

Police Remuneration Review Body

Sixth Report on Northern Ireland 2020

Chair: Anita Bharucha



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Sixth Report for Northern Ireland 2020

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Presented to the Minister of Justice for Northern Ireland

22 June 2020

Any enquiries regarding the work of the Review Body should be sent to us at: Office of Manpower Economics Fleetbank House 2-6 Salisbury Square London EC4Y 8AE

www.gov.uk/ome

Police Remuneration Review Body

Terms of reference¹

The Police Remuneration Review Body² (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;
- 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.

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.

¹ 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.

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

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.

Members³ of the Review Body⁴

Anita Bharucha (Chair) Andrew Bliss QPM Professor Monojit Chatterji Richard Childs QPM Kathryn Gray Mark Hoble Patrick McCartan CBE Trevor Reaney CBE

The secretariat is provided by the Office of Manpower Economics.

 ³ Members of the Review Body are appointed through an open competition adhering to the Commissioner for Public Appointments' Code of Practice. Available at: <u>https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/578090/Public_Appoint</u> <u>ments_Governance_Code_.pdf</u>. [Accessed on 18 June 2020]
 ⁴ Elizabeth Bell resigned from the Review Body in May 2020

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POLICE REMUNERATION REVIEW BODY

Northern Ireland Sixth Report 2020

Executive Summary

Our 2020/21 recommendations (from 1 September 2020):

- A consolidated increase of 2.5% to all police officer pay points for all ranks.
- The Chief Constable of Northern Ireland should be granted the same discretion as chief constables in England and Wales regarding the starting salaries of constables.
- Removal of the lowest point on the sergeants' pay scale.
- An increase of 2.5% in the current level of the Northern Ireland Transitional Allowance.
- The current level of the Competence Related Threshold Payment should not increase and the parties submit proposals to us next year on suitable alternative arrangements.
- Dog Handlers' Allowance should increase by 2.5%.
- On-call Allowance should be extended to the superintending ranks in Northern Ireland.
- The parties conduct a comprehensive review of police officer allowances in Northern Ireland within the next twelve months.

Introduction

- The Police Remuneration Review Body became operational in September 2014 and our terms of reference relate to the pay and certain other conditions of service of police officers in Northern Ireland. Our remit does not include police staff or other groups.
- This is our Sixth Report on police officers in the Police Service of Northern Ireland (PSNI). As at 1 May 2020, there were 6,920 police officers in the PSNI on a full-time equivalent basis.
- The level of demand on the PSNI is high, increasingly complex and resource intensive and the security threat remains 'SEVERE', with officers placed at risk of terrorist attack.

Response to last year's report

4. Our Fifth Report was submitted to the Permanent Secretary of the Department of Justice in May 2019. The Minister of Justice for Northern Ireland responded to this on 20 February 2020 by accepting in full our recommendations for the federated and superintending ranks. At the time of writing, a response was still awaited on the 2019/20 pay award for chief police officers in the PSNI. (Paragraphs 1.2 to 1.7)

Our remit

- 5. Our Sixth Report contains our recommendations for 2020/21 for police officer pay and certain allowances for all police ranks in Northern Ireland. The remit letter from the Minister of Justice for Northern Ireland asked for recommendations on:
 - the application of any pay award for all ranks, including the starting salary for student officers;
 - whether any increase should be applied to the Northern Ireland Transitional Allowance (NITA) and other allowances, including those for on-call (federated ranks) and dog handlers;
 - whether the superintending ranks should have access to targeted payments, bonuses and/or payment for on-call duties; and
 - the future of the Competence Related Threshold Payment (CRTP) scheme following consideration of proposals submitted by stakeholders. (Paragraph 1.8)

The environment for this year's report

6. Our report this year has been completed against the background of the coronavirus (COVID-19) pandemic. The work of police officers is important, difficult, complex and sometimes dangerous in the ordinary course of events. COVID-19 had an immediate impact on the police and meant they had to respond quickly to a new threat. This added further pressures and personal risk to their challenging role as one of the groups working on the frontline at this time. Consequently, we would like to acknowledge our remit group for their particular contribution this year and express our gratitude to all the

parties for continuing to engage with us in oral evidence sessions that had to be conducted entirely by remote means this time. (Paragraphs 1.12 to 1.15)

7. The UK has now left the European Union (EU) but its relationship remains to be settled. We note the future challenge for the PSNI in policing the only land border between the UK and Europe under EU Exit and would like to learn more in evidence next year about the impact of EU Exit on the PSNI. (Paragraph 1.16)

Our analysis of the 2020/21 evidence

- 8. The main points which we noted from the evidence are:
 - Policing environment There are high levels of demand on police officers and the Northern Ireland security situation remains 'SEVERE', with terrorist activity continuing to place police officers at risk of attack. (Paragraph 2.18)
 - Sickness levels We are concerned at the increase in the number of PSNI officers taking sick leave between April and November 2019 compared with the same period the previous year, particularly in the context of the high levels of sickness absence routinely reported to us. We note that the high levels of sickness absence found in the PSNI were attributed by the Northern Ireland Audit Office to officer under-resourcing since 2010 and the coincidence of significant budget cuts with increasing demand. We will be interested to see the approach in the PSNI's People and Culture Strategy 2020-2025 to this issue. (Paragraph 2.107)
 - Core pay parity and broad consistency We uphold the principle of parity with England and Wales on core pay. We also uphold the principle of broad consistency on allowances but at the same time require a sound justification for any deviation from allowances in England and Wales. (Paragraphs 2.34 and 2.35)
 - Public sector pay policies and affordability The Northern Ireland Audit Office said that the long-term resilience of the PSNI had been put at risk by the reduction in the size of its workforce to meet immediate financial pressures. It concerns us that the PSNI still lacks the budgetary levers required to develop long-term plans and that this constrains its ability to

drive change in a strategic, holistic and sustainable way. In addition, we note that while publication of the Northern Ireland public sector pay policy for 2020/21 was signalled in our remit letter it failed to emerge in time. (Paragraphs 2.51 and 2.52)

- Economy and labour market We are finalising this report in a rapidly changing economic environment. The length and magnitude of the effects of COVID-19 are uncertain and it will take some time before official data begin to show the full effects. We note that the evidence on the affordability of pay awards set out in departmental evidence submissions remained extant. We note that gross domestic product in the three months to March 2020 was 2.0% lower than the previous three months. In the year to April 2020, the Consumer Prices Index was at 0.8%. In the first quarter of 2020 the unemployment rate was 2.4% in Northern Ireland and 3.9% in the UK. Median pay settlements ranged from 2.4% to 2.5% in the three months to March 2020. (Paragraphs 2.61 and 2.62)
- Police officer earnings Police officers in Northern Ireland have higher median full-time gross annual earnings compared with counterparts in England and Wales, approximately £47,600 compared with £41,300 respectively in the 2018/19 financial year; this was primarily driven by NITA and higher amounts of overtime⁵. (Paragraph 2.74)
- PSNI workforce, recruitment and retention At the time of writing it was not known whether the plan under New Decade New Approach to increase the number of officers in the PSNI by around 600 to 7,500 would receive the necessary funding. This uncertainty is of particular concern to us in the context of the long-term decline in the size of our Northern Ireland remit group at a time of high and increasingly complex demand. Moreover, officer outflow levels are expected to remain high, with a significant portion of the workforce reaching retirement age in the next few years. (Paragraphs 2.96 and 2.97)
- *Morale and motivation* We have taken into account the importance to effective policing of police officers' goodwill and discretionary effort and

⁵ CRTP has been retained in Northern Ireland but not England and Wales. However, this has been offset in part by the introduction of the Unsocial Hours Allowance in England and Wales.

suitable motivation. Last year we asked the PSNI to share with us the results of the third workforce survey that it was planning for later in 2019. While it did carry out the survey, it has not shared the results with us. We are still keen to receive them and any future survey results. (Paragraphs 2.106 and 2.107)

Pay proposals and recommendations for 2020/21

- 9. The key factors we took into account in reaching our main pay uplift recommendation were:
 - Our principles on parity with England and Wales on core pay and broad consistency on allowances and our requirement for a sound justification for any deviation from those allowances. We have applied these principles to each of our pay and allowance recommendations this year. (Paragraph 3.10)
 - The evidence of high demand on the police and an increasingly complex and resource-intensive caseload. (Paragraph 3.11)
 - The nature of police work which is important, difficult, complex and sometimes dangerous. (Paragraph 3.12)
 - Uncertainty over funding for the plan in New Decade New Approach to increase the number of PSNI officers to 7,500. (Paragraph 3.13)
 - The importance to effective policing of officers' goodwill, discretionary effort and suitable motivation. (Paragraph 3.14)
 - The evidence provided on affordability. (Paragraph 3.15)
 - The impact on our remit group of the real-term 20% reduction in the PSNI budget over the last 10 years. (Paragraph 3.16)
 - The state of the wider economy, including the level of pay settlements and the cost of living. (Paragraph 3.17)
- 10. While COVID-19 continued to change the context for this report as we prepared it, we considered our remit in the usual way, including by focusing on longer-term trends in the data and information relevant to our evidence-based process. (Paragraph 3.18)

- 11. For the third time, we have been asked to provide recommendations on the pay of chief police officers in Northern Ireland. These officers are the most senior leaders in policing and they should be rewarded appropriately for the very important work they do. We are also reluctant to recommend a pay uplift for this group that differs from the award for the other police ranks unless compelling reasons exist. (Paragraph 3.19)
- Taking these factors together, we recommend a consolidated increase of
 2.5% to all police officer pay points for all ranks from 1 September 2020. (Paragraph 3.20)
- 13. Mindful of the flexibility available on police starting salaries in England and Wales, we recommend that the Chief Constable of Northern Ireland should be granted the same discretion as chief constables in England and Wales regarding the starting salaries of constables. (Paragraphs 3.28 to 3.32)
- 14. We also recommend the removal of the lowest point on the sergeants' pay scale from 1 September 2020. (Paragraph 3.34)
- 15. We again recommend that the NITA is increased in line with the annual pay award. We therefore recommend a 2.5% increase from 1 September 2020. (Paragraph 3.45)
- 16. We note the continued tension between retaining CRTP and the rationale for core pay parity and broad consistency on allowances. We therefore recommend that the current level of CRTP should not increase and that the parties submit proposals to us next year on suitable alternative arrangements. (Paragraphs 3.57 and 3.58)
- 17. We also recommend that the Dog Handlers' Allowance is increased by
 2.5% from 1 September 2020 in line with the annual pay award. (Paragraph 3.61)

- In addition, we recommend that the On-call Allowance should be extended to the superintending ranks in Northern Ireland. This is in line with England and Wales. (Paragraph 3.73)
- 19. Finally, we recommend that the parties conduct a comprehensive review of police officer allowances in Northern Ireland within the next twelve months. (Paragraphs 3.91 and 3.92)

Forward Look

- 20. We note that the current economic outlook means that this year's pay recommendation will be a real-term increase for officers in our remit group and assess that this is justified given the evidence presented to us and the demand, complexity and level of risk and responsibility placed on the police. We recognise that the environment for next year's review will be influenced by a number of factors. (Paragraph 4.2)
- 21. The longer-term implications of COVID-19 for the police service and its workforce are uncertain. We will seek to monitor the impact of COVID-19 on our remit group as data become available. We will also be interested to receive evidence on the impact of the UK exiting the European Union on policing in Northern Ireland. (Paragraphs 4.3 to 4.5)
- 22. We would be interested in hearing the views of the Minister of Justice on how the PSNI might mitigate the impact of the annual funding cycle on its ability to develop long-term plans. (Paragraphs 4.6 and 4.7)
- 23. We have stated our principles on parity with England and Wales on core pay and broad consistency on allowances and the requirement for a sound justification for any deviation from those allowances. We will continue to review the evidence we receive against those principles as part of our future reports. (Paragraph 4.8)
- 24. We thank the parties for the evidence they have provided this year, particularly in view of the pressures arising from COVID-19. We would encourage the continued, and where possible enhanced, provision of data in

a number of areas, including the age profile of recruits and an analysis of sickness absence levels. (Paragraph 4.9)

- 25. We are also interested in receiving further information on the Chief Constable's plans for workforce and pay reform in the PSNI, such as the PSNI People and Culture Strategy 2020-2025. These plans for the PSNI may diverge from the workforce and pay reform plans in England and Wales. (Paragraph 4.10)
- We hope that PSNI police officers are able to receive their pay award on time in 2020/21 and that publication of our report will not be subject to delay.
 (Paragraph 4.11)
- 27. We also understand at the time of writing that the 2019/20 pay award for PSNI chief police officers remained unapproved. We hope that this matter is resolved soon. (Paragraph 4.12)

Anita Bharucha (Chair) Andrew Bliss Monojit Chatterji Richard Childs Kathryn Gray Mark Hoble Patrick McCartan Trevor Reaney

22 June 2020

Chapter 1 – Introduction

Introduction

1.1 This is our Sixth Report on police officers in the Police Service of Northern Ireland (PSNI). For the third successive year, chief police officers were added to those in our existing remit (the federated and superintending ranks). Consequently, the report contains recommendations for police officers at all ranks.

Our Fifth Report 2019

- 1.2 Our Fifth Report was submitted to the Permanent Secretary of the Department of Justice (DoJ) on 29 May 2019 (see Appendix A). It set out the following recommendations on Northern Ireland police officer pay and allowances:
 - A consolidated increase of 2.5% to all police officer pay points for all ranks.
 - An increase of 2.5% in the current level of the Northern Ireland Transitional Allowance (NITA).
 - The current level of Competence Related Threshold Payment (CRTP) does not increase and that the parties submit proposals next year on how CRTP can be incorporated into pay arrangements as part of the pay reform process in Northern Ireland, or a clear programme and timetable for phasing out CRTP.
 - Dog Handlers' Allowance should increase by 2.5%.
- 1.3 Our Fifth Report was not published until February 2020 even though the pay year had started in September 2019. This meant that the pay uplift was delayed by around six months and had to be backdated. This was the third year in which police officers in Northern Ireland experienced a delay in receiving their pay award.
- 1.4 As we have observed before, the PSNI is not the only public sector workforce in Northern Ireland to receive late pay awards. However, now that devolved government has been restored in Northern Ireland, we ask on behalf of our

remit group for the 2020/21 police pay award and subsequent awards to be paid on time.

- 1.5 On 20 February 2020, the Minister of Justice for Northern Ireland responded to the recommendations by awarding police officers at the federated and superintending ranks in Northern Ireland a 2.5% consolidated pay increase. The Minister also approved an increase of 2.5 to the NITA and the Dog Handlers' Allowance.
- 1.6 In a letter dated 20 February 2020 to the Chair of the Police Remuneration Review Body (PRRB), the Minister explained that the pay award mirrored that made to officers in England and Wales and would be backdated to 1 September 2019.
- 1.7 The letter also stated that the 2019/20 pay award for chief police officers in the PSNI awaited approval.

2020/21 remit

- 1.8 The Minister of Justice for Northern Ireland wrote to us on 14 February 2020 (see Appendix B) setting out the remit for the annual review of pay and conditions for officers of the PSNI for 2020/21. The Minister requested our recommendations on the following matters:
 - the application of any pay award for all ranks, including the starting salary for student officers;
 - whether any increase should be applied to the NITA and other allowances, including those for on-call (federated ranks) and dog handlers;
 - whether the superintending ranks should have access to targeted payments, bonuses and/or payment for on-call duties; and
 - the future of the CRTP scheme following consideration of proposals submitted by stakeholders.

Our approach to the 2020 round

- 1.9 We received written and oral evidence in April 2020 from the following parties:
 - the DoJ and Department of Finance;
 - the Northern Ireland Policing Board (NIPB)

- the PSNI;
- the Police Federation for Northern Ireland (PFNI);
- the Police Superintendents' Association of Northern Ireland (SANI); and
- the Chief Police Officers' Staff Association (CPOSA).
- 1.10 We were pleased that with the restoration of devolved government in Northern Ireland the Minister of Justice was able to take part in the Review Body process this time.
- 1.11 We visited the PSNI in Belfast in January 2020 when we focused on the operational challenges faced by officers. We are very grateful to our hosts and to all those we met for providing this opportunity.

