



Review Body on
Senior Salaries

Supplement to the Thirty-Seventh Annual Report on Senior Salaries 2015

REPORT No. 84

Chief police officers in England, Wales and
Northern Ireland

Chair: Dr Martin Read, CBE



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

July 2015



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Executive summary and recommendations

1. This is the first year that SSRB has considered the pay of chief police officers. We note that we acquired this new remit because of the parties' desire for chief police officers to be considered alongside other senior groups in the public sector. We also recognise the importance of ensuring that SSRB's recommendations are coherent with those made by the new Police Remuneration Review Body for the other police ranks.
2. In developing our understanding of chief police officers' pay, we received input from all of the main parties and we thank them for their submissions. We noted that a key challenge is ensuring that the pay and reward package can recruit and retain the best, whether through enabling mobility between forces or through newer direct entry routes.
3. Our recommendations for the annual uplift for 2015-16 are set out below. In reaching them, we took the view that the case for a small base pay increase outweighed the case for none. We could see no justification for treating chief police officers differently from the rest of the police ranks this year. There is some early evidence of declining applications for this group, and the cost of an award is very low (£320,000 including £50,000 in pension costs) in the context of the overall police pay budget (£6.7 billion, including £1.7 billion in pension costs).
4. Other factors we considered were the impact of recent take-home pay decreases for our remit group, and the recommendations we made for the other workforces in our remit in February 2015. We noted that Assistant Chief Constables are entitled to incremental pay progression, while Chief Constables and Deputy Chief Constables are on spot rates, and we considered whether to differentiate between them in any award we recommended; we concluded that we should not.

Recommendation 1: SSRB pay recommendation for England and Wales

Recommendation 1: We recommend that with effect from 1 September 2015 the base pay of chief police officers in England and Wales is increased by 1 per cent. We also recommend a 1 per cent increase on incremental pay points at Assistant Chief Constable and equivalent rank, and on London Weighting.

Recommendation 2: SSRB pay recommendation for Northern Ireland

Recommendation 2: We recommend that with effect from 1 September 2015 the base pay of chief police officers in Northern Ireland is increased by 1 per cent. We also recommend a 1 per cent increase on incremental pay points at Assistant Chief Constable rank in Northern Ireland, and on the Northern Ireland Transitional Allowance.

5. Looking ahead, we have identified three priorities for our future consideration of the pay of chief police officers. These are set out in detail below.

The importance of developing a longer-term strategy: Looking across all our remit groups, we believe it would be timely for the new Government to consider its approach to senior pay in the round, as part of its overall approach to public sector pay. Many senior public sector workers, including chief police officers, have experienced the effects of pay restraint in the last few years, and have been operating in an environment where it has proved difficult to predict the Government's long-term strategy on pay and reward.

In putting together a strategy for chief police officers the following should be considered:

- the future direction and context of policing and evolution of chief police officer roles over the next three to five years;
- the need to recruit and retain people of the highest quality;
- the importance of mobility (whether geographical or in terms of movement in and out of the police service), in building up skills and experience;
- the broader reward package, including performance-related pay, incremental progression and pensions and the extent to which these various components appropriately incentivise career progression and use limited funds effectively; and
- the importance of local flexibility and how this fits within a national pay system.

Recommendation 3: We encourage the Home Office to ensure that it sets out a longer-term strategy for the pay and reward of chief police officers. This should take into account the wider Government approach to senior pay in the public sector, which we look forward to considering in future reports.

The importance of measuring the impact of past pay awards: this is to ensure that SSRB monitors implementation and impact to provide a feedback loop to inform the pay review process.

Recommendation 4: We ask the Home Office, working with the other relevant parties, to put in place the machinery to make an assessment of the impact of its past decisions on chief police officers' pay in order to inform its submissions to SSRB in future years.

The need for a better evidence base: SSRB will offer guidance to evidence providers on future submissions. The intention is to keep the burdens of data gathering to a minimum, while ensuring that SSRB gets the high quality, consistent and comparable information that it needs to make suitable recommendations. Gathering this information will also assist the parties in making their own proposals to SSRB. We note that the streamlining of information requirements will minimise the burden of data gathering.

Recommendation 5: We recommend that the Home Office works with the other parties to provide consistent and comparable data on chief police officers in relation to SSRB's terms of reference.

6. We believe that in order to fulfil our chief police officer remit as requested by the Government, we need to assess chief police officers alongside the other senior groups that we cover. To do this efficiently requires us to receive evidence during the main pay round. We will therefore be asking for evidence from the parties in the early autumn of 2015.

Part 1

Introduction

The setting of police pay

7. The Police Negotiating Board (PNB) provided the national negotiating forum on the pay and conditions of service for the police service in the United Kingdom for over thirty years. The PNB's role was to help the police and their employers, the local authorities, to reach a consensus on these matters and to recommend the resultant agreements to the Home Secretary.
8. Following the Winsor Review¹ and the passing of the Anti-social Behaviour, Crime and Policing Act 2014, chief police officers (Chief Constables, Deputy Chief Constables and Assistant Chief Constables) in England, Wales and Northern Ireland were moved from PNB's to SSRB's remit.² The Act also established the Police Remuneration Review Body (PRRB) to consider the pay of all police ranks up to and including Chief Superintendent. The SSRB's terms of reference were amended in September 2014. Letters to SSRB's Acting Chair from the Home Secretary and the Justice Minister for Northern Ireland about the new remit group are at Appendices E and F respectively.

SSRB approach

9. SSRB operates in a different way to the PNB, which focused on providing a negotiating process that enabled the parties to reach an annual agreement on pay and conditions. After hearing evidence from each of the parties SSRB formulates independent pay recommendations and submits them to the Home Secretary and the Northern Ireland Minister of Justice. Our considerations are informed by our terms of reference (set out in full at Appendix A) which include the need to recommend levels of remuneration which are sufficient to recruit, retain and motivate and, where relevant, promote, enough suitably able and qualified people to exercise their different responsibilities. We also take account of evidence on wider economic considerations and affordability.

