



Police  
Remuneration Review Body

# Police Remuneration Review Body

Third Report  
England and Wales 2017

*Chair:* David Lebrecht



# Police Remuneration Review Body

Third Report  
England and Wales 2017

*Chair:* David Lebrecht

Presented to Parliament by the  
Secretary of State for the Home Department  
by Command of Her Majesty

September 2017



© Crown copyright 2017

This publication is licensed under the terms of the Open Government Licence v3.0 except where otherwise stated. To view this licence, visit [nationalarchives.gov.uk/doc/open-government-licence/version/3](http://nationalarchives.gov.uk/doc/open-government-licence/version/3) or write to the Information Policy Team, The National Archives, Kew, London TW9 4DU, or email: [psi@nationalarchives.gsi.gov.uk](mailto:psi@nationalarchives.gsi.gov.uk).

Where we have identified any third party copyright information you will need to obtain permission from the copyright holders concerned.

This publication is available at [www.gov.uk/government/publications](http://www.gov.uk/government/publications).

Any enquiries regarding this publication should be sent to us at:

Office of Manpower Economics  
8th Floor, Fleetbank House  
2-6 Salisbury Square  
London EC4Y 8JX

[www.gov.uk/ome](http://www.gov.uk/ome)

Print ISBN 9781474146470

Web ISBN 9781474146487

ID 13061702 07/17 59836

Printed on paper containing 75% recycled fibre content minimum.

Printed in the UK by the Williams Lea Group on behalf of the Controller of Her Majesty's Stationery Office.

# Police Remuneration Review Body

## Terms of reference<sup>1</sup>

The Police Remuneration Review Body<sup>2</sup> (PRRB) provides independent recommendations to the Home Secretary and to the Northern Ireland Minister of Justice on the hours of duty, leave, pay, allowances and the issue, use and return of police clothing, personal equipment and accoutrements for police officers of or below the rank of chief superintendent and police cadets in England and Wales, and Northern Ireland respectively.

In reaching its recommendations the Review Body must have regard to the following considerations:

- the particular frontline role and nature of the office of constable in British policing;
- the prohibition on police officers being members of a trade union or withdrawing their labour;
- the need to recruit, retain and motivate suitably able and qualified officers;
- the funds available to the Home Office, as set out in the Government's departmental expenditure limits, and the representations of police and crime commissioners and the Northern Ireland Policing Board in respect of local funding issues;
- the Government's wider public sector pay policy;
- the Government's policies for improving public services;
- the work of the College of Policing;
- the work of police and crime commissioners;
- relevant legal obligations on the police service in England and Wales and Northern Ireland, including anti-discrimination legislation regarding age, gender, race, sexual orientation, religion and belief, and disability;
- the operating environments of different forces, including consideration of the specific challenges of policing in rural or large metropolitan areas and in Northern Ireland, as well as any specific national roles which forces may have;
- any relevant legislative changes to employment law which do not automatically apply to police officers;
- that the remuneration of the remit group relates coherently to that of chief officer ranks.

---

<sup>1</sup> The terms of reference were set by the Home Office following a public consultation – Implementing a Police Pay Review Body – The Government's Response, April 2013.

<sup>2</sup> The Police Remuneration Review Body was established by the Anti-social Behaviour, Crime and Policing Act 2014, and became operational in September 2014.

The Review Body should also be required to consider other specific issues as directed by the Home Secretary and/or the Northern Ireland Minister of Justice, and should be required to take account of the economic and other evidence submitted by the Government, professional representatives and others.

It is also important for the Review Body to be mindful of developments in police officer pensions to ensure that there is a consistent, strategic and holistic approach to police pay and conditions.

Reports and recommendations of the Review Body should be submitted to the Home Secretary, the Prime Minister and the Minister of Justice (Northern Ireland), and they should be published.

#### **Members<sup>3</sup> of the Review Body<sup>4</sup>**

David Lebrecht (Chair)

Dr Brian Bell

Elizabeth Bell

Anita Bharucha

Paul Leighton

Christopher Pilgrim

Patrick Stayt

The secretariat is provided by the Office of Manpower Economics.

---

<sup>3</sup> Members of the Review Body are appointed through an open competition adhering to the Commissioner for Public Appointments' Code of Practice. Available at: [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/578090/Public\\_Appointments\\_Governance\\_Code\\_.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/578090/Public_Appointments_Governance_Code_.pdf)

<sup>4</sup> Heather Baily resigned from the Review Body in March 2017.

# Contents

		<i>Page</i>
	<b>Executive Summary</b>	vii
<i>Chapter</i>	<b>1 Introduction</b>	<b>1</b>
	Introduction	1
	The 2017/18 remit	1
	Our approach to the 2017/18 pay round	1
	The 2017/18 context	3
	<b>2 Our Analysis of the 2017/18 Evidence</b>	<b>5</b>
	Introduction	5
	Policing environment	5
	Government pay policy and affordability	9
	Economy, inflation, labour market, earnings and pay settlements	12
	Police earnings	13
	Workforce, recruitment and retention	18
	Police officer motivation and morale	29
	Legal obligations on the police service in England and Wales and relevant changes to employment law	32
	<b>3 Pay Proposals and Recommendations for 2017/18</b>	<b>35</b>
	Introduction	35
	2017/18 basic pay uplift	35
	Allowances linked to our overall pay recommendation	39
	Allowances – general	39
	London and South East package	40
	Pay arrangements for police officer apprenticeships	40
	Hard to fill roles and superintending ranks	42
	<b>4 Police Workforce and Pay Reform</b>	<b>47</b>
	Introduction	47
	Police workforce and pay reform	47
	<b>5 Forward Look</b>	<b>57</b>
	Introduction	57
	Environment for the 2018/19 pay round	57
	Evidence and data gaps	57
	Conclusion	58
<i>Appendix</i>	<b>A Chief Secretary to the Treasury’s Letter</b>	<b>59</b>
	<b>B Home Secretary’s Remit Letter</b>	<b>61</b>
	<b>C The Parties’ Website Addresses</b>	<b>63</b>
	<b>D Recommended Changes to Police Officer Pay Scales and Allowances from 1 September 2017</b>	<b>65</b>
	<b>E Previous PRRB Reports</b>	<b>69</b>

# POLICE REMUNERATION REVIEW BODY

## England and Wales Third Report 2017

### Executive Summary

#### Our 2017/18 recommendations (from 1 September 2017)

- A consolidated increase of 2% to all pay points for federated and superintending ranks.
- London Weighting and Dog Handlers' Allowance to be updated by 2%.
- The introduction of appropriate, targeted arrangements in 2017/18 to allow local flexibility for chief officers to make additional payments to police officers in hard to fill roles and in superintending ranks. This interim measure should have a time limit through to September 2020.
- In order to support our consideration of pay and reward, the Home Office, National Police Chiefs' Council (NPCC) and College of Policing should publish an integrated police workforce and pay reform plan through to 2020 which specifies the strands of reform, their purpose, lead responsibilities and the implementation strategy.

#### *Remit*

1. This report covers our recommendations for 2017/18 on police officer pay and allowances in the federated and superintending ranks. The Chief Secretary to the Treasury confirmed that the Government's public sector pay policy remained in place with public sector workforces funded for pay awards of an average of 1%, with an expectation of targeted pay awards to support the continued delivery of public services and to address recruitment and retention pressures. The Home Secretary asked us to consider: (i) how to apply the pay award for 2017/18 including how best to apply short term targeted measures; (ii) observations on proposals to introduce police officer apprenticeships; and (iii) views on the longer term reforms and how the risks and challenges of a new reward structure were being addressed as plans developed. (Paragraphs 1.2 to 1.3)

#### *Our analysis of the 2017/18 evidence*

2. We conclude from the evidence:
  - Policing environment – the Policing Vision 2025 places an emphasis on delivery by a professional workforce with the necessary skills and capabilities. The required developments to meet the changing nature of policing will feature in the workforce reforms. However, recent reports from Her Majesty's Inspectorate of Constabulary (HMIC), surveys by the Police Federation of England and Wales (PFEW), and our visits showed clear evidence that changed demand and workforce reductions have fed into increased individual officers' workload in terms of complexity, responsibility, risk and scrutiny. These relate directly to the particular frontline role and accountability of the office of constable; (Paragraphs 2.3 to 2.18)
  - Government pay policy and affordability – we understand that the pay policy helps reduce the budget deficit and achieve fiscal consolidation, and that the 1% figure was justified in 2015 on the basis of continued low inflation. In our view, the Government should take a longer term view on police pay as the economy changes. Following a policy of pay restraint over a long period, police pay needs

to take reasonable account of developments in the wider economy, including the increasing rate of inflation and the impact on cost of living, which put pressure on the sustainability of the pay policy; (Paragraphs 2.28 to 2.31)

- Affordability considerations in policing are complex, depending on a series of choices for the Government, police and crime commissioners, and chief officers. However, the evidence this year did not indicate how vigorously potential sources of savings are being pursued. The cumulative effect of pay policies and affordability choices, in support of achieving desired public expenditure savings, is a sustained reduction in police officer real pay levels over several years; (Paragraphs 2.33 to 2.34)
- Economy and labour market – Consumer Prices Index (CPI) inflation rose during the latter part of 2016 reaching 2.3% at March 2017 and was forecast to rise slightly throughout 2017. Average earnings growth was 2.3% and pay settlements were at 2.0% in the three months to February 2017. The labour market has seen employment growth and falls in unemployment; (Paragraphs 2.35 to 2.40)
- Police earnings – significant proportions of police officers are at the top of their pay scales (and therefore not in receipt of increments). Overall, police officer earnings have been broadly flat since 2011/12, but in the year to March 2016 police officers saw a decrease in median full-time earnings of 0.5%. Differentials between police earnings and the earnings of other groups have been narrowing since 2011/12, and we draw particular attention to the comparative position in relation to professional occupations; (Paragraphs 2.41 to 2.49)
- Police workforce – officer numbers have decreased by 14% since 2010 and by 2.5% between 2015 and 2016. NPCC data from 29 police forces suggested issues recruiting detectives, firearms officers and custody officers. The HMIC PEEL: Police Effectiveness 2016 Report concluded that the severe shortage of investigators such as detectives was a national crisis and the HMIC State of Policing Report reiterated that the recruitment and retention of specialists was a problem for many forces; (Paragraphs 2.50 to 2.55 and 2.72 to 2.81)
- Recruitment and retention – the numbers of joiners significantly reduced in 2015/16, although police forces did not report any concerns about the quality of applicants. Retention rates are generally stable. Our conclusions on retention should be seen in the light of policing as a vocational career with, in effect, a single employer. Those who have a vocation to join the police cannot fulfil that vocation if they leave for other employment; (Paragraphs 2.56 to 2.75 and 2.82 to 2.86)
- Motivation and morale – the evidence is limited and makes it difficult to disaggregate whether pay is a driver, although officers on our visits cited influencing factors including pay restraint, the real terms pay drop, workforce reductions, workload and pension changes. Staff associations’ surveys consistently report low morale for federated ranks. There are risks to police forces and wider society should officer motivation and morale weaken. (Paragraphs 2.87 to 2.100)



### *Basic pay proposals and recommendations for 2017/18*

3. The Home Office, NPCC and Association of Police and Crime Commissioners recommended a 1% consolidated uplift for all police officers. The staff associations recommended a 2.8% increase in line with the average projected Retail Prices Index increase for 2017. We considered a range of options for the basic pay uplift, and there was no evidence of a consistent picture across police forces to target police officers through basic pay awards.
4. Our recommendation on basic pay seeks to balance all the factors raised in evidence to arrive at our independent judgement. The key factors are:
  - The economic position has changed over the last year, with increasing CPI inflation pointing to a rising cost of living, although we note that private sector wage growth remains relatively subdued;
  - The rising demands on policing (as evidenced in recent HMIC reports, a PFEW survey and on our visits), in the context of reducing workforce numbers, directly impacting on the particular frontline role and accountability of the office of constable;
  - The prolonged pay restraint experienced by police officers;
  - Affordability concerns across the police service, particularly as 79% of the police budget is spent on pay and related costs for the whole workforce;
  - The potential for further efficiencies to be gained both within and through collaboration between forces; and
  - The fact that police officers, unlike many other occupations, are prohibited from being members of a trade union or withdrawing their labour.
5. These factors lead us to the following conclusions:
  - The time has come for the Government to take a longer term view on police pay in the light of changing economic circumstances;
  - The level of police funding is a matter for Government and is a choice;
  - The burden of generating savings within policing should not solely or disproportionately be borne by police officer pay; and
  - That many police officers view their work as a vocation, which they cannot fulfil if they leave for other employment, and while there are no serious problems with recruitment and retention this commitment should not be taken for granted.
6. Taking these factors and conclusions into account, our judgement is that an increase to basic pay of beyond 1% is required. In reaching our judgement on the level of recommended increase we have in particular noted: the increases to the cost of living; the increasing demands on police officers; and the persisting affordability concerns across police forces. **We therefore recommend a consolidated increase of 2% to all pay points for federated and superintending ranks from 1 September 2017.** (Paragraphs 3.2 to 3.22)

### *Allowances and other remit matters*

7. We note the NPCC's intention to review allowances as part of a future reward framework. From our visits and the staff associations' evidence, we understand that the On-call Allowance is a source of dissatisfaction among police officers and should be reviewed as a priority. **We recommend that London Weighting and Dog Handlers' Allowance should be uprated by 2% from 1 September 2017.** (Paragraphs 3.23 to 3.25)
8. The implications for pay arrangements of introducing **police officer apprenticeships** are unclear and we received no specific proposals. If the first cohorts start within the 2017/18 pay year we stand ready to make recommendations and we set out our evidence requirements in Chapter 3. Apprenticeships also have implications for designing a reward framework including comparisons with the graduate labour market. (Paragraphs 3.29 to 3.41)
9. **Hard to fill roles and superintending ranks** – the NPCC evidence and the HMIC PEEL Effectiveness Report provide an evidence base for hard to fill roles, and there is a consistent case to differentiate reward for superintending ranks. We support a targeted pay mechanism, which is for the NPCC to design in consultation through the Police Consultative Forum, accompanied by detailed guidance for chief officers including their assessment of local affordability. **We recommend the introduction of appropriate, targeted arrangements in 2017/18 to allow local flexibility for chief officers to make additional payments to police officers in hard to fill roles and in superintending ranks. This interim measure should have a time limit through to September 2020.** (Paragraphs 3.42 to 3.57)

### *Police workforce and pay reform*

10. Our overall conclusion is that the reform agenda remains challenging and the strands of reform will need substantial cultural and organisational change within police forces (paragraph 4.40). **In order to support our consideration of pay and reward, we recommend that the Home Office, NPCC and College of Policing publish an integrated police workforce and pay reform plan through to 2020 which specifies the strands of reform, their purpose, lead responsibilities and the implementation strategy** (paragraph 4.31). We also conclude that:
  - Consideration is needed of how basic pay might apply to the five-level organisational model including pay progression, lateral development and specialists/higher skills; (Paragraph 4.33)
  - Consideration is needed of the pay arrangements to support the Policing Education Qualifications Framework (paragraph 4.34) and Advanced Practitioners following pilot schemes (paragraph 4.36); and
  - The NPCC should produce a plan (for the 2018/19 pay round) setting out the key activities, timelines and resources to deliver a new pay structure. We highlight the challenges and risks of developing a new reward framework and stress the importance of the NPCC securing sufficient resources and ensuring effective engagement with the staff associations and the workforce as a whole. (Paragraphs 4.37 to 4.39)

### *Forward look*

11. We were in the process of completing our final deliberations when the General Election was called. The Government which will consider our 2017/18 recommendations will also be conscious of the implications for the next pay round including its approach to policing and to public sector pay. The environment for the 2018/19 pay round could

be challenging with prevailing economic and labour market conditions, but could also present opportunities for the parties to take a more flexible approach to police officer pay awards with a view to workforce and pay reform in the longer term. We also highlight the need to ensure continuing development of the evidence base. Given our strategic role, we stand ready to play our part in developing an effective police officer package that supports delivering the service to the public. (Chapter 5)

David Lebrecht (*Chair*)

Dr Brian Bell

Elizabeth Bell

Anita Bharucha

Paul Leighton

Christopher Pilgrim

Patrick Stayt

*19 May 2017*

# CHAPTER 1 – INTRODUCTION

## Introduction

- 1.1 In this report we make recommendations for 2017/18 on the pay and allowances of police officers in England and Wales. Our considerations are based on the parties' evidence submissions, available published information, and our own analyses of the police officer workforce, earnings and prevailing economic and labour market indicators. This report therefore analyses the latest key evidence and information before examining the specific pay proposals for 2017/18. Looking forward, we also assess and provide a view on the progress with policing workforce and pay reform in the longer term.

## The 2017/18 remit

### *Chief Secretary to the Treasury's letter*

- 1.2 The Chief Secretary to the Treasury (CST) wrote to us on 13 July 2016 acknowledging our role in making independent, evidence-based recommendations and providing advice on wider reforms (see Appendix A). The CST confirmed that: the Government's public sector pay policy remained in place; the Government would fund public sector workforces for pay awards of an average of 1% a year up to 2019/20; and there should be no expectation that every worker would receive 1%. The CST expected to see targeted pay awards to support the continued delivery of public services and to address recruitment and retention pressures although the CST recognised that targeting pay required good, evidence-based propositions.

### *Home Secretary's remit letter*

- 1.3 On 18 October 2016, the Home Secretary's remit letter initiated the 2017/18 police officer pay round (see Appendix B). This letter referred the following to us for recommendation: (i) how to apply the pay award for 2017/18, in accordance with the CST's letter, including how best to apply short term, targeted measures to address recruitment and retention pressures; and (ii) observations on proposals to introduce police officer apprenticeships in 2018, in relation to setting pay at an appropriate level. The Home Secretary set these matters in the broader context of the reform work underway, which would inform the development of a longer term pay strategy. The letter reiterated the Government's position to support police leaders by giving them the tools they needed for police workforce reform. The Home Secretary also sought our independent view on the progress being made on longer term reforms, and how the risks and challenges of a new reward structure were being addressed as plans developed.

## Our approach to the 2017/18 pay round

- 1.4 Our independent process is designed so that we can arrive at evidence-based recommendations on police officer pay and allowances. Our visits to police forces are a precursor to the formal pay round, which then starts with the submission of the parties' written evidence followed by oral evidence sessions and concludes with our deliberations, conclusions and recommendations in our annual reports. We describe below the process for 2017/18.

### *Our visits*

- 1.5 In autumn 2016 we made visits to six police forces in England and Wales – North Wales Police, Sussex Police, Merseyside Police, Wiltshire Police, the Metropolitan Police Service and City of London Police. We are grateful to the forces' management and police officers who organised and attended these visits.
- 1.6 Our visits enabled us to hold discussions with a range of police officers in a variety of roles. These discussions focused on: continuing pay restraint and officers' perception of the value the Government attached to policing; the changing nature and level of demand on policing and the requirement for higher skill levels; the resulting impact on police officer workload, stress and work-life balance; and the factors influencing officers' morale, motivation and retention. Our deliberations have been informed by the views of the officers we met and we explore these views in more detail in the relevant sections of this report.

### *Parties giving evidence*

- 1.7 The parties submitted their written evidence in December 2016. We are grateful for their contributions and in tailoring the submissions to our remit. Copies of the written evidence can be found on the parties' websites (as listed in Appendix C). In February and March 2017, the parties also attended oral evidence sessions including the Minister of State for Policing and the Fire Service. We received written and oral evidence from the following:
- The Home Office (including economic evidence from HM Treasury);
  - The National Police Chiefs' Council (NPCC) including the Metropolitan Police Service (MPS);
  - The Association of Police and Crime Commissioners (APCC);
  - The Police Federation of England and Wales<sup>5</sup> (PFEW) and the Police Superintendents' Association of England and Wales (PSAEW).
- 1.8 We also received a written submission from an individual police officer which covered a range of pay and related matters including specific proposals on the pay uplift, additional pay for detectives, compensation for payments withdrawn, and an increase in London and South East Allowances plus comments on the Government's public sector pay policy, regional pay and officer morale.

### *Our analysis of other evidence sources*

- 1.9 This is our Third Report since the establishment of the Pay Review Body in 2014 and we have therefore been able to develop our processes and evidence sources. For this report we have drawn on a wide range of published and other available information on policing which has helped to set the context for our 2017/18 considerations and for the longer term. These are:
- Further information on the policing environment;
  - An overview of the demands on policing;
  - Police officer workforce and earnings analyses;
  - Our regular assessments of economic and labour market indicators;
  - Data on morale and motivation (from the staff associations' surveys); and
  - Developments on the reform of the police workforce and a new reward framework.

---

<sup>5</sup> The PFEW and PSAEW provided a joint submission of written evidence. The PSAEW provided a further submission also jointly with the Superintendents' Association of Northern Ireland.

## The 2017/18 context

- 1.10 The context for our considerations starts with the policing environment. The changing nature of demand in policing requires transformation from police forces including major organisational change and significant shifts in policing culture. The Home Office continues to seek that reform is police-led and is funding specific transformation projects under police auspices. There have also been reviews, including of specialist capabilities, which stem from the recommendations of the College of Policing's 2015 Leadership Review.
- 1.11 We in turn review these developments in the policing environment in Chapter 2 as well as the increasing demands placed on police officers and the impact on their workloads.
- 1.12 The changing economic and labour market position also sets an important backdrop to this report. Again in Chapter 2, we assess their impact and the key indicators on changes in the policing workforce and police officer recruitment, retention, and motivation and morale.
- 1.13 The Government has set its public sector pay policy through to 2019/20 and we consider its effect in Chapter 2 and in the context of our recommendations on the basic pay uplift in Chapter 3. We note here, however, that the pay policy, when coupled with other pay and pension changes in recent years, continues to have a negative influence on police officers' perceptions of the sense of value placed on their work by the Government. In our view, an ongoing policy of pay restraint risks undermining the "contract" with society where the public expects an adequately resourced, trained, remunerated and motivated police service, all of which are implicit in the longstanding principles of policing by consent<sup>6</sup>. For the parties and police officers, the pay policy also appears to prejudice the outcomes and leads them, understandably, to question the value of the Review Body process. We would therefore like to reassure the parties and police officers that our process remains independent and that we aim to arrive at evidence-based recommendations on pay and allowances.
- 1.14 After our pay recommendations in Chapter 3, our report goes on to examine the evidence presented and make recommendations on allowances for police officers, including hard to fill roles and superintending ranks and an assessment of the NPCC's proposed interim measure to extend bonus payments.
- 1.15 We provide observations in Chapter 4 on longer term developments in the professionalisation of the police workforce and the plans for new reward arrangements to support the ambitious reform agenda.
- 1.16 We conclude this report in Chapter 5 by looking forward to the potential environment for the 2018/19 pay round and building the evidence base for the future.

---

<sup>6</sup> Home Office (December 2012), *Definition of policing by consent*. Available at: <https://www.gov.uk/government/publications/policing-by-consent/definition-of-policing-by-consent>

# CHAPTER 2 – OUR ANALYSIS OF THE 2017/18 EVIDENCE

## Introduction

- 2.1 In this chapter we analyse the evidence as it relates to our terms of reference and the matters referred to us by the Home Secretary. In addition to the parties' evidence, our analysis draws on published information and data, our assessments of the pay environment, and the views expressed on our visits to police forces. Our conclusions from this analysis are carried forward to our consideration of pay proposals in Chapter 3 and our forward look in Chapter 5.
- 2.2 Our analysis covers:
- The policing environment through the changing nature of demand and the impact on police officer workload (paragraphs 2.3 to 2.18);
  - The sustainability of the Government's pay policy (paragraphs 2.19 to 2.34);
  - The impact of changes in the economy, particularly rising inflation, and the labour market (paragraphs 2.35 to 2.40) and our analysis of police officer earnings (paragraphs 2.41 to 2.49);
  - The position of the police workforce, emerging shortage groups, recruitment and retention (paragraphs 2.50 to 2.86);
  - The picture on police officer motivation and morale (paragraphs 2.87 to 2.100); and
  - A review of the legal obligations on the police service and relevant changes in employment law (paragraphs 2.101 to 2.103).