Environment for this year's report

- 1.12 Our report this year has been completed against the uncertain background of the coronavirus (COVID-19) pandemic. The work of police officers is important, difficult, complex and sometimes dangerous in the ordinary course of events. COVID-19 had an immediate impact on the police and meant they had to respond quickly to a new threat. This added further pressures and personal risk to their challenging role as one of the groups working on the frontline at this time. Consequently, we would like to acknowledge our remit group for their particular contribution this year.
- 1.13 The impact of COVID-19 on the UK economy, labour market and police service in Northern Ireland began to emerge soon after we received our remit letter from the Minister of Justice for Northern Ireland and around the same time as the parties submitted their written evidence and gave oral evidence. It was clear that the parties wanted the Review Body process to continue. We would like to express our gratitude to all the parties this year for submitting evidence to us in the extraordinary circumstances arising from COVID-19. In particular, we would like to thank them for continuing to engage with us in oral evidence sessions that had to be conducted entirely by remote means this time.

- 1.14 While COVID-19 continued to change the context for this report as we prepared it, we looked to consider our remit in the usual way, including by focusing on longer-term trends in the data and information relevant to our evidence-based process.
- 1.15 At the time of writing, the economic impact of COVID-19 is uncertain and it will take time for sufficient data to emerge that will enable us to understand the longer-term implications of COVID-19 for the police service and its workforce. It is not our role to speculate on the possible outcomes of the economic situation. However, in this report, we note some of the areas in which we might expect to see an impact from COVID-19, as they relate to matters in our remit, and we will seek to monitor the impacts on the recruitment, retention and motivation of the police in future reports as data become available.
- 1.16 In addition, the detailed arrangements for the UK's future relationship with the European Union (EU) have still to be agreed following the UK's exit from the EU. We note the future challenge for the PSNI in policing the only land border between the UK and the EU and would like to learn more in evidence next year about the impact of EU Exit on the PSNI.

Structure of the report

1.17 Chapter 2 summarises the main evidence from the parties, provides our analysis of the issues and sets out this year's overall context. Chapter 3 contains our recommendations on the pay and allowances of police officers in Northern Ireland as required by the remit letter and supporting evidence. Chapter 4 looks ahead to issues that are likely to set the context for our work next year and which we ask the parties to keep in mind when formulating their next set of evidence.

Chapter 2 – Our Analysis of the 2020/21 Evidence

Introduction

2.1 In this chapter we summarise the evidence provided to us by the parties on matters which form part of our terms of reference and also supplement this with our own evidence and analysis. The main themes cover: the policing environment; core pay parity; public sector pay policies; the economic and labour market context; police earnings; the PSNI officer workforce; officer morale and motivation; and legal obligations on the PSNI.

Northern Ireland policing environment

General

- 2.2 According to the **DoJ**, the primary purpose of the PSNI was to protect life and property, preserve order, prevent the commission of offences and, where an offence had been committed, to take measures to bring the offender to justice.
- 2.3 The Northern Ireland Policing Plan for 2020 to 2025 and Annual Performance Plan for 2020/21 were published by the NIPB on 31 March 2020. The Policing Plan set out three overarching outcomes. These were: 'We have a safe community'; 'We have confidence in policing'; and 'We have engaged and supportive communities'. The NIPB's Annual Performance Plan for 2020/21 contained nine indicators, including: 'to improve representativeness of the service across ranks, grades and departments by gender and community and socio-economic background' (Indicator 2.3). It also set out the Chief Constable's plans for workforce modernisation and a People and Culture Strategy 2020-2025.
- 2.4 The security situation makes the policing environment in Northern Ireland unique. The current threat level from Northern Ireland-related terrorism is 'SEVERE', which means an attack is highly likely. The DoJ, PSNI, NIPB and PFNI explained that police officers were still a primary focus of security-related attacks. The DoJ explained that in 2019, five such attacks had been attributed to terrorism.

- 2.5 The DoJ told us in oral evidence about uncertainty over the plans for taking forward Northern Ireland legacy work and that the PSNI's Legacy Investigations Branch had a caseload of over 1,000 incidents. It added that EU Exit and COVID-19 were complicating normal police work but also that COVID-19 had temporarily taken the focus away from EU Exit.
- 2.6 The PSNI said that policing generally was a very challenging profession but that officers faced unique challenges every day both on and off duty. PSNI officers delivered a police service in very difficult, demanding and dangerous circumstances. The PSNI continued to see high levels of security-related attack planning, targeting, procurement and bomb-making across Northern Ireland and, as the level of activity remained significant, an attack was possible anywhere within Northern Ireland.
- 2.7 The PSNI presented data showing that during the period 1st December 2018 to 30th November 2019 there had been:
 - 105,941 recorded offences in Northern Ireland, an increase of 6,702 (6.8%) when compared with the previous twelve months, continuing the increase seen during 2018/19;
 - higher levels of crime experienced in all policing districts;
 - 56 police recorded crimes per 1,000 population, compared with 53 per 1,000 population in the previous twelve months;
 - increased crime levels in violence against the person offences, criminal damage and drug offences and most theft categories, while burglary and sexual offences showed lower levels;
 - an increase of 14.5% (981 offences) in drug offences, the majority of which related to an increase in drug possession offences; and
 - a 12.6% increase (4,438 offences) in violence against the person offences.
 Within this classification violence with injury rose by 0.9% and violence without injury rose by 5.4%.
- 2.8 The PSNI told us that it had increased by 400 the number of police officers dedicated to neighbourhood policing across Northern Ireland. It explained that this move was in response to the public demand and would increase confidence in policing and the PSNI's ability to deal appropriately and

efficiently with recurring issues and lessen the workload in that area. However, we were subsequently advised in oral evidence that because of COVID-19, these officers had been reassigned to response policing.

- 2.9 The NIPB said that new and emerging crime types required the PSNI to be responsive and adjust its approach to tackling crime, and this had required officers to develop capabilities to deal with both new and traditional types of crime and criminality. There had also been a requirement for some officers to move from frontline policing into less visible roles. Cyber-enabled crime, for example, showed an ever-increasing level of offending across Northern Ireland. Advances in technology and digital globalisation were used increasingly by criminals and organised crime groups as a means of facilitating fraud, child sexual exploitation and abuse. Investigating crimes of this nature was resource intensive and required specialist skills which added to the demand across PSNI.
- 2.10 The NIPB reported that the PSNI's EU Exit Working Group had been coordinating the organisation's response to EU Exit to ensure that the organisation was in the best possible position to respond to the challenges presented by EU Exit. While not much had changed operationally during the transition period, an increasing level of resource right across the PSNI was being expended in preparation for the new relationship with the EU once the transitional period ended on 31 December 2020.
- 2.11 The **PFNI** said that 2019 had witnessed an upsurge in security-related attacks directed at killing or seriously injuring police officers in Northern Ireland. The PFNI explained that, following an attempted attack in September 2019 the Chief Constable had expressed concern at an increase in the level of security-related activity, the range of tactics deployed against the PSNI, the sophisticated engineering of the different types of devices used and the increased geographical spread of attacks across Northern Ireland. The PFNI said that this concern was compounded following a grenade attack on police officers in December 2019. The PFNI added that housing-related security measures for police officers and their families had been used 12 times in the first 11 months of 2019, compared with 4 times in 2018.

HMICFRS PEEL⁶ report 2018: Efficiency and Effectiveness⁷

- 2.12 Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) found in its 2018 inspection that the demands on policing in Northern Ireland were more wide-ranging than those faced by most forces in England and Wales. It noted that the PSNI faced the ongoing threat from dissident terrorist activity in Northern Ireland and, under EU Exit, the forthcoming challenge of policing the only land border between the UK and Europe. In addition, the inspection said that the PSNI had identified three areas of more complex demand on which to focus: violent extremism, including terrorism; serious and organised crime, including drug trafficking, money laundering and extortion; and vulnerability, including the exploitation of children, domestic, elder and child abuse, and hate crime.
- 2.13 The inspection also found that the PSNI had an ageing workforce and, in June 2018, that 20% of police officers were eligible to retire within three years. It added that the PSNI could lose up to 37% of detectives from its crime operations branch within two years through retirement. The inspectorate said that the service should take steps to meet its future need for investigative capability and capacity. Furthermore, HMICFRS found that several specialist departments were struggling with workload and capacity, including the rape crime unit and the child abuse and cyber-crime teams. It added that levels of sickness absence and the number of police officers on restricted duties continued to have a detrimental impact on both the operational capacity and the financial sustainability of the service.
- 2.14 HMICFRS concluded that the PSNI was inhibited in its ability to plan for longterm investment because of the annual funding process. It called for a future elected Northern Ireland Assembly to recognise the need for a longer-term approach to police funding.

⁶ PEEL stands for the HMICFRS Police Effectiveness, Efficiency and Legitimacy inspection programme.

⁷ HMICFRS (June 2019), *PEEL: Police efficiency and effectiveness 2018 – Police Service of Northern Ireland*. Available at <u>https://www.justiceinspectorates.gov.uk/hmicfrs/publications/peel-police-efficiency-and-effectiveness-2018-psni/</u> [Accessed on 18 June 2020]

Northern Ireland Audit Office report 2020: Reducing costs in the PSNI⁸

- 2.15 This report examined the consequences of the real-term 20% (or £200 million) reduction in the PSNI's regular funding between the 2010/11 and 2019/20 financial years, which was greater than the overall 12% reduction in funding experienced in England and Wales (where funding levels varied widely by force) over the same period. The report concluded that the PSNI had responded to the financial challenge by reducing police officer headcount by over 500 (and police staff headcount by nearly 150) but without conducting an analysis of the number of officers needed to deliver an effective service.
- 2.16 The Northern Ireland Audit Office found that the reduced police officer headcount had put a strain on the service, in particular on neighbourhood policing and had made the skills base in the PSNI hard to manage. In addition, absences in the PSNI had increased significantly in the last nine years, with the average number of working days lost due to sickness absence rising from eight days in the 2010/11 financial year to 14 days in 2018/19 and the number of officers on recuperative and adjusted duties more than doubling. The report also found that as funding and staffing levels decreased, demand on the PSNI from the community had increased (from a total of 491,000 incidents in 2010/11 to 568,000 in 2018/19), particularly in the form of non-crime incidents.
- 2.17 The report concluded that these high levels of sickness absence, increasing levels of demand and emerging concerns over officer wellbeing presented significant risks to the future resilience of policing in Northern Ireland. Furthermore, there was a widespread view that reduced public service funding elsewhere, particularly in health and local government, had displaced costs and demand onto the police.

Our comment

2.18 We note that the security situation in Northern Ireland remains 'SEVERE' and that police officers on and off duty and their families continue to be the target

⁸ Northern Ireland Audit Office (April 2020), *Reducing costs in the PSNI*. Available at <u>https://www.niauditoffice.gov.uk/publications/reducing-costs-psni-report</u> [Accessed on 18 June 2020]

of terrorist threats. Demand on the PSNI remains high, including from increasingly complex and resource-intensive cases involving terrorist activity, serious and organised crime, safeguarding and the Northern Ireland legacy. In addition, the PSNI is contending with COVID-19 and preparations for policing the only land border with the EU. All this places a unique combination of pressures on the PSNI.

Core pay parity, broad consistency and links to England and Wales

- 2.19 The **DoJ** said that the pay, and terms and conditions of PSNI officers were broadly consistent with their counterparts in England and Wales. The Department wished to continue with this approach and considered that the retention of broad consistency, on the pay scales as a minimum, continued to be important. The principle that officers should be rewarded on a consistent basis for fulfilling their core role as an officer, no matter which of the UK police forces they served within, remained. Allowances such as London Weighting and NITA provided for recognition of regional variations.
- 2.20 Although the number of officer transfers and exchanges under mutual aid arrangements with other forces continued to be relatively low, the DoJ explained that it wanted to ensure that the PSNI had the ability to attract, retain and develop police officers from across the UK and beyond (including those with specialist skills). Broad pay parity would facilitate the interchange and continued co-operation with officers in other forces and allow the PSNI to respond to local and national surges in demand.
- 2.21 The **PSNI** said that the maintenance of pay parity with England and Wales continued to be of fundamental importance to ensure that the base pay of police officers in Northern Ireland was not less favourable and did not negatively impact attraction, recruitment and retention and the utilisation of mutual aid.

- 2.22 The PSNI explained that through engagement with the NPCC and College of Policing on workforce transformation, it continued to strive to ensure continued pay parity with England and Wales police which would offer the following benefits:
 - shared resources to address operational requirement and capability to do more with less;
 - interchange of skills and experience with officers from other police services;
 - interoperability for transferees and mutual aid; and
 - uniformity with England and Wales and adherence to the UK Government's pay policy.
- 2.23 The **NIPB** said that the current budget restrictions under which the PSNI operated required continued collaboration, interoperability and mutual aid in pay systems in policing. It was mindful that different pay structures within the various police services within the UK might discourage officers from taking part in mutual aid or even transferring between police services. It was therefore essential that pay parity existed with England and Wales. In addition to recognising the benefits identified above by the PSNI, the NIPB also considered that parity with England and Wales would underpin the PSNI's resilience in light of the cumulative impact of recent pay constraints and pension changes.
- 2.24 The NIPB explained that the fundamental principle of a single police service across England, Wales and Northern Ireland remained paramount. Differentiating the core pay of Northern Ireland officers from their counterparts in England and Wales would be viewed extremely negatively by serving officers and would potentially have an impact on the PSNI's ability to attract talent for specialist functions as well as the possibility of home-grown talent leaving to take up posts within the Republic of Ireland and Great Britain. The primary reason for parity was the desire to minimise any barriers to the movement of officers between policing services for the purposes of mutual aid exchanges and joint training.

- 2.25 The **PFNI** highlighted that proposed reforms in England and Wales brought the issue of pay parity into focus, but that there remained broad agreement around this from all parties in Northern Ireland. It was the PFNI's view that the issue of pay parity related to core pay spines and could still allow for regional variations which might be prudent in different police services across the UK, without deconstructing the core pay structures.
- 2.26 The **SANI** requested maintenance of parity of pay with colleagues in Home Office forces in respect of core pay scales.
- 2.27 The **CPOSA** sought continued pay parity, including allowances, with England and Wales as it did not wish to see a circumstance where pay and allowance options for Northern Ireland would deviate from those in England and Wales to the detriment of its members.

Links to workforce and pay reform in England and Wales

- 2.28 The DoJ said that the programme of reforms in England and Wales further reinforced the continued desire for broad consistency and that it continued to engage, through membership of a PSNI working group, with workforce reforms and the programme of reforms being led in England and Wales by the National Police Chiefs' Council (NPCC). In addition, DoJ officials attended the Police Advisory Board for England and Wales in an observer capacity. It added that while not all aspects of reform would be deemed appropriate for implementation in Northern Ireland, each would be considered on its own merit, with a view to ensuring that there were no unintended consequences. The Department was supportive of the PSNI's plan for a programme of change and transition to ensure key deliverables and improvements to implement the 2025 vision for the police service⁹.
- 2.29 The PSNI explained that it had established a Workforce Transformation and Pay Reforms Group to: consider each of the workforce transformation initiatives being developed in England and Wales; engage with the College of Policing and the NPCC on the rationale, principal outcomes, professional

⁹ National Police Chiefs' Council (2016), *Policing Vision 2025*. Available at: <u>http://www.npcc.police.uk/documents/Policing%20Vision.pdf</u> [Accessed on 18 June 2020]

benefits and implications of the initiatives; capture the PSNI's progress on the PSNI Workforce Transformation and Pay Reforms; provide regular updates and sharing of information to ensure more effective strategic-level engagement with key stakeholders and partners; and implement an effective programme of change and transition strategy to ensure that key deliverables and improvements could be realised to implement the 2025 vision for the police service. The PSNI also told us in oral evidence about the significant programme of change and transition that it was undergoing at the instigation of the new Chief Constable. The PSNI told us that this was composed of various elements such as people and culture, leadership, digital and estate strategies.