The remit group

Numbers

10. At the end of March 2014 there were 204 chief police officers in England and Wales and seven in Northern Ireland. Most of the 44 police forces in our remit have between two and four chief police officers but exceptions are: the Metropolitan Police Service (29), West Midlands (8), Police Service of Northern Ireland, Greater Manchester and West Yorkshire (7 each) and Merseyside (6).

¹ In 2012, Part 2 of the Winsor Review of Police Pay and Conditions recommended abolition of the PNB system because it 'proved itself incapable of ensuring that the two sides reach agreement on the most significant matters of contention efficiently and in a timely way'. The Review found the PNB to be adversarial, cumbersome and inefficient. It recommended the establishment of an independent police officer pay review body to consider the pay of all ranks up to and including chief superintendent, and that the Senior Salaries Review Body recommend on the pay of chief police officers (Chief Constables, Deputy Chief Constables and Assistant Chief Constables).

² For England and Wales: Part 11, Section 133, subsection 3a of the Anti-social Behaviour, Crime and Policing Act 2014 states: 'In the case of regulations under section 50 concerning members of police forces above the rank of chief superintendent, before making the regulations the Secretary of State shall (subject to subsection (5))— (a) consider advice on the matter from the Senior Salaries Review Body'.
<http://www.legislation.gov.uk/ukpga/2014/12/section/133>.

For Northern Ireland: Part 11, Section 134, subsection 3a of the Act states: 'in the case of regulations concerning officers above the rank of chief superintendent, before making the regulations the Department of Justice shall (subject to subsection (5)) – (a) consider advice on the matter from the Senior Salaries Review Body'.
<http://www.legislation.gov.uk/ukpga/2014/12/section/134>.

Paybill

11. The Home Office advised us that in 2014-15 in England and Wales, the pay of the remit group cost £23 million in total and, with employer pension and National Insurance contributions, accounted for £32 million (or 0.5 per cent of the overall police officer paybill of £6.7 billion). It told us that the pay of all police officers accounts for almost 60 per cent of total police expenditure in England and Wales. The Northern Ireland Policing Board told us that the chief police officer paybill in Northern Ireland was £1.3 million in 2014-15, including employer pension and National Insurance contributions.

Diversity

12. The Home Office told us that on 31 March 2014, 39 chief police officers in England and Wales were female (19 per cent of the total), including eight Chief Constables. The Home Office also told us that five chief police officers were from ethnic minorities (nine in 2010) but that none were at Chief Constable rank.

Nature of the police reward package

13. The main components of the chief police officer reward package are set nationally – pay, pension and some allowances and benefits in kind. In addition some chief police officers receive adjustments to pay, allowances and benefits in kind by local arrangement.

Chief Constables and Deputy Chief Constables

14. Since September 2003 Chief Constables and Deputy Chief Constables have received spot rate salaries with no incremental progression. These salaries are contained in the national pay structure which is at Appendix G. Each salary relates to the ranking and grouping of police force area and is determined by a set of eight weighted measures.³ The Winsor Review recommended retention of this pay system based on a 'rudimentary' form of job evaluation 'unless and until a more advanced system is devised'. Chief Constables and Deputy Chief Constables are unique in SSRB's remit in being appointed for a fixed term. Under Regulation 11 of the Police Regulations 2003 the initial fixed term is up to five years, then for three years and beyond that, one year. There is no limit on the number of renewals.
15. Each Police and Crime Commissioner (PCC) has the discretion to set the Chief Constable's salary up to 10 per cent above or below the rate for the post on appointment, but cannot alter that salary after the Chief Constable's appointment and has no power to vary the salaries of other chief police officer ranks. PCCs are also responsible for the appointment and replacement of Chief Constables. The Association of Police and Crime Commissioners (APCC) told us that of 22 PCCs who had appointed Chief Constables 13 paid the spot salary, seven paid more and two paid less.⁴

Assistant Chief Constables

16. Assistant Chief Constables have an incremental pay scale. This had been a six point scale but it was agreed by the PNB that between June 2014 and June 2016 this would reduce to three points. On 1 June 2014, the pay scale was reduced to five points with the removal of the then lowest pay point and a further point was removed on 1 June 2015. The difference in value between individual points now is such that some Assistant Chief

³ The eight weighted measures are: six management areas (calls, crime, traffic, public order and reassurance, community policing and patrol); security-related expenditure; and the sparsity of the population in the police area.

⁴ In February 2015 the APCC told us that 23 PCCs had appointed Chief Constables since November 2012 and that 22 had responded to its survey of Chief Constable starting salaries. PCCs provided the APCC with a number of reasons for paying more: the most common was to reward an exceptional candidate; attracting a candidate to a smaller force; and simplification of the Chief Constable package and withdrawing car allowance and medical insurance. One PCC cited the inability to alter the salary once the Chief Constable was in post. Another who paid less than the spot salary explained the Chief Constable was leading by example in difficult times.

Constables will receive an incremental pay increase of 3 per cent while others will receive more than 6 per cent. The current pay scale for Assistant Chief Constables is set out in Appendix G.

Performance-related pay

17. On the recommendation of the Winsor Review, performance-related bonuses⁵ for the remit group were abolished from April 2013. Winsor instead proposed a system of skill and contribution-related pay and progression. The Home Office told us it was looking at ways to provide the remit group with 'further incentives and levers for improving leadership and professionalism and opening up police career pathways'.

Pension

18. The Home Office told us that the great majority of chief police officers are members of the 1987 final salary Police Pension Scheme which provides a pension based on up to 30 years' service. The 1987 police pension has a contribution rate of 15.05 per cent for our remit group and a dual accrual rate – 1/60th of final salary for the first 20 years and 2/60ths for the next ten years. Members of this pension scheme in our remit group are particularly affected by the lowering of the annual allowance pension tax threshold. The other longstanding police pension scheme, the 2006 New Police Pension Scheme, is also a final salary one but based on a normal pension age of 55.
19. Following the report from the Independent Public Service Pensions Commission chaired by Lord Hutton in 2011 a third police pension scheme was introduced from 1 April 2015. It introduced career average pension arrangements and further increases to employee contribution rates and a higher normal pension age of 60 (compared with a normal pension age linked to state pension age for most public servants, which is planned to rise in stages to 68). In line with other public sector groups, transitional arrangements apply to those police officers who, on 1 April 2012, were within ten years of their normal pension age or of the maximum pensionable service, depending on which pension scheme they belong to.