## Policing environment

- 2.3 In November 2016, the NPCC launched Policing Vision 2025<sup>7</sup> which set out the plan for the future of policing over the next ten years and which will guide decisions on how police forces use their resources. It was developed in consultation with police partners and all chief officers and police and crime commissioners (PCCs) have signed up. The Vision sets out how the police service will deliver its mission against a changing landscape, with a focus on prevention, vulnerability and the management of risk. By 2025, it is intended that policing will be a profession with a more representative workforce that will align the right skills, powers and experience to meet challenging requirements.
- 2.4 In its evidence submission, the **Home Office** commented that Ministers have been clear that the next stage of reform to policing must be police-led and that the pace of change must not slow. The Home Office had set the strategic direction for the reforms and continued to support them through legislation, and by providing targeted funding to be used for transformation.
- 2.5 In August 2016, the Home Office announced awards totalling £23 million from its Transformation Fund<sup>8</sup> to provide additional investment to policing to support police reform and transformation. The Fund has supported the specialist capabilities programme<sup>9</sup> which aims to make these capabilities stronger and more affordable.

---

<sup>7</sup> NPCC (November 2016), *Policing Vision 2025*. Available at: <http://www.npcc.police.uk/documents/Policing%20Vision.pdf>

<sup>8</sup> Home Office press release. Available at: <https://www.gov.uk/government/news/home-secretary-awards-23-million-to-help-transform-policing>

<sup>9</sup> NPCC (2016), *Specialist Capabilities*. Available at: <http://www.npcc.police.uk/NPCCBusinessAreas/ReformandTransformation/Specialistcapabilitiesmain/SpecialistCapabilities.aspx>

This development was an important strand of the 2015 Leadership Review. The Home Office informed us that the NPCC has introduced a programme to examine greater collaboration on specialist capabilities (such as terrorism, serious and organised crime, cyber, public order and civil emergencies).

### *Policing demand*

- 2.6 A constant theme of our visits to police forces is that the changing nature of policing demand, responsibility levels, complexity, risk and scrutiny has led to increasing police officer workloads. The impacts appear to vary across different ranks although the themes were consistently identified, including workforce reductions since 2010 (both police officers and police staff) and cutbacks in other public sector services. Dealing with incidents relating to mental health carried extra scrutiny and risk for officers. Officers recognised that roles had changed, with the nature of crime becoming more complex and time consuming to resolve, and some officers were becoming more specialised although without commensurate training. Police officers commented that they were doing more with less, across wider geographical areas and often with stretched resources due to the reduction of police staff, which in turn increased the supervisory and managerial activities of officers. These pressures led to higher responsibility levels, increased risk management and questions around resilience. Organisational changes resulted in many officers picking up responsibilities for the next rank up. Fewer available resources left officers, particularly response teams, exposed to greater personal risk.
- 2.7 Many officers told us that they worked beyond their normal shifts, and on-call frequency and coverage had increased significantly. Increased workload affected rising sickness absence and the ability to take annual leave or rest days, which impacted on family life. Some officers felt under pressure to cover casual extra duties and, for supervisory ranks, there had been additional welfare and performance assessment responsibilities. In some forces, there was a growing concern about the levels of stress and the mental wellbeing for officers at all ranks.
- 2.8 We particularly heard how workforce reductions had affected inspecting ranks where workloads had seen a significant increase in recent years. In addition, some forces we visited<sup>10</sup> had decided, for local reasons, to reconfigure their rank structure by removing (or planning to remove) specific ranks, for instance chief inspector, chief superintendent and commander. We were told by officers that these changes were likely to compound the demands placed on other ranks, although there were potentially wider benefits from these changes. Similarly, we heard consistent messages on the effect of organisational change and reduced workforce levels for superintending ranks. While officers themselves recognised the requirements of the role, there was a clear pattern for superintending ranks including: increased spans of command; increased lead responsibilities; stringent legislative requirements; increased on-call (and wider coverage); lost rest days; and a significant impact on family life.
- 2.9 Following the themes emerging from our visits to police forces, we collated further data relating to overall trends in policing demand. From our analysis of available published data we note the following points relating to our remit:
- The reductions in the number of police officers were coupled with larger reductions in police staff and police community support officers (PCSOs) since 2010 (see paragraphs 2.50 to 2.51);
  - An increase in the ratio of constables to sergeants as a result of proportionally greater decreases in the number of sergeants compared with constables (as shown in Chart 2.5);

---

<sup>10</sup>Wiltshire Police and the Metropolitan Police Service.



- Population growth<sup>11</sup> at a time of reducing police strength has led to a higher ratio of members of the public per police officer;
- Overall police recorded crime<sup>12</sup> increased in 2015/16 but remained 9% lower than in 2009/10;
- Several recorded crime types increased over the same period – sexual offences, violence against the person and public order offences (and latterly increases in fraud);
- Falls in the number of emergency calls<sup>13</sup>;
- A high volume of non-crime incidents dealt with by the police<sup>14</sup> (often cited on our visits as relating to mental health issues); and
- The statutory requirement to undertake proactive work to safeguard the public and a range of non-statutory activities undertaken by the police to reduce crime or protect the public.

2.10 The findings of the PEEL: Police Effectiveness 2016 Report<sup>15</sup> published by Her Majesty’s Inspectorate of Constabulary (HMIC) in March 2017 concluded that most police forces provided a largely good service to the public and that slightly more forces than the previous year were good at providing an effective service to the public. However, HMIC identified some worrying practices in some police forces and risks to the public in the service that was being provided. It identified that a small number of forces were struggling to respond to shrinking resources. HMIC also highlighted that all forces needed to change their services so that they could better protect those who were vulnerable and meet changing demand.

2.11 HMIC had three main areas of concern:

- “Some forces’ attempts to suppress demand” were “putting people at risk”;
- In some cases, the police were not “carrying out sufficiently well their main activities of preventing crime, keeping people safe and catching criminals”; and
- Police capabilities that were “needed now and would continue to be needed in the future, such as skilled investigators and neighbourhood policing, were insufficient or being eroded”.

2.12 In its State of Policing Report 2016<sup>16</sup>, published in April 2017, HMIC said that keeping up with the pace of change was a major test for the police. It cited the example of dealing with child sexual exploitation in the digital dimension, which required a model of policing quite different from the conventional methods of the past. HMIC concluded that understanding current and future demand was important but it was also crucial that forces were able to deploy their resources effectively. Most forces knew their current workforce capacity in terms of costs and numbers of staff, but very few had a sufficient

---

<sup>11</sup> ONS (June 2016), *Population Estimates for UK, England and Wales, Scotland and Northern Ireland*. Available at: <https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/datasets/populationestimatesforukenglandandwalesscotlandandnorthernireland>

<sup>12</sup> ONS (July 2016), *Crime in England and Wales: Appendix Tables*. Available at: <https://www.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/datasets/crimeinenglandandwalesappendixtables>

<sup>13</sup> HMIC (November 2016), *PEEL assessments data: Efficiency 2016*. Available at: <http://www.justiceinspectorates.gov.uk/hmic/data/peel-assessments/>

<sup>14</sup> HMIC (November 2016), *Value for money profile data, 2016 – annual data return*. Available at: <http://www.justiceinspectorates.gov.uk/hmic/data/value-for-money-data/>

<sup>15</sup> HMIC (March 2017), *PEEL: Police Effectiveness 2016 – A National Overview*. Available at: <http://www.justiceinspectorates.gov.uk/hmic/publications/peel-police-effectiveness-2016/>

<sup>16</sup> HMIC (April 2017), *State of Policing – The Annual Assessment of Policing in England and Wales 2016*. Available at: <http://www.justiceinspectorates.gov.uk/hmic/publications/state-of-policing-the-annual-assessment-of-policing-in-england-and-wales-2016/>

understanding of the skills of their workforces or how to develop the skills necessary to meet future demand. Too many forces had reduced workforces to meet budget reductions without properly understanding how that might affect current and future capability.

- 2.13 HMIC further commented that the police service was not the only public service charged with meeting the needs of vulnerable people, but it was being used increasingly as the service of first resort, particularly in respect of people suffering from mental ill-health and acting as first responders when no ambulance services were available. HMIC also reflected that the jobs of frontline officers require them to deal with difficult, uncertain and often dangerous situations as a matter of routine, doing things that most people would go out of their way to avoid.
- 2.14 We also examined the findings from the PFEW 2016 Officer Demand, Capacity and Welfare Survey<sup>17</sup> which gave some insights into the issues surrounding demand for individual police officers. The main areas of interest to us were:
- Capacity – 73% of respondents indicated that their team/unit had a minimum officer staffing level and, of those, 21% indicated that this level was never or rarely achieved. 94% considered that failure to meet minimum officer staffing levels had a major or moderate effect on their ability to meet demand;
  - Demand – 66% of officers indicated that their workload was too high over the last 12 months. 67% of respondents disagreed or strongly disagreed that they were able to meet all of the conflicting demands on their time, 70% disagreed or strongly disagreed that they had enough time to engage in proactive policing, and 58% disagreed or strongly disagreed that they had enough time to do their job to a standard of which they could be proud; and
  - Work patterns – officers responding worked an average of 42.5 hours per week including overtime. The two most frequently reported reasons for working overtime over the prior 12 months were related to the number of available officers. 53% reported that they were never or rarely able to take their full rest break entitlement, 13% often or always had their rest days cancelled and 76% had two or more rest days cancelled in the previous 12 months.

#### *Our comment*

- 2.15 Our understanding of the policing environment and the demands on policing are essential to our deliberations. Our terms of reference require us to consider contextual issues such as the frontline role and the nature of the office of constable, the prohibitions placed on officers, different operating environments and the work of police partners. Our understanding has been greatly helped by available published information and our visits to police forces. We welcome further evidence from all parties on the nature of changes in the policing environment and the effect on police officers.
- 2.16 The Policing Vision 2025 has set the landscape for policing and places an emphasis on delivery by a professional workforce equipped with the necessary skills and capabilities. Other strands of work aim to support achieving the Vision in the longer term including the use of the Home Office's Transformation Fund and the NPCC's review of specialist capabilities. These all carry a strong element of developing a flexible, capable and diverse policing workforce and, in the case of specialists, focus on ensuring adequate resources or

---

<sup>17</sup> Police Federation of England and Wales (January 2017), *Officer Demand, Capacity and Welfare Survey*. Survey responses were gathered on-line over a four-week period in February 2016 with analyses conducted on 16,841 responses drawn from all 43 forces across England and Wales. Available at: [http://www.polfed.org/fedatwork/Welfare\\_survey.aspx](http://www.polfed.org/fedatwork/Welfare_survey.aspx)

collaboration to deliver specific capabilities. Much of the required development to meet the changing nature of policing will be featured in the police workforce reforms and delivery will need to be supported by an effective reward framework.

- 2.17 We recognise that it will take time for the necessary workforce reforms to be developed and implemented. There will be pay implications for a differently configured workforce, higher level skills and developments for specific roles plus a need to shift reward to reflect the flexibility forces need to meet different operating environments. In the meantime however, there is clear evidence that the combination of changing demand and reductions in the police workforce since 2010 have fed into individual officers' workload in terms of complexity, responsibility, risk and scrutiny. We note in particular from our visits that officers are coping with high levels of non-crime activity, dealing with mental health issues among the public, and handling the added complexity and accountability of historic investigations.
- 2.18 The evidence on increasing and changing demand is corroborated from a number of sources including our analysis of demand indicators, the HMIC 2016 PEEL Effectiveness Report and the PFEW Survey. In addition, there are frustrations among officers in delivering high standards for the public as a result of the impact of increasing demand and reducing resources. We also view these demands in the context of the restrictions placed on police officers, including the prohibition on joining a trade union or withdrawing labour. In this context, we acknowledge HMIC's conclusions on the challenges and risks for frontline officers and the comparison with other people who do not confront such situations. The impacts on individual police officers will continue to influence our approach to recommendations as the reforms are developed, implemented and take effect.

## Government pay policy and affordability

- 2.19 In evidence, **HM Treasury** (HMT) restated that the Government would fund public sector workforces for pay awards of an average of 1% a year up to 2019/20 and expected pay awards to be targeted to support the delivery of public services. HMT considered that, at a time when the UK faced a period of uncertainty following the vote to leave the EU, the 1% public sector pay policy would continue to play an important role in delivering the Government's objective of reducing the budget deficit over an appropriate timeframe, protecting jobs and maintaining public services.
- 2.20 The **Home Office** stated that public sector pay restraint continued to play a key role in fiscal consolidation and that the 2015 Spending Review settlement represented a fair deal for the police. It also recognised that continued pay restraint would present some challenges for police leaders, but argued that this must be balanced against most officers receiving incremental pay of between 2% and 7%, depending on rank and experience, in addition to any annual pay award. The Home Office considered that police salaries remained competitive, that officers continued to receive a generous pension and that they could retire earlier than most other workers.
- 2.21 The Home Office stated that the police officer pay bill for 2016/17 was around £6.65 billion and a 1% pay award would increase the pay bill by £63 million in 2017/18 and by an estimated £188 million by 2019/20. The Home Office considered its pay proposals complied with the wider conditions on public sector pay and, if implemented, would be affordable for Government and for police forces, given the additional investment in policing through the 2015 Spending Review settlement. The Home Office concluded that, considering the pay award and any short term measures, the totality of recommended measures must not increase the pay bill by more than 1% overall.

- 2.22 The **NPCC** commented that it continued to operate within the public sector pay policy as set out for the period 2016/17 to 2019/20. The NPCC did not have any specific evidence from a budgetary perspective that a greater percentage increase than 1% would be justified given the need for affordability for individual forces. The NPCC considered that a 1% increase was affordable.
- 2.23 The **MPS** highlighted that a 1% pay award would cost around £25 million for the MPS and, with no increase in their budget, this equated to the cost of around 1,000 officers over four years. It added that London policing had a £440 million budget gap to 2020/21 and needed to find considerable savings in order to reduce this, including a reduction in officer numbers.
- 2.24 The **APCC** pointed to a recent joint submission with the NPCC to the Home Office setting out an assessment of future levels of funding, highlighting the combination of pressures on local police budgets, including a continuing squeeze on funding, increasing costs, and changing patterns of demand. The APCC noted cost increases from the apprenticeship levy, implications of the Bear Scotland ruling<sup>18</sup> and anticipated increases in local government pension employer contributions (for police staff).
- 2.25 The **staff associations** said that eight years of austerity had resulted in a real terms pay gap of 14.6% across all ranks and a continuation of the 1% pay cap to 2020 would result in a gap between pay settlements and inflation of 23% since 2010. The associations did not see the Government's pay policy as sustainable going forward and added that money should be found to appropriately reward officers and to recruit and retain them.

#### *Police Grant Report 2017/18*

- 2.26 The Police Grant Report<sup>19</sup> was approved by Parliament on 22 February 2017 and set out the aggregate amount of grants for police purposes in England and Wales for 2017/18. In Parliament, the Minister of State for Policing and the Fire Service stated that "every PCC who maximises their local precept income this year and in 2017/18 will receive at least the same direct resource funding in cash that they received in 2015/16"<sup>20</sup>.

#### *HMIC State of Policing Report 2016*

- 2.27 HMIC acknowledged that the 2015 Spending Review maintained central government funding for police in real terms but, in its State of Policing Report, raised a concern that some forces were no longer pursuing reform with the levels of determination that they once were. HMIC concluded that the scale of necessary reform had not diminished and forces were still expected to reduce costs in the long term.

#### *Our comment*

- 2.28 The Government has implemented a series of public sector pay policies since 2011 (see box below). Pay awards for police officers have followed these policies for the last six years and the staff associations have consistently highlighted in evidence the impact on police officers' real terms pay.

---

<sup>18</sup> Requiring employers to include overtime and other regular allowances as part of holiday pay. See ACAS guidance available at: <http://www.acas.org.uk/index.aspx?articleid=4109>

<sup>19</sup> Home Office (2017), *The Police Grant Report (England and Wales) 2017/18*. Available at: [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/588196/Police\\_Grant\\_report\\_2017-18\\_Accessible.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/588196/Police_Grant_report_2017-18_Accessible.pdf)

<sup>20</sup> House of Commons (February 2017), *Police Grant Debate*. Available at: <https://hansard.parliament.uk/commons/2017-02-22/debates/7B394BF0-F226-47AF-8C71-E56D7B716F1F/PoliceGrant>

## Public sector pay policies since 2011

- For 2011/12 and 2012/13, the Government imposed a pay freeze for public sector workforces (except for workers earning £21,000 or less who received an increase of £250 per year), police officers (except those on the first three steps of the constables' pay scale) also experienced a two-year freeze on pay increments in 2012/13 and 2013/14<sup>21</sup>.
- The Government then limited public sector pay uplifts to an average of 1% between 2013/14 and 2014/15, and extended that policy to 2015/16 with awards up to an average of 1%.
- From 2016/17 (for four years), the Government has funded public sector workforces for a pay award of 1% and expected these to be applied in a targeted manner.

- 2.29 We understand that the Government's pay policy is in place in order to help reduce the budget deficit and achieve fiscal consolidation. The most recent Spending Review in 2015 stated that the pay policy was intended to protect jobs and maintain public services<sup>22</sup>. The Government also justified the 1% figure on the basis of continued low inflation<sup>23</sup>.
- 2.30 While we have no reason to doubt the savings to public finances from pay restraint, little evidence has been put to us of how the policy is now protecting jobs and maintaining public services in relation to the police service. We have heard on our visits, and in evidence submissions, that the police workforce is reducing and that this is having consequences in terms of increasing demand and officer workload.
- 2.31 Our role is to arrive at independent, evidence-based recommendations and therefore we must assess the evidence as presented. In our view, the Government should take a longer term view on police pay as the economy changes. A policy of pay restraint over a long period risks undermining the "contract" with society where the public expects an adequately resourced, trained, remunerated and motivated police service, all of which are implicit in the longstanding principles of policing by consent. This means that police pay also needs to take reasonable account of developments in the wider economy, which we set out in more detail in the following section of this chapter. In our first two reports, we commented that our pay recommendations had been influenced by the affordability position and a stable economy (with low inflation), labour market and pay settlements. It seems clear to us that the evidence on the increasing rate of inflation and the impact on cost of living put pressure on the sustainability of the pay policy as the economy is changing, and could have been more convincingly covered in evidence from the Government this year.
- 2.32 We recognise that affordability is a significant concern for police forces, given that 79% of the police budget is spent on pay and related costs for the whole workforce. Evidence from the Government and policing organisations in previous years was that affordability and the Government's pay policy were effectively equivalents. However, in a changing economic environment we consider that this assumption cannot rest simply on assertion.
- 2.33 Affordability considerations in policing are complex and depend on a series of choices: the Government makes choices about funding public services; PCCs balance local budget decisions in the context of the level of the precept; and chief officers decide on the appropriate workforce mix to deliver local policing.

---

<sup>21</sup> As recommended by the Winsor Review and amended by the Police Arbitration Tribunal. Available at: <https://www.gov.uk/guidance/police-pay-winsor-review>

<sup>22</sup> HM Treasury (November 2015), *Spending Review and Autumn Statement 2015*, paragraph 1.295. Available at: [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/479745/HM\\_Blue\\_Book\\_Complete.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/479745/HM_Blue_Book_Complete.pdf)

<sup>23</sup> HM Treasury (July 2015), *Summer Budget 2015*, paragraphs 1.86 and 1.87. Available at: [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/443300/50325\\_HMT\\_Red\\_Book\\_Complete.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/443300/50325_HMT_Red_Book_Complete.pdf)

2.34 The cumulative effect of pay policies and affordability choices, in support of achieving desired public expenditure savings, is that the police workforce has been asked to accept a sustained reduction in their real pay levels over several years. The 2015 Spending Review mentioned other potential sources of savings, such as collaboration, shared services or procurement estimated to potentially amount to £350 million. The evidence we have seen this year did not indicate how vigorously these are being pursued, alongside the proposals to hold down police pay and workforce numbers. We note also the HMIC conclusions in relation to forces reducing costs in the long term.

## Economy, inflation, labour market, earnings and pay settlements

2.35 The parties submitted written evidence for this report in December 2016 and we therefore briefly summarise the main headlines from their evidence on the economy and labour market below. Our assessment at the end of the section includes the up-to-date position at the time of finalising our recommendations.

2.36 **HM Treasury** provided its general economic outlook in evidence which made the following points:

- The UK economy was in a far stronger position than 2010, but that public debt stood at its highest share of GDP since the late 1960s and the deficit remained among the highest in advanced economies;
- Public sector pay restraint had been a key part of fiscal consolidation saving approximately £8 billion in the last Parliament and was expected to save another £5 billion in the current Parliament;
- The vote to leave the EU had created a period of economic uncertainty;
- The 1% public pay policy would continue to play an important role in delivering the Government's objective of reducing the budget deficit over an appropriate timeframe;
- The employment rate was the highest on record and the unemployment rate was at an 11 year low. There was limited evidence of widespread recruitment and retention issues within the public sector;
- Private sector pay growth was 2.5% (including bonuses) in the three months to September 2016 (1.5% for the public sector). Pay growth in both sectors remained below pre-recession rates. Overall, public sector pay growth between September 2008 and September 2016 was broadly comparable with that of the private sector;
- Analysis by the Institute for Fiscal Studies (IFS) and the Office for National Statistics (ONS) had shown that public sector pay growth was broadly comparable with private sector pay growth for workers with similar characteristics. The pay differential was narrowing but overall remuneration in the public sector continued to be above the market when taking employer pension provision into account.

2.37 The **NPCC** noted that for the past 12 months the public sector continued to follow the 1% pay guidance, except some county and local councils, and that all other sectors exceeded 1%. The NPCC also noted that the median pay uplift for all sectors was 2%. It acknowledged that police officers believed that they were losing out compared to those employed outside the public sector.

2.38 The **staff associations** said that the prolonged period of public sector pay restraint continued to coincide with stronger pay growth in the private sector resulting in a widening pay gap. They added that average earnings growth was expected to increase in the next few years (driven by the private sector) and that the IFS had reported that the public-private pay gap would soon be back to levels last seen in the late 1990s and

2000s. They noted that pay settlements in the whole economy and private sector had clustered around a median of 2% over the past two years. However, the staff associations commented that inflation had started to rise even before the EU referendum result and that following the referendum there was consensus among all economic commentators and forecasters that inflation was set to rise even further over the course of the current Parliament. Looking forward, they felt that to attract and retain officers it would be necessary to benchmark officers' pay against graduate roles.

### *Our comment*

2.39 The economy and labour market provide an overall context to our pay considerations. We reviewed more up-to-date economic and labour market indicators, at April 2017, when we finalised our recommendations as summarised below:

- The economy grew by 1.8% in 2016 overall. The Office for Budget Responsibility (OBR) expected economic growth to be 2.0% in 2017;
- Consumer Prices Index (CPI) inflation rose during the latter part of 2016 and had reached 2.3% in March 2017. Upward effects came from transport, particularly petrol, and food prices. The OBR expected CPI inflation to average 2.4% in 2017, peaking at 2.7% in the final quarter of 2017. Retail Prices Index (RPI) inflation was expected to average 3.7% in 2017 peaking at 4.1% in the final quarter of 2017;
- The labour market continued to show growth in employment and falls in unemployment. However, the OBR expected the unemployment rate to edge up in 2017;
- Average earnings growth (including bonuses) for the whole economy was 2.3% in the three months to February 2017, with private sector average earnings growth at 2.5% and public sector earnings growth (excluding financial services) at 1.4%. Average earnings growth was forecast by the OBR to be 2.6% in 2017; and
- Median pay settlements were at 2.0% in the three months to February 2017 and were expected to continue at this level in 2017.

