contract to supervise 15,000 people a year on Community Payback in London has been handed to Serco, in "partnership" with London Probation Trust, at £38 million over four years.

It currently costs around £5,000 a year to supervise someone in the community, with £2,000 on top of this if an Accredited Programme (such as a domestic violence or a substance misuse programme) is imposed by the courts. It costs at least £45,000 a year to keep someone in prison. To make a profit, private companies must reduce staff costs by reducing numbers, which means increased workloads and stress for workers. It seriously compromises the effectiveness of the service and increases the risk of harm and re-offending.

A Prison Reform Trust report in 2005, "Private punishment: who profits?" exposed the level of cuts likely to be imposed on probation workers when they are transferred over to private companies. Relating to private prisons it states, "Many staff are young, inexperienced and have little prior knowledge of the prison system. And there are less of them: in private prisons, there are 17 percent fewer staff per prisoner. It is no surprise the staff turnover rate is at least double that in the public sector...".

In addition, "The average basic salary for prison officers in state-run prisons in England and Wales in April 2003 was £23,071. In the private sector prisons it was £16,077, nearly a third less (Hansard, 23 March 2004). The average contracted working week is two hours longer and annual leave is 23 days per year, rather than the 25 to 33 in the public sector. The overall package is more attractive in the public sector with better overtime pay and pension entitlements. When all the these factors are combined the difference becomes even more stark, with estimates that staff in private prisons are up to 70 percent worse off than their public sector counterparts."

The role of the trade unions has been to facilitate the imposition of these attacks. On pensions changes, NAPO and Unison signed up to the governments' Heads of Agreement, based on the scheme specific negotiations that all public sector unions participated in from last November. Despite an 82 percent vote by Unison members and an 83 percent vote by NAPO members for industrial action, this resulted in just a one day public sector strike against pension cuts last November. Finally the unions demobilised all opposition, calling off a planned strike of four unions on March 28 this year. Only a token national stoppage was held May 10 between two of the unions.

NAPO is limiting any opposition to attacks on probation workers to opposing Clause 23 of the Crime and Courts Bill. In a campaign bulletin, NAPO states that under the clause the "government could merely lay a statutory instrument and bring in the changes to Probation without any debate!"

NAPO merely calls on its members to support the few Labour Party and Liberal Democrat members of the Houses of Lords and Commons who are calling for a debate on the clause and to contact, "local agencies, local press and later MPs, to point out the consequences locally and what dismantling the Probation Service will mean for constituents and communities."