Allowances and benefits in kind

20. A range of allowances and benefits in kind are also applicable to chief police officers. We do not have a full picture of these. Nevertheless, we know they include geographically-based allowances to reflect cost of living or special circumstances, or benefits such as motor vehicle allowances. Some are contained in national regulations or provided at Chief Constables' discretion, while others are determined locally. We have been told that provision varies greatly across police forces. At Appendix H is a list of what we have been able to establish. The Home Office told us that before the Winsor Review chief police officers received additional payments worth on average 21 per cent of basic pay for Chief Constables and less for the other ranks.⁶ We would be interested in an estimate of their value now.

⁵ These awards had been worth up to 15 per cent of basic pay for Chief Constables, for Deputy Chief Constables up to 12.5 per cent and for Assistant Chief Constables up to 10 per cent. Double increments for Assistant Chief Constables were abolished in April 2014.

⁶ The Winsor Review found that Deputy Chief Constables received payments worth on average 14 per cent in addition to basic pay and that Assistant Chief Constables received payments worth on average 10 per cent in addition to basic pay.

Part 2

Evidence

England and Wales

The Home Office

21. The Home Office proposed no increase in pay for SSRB's police remit group in 2015-16. It argued that in the current economic climate of pay restraint and fiscal sustainability it was important to focus any pay reward on those who were the 'lowest paid and on the frontline'. It added that this would be reflected in its evidence to the Police Remuneration Review Body (PRRB), where the Home Office proposed for 2015-16 a 1 per cent pay increase for all police officers in the PRRB remit.

The Association of Police and Crime Commissioners (APCC)

22. The APCC favoured a pay increase for chief police officers of no more than 1 per cent and definitely no higher than for subordinate ranks. However it added that some of its members believed that chief police officers should forego any pay increase this time.

National Police Chiefs' Council (NPCC)⁷

23. For 2015-16 the NPCC proposed a consolidated pay award of 1 per cent for all chief police officers. It said that: 'while pressure on police budgets is great and any pay award will inflate staff costs in future years... the pressure on individuals' finances has also been increased in recent years and there is a need to consider the balance between the individual, the need to maintain an effective and efficient service and the use of public money'.

Chief Police Officers' Staff Association (CPOSA)

24. For 2015-16 CPOSA sought a 'small single figure increase in the basic salary of all senior police officers'. In oral evidence it said that a 1 per cent increase would be an acceptable starting point which should be raised to 3 per cent recognising that chief police officers' pay has become less competitive over recent years. CPOSA also asked for an 'enhanced level of increase' for the most complex and challenging remit group roles.

Northern Ireland

Department of Justice for Northern Ireland

25. The Justice Minister for Northern Ireland wrote to SSRB to propose a maximum award of up to 1 per cent for the remit group, subject to affordability. He also asked for our views on whether to apply the same increase to the Northern Ireland Transitional Allowance (NITA) and to consider the matter alongside the PRRB. He confirmed that the Northern Ireland Executive had endorsed the principle of adherence to the UK Government's public sector pay policy for 2015-16 (an increase of up to 1 per cent).

Northern Ireland Policing Board (NIPB)

26. The NIPB proposed for 2015-16 a pay award of up to 1 per cent and on the NITA.

⁷ The evidence was submitted by the Association of Chief Police Officers in January 2015 with responsibility for this function passing to the National Police Chiefs' Council from April 2015.

Police Service of Northern Ireland (PSNI)

27. The PSNI did not make a pay proposal for its chief police officers in 2015-16 but provided costings for a 1 per cent pay award.

Summary of the evidence linked to SSRB's terms of reference

28. In general, the evidence we received on chief police officers in relation to our terms of reference was anecdotal, patchy and inconsistently measured. A summary of the evidence we have received is set out below.

Recruitment

29. The Home Office told us that chief police officer numbers had remained steady over the last few years with no overall recruitment problems, and that this indicated that the two-year chief officer pay freeze⁸ had had 'no negative impact on recruitment and retention'. The NPCC did not identify any general recruitment or retention problems and said that recruitment had continued despite numbers of chief police officer posts reducing, but conceded that in London and the South East and in some rural areas it was problematic.
30. However, CPOSA said that in general there were no longer enough applicants for chief officer posts to indicate satisfaction with the pay and conditions for Chief Constables and Deputy Chief Constables. They stressed that two-thirds of Chief Constables had been replaced in the last few years and that there had been 'significant' turnover among chief police officers in the last three years. CPOSA explained that before 2012 a single individual was prohibited from holding all three chief officer ranks in one force but that this prohibition had been removed in England and Wales because it was excluding too many potential candidates for promotion. The Home Office added that some forces had waited until PCCs were in place to recruit Chief Constables so perhaps adding to an impression of greater turnover in recent years.
31. However, we also learned of a general unwillingness to uproot families because of the resultant disruption and threat to quality of life posed by a move to more challenging posts, and of reluctance from both a domestic and financial perspective to move to higher cost areas.
32. The NPCC submitted returns to us from 26 police forces, including the Metropolitan Police Service (MPS). These showed that in 2014, for 38 vacancies in our remit group, there were six applicants at most for any single competition, only one applicant in nine competitions, and four interim appointments. CPOSA told us that the average number of applicants for both Chief Constable and Deputy Chief Constable positions had 'reduced markedly' since the introduction of PCCs in 2012. CPOSA provided data from 34 forces on the number of applications for chief officer vacancies since November 2011. These showed that on average there were fewer than three applications for each vacancy while 18 per cent of vacancies attracted just one applicant. We also heard that a competition for the Chief Constable in Thames Valley only attracted one internal applicant and of a Deputy Chief Constable vacancy in Lincolnshire that failed to attract any. CPOSA told us that while there had been five applicants for the Kent Deputy Chief Constable vacancy three years earlier there was only one this year. It added that there were at least five competitions in 2013 where there was a single application for the Chief Constable vacancy. CPOSA warned that the average number of applicants for Chief Constable posts had fallen in recent years from four or five per vacancy to one or two.
33. Overall, we have been struck by the low numbers of applicants for chief police officer vacancies, particularly where a transfer from another force is required. In what is already a small market we think this situation prevents senior officers, the forces they lead, and

⁸ A two-year pay freeze was introduced on 1 April 2012 for Chief Constables and Deputy Chief Constables and on 1 June 2012 for Assistant Chief Constables and their equivalent.

the public they serve, from benefiting from the cross-fertilisation of ideas arising from movement between forces. In the circumstances we are interested in CPOSA's idea that the College of Policing take on the collection of recruitment data for Assistant Chief Constables in addition to that for Deputy and Chief Constables which they already collect.