- 2.30 The PSNI had awarded a contract to the University of Ulster for a degree programme scheduled to commence in 2021. However, the PSNI had no plans to introduce a degree entry requirement but instead was focused on uplifting probation development to degree level. The PSNI had implemented a pilot programme within the crime operations department to consider the feasibility of direct entry into the detective development programme for some roles.
- 2.31 The **NIPB** told us that it supported the approach taken by the PSNI in establishing the Working Group.
- 2.32 The PFNI continued to have significant concerns around the lack of certainty, consultation and direction on workforce reform in Northern Ireland. It said that while these reforms were currently only directly applicable to policing in England and Wales, some elements would, at least indirectly, impact upon policing in Northern Ireland. It added that it was a member of the PSNI Working Group but that progress had been slow in many areas owing to the lack of clarity on the proposals coming from England and Wales.
- 2.33 The PFNI observed that policing in the UK was now almost four years on from the publication of Policing Vision 2025 and almost halfway through the associated ten-year plan. It said that Policing Vision 2025 initiated the drive to transform policing through reform to meet the new and complex challenges it

faced. However, the PFNI told us that progress had been slow and that it had been incredibly difficult for policing stakeholders in Northern Ireland to formulate positions on issues and that this was complicated by a lack of adequate, formal consultation. The PFNI explained that it was a member of the PSNI's working group on reform.

Our comment

- 2.34 We note that all the parties to this process continue to recognise that the role of police officers is fundamentally the same across all the police forces in England, Wales and Northern Ireland and consequently that they regard parity on core pay scales as appropriate. We agree with this rationale and that police officers should be rewarded on a consistent basis for fulfilling this role, no matter where they serve. Consequently, we uphold the principle of parity on core pay. We have considered on what basis we might depart from it and have concluded that we cannot envisage circumstances in which we would do so. On the allowances received by police officers in the PSNI, we uphold the principle of broad consistency with England and Wales. This is to allow for variations to reflect local conditions. However, we also uphold the principle that sound justification is required for any such deviation on allowances from England and Wales. In Chapter 3, we apply these principles to each of our pay and allowance recommendations.
- 2.35 We also learned this year about the workforce and pay reform programme that the PSNI is undergoing at the instigation of the new Chief Constable. We are keen to learn more about this and what implications it may have, if any, for core pay parity and broad consistency on allowances with England and Wales in future.

Public sector pay policies and affordability

2.36 The **DoJ** informed us that the PSNI budget represented 67% of the DoJ's overall opening 2019/20 departmental non-ringfenced Resource DEL budget, before HM Treasury security funding, and that the PSNI was forecasting a small underspend in Resource DEL for 2019/20.

- 2.37 The **DoJ** said that the 2020/21 Northern Ireland Budget had been agreed by the Executive on the 30 March 2020 and announced to the Northern Ireland Assembly by the Finance Minister on 31 March 2020. This budget would be subject to scrutiny and challenge from the Justice Committee and Northern Ireland Assembly before formal adoption on 4 May 2020.
- 2.38 The DoJ explained that there would be a range of challenges facing the PSNI and the rest of the wider justice system in 2020/21 and beyond. Significant additional funding was required just to stand still. During the 2020/21 Budget planning process the Chief Constable had referred to a 2020/21 budget shortfall of £53.9 million. The DoJ said it would seek to minimise the impact of budget pressures on frontline areas, including policing, as far as possible within the total funding available and continue to work to identify ways to deliver a more cost-effective and improved service.
- 2.39 The DoJ said that the restoration of devolution meant that the Finance Minister would determine pay policy for 2020/21. The Department of Finance had explained that any pay increase above 1% would have to be funded from within each department's budget and paid for by efficiency savings.
- 2.40 The DoJ explained that New Decade New Approach was the agreed way forward which had led to the restoring of a power-sharing Executive in Northern Ireland in January 2020. As part of the power-sharing agreement, the Northern Ireland Executive had agreed to prioritise an increase in police numbers to 7,500. However, departments in Northern Ireland were reporting financial pressures for 2020/21, without taking into account the extra police officers and many other New Decade New Approach priorities.
- 2.41 The DoJ anticipated that departments would face significant resource constraints given the pressures facing the resource budget. Efficiency and productivity improvements would be essential to meet key targets within current resources, given the local financial position. However, realising efficiencies was becoming increasingly challenging for departments following recent years of public expenditure constraint. The high proportion of government expenditure accounted for by pay meant that public sector pay

costs had significant implications for the availability of resources to deliver public services in Northern Ireland.

- 2.42 The DoJ said it was fully engaged with the PSNI on EU Exit matters and had supported a PSNI bid for additional EU Exit–related funding in 2019/20. The PSNI had been successful in securing an additional £3.1 million resource funding for preparation costs.
- 2.43 The **PSNI** explained that recruitment of police officers was dependent on affordability and financial clarity from the government. It observed that it could no longer absorb budget cuts without a direct impact on police officer numbers.
- 2.44 The NIPB said that, in line with the UK Government, the Northern Ireland public sector pay policy for 2019/20 had indicated a move away from limiting public sector pay awards to 1%. Instead pay awards should be informed by a range of factors, including recruitment and retention and the scope for productivity gains. It was recognised that there could be flexibility in return for improvements in public sector productivity.
- 2.45 The NIPB highlighted that the public sector pay policy for Northern Ireland for 2020/21 had not yet been published, and that officials from the Department of Justice were engaging with the Department of Finance in this regard. The NIPB told us that the delivery of an effective police service in a challenging operating environment was compounded by ongoing budgetary pressures and that over a number of years the PSNI had made significant cuts to its non-pay budget due to ongoing financial pressure and had faced a challenging financial position in 2019/20. In addition, meeting the ever-increasing demands and expectations on police resources presented an ongoing pressure for the PSNI, both in terms of the physical staffing implications and the financial demands on policing. It concluded that this would continue to be the case for the foreseeable future and was almost certain to increase as part of the UK's exit from the EU. However, the NIPB shared the PSNI's commitment to ensuring that officers were appropriately remunerated and, as

in previous years, the PSNI would seek to prioritise any pay award within its available budget.

- 2.46 The NIPB reflected that the Chief Constable did not enjoy the same financial flexibility available to his counterparts in England and Wales. Collaboration and shared services with neighbouring forces to protect service delivery and save money was an additional benefit not at the PSNI's disposal. The ability to drive efficiencies while maintaining overall effectiveness of the service was a significant challenge for the PSNI given the operating environment. The NIPB added that the largest element of police funding was expenditure on salaries and running costs. However, it said that people were an organisation's most important resource. Consequently, it was incumbent on the NIPB to ensure that, in terms of pay and allowances, the PSNI secured the necessary resources to enable it to continue to deliver the best possible policing service.
- 2.47 The **PFNI** said that the PSNI remained unable to carry over annual efficiency savings nor raise additional funding through precept, as was the case in England and Wales. It added that this put the Chief Constable at a disadvantage when assessing affordability of pay increases and in allowing flexibility around police officers numbers. The recent New Decade New Approach agreement had clearly stipulated an increase in police officer numbers to 7,500 but the PFNI told us that this should not come at the cost of officer pay and conditions.
- 2.48 The PFNI explained that commenting on financial affordability had been a difficult task in pay rounds, as budget allocations were typically not available at the time of writing. While the Finance Minister had announced the Northern Ireland budget on 31 March 2020, the PFNI said that the COVID-19 crisis had prevented the publication of a detailed budget overview from the Department of Finance. Early indications were of a 6.3% increase in the budget available to the Department of Justice but the PFNI did not know how much of this would be made available for policing.

- 2.49 The PFNI highlighted that the Department of Finance required pay settlements to be funded from within existing departmental budgets. The PFNI said that this was unfair and unsustainable, and that the payment of necessary and deserved pay settlements should be funded from an increase to departmental budgets as they represented an investment in a vital public service. The PFNI was hopeful that with a functioning Executive and a more medium- to long-term funding strategy, this issue would be resolved. It added that police pay already accounted for almost 70% of the entire Resource DEL budget provided to the PSNI. The PFNI questioned how much longer this position could be sustained and said that it was indicative of a prolonged extraction of government responsibility from the provision of a fair and warranted pay settlement and an appropriately resourced public service.
- 2.50 The PFNI added that, as the COVID-19 crisis developed, the requirement for a realignment of priorities was emerging and that public servants and frontline workers, including the police, had been recognised, in a very public manner, as vital to the protection of life.

Our comment

- 2.51 The Northern Ireland Audit Office said that the long-term resilience of the PSNI had been put at risk by the reduction in the size of its workforce to meet immediate financial pressures. It concerns us that the PSNI still lacks the budgetary levers required to develop long-term plans and that this constrains its ability to drive change in a strategic, holistic and sustainable way.
- 2.52 Furthermore, we note that while publication of the Northern Ireland public sector pay policy for 2020/21 was signalled in our remit letter it failed to emerge in time.

Economy, inflation, labour market, earnings and pay settlements

2.53 The parties submitted written evidence to us in April 2020. At the time, many of the economic effects of COVID-19 were uncertain. The data and information to understand the short-term and long-term effects including on economic activity, inflation, labour market, earnings and pay settlements will

take time to emerge. Our assessment at the end of this section includes the latest data available to us at the time of finalising our recommendations.

- 2.54 The **DoJ** said that as a small open economy, Northern Ireland was particularly vulnerable to national and international conditions outside of its control. It added that reflecting broader uncertainty nationally and globally, forecasters remained cautious about the growth prospects for the Northern Ireland economy.
- 2.55 The DoJ cited figures showing that economic growth was expected to remain subdued at around 1.2% in 2020 and around 1.0% over the next two years. However, the impact of COVID-19 on economic prospects would be severe and would impact negatively on economic growth. It said that other factors weighing down on growth prospects included: slower growth forecasts at the UK level; weak productivity performance; structural labour market challenges; business investment concerns; heightened global risks; and continued uncertainty from EU Exit.
- 2.56 The DoJ added that the outcome of any agreed EU Exit scenario would weigh heavily on the future performance of the Northern Ireland economy and impact future growth forecasts. In what had been a constrained fiscal environment, the Northern Ireland economy would continue to face some significant challenges.
- 2.57 The DoJ reported that Northern Ireland's employment growth and improving unemployment figures had provided the key highlights for the labour market in recent years, but that long-standing structural challenges remained. In the three months to January 2020, the unemployment rate in Northern Ireland was one of the lowest on record at 2.4%, and was the lowest unemployment rate of all UK regions. The employment rate for Northern Ireland sat at 72.3% in the same time period, the second lowest of the 12 UK regions and around 4.2 percentage points lower than the UK average. Furthermore, Northern Ireland had the highest level of economic inactivity within the UK at 25.9%, approximately 5.5 percentage points higher than the UK average. However,

the DoJ warned that these figures should be treated with caution as the ongoing COVID-19 crisis was negatively affecting the labour market.

- 2.58 The DoJ said that median gross full-time public sector employee earnings in Northern Ireland in April 2019 were £625 per week, an increase of 0.7% on April 2018. In comparison, the UK median gross weekly earnings for full-time public sector employees for April 2019 were slightly higher at £632. Median gross full-time private sector earnings in Northern Ireland were 30.6% lower than public sector earnings at £479 in April 2019. Private sector earnings had experienced a 3.4% increase from April 2018 which was higher than inflation. However, the DoJ cautioned that the differing structure and nature of the workforces needed to be considered when making any comparisons between the public and private sectors in Northern Ireland.
- 2.59 The **PSNI** reported that in April 2019 median hourly earnings (excluding overtime) in Northern Ireland for full-time females were £13.13 which was 2.9% higher than the median for full-time males (£12.76). Northern Ireland remained the only region in the UK where full-time females earned more per hour on average than full-time males.
- 2.60 The **PFNI** reflected that, following two consecutive years of above target inflationary pressure, two of the three key inflationary measures had reduced below the Bank of England's target rate of 2% during 2019. It said that both the Consumer Prices Index (CPI) and Consumer Prices Index including owner occupiers' housing costs (CPIH) fell below 2%, at 1.8% and 1.7% respectively, while the Retail Prices Index (RPI) was 2.6%. It commented that this lower level of inflationary pressure had created a positive impact upon the value of take-home salaries in the UK, with average pay growth above inflation. However, the PFNI noted that the impact of this was reduced in Northern Ireland owing to lower average wage growth.

Our comment

2.61 In normal circumstances we would review the latest economic forecasts to inform our conclusions. However, we are preparing this Report in a rapidly changing economic environment. The length and magnitude of the effects of

COVID-19 are highly uncertain and likely to be volatile and it will be some time before official data begin to show the full effects. It is not our role to speculate or make predictions but to work on the evidence presented to us.

- 2.62 In this section, we set out the latest economic and labour market indicators available to inform our recommendations, for the UK and for Northern Ireland, as at 27 May 2020:
 - <u>Economic growth</u>. UK gross domestic product (GDP) grew by 1.4% in 2019, in line with the EU and G7 average. The first quarterly estimate of GDP by the Office for National Statistics (ONS) showed that GDP in the three months to March 2020 was 2.0% lower than the previous three months. This reflected the initial effects of COVID-19 and the government measures taken to reduce transmission of the virus.
 - In May the Bank of England¹⁰ forecast a contraction of 14% in the UK economy in 2020. It considered that economic activity should recover as COVID-19 was brought under control and measures to contain its spread were reduced, but warned of a risk of substantial longer-term damage to the economy from business failures and an increase in unemployment.
 - Inflation. In the year to April 2020, CPI and CPIH inflation were at 0.8% and 0.9% respectively and RPI inflation was at 1.5%. Inflation had been on a broad downward path in 2018 and 2019, but fell sharply in April 2020 as a result of falling global oil prices and caps on domestic gas prices.
 - <u>Labour market</u>. At 2.4%, the unemployment rate for people aged 16 and over in Northern Ireland was lower in the three months to March 2020 than any other region of the UK (the equivalent figure for the UK as a whole was 3.9%) and also lower than in the Republic of Ireland (5.3% for the single month of March 2020¹¹). However, levels of economic inactivity remained higher in Northern Ireland than in any other region of the UK, at 25.8% of people aged 16 to 64 compared with 20.0% in Great Britain. By mid-May, around 8 million jobs in the UK had been furloughed under the

¹⁰ Bank of England (May 2020), *Monetary Policy Report*. Available at: <u>https://www.bankofengland.co.uk/monetary-policy-summary-and-minutes/2020/march-2020</u> [Accessed on 18 June 2020]

¹¹ <u>https://www.cso.ie/en/releasesandpublications/er/mue/monthlyunemploymentapril2020/</u> [Accessed on 18 June 2020]

Government's Coronavirus Job Retention Scheme (CJRS). While the CJRS has protected many jobs in the short term, the Bank of England expected UK unemployment to rise further during the year.

- Median gross weekly earnings for full-time employees in Northern Ireland grew by 3.3% over the 2017/18 financial year, while the UK as a whole saw growth of 2.9%.
- At £535 per week, Northern Ireland median earnings were 8.6% lower than the UK median. This difference is primarily due to significantly lower earnings in the private sector in Northern Ireland relative to the UK, as earnings in the public sector are broadly comparable between Northern Ireland and the rest of the UK.

Police officer earnings

- 2.63 We examined the earnings¹² of police officers using the Annual Survey of Hours and Earnings (ASHE) run by the ONS and the Northern Ireland Statistics and Research Agency (NISRA) and the Police Earnings Census run by the Home Office. ASHE is a sample survey covering 1% of employees on Pay As You Earn tax schemes, published in late autumn each year. It 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 earnings analysis. 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.
- 2.64 We used the ASHE data to compare median¹³ full-time¹⁴ gross annual earnings of police officers (constables and sergeants) with those of: the whole economy; associate professional and technical occupations group (the

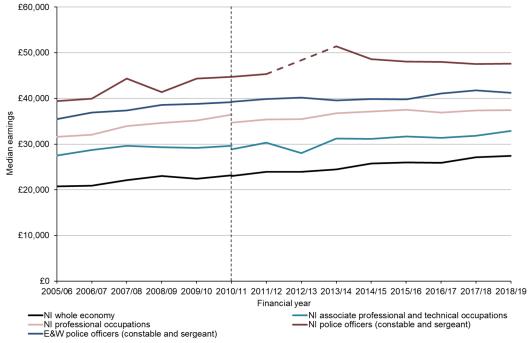
¹² Earnings include basic pay and additional pay from overtime and allowances. Earnings are presented in terms of gross pay (that is before tax, National Insurance and other deductions) in current prices unless otherwise stated.

¹³ 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.

¹⁴ Full-time earnings are used to control for any differences caused by different mixes of full- and parttime workers over time and between occupations.

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 officers in Northern Ireland have higher median full-time gross annual earnings compared with counterparts in England and Wales, approximately £47,600 compared with £41,300 respectively in the 2018/19 financial year; this was primarily driven by NITA and higher amounts of overtime¹⁵. Moreover, police officers in Northern Ireland have higher median full-time gross annual earnings compared with workers in Northern Ireland in the wider economy and the other occupational groups shown.