2.40 Our pay recommendations for police officers are informed by the current and forecast economic and labour market position at the time of our decisions. We conclude from the latest available data that, overall, economic growth remains stronger than in the recent past and growth is forecast to continue at a similar rate through 2017, although there has been increased uncertainty following the vote to leave the EU in June 2016. After a prolonged period of low inflation, CPI inflation has been rising since mid-2016 and is expected to rise slightly throughout the remainder of 2017. This change in inflation has yet to feed into average earnings growth or pay settlements which have remained stable for some time. The labour market indicators point to growing employment levels although this has slowed recently and unemployment is forecast to rise slightly in 2017.

## **Police earnings**

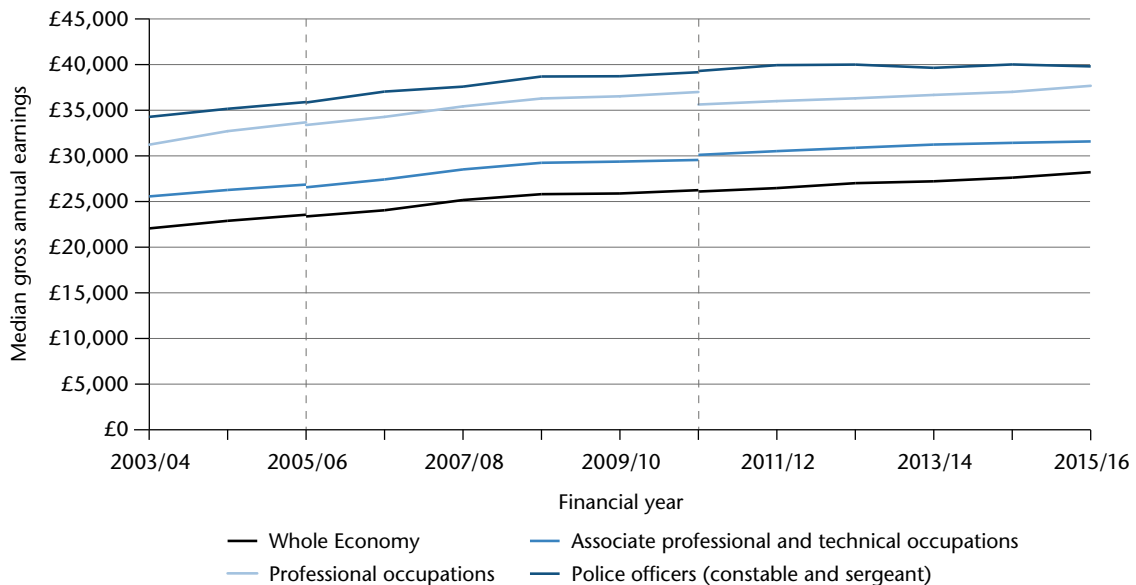
### *Parties' evidence*

2.41 The **Home Office** said that police officers continued to be well paid compared with other public servants and emergency service workers, and had pensions which were among the best available. The **staff associations** calculated that cumulative police officer pay settlements between 2010 and 2016 had been 14.6% below cumulative RPI inflation over the same period. The average of independent forecasts for inflation showed that a 1% police settlement in each of the next four years would result in a further gap of 8.2%. The staff associations said that Police Earnings Census data showed average basic and total pay falling in real terms for all ranks between 2009/10 and 2015/16 as a result of changes to pay (such as the removal of Competence Related Threshold Payments (CRTP) from the federated ranks) and inflation.

## Our analysis

- 2.42 We have examined the earnings<sup>24</sup> of police officers using results from the Annual Survey of Hours and Earnings (ASHE) published by the ONS, and the Police Earnings Census run by the Home Office. ASHE is a sample survey, published in autumn each year, which provides headline earnings estimates for occupations across the economy; for police officers it produces figures jointly for constables and sergeants and, separately, for the grouping of more senior ranks. The Police Earnings Census, conducted in its present form since 2010/11, covers all police officers and permits detailed analysis of earnings. The data provide a useful insight into the range of earnings received within and across ranks, and the take-up and value of individual pay components. We are grateful to the work undertaken by the Home Office to collect these data in a timelier manner than in previous years.
- 2.43 We use the ASHE data to compare median<sup>25</sup> full-time<sup>26</sup> gross annual earnings of police officers (constables and sergeants) with: the whole economy; associate professional and technical occupations group (the occupational group which includes police officers); and professional occupations (which tend to be graduate professions). From our analysis (Chart 2.1) we conclude that police officer median full-time earnings have been broadly flat since 2011/12. However, we note that in the year to March 2016 (the latest year for which data are available) police officers saw a decrease in median full-time earnings of 0.5%. Median full-time earnings rose for the other three groups in 2015/16 – by 2.2% for the whole economy, 1.8% for professional occupations, and 0.5% for associate professional and technical occupations.

**Chart 2.1: Median full-time gross annual earnings, United Kingdom, 2003/04 – 2015/16**



Source: Annual Survey of Hours and Earnings, ONS.

Note: There are discontinuities in the series due to changes in sampling methodology (in 2005/06) and to the Standard Occupational Classification (in 2010/11).

<sup>24</sup> Earnings include basic pay and additional pay from overtime and allowances. Earnings are presented in terms of gross pay (that is before tax, National Insurance and other deductions) in current prices unless otherwise stated.

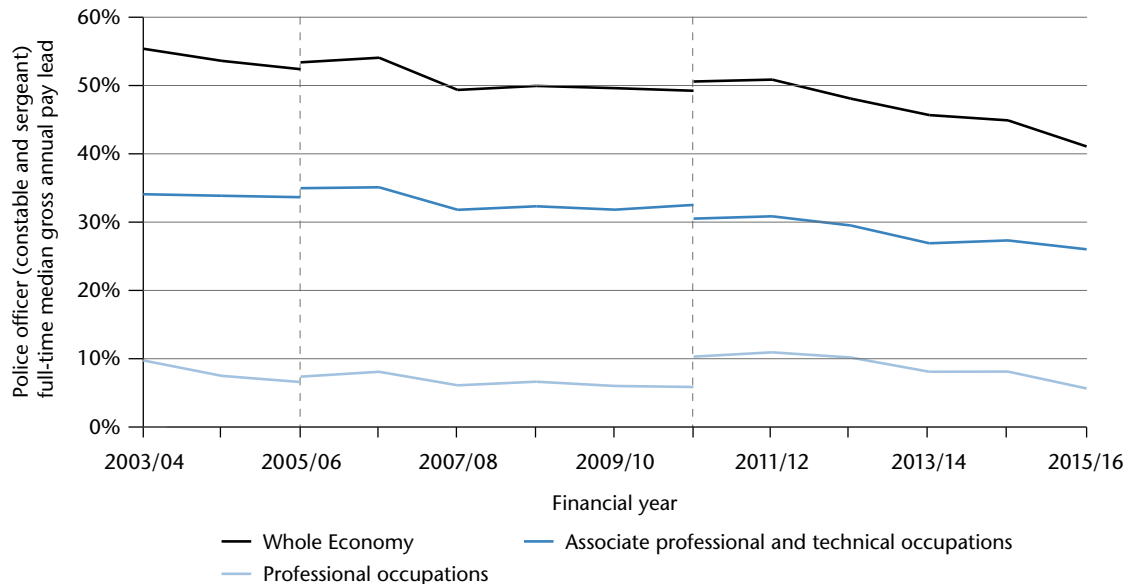
<sup>25</sup> The median is the value below which 50% of workers fall. It gives a better indication of typical pay than the mean as it is less affected by a relatively small number of very high earners and the skewed distribution of earnings.

<sup>26</sup> Full-time earnings are used to control for any differences caused by different mixes of full- and part-time workers over time and between occupations.



2.44 Our analysis included looking at the differentials between police earnings and the earnings of other groups. These differentials have been narrowing since 2011/12 (Chart 2.2). In 2015/16, median full-time gross annual earnings for police officers were 41% higher than those for the whole economy, 26% higher than associate professional and technical occupations, and 6% higher than professional occupations.

**Chart 2.2: Police officer full-time median gross annual pay lead relative to other groups, United Kingdom, 2003/04 – 2015/16**

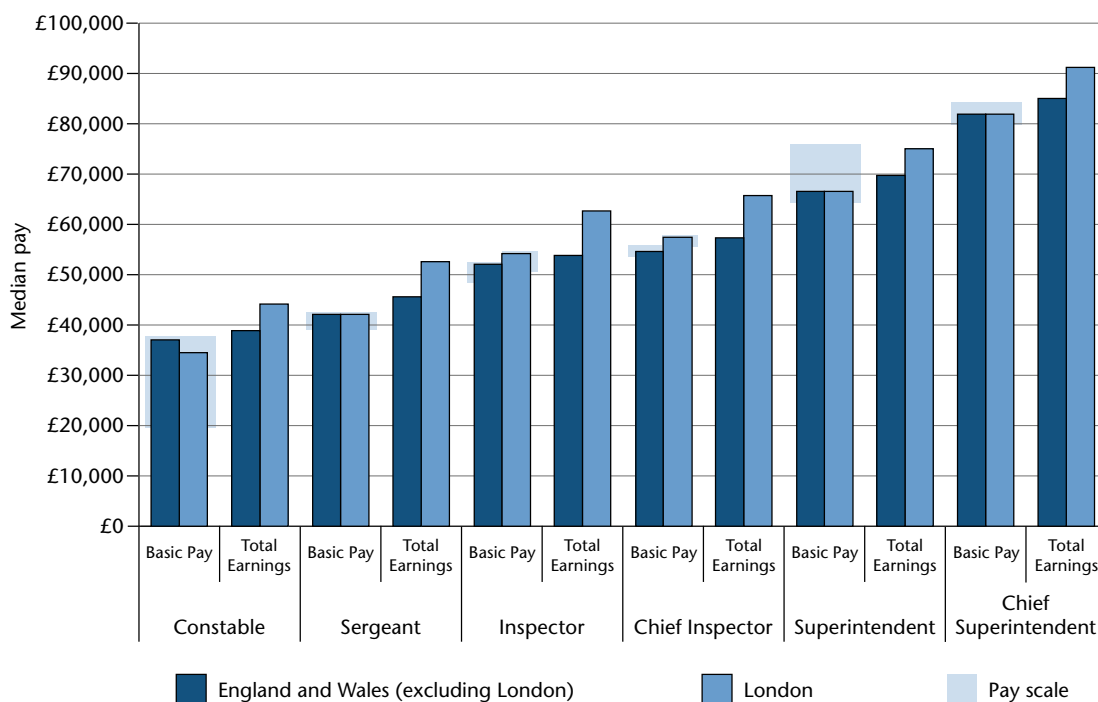


Source: Annual Survey of Hours and Earnings, ONS.

2.45 For a detailed analysis of police earnings we used the latest available Police Earnings Census data (covering the financial year 2015/16). We found that median basic pay for full-time officers ranges from £34,500 for constables in London to nearly £82,000 for chief superintendents (Chart 2.3). Inspectors and chief inspectors are the only ranks to have different basic pay scales in London to elsewhere in England and Wales, resulting in higher median basic pay for those ranks in London. We note that median basic pay for constables was higher outside London, reflecting recent recruitment in London – 53% of full-time constables outside London are at the top of the pay scale, whereas in London the figure is 41%.

2.46 We also found that median total earnings range from £38,900 for constables outside London to £91,200 for chief superintendents in London (Chart 2.3). We observe that median total earnings are higher in London than the rest of England and Wales for all ranks, due to London based officers receiving London Weighting, and higher rates of location and replacement allowances.

**Chart 2.3: Median basic pay and total earnings, by rank, full-time officers, England and Wales, 2015/16**



Source: OME analysis of Police Earnings Census data, Home Office.

2.47 We note that median basic pay in 2015/16 was around the pay scale maxima for all ranks apart from the superintending ranks. We conclude that this is as a result of at least half of officers being at the top of their respective pay scales (Table 2.1). We also observe that around 13% of constables were on the new pay scale in March 2016, but that little use was being made of pay point 0 on the new constable pay scale.

**Table 2.1: Distribution of officers on pay scales, England and Wales, March 2016**

	Constable		Sergeant	Inspector	Chief Inspector	Supt.		Chief Supt.
	Old scale	New scale				Old scale	New scale	
0	..	0.4%	–	11%	–	–	–	–
1	0.1%	4%	9%	25%	15%	5%	14%	18%
2	1%	5%	16%	11%	33%	24%	20%	52%
3	2%	3%	6%	54%	52%	10%	1%	30%
4	8%	..	70%	–	–	4%	17%	–
5	7%	..	–	–	–	4%	–	–
6*	..	..	–	–	–	–	–	–
7*	0.1%	..	–	–	–	–	–	–
8	12%	–	–	–	–	–	–	–
9*	8%	–	–	–	–	–	–	–
10	50%	–	–	–	–	–	–	–
Total	87%	13%	100%	100%	100%	48%	52%	100%

Source: OME analysis of Police Earnings Census data, Home Office.

Notes:

– Percentages represent proportions of all officers in each rank – where there are two pay scales for a rank percentages have been calculated based on the total number of officers across both pay scales.

– “..” represents a non-zero percentage less than 0.05%.

– “–” represents non-applicable pay points.

\* Pay points 6, 7 and 9 were removed from the old constable pay scale on 1 April 2014, 2015 and 2016 respectively.

2.48 Our assessment of police earnings includes the proportion of full-time officers in receipt of specific allowances and overtime (Table 2.2) and the median annual values of those payments for those officers who were in receipt of the particular payments (Table 2.3). Our key observations include:

- The vast majority of eligible officers received Unsocial Hours Allowance and overtime payments, although the proportions decreased as rank increased;
- Significant percentages of officers received Replacement Allowance (available to officers who joined the police before September 1994), particularly at the higher ranks;
- Between one-fifth and a half of officers, depending on rank, still received CRTP. These payments were phased out from April 2013 and removed in April 2016;
- The percentages of officers receiving Location Allowances and London Weighting reflected the proportions of officers working in London and the South East (excluding those receiving Replacement Allowance in South East forces); and
- Very few officers received Away from Home Overnight and Hardship Allowances.

**Table 2.2: Percentage of full-time officers in receipt of additional pay components, England and Wales, 2015/16**

	Constable	Sergeant	Inspector	Chief Inspector	Supt.	Chief Supt.
Location Allowance	40%	34%	29%	32%	24%	21%
London Weighting	26%	23%	21%	26%	22%	20%
Replacement Allowance	14%	40%	60%	68%	79%	86%
CRTP	30%	47%	36%	23%	–	–
Unsocial Hours Allowance	94%	92%	84%	71%	–	–
Away from Home Overnight Allowance	4%	5%	4%	6%	–	–
Hardship Allowance	1%	1%	1%	1%	–	–
On-call Allowance	6%	13%	31%	50%	–	–
Overtime	91%	89%	–	–	–	–
Other payments (e.g. Dog Handlers', secondment allowances)	14%	16%	18%	19%	21%	17%

Source: OME analysis of Police Earnings Census data, Home Office.

**Table 2.3: Median value of additional pay components, full-time officers, England and Wales, 2015/16**

	Constable	Sergeant	Inspector	Chief Inspector	Supt.	Chief Supt.
Location Allowance	£4,338	£2,000	£1,011	£1,011	£1,011	£1,011
London Weighting	£2,339	£2,339	£2,339	£2,339	£2,339	£2,339
Replacement Allowance	£3,027	£3,181	£3,380	£3,380	£3,475	£3,525
CRTP	£300	£300	£300	£300	–	–
Unsocial Hours Allowance	£569	£567	£280	£84	–	–
Away from Home Overnight Allowance	£100	£150	£150	£100	–	–
Hardship Allowance	£90	£120	£120	£120	–	–
On-call Allowance	£495	£585	£570	£600	–	–
Overtime	£1,693	£2,132	–	–	–	–
Other payments (e.g. Dog Handlers', secondment allowances)	£97	£184	£185	£1,140	£1,313	£1,475

Source: OME analysis of Police Earnings Census data, Home Office.

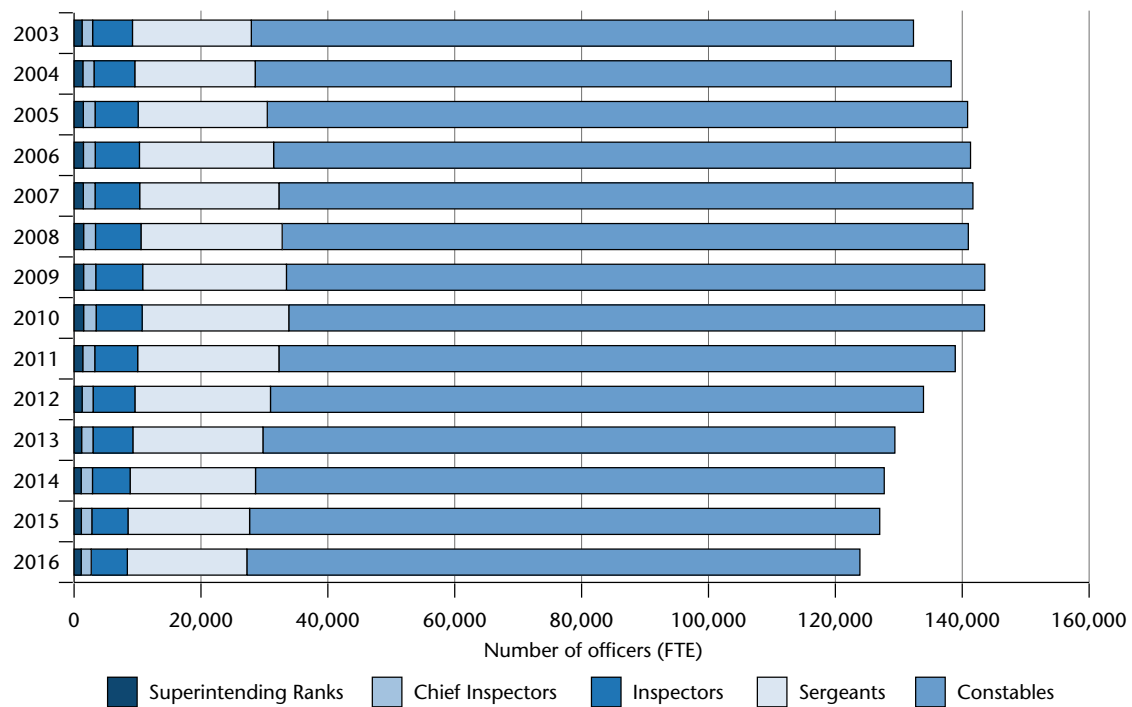
### *Our comment*

2.49 Our own analysis allows us to independently comment on what is happening to police officer earnings. We note that significant proportions of police officers are at the top of their pay scales (and therefore not in receipt of increments). Overall, we highlight that the growth in police officer earnings has been broadly flat since 2011/12, which is consistent with pay restraint. In the year to March 2016, police officers saw a decrease in median full-time earnings of 0.5%, whereas earnings rose for other sectors of the economy. We note that the differentials between police earnings and the earnings of other groups have been narrowing since 2011/12 and we draw particular attention to the comparative position in relation to professional occupations. As policing moves to a degree-level profession, our analysis of earnings will help to monitor comparisons against others in the economy, not least those in the graduate labour market.

## **Workforce, recruitment and retention**

2.50 We have drawn on the Police Workforce Statistics published by the Home Office to examine the police workforce, recruitment and retention. We observe that the full-time equivalent (FTE) number of police officers (Chart 2.4) grew (by 8%) from 2003 to 2010, but the period since 2010 has seen overall officer numbers decrease (by 14%). Between 2015 and 2016 there was a 2.5% decrease in the number of officers.

**Chart 2.4: Number of police officers (FTE), by rank, England and Wales, March 2003 – March 2016**

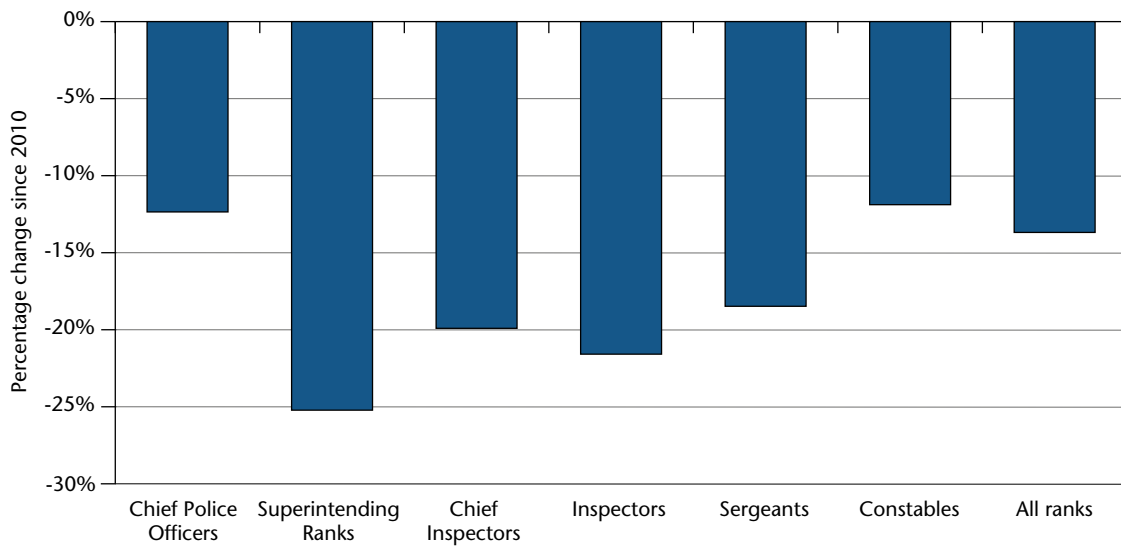


Source: Police Workforce Statistics, Home Office.

2.51 Police officers account for around 62% of the total police workforce (excluding special constables) and police staff approximately 31% (with PCSOs, designated officers and traffic wardens making up the remainder). Police staff numbers increased from under 63,000 in 2003 to nearly 80,000 in 2010; they have since fallen back to under 62,000 in 2016 (a decrease of 23% since 2010). The number of PCSOs has also fallen, by around 5,900 (35%), since 2010.

2.52 We note that the largest proportional decreases since 2010 (Chart 2.5) have been for the superintending ranks and inspectors (25% and 22% respectively). However, we are aware, in absolute terms, that the greatest decreases have been for constables (approximately 13,000 officers) and sergeants (approximately 4,300 officers). These changes were emphasised to us by officers on our visits to police forces including the impact on workload, particularly by superintending and inspecting ranks.