34. We were keen to understand what might be deterring suitably able and qualified individuals from seeking advancement. The NPCC said that there was anecdotal evidence of officers with shorter service delaying applications to fixed-term chief officer roles in particular. They suggested that we monitor whether this was because these individuals feared having to leave the service before qualifying for a full pension. CPOSA said that most respondents to their 2014 members' survey reported the pools of applicants for Chief Constable and Deputy Chief Constable being inhibited by the fixed-term nature of those appointments. Furthermore, CPOSA reported a reluctance among some Assistant Chief Constables (paid £107,976 at the top of the scale) to apply for fixed-term Deputy Chief Constable posts with pay of £111,063 in smaller forces. This situation was expected only to intensify with the increase in the normal pension age from 55 to 60 under the new police pension scheme, while longer serving officers with dual accrual were said to be discouraged by the likely prospect of increased pension tax liabilities on promotion resulting from the lowering of the annual allowance threshold.
35. In addition, we were told of a perception that the job security of Chief Constables had lessened. CPOSA said that the Home Office wanted to reduce the initial fixed-term appointment for Chief Constables from five years to four and so enable all PCCs to hire a Chief Constable during their term of office.⁹ The Home Office confirmed that in 2013 it had considered and discussed with CPOSA and others at the Police Advisory Board for England and Wales possible changes to the fixed-term appointment system, but had found there was not much appetite for such a change. It added that it did not plan to look at the issue before the College of Policing Leadership Review had concluded.
36. We were warned about other disincentives to promotion. These included:
 - an amendment to the police discipline regulations preventing any chief police officer subject to misconduct proceedings from resigning or retiring (we were told at the time of writing that a number of chief police officers were being investigated);
 - increasingly onerous legal responsibilities and governance requirements for chief police officers, particularly Chief Constables;
 - continuing pressure to deliver within tighter financial constraints;
 - reductions in chief police officer numbers leading to significantly more demanding work for those remaining in post; and
 - complications in the relationships between the Chief Constable and locally elected PCC.

Metropolitan Police Service (MPS) and Police Service of Northern Ireland (PSNI)

37. The Home Office and the NPCC reported a recruitment problem at chief officer level in the MPS, with a particular difficulty in attracting external applicants. However, the

⁹ Under Regulation 11 of the Police Regulations 2003 the initial fixed term is up to five years, then for three years and beyond that, one year. There is no limit on the number of renewals. The Winsor Review stated: 'I believe (and recommend) that fixed term appointments for Chief Constables and Deputy Chief Constables should remain in place. One of the aims of the legislation creating Police and Crime Commissioners (PCCs) is greater local accountability of policing. To do this, PCCs will need flexibility to appoint, and remove, Chief Constables, on rational, substantive and publicly defensible grounds. In turn, a Chief Constable will benefit from the power to remove his Deputy Chief Constable on the same basis.'

consensus was that the causes of this were complicated and therefore that the solution did not lie entirely in pay but rather in a range of possible measures.

38. We were told by the NPCC, and also on our visits to the MPS, that in England and Wales MPS chief police officer roles were unique in terms of scale, complexity, risk, scrutiny and personal and professional pressures compared with those of equivalent rank outside London. However, unlike the other MPS chief officers, those at Commander rank (the equivalent of Assistant Chief Constable elsewhere), did not receive a specific pay premium under the national pay structure. Furthermore, a reduction in MPS Commander numbers in recent years meant those who remained now had a much greater depth of responsibility as well as a wider range of duties. Consequently they were working longer hours and were more frequently on call. At the same time, members of the remit group in the MPS told us that they expected their numbers to reduce further.

Table 1: Metropolitan Police Service – chief police officer numbers 2008-2014 (in March each year)

	2008	2009	2010	2011	2012	2013	2014
Commissioner	1	1	1	1	1	1	1
Deputy Commissioner	1	–	1	1	1	1	1
Assistant Commissioner	5	3	4	5	4	6	6
Deputy Assistant Commissioner	10	8	8	4	8	7	6
Commander	21	27	27	26	23	19	18
Total	38	39	41	37	37	34	32

Source: Metropolitan Police Service.

39. The PSNI also warned us of ‘stagnation’ in the pool of applicants for Northern Ireland chief police officer posts, in particular at Assistant Chief Constable level. It said that Assistant Chief Constable pay scales which were identical across England, Wales and Northern Ireland were inappropriate because they failed to take account of job size or differentiate on grounds of risk or demands of the job, for example when comparing a Northern Ireland Assistant Chief Constable role with one in a small, rural English county. CPOSA told us that the Northern Ireland Transitional Allowance (NITA) which was worth £3,132 only provided limited compensation for the unique direct threat aimed specifically and primarily at police officers. CPOSA told us that the threat was such that significant numbers of officers were evacuated and rehoused each year. The PSNI told us that its chief police officer team was entirely composed of internal appointments and that it was no longer able to attract from other United Kingdom police forces those with the most relevant experience, for example, firearms or counter-terrorist command specialists. The PSNI said this limited its ability to introduce new thinking or increase diversity and that it currently lacked senior female officers. The PSNI stressed that it was not reconciled to just making internal appointments and still intended to recruit from the widest possible pool. The PSNI said it would be advertising in 2015 for a new Assistant Chief Constable and would keep SSRB informed of progress. It added that it had not ruled out the possibility of resorting to secondments from other forces.
40. Members of the remit group in the MPS told us that they feared that potential applicants for Commander roles were put off by particular difficulties in moving on afterwards to other posts elsewhere. This was because the depth of specialist experience they acquired in the MPS was not suitable for the breadth of generalist roles in other locations, for example at Deputy Chief Constable rank in a smaller rural force. Consequently, joining the MPS ended up being a career-long commitment and officers were not sure if they wanted that outcome. In addition, the NIPB observed that in Northern Ireland, whereas

previous Chief Constables had moved on to lead the MPS or ACPO (now the NPCC), the most recent Chief Constable had simply retired, so sending the wrong message to potential applicants.