Chart 2.1: Median full-time gross annual earnings, Northern Ireland and England & Wales, 2005/06 – 2018/19 financial years



Source: Annual Survey of Hours and Earnings, ONS and NISRA. Notes:

- There are discontinuities in the series due to changes to the Standard Occupational Classification (in 2010/11).
- Data for Northern Ireland police officers are not available for 2012/13 due to a small sample size.
- 2.65 We note that median full-time gross annual earnings of police officers in Northern Ireland in the 2018/19 financial year remained at a similar level to those seen in 2017/18 (increasing by just £24 or 0.1%). Across England and

¹⁵ CRTP has been retained in Northern Ireland but not England and Wales. However, this has been offset in part by the introduction of the Unsocial Hours Allowance in England and Wales.

Wales median full-time gross annual earnings for police officers fell by 1.2% (\pounds 500). Median full-time gross annual earnings in Northern Ireland rose by 1.2% (\pounds 333) for the whole economy, 0.1% (\pounds 26) for professional occupations, and 3.4% (\pounds 1,074) for associate professional and technical occupations.

- 2.66 Our analysis included looking at the differentials between police officer earnings in Northern Ireland and the earnings of other groups (Chart 2.2). These differentials with the whole Northern Ireland economy and Northern Ireland associate professional and technical occupations fell in the 2018/19 financial year, while the differential with England and Wales police increased and the gap with professional occupations in Northern Ireland was unchanged. The differential with England and Wales police officers in 2018/19 was similar to that seen in 2010/11, whereas the differential with the rest of the economy in Northern Ireland has narrowed by 21 percentage points. In 2018/19, median full-time gross annual earnings for police officers in Northern Ireland were:
 - 73% (£20,200) higher than those for the whole economy in Northern Ireland;
 - 45% (£14,700) higher than associate professional and technical occupations in Northern Ireland;
 - 27% (£10,200) higher than professional occupations in Northern Ireland; and
 - 15% (£6,300) higher than police officers in England and Wales.

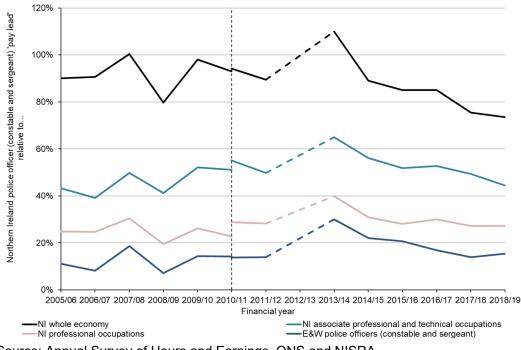


Chart 2.2: Northern Ireland police median full-time gross annual pay differential relative to other groups 2005/06 – 2018/19 financial years

Source: Annual Survey of Hours and Earnings, ONS and NISRA. Notes:

- There are discontinuities in the series due to changes to the Standard Occupational Classification (in 2010/11).

Data for Northern Ireland police officers are not available for 2012/13 due to a small sample size.

2.67 For a detailed analysis of police earnings we used the latest available Police Earnings Census data (covering the financial year 2018/19). We found that superintendents were the only rank where fewer than half of officers were at the top of their pay scale (Table 2.1). This means that median basic pay is around the top of the pay scale for each rank apart from superintendents.

Table 2.1: Proportion of officers (full- and part-time) at the top of pay scales,					
Northern Ireland and England & Wales, March 2019					

	-	•		
	Northern Ireland	England & Wales		
Constable	76%	66%		
Sergeant	66%	66%		
Inspector	53%	55%		
Chief Inspector	70%	56%		
Superintendent	46%	39%		
Chief Superintendent	54%	54%		

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

2.68 When comparing the total earnings of Northern Ireland police officers with those of their counterparts in England and Wales we show earnings figures

including and excluding the NITA. We focus our analysis on the comparison excluding the NITA, as this allowance is paid to police officers in Northern Ireland in acknowledgement of the challenging policing environment and the restrictions faced by officers and their families.

2.69 Our analysis shows that Northern Ireland police officers at all ranks have higher median full-time total earnings than their counterparts in England and Wales excluding London¹⁶ (Chart 2.3). The gap is highest for constables and sergeants mainly as a result of higher levels of overtime.

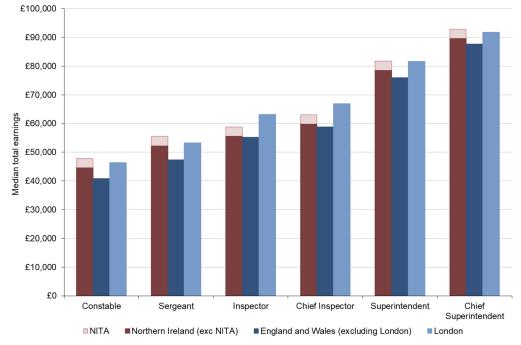


Chart 2.3: Median total earnings, by rank, full-time officers, Northern Ireland and England & Wales, 2018/19 financial year

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

- 2.70 Our assessment of police earnings includes the proportion of full-time officers in Northern Ireland 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:
 - All police officers received the NITA.

¹⁶ Police officers in London have been shown separately in this analysis as they receive London Weighting to compensate for the greater costs associated with living and working there and London Allowance to support recruitment and retention.

- The proportion of officers in receipt of CRTP ranged from 43% of chief inspectors to 67% of constables.
- The vast majority of constables and sergeants (97% and 98% respectively) received overtime.
- The proportion of officers in receipt of Replacement Allowance¹⁷ increased with rank from 14% of constables to 69% of superintendents.
- The proportion of officers receiving On-call Allowance also increased with rank from 9% of constables to 42% of chief inspectors. However, the median values were low – equivalent to two bank holiday periods for each of the federated ranks.

Table 2.2: Percentage of full-time officers in receipt of additional pay components, Northern Ireland, 2018/19 financial year

				Chief		Chief
	Constable	Sergeant	Inspector	Inspector	Supt.	Supt.
NITA	100%	100%	100%	100%	100%	_
Replacement Allowance	14%	30%	42%	57%	69%	-
CRTP	67%	55%	45%	43%	_	_
On-call Allowance	9%	20%	27%	42%	_	-
Overtime	97%	98%	_	_	_	_
Other payments (e.g. Dog						
Handlers', secondment allowances)	1%	-	-	_	-	-

Source: OME analysis of Police Earnings Census data, Home Office. Note: Figures relating to fewer than 10 officers have been suppressed.

Table 2.3: Median value of additional pay components, full-time officers, Northern Ireland, 2018/19 financial year

				Chief		Chief
	Constable	Sergeant	Inspector	Inspector	Supt.	Supt.
NITA	£3,281	£3,281	£3,281	£3,281	£3,281	_
Replacement Allowance	£3,500	£3,500	£3,500	£3,500	£4,060	_
CRTP	£1,224	£1,224	£1,224	£1,224	_	_
On-call Allowance	£46	£46	£46	£46	_	_
Overtime	£5,354	£7,657	-	_	_	_
Other payments (e.g. Dog						
Handlers', secondment	£2,846	-	_	_	_	_
_allowances)						

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

Note: Figures relating to fewer than 10 officers have been suppressed.

2.71 Focusing on full-time constables, we observe that while median basic pay is

similar in Northern Ireland to England and Wales, the median value of

¹⁷ Introduced in 2003 to replace rent and housing allowances. It is only available to officers who joined the police before September 1994.

additional allowances in Northern Ireland is over double that of officers in England and Wales (Table 2.4). This is driven by the NITA and significantly higher levels of overtime in Northern Ireland. We note that most of the allowances available in England and Wales are received by fewer than half of full-time constables, so have a median value of zero.

Table 2.4: Median value of pay components received by full-time constables,
Northern Ireland and England & Wales, 2018/19 financial year

	Northern Ireland	England & Wales
Basic pay	£39,052	£38,830
Additional pay	£9,582	£4,576
 Non-consolidated pay award 	£0	£118
 London Weighting 	-	£0
 London/SE Allowances 	-	£0
– NITA	£3,281	_
 Replacement allowance 	£0	£0
– CRTP	£777	_
 Unsocial Hours Allowance 	-	£517
 Away from Home Overnight Allowance 	-	£0
 Hardship Allowance 	-	£0
 On-call allowance 	£0	£0
 Overtime 	£5,214	£1,653
 Other Payments 	£0	£0
Total Pay	£47,783	£41,489

Source: OME analysis of Police Earnings Census data, Home Office. Note: Components do not add to totals as medians are not additive.

Evidence from the parties

- 2.72 The **PFNI** highlighted that gross median weekly pay for all employees in the UK had increased by 4.2%. It said that this indicated that police officer pay continued to grow more slowly than the rest of the UK economy.
- 2.73 The PFNI reported that the impact of low inflation had been reduced for police officers across the UK who had seen median pay growth which was lower than the average rate of growth in the UK.

Our comment

2.74 While the Northern Ireland police pay lead has fallen in recent years, we observe that median earnings for full-time police officers in Northern Ireland remain substantially above those for the Northern Ireland economy as a whole. In addition, full-time police officers in Northern Ireland earn notably more than their counterparts in England and Wales, primarily due to the NITA and higher overtime levels.

PSNI workforce

- 2.75 Data provided by the PSNI (Chart 2.4) show that the full-time equivalent (FTE) police workforce (i.e. both officers and permanent support staff) has been shrinking nearly every year since at least March 2004 (the earliest year for which we have data). In March 2019 the overall workforce was around 8,900 FTE, 1,700 FTE (16%) lower than in March 2004.
- 2.76 Police officers account for around three-quarters of the PSNI workforce. Officer numbers have fallen every year since March 2007 apart from a slight increase between March 2014 and March 2015. In March 2019 there were just under 6,700 FTE officers, only slightly fewer than in March 2018 (down 29 FTE or 0.4%) but nearly 900 (12%) fewer than in March 2007. In England and Wales FTE officer numbers have fallen by 15% since 2009, so officer numbers have been falling for longer in Northern Ireland, but by a smaller proportion.

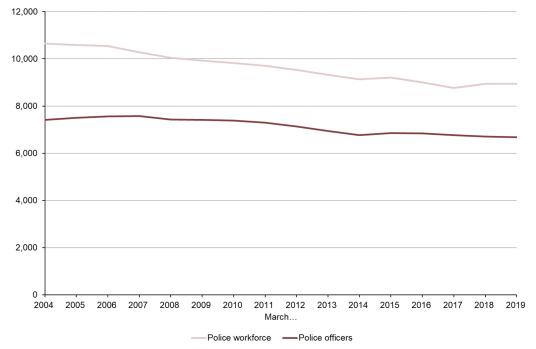
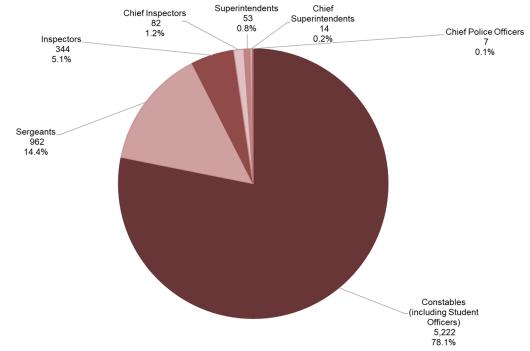


Chart 2.4: Strength of police workforce and police officers (FTE), Northern Ireland, March 2004 – March 2019

Source: PSNI data.

2.77 Just over three-quarters (78%) of police officers were constables in March2019 (Chart 2.5), and just 7% of officers were in the ranks above sergeant.

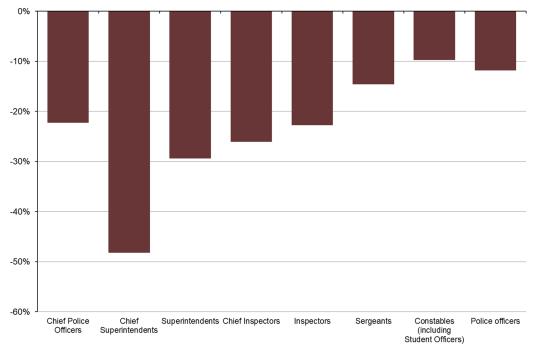




Source: OME analysis of PSNI data

2.78 Between March 2018 and March 2019 the largest absolute changes by rank were an increase in the number of constables (up 26 FTE) but a decrease in the number of sergeants (down 54 FTE). Since 2007 the largest proportional decreases in police officers (Chart 2.6) have been for chief superintendents (down 48%). However, the greatest decrease in absolute terms has been for constables (around 560 FTE officers).

Chart 2.6: Percentage change in police officer numbers (FTE) between March 2007 and March 2019, by rank, Northern Ireland



Source: OME analysis of PSNI data

2.79 PSNI data¹⁸ from 1 May 2020 showed that 0.6% of police officers and 0.8% of police staff described themselves as being from an ethnic minority. Furthermore, 31.8% of officers and 19.5% of staff were from a Catholic background.

Evidence from the parties

2.80 The **DoJ** remained encouraged that PSNI recruitment campaigns continued to attract a high volume of applications. The DoJ said evidence suggested that a career in policing remained an attractive option in Northern Ireland. It was notable that the official launch event for the campaign in February 2020 had received the support of all the main Northern Ireland political parties and had resulted in 6,961 applicants which exceeded the level of interest in the previous competition. The PSNI continued to monitor and manage the composition of its workforce, and the Department was confident that workforce planning sought to mitigate the risk associated with the potential loss of experienced officers, as far as possible.

¹⁸ PSNI (May 2020), *Workforce Composition Statistics*. Available at: <u>https://www.psni.police.uk/inside-psni/Statistics/workforce-composition-statistics/</u> [Accessed on 18 June 2020]

- 2.81 The DoJ informed us that the NIPB was responsible for appointing the chief police officers of the PSNI. The NIPB had completed an appointment process to appoint the current Chief Constable who took up his position in July 2019, and a competition to appoint the Deputy Chief Constable was completed in January 2020. The DoJ told us that it had reviewed and revised the PSNI service executive roles and structures and that the Chief Constable had made interim changes to his senior team with some assistant chief constable posts filled on a temporary basis. The DoJ told us that an appointments process for these roles had commenced in April 2020 and that it was confident that it would attract a suitable pool of candidates. However, it was concerned that the threat level, ongoing challenges in respect of legacy pressures, the geographical location and overall reward package could impact on prospective applications.
- 2.82 The **NIPB** reported that containing resources within the reduced budget envelope had impacted on officer numbers. The New Decade New Approach deal to increase police officer numbers to 7,500 was subject to budget allocation. This increase in officer numbers would be facilitated through the recent constable recruitment competition that had secured 6,879 applicants.
- 2.83 The NIPB said it was aware of the difficulties experienced by a number of police forces in England and Wales in making chief officer appointments. However, this had not been the experience of the NIPB in delivering both the chief constable and deputy chief constable competitions.
- 2.84 The **PSNI** told us that its workforce model had been based on achieving a police officer target figure of 6,905 by 31 March 2020. In addition, New Decade New Approach had committed the Northern Ireland Executive to increase the police officer establishment to 7,500 and to allocate funding for this. The PSNI added that while it continued to recruit police officers, ongoing review and adjustment of the numbers entering the police college was necessary to ensure affordability.
- 2.85 The PSNI explained that EU Exit funding from HM Treasury during the 2019/20 financial year had enabled the recruitment of 308 officers and staff

and that there were ongoing conversations with the Government on future financial support. It had been outlined in October 2019 that neighbourhood teams across Northern Ireland would be bolstered by 418 posts, including 202 EU Exit-funded posts.