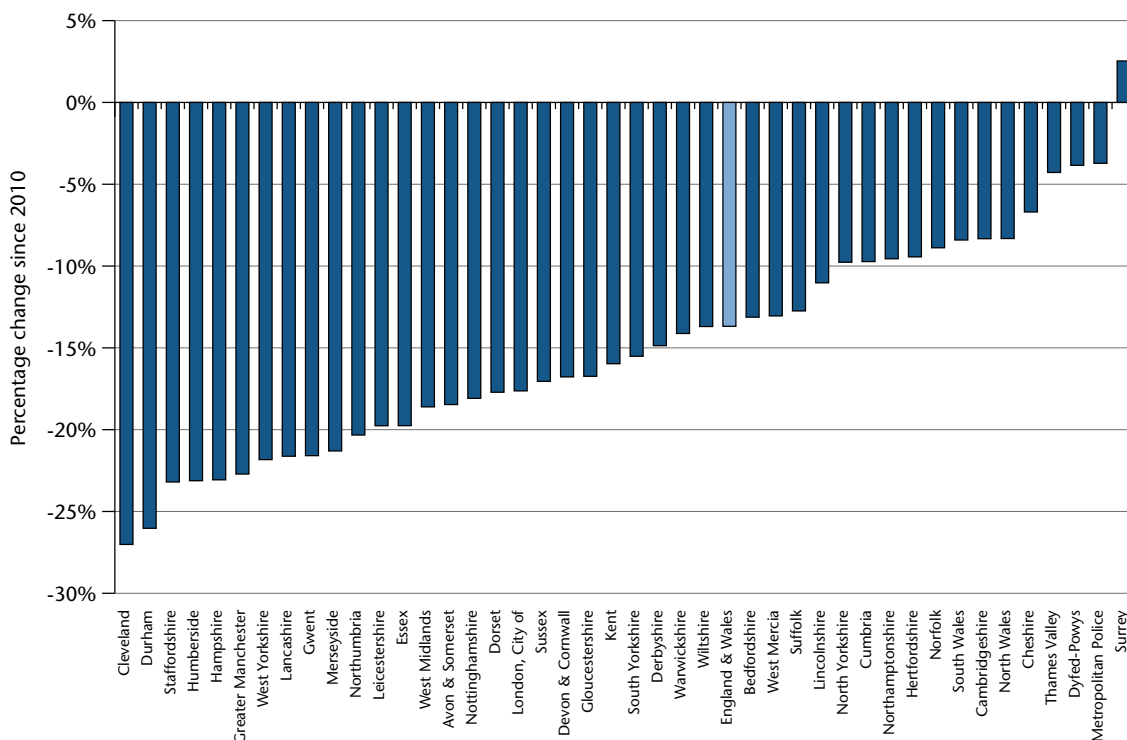
**Chart 2.5: Percentage change in police officer numbers (FTE) between March 2010 and March 2016, by rank, England and Wales**



Source: OME analysis of Police Workforce Statistics, Home Office.

2.53 While overall officer numbers across England and Wales have decreased by 14% since 2010, this has varied considerably across forces (Chart 2.6). We observe that Surrey is the only force to increase officer numbers (3% more than 2010). Among other forces the reductions have ranged from 27% in Cleveland to 4% in the Metropolitan Police.

**Chart 2.6: Percentage change in police officer numbers (FTE) between March 2010 and March 2016, by force, England and Wales**



Source: OME analysis of Police Workforce Statistics, Home Office.

2.54 HMIC assigns the work of police officers to three broad roles – frontline, frontline support, and business support (Table 2.4). We note that police officer numbers have reduced in all these roles. However, the proportion of officers in frontline roles has increased from 91% to 93.4% between March 2010 and March 2016, as a result of proportionally larger reductions in frontline support and business support roles.

**Table 2.4: Number of police officers (FTE), by role, England and Wales, March 2010 – March 2016**

	Full-time equivalent						
	2010	2011	2012	2013	2014	2015	2016
Frontline	123,384	119,729	116,122	113,009	111,383	110,853	106,411
Frontline Support	6,499	6,469	5,971	5,215	4,706	4,324	4,087
Business Support	5,670	4,912	4,161	3,762	3,309	3,528	3,401
Proportion of officers in frontline roles	91.0%	91.3%	92.0%	92.6%	93.3%	93.4%	93.4%

Source: Police Workforce Statistics, Home Office.

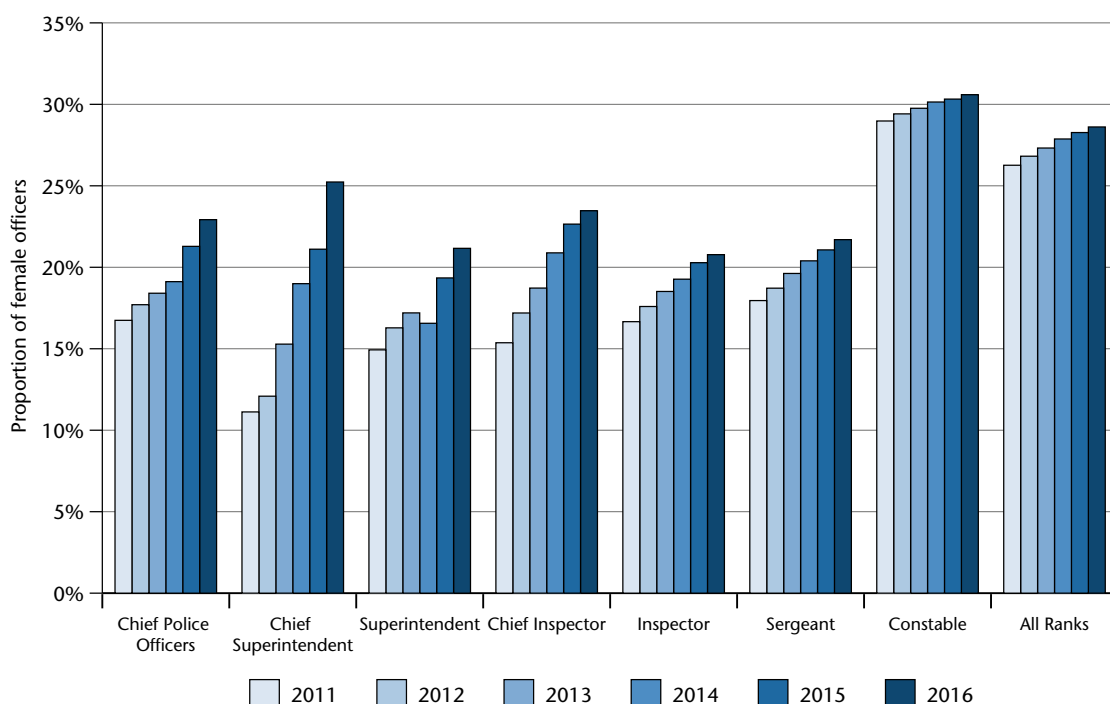
Notes:

- Data for 2010 to 2014 were collected on a different basis to those for 2015 and 2016. The figures presented for 2010-2014 have been estimated based on a parallel running year (2015) where data were collected on both bases.
- Officers who are classified as being in “National Policing” or “Other” roles are excluded from this model.

### Workforce diversity

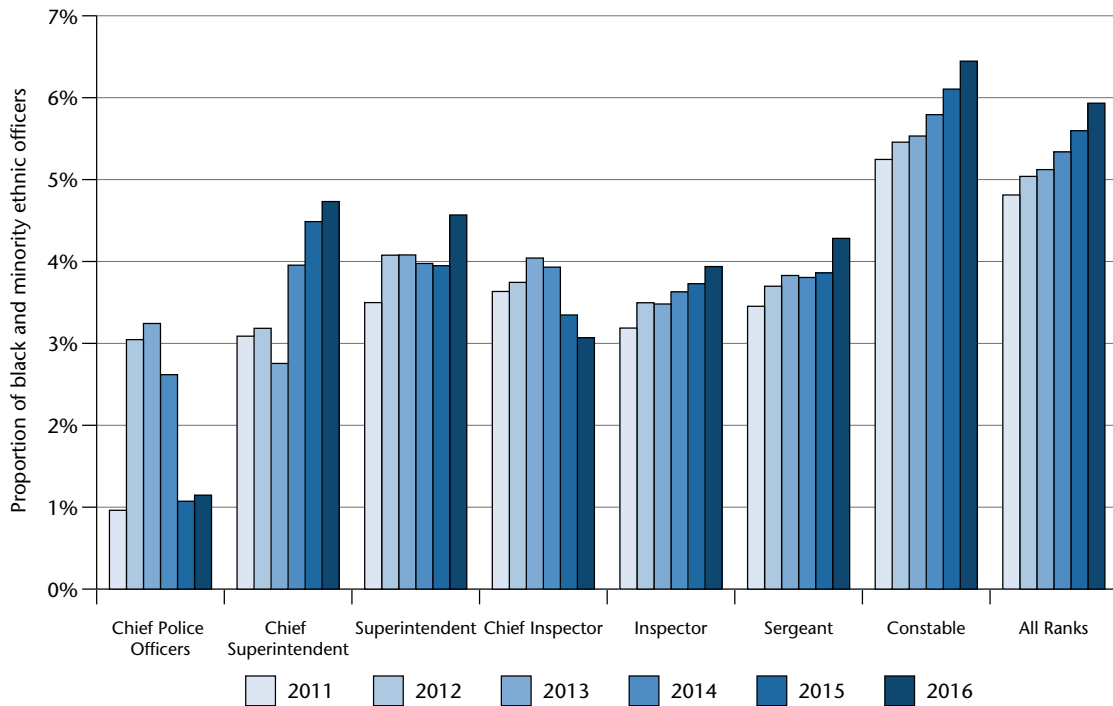
2.55 The proportion of officers who were female (Chart 2.7) increased from 26% to 29% between 2011 and 2016, but the proportion of female officers was lower for ranks above constable. The proportion of black and minority ethnic (BME) officers (Chart 2.8) increased from 4.8% to 5.9% between 2011 and 2016, continuing a steadily upward path over the past decade, but again the proportion of BME officers was lower for ranks above constable. We conclude that most of these indicators show some improvement in diversity across the officer workforce in recent years and we will continue to monitor the position and any pay implications.

**Chart 2.7: Percentage of female officers at each rank, England and Wales, March 2011 – March 2016**



Source: OME analysis of Police Workforce Statistics, Home Office.

**Chart 2.8: Percentage of black and minority ethnic officers at each rank, England and Wales, March 2011 – March 2016**



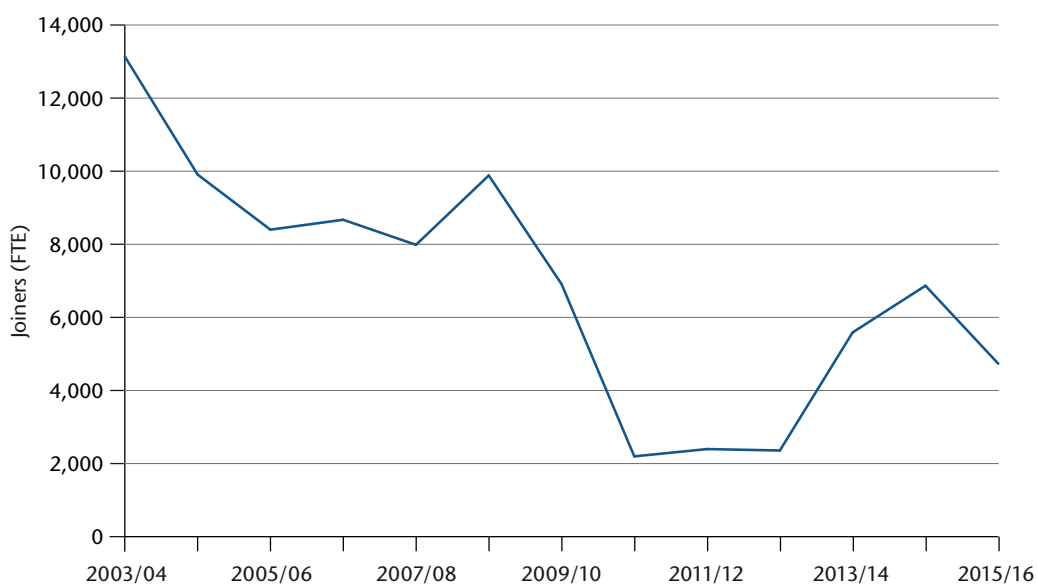
Source: OME analysis of Police Workforce Statistics, Home Office.

Note: Officers who did not state their ethnicity are excluded from calculations.

### Recruitment

2.56 We observe that the number of police officer joiners (Chart 2.9) fell sharply after 2008/09, with fewer than 2,500 joiners annually between 2010/11 and 2012/13 (due to most forces freezing recruitment as a response to public sector austerity), before recovering in 2013/14 and 2014/15. However, 2015/16 saw another reduction in joiners – down to 4,700.

**Chart 2.9: Police officer joiners, England and Wales, 2003/04 – 2015/16**

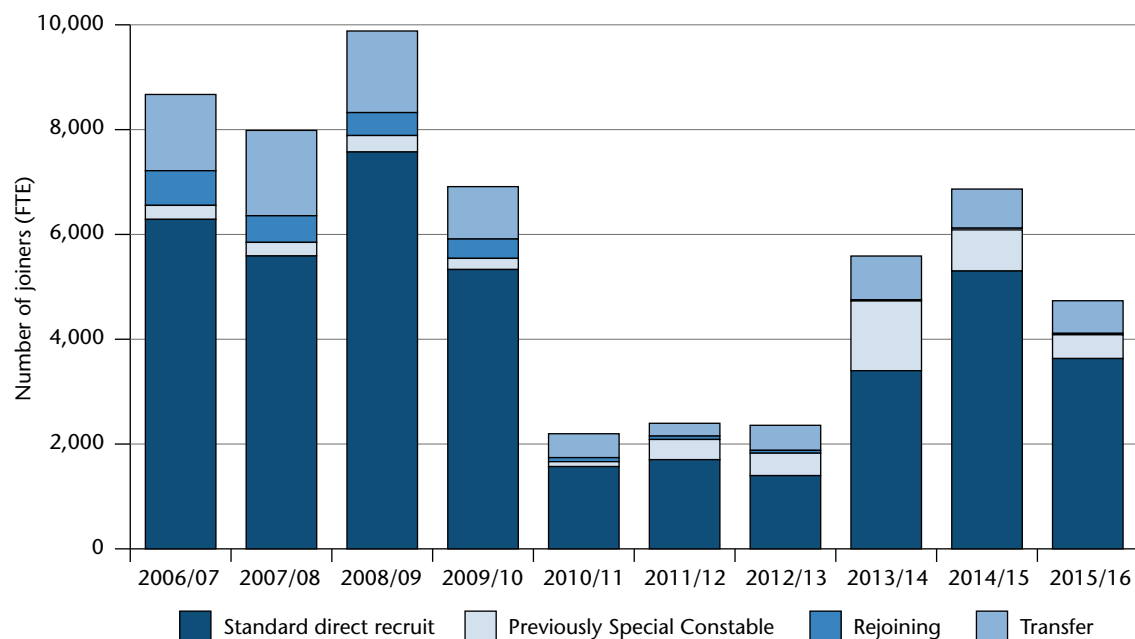


Source: Police Workforce Statistics, Home Office.



2.57 We observe that for the last ten years the majority (usually 70-80%, but around 60% in 2012/13 and 2013/14) of officers joining have been new recruits joining as an officer for the first time (Chart 2.10). The number of joiners who were previously special constables rose from a low of just under 100 in 2010/11 to a peak of over 1,300 in 2013/14. Around 450 officers joined by this route in 2015/16, a similar number as seen in 2012/13.

**Chart 2.10: Police officer joiners, by route of entry, England and Wales, 2006/07 – 2015/16**



Source: Police Workforce Statistics, Home Office.

2.58 There are several initiatives underway which aim to contribute to police officer recruitment and development as follows:

- *Police Now* – aims to recruit and develop outstanding individuals to be leaders in society and on the policing frontline. The two-year programme launched in 2014 gives graduates the opportunity to become police officers and transform challenged and often deprived communities. The programme operates in seven forces but will expand to 19 forces in 2017;
- *BME Progression 2018* – the College of Policing’s national programme to improve the recruitment, development, progression and retention of BME officers and staff which has run since 2013 with implementation through to 2018;
- *Direct entry superintendent* – an 18-month training and development programme to bring in strategic experience and fresh ideas to a senior role drawing on transferrable management and business skills, and outstanding leadership. In 2017, over 20 police forces are involved in this and the inspector programme;
- *Direct entry inspector* – a 24-month development programme recently introduced to make the transition from a current leadership role to an operational police leader;
- *Fast track inspector* – a development and promotion programme for serving constables enabling advancement to inspector rank within two years. The programme enables the services to develop a cadre of officers with the skills, experience and capacity to reach at least superintendent. An external programme for graduates, special constables and police staff was put on hold in 2016 while the direct entry inspector programme was developed.

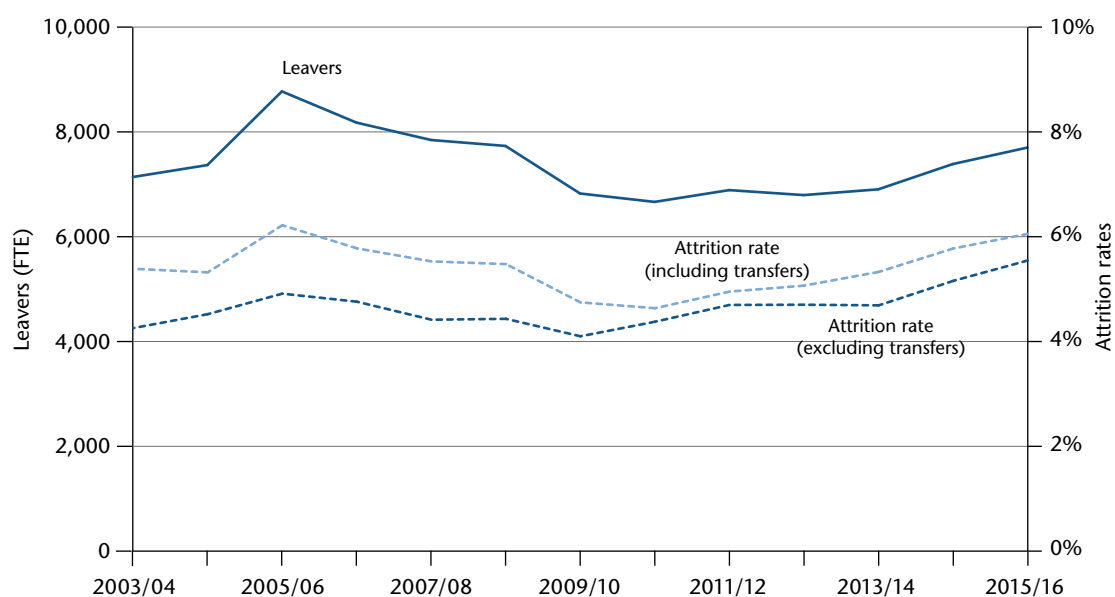
2.59 During 2016, the College of Policing concluded its review of initial recruitment<sup>27</sup> which stemmed from the College’s 2015 Leadership Review. The review responded to concerns in the police service that the current model of recruitment might not be designed for future needs, including the need for more diverse workforces that represent the communities they serve.

2.60 From the review, the College of Policing put forward the following conclusions: establishing an evidence base for police attraction and to identify proven interventions; selection procedures that were predictive of on-the-job performance; enabling applicants to perform to their best ability; developing a national e-recruitment platform; and regular evaluation of interventions. The College had established a working group of key policing partners to agree appropriate action. Five forces were to pilot an assessment process to be designed by external consultants with the College defining recruitment standards and evaluation planned for later in 2017.

### Retention and attrition rates

2.61 We observe that the number of officers leaving (Chart 2.11) remained fairly stable between 2009/10 and 2013/14 (between 6,600 and 6,900 each year) but has been rising since 2013/14 (to 7,700 in 2015/16). The headline attrition rate (the total number of police officers leaving forces in the financial year as a proportion of the total officers in post in the March just before the financial year began) was 6.1% in 2015/16. This rate has been rising since 2010/11 but remains just below the level seen in 2005/06. Omitting those leavers who transferred to other forces rather than leaving the service altogether, the attrition rate was 5.5% in 2015/16, the highest such rate for more than a decade.

**Chart 2.11: Police officer leavers and attrition rates, England and Wales, 2003/04 – 2015/16**



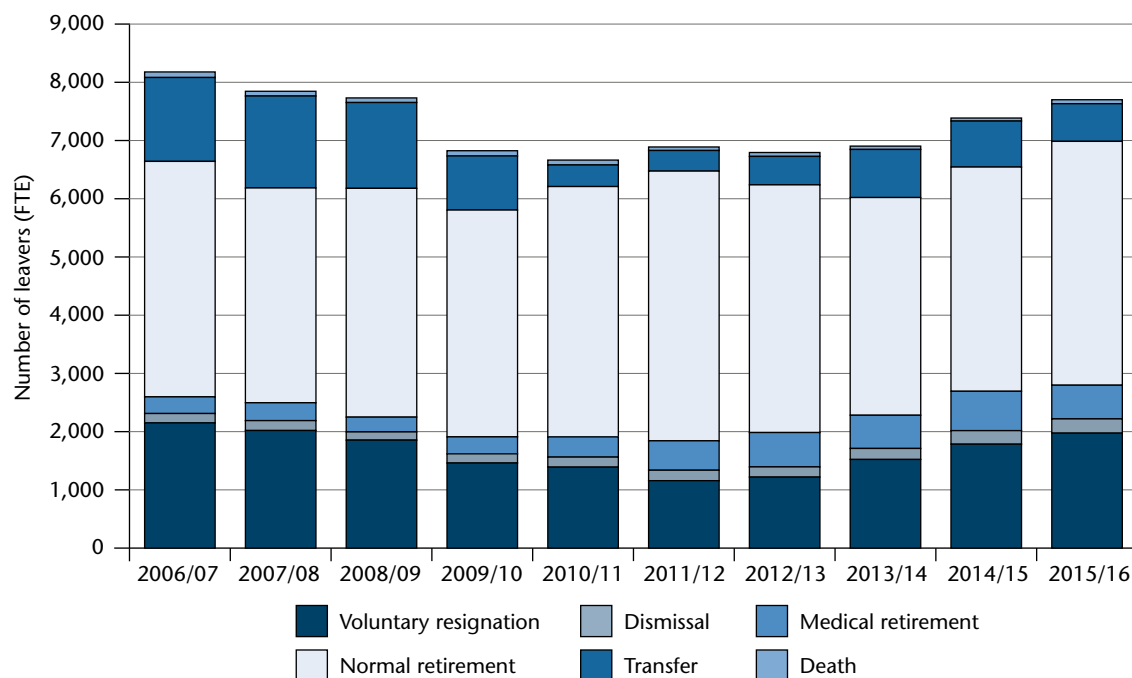
Source: OME analysis of Police Workforce Statistics, Home Office.

2.62 The overall attrition rates hide variations by force. The headline attrition rate in 2015/16 ranged from 4.3% in South Wales to 11.0% in Gwent, while the attrition rate excluding transfers between forces ranged from 4.1% in West Midlands and West Mercia to 10.7% in Gwent.

<sup>27</sup> College of Policing (September 2016), *Review of Police Initial Recruitment*. Available at: [http://www.college.police.uk/What-we-do/Development/Documents/Review\\_of\\_police\\_initial\\_recruitment\\_final\\_report.pdf](http://www.college.police.uk/What-we-do/Development/Documents/Review_of_police_initial_recruitment_final_report.pdf)

2.63 We note that the majority (around 50-70%) of police leavers are normal retirements (Chart 2.12). The numbers of voluntary resignations and dismissals have increased since 2011/12 (up 70% and 36% respectively) but account for fewer than a third of leavers. The number of voluntary resignations remains below the level seen in 2006/07.

**Chart 2.12: Police officer leavers, by leaver type, England and Wales, 2006/07 – 2015/16**



Source: Police Workforce Statistics, Home Office.

2.64 Work by the IFS<sup>28</sup> found that:

- Changes in police officer numbers are largely driven by changes in the entry rate rather than the exit rate;
- Around two-thirds of police officers retire from the labour force on leaving the police service;
- Of those that leave the police but continue in employment, 15% continue in protective services or elementary security occupations. However, the majority go to occupations not directly related to policing, including administrative and secretarial (25%), and associate professional/technical (19%) occupations;
- Forces closer to London have higher rates of exit through transfers to other forces;
- Better outside local labour market opportunities (higher wages and lower unemployment rates) are statistically significantly associated with higher resignation rates across police forces; and
- There was no evidence that variation in crime rates and workload affect exit from the police service.

#### *Parties' evidence on recruitment and retention*

2.65 The **Home Office** said that the overall state of the police workforce remained healthy, with a high proportion of frontline officers, increasing workforce diversity and no emerging concerns at a national level around entry-level recruitment or retention.