41. The example of the pay of Assistant Chief Constables in Police Scotland was cited by some evidence providers as a possible model to adopt in both Northern Ireland and the MPS in future. We were told that Police Scotland was created in 2013 following a reorganisation of police services in Scotland from eight regional forces into one national one. We were advised that as a result of pay increases to reflect their new national duties, the Assistant Chief Constables in Scotland earned up to £8,000 more than Assistant Chief Constables in England, Wales and Northern Ireland.¹⁰
42. In view of the problems in the MPS and the PSNI we were interested in the results of the comparative pay survey conducted by Hay for CPOSA. This stated that in comparison:
 - with the private sector, base salaries and total remuneration are less competitive than in 2011, partly because chief police officers no longer receive bonuses;
 - with the public sector (where local government senior pay has fallen on average in the last three years), base salaries and total remuneration are typically more competitive than in 2011, with the exception of the bigger chief police officer roles which are in general less competitively remunerated.

Retention

43. We were told that the numbers leaving chief police officer posts in England, Wales and Northern Ireland for reasons other than retirement were low and that the resignation rate was just 1.5 per cent. Table 2 below provides outflow data for chief police officers from 2009-10 to 2013-14. CPOSA warned that this might change in future because the decline in the value of the police pension (resulting from a combination of lowering pension tax thresholds, increased pension contributions and the move to a career-average pension) meant that it now did not make financial sense for chief police officers to stay on beyond 30 years' service. However, the NPCC told us that the Winsor Review, the Home Office and College of Policing encouraged chief police officers to leave in order to gain external experience and then re-enter, thereby strengthening police services in future. The Home Office said the higher normal retirement total in 2013-14 was thought to reflect a particularly large intake of officers 30 years before. It confirmed that it did not collect qualitative exit interview data. It was not clear if any police forces conducted exit interviews or if any central organisation collected the data.

¹⁰The chief police officer pay rates in Police Scotland in 2014-15 are: Chief Constable: £210,180; Deputy Chief Constable: £171,297; and Assistant Chief Constable: £116,151. Before the reorganisation in Scotland in 2013, Assistant Chief Constable pay was the same there as in the rest of the United Kingdom.

Table 2: Chief police officer departures 2009-10 to 2013-14 in England, Wales and Northern Ireland

	2009-10	2010-11	2011-12	2012-13	2013-14
Normal retirement	27	22	27	29	38
Transfer	15	13	8	13	11
Other ¹	3	4	3	8	3
Total	45	39	38	50	52

Source: Home Office.

Note:

¹ The 'other' category includes early or medical retirements, deaths, dismissals and voluntary resignations.

Motivation

44. The Home Office confirmed that there was no requirement for police forces to conduct workforce surveys. However, we were encouraged to learn that a number of forces, such as North Yorkshire and the MPS, have been carrying them out on a regular basis and that the College of Policing supports a workforce survey developed by forces with Durham University to provide accurate time series data on a range of matters.
45. In CPOSA's view, workforce surveys were important because ultimately they led to police forces providing a better service to the public. It told us that as a result of officers reporting feelings of stress at work through workforce surveys, police representative organisations had provided resilience training, and the NPCC reported instances of stress-related absence within the remit group. The NPCC said that it felt that morale was not being adequately tracked in the remit group. Moreover, it had formed the impression that the imposed change to pensions meant goodwill among chief police officers had declined. We are concerned that this has potential implications for the take-up of places on NPCC coordination committees by chief police officers, as we have been told that these national lead roles on crime and policing issues are largely voluntary and unpaid.¹¹ We were also told by remit group members of longer working hours, increases in annual leave not taken because of pressure of work, more on-call duties and greater responsibilities. All these factors emphasise the importance of police forces surveying their chief police officers as well as their other ranks on a regular basis. We welcome the offer from CPOSA, which had conducted two member surveys in recent years, to include questions from SSRB in its next one.
46. On morale in Northern Ireland the PSNI told us that the last PSNI survey had been conducted two years earlier and that chief police officer morale was good, that the remit group was highly motivated and worked well together as a team, and that levels of professionalism and commitment were high. Furthermore, the results of a 'cultural audit' had been very encouraging and there had been increased staff engagement. The PSNI added that the main issues damaging chief officer morale were the political and historical pressures in Northern Ireland.

Affordability

England and Wales

47. The Home Office told us that police funding came from two main sources – a central Government grant from the Home Office and a local precept from council tax – in

¹¹ These are: Crime operations; Criminal justice; Equality, diversity and human rights; Finance; Information management; Local policing; Performance and inspection; Strategic policing requirement; Counter-terrorism; Operations; Workforce; and International. Each one is subdivided into numerous areas. Further information on these twelve coordinating committees can be found at: <http://www.npcc.police.uk/npccbusinessareas/default.aspx>

proportions that varied by police force. It explained that the impact of central funding changes and affordability would vary by force and over time, as the paybill was not a ring-fenced amount and elected PCCs had some freedom in how to spend it. The NPCC told us that a Government review of the funding formula was due after the general election. They also said that provision had been made in local budgets for a 1 per cent pay rise for chief police officers.