- 2.86 The PSNI had forecast that it would recruit 344 officers between 1 April 2020 and 31 March 2021, but that there would be 354 leavers during this period. There were 393 officers in the 1988 pension scheme who would be able to retire on full pension in the 2020 and 2021 calendar years. It explained that a further 198 officers who had opted out of the pension scheme with full service were able to retire at any point in the future with unreduced benefits.
- 2.87 The PSNI referred to the Police (NI) Act 2000, Section 36(3) which enabled entry into the PSNI as a student officer. Student officers were appointed on the basis of a requirement to serve at any location in Northern Ireland and this had not been identified as a barrier to recruitment. Approximately half of the appointees from recruitment campaigns since September 2013 had a degreelevel or higher qualification.
- 2.88 The PSNI informed us that all recruitment campaigns now had measures to maximise applications from under-represented groups. To date, the performance measures in respect of applications from young people and females had been achieved. However, we learned in our oral evidence session with the PSNI that the application rate from the Catholic community had declined slightly in the latest recruitment campaign held in February 2020 (to 30.8%) compared with the previous one in October 2018 (31%).
- 2.89 The PSNI anticipated that on 31 March 2020 there would be 44 vacancies across the ranks of sergeant to chief inspector. The PSNI had forecast that 447 promotions would be required to fill the rank of sergeant between December 2019 and March 2022 in order to fill all vacancies (and assuming pull-through to higher ranks).
- 2.90 The PSNI reported that 14 student officers had left the PSNI between April and November 2019. In addition, the rate at which regular officers left the PSNI within a year of achieving 30 years' pensionable service had gradually

increased year on year from 47.1% in the 2012/13 financial year to 62.8% in 2017/18. However, this appeared to have levelled out at 60% in 2018/19.

- 2.91 The **PFNI** was pleased that the number of PSNI officers was growing although the long-term decline in officer numbers remained evident, with 301 fewer police officers in 2019 than in 2010 and 606 fewer than had been recommended by the Patten report in 1999. The PFNI continued to advocate for an increase in officer numbers equal to that recommended by Patten and had been greatly encouraged by a similar assessment made by the new Chief Constable and supported by the NIPB.
- 2.92 The PFNI highlighted that the recent increase in officer numbers had been largely as a result of increased recruitment rather than any significant reduction in officer outflow levels. The PFNI considered that uplifting officer numbers to 7,500 would require a renewed focus on the retention of longer serving, experienced police officers.
- 2.93 The PFNI told us that us that in 2019 (to 30 November), 452 student officers had formally attested from the PSNI College while approximately 306 officers had left. It said that this indicated that the trend of below replacement level recruitment had been paused. It commented that this increase in recruitment, while welcome, had stemmed from EU Exit-related funding secured by the PSNI in 2018. The PFNI informed us that this reversal was probably temporary and expressed concern at the longer-term decline in officer numbers. The PFNI repeated its call for longer-term funding arrangements to support a sustainable increase in officer numbers, both in terms of increased recruitment and retention of more experienced officers.
- 2.94 The PFNI reported that the number of officers who left the PSNI during the 2018/19 financial year had been the highest outflow level experienced within the PSNI over the last decade, increasing from 110 officers in 2011/12 to 364 in 2017/18 and to 408 in 2018/19. The PFNI added that the most significant of the officer outflow trends was the persistently high level of outflow from the PSNI over the last five years, with the number of officers exiting the service close to or exceeding 300 each year. Retirement remained the largest cause

of officers exiting the PSNI, accounting for 278 leavers in 2018/19. As a proportion of officer outflow, retirement had increased from a low of 36% in 2011/12 to 60% in 2017/18 and to 68% in 2018/19.

2.95 The PFNI stated that it was of vital importance that this evidence of a retention problem was addressed. It expressed concern at the low number of exit interviews conducted with officers who had voluntarily resigned from the PSNI which made it difficult to provide a robust evidence base. However, the PFNI said that the majority of reasons given for leaving were associated with the job, including actively seeking a change of employment, poor job satisfaction, and an excessive workload.

Our comment

- 2.96 At the time of writing it was not known whether the plan under New Decade New Approach to increase the number of officers in the PSNI by around 600 to 7,500 would receive the necessary funding. This uncertainty is of particular concern to us in the context of the long-term decline in the size of our Northern Ireland remit group at a time of high and increasingly complex demand. We note that the application rate from the Catholic community declined slightly in the latest PSNI recruitment campaign. We would be interested to hear from the PSNI in evidence next year on how it plans to achieve a diverse and inclusive workforce representative of the community it serves, encompassing all the protected characteristics.
- 2.97 We also note that officer outflow levels are expected to remain high, with a significant portion of the workforce reaching retirement age in the next few years.

Morale and motivation

- 2.98 The **PSNI** reported that its Employee Engagement and Wellbeing Survey, had been repeated in October 2019 and that the results were being evaluated at the time of submitting evidence.
- 2.99 The PSNI said that the target for the average number of working days lost per officer due to sickness absence in the 2019/20 financial year was 11.20, but also that the projected figure for this period was 12.61 at the end of November

2019. Between April and November 2019, 2,337 officers had taken a period of sickness absence, which was a small increase on the same period the previous year (2,305). The PSNI figures showed that the two main types of sickness absence classifications were psychological and musculoskeletal. These categories accounted for around 34% and 32% of current absences respectively.

- 2.100 The **PFNI** said that police officers in Northern Ireland had experienced their third consecutive year in which the provision of the annual pay settlement had been significantly delayed. Its view was that this delay, the extreme pressures facing policing and widespread concern at the supply of personal protective equipment at a time of a public health emergency, meant that morale across the PSNI was at a very low level.
- 2.101 The PFNI explained that, owing to the comparatively small sample population from which it could gather primary evidence, it conducted its workforce survey once every two years, rather than on an annual basis. It said that the 2018 PFNI Workforce Survey had identified that 54% of respondents had reported low or very low levels of personal morale, 70% had reported low or very low levels of team morale, and 92% of respondents had reported low or very low levels of service wide morale. The PFNI reported that the three items most commonly identified by respondents as causing a reduction in morale within the PSNI related to pay and allowances, including: the delay in implementing the pay award; the review of CRTP; and the level of pay and allowances they received.
- 2.102 The PFNI reported that the average number of working days lost to sickness per officer had increased from 7.93 in the 2010/11 financial year to 13.92 in 2018/19. It added that this total in 2018/19 was the second highest level of sickness absence recorded within the PSNI for 10 years and was just 0.26 days lower than the highest level in 2014/15. The PFNI expressed concern that the PSNI was responding to the high levels of sickness absence with a more stringent management process rather than trying to address the underlying causes, and that without the consideration of preventative

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measures and appropriate support mechanisms, sickness absence would remain above average or would increase again.

- 2.103 The PFNI said that mental ill health and absence due to psychological illness continued to be of significant concern. It reported that the proportion of working days lost due to psychological ill-health remained stubbornly high, with 37% of all working days lost in the 2018/19 financial year attributed to psychological illness and 34% of those in the first eight months of 2019/20. In comparison, the PFNI said that data across the UK identified that the proportion of working days lost due to mental health in 2018 was 12.4%.
- 2.104 The PFNI added that, in addition to concerns around the level of overtime working, there was a significant impact of the use of modified rest day working as a means of ensuring service provision from an under-resourced police service. It said that these measures of service highlighted a growing health and wellbeing issue.
- 2.105 The **SANI** reported a 71% completion rate from SANI members to the PSA/SANI 2019 pay and morale survey. The results from SANI members included:
 - just over one-third (36%) of respondents said their personal morale was high, slightly more than the proportion who said their morale was low (29%) (with similar results at command or department level);
 - more than two-thirds of respondents (69%) reported low morale in the police service;
 - 42% of respondents said their morale was lower than twelve months previously and 9% said their morale was now higher;
 - around half (49%) of respondents reported that their personal motivation was high, with 11% reporting low personal motivation; and
 - just over a quarter (27%) of respondents said their motivation was lower than twelve months previously, with 9% reporting higher motivation.

Our comment

2.106 We have taken into account the importance to effective policing of police officers' goodwill and discretionary effort and suitable motivation. Last year we

asked the PSNI to share with us the results of the third workforce survey that it was planning for later in 2019. While it did carry out the survey, it has not shared the results with us. We are still keen to receive them and any future survey results.

2.107 We are concerned at the increase in the number of PSNI officers taking sick leave between April and November 2019 compared with the same period the previous year, particularly in the context of the high levels of sickness absence routinely reported to us. We observe that psychological and musculoskeletal causes predominate. We also note that the Northern Ireland Audit Office attributes the high levels of sickness absence to officer underresourcing since 2010 and the coincidence of significant budget cuts with increasing demand. In our view, a commitment to increase the number of police officers, such as that set out in New Decade New Approach, is one essential element in any effective strategy for overcoming this enduring problem. In addition, we will be interested to see the approach in the PSNI's People and Culture Strategy 2020-2025 to this issue.

Legal obligations on the police service in Northern Ireland and relevant changes to employment law

- 2.108 Our terms of reference require us to have regard to the relevant legal obligations on the PSNI (including anti-discrimination requirements on 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. We are grateful for the evidence provided on these matters and trust that the relevant parties will undertake their responsibilities on any legal obligations arising in this area.
- 2.109 The **DoJ** highlighted a number of high-profile cases across the UK with possible repercussions for policing and the public sector which it continued to monitor.
- 2.110 The DoJ said that one of these cases was the holiday pay and overtime judgment (Agnew and others v Chief Constable), in which the Chief Constable had been granted leave to appeal to the UK Supreme Court. This case had

followed on from a case in Great Britain (Bear Scotland v Fulton and others), which established that workers must receive their normal remuneration during periods of annual leave, including regular overtime. The DoJ explained that as wide-reaching implications were possible, a working group led by the Department for the Economy was considering the financial and practical consequences of the issues under review for the public sector, including the PSNI.

- 2.111 The DoJ explained that policy and legislation relating to employment rights was the responsibility of the Department for the Economy and that the Department for the Economy Minister, together with Executive colleagues, would determine if legislation should be introduced. The Minister of Justice would consider any final tribunal judgments, working group recommendations, or conclusions reached in negotiations with those directly affected.
- 2.112 In addition, the DoJ informed us that it was continuing to work with the Department of Finance and HM Treasury to monitor developments concerning cases taken by firefighters and the judiciary alleging age discrimination in the career average pension scheme (known as the McCloud and Sargeant cases).
- 2.113 The **PSNI** told us that, in the case relating to holiday pay and overtime, the PSNI and the NIPB had sought permission to appeal to the UK Supreme Court. The resolution would determine whether the total value of relevant claims against the PSNI and NIPB was in the region of £300,000 or an estimated £60.2 million.
- 2.114 The PSNI said that the McCloud pensions case had created uncertainty over pensions and the possible PSNI leaver profile. It observed that while the remedy to be applied had not yet been determined, it was likely that the outcome would mean some PSNI officers being able to retire earlier than predicted.
- 2.115 The PSNI reported that provision had now been made to allow officers to take an honorarium instead of an increase in pensionable pay to mitigate any possible personal tax implications for those on temporary promotion.

However, numbers taking up this option had been small. It added that it was unclear whether pension tax issues would affect officers' willingness to undertake permanent promotion opportunities.

- 2.116 The PSNI explained that a pension scheme valuation had been undertaken to set employer and employee contribution rates from April 2019 onwards. Employer costs had increased by 9.9% to 35% for all officers and funding had been made available for this. However, the full impact of this valuation had been partially stalled following the pensions discrimination cases. The PSNI said that significant uncertainty existed over possible future costs to employers and employees following these judgments.
- 2.117 The **NIPB** said that the holiday pay case would continue throughout 2020. It noted with concern that this had the potential to place significant strain on an already stretched PSNI budget.
- 2.118 The **SANI** called for the application of an equal remedy to the pensions' discrimination cases across all UK police services, including the matter of compensation for scheme members impacted by discrimination.

Our comment

2.119 We note with great interest the possible implications of both the holiday pay case and the pension discrimination case. The outcomes could affect members of our remit group directly through the legal judgments eventually reached, or indirectly through possible impacts on the PSNI's budget.

Chapter 3 – Pay proposals and recommendations for 2020/21

Introduction

- 3.1 In this chapter we make our recommendations on the pay and allowances for police officers of all ranks in the PSNI for the 2020/21 pay year. We first review the proposals for the basic pay uplift and then assess the evidence on other matters raised in the remit letter or by the other parties. These are:
 - the starting salary of student officers;
 - the sergeants' pay scale;
 - the Northern Ireland Transitional Allowance;
 - the Competence Related Threshold Payment;
 - the Dog Handlers' Allowance;
 - the On-call Allowance for the federated ranks;
 - the superintending ranks and payment for on-call duties;
 - the superintending ranks and targeted payments or bonuses; and
 - payment for rest days untaken.

Basic pay uplift

Evidence from the parties

- 3.2 The **DoJ** asked us when making a pay recommendation for PSNI officers of all ranks to take the following into account: the PSNI's ability to fund any increase from within existing funding levels; Northern Ireland public sector pay policy; and our recommendations for police officers in England and Wales.
- 3.3 The **NIPB** emphasised that any pay increase should retain parity with officers in England and Wales. It added that pay awards should be informed by a range of factors, including recruitment and retention and the scope for productivity gains, in particular the possibility of flexibility in return for improvements in public sector productivity.
- 3.4 The **PSNI** said that it was acutely aware of the need for continued affordability and sustainability on pay discipline. It proposed a pay increase in parity with officers in England and Wales.

- 3.5 The **PFNI** sought a pay uplift of 5% in 2020/21 on the grounds that this was fair, warranted and necessary for its members who were dedicated and hardworking. It observed that the value of police pay had fallen in real terms in the last ten years by 10.4% behind CPI and 18.7% behind RPI and requested a pay award that would begin to reverse this decline. The PFNI added that an above-inflation increase would ensure that officers felt valued and motivated to continue serving the public in what were unique and extreme circumstances and would help to ease retention pressures. The PFNI added that it supported parity on core pay spines with officers in England and Wales. It also said that the pay increase provided to the PSNI in September 2020 should be made available to all federated officers, with no targeting techniques utilised.
- 3.6 In addition, the PFNI proposed that the bottom pay point on the sergeants' pay scale be removed. It stated that all those currently on this pay point must be immediately moved to the second pay point. Furthermore, it said that a new top pay point should be introduced to ensure the motivation and retention of officers at the rank of sergeant.
- 3.7 The SANI confirmed that it aligned with the PFNI on the pay uplift proposal for 2020/21. It emphasised that it sought parity of pay with officers in England and Wales on core pay.
- 3.8 The **CPOSA** asked for any police pay award in England and Wales to be mirrored in Northern Ireland.

Our comment and recommendation

Introduction

3.9 In reaching our conclusions we have examined carefully the parties' evidence and proposals. We have also taken account of the factors in our terms of reference and the points raised in the remit letter and have undertaken our own analysis of other published sources of information. We are making our recommendations after the restoration of the Northern Ireland Assembly in January 2020 but in the absence of a Northern Ireland public sector pay policy for 2020/21. Parity on pay and broad consistency on allowances

3.10 As stated in Chapter 2, we uphold the principle of parity with England and Wales on core pay. We also uphold the principle of broad consistency on allowances but at the same time require a sound justification for any deviation from allowances in England and Wales. We have applied these principles to each of our pay and allowance recommendations in this chapter. We are also aware that the principles of core pay parity and broad consistency will be tested by developments in the police workforce and pay reform programmes in England, Wales and Northern Ireland. For this reason, we will continue to review the case for parity on core pay and broad consistency on allowances in our future reports.

Policing environment

- 3.11 We observe that demand on the PSNI remains high, including from increasingly complex and resource-intensive cases involving terrorist activity, serious and organised crime, vulnerability and the Northern Ireland legacy. In addition, the PSNI is contending with COVID-19 and preparations for policing the only land border with the EU. All this places a unique combination of pressures on the PSNI.
- 3.12 We have also considered our recommendation in the context of the nature of police work. We have concluded that the pay award needs to recognise the important, difficult, complex and sometimes dangerous work undertaken by police officers of all ranks, and their exposure to personal risk.

Recruitment and retention

3.13 At the time of writing it was not known whether the plan under New Decade New Approach to increase the number of officers in the PSNI to 7,500 would receive the necessary funding. This uncertainty is of particular concern to us in the context of the long-term overall decline in the size of our Northern Ireland remit group at a time of high and increasingly complex demand. Moreover, officer outflow levels are expected to remain high, with a significant portion of the workforce reaching retirement age in the next few years. Morale and motivation

3.14 We have taken into account the importance to effective policing of police officers' goodwill and discretionary effort and suitable motivation. We were very concerned at the high levels of sickness absence reported to us again this year.