<sup>28</sup> IFS (January 2017), *Police officer retention in England and Wales* (R. Crawford, R. Disney and P. Simpson), IFS Briefing Note BN191. Available at: <https://www.ifs.org.uk/publications/8824>

- 2.66 The Home Office commented that a pilot for a new process to assess police recruits, led by the MPS, was expected to go live by April 2017 and the evaluation would inform new national standards. It said that the three direct entry schemes aimed to widen the talent pool from which police officers were attracted and to bring in people from a diverse range of backgrounds.
- 2.67 The Home Office noted that the Police Now graduate-entry scheme would expand to 19 forces, supported by Transformation Funding, continuing to increase the number of BME recruits. The College of Policing was also delivering BME Progression 2018 including the development of an evidence base of successful approaches to recruitment, retention and progression of BME officers and those from other under-represented groups. The College was developing greater career flexibility including enabling exit and re-entry, a secondments programme and recognition through the qualifications framework.
- 2.68 The **staff associations** believed that retention would be difficult in the imminent future, and said that data from forces suggested that recruitment was already problematic. They were keen to see policing develop and grow but considered that changes needed to be grounded in a strong evidence base and initiatives were underway for which the evidence base was less than robust. However, the associations noted the development of a new e-recruitment platform, within the College of Policing's review of police initial recruitment, which, if implemented effectively, could be a significant source of management information for the police service.
- 2.69 The staff associations shared the aim of increasing diversity and believed it essential that the service was representative of the public served. They cited College of Policing research as part of its BME Progression 2018 which suggested the key barriers might remain social and/or occupational in nature.
- 2.70 On fast track and direct entry schemes, the staff associations said that they had consistently had concerns for the wellbeing of these officers, their susceptibility to make errors and their being subject to misconduct or disciplinary procedures. These officers might also struggle to maintain command which could jeopardise public safety. The staff associations commented that the evidence that these schemes would actually achieve the benefits suggested was slim at best with little cost benefit analysis. The training needs of officers who entered at higher ranks would need careful consideration. They concluded that to attract external candidates to perform the roles the offer would need to be attractive and benchmarked against remuneration packages in the private sector.
- 2.71 The **PSAEW** commented that it was less cautious about allowing movement in and out of policing and the principle of flexible exit/entry was supported. Where changes to police pensions will result in longer careers and changes to organisational structures meant remaining in rank for extended periods, the PSAEW considered that developing further leadership skills and experiences outside policing prior to returning had merit.
- 2.72 The **NPCC** provided data obtained from 29 forces that showed no general problems in terms of recruitment. Nearly half of all forces, however, reported an issue recruiting detectives and 21 of the responding forces had more than one recruitment issue. Issues recruiting firearms officers and custody officers were specifically cited.

- 2.73 The NPCC provided information on the reasons that police forces had identified for posts being hard to fill including: location of posting; younger recruits not wishing to specialise early in their career; concerns about work/life balance; concerns about future postings and career development; low pass rates of officers (e.g. in firearms due to a lack of trainers); perception that detectives deal with the low level crimes; and financial disincentive due to the shift pattern attached to roles.
- 2.74 The police forces responding to the NPCC had undertaken a series of actions to alleviate local vacancies:
- Review of geographic postings;
  - Encouraging candidates within custody roles by ensuring that time spent in the role was compulsory for officers seeking promotion;
  - Changing rotations to give shorter stays in roles;
  - Creation of local CID career pathways and consideration of incentives;
  - Maximising discretions allowed via reward;
  - Moving focus to “stay” interviews rather than “exit” interviews;
  - Attracting transferees; and
  - Upskilling of constables into safeguarding roles.
- 2.75 As part of the NPCC’s evidence, the **MPS** commented on the inability of forces to attract and retain serving officers into specialist cohorts for no additional reward. While the MPS Commissioner could compel an officer to move location or roles, societal changes and balancing work and home life made compulsion less enforceable. The MPS sought the flexibility to address its deepening concerns with detective resourcing levels.

### *Shortage groups*

- 2.76 The HMIC State of Policing Report reiterated its view that recruitment and retention of specialists was a problem for many forces including the national shortage of firearms officers and detectives. It added that all forces needed to think more creatively about how to recruit, train and retain specialist officers including recruiting directly into specialist roles and providing accelerated training programmes.
- 2.77 The NPCC provided information from police forces (including the MPS) on hard to fill posts and in particular issues recruiting detectives (see paragraphs 2.72 to 2.75). Following that, in March 2017 HMIC published its PEEL Effectiveness Report which commented that police forces had to build the investigative capabilities of their workforces and allocate the investigative workload appropriately. From its inspections of forces, HMIC concluded that there was a national crisis in the severe shortage of investigators, such as detectives. It noted that some forces were coping with considerable increases in complex crimes but in other forces there were not enough qualified detectives and other investigators to meet the demand effectively. HMIC added that there was little, if any, capacity for forces to assist one another through the temporary loan of detectives or other investigators where necessary.
- 2.78 HMIC commented that there were many reasons why some forces were struggling to recruit and develop detectives. There had been significant growth in counter-terrorism, sexual abuse and other investigations involving vulnerable people resulting in the need for more qualified and specialist investigators requiring the highest levels of skills and competence. Reasons for police forces struggling to keep pace with demand included: a reluctance to follow a detective pathway with reasons relating to high workload, mentors not being accessible, working patterns and pay, and intense scrutiny; the time taken to replace investigative skills and experiences; and reductions in police staff, including

civilian investigators. HMIC found that shortages led to excessive workloads and stress, and to complex investigations being led by those who lacked the appropriate skills and experience.

- 2.79 HMIC acknowledged that the police service had recognised the problem and was taking steps to address shortages through changes to the career path for detectives and other investigators, and examining reward and recognition arrangements. While HMIC considered it would take time to build the capability and capacity of a new cadre of detectives, it made two recommendations:
- By June 2017, the NPCC, working with the College of Policing, should review what is currently being done at both force and national levels to tackle the national shortage of qualified detectives and other investigators. By June 2017, the NPCC should provide a report to HMIC and the Home Office as to whether the steps now being taken are sufficient to tackle the shortfall and, if not, what further steps are necessary; and
  - By December 2017, the NPCC, working with the College of Policing, should establish and immediately put into effect and expeditiously pursue a national action plan to remedy the shortfall in numbers of detectives and qualified investigators. The action plan should state the respective responsibilities of individual forces, the NPCC, the College of Policing and the Home Office in this respect, and contain a specification of the steps to be taken by each and the timescale according to which those steps should be taken.

*Our comment on workforce, shortage groups, recruitment and retention*

- 2.80 Our assessment of changes in the police officer workforce starts with the significant reductions since 2010 including a 2.5% reduction between 2015 and 2016. These have also been accompanied by reductions in police staff and PCSOs over the same period. The Spending Review Settlement in 2015 provided some stability although there has been a further reduction in the number of officers and we wait to assess the workforce statistics for 2017. In the meantime, the reductions have come at a time when the demands on policing have changed. We comment earlier in this chapter on this combined effect for police officer workload.
- 2.81 We have commented in previous reports on the emerging picture on shortage groups across the police officer workforce. We emphasise here the importance of fuller information from all police forces through the NPCC so that we can examine a complete picture. However, the NPCC's information from nearly half of police forces endorses the views from our visits which, taken together, present a more consistent position across forces on shortage groups. The HMIC 2016 PEEL Effectiveness Report has reinforced these conclusions specifically for investigators and we have heard from the MPS of its acute shortage of detectives. We continue to emphasise the priority that should be attached to addressing these shortages through workforce reform as part of developing a higher skilled workforce, appropriate career pathways and specific developmental opportunities for specialists. We comment further in Chapter 3 on the NPCC proposal for an interim pay measure for hard to fill roles and superintending ranks.
- 2.82 The position on police officer recruitment is difficult to assess from the available data. The number of joiners has significantly reduced between 2014/15 and 2015/16 although there are no indications as to why police forces have recruited fewer entrants. There was, however, a higher proportion of entirely new entrants than those with previous policing experience in 2015/16 compared with 2014/15. We did not hear any specific concerns from chief officers on our visits that there was any difficulty recruiting in local labour markets or that the quality of recruits did not meet force requirements.

- 2.83 The parties did not provide substantive evidence on, or analysis of, the current recruitment position except some anecdotal information from the staff associations. We require the parties' analysis of annual recruitment data including the numbers applying, the quality of applicants and the numbers joining. Data on the reasons for not joining if offered a place, and on early leavers, would also be helpful. We look forward to more robust data becoming available following the College of Policing's review of initial recruitment. Also as the range of recruitment initiatives take hold we would welcome data and assessments from the parties on their effectiveness.
- 2.84 For the longer term, recruitment trends and any issues need to be identified at an early stage particularly as policing workforce developments are likely to shift the recruiting landscape. The NPCC, supported by information collected by the College of Policing, will need to consider how the police officer employment offer is capable of attracting entrants from the labour market not least when moving to a degree-level workforce (including apprenticeships). Research commissioned by the Office of Manpower Economics<sup>29</sup> indicates that the overall package, particularly non-pay elements, is of growing interest to the workforce including the "millennial" generation<sup>30</sup> and those seeking portfolio careers. Police recruiting will need to respond to maintain and improve its position.
- 2.85 On retention, the current data indicate that, overall, the attrition rates for police officers are generally stable. We note that the attrition rate has been rising, alongside the number of voluntary resignations, and the PFEW cites its survey results showing the proportions intending to leave and an increase in the influence of pay and benefits on those intentions. However, the attrition rates for police officers remain low, with voluntary resignations below the rate of a decade ago, and below those compared with other areas of the public sector (for instance, teachers, the fire service, prison officers and NHS occupations). Our conclusions on retention should be seen in the light of policing as a vocational career with, in effect, a single employer and therefore care needs to be taken in comparing retention trends with the private sector. Those who have a vocation to join the police cannot fulfil that vocation if they leave for other employment.
- 2.86 Further detailed evidence on retention of police officers should be presented by the parties, including retention rates by length of service and the reasons behind voluntary resignations, and not least to identify any emerging trends ahead of workforce and pay reforms. Assessments might include: how policing will retain young people through the early years by matching their changing career expectations; what retention levers are available to mid-career officers where the pull of pay and pensions might be lessening; and how specialist or shortage groups are retained through offering progression and lateral career development. Understanding these trends is important to a rounded picture of retention which allows us to assess the influence of pay arrangements.

## Police officer motivation and morale

- 2.87 On our visits to police forces across England and Wales we heard a range of views on morale and motivation from police officers and their chief officers. In some areas morale was good with officers motivated by and having pride in their work, notably where pay was considered favourable against the local labour market. In other areas the impact of increasing and changing demand was beginning to affect how officers viewed their role.

---

<sup>29</sup> PwC (November 2016), *Research into Modern Pay Systems*. Available at: <https://www.gov.uk/government/publications/research-on-modern-pay-systems-november-2016>

<sup>30</sup> The "millennial" generation (also known as "Generation Y") refers to those born between 1980 and 2000. They are characterised as having a different approach to their careers from their predecessors, valuing in particular aspects such as work-life balance, flexibility and variety in the workplace.

- 2.88 Many officers on our visits felt that their work was not valued or recognised by the Government, as evidenced by continuing pay restraint and the drop in real terms pay. Factors affecting morale were linked to national issues rather than related to officers' individual forces. Younger officers appeared less motivated by a career in policing and were increasingly considering leaving the police service although many probationers remained highly motivated to remain for a full career. For longer serving officers, changes in policing over time were having negative effects on morale, goodwill and loyalty. Pension changes in terms of cost to the individual and the value of benefits were a particular source of dissatisfaction. Other work-related issues such as cancelling rest days were negative for morale.
- 2.89 HMIC found in its State of Policing Report 2016 that the job that frontline officers did took its toll on their own physical and mental health. HMIC said that, while police leaders understood the importance of workforce wellbeing and were taking steps to improve it, the level of support that forces provided varied considerably as did the capability of supervisors to identify and meet the needs of individuals.
- 2.90 In evidence, the **NPCC** commented that pay was often quoted as being a key factor influencing the morale of the police service although the issues affecting morale had been less well understood. It said that the workforce climate surveys carried out in an increasing number of forces by the Durham University Business School had started to provide a much better understanding of motivation and how different elements impact on each other. 23 forces currently participated with separate surveys and reports prepared for each force. The survey included core questions and those specifically added by forces and questions to measure pay satisfaction. The NPCC had reviewed some of the reports to gain insights into further remuneration work. The NPCC had also commissioned the Business School to review research on pay satisfaction and its relationship with other measures and to identify which have positive and negative impact.
- 2.91 The **Home Office** welcomed the work being done by chief officers to increase the number of forces participating in the staff engagement survey run in partnership with the Durham University Business School.
- 2.92 The **PFEW's** 2016 Pay and Morale Survey found that the proportion of respondents who said that their own morale was low was smaller than in 2015 but similar to that in 2014. The PFEW commented that this might be because of the introduction of the career average pension scheme which caused a particular breakdown of morale. The proportions of 2016 respondents reporting low morale in their force and in the service as a whole were identical to those in 2014. The PFEW reported other indicators of morale including: 71% of respondents said that their pay and benefits had a negative impact on their morale; 84% said that how the police were treated as a whole had a negative effect on their morale; 67% did not feel valued in the police service; and 70% would not recommend joining the police service to others.
- 2.93 The **PSAEW's** 2016 Pay and Morale Survey showed that 50% of superintending ranks responding said that their morale was high and compared with 18% with low morale. However, 36% felt their morale was lower than 12 months ago and 15% reported their morale was higher. Of those who had been in rank for one year or less, 67% reported high morale whereas this was only 35% for those who had been in their current rank for more than five years. The PSAEW noted that 70% of superintending ranks did not feel fairly paid considering the stresses and strains of their job and two-thirds when considering their responsibilities. Respondents who had reached the top pay point for their rank were less likely to be satisfied with pay than those not yet reaching the top point. Three-quarters of respondents had not taken all of their rest days in the last three months (with an average of 16 rest days outstanding) and 63% had not taken all of their annual leave in the last year (with an average seven days untaken).



2.94 The PSAEW 2016 Pay and Morale Survey also found that among superintending ranks:

- 89% of respondents performed an on-call function;
- 70% of these were on-call for more than one area of responsibility;
- 23% of these performed on-call duties eight or more times per month; and
- 38% of these were required to perform on-call while on either a rest day or annual leave for which no compensatory days in lieu were provided.

2.95 Following the evidence submissions, in early 2017 the PFEW published the findings from its 2016 Officer Demand, Capacity and Welfare Survey. The results were set out under separate aspects of welfare as follows:

- Absence – 58% of respondents reported one or more days of sickness absence in the preceding 12 months, and 29% indicated that at least one day of their absence was attributable to stress, depression or anxiety;
- Accidents, violence and injuries – 68% of respondents reported having been the recipient of an unarmed physical attack in the last 12 months and 35% reported that this happened at least once a month. 20% suffered one or more injuries requiring medical attention as a consequence of work-related violence resulting in 6,692 days of sickness absence or relief from normal duties. 29% reported suffering from one or more injuries requiring medical attention as a consequence of work-related accidents;
- Attitudes and evaluation measures – 61% of officers indicated that their morale was low (broadly in line with the 2016 PFEW Workforce Survey). The majority of respondents consistently disagreed that change was managed well at team, force and service level;
- Mental health and wellbeing – 80% of respondents acknowledged having experienced feelings of stress, low mood, anxiety or other difficulties with their health and wellbeing over the last 12 months with 92% of these indicating that their psychological difficulties had been caused or made worse by work. Using the short Warwick-Edinburgh Mental Wellbeing Scale, the mental wellbeing of police officers was found to be considerably poorer than among the general adult population. 39% of respondents reported a non-diagnostic case of work-related stress which was more than double that found in large-scale surveys of UK civil servants and the general UK workforce;
- Organisational support – of those who reported seeking professional help regarding their mental health and wellbeing, the majority had informed their line manager and had been treated with dignity, respect and confidentiality. However, 42% felt they were poorly or very poorly supported by the police service. Perceptions of the attitude of the police service towards mental health and wellbeing were generally negative although 60% of respondents indicated that they were aware of support services offered by their force; and
- Physical wellbeing – 33% of respondents agreed or strongly agreed that fatigue had made it difficult to carry out certain duties and responsibilities at work and 56% agreed or strongly agreed that fatigue had interfered with family or social life. 65% reported their overall physical health to be good or very good.

#### *Our comment*

2.96 Police officers on our visits commented on a range of influences on motivation and morale. Key factors for officers stemmed from continued pay restraint, the real terms drop in pay, workforce reductions, the nature of demand and the impact on workload, and pension changes.

- 2.97 We note that the staff associations' surveys have presented a more consistent picture on police officer motivation and morale in recent years. A high proportion of respondents among federated ranks reported low morale with pay and benefits an influence. Although these proportions fell slightly in 2016, they remained high with officers consistently reporting their own morale was low, as was morale in their force. The survey results for superintending ranks showed a much smaller proportion with low morale.
- 2.98 There are also emerging concerns around police officer wellbeing. Other PFEW Surveys in 2016 provided a more detailed picture of concerns around morale, mental health, wellbeing and sickness absence. On the latter, we note that Home Office data showed that 2,429 police officers (full-time equivalent) were on long term sick leave in England and Wales as at 31 March 2016, 2% of all officers, with proportions rising since March 2014. We understand that there are a range of wellbeing initiatives underway on which we would welcome further evidence.
- 2.99 Our assessment is incomplete due to the lack of evidence provided by the NPCC on police officer motivation and morale. We have commented in our first two reports that a national survey of police officers is required which provides information on the range of factors influencing motivation and morale. While we acknowledge that more forces are participating in the Durham University Business School survey, this still covers only 23 forces and there are no available results. The absence of collated results hampers our process in drawing evidence-based conclusions and recommendations and should be addressed by the NPCC immediately. National data and trends on police officer attitudes will also be essential in setting baseline measures ahead of workforce and pay reform.
- 2.100 We observe that there are risks for police forces and wider society should the motivation and morale of officers weaken, given the unique nature of policing and the need for resilience across the workforce to cope with changing demands. We consider that the threshold for motivation and morale might be higher than other professions to ensure workforce resilience which reinforces the need for improved data on which we, and police forces, can make more informed decisions.

## **Legal obligations on the police service in England and Wales and relevant changes to employment law**

- 2.101 Our terms of reference require us to have regard to the relevant legal obligations on the police service in England and Wales (including anti-discrimination regarding age, gender, race, sexual orientation, religion and belief, and disability), and any relevant legislative changes to employment law which do not automatically apply to police officers.
- 2.102 We did not receive any specific evidence from the parties on these matters and therefore we conclude that there are no areas requiring our consideration covering relevant legal obligations and changes in employment law. The Police Consultative Forum (PCF) continues to provide an appropriate forum for discussion and resolution of these aspects of our remit although we remain available should the parties require our views. In the meantime, we were provided with an update by the Home Office and the PCF on changes under discussion and we note other developments in employment law as follows:
- The Children and Families Act 2014 – the provisions will be reflected for police officers and the Home Office was establishing the legislative changes required to take this forward and intended to consult partners on amendments to Regulations;
  - New Regulations were being drafted by the Home Office to allow the dismissal of officers who were medically unfit for officer roles but did not meet the permanent disablement criteria for ill health retirement;

- From April 2017, gender pay gap reporting was implemented for police forces in line with the Prime Minister’s announcement in October 2015<sup>31</sup> and the Government Equalities Office have consulted police partners on draft Regulations;
- The introduction of the apprenticeship levy from April 2017 (see Chapter 3);
- Implications for employment law of leaving the EU – a substantial component of UK employment law is grounded in EU law providing a minimum standard below which domestic employment must not fall. The Prime Minister has stated that existing workers’ legal rights will continue to be guaranteed by law. However, as with other changes to employment law any implications would need specific consideration of how they apply to police officers; and
- Other employment law developments in 2017 such as those arising from the Trade Union Act 2016, the National Minimum and Living Wages, the tax-free childcare scheme and shared parental leave for grandparents.

2.103 In the context of our terms of reference, we remind the parties (led by the NPCC) of the importance of assessing the equality impact of pay proposals including: (i) assessments to accompany the planned policing workforce reforms and the development of a new reward framework for police officers; (ii) assessments as part of pay proposals presented in evidence, including interim proposals ahead of pay reform, such as those to address hard to fill roles and superintending ranks, or pilot schemes; and (iii) assessments at force level when implementing any local flexibilities.

---

<sup>31</sup> Prime Minister’s Office press release. Available at: <https://www.gov.uk/government/news/pm-announces-new-measures-to-eradicate-gender-pay-inequality>

# CHAPTER 3 – PAY PROPOSALS AND RECOMMENDATIONS FOR 2017/18

## Introduction

- 3.1 In this chapter we review the pay proposals from the parties in accordance with the matters referred to us in the Home Secretary's remit letter and, where appropriate, make recommendations. Our recommendation for police officers' basic pay uplift (paragraphs 3.11 to 3.22) draws on the main themes from our analysis of the evidence in Chapter 2. We then draw our conclusions on police officers' allowances (paragraphs 3.23 to 3.28) before providing our observations on pay arrangements for apprenticeships (paragraphs 3.38 to 3.41) and our recommendation on an interim measure for hard to fill roles and superintending ranks (paragraphs 3.51 to 3.57).

## 2017/18 basic pay uplift

- 3.2 The **Home Office** commented that its recommendations for 2017/18 took into consideration the timing of the forthcoming reforms and that the Government was therefore keen for the pay award to focus on immediate measures for 2017/18 and to avoid any conflict with plans for wider pay structure reforms from September 2018. The Home Office concluded that recruitment remained strong, there were no concerns regarding the quality of applicants, wastage rates varied significantly between forces but remained low overall at 5.5%, voluntary resignations were less than 2% of the workforce and the rate of retirements remained stable. It considered that there was no further evidence to indicate that particular skill sets were being lost at unexpected career points or at an excessive rate. Taking these factors into account, the Home Office proposed a 1% consolidated increase to all pay points for 2017/18.
- 3.3 The **NPCC** recommended a consolidated uplift for all officers of 1% based on: affordability at a time of pay restraint; preserving current pay levels and relativity; and being in line with market practice in the public sector. The NPCC continued to support an annual pay review for all ranks so that all officers could benefit from an annual increase. The NPCC had considered alternative scenarios including: an unconsolidated 1% increase; an increase between 0% and 1% consolidated or unconsolidated; and no increase. The NPCC dismissed a higher percentage than 1% given the constraints of the Government's four-year pay policy and the NPCC had not seen any evidence from a budgetary perspective that this would be justified given the need for affordability for individual forces. It noted that compared to the external market, where overall median settlements were 2%, an increase above 1% would be justifiable but it observed that the public sector continued to follow the 1% pay guideline, except for some county and local councils. In doing so, the NPCC acknowledged that officers had experienced a number of years of pay restraint. Although a non-consolidated approach was attractive for forces, the NPCC said that until the outcome of structural change was seen it had agreed current pay levels and relativity should be maintained.
- 3.4 The **MPS** supported the NPCC proposal although, as part of its evidence on funding pay reform, it invited us to reconsider the possibility of a non-consolidated pay rise with the caveat that if the service did not deliver a new reward framework within a specified period the non-consolidated payment would then be consolidated into base pay.
- 3.5 The **APCC** considered there were many compelling reasons to support an award in line with the Government public sector pay policy of 1% in 2017/18 given that there were no national recruitment and retention pressures and turnover rates remained low compared with other sectors. The APCC concluded that based on affordability, morale, public

sector pay policy and prevailing economic indicators there should be a 1% pay award for all ranks and pay points. In doing so, PCCs continued to recognise and value the considerable contribution made by police officers to the safety of their communities.