48. The Home Office explained that, as part of the Government's plan for reducing the budget deficit, the central Government police settlement for England and Wales was £8.5 billion in 2014-15 compared with £9.7 billion in 2010-11. For 2015-16 the Government announced a 4.9 per cent reduction in central police funding on the previous year. We were told of initiatives between a number of police forces which were collaborating on the provision of services but at reduced cost.
49. The Home Office advised that, in line with many parts of the public sector, the police would be required for the foreseeable future to operate with reduced budgets. All police forces in England and Wales were said to be preparing for further major budget cuts at least until 2020, with some intending to seek an increase in the local precept from council tax and others contemplating further reductions in police numbers.

Northern Ireland

50. We were told that in Northern Ireland the budget for the PSNI in 2015-16 would be 5.7 per cent (£40.4 million) lower than the previous year, excluding additional security funding. The Department of Justice for Northern Ireland told us that the public expenditure position was 'extremely tight'.

Other issues raised by stakeholders

England and Wales

Remuneration arrangements for chief police officers

51. The pay system for Chief Constables and Deputy Chief Constables has been in place since 2003, while the pay scale for Assistant Chief Constables is in the process of reducing from six points to three. The APCC, NPCC and CPOSA all asked for a review of the existing pay arrangements. The Home Office said it was keen to see how the shorter Assistant Chief Constable incremental pay scale worked once it was fully in place. It was also interested in SSRB's views on the apparently anomalous impact of any blanket pay award across the remit group because of Chief Constables and Deputy Chief Constables not receiving increments. The Home Office confirmed that the Government remained committed to the principle of moving police remuneration away from pay progression based on length of service. It added that it remained committed to the principles and objectives of the Winsor Review, in particular linking pay to skills and contribution and modernising management practices.

London

52. The NPCC said that, while it was not proposing immediate action, the need to consider an uplift in pay for MPS Commanders was becoming more acute. It said that it was difficult to attract officers from outside London and the South East to fill posts at that level.

Leadership Review

53. The College of Policing has been conducting a Leadership Review.¹² An interim report was published in March 2015 which expressed some concern about the transparency and

¹² College of Policing, *Leadership Review – Interim report*, 20 March 2015. http://www.college.police.uk/What-we-do/Development/Promotion/the-leadership-review/Documents/CoP_Leadership_Review_Interim_report.pdf. The full report is due in June 2015.

fairness of the recruitment of chief police officers and said 'some now believe that chief officer selection tends to favour 'safe' local candidates'.

Northern Ireland

Assistant Chief Constable pay scales

54. The Justice Minister for Northern Ireland asked SSRB to give initial consideration to the carrying out of a review of the PSNI Assistant Chief Constable pay scales in the context of the pay differentials between the ranks above and immediately below.
55. The Department of Justice for Northern Ireland also said that it wanted to be able to attract and transfer officers from elsewhere in the UK, enable its police officers to interchange with the rest of the UK so as to fill any skills gaps and provide mutual aid, and retain consistency in pay and conditions with the rest of the UK.

Part 3

Recommendations

Home Office proposal

56. The Home Office proposed that chief police officers should not receive a base pay uplift in 2015-16. It also advocated a 1 per cent pay increase for all other police officer ranks to the PRRB. The Home Office was the only evidence provider to SSRB to propose a zero award in the coming year. In the context of the 1 per cent increase that it had put to PRRB, we found its zero pay award proposal to SSRB incompatible with the other view that it expressed to us – that the achievements of chief police officers are fundamental to the success of the police as a whole. While this did tie in with the stated desire to focus pay awards on the front-line, the Home Office was not able to justify differential treatment, beyond the grounds that the most senior ranks should set an example of pay restraint.
57. The NPCC told us that the differential pay award proposed by the Home Office would damage the relationship between police ranks and stressed that on grounds of fairness, as members of one team, all police officers should receive the same increase. The NPCC saw the Home Office proposal as an expression of the low esteem in which the Government held senior police officers.
58. In CPOSA's view the Government had failed to present a strong argument in favour of a pay freeze for chief police officers and concluded that it was doing so for political reasons. Members of our remit group that we spoke to said that, if the Government was proposing a 1 per cent pay increase for the rest of the police, the proposed zero pay award for them was 'symbolic'. They said they did not feel valued for their difficult jobs that involved very hard work and they thought the Government underestimated their contribution.

Recent decline in take-home pay

59. The NPCC told us that Chief Constables and Deputy Chief Constables had seen their pay reduce in real terms in recent years as pay awards had failed to keep pace with inflation. Meanwhile, Assistant Chief Constables, while still in receipt of increments had seen their pay progress to a lower level than expected. The Home Office explained that a two-year pay freeze was introduced on 1 April 2012 for Chief Constables and Deputy Chief Constables, and that a 1 per cent award was then agreed from September 2013-14 and in 2014-15, but only with effect from April 2014 when the pay freeze ended. The pay freeze for Assistant Chief Constables ran from June 2012 for two years and also applied to incremental progression. CPOSA said that the decline in take-home pay for the remit group meant the group's sense of wellbeing had declined, particularly as it had not been reimbursed for the abolition of performance pay in 2013.
60. Our own scrutiny of the data suggests that many senior public sector workers have experienced a decline in take-home pay in recent years. The real take-home pay of our remit groups¹³ other than chief police officers and PCCs, after taking account of income tax, National Insurance, changes to pension contributions and CPI inflation had fallen by some 8 to 23 per cent, depending on the group, between 2009-10 and 2014-15. Over the same period we estimate the equivalent reduction in take-home pay to be

¹³The senior military, holders of judicial office, certain Very Senior Managers in the NHS and senior civil servants. Details given in Appendix F of the Review Body on Senior Salaries Report No. 83, *Thirty-Seventh Annual Report on Senior Salaries 2015*, Cm 9035: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/411980/SSRB_47410_Cm_9035_accessible.pdf

18 per cent for Chief Constables and 6 per cent for Assistant Chief Constables and equivalent. However, reductions in real take-home pay have not been restricted to the public sector. ONS data show that earnings for those at the 90th percentile of the earnings distribution in the private sector increased by 4 per cent between 2009-10 and 2013-14. After taking into account income tax, National Insurance and CPI inflation, this equates to a 10 per cent fall in real-terms take-home pay.