Affordability

- 3.15 At the time of writing this report the Northern Ireland public sector pay policy for 2020/21 had yet to be determined. In addition, the Department of Justice told us that it had been advised that any pay increase above 1% would have to be funded from within its budget and paid for by efficiency savings. We have also been advised that under the Barnett formula the devolved administrations will receive additional funds in 2020/21 because of the increase in spending on the police in England and Wales for Operation Uplift. However, we have also learned that Barnett consequentials mean that the Northern Ireland Executive is required to consider the full range of options for the distribution of this funding rather than hypothecate it for any proposed pay award in excess of 1%.
- 3.16 At the same time, we are also mindful of the impact on our remit group of the real-term 20% reduction in the PSNI budget over the last 10 years as set out in the Northern Ireland Audit Office report 2020.

Economic factors

3.17 The wider economy, including the level of pay settlements and the cost of living, are factors in our deliberations. As we set out in Chapter 2, the economic environment is changing and volatile as a result of COVID-19 and there is significant uncertainty about the future. Inflation dropped sharply in April 2020, with the CPI and RPI measures at 0.8% and 1.5% respectively. The latest estimates for median pay settlements in the first quarter of March 2020 ranged from 2.4% to 2.5%. Some employers with front-line workers, especially in the retail sector, have paid temporary pay increases. However, surveys indicate that many employers are likely to freeze pay or postpone decisions on pay awards in the current economic climate. In the first quarter of 2020 the unemployment rate was 2.4% in Northern Ireland and 3.9% in the

UK, and the Bank of England expected UK unemployment to rise further during the year.

COVID-19

3.18 As set out previously, COVID-19 has inevitably changed the context for our report. We wish to recognise the significant contribution of the police this year as part of the frontline national response to COVID-19. We also recognise the changing economic and labour-market context. However, there is a lack of sufficient quantitative data available this year to assess the developing impact of COVID-19 on matters within our remit. We have, therefore, considered our remit in the usual way, including by focusing on longer-term trends in the data and information relevant to our evidence-based process.

Chief police officers

3.19 For the third time we have been asked to provide recommendations on the pay of chief police officers in Northern Ireland. These officers are the most senior leaders in policing and they should be rewarded appropriately for the very important work they do. We are also reluctant to recommend a pay uplift for this group that differs from the award for the other police ranks unless compelling reasons exist. We note that the NIPB is conducting a review of the allowances received by chief police officers in Northern Ireland.

Conclusion

3.20 This has been a unique pay round. In making our recommendation we conclude that it was appropriate for us to take a strategic and long-term view. Taking all the above factors into account, we recommend a consolidated increase of 2.5% to all police officer pay points for all ranks from 1 September 2020. The recommended rates of pay are given at Appendices D and E. We make this recommendation in accordance with our principle of parity on core pay with England and Wales.

<u>Recommendation 1</u>. We recommend a consolidated increase of 2.5% for all police officer pay points for all ranks from 1 September 2020.

The starting salary for student officers

3.21 The remit letter from the Minister of Justice asked us to make a recommendation on the starting salary of student officers. At present, all student police officers in Northern Ireland enter the policing pay scale at pay point 0 and then remain there until attestation or graduation when they commence service as a probationary constable and move to pay point 1. This differs from England and Wales where chief constables may, after consultation with the local policing body, assign any officer to pay point 1 on entry on the basis of local recruitment needs or the possession of a policing qualification or relevant experience.

Evidence from the parties

- 3.22 The DoJ explained that it had received representations from the Chief Constable and other policing stakeholders to consider the starting salary for student officers. It said it was important to note that PSNI recruitment campaigns continued to attract a high volume of candidates in general but recognised that there was some evidence from the 2016 Deloitte report on barriers to recruitment to suggest that the pay scale on appointment was a contributory factor to creating a barrier for some groups. It added that any intention to change starting salaries for PSNI officers could have implications for maintaining consistency with core pay spines in England and Wales, and have associated repercussions for maintaining broad consistency on other terms and conditions. The DoJ further anticipated that the PRRB would wish to understand the interplay between proposals to increase both the starting salary and police officer headcount.
- 3.23 The **PSNI** stated that it been identified that the starting salary did not compare favourably with other public service careers and was below that in the fire and ambulance services. It said for that reason it was asking the PRRB to consider the proposal to review the starting salary for student police officers.
- 3.24 The **PFNI** said that the starting salary for student officers in the PSNI should be increased to equal the value of pay point 1 on the constable pay scale. It stressed that any pay settlement agreed in 2020/21 should also apply to this pay point.

- 3.25 The PFNI told us that it had conducted a survey of student officers in October 2019, in which it had received 187 responses. 84% said that they had been working full time before joining the PSNI as a student officer, of whom almost two thirds (60%) reported a salary reduction on joining the PSNI and almost half (46%) reported a reduction of £5,000 or more per year. The PFNI also explained that 94% of those who experienced a reduction in their salary as a result of joining the PSNI reported a decline of at least £1,000.
- 3.26 In addition, when asked to rate their overall level of satisfaction with the current salary of student officers, the majority of respondents reported that they were dissatisfied or very dissatisfied with the salary they received (47%), with less than one quarter reporting that they were satisfied (23%).

Our analysis

3.27 Police officers in Northern Ireland are recruited on £20,673, rising to £24,177 upon graduation from the Student Officer Training Programme. Table 3.1 sets out the starting salaries for prison officers, fire officers, and the minimum of NHS Pay Band 5 in Northern Ireland (which covers many newly qualified clinical professions). The figures show that police officers have the lowest starting salaries – about £800 below prison officers, £2,700 below fire officers and £3,500 below the minimum of NHS Pay Band 5. Upon completion of initial training, however, police officers have a pay lead of around £1,800 over prison officers and have salaries broadly in line with the minimum of NHS Pay Band 5 and fire officers. These figures exclude the NITA received by police officers (£3,372) and the Supplementary Risk Allowance for prison officers (£3,357).

Table 3.1: Starting salaries of selected occupations, Northern Ireland, 2019

Occupation	Starting salary	Salary on completion of initial training
Police officer	£20,673	£24,177
Prison officer	£21,500	£22,420
Fire officer	£23,366	£24,339
NHS Pay Band 5 minimum	£24,214	_

Source: Prison Service Pay Review Body, Fire Brigades Union, Health and Social Care Jobs in Northern Ireland.

Note: Police officers also receive NITA at £3,372 and prison officers also receive a Supplementary Risk Allowance of £3,357.

Our comment and recommendation

- 3.28 We observe that the starting salary of a police officer (excluding NITA) is below those of prison officers, fire officers and many newly qualified clinical professions in the NHS. However, upon completion of training the salary is ahead of prison officers and broadly comparable with fire officers and the NHS comparators.
- 3.29 The introduction of the new constable pay scale for those joining from April 2013 led to a sharp drop in the starting salary for new recruits. Although the starting salary has been rising in line with the pay awards since 2013, it remains below the level available before April 2013.
- 3.30 We note the evidence from the 2016 Deloitte report¹⁹ that the reduction in the starting salary²⁰ was unpopular in Northern Ireland and was of greater importance there to Catholics and females. In addition, we note that in the PFNI's survey of student officers in 2019 most respondents reported a reduction in salary on joining the PSNI, with a significant number reporting a reduction of £1,000 or more.
- 3.31 We note that the proportion of PSNI officers who are Catholic or female remains unrepresentative of the Northern Ireland population as a whole. We also note the findings of the PFNI survey of starting officers and would be interested in a new analysis, nearly five years on from the Deloitte report, of police pay and allowances and barriers to a more representative PSNI.
- 3.32 We have taken all the evidence on starting salaries submitted to us into account as well as the fact that chief constables in England and Wales have the discretion to assign new entrants to pay point 1 or increase the level of pay point 0 (as long as it does not exceed pay point 1). In accordance with the

¹⁹ Deloitte (December 2016), *Understanding barriers affecting police officer recruitment*. Available at: <u>https://www.psni.police.uk/globalassets/inside-the-psni/our-departments/human-resources/documents/research-project---final-report-v1-0-15-dec-2016.pdf</u> [Accessed on 18 June 2020]

²⁰ The starting salary for trainees appointed on or after 1/9/2014 was reduced from £23,727 to \pounds 19,000 – it has been uplifted in subsequent years to \pounds 20,673. The rate that a probationary constable is appointed at, following the completion of training, was reduced at the same time from £26,484 to \pounds 22,221 (it now stands at £24,177).

principle that we have set out on core pay parity for Northern Ireland with England and Wales, we recommend that the Chief Constable of Northern Ireland is also granted this discretion.

<u>Recommendation 2</u>. We recommend that the Chief Constable of Northern Ireland should be granted the same discretion as chief constables in England and Wales regarding the starting salaries of constables.

Sergeants' pay scale

3.33 The **PFNI** called for the removal of the bottom pay point on the sergeants' pay scale as it was aware that this proposal had already been submitted to the PRRB by the Police Federation of England and Wales and the National Police Chiefs' Council. The PFNI said the financial incentive for officers seeking promotion from constable to sergeant was too small and did not fully recompense officers for the extra responsibilities undertaken and therefore acted as a barrier to promotion. The PFNI added that those on the bottom pay point should be reallocated immediately to the second pay point and that a new top pay point should be introduced for sergeants to ensure that they remained motivated and were retained within the service.

Our comment and recommendation

3.34 We note that removal of the lowest point on the sergeants' pay scale was not one of the matters included for our consideration in the Justice Minister's remit letter or raised with us by the other Northern Ireland parties. The possible effect on the overall coherence of the police pay structure of any individual pay reform measures considered in isolation such as this causes us concern. However, we have supported the proposal to remove the lowest sergeants' pay point in England and Wales to assist with the Uplift Programme there. In view of the proposed increase in PSNI officer numbers under New Decade New Approach, we see no reason to take a different approach in Northern Ireland. Consequently, we recommend removal of the lowest point of the sergeants' pay scale in the PSNI. We make this recommendation in accordance with our principle of retaining parity on core pay with England and Wales.

<u>Recommendation 3</u>. We recommend removal of the lowest point of the sergeants' pay scale from 1 September 2020.

Northern Ireland Transitional Allowance

3.35 The NITA is a taxable, non-pensionable allowance paid to serving police officers up to and including the rank of chief constable in Northern Ireland. While the allowance does not compensate for specific aspects of the role, it is paid in recognition of the extraordinary circumstances in which police officers operate in Northern Ireland and the restrictions placed on their daily lives and those of their family members. It is a transitional allowance because its removal is conditional upon the realisation of a normal security situation and a significant reduction in threats against and attacks on the police.

Evidence from the parties

- 3.36 The **DoJ** explained that in addition to seeking to retain and uplift the NITA, the PSNI had also requested a review of the level of the NITA. However, the Department could not give its position on the matter until detailed consideration of a number of factors had occurred, including issues relating to the threat level and security assessment.
- 3.37 The DoJ advised that the NITA was a significant cost to the PSNI, that it cost almost £26 million per annum and had been increased in line with the pay award each year. The DoJ said that because of the continuing level of threat to officers in the PSNI, it supported retention of the NITA and an increase in line with the pay award but that, as in previous years, it would not support any proposal to make the NITA pensionable.
- 3.38 The **NIPB** said the PSNI continued to police in an environment in which the threat from Northern Ireland related terrorism was 'SEVERE' and that, despite significant progress, the terrorist threat persisted when an officer was off duty or had left the police service. It said that in light of this situation it too

recommended the retention of the NITA with an uplift in line with any pay award for 2020/21.

- 3.39 The **PSNI** said that because of the continuing level of threat to officers in the PSNI, the Chief Constable was seeking retention of the NITA and a review of the level of the allowance payable. It emphasised that it sought the continued payment of the NITA in recognition of the special challenges faced by PSNI officers and the continuing 'SEVERE' threat level and extraordinary security situation in which its officers continued to serve. It explained that the policing environment within Northern Ireland had not yet normalised.
- 3.40 The **PFNI** proposed increasing the NITA to £4,000 from September 2020. It said that the evidence continued to point to the exceptional rather than normal nature of the landscape in which the PSNI had to operate. It emphasised that the impact of this on officers' lives and the scale and scope of the challenge they faced went above and beyond the 'normal' policing duties expected of them. It saw the NITA as small but important recognition of the difficulties of working in an extreme environment.
- 3.41 The PFNI said that there was evidence of an upsurge in terrorist activity directed at PSNI officers in 2019 that indicated an increasingly challenging working environment for serving officers. It stated that while in recent years the value of the NITA had increased in line with the pay award, the evidence provided a basis for a considered increase to the value of the NITA in 2020/21.
- 3.42 The PFNI added that while it was not advocating an increase in the value of NITA equal to the value of the Sheehy recommended award as adjusted for inflation (i.e. £6,200), it did believe that the evidence presented provided a compelling case for a substantial increase to the NITA in 2020/21. It said that the value of the award, as a proportion of the pay scale, should be increased to recognise the continued personal and family complexities which emerged simply from serving the public as a police officer in Northern Ireland. It stated that an increase in the NITA to £4,000 would equal the original recommendation made by Sheehy in 1993 and equate to an increase of 19%.
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- 3.43 The **SANI** stated that it aligned with the PFNI proposal to increase the NITA to £4,000.
- 3.44 **CPOSA** sought an increase to the NITA in line with the pay uplift.

Our comment and recommendation

3.45 The security threat in Northern Ireland is still classed as 'SEVERE' and the situation has not yet normalised. The proposed review of the NITA still seems to be at an early stage and the PRRB would not want to pre-empt the findings of any review. In addition, any interim increase below the pay award might have a detrimental impact on PSNI officers' morale and motivation unless it could be clearly demonstrated that the security situation had improved. While we remain conscious of the cost of any increase, we have concluded that maintaining the historical link to our basic pay recommendation would be appropriate again this time. In view of the continuing security threat, we recommend increasing the NITA by 2.5%. We conclude that the unique security situation in Northern Ireland provides sound justification for deviating in this instance from our overriding principle on retaining consistency on allowances with England and Wales and departing from it only where it is warranted.

<u>Recommendation 4</u>. We recommend an increase of 2.5% in the current level of the Northern Ireland Transitional Allowance from 1 September 2020.

Competence Related Threshold Payment

- 3.46 The CRTP scheme was introduced to the PSNI in April 2003 to recognise and reward officers able to demonstrate high professional competence. The scheme was revised in 2019. The payment is available to officers in the federated ranks and is currently received by around 3,200 officers. It is worth £1,224 and pensionable and was last increased in 2013. It was phased out in England and Wales in 2016.
- 3.47 The **DoJ** said it was aware that following implementation of revised CRTP guidance on 1 April 2019, the number of officers in receipt of CRTP had

reduced. It acknowledged the measures taken to ensure that the criteria were being met for those payments but supported the removal of CRTP in line with England and Wales.

- 3.48 The DoJ said that, as recommended by PRRB, it was keen for the parties to have submitted proposals during this pay round on how CRTP could be incorporated into pay or phased out, potentially by 2022. It did not support any uplift to the payment and echoed calls from NIPB that a clear programme for phasing it out should be explored.
- 3.49 The **NIPB** said that it in previous submissions it had indicated its support for removal of the CRTP scheme, that it did not support increasing it and that this position was unchanged. Instead it proposed a phased withdrawal of CRTP with eventual cessation by 2022.
- 3.50 The **PSNI** stated that the PFNI had been consulted and agreement reached that CRTP should be removed for unsatisfactory attendance in line with the revised attendance management policy. In addition, the allowance was removed where an officer's Individual Performance Review (IPR) was incomplete, where individual performance was unsatisfactory (for example a failure to complete mandatory training such as firearms and first aid training as a result of an officer's inability to attend) and for unsatisfactory conduct.
- 3.51 The PSNI explained that to enhance governance and managers' accountability on CRTP, the policy and application form had been restructured. It said that this revision had reinforced the requirement for managers to ensure that the national standards and associated criteria for entitlement had been met before CRTP could be approved. It said the enhanced guidance included the procedure to be followed where existing recipients no longer met the criteria and ensured a record was kept of the rationale for decisions made.
- 3.52 The PSNI said that constables recruited before August 2015 had been eligible to apply for CRTP after 11 years (reflecting the 10 point pay scale and a year spent on the top scale) but that with the reduction in the number of pay points to 7, eligible constables could apply for CRTP after a minimum of 8 years.

This change had resulted in a sharp increase in the number of applications for CRTP in March and April 2019.

