

Members' Briefing **REVENUE & CUSTOMS GROUP**

To: **All Members**

cc: **Branch Secretaries, Group Executive Committee, Equality Chairs, VOAC** (for info)

Can this Briefing be circulated via HMRC IT systems: **NO**

Website: **YES**

Action to be taken: **For the attention of all members**

Date: **5 June 2020**

Ref: **R&C/MB/038/20**

PAY 2020

Making the case for fair and equal pay

- *PCS set out members' views to HMRC*
- *Meeting scheduled for 11 June*

The PCS mailbox has been busy over the last few weeks, with members wanting to know the latest position on pay - after the intranet messages from both the chief executive and the chief people officer, reported that HMRC were meeting with the Treasury and Cabinet Office, to discuss their business case for pay and contract reform.

From the onset, we have tried to persuade the department to share their business case with the union. Needless to say, we still haven't seen that business case, and we can only speculate as to its content; although the imposed offer in the Valuation Office Agency, with its wholesale cuts in terms and conditions, probably gives us a clue as to what the future might hold.

Treasury remit caps pay again

Last month, the Treasury and the Cabinet Office published this year's 'pay remit', which (despite the government's claim that pay is 'delegated' to departments), sets out the maximum increases departments can pay, and how they are allowed to fund those increases.

Entirely in line with the last ten years of pay restraint, the latest edict from the Treasury tells departments that increases shouldn't exceed 2.5%, and that in practical terms, there's no 'new money' to pay for those increases.

HMRC 'a minimum wage employer'

After years of under-funding, pay freezes and below-inflation pay awards, the median salary in HMRC is now the lowest in the Civil Service. Around one in five employees in HMRC are paid either the legal minimum that any employer in the UK is allowed to pay, or they are literally pennies above that minimum.

Every year, when we see an increase in the National Minimum Wage, HMRC are forced to pay an additional in-year increase to some staff, just to keep track. Last April, around a thousand staff at the AA grade received an in-year uplift because without it, they'd have been paid less than the legal minimum. Next April, if the government keeps its commitment for the minimum wage to meet 60% of median pay, thousands of staff could require an in-year additional pay rise simply for HMRC to remain compliant with the law – the same law that it is part of HMRC's role to administer across the rest of society.

PCS calls for fair and equal pay

The national claim we have submitted to the Cabinet Office and the Treasury is for:

- national pay bargaining covering the UK civil service and related areas
- fair pay, including coherence of pay, terms and conditions across departments and bodies, levelled up to the best in government
- equal pay in multi-employer hub workplaces and across civil and public services
- time-bound mechanisms for swift progression to the maximum of the pay scale for the grade
- a 10% cost of living pay increase for all with a minimum underpin of £2,400; and a living wage of £10 per hour nationally (£11.55 in London)
- full funding for pay awards
- no detrimental changes to terms and conditions, or cuts to services.

Let alone not dealing with the vital issue of common pay and conditions across the civil service; in departments like HMRC, the pay remit limit isn't going to come close to addressing our claim for fair and equal pay. So without new money, it's hard to see how HMRC can come up with a pay offer that will even begin to address the shortfall in our pay.

They could of course, take the Valuation Office Agency route, and ask us to pay for our own pay rise, by selling our terms and conditions in exchange for increases in basic pay. You've already given us your views on that. Last Autumn we held members' meetings up and down the country, which over ten thousand of you attended, and you told us loud and clear that you were not prepared to trade your hard won terms and conditions, to rectify a pay shortfall that isn't of your making.

[PCS has written to the Director of People Policy](#) to make clear our national demands; and remind HMRC that talks on terms and conditions need *"to be in a different space from any discussions regarding pay; and in no way should any discussions on pay be dependent upon the outcome of any reform talks."*

Meeting management

PCS are meeting HMRC on 11 June, and we'll update you with any developments as soon as we can.

In the meantime the best way that any member of staff in HMRC can help PCS to achieve a decent pay rise is to get involved in your union. If you're not already a member then please join us, if you are a member then please ensure that your contact details are up to date so that you continue to receive regular updates and information.

Get involved!

Remember, HMRC applies restrictions on the content of union circulars distributed using the department's email system, so make sure that you stay in touch with your union.

If you haven't already done so, let PCS have your personal/non-work email address and your mobile phone number. We'll only use it to keep you informed about PCS matters. You can update your details securely online by registering for [PCS Digital](#) or by contacting membership@pcs.org.uk. Alternatively, ask your local PCS rep to enter your details securely on the PCS Organising App.

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