61. In terms of pensions, as a key element of total remuneration, the value of many public sector pension schemes reduced significantly from 2010 onwards, mainly because of the change from RPI to CPI indexation which typically caused a 15 per cent reduction in value over the long term.¹⁴ In addition, public sector member contributions began to increase, and the move from final salary to career average pensions from 2015 caused further reductions.
62. However we note that, in general terms, public sector pension benefits remain good in comparison with those in the private sector, mainly because private sector pension benefits reduced significantly in the decade after 2000. While the changes to public sector pensions since 2010 have narrowed the gap, overall there remains a material difference between the net value to public sector pension members and alternative pension benefits in the private sector.

The cost of a 1 per cent award

63. Adding 1 per cent to basic pay for all chief police officers in England and Wales would add £320,000 to the overall police pay budget of £6.7 billion (or 0.005 per cent including £50,000 in employer pension costs). This is, in absolute terms, a small sum of money, although we recognise that any award for chief police officers may have implications for police pay awards more generally, and might need to be considered in that context. PSNI said that a 1 per cent award would increase the paybill by £19,000.

Equity and wider comparisons

64. A recommendation of 0 per cent would not apply equally to all the individuals in our remit group, and would therefore raise some questions of equity. Assistant Chief Constables below the top of the scale would still receive incremental progression of at least 3 per cent regardless. The NPCC rejected on principle a suggestion that only those chief police officers not in receipt of increments receive a 1 per cent pay award, as this would mean singling out a small group of individuals for differential treatment. Furthermore, as the process to reduce the number of Assistant Chief Constable pay points from six to three is ongoing until June 2016, we do not think increasing the individual points by different percentages is appropriate at this time.
65. We also considered chief police officer pay in the context of the pay recommendations we made this year for the other workforces in our remit. In February 2015 we recommended a 1 per cent pay award in 2015-16 for the senior civil service, the judiciary and the senior military. Our 2014 report was the first where we considered PCCs as part of our annual remit and this year, for the second time, we recommended that the pay of PCCs should remain unchanged because their roles were still evolving. At the request of the Department of Health we made no pay recommendation for 2015-16 on our remaining remit group, certain Very Senior Managers in the NHS in England.
66. Finally, in accordance with our terms of reference, we have considered whether any pay recommendation for 2015-16 would hinder the ability of chief police officers to move

¹⁴ *Comparative Pension Valuations for Review Body Remit Groups*, Towers Watson Ltd for the Office of Manpower Economics, 2014: <https://www.gov.uk/government/publications/comparative-pension-valuation-for-review-body-remit-groups>

between forces, or have a detrimental impact on recruitment, retention and motivation. We do not feel that, in this first year, we have a full picture of the overall package for chief police officers – pay, pensions, allowances and anything they received in addition. However, we note the context of declining numbers of applications to chief police officer ranks. We have also assessed the differentials with the rank immediately below the SSRB remit group. In 2014-15 Chief Superintendents are paid between £78,768 and £83,094. Our view is that this differential should be maintained until there is evidence to suggest otherwise.

Recommendations for 2015-16

67. For 2015-16 we recommend a pay uplift in England and Wales of 1 per cent. In line with this we also recommend an increase of 1 per cent in Northern Ireland. In view of the higher cost of living in London we recommend increasing London Weighting by 1 per cent and as the security threat continues in Northern Ireland we recommend that the NITA should also increase by 1 per cent.

Recommendation 1: SSRB pay recommendation for England and Wales

Recommendation 1: We recommend that with effect from 1 September 2015 the base pay of chief police officers in England and Wales is increased by 1 per cent. We also recommend a 1 per cent increase on incremental pay points at Assistant Chief Constable and equivalent rank and on London Weighting.

Recommendation 2: SSRB pay recommendation for Northern Ireland

Recommendation 2: We recommend that with effect from 1 September 2015 the base pay of chief police officers in Northern Ireland is increased by 1 per cent. We also recommend a 1 per cent increase on incremental pay points at Assistant Chief Constable rank in Northern Ireland and on the Northern Ireland Transitional Allowance.

68. We realise that our recommendations should ensure that the remuneration of our remit group relates coherently to that of the police ranks covered by the PRRB. If the pay of the PRRB police ranks is increased by less than 1 per cent, we recognise that the Government would want to take this into account when considering our recommendation.

Issues for future consideration

69. We are concerned by what seems to be a lack of mobility between forces. There may be a number of reasons for this, which could include the introduction of PCCs and the need for them to bed in, increased legal responsibilities within the remit group, and changes to policing priorities requiring different skills.
70. We think it possible that police forces such as the MPS and PSNI may need 'reasonable flexibility' to introduce local role-related additional local supplements, expenses and allowances if they are to attract sufficient suitably able and qualified external applicants to chief police officer posts in future. However this would need careful consideration of all the factors at play, not just pay, and be supported by rigorous recruitment and retention data.
71. A detailed review of the national pay structure and its weightings, groupings and rankings has been requested by a number of stakeholders. This looks like a sensible step. As highlighted above there is an expressed need to support mobility between forces, but also a number of other issues.

72. For example, we are aware of an inconsistency in the number and use of allowances across forces. CPOSA said that there were different local interpretations of the rules on the motor vehicle allowance, and various locally agreed allowances and benefits in kind to assist with recruitment and retention. Any future review of police pay should include allowances and benefits in kind.
73. We are also surprised that PCCs can modify Chief Constables' starting pay but not react to their performance in post. It seems peculiar to set pay by relying solely on a judgement at the recruitment stage and afterwards not be able to adjust reward according to actual performance.
74. The NPCC suggested a local market uplift or supplement scheme that SSRB could design to encourage mobility between forces and also discourage the development of unhealthy competition for chief police officers between neighbouring forces. However, this would be difficult to do in isolation, covering what could be a small geographical area. Nor do we feel CPOSA's proposal to consolidate all elements of the total pay and reward packages of chief police officers into base pay is appropriate until a review of allowances and benefits in kind has been conducted.
75. Overall, we see many important issues for such a review to address. We would welcome the Home Office's views on this.

Non-pay solutions

76. We believe that a range of non-pay solutions may also be needed to help address the problem of small (and diminishing) numbers of external applicants being appointed to chief police officer vacancies. These might include individual officers undertaking secondments to other forces or to organisations outside policing.