- 3.53 The PSNI added that in the nine months following implementation of the revised guidance in April 2019, the number of officers in receipt of CRTP had reduced by 97 and that there had been a steady decline in the number of recipients, with 3,200 officers now receiving it at a cost of around £7 million. The PSNI said that 4% of the cessations were as a result of management reviews.
- 3.54 The PSNI also explained that there was flexibility for higher pay awards in return for cash-releasing efficiency savings through improvements to public sector productivity. It said that a stricter application of the CRTP allowance would also assist in funding the increased costs proposed.
- 3.55 The **PFNI** proposed retaining CRTP, keeping it open to new applicants and uplifting it in line with the annual pay award. It said that the retention of CRTP had been agreed with the PSNI until 2021, subject to a review. The PFNI added that if the CRTP was removed or phased out it would expect a replacement allowance, such as the unsocial hours allowance, to be introduced immediately.
- 3.56 The PFNI added that as there appeared to be no tangible pay reform process being progressed in Northern Ireland it would be untenable for it to endorse the removal or withdrawal of CRTP, especially without an alternative allowance in place. In the circumstances, it favoured the implementation of a further review period as this would enable a more rigorous management and application process for CRTP to be embedded.

Our comment and recommendation

3.57 We recognise that particularly as the CRTP is a consolidated payment, there are potential risks to morale, motivation and retention from its removal even if it is phased out gradually. Also, we observe that when the CRTP was phased out in England and Wales in a process ending in 2016, this was achieved as part of a wider package of reforms and the CRTP was effectively replaced with an alternative payment, the Unsocial Hours Allowance. This payment

was worth 10% of the basic hourly rate for hours worked between 8pm and 6am.

3.58 We note the continued tension between retaining CRTP and the rationale for core pay parity and broad consistency on allowances. Consequently, we recommend that the current level of CRTP should not increase. We also support its phasing out and recommend that the parties submit proposals to us next year on suitable alternative arrangements. We make this recommendation in accordance with our principle of retaining parity on core pay with England and Wales and with our principle of broad consistency on allowances requiring sound justification for any departure from allowances in England and Wales.

<u>Recommendation 5</u>. We recommend that the current level of the competence related threshold payment (CRTP) should not increase and that the parties submit proposals to us next year on suitable alternative arrangements.

Dog Handlers' Allowance

3.59 This allowance is payable to police officers who keep and care for a dog owned by the NIPB at their home. It is compensation for looking after the dog during the officer's rest days, non-working days and public holidays. Fewer than 1% of police officers in Northern Ireland receive the allowance.

Evidence received from the parties

3.60 The **DoJ**, **NIPB and PFNI** all proposed increasing the Dog Handlers' Allowance in line with their proposals on the 2020/21 pay award. The **PSNI** told us that the Dog Handlers' Allowance should remain in parity with that paid in England and Wales. The NIPB said that the dog handlers provided a necessary service and that it was important to recognise their additional responsibilities in ensuring the wellbeing of animals. The PFNI explained that at the end of 2019, 37 dog handlers within the PSNI, including 5 dog trainers, cared for a total of 52 police dogs. The PFNI added that the allowance provided recompense for exercising the dogs on a daily basis, feeding them twice a day, conducting necessary grooming, the provision and cleaning of kennels and veterinary care when required.

Our comment and recommendation

3.61 In evidence, the parties continued to support an increase to the Dog Handlers' Allowance in line with the main pay award. We did not receive any proposals for an alternative approach. We therefore recommend a 2.5% uplift for this allowance. We make this recommendation in accordance with our principle of retaining parity on core pay and allowances with England and Wales in the absence of any sound justification for departing from it.

<u>Recommendation 6</u>. We recommend that the Dog Handlers' Allowance should increase by 2.5% from 1 September 2020.

On-call Allowance for the federated ranks

3.62 On-call Allowance is paid to police officers who have been authorised to remain available to report for duty if required. In Northern Ireland, it is an allowance that only officers below the rank of superintendent can receive. Table 2.2 in Chapter 2 shows the percentage of officers in receipt of On-call Allowance.

Evidence from the parties

3.63 The **DoJ** said that the two rates of On-call Allowance received by the federated ranks in Northern Ireland had been uprated from 1 April 2019. The first had been increased from £15 to £20 for evenings and weekend days placed on call, as in England and Wales. The other had been increased from £23 to £30 for days considered to be public holidays under PSNI regulations. The DoJ explained that in England and Wales no similar rate existed for on-call duties performed on public holidays. It said that while it recognised the importance of maintaining broad alignment with the pay, terms and conditions of England and Wales, it was not straightforward in practical application given the unique arrangements for On-call Allowance payments for public holidays in Northern Ireland. It added that it wanted to highlight this unique difference

and the challenges it presented with regard to public sector pay approval processes.

- 3.64 The **NIPB** said that while it supported retention of the On-call Allowance, it was also mindful of morale and motivation levels and the health and wellbeing of police officers. It added that through its Resources Committee it would seek to monitor the use of on-call by the PSNI and ascertain whether careful management helped to deliver the aim of reducing incidents of on-call and thereby improve officers' work-life balance.
- 3.65 The **PSNI** observed that the level of on-call duties undertaken had reduced by just over 10% in the 2019/20 financial year compared with 2018/19 and that around 1,600 officers had claimed the On-call Allowance from 2017/18 to 2019/20.

Our comment

3.66 We are content with the decision to increase the On-call Allowance from £15 to £20 for evenings and weekend days for the federated ranks as this matches the value of the On-call Allowance in England and Wales. We also note the increase in the public holiday On-call Allowance from £23 to £30 that for historical reasons applies only in Northern Ireland. We also observe the 10% reduction in the use of On-call Allowance in the last year and welcome the NIPB's undertaking to seek to monitor the PSNI's use of the On-call Allowance in the interests of improving officers' work-life balance.

The superintending ranks and on-call duties

3.67 The remit letter also asked for our views on whether the superintending ranks should have access to payment for on-call duties.

Evidence from the parties

3.68 The **DoJ** said that officers in the superintending ranks continued to seek an on-call allowance for the superintendents in the PSNI and observed that the PRRB had commented in its 2019 report that it wanted further evidence of the burden of on-call duties on those ranks. The DoJ said that previously the focus had been on placing reasonable expectations on those ranks and allowing them an appropriate work-life balance. The DoJ added that while its view was unchanged, the Home Office was known to be considering the introduction of the On-call Allowance to the superintending ranks in England and Wales. Consequently, it was asking the PRRB to consider this year whether the superintending ranks in Northern Ireland should have access to an On-call Allowance.

- 3.69 The **NIPB** stated that the On-call Allowance should not be extended to the superintending ranks. It said this position was in accord with the Winsor Review recommendation that officers in the most senior command and management positions should, in the most pressing circumstances, expect to be called upon although the NIPB told us that it would expect the PSNI to use on-call only when absolutely necessary.
- 3.70 With regard to on-call at superintending ranks and above, the **PSNI** said that it continued to require a high level of senior management supervision and accountability out of core hours. However, it reported some success in reducing the amount of duplication of senior managers who were on call through the introduction of rotas and by an individual officer covering more than one role at the same time.
- 3.71 The **SANI** sought payment for on-call duties performed by the superintending ranks and stated that this was the case in the rest of the United Kingdom. In the SANI 2019 survey of members, almost all SANI members (95%) had reported that they performed an on-call function. In addition, 91% of respondents who performed an on-call function said they did so on rest days, and 24% said they performed an on-call function while on annual leave.
- 3.72 The **PFNI** said that it formally supported the extension of the On-call Allowance to the superintending ranks.

Our comment and recommendation

3.73 We are grateful to the SANI for sharing its survey results with us as set out in paragraph 3.71 above. These have provided us with an indication of the extensive frequency, burden and breadth of on-call duties performed by the superintending ranks in Northern Ireland. The On-call Allowance has now been officially extended to the superintending ranks in England and Wales and we recommend adoption of this change in Northern Ireland. As we said last year, we do not consider the senior status of the superintending ranks to be sound justification for withholding it from them. We make this recommendation in accordance with our principle of retaining broad consistency on allowances with England and Wales in the absence of any sound justification for departing from it.

<u>Recommendation 7</u>. We recommend that the On-call Allowance should be extended to the superintending ranks in Northern Ireland.

The superintending ranks and targeted payments or bonuses

3.74 Our remit letter also asked us to consider whether the superintending ranks should have access to targeted payments or bonuses.

Evidence from the parties

- 3.75 The **DoJ** said it understood that the Home Office was considering the introduction of a targeted payment scheme for the superintending ranks. It said that these payments were intended to help address operational difficulties in relation to hard-to-fill roles and were also in recognition of superintending roles that were deemed demanding. Consequently, the DoJ had invited the PRRB to consider the evidence put to it by stakeholders on targeted payments.
- 3.76 The **PSNI** explained that it had not included a proposal on local flexibility for targeted mechanisms to address specialist and hard-to-fill posts because those pressures were being adequately managed. On targeted bonus payments to the superintending ranks, the PSNI said it would continue to consider the matter in light of any valid evidence concerning the challenges faced by the superintendent ranks in Northern Ireland.
- 3.77 The **SANI** requested consideration of targeted payments or bonuses for the superintending ranks with clearly defined parameters to ensure equality of opportunity to access such payments.

- 3.78 The **PFNI** observed that the NPCC was proposing implementation of an expanded targeted variable payment scheme in England and Wales. It explained that while this initiative was intended to improve standardisation of targeted variable payments, the PFNI continued to have significant concerns over their potential impact, mainly because chief constable discretion would be used to allocate potentially large financial payments to specific groups of officers. The PFNI stated that it was reminded of the difficulties with the Special Priority Payment scheme in the past and that there was a real risk of officers regarding any targeted payment scheme as unfair causing divisiveness and undermining morale and motivation.
- 3.79 The PFNI said that any targeted variable payment scheme had the potential for negative impacts on those with protected characteristics and that appropriate modelling of comprehensive, transparent and reliable data was required in advance of any implementation to ensure fairness in the process and prevent unintended. It stressed that a full equality impact assessment of any proposed targeted variable payments would be required in consultation with the PFNI before introduction in Northern Ireland.
- 3.80 The PFNI added that any targeted variable payment scheme would need to attract new and additional funding.

Our comment

- 3.81 We agree that a careful approach needs to be taken to the introduction of targeted payments for the superintending ranks, whether to address recruitment and retention pressures or in recognition of superintending roles of exceptional scale and complexity. We note that in England and Wales there has only been limited use of the temporary provision for targeted payments authorised by the Home Secretary in October 2018 that is due to expire in September 2020.
- 3.82 It is our view that a consistent, systematic approach is required on targeted payments to avoid a number of risks, including on equality. We agree that targeted payments can be a valuable mechanism in providing chief constables with a means to address specific local issues but that there are

key issues around transparency and fairness which need to be addressed. Therefore, we assess that there should be some nationally agreed, overarching principles to ensure consistency of application across police services and to set out the circumstances in which payments may be made. These principles should address:

- the criteria for payment against recruitment, retention or "hard-to-fill" definitions;
- the mechanisms to ensure that the payments are fair and address equality and diversity issues; and
- the method of communicating the principles within the police service.

Payment for rest days untaken

3.83 The remit letter from the Minister of Justice also asked for our views on the introduction of payment for rest days untaken as a result of exigencies of duty.

Evidence from the parties

- 3.84 The **DoJ** said it was cognisant of the PRRB's comments in previous years asking the parties to work together to find a solution to the matter of payment for rest days untaken due to exigencies of duty. The DoJ added that while it recognised the impact of forgone rest days upon officers and their families, it would welcome clarity on how payment instead would work, particularly as it was concerned that this could encourage officers to work to excess. The DoJ said that the matter would be included as a substantive item for discussion under the framework of the Police Advisory Group in Northern Ireland.
- 3.85 The **PSNI** said that modified rest days were rest days recorded as owed to officers across the ranks from constable to chief superintendent. They occurred when officers were given 15 days' notice or more that they would be required to work their allocated rest day. Their rest day would then be re-allocated. It added that where public holidays and rest days coincided, the public holiday took precedence and the rest day was re-allocated. The PSNI explained that officers were required to ensure that they complied with the timelines specified within police regulations for taking modified rest days and that there was no provision for giving payment for rest days untaken. Data provided by the PSNI showed that the number of modified rest days owed had

fallen by around 600 days between November 2018 and November 2019 to nearly 4,100. Also, the numbers had decreased in the constable, sergeant and chief superintendent ranks, had remained steady for superintendents but had increased in the inspecting ranks.

- 3.86 The **SANI** requested payment for rest days and public holidays that could not be taken due to the exigencies of duty. It also asked for an extension on their availability to 24 months.
- 3.87 The **PFNI** commented that total overtime hours worked across PSNI had declined from a high of 1.78 million in the 2016/17 financial year to 1.59 million in 2017/18. This decline had continued during 2018/19, down 134,000 from 2017/18. However, this reduction had been based entirely on a reduced number of pre-detailed overtime hours, with casual (or unplanned) overtime hours increasing between 2017/18 and 2018/19.
- 3.88 The **PFNI** said that in addition to ongoing concerns around the levels of overtime working within the PSNI, it remained greatly concerned about the significant impact of the use of modified rest days as a means of ensuring service provision from an under-resourced police service. It added that it had told the PRRB in 2019 about early indications of rest day working being used to reduce the overtime budget. However, the overtime budget was expected to remain high in 2020 and the reliance on rest day working had increased. The PFNI stated that when combined, these two proxy measures of service demand and workforce pressure highlighted a growing health and wellbeing issue. It was concerned that officers were working long hours and inadequate rest days were being cancelled regularly, with a reduced likelihood of them being reallocated on a like-for-like basis.

Our comment

3.89 Last year we asked the PSNI to work with the parties to find an agreed solution to the matter of rest days untaken. We agree with the concerns expressed by the PFNI about the use of modified rest days in the context of high levels of overtime (particularly casual overtime) and sickness absence and under resourcing.

3.90 We note that, in accordance with the SANI's request, the superintending ranks in England and Wales have this year been granted permission to carry over rest days untaken for up to 24 months in exceptional circumstances instead of 12 months. We suggest that consideration is given to extending this new provision to the superintending ranks in Northern Ireland.

Review of allowances in Northern Ireland

Our comment and recommendation

- 3.91 We note that the increase to the On-call Allowance for evenings and weekend days as recently approved in England and Wales has been authorised in Northern Ireland. At the time of writing this report, further changes had just been authorised in England and Wales, including the extension of the On-call Allowance to the superintending ranks and permission for the superintending ranks to carry over rest days untaken for 24 months in exceptional circumstances.
- 3.92 As the reform process continues in England and Wales, further changes to allowances are likely. We also note that the Chief Constable of Northern Ireland has plans for workforce and pay reform in the PSNI. In the interests of an efficient consideration process and in support of a coherent allowance regime in Northern Ireland, we recommend that the Northern Ireland parties conduct a comprehensive review of police officer allowances in the PSNI. We suggest that this exercise considers:
 - why each allowance is required in current circumstances;
 - whether its value is appropriate in current conditions;
 - the principle of broad comparability on allowances with England and Wales; and
 - the existence of compelling reasons for any divergence from the position in England and Wales.

This review would complement the NIPB's review of chief officer allowances and we propose that it takes place within the next twelve months. <u>Recommendation 8</u>. We recommend that the parties conduct a comprehensive review of police officer allowances in Northern Ireland within the next twelve months.

Chapter 4 – Forward Look

Introduction

- 4.1 In this chapter we focus on key issues that arose during this pay round and which we would like to return to next year. We ask the parties to keep them in mind when formulating their next set of evidence. These areas include COVID-19, EU Exit, Northern Ireland police resourcing, core pay parity and broad consistency on allowances, evidence provision, workforce and pay reform and process issues.
- 4.2 We note that this year's pay recommendation will be a real-term increase for officers in our remit group and assess that this is justified given the evidence presented to us and the demand placed on the police, the complexity and volume of the workload and the level of risk and responsibility carried by individual officers. However, we recognise that we are concluding this report in extraordinary times and that next year the environment for our review may be influenced by a number of factors, including those discussed below.