- 3.6 The **staff associations** recommended a 2.8% increase to all pay spine points in line with the average projected RPI increase for 2017, in order that officers should see no further decline as they had already seen significant falls in the real terms value of their pay. The staff associations calculated that pay awards over the past eight years had resulted in a real terms pay gap of 14.6% and a continuation of Government pay policy to 2020 (alongside predicted inflation rates) would result in a pay gap of 23%.

### *Targeting*

- 3.7 The **Home Office** said that it had carefully considered all possible options for targeting pay to better reflect those whose skills are most in demand and support the delivery of public services. It concluded that no further evidence had been seen of any widespread recruitment or retention issues for the police at a national level. The Home Office acknowledged anecdotal evidence about officer shortages and increased attrition rates in some locations and in some specialist areas but had seen no evidence about the nature of the problem or whether a variable pay award would be an appropriate response. It added that the frameworks, standards and management skills which would allow variation between different groups were still being developed and embedded in forces. Therefore, the Home Office concluded that the potential for variable pay to address recruitment and retention issues or skill gaps in the police was limited at this stage of the reform process.
- 3.8 The **NPCC** felt that any increase below 1% and using money other than for a general increase would need a clear message to officers on how the additional pay budget was being spent and why an alternative approach was the right answer. It concluded that as the remuneration structure would not change for 2017/18 a traditional, across-the-board annual increase was appropriate. As part of the same evidence submission, the **MPS** recognised that some of its roles carried higher risk than others, but officers put themselves forward for no additional reward, and therefore these roles were harder to fill. While the MPS recognised that monetary reward was not the only option, it argued that having no reward options available to attract officers into a particular career path remained problematic.
- 3.9 The **APCC** stated that there was an inherent difficulty in targeting a 1% pay award due to the low quantum and the likely consequence that some officers would receive no pay award.
- 3.10 The **staff associations** viewed the Government's aim to target pay awards as a blanket policy statement rather than an assessment of what works and drives behaviours. They expressed concern at the possibility of introducing targeted pay which might not align with longer term reforms and questioned the usefulness of targeting pay while the scope was limited and without additional funds being made available. They felt that any discussions of targeting should be channelled through the PCF and, should targeting be introduced, appropriate checks and balances should be put in place prior to its implementation.

### *Our comment and recommendation*

- 3.11 We arrive at our independent pay recommendations based on our own analysis, including the weight we attach to the evidence presented by the parties and to our own information sources. We have drawn our overall conclusions from this analysis in Chapter 2 and here we assess the main influencing factors for our basic pay recommendation guided by our standing terms of reference.

- 3.12 The overall environment in policing is shaped by the changing nature of demand on police forces stemming from increased complexity of crime and the changing nature of policing. Our analysis of demand was informed from several sources and the changes were evident on all our visits to police forces. The impact has been to increase police officer workloads not just in volume but in terms of complexity, responsibility levels, risk and scrutiny. HMIC, for example, acknowledged that other people were not exposed to the challenges and risks experienced by police officers. While police workforce reform is on the horizon and aims to reconfigure the workforce and skill levels to better meet changing demand, the impact on police officers is building now, and could continue to build in the future, thereby influencing motivation, morale, recruitment and retention in the short to medium term.
- 3.13 Changing policing demand has also been accompanied by significant workforce reductions since 2010. The changes in numbers of police officers and reductions in police staff have all added to the sense of pressure on the workforce as a whole. Also, specific shortages of officers have emerged in key areas and we discuss these and a potential interim measure later in this chapter. The information on police officer recruitment is patchy. Overall, numbers of entrants have fallen as police forces are taking on fewer new recruits, although forces themselves suggest there are no major concerns. However, the recruitment challenges ahead could be considerable due to the changing attitudes of young people towards careers and expectations of the overall package, and the need for policing to be competitive with the graduate labour market.
- 3.14 Turning to retention, the overall position appears stable. Attrition rates are on a slow upward trend although they remain low compared with the public sector as a whole, and voluntary resignations are below the rate of a decade ago. We are concerned that only limited information is available on the causes of voluntary resignations which would help provide a more informed assessment. Our pay recommendation must have in mind the need to support the continuation of high levels of recruitment of the right quality and retaining officers throughout a policing career.
- 3.15 The evidence on police officer motivation and morale is limited and it is difficult for us to disaggregate whether pay is a particular driver. Officers on our visits pointed to a range of influencing factors such as continuing pay restraint, the drop in real terms pay, pension changes and the impact of demand on workload. The staff associations' surveys report a consistent picture of low morale among federated ranks, although a better position for superintending ranks. We also note the rising concerns around officer wellbeing and we would welcome further evidence on the wellbeing initiatives underway. We observe that there are risks for police forces and wider society should the motivation and morale of officers weaken.
- 3.16 The policing environment and workforce position must be set in the context of the economy and labour market. Our conclusions on the economy include the effect of the increasing rate of CPI inflation, which has been rising since mid-2016 reaching 2.3% at March 2017 and is forecast to be slightly above that rate for the remainder of 2017. The cost of living, while not the only driver, is significant in determining pay settlements across the economy and therefore is influential in our deliberations. Average earnings growth slowed in early 2017 and was forecast to rise during 2017 although the forecasts are subject to uncertainty. We also note from ASHE data that police officer earnings growth has been broadly flat since 2011/12 but constables' and sergeants' earnings fell slightly against other groups in 2015/16. Pay settlements across the economy were stable at 2% and were forecast to remain so through 2017. The labour market has seen employment growth and falling unemployment although uncertainties remain around leaving the EU.

- 3.17 Based on the range of evidence presented we considered several options for the basic pay uplift. We concluded that there was no evidence to support a pay award below 1% and the Government's pay policy had in any case raised expectations among police officers of a 1% pay award. We do not support a non-consolidated pay award to reduce pay bill costs ahead of workforce and pay reform as we have yet to see firm reform plans. We also considered pay awards above 1% and, while we note the staff associations' arguments to match cost of living increases, we do not accept that pay awards should be directly linked to inflation measures and, specifically, not linked to RPI inflation.
- 3.18 We continue to recognise the affordability constraints placed on police forces and have weighed these in the balance of our judgement on the pay recommendation. However, we did not hear a clear rationale from the Government and policing organisations for why a 1% figure is the right one for the police this year, given the significant changes in the economic environment since 2015 alongside the challenging police context. Ultimately, affordability depends on a series of choices and this includes how vigorously other potential sources of savings such as collaboration, shared services or procurement are pursued, alongside proposals to hold down police pay and workforce numbers. The overall policing budget was £12.8 billion in 2016/17<sup>32</sup>.
- 3.19 The Government's pay policy also sought the targeting of pay awards within its pay limit, although we were not asked by the parties in evidence to pursue any targeting as they considered that there was little value in such an approach within constrained budgets. However, we reiterate our support for greater local flexibility within a national framework and explore the options for a mechanism to target hard to fill roles and superintending ranks later in this chapter.
- 3.20 Our recommendation on basic pay seeks to balance all the factors raised in evidence to arrive at our independent judgement. The key relevant influencing factors for 2017/18 are:
- The economic position has changed over the last year, with increasing CPI inflation pointing to a rising cost of living, although we note that private sector wage growth remains relatively subdued;
  - The rising demands on policing (as evidenced in recent HMIC reports, a PFEW survey and on our visits), in the context of reducing workforce numbers, directly impacting on the particular frontline role and accountability of the office of constable;
  - The prolonged pay restraint experienced by police officers;
  - Affordability concerns across the police service, particularly as 79% of the police budget is spent on pay and related costs for the whole workforce;
  - The potential for further efficiencies to be gained both within and through collaboration between forces; and
  - The fact that police officers, unlike many other occupations, are prohibited from being members of a trade union or withdrawing their labour.
- 3.21 These factors lead us to the following conclusions:
- The time has come for the Government to take a longer term view on police pay in the light of changing economic circumstances;
  - The level of police funding is a matter for Government and is a choice;
  - The burden of generating savings within policing should not solely or disproportionately be borne by police officer pay; and

---

<sup>32</sup>Total Gross Revenue Expenditure from HMIC (November 2016), *Value for money profile data, 2016 – police objective analysis*. Available at: <http://www.justiceinspectors.gov.uk/hmic/data/value-for-money-data/>

- That many police officers view their work as a vocation, which they cannot fulfil if they leave for other employment, and while there are no serious problems with recruitment and retention this commitment should not be taken for granted.

3.22 Taking these factors and conclusions into account, our judgement is that an increase to basic pay of beyond 1% is required. In reaching our judgement on the level of recommended increase we have in particular noted: the increases to the cost of living; the increasing demands on police officers; and the persisting affordability concerns across police forces. We therefore recommend a consolidated increase of 2% to all pay points for federated and superintending ranks for 2017/18. We consider this an appropriate and measured response. We continue to agree with the parties that for police officers any costs of incremental pay progression should not be included in the costs of the annual pay award. The recommended pay scales are given in Appendix D.

**Recommendation 1. We recommend a consolidated increase of 2% to all pay points for federated and superintending ranks from 1 September 2017.**

## Allowances linked to our overall pay recommendation

3.23 In our first two reports we concluded that London Weighting and Dog Handlers' Allowance should continue to be linked to our overall basic pay recommendation. The parties' evidence presented a clearer view on the handling of these allowances endorsing the link to the basic pay uplift. We have seen no new evidence for 2017/18 to change our conclusion on the link to our overall pay recommendation and we therefore recommend accordingly.

**Recommendation 2. We recommend that London Weighting and Dog Handlers' Allowance should be updated by 2% from 1 September 2017.**

## Allowances – general

3.24 We note the NPCC's intention to review allowances as part of a future reward framework included an option to consolidate allowances. We therefore reiterate our view from our first two reports on the importance of allowances to the overall remuneration package in supporting recruitment, retention, motivation and morale. Any review will therefore need to draw on these factors in re-establishing the rationale for current, amended or new allowances supported by a robust evidence base and arrangements for regular review, including our suggestion of a rolling programme for review. We look forward to further evidence under the planned pay reforms which should include opportunities to agree arrangements for allowances with the staff associations.

3.25 Part of the review of allowances should include prioritising those which might need early review. In this context, we would echo the concerns of the staff associations in their evidence on the level and application of the On-call Allowance which was a source of dissatisfaction among the police officers we met on our visits. The frequency, burden and breadth of on-call duties across ranks appeared to have increased. Officers told us that there was a greater burden during on-call periods driven by higher levels of responsibility and risk, and wider geographical coverage, at a time when available resources and support had reduced. This was contrasted with the level of the allowance at £15 per on-call period and that the rate had remained static for several years since the Winsor Review. We therefore conclude that the On-call Allowance should be reviewed as a priority and we expect to see further evidence from the NPCC and the staff associations on the burdens of on-call, whether the rate should be increased and whether the allowance should apply to superintending ranks.



## London and South East package

- 3.26 The **MPS** pointed to its earlier evidence proposing an ambitious programme of allowance reform to appropriately target the pay bill to areas within its officer workforce with the greatest organisational challenges. It argued that London Allowance and Housing Allowance should be frozen and consolidated by 2020 to provide a single payment, but with discretion for the Commissioner to vary the level to meet MPS requirements or respond to market or other external pressures. In the longer term, the MPS proposed creating similar flexibilities for London Weighting and the London inspecting lead. The MPS would be entering negotiations to renew the current Association of Train Operating Companies (ATOC) scheme and intends to seek a new ATOC option for new recruits (who no longer had access to the existing scheme) with a smaller radius than the old scheme. The MPS concluded that, given the emergent and significant national pay reform agenda, any review of the London package should be wrapped up in that reform work.
- 3.27 The **NPCC** noted that forces had recently made decisions on whether to increase South East Allowances in line with the greater flexibility on maxima offered by our 2016 recommendation. It reported that only Surrey and Sussex Police had decided to increase the allowance for each officer by £500.

### *Our comment*

- 3.28 We have supported a review of the London package in our first two reports and we therefore welcome the MPS's view that the planned review should be linked to the NPCC's development of a reward framework. We have commented that the review should arrive at a more coherent, flexible and targeted package for London including a rationale for the elements to ensure appropriate levels at different stages of a policing career to reflect cost of living, recruitment and retention, and specific roles. In this context we note the continuing benefit of free travel on Transport for London and we welcome the MPS's consideration of the ATOC scheme for new recruits. We expect the MPS to lead the review of the London package, with the support of the NPCC, and that there will be engagement with South East police forces to ensure coherence with South East Allowances and other elements of the package.

## Pay arrangements for police officer apprenticeships

- 3.29 The Home Secretary's remit letter sought our observations on proposals to introduce police officer apprenticeships in 2018 in relation to setting pay at an appropriate level.
- 3.30 Apprenticeships are full-time paid jobs which incorporate on and off the job training. Successful apprentices will receive a nationally recognised qualification on completion of their contract. Apprentices have the same rights as other employees and are entitled to be paid at least the apprentice rate of the National Minimum Wage. The Government has set a target of three million new apprenticeships by 2020.
- 3.31 From 6 April 2017, the Government introduced an apprenticeship levy<sup>33</sup> for employers operating in the UK with an annual pay bill over £3 million. The levy is 0.5% of the annual pay bill less an annual allowance of £15,000 with a Government top up of 10% of the organisation's levy. Employers in England will be able to spend their levy contributions on apprenticeship training. Employers can access digital accounts to claim funding for apprenticeship training up to the upper limit of the relevant funding band. For policing, a higher level apprenticeship for constables is under development by the College of Policing for implementation in 2017/18. Apprenticeships for other policing

---

<sup>33</sup> Department for Education and Skills Funding Agency (October 2016), *Apprenticeship Funding from May 2017*. Available at: <https://www.gov.uk/government/publications/apprenticeship-funding-from-may-2017>

ranks (plus specific officer roles and PCSOs) will also be developed under the Policing Education Qualifications Framework (PEQF). The NPCC also told us that the Welsh Government was not permitting organisations to draw down the apprenticeship levy and therefore options for Welsh forces were being considered.

- 3.32 The **Home Office** asked us to consider evidence from partners on the future direction of pay arrangements for apprenticeships in the light of progress made by the College of Policing to design a scheme. The College was working at pace to ensure policing could benefit from the new levy.
- 3.33 The **NPCC** said that it had not recommended the rate of salary to be paid to the new apprentice role being developed because the timeline had lengthened and the first recruits were not anticipated before early 2018. The NPCC considered that the new levy carried implications for the effective use of police funds and resources. Apprenticeships featured heavily in the PEQF as the model offered a sound educational approach and an attractive funding mechanism. The NPCC added that Government funding would help support the costs while helping address concerns that the costs to individuals of gaining qualifications would impact on the ability of policing to secure a diverse and representative workforce. The qualifications were no longer pre-requisites to appointment or promotion but would be required for confirmation in post.
- 3.34 At the time of the evidence submission, the NPCC confirmed that the apprenticeship standard had been provisionally approved by the Department for Education with formal approval expected later in 2017. In the meantime, the College continued to develop the curriculum specification, the implementation strategy to support forces and the necessary regulatory changes. It was anticipated that the first cohorts to enrol would be in April 2018. The NPCC expressed concerns about the costs of training, including abstraction, increasing substantially over the next few years.
- 3.35 The **MPS** commented that this new entry route required an appropriate reward structure and supported a modified application of the constable pay scale. However, pay must be balanced against affordability and the value to the individual of a degree without the associated levels of student debt. It felt that high abstraction levels, location allowances and benchmarking against other employers must be taken into account.
- 3.36 The **APCC** said that it was not known at what apprenticeship level police constables would enter the service and therefore it was not possible to make informed recommendations about pay levels at this stage.
- 3.37 The **staff associations** commented that the introduction of the apprenticeship scheme had been hurried through. The College of Policing had to meet extremely challenging deadlines with a focus on design, and broader issues of workforce planning had not formed part of the College's work. The staff associations added that there had not been a robust analysis of the offer to candidates, to whom it would be attractive, and whether it might change the nature of recruits to policing. There were concerns that the scheme might attract younger recruits who wanted to obtain a degree and then leave the service, which might create a shift in the age of recruits, higher turnover and higher proportions of younger officers. If pay was set too low, it might attract young candidates only at the expense of recruits with more life experience who brought maturity to the role. If apprentices were paid based on the portion of their time not undertaking professional development and therefore available for deployment, this would set a dangerous precedent at a time when the College was encouraging development throughout careers. The staff associations recommended that, to offset some of these concerns and to continue to attract a wide range of age groups, apprentices should be paid in the same way as other recruits, with those having prior experience able to attract the higher starting salary.

### *Our comment*

- 3.38 We provide here our observations on pay for police officer apprenticeships as requested by the Home Secretary. We note that while the College of Policing is continuing to develop the curriculum specification for apprenticeships the NPCC has been unable to submit pay proposals for 2017/18 at this stage.
- 3.39 Therefore the implications for pay arrangements are unclear. We note the staff associations' view that pay should be the same as for constable entrants although there might be a case for pay to account for time away from duties and the benefit to the individual of gaining a degree without the associated costs. Clear evidence would be required from the NPCC on any proposed modifications to existing pay. As the first cohorts are likely to start from early 2018, within the 2017/18 pay year, their pay arrangements will need to be in place beforehand and we stand ready to recommend rates when required. To make those recommendations on pay, we would expect to see initial conclusions on the overall implications for recruitment and to receive further evidence on the design of the programme, estimated numbers participating, training costs, expected attrition rates and the implementation strategy.
- 3.40 Police officer apprenticeships will also have implications for designing a police officer reward framework. Appropriate comparisons will be required with the graduate labour market and pay levels to position policing against the market. These will include both general comparisons and with employers recruiting to degree-level apprenticeships. Considerations will go beyond entry pay for a police officer apprenticeship and should cover early pay progression and links to other pay developments (such as Assessing and Recognising Competence, and Advanced Practitioners).
- 3.41 More generally, the move to a degree-level profession is a major change for policing overall and, in particular, apprenticeships will be a significant development influencing the recruitment and retention of police officers. To help us assess the implications we will require robust evidence, initially from the NPCC and the College of Policing, on the implications for officer recruitment given the short period before implementation in 2018. For the longer term, we consider that:
- Systematic workforce planning is required. This needs to take into account apprenticeship entry routes, including perceptions of policing as a career, the nature of the offer to apprentices, the subsequent career pathways within policing, and retention initiatives to maximise the return on investment; and
  - An assessment is required of how apprenticeships will change the recruitment landscape for policing, including links with traditional recruitment routes and the range of other recruitment initiatives already underway. Specific assessment is also needed on any impact on entry ages, the quality of entrants and managing career expectations.

### **Hard to fill roles and superintending ranks**

- 3.42 The **Home Office** asked us to consider evidence and proposals (presented by chief officers) to give more flexibility to address specific, evidenced, short term recruitment and retention pressures within an average uplift of 1% in line with the Government's public sector pay policy. It said that proposals should take into account our previous advice (including non-pay options), be mindful of future pay reform, support improved workforce planning in forces, be strictly time-limited and be capped to ensure affordability. Clear and detailed proposals would need to be proportionate, fair and transparent, and have standard objective criteria. The Home Office added that, although there was anecdotal evidence about recruitment and retention issues for some specialist areas, it had yet to see robust evidence about the extent or nature of the problem at a national or local level.

- 3.43 The **NPCC** sought flexibility for chief officers to award short term payments using the current bonus payment framework to roles experiencing specific recruitment and retention issues. The NPCC said that there were some examples of where the current Regulations were being stretched to address local issues e.g. detectives in training. The NPCC sought to agree clearer guidance including a more certain mechanism and wording so that chief officers might use this without challenge in terms of amount or regularity of payment. It proposed new categories within the bonus payment Regulation to provide a short term measure that would either be incorporated or fall away subject to future changes in the reward framework. The NPCC acknowledged that any change to the bonus payment Regulation should be agreed between all parties under a set of guidelines and that any budgetary provision would need to be agreed by the PCC.
- 3.44 The NPCC cited data from police forces which indicated that nearly half of all forces reported an issue recruiting detectives and 21 of 29 responding forces had more than one recruitment issue. Further analysis of responses from the 29 police forces indicated that 19 had difficulty filling detective roles, 13 had difficulty filling firearms officer roles, 12 had difficulty with custody roles, 5 with public protection officers, and 5 with safeguarding roles. Forces provided information on the overall reasons for vacancies and action they had taken as a result or wished to see at a national level (see Chapter 2). In addition, the NPCC summarised forces' concerns on recruitment and retention for identified posts which included the nature of the role, the level of retirements, career pathways and developments, remuneration levels, specialist remuneration, and competition in London and the South East.
- 3.45 The NPCC considered that extending the bonus payment Regulation might also be beneficial for superintending ranks as the PSAEW had identified a significant increase in individuals' responsibilities and workload. Care was needed not to re-introduce allowances removed under the Winsor Review, but greater flexibility for chief officers would allow them to consider further remuneration.
- 3.46 The **MPS** also commented that some roles were proving harder to fill without additional reward. Monetary reward was not the only lever available but having no reward options remained problematic, particularly as the operational structure became flatter with decreased opportunity for rank progression. The MPS supported a short term, time-limited, financial incentive, initially by widening the bonus payment Regulation, which could lead to the development of better evidence to support longer term options. The MPS specifically cited its deepening concerns with detective resourcing levels where a number of measures had been taken including the use of ex-officers in police staff roles, the conversion of special constables into trained detectives and other initiatives to address location, personal liability risk and career progression. The MPS considered that a short term financial incentive could allow these longer term measures to take effect. As unconditional support from all stakeholders was unlikely, the MPS proposed trials with evidence to support or challenge longer term commitments.
- 3.47 The **APCC** said that the NPCC was best placed to bring forward evidence on recruitment and retention pressures and any short term, targeted measures to address them.
- 3.48 The **staff associations** pointed to the need for appropriate discussion of the case for targeting and the use of short term payments at an appropriate national forum (the PCF). These should consider: context and strategy; detail of implementation; expected impacts; and data and evidence. The associations felt that discussions should be given time to work through rather than allowing chief officers to pay at their discretion. The staff associations noted that the NPCC might raise the use of short term payments for certain skills groups (possibly firearms specialists and detectives). They added that there had been no discussion on the likely size of payments, funding, consolidation, equality considerations and how they might meet the NPCC's aims. The associations were keen to ensure officers were rewarded appropriately but, in the absence of data, urged the utmost caution in targeting using short term payments.

- 3.49 The PSAEW continued to question whether a remuneration mechanism for superintending ranks determined only by rank and length of time served remained fit for purpose. The PSAEW cited its own membership figures showing a reduction of 25% since 2010, but said there had been no corresponding reduction in either the workload or expectations made of those that remained. There had been changes to the roles and responsibilities of the superintending ranks with pan-force, collaborative, regional and national roles having been introduced, and strategic force alliances created. The PSAEW also indicated that the two forces removing the rank of chief superintendent without any redefinition of roles had artificially suppressed salary levels and also pointed to plans to merge MPS Borough Commands. Structural changes, coupled with more legislative responsibilities, enhanced scrutiny and accountability, and changes in governance arrangements, had resulted in greater spans of command, increases in the responsibilities and levels of risk carried by the superintending ranks, and increased the requirement to be on-call outside core duty. There had also been further devolvement of responsibilities from chief officers. The PSAEW added that increasing spans of command had blurred the relationships within superintending ranks and between chief superintendent and assistant chief constable/commander.
- 3.50 The PSAEW commented that the changes in superintending roles and responsibilities were universally recognised but there was no mechanism to provide additional remuneration. It provided examples of much greater flexibility for chief officers to regrade or uplift salaries for senior police staff. The PSAEW expected the NPCC would seek to address this unfairness through the development of a new reward framework although it did not consider it acceptable to wait for completion of work currently in progress. As an interim measure, the PSAEW proposed chief officers were provided with the flexibility to make bonus payments equivalent of up to 10% of basic salary in any twelve month period with the principles developed and agreed within the PCF. It added that such bonus payments should be dealt with separately from the 2017/18 pay award.

#### *Our comment and recommendation*

- 3.51 We consider that the information presented by the NPCC from police forces, supported by the views expressed on our visits and the HMIC 2016 PEEL Police Effectiveness Report (specifically for detectives), provides an evidence base that hard to fill roles exist across the police service. The evidence confirms a clear operational need to take action now. There are consistent views from forces on shortages among detectives, firearms officers and other roles that impact on the delivery of these functions and the service to the public. However, the evidence also suggests that there are likely to be variations in the extent and impact from force to force suggesting that a local, flexible response is required rather than a one-size fits all solution at national level.
- 3.52 We have acknowledged in our previous reports that, in principle, there is scope for a national pay framework supported by greater local flexibility and that the police officer pay structure could benefit from greater flexibility to make additional payments to recognise unique, local circumstances. We conclude that hard to fill roles are a strong example of how this approach could be developed. In doing so we have commented on the need for police forces to identify the reasons for officer shortages, including overall supply problems, ineffective career pathways and the particular nature or circumstances of the role, and the range of levers to alleviate the shortages. We continue to expect assessments of these factors as part of any consideration of pay solutions.
- 3.53 We also conclude from the PSAEW and NPCC evidence, and corroborated by views on our visits, that there is a consistent case to differentiate reward at targeted superintending roles. Workforce reductions and force reconfigurations have led to additional workload, greater responsibility and complexity, wider spans of command, higher levels of risk, increased accountability and further on-call commitments. The nature of the differences between posts should be determined according to robust information at local level and,

in the longer term, the reward framework would require some form of job evaluation to distinguish between roles for superintending ranks. We do not consider, as an interim, that additional payments should be expressed as a percentage of pay but rather linked to the value of the additional responsibilities at local force level.

- 3.54 Based on the evidence, we are therefore supportive of a targeted pay mechanism which allows individual chief officers to decide, supported by national guidance, whether there are local hard to fill posts or superintending ranks where additional payments are the required solution to support recruitment and retention. We consider that local assessments of affordability should be a key driver. The evidence as presented does not enable us to estimate overall costs and we do not consider that these interim payments should fall within the limits of the Government's pay policy. As this would be an interim measure, these payments should not be pensionable.
- 3.55 We conclude that it is for the NPCC to design, develop and implement an effective solution that is fit for purpose within police forces. While the NPCC should lead this development it should be done in consultation with the staff associations and other parties through the PCF. We expect that any agreed arrangements would include detailed guidance for chief officers on:
- The approach, purpose and criteria for additional payments;
  - The values attached to additional payments (or possibly the maxima);
  - The evidence base to support local decisions including recruitment and retention factors and an assessment of local affordability;
  - Any nationally identified hard to fill roles (e.g. detectives) that might require national criteria;
  - Arrangements for equality impact assessments;
  - Appropriate local and national review mechanisms; and
  - Any lessons learned from previous police payments and similar approaches in other sectors (for instance, in the Armed Forces and the NHS as highlighted in our 2016 Report).
- 3.56 The PCF should consider whether the most effective, interim solution would be through the NPCC's proposed extension of bonus payments or separate arrangements under a new Regulation specific to this requirement. Regardless of the approach, bonus payments as specified in the current Regulation should retain their original purpose and should remain available to be used by chief officers. Any approach should be capable of inclusion or modification under a reformed pay structure which is likely to include local flexibilities to allow police forces to manage their workforces effectively. There will also be other links between strands of the workforce reforms and the reward framework, for instance to support specialist capabilities and Advanced Practitioners.
- 3.57 We therefore recommend the introduction of appropriate, targeted arrangements in 2017/18 to allow local flexibility for chief officers to make additional payments to police officers in hard to fill roles and in superintending ranks. Given that this is an interim measure, our recommendation places a time limit through to September 2020 on the chosen approach so that its requirement can be re-assessed as pay reforms are designed. In the meantime, we expect the NPCC (and other parties) to provide us with regular updates on the development of these arrangements and their effectiveness once implemented including the relevant supporting evidence.

**Recommendation 3. We recommend the introduction of appropriate, targeted arrangements in 2017/18 to allow local flexibility for chief officers to make additional payments to police officers in hard to fill roles and in superintending ranks. This interim measure should have a time limit through to September 2020.**

# CHAPTER 4 – POLICE WORKFORCE AND PAY REFORM

## Introduction

4.1 The developments in 2016 and early 2017 are helping to clarify the policing landscape, although there remains a full programme of reform to define and implement before policing is in a position to support the delivery of its 2025 Vision. In this chapter we comment on aspects of progress on police workforce and pay reform as they might influence our pay recommendations over the long term.

## Police workforce and pay reform

### *Remit letter*

4.2 The Home Secretary's remit letter set out that the Government was keen to support police leaders by giving them the tools they need to: increase flexibility; allow movement in and out of policing; increase and introduce skills; and achieve a more diverse workforce mix as well as growing a culture of innovation and challenge. The Home Secretary expected to see further police-led proposals on how a fair and sustainable reward structure could be achieved. The Home Secretary invited our independent view on the progress being made on longer term reforms and how the risks and challenges of a new reward structure are being addressed as plans develop.

### *Police workforce reform – parties' evidence*

4.3 The **Home Office** reiterated the Government's commitment to finishing the job of police reform and workforce reform remained a critical part of this. The Government recognised that there was further to go to ensure every community and all victims received a professional service regardless of the crime and location. Ministers considered the pace of change must not slow and the next stage of police reform must be police-led.

4.4 The Home Office commented that the 2015 Spending Review provided the opportunity for PCCs and chief officers to drive forward transformational reforms at an even greater pace while driving out inefficiencies so that resources could be targeted for the greatest impact. The Home Office said that it had moved away from the notion that Government intervention could tackle all the issues but that the Home Office had a role in bringing forward legislation to free up police time, enable greater collaboration, reduce non-crime demand on forces and provide better outcomes for people with mental health problems who came into contact with the police.

4.5 The Home Office considered that it had set the strategic direction for police workforce reform and continued to support reforms being taken forward by partners through legislation and targeted funding for significant transformation projects. The Home Office was providing a suite of tools for the police to transform and create a more flexible workforce. Following the 2015 College of Policing Leadership Review, the College and chief officers were taking forward an ambitious and far reaching programme of workforce reform to give policing the professional status it deserved.

4.6 The Home Office said that the programme of reforms included:

- Implementation of a new five-level organisational structure to empower officers and flatten structures;
- A new Police Professional Framework setting out the standards required for 21<sup>st</sup> century policing by articulating the skills, professional standards, competences and behaviours;

- The Policing Education Qualifications Framework (PEQF) to accredit skills, introduce new entry routes and embed a culture of continuing professional development across forces. The framework would recognise the high level at which the workforce operated and enable them to achieve nationally accredited formal qualifications;
  - The Assessing and Recognising Competence project including guidance on implementing the foundation threshold assessment for constables at pay point 3 from January 2017. This would pave the way for further threshold points aligned to new qualification and competence frameworks and organisational design work; and
  - Pay progression linked to Performance Development Reviews and ensuring this approach became embedded in policing.
- 4.7 The Home Office also pointed to other reforms integral to the workforce reform agenda including: police apprenticeships; a licence to practise to accredit certain key roles; Advanced Practitioners with pilots in 2017; other recruitment and career development initiatives; and guidelines around effective performance management following a review of the use of targets in policing. The Home Office cited the work to ensure operational leaders and PCCs had adequate oversight of key capabilities which required specialist skills, in particular those to tackle the national threats in the Strategic Policing Requirement such as terrorism, serious and organised crime, cyber, public order and civil emergencies.
- 4.8 The NPCC noted that, building on the College of Policing's 2015 Leadership Review, the Workforce Futures Programme sought to deliver significant change by 2020 by developing a number of change programmes. The NPCC recognised the need to link major reform to a nationally agreed plan and that allowing change to take place in a piecemeal way could have unintended consequences. Any major relevant reform work had been captured and aligned to the Workforce Futures Programme to maintain strategic oversight and to ensure the sequencing of delivery was properly co-ordinated. The programme centred on four areas: attract; develop; reward; and exit/re-entry. Ongoing initiatives included direct entry, fast track and Police Now, and new initiatives included Advanced Practitioner.
- 4.9 The NPCC concluded from a review of police rank structures and grades that a reduction to five levels was the optimum in terms of organisational efficiency but many organisational design issues would need to be overcome before a service-wide reduction could be supported. The NPCC said that it would actively consider removing ranks but this would not preclude individual forces striving to rationalise shrinking budgets and/or preserve frontline services. The NPCC further noted that future promotion opportunities would diminish making it important to introduce credible alternative career pathways such as Advanced Practitioner.
- 4.10 The NPCC noted that the College of Policing would be undertaking a substantial programme of work to redevelop the Police Professional Framework including new role profiles for officers and staff (including core and specialist roles) underpinned by professional standards during 2017. The NPCC also outlined the College's PEQF which set education and qualifications by rank or organisational level. It intended to raise education standards and formally recognise the increasing complexity of policing and the high level skills and professionalism required both now and in the future. Further modelling and consultation with chief officers and PCCs would determine a reasonable timeframe for mandatory implementation. Developments were expected to continue over the next two to three years with early adopters in 2018 although mandatory adoption was unlikely before 2020.



- 4.11 The NPCC reported that the Assessment and Recognition of Competence was launched in September 2016 with constables assessed against the foundation threshold from January 2017. It added that the College planned to extend these to include higher skilled assessments for constables and sergeants with the timeframe for introduction aligned to the new pay structure.
- 4.12 The development of Advanced Practitioners resulted from the 2015 Leadership Review. The NPCC commented that pilots from early 2017 aimed to provide a lateral career opportunity for constables that recognised professional expertise and were independent of seniority. At this stage, the pilots would not include additional remuneration for participants. The pilots in eight forces would gather evidence to inform the national roll out of the model. The College was also developing the introduction of a licence to practise in high risk or high harm roles in policing with practitioners required to register with the College, undertake regular refresher training and also continuing professional development to maintain competency. Substantial development would be required and therefore implementation was unlikely before 2019.
- 4.13 The MPS said that the NPCC had found a growing evidence base to support the five-level model where the focus was on the role and levels of responsibility rather than rank/grade. This formed the basis for future thinking around organisational design, development and reward. The MPS confirmed that it had decided to streamline its chief inspector and chief officer ranks. It also suggested running two pilots for Advanced Practitioner, one with a financial incentive (through extended bonus payments) and one without. The role would be fundamental to officer career paths as opportunities for rank progression decreased. The MPS added that the current consensus employer view on pay for Advanced Practitioners was that the constable pay point 7 was probably appropriate in the longer term.
- 4.14 The APCC considered longer term reform with regard to its recommendations for 2017/18 and noted the implementation of a five-level organisational structure, pilots of the Advanced Practitioner model, and the new Police Professional Framework.

#### *Police pay reform – parties' evidence*

- 4.15 The Home Office commented that the police-led workforce reforms would form the bedrock for a longer term pay strategy including a more flexible and sustainable reward structure linked to role, competence and skills. The Home Office aimed to introduce measures to enable the implementation of a new pay and reward structure suited to a modern professional workforce by 2019/20 that was strongly aligned to roles, competence and skills instead of one rooted in time-served progression.
- 4.16 The NPCC commented that it was in the early stages of the reward work and therefore was not able to present proposals in evidence for this report. A work programme would be developed but, in the meantime, the draft principles for a future reward framework had been agreed with all forces in October 2016, in summary these were:
- A basic national pay structure;
  - Local supplements – flexibility to reflect local needs through market uplifts or supplements, cost of living factors, accelerated progression, complexity of roles, etc;
  - Link between pay and contribution – pay progression only when demonstrating satisfactory performance;
  - Link between pay and competence – reward for additional competence;
  - Link between risk, responsibility and scale of role;
  - Link between pay and specialist and/or scarce skills – skills and qualifications relevant to a specific post could attract remuneration to a higher level than the next rank;

- Review of increments – to allow a fairer and more appropriate pay structure;
  - Consolidate allowances;
  - Consistency between police staff and officers where appropriate;
  - Considering the total reward package; and
  - Overall reward should be just and fair.
- 4.17 The **MPS** said that if it was to deliver on its One Met Model then a new national pay structure with local flexibility was fundamental. The MPS supported the NPCC’s framework of reward principles. It added that it would value our support in the establishment of pilots for London-specific roles with the opportunity to fund workforce reform through the Transformation Fund. The MPS considered the development of a new pay structure was challenging as there was no new money and therefore pay reform must be cost neutral. Specifically, it proposed laying the foundations for future reform by considering: (i) a non-consolidated pay rise; and (ii) a cap on pay for new joiners at pay point 6 on the constable scale effectively ring fencing pay point 7 for reform (e.g. for Advanced Practitioners).
- 4.18 The **APCC** noted, following workforce reforms, the implementation of a more flexible and sustainable reward structure linked to role, competence and skills.
- 4.19 The **staff associations** believed that the police officer pay system should: attract and retain officers who were representative of the public served; be designed to ensure officers believed there was organisational justice within the system; be designed based on evidence of need and what worked; facilitate deployment to a range of roles and requiring a range of skills; and appropriately recognise skills, knowledge, attributes and workload. They added that responsibilities, risk and size of role should also be taken into account, that anomalies needed to be addressed and that there was a need for a clear rationale for each element of the remuneration package.
- 4.20 The staff associations compared these features with those in the Home Secretary’s remit letter and found much commonality, although the PFEW were more cautious than the PSAEW on some points such as movement in and out of policing. However, the associations considered progress was slow because of conflicting pressures including the blanket policy to target pay, clawing back the apprenticeship levy, College of Policing initiatives and individual initiatives undertaken within 43 forces.
- 4.21 The staff associations recommended using a benefits realisation model as used by the Armed Forces to assess change to pay and conditions against the key drivers of attractiveness, agility and affordability. They believed the key risks of a new reward structure were: a piecemeal approach diluting positive impacts; forces introducing change without reference to others with unintended consequences; perceptions of a breach of the psychological contract; a new system might cost more to implement than it realised in benefits; and the impact on equal pay. The associations also listed the main challenges as: enacting behavioural and cultural changes within an average pay uplift of only 1%; tensions between operational policing objectives and deep skills development; rewarding professional development within a flat structure; considering different job features for different ranks; and persuading the workforce that a new system was necessary and value for money. They added that the requirement for officers to have or gain degree-level qualifications would cause individuals to consider their marketability and it would be necessary to benchmark officers’ pay against graduate roles. Direct entrants’ pay at inspector and superintendent would also need to be benchmarked.
- 4.22 The staff associations made the following comments on aspects of pay reforms from the Home Secretary’s remit letter:

- Tools to increase flexibility – whether this meant increasing the flexibility of the force or giving chief officers more flexibility over remuneration. The current pay system encouraged officer flexibility based on the concept of omnicompetence and pay scales with incremental increases gained as experience deepened allowing forces to deploy officers flexibly;
- Allowing movement in and out of policing – a range of concerns on fast track and direct entry schemes;
- Increasing and introducing skills – support for skills development and for officers’ skills and experience to be externally accredited. Changes must be grounded in a strong evidence base and a number of initiatives were underway for which the evidence base was less than robust;
- Achieving a more diverse workforce mix – support for increasing diversity but it was important to be clear whether pay was an important factor; and
- A culture of innovation and challenge – proposals and a rationale on how pay could drive such cultural change were awaited.

4.23 The PFEW and PSAEW 2016 Pay and Morale Surveys included respondents’ views on whether different types of reward systems were fair as follows:

- Incremental pay remained the most likely to be seen as fair – 71% felt it was fair for pay to be determined by length of service;
- 60% felt competency-based pay was fair – with higher responses from higher ranks and greater length of service;
- A small majority felt specialist pay and workload-related pay were fair;
- Under 50% felt performance-related pay, knowledge-based pay and regional pay were fair; and
- The majority of superintending ranks felt that some form of targeted pay was fair – more than three-quarters said workload-related and specialist pay were fair.

### *Graduate labour market and earnings*

4.24 In the light of developments through the Policing Education and Qualifications Framework, which will lead to policing becoming a degree-level profession, we have examined the current graduate labour market. From our analysis of available data we note the following points:

- Figures published by the Department for Education (DfE) show the unemployment rate among young graduates (21-30 year olds) was 4.6% in 2016, 0.3 percentage points lower than in 2015<sup>34</sup>. There was a slight increase in the employment rate for young graduates, up 0.4 percentage points on 2015 to 87.0%. The employment rate for young postgraduates was 90.6%, up 3.2 percentage points on the previous year;
- Results from the Association of Graduate Recruiters’ (AGR) member survey<sup>35</sup> showed that graduate vacancies fell by 8% in 2016, the first decrease since 2012. Employers indicated that market uncertainty and economic conditions played a large role in this change;

---

<sup>34</sup> Department for Education (April 2017), *Graduate Labour Market Statistics 2016*. Available at: <https://www.gov.uk/government/statistics/graduate-labour-market-statistics-2016>

<sup>35</sup> Association of Graduate Recruiters (September 2016), *AGR 2016 Annual Survey*.

- The High Fliers' survey<sup>36</sup> of the organisations named as The Times Top 100 Graduate Employers<sup>37</sup> for 2016 found that employers had increased graduate recruitment by 1.6% in 2016 compared with 2015, lower than the 7.5% that had been forecast in the previous High Fliers' report. The expectation was that employers would increase vacancies by 4.3% in 2017;
- The Incomes Data Research (IDR) survey<sup>38</sup> of graduate employers found that half of respondents reported difficulties retaining graduates in 2016. These difficulties centred on retaining graduates in the longer term, once they were fully qualified. Looking at median figures, after three years employers retained 70% of their graduates, but only 35% of graduate recruits remained with their organisation after five years; and
- In research commissioned by the Office of Manpower Economics, the IFS<sup>39</sup> concluded that there was little evidence of change in the educational achievement of new graduate police officers between 2007 and 2015 which remained around the 40<sup>th</sup> percentile of all higher education leavers.

4.25 We have also considered the starting pay and pay progression of police officers and graduates using the sources mentioned above as well as analysis of data from the Higher Education Statistics Agency (HESA) on the destination of recent graduates<sup>40</sup>. Data relating to new graduate earnings vary in their timeliness and some are weighted towards large "graduate scheme" recruiters, which tend to recruit significant proportions in London and the South East. Table 4.1 shows us that police starting salaries<sup>41</sup> in London are competitive against median graduate salaries reported by all sources as a result of additional London Allowances but outside London the police starting salaries are below median graduate starting salaries.

**Table 4.1: Graduate starting salaries (median), 2012 – 2016**

	2012 graduates	2013 graduates	2014 graduates	2015 graduates	2016 graduates
HESA	£25,000 (£27,000 London)	£25,000 (£26,000 London)	£25,000 (£27,000 London)	£25,000 (£27,000 London)	–
DfE	£24,000	£24,000	£24,000	£24,000	£25,000
AGR	£26,000	£26,500	£27,000	£27,000	£27,500
High Fliers	£29,000	£29,000	£29,500	£30,000	£30,000
IDR	–	–	–	£25,000	£25,750
Police	£23,259 (£29,874 London)	£23,493 (£30,132 London)	£22,443 (£29,106 London)	£22,668 (£29,355 London)	£22,896 (£29,607 London)

Source: Police pay scales and OME analysis of: Destination of Leavers from Higher Education survey, HESA; Graduate Labour Market Statistics, DfE; AGR 2016 Annual Survey, Association of Graduate Recruiters; The Graduate Labour Market 2016, High Fliers; and Pay and Progression for Graduates 2017, Incomes Data Research.

Note: HESA starting salary figures are based on first and higher degree holders entering *professional occupations* and are rounded to the nearest £1,000.

<sup>36</sup> High Fliers Research (January 2017), *The Graduate Labour Market 2017*.

<sup>37</sup> Available at: <http://www.top100graduateemployers.com/>

<sup>38</sup> Incomes Data Research (December 2016), *Pay and Progression for Graduates*.

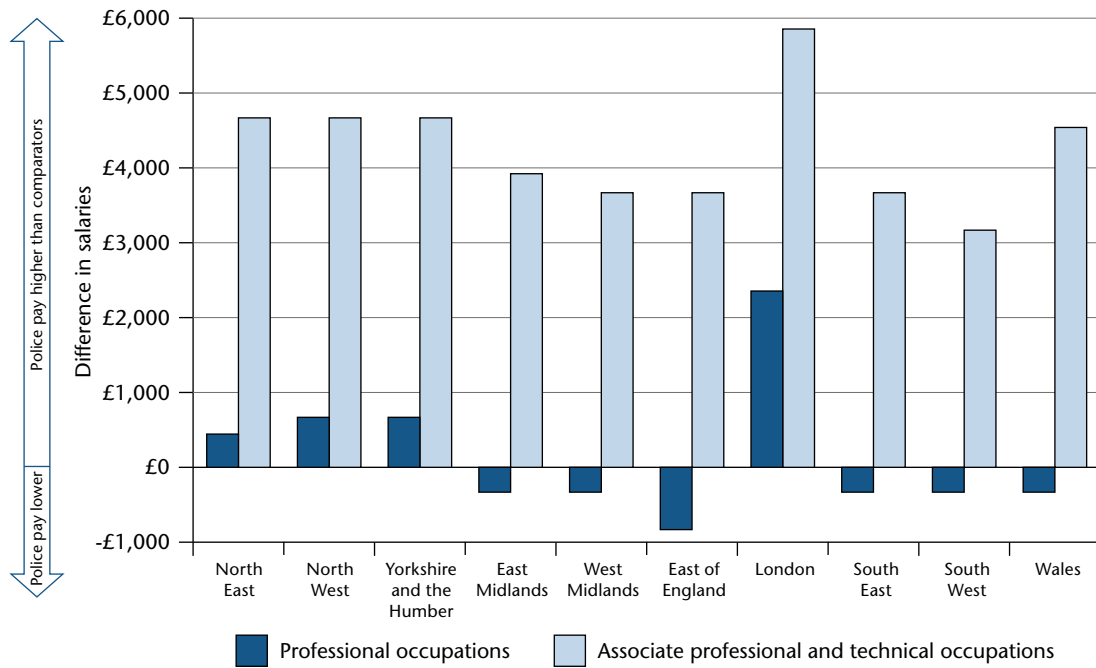
<sup>39</sup> IFS (March 2017), *The Changing Educational Attainment of Graduate Recruits to Major Public Sector Occupations*. Available at: <https://www.gov.uk/government/publications/changing-educational-attainment-of-graduate-recruits-to-major-public-sector-occupations>

<sup>40</sup> HESA (July 2016), *Destination of Leavers from Higher Education*. Copyright of Higher Education Statistics Agency Limited. HESA cannot accept responsibility for any inferences or conclusions derived from the data by third parties.

<sup>41</sup> In comparing police starting pay with other graduates' median starting salaries we have used pay point 1 on the new constable pay scale (£22,896 from September 2016), as our analysis of the Police Earnings Census in Chapter 2 suggested that little use is being made of pay point 0 (£19,773).

- 4.26 The HESA data on the destinations of recent graduates allow for further analysis of graduate starting salaries. Graduates enter the whole range of occupational categories (as described by the Standard Occupational Classification) although nearly 80% of those in full-time employment were recorded as working in professional occupations and associate professional and technical occupations.
- 4.27 Chart 4.1 shows that police officer starting salaries are slightly behind median starting salaries for graduates entering professional occupations in six regions, but ahead in four: London, the North East, North West, and Yorkshire and the Humber. However, police officer starting salaries are ahead compared with graduates entering associate professional and technical occupations in all regions, with the lead ranging from just over £3,000 to just under £6,000 depending on region.