COVID-19

- 4.3 Next year's evidence will need to cover the impact of COVID-19 and we would hope to see discussion of how it has affected policing and the policing environment, as well as the police workforce and the wider economy and labour market. We would also expect to see evidence on how the repercussions of COVID-19 have affected police officer recruitment, retention, morale and motivation. We would also welcome an assessment of the longerterm implications of COVID-19 on policing.
- 4.4 COVID-19 has forced us to revise the way that we conduct our round this year. However, we have been pleased that technology has enabled the round to progress and that we have been able to follow our usual processes. We do not yet know what the implications of COVID-19 will be for next year's round and, whether for example, social distancing requirements will have an impact on our visit programme and our ability to meet with members of our remit group in person. However, we repeat our thanks to all parties who have facilitated the current round and invite them to work with us and our

secretariat to ensure that next year's round follows as conventional a process as possible.

European Union Exit

4.5 At the time of writing, the detailed arrangements for the UK's future relationship with the EU have still to be agreed following the UK's exit from the EU. We note the forthcoming challenge for the PSNI in policing the only land border between the UK and EU and would like to learn more in evidence next year about the impact of EU Exit on the PSNI.

Northern Ireland police resourcing

- 4.6 The PSNI is unique among the police forces in our remit in being funded wholly from a single central source, the Northern Ireland Executive, out of its block grant from HM Treasury. In common with other public sector bodies in Northern Ireland the PSNI cannot raise funds through a local precept, nor borrow funds or maintain a strategic reserve. Nor does it have the flexibility to carry forward surplus efficiency savings or under-spends accrued during the year. Moreover, the PSNI is inhibited in its ability to plan for long-term investment as, even with the restoration of devolved government to Northern Ireland in January 2020, it still only has an annual funding process in place.
- 4.7 We would be interested in learning about the views of the Minister of Justice on how the PSNI might mitigate the impact of the annual funding cycle on its ability to develop long-term plans.

Core pay parity and broad consistency

4.8 We have stated our principles on parity with England and Wales on core pay and broad consistency on allowances and the requirement for a sound justification for any deviation from those allowances. We are aware that our principles will be tested by developments in police workforce and pay reform in England, Wales and Northern Ireland. We will continue to review the evidence we receive against those principles as part of our future reports.

Evidence provision

- 4.9 We thank the parties for the evidence they have provided this year, particularly in view of the pressures arising from COVID-19. We would encourage the continued, and where possible enhanced, provision of:
 - historical data to allow time-series analysis on the demographics of the workforce, including the age profile of recruits;
 - information on sickness absence and analysis of the reasons for high sickness absence levels;
 - information on the recruitment and retention of officers such as on numbers of applicants and recruits, outflow rates and wastage, including during training;
 - an update on levels of overtime taken, both pre-detailed and casual;
 - an update on progress in response to the Deloitte report;
 - data on hard-to-fill posts;
 - data on the morale and motivation of officers, such as from PSNI and PFNI surveys of officers;
 - data on movements between the PSNI and other police forces;
 - data on on-call duties and on untaken rest days;
 - information on any matters with regard to the relevant legal obligations on the PSNI and any relevant legislative changes to employment law which do not automatically apply to police officers; and
 - views on gender pay gap reporting.

Workforce and pay reform

4.10 We are also interested to learn more about the Chief Constable's plans for workforce and pay reform and the strategic direction of the PSNI. We note the various strategies identified in the Northern Ireland Policing Plan 2020-2025 and Annual Performance Plan 2020/21, such as the PSNI People and Culture Strategy 2020-2025. We observe that these plans for the PSNI may diverge from the workforce and pay reform plans in England and Wales.

Process issues

4.11 Delays in Northern Ireland presented significant challenges for the remit group and the Review Body process this year. PSNI officers in the federated and superintending ranks again experienced a wait of around six months before they could receive their pay award for 2019/20.

4.12 We also understand at the time of writing that the 2019/20 pay award for PSNI chief police officers remained unapproved. We hope that this matter is resolved soon.

Appendix A – Our Previous Recommendations

2019 Report

We submitted our 2019 Report on 29 May 2019. The recommendations were as follows:

- Our 2019/20 recommendations (from 1 September 2019):
- A consolidated increase of 2.5% to all police officer pay points for all ranks.
- An increase of 2.5% in the current level of the Northern Ireland Transitional Allowance.
- The current level of Competence Related Threshold Payment (CRTP) does not increase and that the parties submit proposals next year on how CRTP can be incorporated into pay arrangements as part of the pay reform process in Northern Ireland, or a clear programme and timetable for phasing out CRTP.
- Dog Handlers' Allowance should increase by 2.5%.

The Minister of Justice for Northern Ireland responded to the report on 20 February 2020 and awarded a 2.5% consolidated pay increase to officers in the federated and superintending ranks, backdated to 1 September 2019. The award also increased the Northern Ireland Transitional Allowance and Dog Handlers' Allowance by 2.5%. At the time of writing this report no response had been made for the chief officer ranks.

Previous recommendations

All of our previous recommendations, along with the responses²¹ are set out below.

Report	Recommendation	Response
1 st (2015)	A consolidated increase of 1% to all pay points for federated and superintending ranks	Accepted
	No increase to the current level of Competence Related Threshold Payment	Accepted
	Northern Ireland Transitional Allowance to be uprated by 1%	Accepted
	Dog Handlers' Allowance to be uprated by 1%	Accepted

²¹ Responses to the 2015 and 2016 Reports were made by the Northern Ireland Minister of Justice. The 2017 and 2018 Reports were responded to by the Permanent Secretary at the Department of Justice in Northern Ireland in the absence of a Minister of Justice.

Report	Recommendation	Response
2 nd (2016)	A consolidated increase of 1% to all pay points for federated and superintending ranks	Accepted
	No increase to the current level of Competence Related Threshold Payment	Accepted
	Northern Ireland Transitional Allowance and Dog Handlers' Allowance to be uprated by 1%	Accepted
	No increase to the current level of the On-call Allowance	Accepted
3 rd (2017)	A consolidated increase of 2% to all pay points for federated and superintending ranks	Increased consolidated pay by 1% and, for 2017/18 only, provided 1% non-consolidated pay award
	No increase to the current level of Competence Related Threshold Payment	Accepted
	Northern Ireland Transitional Allowance and Dog Handlers' Allowance to be uprated by 2%	Increased Northern Ireland Transitional Allowance and Dog Handlers' Allowance by 1%
	No increase to the current level of the On-call Allowance	Accepted
4 th (2018)	The time-limited 1% non-consolidated pay award received by the federated and superintending ranks in 2017/18 should be consolidated onto all pay points officers at these ranks.	Rejected
	In addition to and following our first recommendation, a consolidated increase of 2% to all police officer pay points at all ranks.	Accepted
	An increase of 2% in the current level of the Northern Ireland Transitional Allowance and Dog Handlers' Allowance	Accepted
	The CRTP scheme remains open to new applicants pending the outcome of the comprehensive review and that the current level of CRTP does not increase	Accepted
5 th (2019)	A consolidated increase of 2.5% to all police officer pay points for all ranks.	Accepted for federated and superintending ranks. No response yet made regarding chief police officers
	An increase of 2.5% in the current level of the Northern Ireland Transitional Allowance.	Accepted
	The current level of Competence Related Threshold Payment (CRTP) does not increase and that the parties submit proposals next year on how CRTP can be incorporated into pay arrangements as part of the pay reform process in Northern Ireland, or a clear programme and timetable for phasing out CRTP.	Accepted
	Dog Handlers' Allowance should increase by 2.5%.	Accepted

Appendix B – Minister of Justice's Remit Letter

FROM THE OFFICE OF THE JUSTICE MINISTER



Minister's Office Block B, Castle Buildings Stormont Estate Ballymiscaw Belfast BT4 3SG Tel: 028 9076 5725 private.office@justice-ni.x.gsl.gov.uk

Our Ref: SUB-1062-2020

Anita Bharucha (Chair) Police Remuneration Review Body Office of Manpower Economics 8th Floor Fleetbank House 2-6 Salisbury Square LONDON EC4Y 8JX



Dear Snita.

Firstly, I would like to thank you for the work undertaken by the Police Remuneration Review Body (PRRB) in support of the 2019/20 pay process. As you will be aware, officials are working to conclude this pay round as expeditiously as possible following publication of the Northern Ireland Public Sector Pay Policy.

You may be aware that previous correspondence from the Department of Finance (DoF) in October 2019 has indicated that setting of the 2020/21 Pay Policy will be aligned to publication of the Budget for that period. We would, therefore, envisage that the PRRB will be in a position to consider it as part of the evidence process.

I would be grateful if the PRRB would commence its annual review of pay and conditions for officers of the PSNI for 2020/21, in conjunction with that for police officers in England and Wales.

FROM THE OFFICE OF THE JUSTICE MINISTER



Having taken the views of stakeholders, I would welcome the PRRB's recommendations on the following matters:

- the application of any pay award for all ranks, including the starting salary for student officers;
- whether any increase should be applied to the Northern Ireland Transitional Allowance (NITA) and other allowances, including those for on-call (federated ranks) and dog handlers;
- whether the superintending ranks should have access to targeted payments, bonuses and/or payment for on-call duties; and
- the future of the Competence Related Threshold Payment (CRTP) scheme following consideration of proposals submitted by stakeholders.

The Department has, for the second consecutive year, been asked to consider including the introduction of payment for rest days untaken as a result of exigencies of duty. We plan to include this as a substantive item for discussion under the framework of the Police Advisory Group (NI). Any views the PRRB would wish to offer on this or other matters would, however, be most welcome.

You will be aware that, historically, awards to officers of the PSNI have been broadly consistent with those made to their counterparts in England and Wales. I understand that all stakeholders remain keen that this should be maintained into the future.

We can confirm that stakeholders have, to date, received a redacted version of the PRRB's last report to inform preparation of their written evidence.

FROM THE OFFICE OF THE JUSTICE MINISTER



The Department would welcome receipt of your report and recommendations by 12 June 2020. I look forward to working with you and your members in support of the process for the year ahead.

Regards, Saona

NAOMI LONG MLA Minister of Justice

Appendix C – The Parties' Website Addresses

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

Department of Justice Northern Ireland	https://www.justice-ni.gov.uk/
Police Service of Northern Ireland	https://www.psni.police.uk/
Police Federation for Northern Ireland	https://www.policefed-ni.org.uk/
Superintendents' Association of Northern Ireland	https://policesupers- my.sharepoint.com/:b:/p/wtr/EW80LboyVL5HnQ7U9uVIs8 8B_5oJMAiT1vLGiPVREIX83A?e=3r9o1S
Chief Police Officers' Staff Association	https://cposa.uk/

Appendix D – Recommended Changes to PSNI Federated and Superintending Ranks' Pay Scales and Allowances from September 2020

Salary scales

The salary scales in effect from 1 September 2019 are set out below along with our recommendations for effect from 1 September 2020.

Rank	Pay point	With effect from 1 September 2019	Recommended for effect from 1 September 2020	Notes
Constable				
(appointed on or after				
1 September 2014)	0	£20,673	£21,189	а
	1	£24,177	£24,780	b
	2	£25,269	£25,902	
	3	£26,370	£27,030	
	4	£27,471	£28,158	
	5	£29,670	£30,411	
	6	£34,098	£34,950	
	7	£40,128	£41,130	
Constable				
(appointed before 1	0	£25,560	£26,199	
September 2014)	1	£28,527	£29,241	
	2	£30,180	£30,933	с
	3	£32,025	£32,826	U
	4	£33,036	£33,861	
	5	£34,098	£34,950	
	6	£37,095	£38,022	
	7	£40,128	£41,130	d
Sergeant	1	£41,499	£42,537	
	2	£42,894	£43,965	
	3	£43,806	£44,901	
	4	£45,099	£46,227	d
Inspector	0	£51,414	£52,698	
	1	£52,863	£54,186	
	2	£54,312	£55,671	
	3	£55,767	£57,162	d

		With effect from	Recommended for effect from	
Rank	Pay point	1 September 2019	1 September 2020	Notes
Chief Inspector	1	£56,910	£58,332	е
	2	£58,050	£59,502	
	3	£59,250	£60,732	d
Superintendent	1	£68,460	£70,173	
	2	£72,033	£73,833	
	3	£75,795	£77,691	
	4	£80,859	£82,881	
Chief Superintendent	1	£84,849	£86,970	
	2	£87,717	£89,910	
	3	£89,511	£91,749	

Notes:

a. On commencing service as a PSNI trainee. All trainees enter at point 0 until attestation/graduation. We have recommended that the Chief Constable of Northern Ireland is granted discretion to assign new entrants to point 1.

- b. On commencing service as a probationary PSNI constable. At attestation/graduation trainees become constables and move onto point 1.
- c. All officers move to this salary point on completion of two years' service as a constable.
- d. Officers in the PSNI who have been on this point for a year will have access to the competence related threshold payment
- e. Entry point for an officer appointed to the rank, unless the chief officer of police assigns the officer to a higher point.

Allowances

The recommended values of allowances from September 2020 are set out below.

Northern Ireland Transitional Allowance	£3,456	per annum
Dog Handlers' Allowance	£2,400	per annum

The values of all other allowances and payments, including Competence Related Threshold Payments, remain unchanged.

Appendix E – Recommended Changes to Chief Police Officer Pay from September 2020

Chief and Deputy Chief Constable Salaries				
	Recommended for effect from 1 September 2019 ²²	Recommended for effect from 1 September 2020		
Chief Constable	£212,676	£217,992		
Deputy Chief Constable	£172,797	£177,117		

Assistant Chief Constables' Pay Scale			
Pay point	Recommended for effect	ect Recommended for effec	
	from 1 September 2019	from 1 September 2020	
1	£103,023	£105,600	
2	£109,662	£112,404	
3	£116,313	£119,220	

Incremental progression will follow upon twelve months' reckonable service on each pay point, on the basis of satisfactory performance.

²² At the time of writing this report no response had been made to last year's recommendations for the chief officer ranks.

Appendix F – Pay changes arising from the Winsor Review in England and Wales and subsequent review in Northern Ireland

	Changes in England and Wales	Changes in Northern Ireland
Shortened 7 point constable scale for existing constables and new scale for new starters	Pay points removed on a phased basis from 2014 to 2016 for existing officers and a new scale introduced for new joiners in 2013	Introduced in 2014 for existing officers and a new scale with lower starting salary introduced for new joiners in 2014
Foundation Skills Threshold (pay point 4 of constables' scale)	To be introduced in 2016	Not applicable
Abolition of pay point 0 on sergeants' pay scale	Applied from 2014	Applied in 2015
Shortened 4 point superintendents' pay scale	Applied from 2014	Applied from 2014
Shortened 3 point ACC pay scale	Applied from 2014 to 2016	Pay points to be removed on a phased basis from June 2014
Competence Related Threshold Payment	Phased abolition by April 2016	Retained, to be reviewed in 2018
Advanced Skills Threshold (to reach max of relevant pay scales)	To be introduced from 2016	Not applicable
Special Priority Payments (£500 – £3,000)	Abolished in 2012	Abolished in 2014
On-call allowance	£15 rate introduced in 2013	£15 rate for weekdays and weekends and £23 rate for Bank Holidays introduced in 2014
Abolition of bonus schemes and Post-related allowances	Suspended from 2012 and abolished in 2014	Abolished from 2014
Overtime rates	Rate of time and one third for 'casual overtime' retained, with payment of travelling time for recalls between tours of duty 4-hour minimum payment when recalled to duty – abolished	Casual overtime rate unchanged 4-hour minimum payment when recalled to duty – retained Payment of double time for cancellation of rest day changed from 5 days'

	Cancellation of rest day with fewer than 5 days' notice – rate changed to time and a half from double time Pay at time and a half for working on a rostered rest day with fewer than 15 days' notice.	notice to 3 days' notice
Away from home allowance and unsocial hours allowance	Introduced from 2012	Not introduced
Motor vehicle rates	Linked to Local Government rates from 2012	Aligned with Northern Ireland Civil Service rates in 2014
Occupational maternity pay	Increased from 13 to 18 weeks from 2012 (18 weeks replicated for adoption and parental leave from 2013)	Increased from 13 to 18 weeks
Voluntary exit scheme and compulsory severance scheme	Voluntary exit provisions introduced in 2013	Not introduced
Replacement allowance	Retained, but abolish increases for change in personal circumstances from 2011	Not changed
Team recognition awards	Discretion to make bonus payments of £50-100 for unpleasant or demanding tasks extended to whole teams from 2012	Not introduced
Regional allowances	Chief Constable discretion to vary levels of regional allowance payment up to the maximum based on local retention needs (not performance) from 2013	Not applicable