**Chart 4.1: Difference between police officer starting salaries and median starting salaries of graduates, by occupational group and region, 2015**



Source: OME analysis of Destination of Leavers from Higher Education survey, HESA.

Note: Police officer starting salary defined as pay point 1 of the new constable pay scale plus, where appropriate, London Weighting, London Allowance and South East Allowances<sup>42</sup>.

- 4.28 In addition to starting salaries, a consideration for many graduates in occupational choice relates to their expectation of salary progression in their early years of employment. Table 4.2 sets out the typical pay in 2016 for police officers recruited in 2011, 2013 and 2016, and median salaries for graduates recruited in the same years based on the IDR Pay and Progression for Graduates survey. Police officers recruited in 2011 will typically be earning 41% more than 2016 recruits (32% when London Weighting and London Allowance are included), while those recruited in 2013 will typically be earning 14% more (11% including London Weighting and London Allowance). The IDR results show that median salary leads over graduates recruited in 2016 were 31% for the 2013 intake and 62% for those recruited in 2011.

<sup>42</sup> Median South East Allowances of £1,000 for the East of England and £2,000 for the South East have been assumed based on recruitment by each force in these regions during 2015/16.

**Table 4.2: Pay of 2013 and 2011 recruits compared with new recruits, 2016**

	New recruits	2013 recruits	2011 recruits
Police constable basic pay	£22,896	£26,016	£32,292
Police constable basic pay plus London Weighting and London Allowance	£29,607	£32,727	£39,003
Graduate median salary	£25,750	£34,000	£42,000

Source: Police pay determinations; and Pay and Progression for Graduates, Incomes Data Research.

*Our comment and recommendation*

- 4.29 In response to the Home Secretary’s request, we comment below on progress on longer term reforms, including the development of a new reward structure. In our 2016 Report, we observed a degree of fragility and risk surrounding the reforms. We therefore commented on the areas for consideration including: clarity of vision; leadership and consensus; funding and resources; effective engagement; and themes for police officer pay design. We return to these themes as we assess progress for this report.
- 4.30 The Policing Vision 2025 has set the overall direction for policing and has attached importance to delivery of a professional workforce equipped with the skills and capabilities for policing in 2025. In this regard, we note that there has been progress on a number of specific strands of work, including those with a direct relationship with our remit on pay, notably the five-level organisational model, the PEQF, Advanced Practitioners and the principles for a reward framework.
- 4.31 Given the scale and inherent complexity, we and the policing workforce have yet to see a clear and complete vision for the workforce reforms. In particular, there needs to be a clear view on how professionalisation, including moving to a degree-level profession, will support frontline officers in meeting the challenges of serving the public. There could also be a tension within police forces between engaging with the reforms and the imperative of meeting local resourcing priorities. In order to support our role in considering pay and reward, we consider that there is an urgent need for an integrated plan which co-ordinates the various strands of workforce and pay reform, their purpose, lead responsibilities and an implementation strategy and we recommend accordingly. This would help drive forward the agenda by prioritising the strands of work, ensuring appropriate resources are allocated and avoiding the danger of a piecemeal approach as the NPCC acknowledges. In addition, an integrated plan should be communicated to the workforce and interested parties to help secure their necessary engagement.

**Recommendation 4. In order to support our consideration of pay and reward, we recommend that the Home Office, NPCC and College of Policing publish an integrated police workforce and pay reform plan through to 2020 which specifies the strands of reform, their purpose, lead responsibilities and the implementation strategy.**

- 4.32 On the wider principle of engagement we continue to emphasise the importance of effective and meaningful engagement with the staff associations and the workforce as a whole. In our view, the staff associations can make a positive contribution to the design of the workforce and pay reforms. In doing so, this increases the prospects for early acceptance of the significant change ahead across the policing workforce.
- 4.33 Turning to specific aspects of the reform agenda, the five-level organisational model is gaining support among police leaders. Underpinning this model will be the College’s work to develop new national police officer role profiles. As the organisational structure takes shape there needs to be early consideration of how basic pay and other elements of the package might apply to new functional levels. This would include how pay

progression might facilitate the development of career pathways, lateral development, careers for specialists and rewarding higher skill levels. Effective pay arrangements should be designed to support the new five-level structure and, in our view, might provide opportunities for greater local flexibility within a national pay framework.

- 4.34 The implementation of the PEQF is planned by 2020 based on three routes to a degree-level profession: graduate entry; apprenticeships; and degree-level training for existing police officers. While policing generally recognises the need for higher skills to meet changing demand, there are concerns among the workforce at the direction of travel. There will need to be effective communication with the workforce to convince them that a degree-level profession is appropriate. Also routes into policing need to remain open to ensure a diverse workforce that is representative of the community served. The PEQF raises significant implications for the police workforce and their pay arrangements. These include recruitment in a competitive labour market, the design of degree-level apprenticeships, progression in the early years, achieving adequate return of service, key retention points and use of appropriate levers, and developing longer term career pathways.
- 4.35 As the PEQF takes shape we expect the NPCC, supported by the College of Policing, to present evidence on the implications for pay arrangements to support the three PEQF routes. This evidence will need to assess the graduate market, competition with other sectors, and career and pay progression. Our comparison of the latest available police earnings data with other sectors of the economy is in Chapter 2.
- 4.36 For other developments, we welcome the pilots underway in 2017 for Advanced Practitioners. We understand there are differing views within policing on the purpose and role of Advanced Practitioners. We expect further evidence for our 2018 round on the outcomes from the pilots, how these roles will operate in the longer term, the expected career pathways and whether specific pay arrangements are required. Similarly, we would welcome evidence on the implementation and impact of the foundation threshold including how effectively performance management systems support the assessments and how higher skilled assessments are to be developed.
- 4.37 On pay reform, the NPCC has secured chief officers' agreement to the principles for a reward framework. While this is a starting point, there will need to be considerable development before these principles could be applied to a pay structure. Until there is clarity on the required workforce reforms and their expected implementation, pay development will be limited. However, we would ask the NPCC to produce a plan (for the 2018/19 pay round) setting out the key activities, timelines and resources required to deliver a new pay structure.
- 4.38 To aid considerations of pay reform, we refer the NPCC and other parties to our conclusions on themes for police officer pay design in our 2016 Report (paragraph 4.11). From the further developments in 2016/17 and our analysis earlier in this report, we highlight the following challenges and risks which will influence the development of a new reward framework:
- The initial employment offer to attract new recruits including the implications of the changing attitudes of young people towards the package;
  - The graduate labour market and pay levels;
  - Key career and retention points (e.g. early years and mid-career) including where pay and reward could incentivise officers;
  - The purpose and aims of pay progression to support a new workforce structure;
  - Pay arrangements to support new career pathways including direct entry, exit and re-entry, apprenticeships, Advanced Practitioners and specialists; and
  - The priorities for any local pay flexibilities (building on any interim measures).

- 4.39 We also consider the implementation strategy for pay reform needs careful formulation. The NPCC will need to initiate early engagement with the staff associations and the workforce as a whole. It will also need timely discussions to secure sufficient resources for implementation including a clear plan for how pay reform will be funded. Such major change often requires significant additional funding to cover the design phase, implementation and transition costs, and ongoing pay bill costs. As part of that implementation strategy we consider early gains could be made by testing pay arrangements (alongside workforce change) through pilot schemes or interim measures that would then act as a stepping stone to full implementation.
- 4.40 Our overall conclusion on police workforce and pay reform is that the agenda remains challenging. The Policing Vision 2025 has set the scene and various strands of reform work are underway all of which will require substantial cultural and organisational change within police forces. Against this background, our conclusions in our 2016 Report remain valid: complex change requires clarity of vision, effective leadership to reach consensus, adequate funding and resources, and meaningful engagement with the parties and the workforce. We would add to this the importance of data and management information to ensure decisions are evidence-based and can be evaluated.
- 4.41 As we have yet to see integrated plans and expected timescales for both the policing workforce and pay reform agenda, our observations on progress are limited at this stage. We expect further engagement with the NPCC, the College of Policing and the staff associations during 2017 on progress and to inform evidence submissions for our 2018 Report.



# CHAPTER 5 – FORWARD LOOK

## Introduction

5.1 This is our Third Report since our establishment in 2014 and, as the process matures, the evidence to support an effective police officer remuneration package is starting to take shape. We conclude this report with our comments on the environment for the 2018/19 pay round including the importance of continuing to build the evidence base to enable us to arrive at independent, evidence-based pay recommendations.

## Environment for the 2018/19 pay round

5.2 We were in the process of completing our final deliberations when the General Election was called. The Government which will consider our 2017/18 recommendations will also be conscious of the implications for the next pay round including its approach to policing and to public sector pay. However, prevailing economic circumstances are likely to drive significant change in determining pay across the economy. There could also be implications for police officers of further changes in the nature of policing demand and the security situation. These factors should be examined by the parties and presented in evidence for the 2018/19 pay round.

5.3 Changes in the economy and labour market suggest that the parties should not be complacent in preparing pay proposals for police officers. We have commented in earlier reports on the need for a more flexible approach where supported by the evidence. These might include a pay bill approach which sought to manage pay awards and uplifts to other elements of the package within overall parameters. We look forward to more developed, evidence-based proposals being presented.

5.4 For 2018/19, pay proposals might also include developments that support workforce and pay reform in the longer term. We again emphasise the importance of engagement with the staff associations and the workforce as a whole in developing pay strategies. We recommend in Chapter 4 on the need for more integrated reform plans. These might include the stages required for the transition to a new police officer pay structure. We consider there is scope to introduce interim proposals or pilot schemes which might provide an evidence-based platform for the longer term structure.

## Evidence and data gaps

5.5 The environment for 2018/19 and beyond will require further development of the evidence base to inform our annual pay recommendations, to improve the design of pay proposals and to inform other decision-making on the policing workforce. We comment at various points throughout this report on the specific aspects of the evidence base requiring further development by the parties.

5.6 The specific areas we have commented on are:

- Policing environment – further evidence from all parties on developments and the impact on police officers (paragraph 2.15);
- Affordability – including efficiency plans of police forces (paragraph 2.34);
- Shortage groups – a complete analysis from the NPCC covering all police forces (paragraph 2.81);
- Recruitment – analysis from all parties on the numbers applying, quality of applicants, numbers joining, reasons for not joining if offered a place, early leavers, and effectiveness of recruitment initiatives (paragraph 2.83);

- Retention – detailed evidence from the NPCC on retention of police officers, including retention rates by length of service and reasons behind voluntary resignations (paragraph 2.86);
- Motivation and morale – the pressing need for the NPCC to initiate a national survey of police officers that can provide national data and trends on police officer attitudes (paragraph 2.99);
- On-call Allowance – further evidence from all parties on the number of officers placed on-call and the rates (paragraph 3.25);
- Apprenticeships – the NPCC and the College of Policing to provide estimated numbers participating, training costs, expected abstraction costs, the impact on other entrants, and appropriate comparisons with the graduate labour market and pay levels (paragraphs 3.39 and 3.40);
- Hard to fill roles and superintending ranks – progress updates from the NPCC on developing the interim measure, the evidence base and required monitoring data (paragraph 3.57); and
- Police workforce and pay reform – further evidence from the NPCC and the College of Policing on an integrated reform plan (paragraph 4.31), the pay implications of the PEQF (paragraph 4.35), the outcomes of Advanced Practitioner pilots (paragraph 4.36), and a pay development plan (paragraph 4.37).

## Conclusion

- 5.7 We conclude that the environment for the 2018/19 pay round will be challenging but could also present opportunities for the parties to take a more flexible approach with a view to the significant reforms ahead. On a more general point, we commented at the start of this report on the importance of pay restraint not undermining the “contract” with society in which the public expects to have an effective police service enabled by fair remuneration. The service is also at risk as pressures on the police officer workforce rise in the context of changing demand, reduced workforce numbers and restrictions on officers. Against this background our terms of reference require us to take a consistent, strategic and holistic approach to police officer pay and conditions. We therefore stand ready to play our part in developing an effective police officer package that supports delivering the service to the public.

## APPENDIX A – CHIEF SECRETARY TO THE TREASURY'S LETTER

OFFICIAL



HM Treasury, 1 Horse Guards Road, London, SW1A 2HQ

David Lebrecht  
Chair of the PRRB/NCARRB  
c/o Office of Manpower Economics  
Fleetbank House  
2-6 Salisbury House  
EC4Y 8JX

13<sup>th</sup> July 2016

*Dear Mr. Lebrecht,*

### PUBLIC SECTOR PAY 2017-18

1 Thank you for your work on the 2016-17 pay round. The Pay Review Bodies continue to play an invaluable role in making independent, evidence-based recommendations on public sector pay awards, as well as continuing to provide high-quality advice on wider reforms to pay and allowances policy. I am extremely grateful to you and your colleagues for your considered work. Over the remainder of the Parliament I look forward to the Pay Review Bodies continuing to advise the Government on how best to achieve pay reforms and deliver fair and sustainable pay awards for public sector workforces

2. As you know the fiscal context remains very challenging following the outcome of the EU referendum vote. However, the Government's public sector pay policy, announced at Summer Budget 2015 and reaffirmed in the Autumn Statement and Spending Review 2015, was intended to enable prudent long-term planning while protecting jobs, and I can confirm that this policy remains in place. We will fund public sector workforces for pay awards of an average of 1 per cent a year, up to 2019/20.

3. As I set out in my letter to you last year, I expect to see targeted pay awards, in order to support the continued delivery of public services, and to address

OFFICIAL

OFFICIAL



recruitment and retention pressures. This may mean that some workers could receive more than 1 per cent whilst others receive less, and there should be no expectation that every worker will receive a 1 per cent pay award. I am aware that this requires you to receive good, evidence-based propositions to consider.

4. Relevant Secretaries of State will write to you shortly with their remit letters, as and where needed. Relevant departments will submit their proposals covering the specific needs of their workforces in their evidence to you in the early autumn. I look forward to your 2017-18 recommendations.

*Yours sincerely*

A handwritten signature in blue ink, appearing to read 'G Hands', with a long horizontal stroke extending to the right.

GREG HANDS

OFFICIAL

2

## APPENDIX B – HOME SECRETARY’S REMIT LETTER



Home Secretary

2 Marsham Street  
London SW1P 4DF  
[www.gov.uk/home-office](http://www.gov.uk/home-office)

Mr D Lebrecht  
Chair  
Police Remuneration Review Body  
Office of Manpower Economics  
Fleetbank House  
2-6 Salisbury Square  
London  
EC4Y 8JX

18 October 2016

Dear Mr Lebrecht,

### **Police Remuneration Review Body Remit 2017/18**

I write following the previous Chief Secretary to the Treasury's letter of 13 July, which set out the context for the police pay round for 2017/18.

The Government's position is that we are keen to support police leaders by giving them the tools they need to increase flexibility; allow movement in and out of policing; increase and introduce skills; and achieve a more diverse workforce mix as well as growing a culture of innovation and challenge. I will be particularly interested to see further police-led proposals on how a fair and sustainable reward structure can be achieved.

I see PRRB continuing to play a key role in the ambitious programme of workforce reform which is currently being taken forward by police partners, including the College of Policing. In particular, the expertise of PRRB's members will be vital not only in addressing the immediate issues for 2017/18, but also in providing an independent view on the progress being made on longer term reforms and how the risks and challenges of a new reward structure are being addressed as plans develop.

As in previous years, in considering the appropriate level of pay for police officers I would ask you to have regard to the standing terms of reference as set out in previous remit letters.

**I refer to the PRRB the following matters for recommendation for 2017/18:**

1. how to apply the pay award for 2017/18, in accordance with the Chief Secretary's letter, including how best to apply short-term, targeted measures to address recruitment and retention pressures; and
2. to provide observations on proposals to introduce police officer apprenticeships in 2018, in relation to setting pay at an appropriate level.

These matters for recommendation should be considered in the broader context of the work currently being undertaken by chief constables and the College of Policing. This work will inform the development of a longer-term pay strategy. It includes the implementation of a new five-level organisational structure, pilots of the Advanced Practitioner model, the new Police Professional Framework and, following these and other elements, a more flexible and sustainable reward structure linked to role, competence and skills.

I understand that police partners will provide information on these reforms later in the round, before the oral evidence sessions, with a view to providing detailed proposals, including transition plans for the 2018/19 round.

I place great value on the independent advice of both police pay review bodies and look forward to receiving your recommendations no later than 19 May 2017.



**The Rt Hon Amber Rudd MP**

## APPENDIX C – THE PARTIES’ WEBSITE ADDRESSES

The parties’ written evidence should be available through these websites.

The Home Office	<a href="https://www.gov.uk/government/publications/home-office-evidence-to-the-police-remuneration-review-body-2017-to-2018">https://www.gov.uk/government/publications/home-office-evidence-to-the-police-remuneration-review-body-2017-to-2018</a>
National Police Chiefs’ Council and Metropolitan Police Service	<a href="http://www.npcc.police.uk/documents/Final%20PRRB%20report%202017%20v2.pdf">http://www.npcc.police.uk/documents/Final%20PRRB%20report%202017%20v2.pdf</a>
Association of Police and Crime Commissioners	<a href="http://www.apccs.police.uk/publications/">http://www.apccs.police.uk/publications/</a>
Police Federation of England and Wales, and the Police Superintendents’ Association of England and Wales	<a href="http://www.polfed.org/fedatwork/3859.aspx">http://www.polfed.org/fedatwork/3859.aspx</a>
Police Superintendents’ Association of England and Wales and Superintendents’ Association of Northern Ireland	<a href="http://www.polic-supers.com/2016/12/15/prrb-submission-2016/">http://www.polic-supers.com/2016/12/15/prrb-submission-2016/</a>

## APPENDIX D – RECOMMENDED CHANGES TO POLICE OFFICER PAY SCALES AND ALLOWANCES FROM 1 SEPTEMBER 2017

### Salary scales

The salary scales in effect from 1 September 2016 are set out below along with our recommendations for effect from 1 September 2017.

Rank	Pay point	With effect from 1 September 2016	Recommended for effect from 1 September 2017	Notes
Constable (appointed on or after 1 April 2013)	0	£19,773	£20,169	a,b
	1	£22,896	£23,355	c
	2	£23,931	£24,411	d
	3	£24,975	£25,476	
	4	£26,016	£26,535	e
	5	£28,098	£28,659	
	6	£32,292	£32,937	
	7	£38,001	£38,760	
Constable (appointed before 1 April 2013)	On commencing service	£24,204	£24,687	
	On completion of initial training	£27,015	£27,555	
	2	£28,584	£29,157	f
	3	£30,330	£30,936	
	4	£31,284	£31,911	e
	5	£32,292	£32,937	
	6	£35,127	£35,829	
	(point removed on 1 April 2016)	(£37,251)	–	
7	£38,001	£38,760		
Sergeant	1	£39,300	£40,086	
	2	£40,620	£41,433	
	3	£41,487	£42,318	
	4	£42,708	£43,563	



Rank	Pay point	With effect from 1 September 2016	Recommended for effect from 1 September 2017	Notes
Inspector	0	£48,690	£49,665	
	1	£50,061	£51,063	
	2	£51,435	£52,464	
	3	£52,812	£53,868	
Inspector (London)	0	£50,823	£51,840	
	1	£52,200	£53,244	
	2	£53,580	£54,651	
	3	£54,963	£56,061	
Chief Inspector	1	£53,892	£54,969	g
	2	£54,975	£56,076	
	3	£56,109	£57,231	
	In post 31 August 1994	£57,027	£58,167	
Chief Inspector (London)	1	£56,040	£57,162	g
	2	£57,120	£58,263	
	3	£58,251	£59,415	
	In post 31 August 1994	£59,160	£60,342	
Superintendent (promoted to rank on or after 1 April 2014)	1	£64,830	£66,126	
	2	£68,217	£69,582	
	3	£71,781	£73,218	
	4	£76,575	£78,108	
Superintendent (promoted to rank before 1 April 2014)	1	£64,830	£66,126	
	2	£67,503	£68,853	
	3	£70,176	£71,580	
	4	£72,855	£74,313	
	5	£75,531	£77,043	
Chief Superintendent	1	£80,352	£81,960	
	2	£83,070	£84,732	
	3	£84,765	£86,460	

Notes:

- a. Entry point for an officer appointed in the rank of constable, unless either of sub-paragraphs (i) or (ii) applies:
  - (i) The chief officer of police may, after consultation with the local policing body, assign any officer to pay point 1 on the basis of local recruitment needs or the possession of a policing qualification or relevant experience other than those specified in sub-paragraph (ii) of this note; and
  - (ii) The chief officer of police shall assign to pay point 1 any officer who:
    1. Possesses a Policing Qualification as defined by the chief officer after consultation with the local policing body;
    2. Was, prior to appointment, serving as a special constable who has been assessed and has achieved "Safe and Lawful" attainment to National Standards, or the equivalent as specified by the chief officer;
    3. Was, prior to appointment, serving as a police community support officer who has been signed off as competent to perform independent patrol and who has served a minimum of 18 months in the role.
- b. The salary paid to an officer at pay point 0 shall be between £20,169 and £23,355 as determined by the chief officer of police, after consultation with the local policing body, based on local recruitment needs or the possession of a policing qualification or relevant experience other than those specified in sub-paragraph (ii) of note (a) above.
- c. On completion of initial training, an officer who entered at pay point 0 will move to pay point 1.
- d. All officers will move to pay point 2 after 12 months at pay point 1 and progression will continue to be at a rate of one pay point per 12 months of service thereafter with the exception of pay point 4 which is subject to note (e) below.
- e. With effect from 1 January 2017, officers at pay point 3 will only progress to pay point 4 if they have at least 12 months' reckonable service at pay point 3 and have successfully completed a Foundation Level ARC assessment, or re-assessment.
- f. All officers move to this salary point on completion of two years' service as a constable.
- g. Entry point for an officer appointed to the rank, unless the chief officer of police assigns the officer to a higher point.

Incremental progression through the pay scale will be dependent upon an officer's performance having been graded as either "satisfactory" or above in the relevant PDR. In the absence of a PDR, an officer's performance will be assumed to have been "satisfactory".

## Allowances

The recommended revised values of allowances from 1 September 2017 are set out below:

<b>London Weighting</b>	£2,421
<b>Dog Handlers' Allowance</b>	£2,262

The values of all other allowances and payments remain unchanged.

## APPENDIX E – PREVIOUS PRRB REPORTS

### 2016 Report

We submitted our 2016 Report on 8 June 2016. The recommendations were accepted in full by the Government on 6 July 2016<sup>43</sup> as follows:

#### Our 2016/17 recommendations (from 1 September 2016)

- A consolidated increase of 1% to all pay points for federated and superintending ranks.
- A 1% increase to London Weighting and Dog Handlers' Allowance.
- The maxima for South East Allowances to be increased to £2,000 and £3,000 respectively.
- Motor Vehicle Allowances mileage rates for federated and superintending ranks should be the prevailing HMRC rates for essential and casual users. The current structure and values for the essential users' lump sums should remain.

### Previous recommendations

All our previous recommendations, along with the Government responses are set out below.

Report	Recommendation	Government response
1st (2015)	A consolidated increase of 1% to all pay points for federated and superintending ranks.	Accepted
	A 1% increase to London Weighting and Dog Handlers' Allowance.	Accepted
	The London inspecting lead retained for now.	Accepted
2nd (2016)	A consolidated increase of 1% to all pay points for federated and superintending ranks.	Accepted
	A 1% increase to London Weighting and Dog Handlers' Allowance.	Accepted
	The maxima for South East Allowances to be increased to £2,000 and £3,000 respectively.	Accepted
	Motor Vehicle Allowances mileage rates for federated and superintending ranks should be the prevailing HMRC rates for essential and casual users. The current structure and values for the essential users' lump sums should remain.	Accepted

<sup>43</sup> Available at: <https://www.gov.uk/government/news/police-officers-2016-pay-award>

ISBN 978-1-4741-4647-0



9 781474 146470