Part 4

Looking ahead – the future

Development of a longer-term strategy for SSRB remit groups

77. The new arrangements, that involve the SSRB in advising on the pay of chief police officers, provide an opportunity for looking at their reward structure more strategically. We are very keen that this opportunity should be taken. As Sir Clive Booth, chair of the Booth Review of police pay arrangements said in October 2007:

*'...the existing pay negotiations tend to be strongly focused on the current annual pay round. This can make it difficult for those involved to look ahead to the strategy for pay and conditions over a three to five year period. A review body can facilitate the collaboration of the parties in developing a strategy and can set its own recommendations within a longer term framework... a review body can be helpful in generating change at a strategic level, keeping matters on the agenda and offering fresh perspectives.'*¹⁵

78. To play our part effectively, we need to understand the Government's desired strategic direction, so that the annual pay round can best support this. As a guide, the following could be considered:

- the future direction and context of policing and the evolution of chief police officer roles over the next three to five years;
- the need to recruit and retain people of the highest quality;
- the importance of mobility, whether geographical or in terms of movement in and out of the police service, in building up skills and experience;
- the broader reward package, including performance-related pay, incremental progression and pensions and the extent to which these various components appropriately incentivise career progression and use limited funds effectively;
- the importance of local flexibility within a national pay system, and managing the tensions between them;
- how to increase diversity among chief police officers;
- the measurement of performance against competence, contribution and skills; and
- the hybrid nature of the remit group leading to pay inconsistencies: some have incremental scales and permanent appointments and others have spot rates and fixed-term appointments.

We ask all the parties to consider these elements when providing future evidence to us.

Recommendation 3: We encourage the Home Office to ensure that it sets out a longer-term strategy for the pay and reward of chief police officers. This should take into account the wider Government approach to senior pay in the public sector, which we look forward to considering in future reports.

¹⁵ Sir Clive Booth, *Determining Pay in the Police Service: The Second Part of a Review of Police Service Pay Arrangements*, 29 October 2007.

The importance of measuring the impact of past pay awards

79. SSRB intends to monitor the impact of its recommendations. We will want the parties to start putting in place mechanisms that will enable such evaluation to take place in future and will require our evidence providers to address this in their future submissions. This is to ensure that SSRB monitors implementation and impact to provide a feedback loop to inform the pay review process.

Recommendation 4: We ask the Home Office, working with the other relevant parties, to put in place the machinery to make an assessment of the impact of its past decisions on chief police officers' pay in order to inform its submissions to SSRB in future years.

Development of the evidence base

80. Bearing in mind that this was the first year of the process for all parties, we are grateful for the efforts in providing us with written and oral evidence. The contextual information was very useful. However, the more detailed force-level data provided to us needs to improve in its coverage and consistency of collection, in order for us to build up an accurate aggregate picture as well as understand variations. We understand that there is no common IT infrastructure across the police forces to collect, store, publish or report on data. We have been told that the majority of forces do not have one common method for the collection of workforce data. We also understand that workforce planning within police forces would benefit from better recruitment data collection, so we are hopeful that our requests can add wider value.
81. Mindful of the constraints, SSRB will specify its future annual data requirement in a way that seeks to minimise the administrative burden on forces. We will investigate what information already collected centrally is of interest to us, for example under the Home Office Annual Data Requirement. Also, PCCs and Chief Constables are required to publish the pay and reward packages of their chief police officers by 30 September following the end of each financial year. We would be interested in obtaining a timely analysis of this information.
82. The types of consistent and comparable data we are particularly interested in are:
- allowances and benefits by type, number and value;
 - the number and calibre of applicants for chief police officer vacancies and whether internal or external;
 - the source and destination of chief police officers joining and leaving police forces (both organisational positions and geographical locations);
 - data on turnover, including early retirement;
 - information on motivation and morale from staff surveys;
 - data on sickness absence and proportion of annual leave taken;
 - reasons for leaving as given in exit interviews or surveys;
 - public and private sector comparative pay data (although as this was supplied this year, this may not be needed annually); and
 - diversity.
83. We would like the central organisations such as the Home Office and the College of Policing to ensure that their management information strategy and quality assurance regime incorporate our requirements for consistent and comparable data. We would also hope that they can provide support to police forces on making improvements to their management information accordingly.

Recommendation 5: We recommend that the Home Office works with the other parties to provide consistent and comparable data on chief police officers in relation to SSRB's terms of reference.

Timing

84. All parties are agreed that they would like us to look at chief police officers alongside the other senior public sector leaders in our remit – i.e. the judiciary, the senior military, senior civil servants, certain Very Senior Managers in the NHS, and Police and Crime Commissioners. This means, in our view, that we need to consider the evidence for chief police officers in parallel with the evidence we receive for these other groups, during the main public sector pay round, which culminates in a report to Government in February each year. We will accordingly be asking the parties to submit written and oral evidence in line with that timetable.

85. We recognise however that our detailed recommendations for chief police officers may also need to take account of the Police Remuneration Review Body's thinking on the main police remit, and that the Government may wish to take decisions on the whole police workforce together. We would therefore be happy to synchronise submission of our report on chief police officers with that of the PRRB, which is normally expected to report in June.

Appendix A

Review Body on Senior Salaries – Terms of Reference

The Review Body on Senior Salaries (previously known as the Review Body on Top Salaries) was formed in 1971 and is appointed by the Government to provide it with independent advice.

The Government wrote to us in September 2014 to confirm changes to SSRB's terms of reference to reflect:

- The transfer of responsibility for MPs' pay, allowances and pensions from the SSRB to the Independent Parliamentary Standards Authority following the 2009 Parliamentary Standards Act;
- The addition of Police and Crime Commissioners to SSRB's remit in 2013;
- The addition of senior police officers in England, Wales and Northern Ireland to SSRB's remit from 2014;
- The removal of the requirement to maintain broad linkage between the remuneration of the SCS, judiciary and senior military.

Our terms of reference are now as follows:

The Review Body on Senior Salaries provides independent advice to the Prime Minister, the Lord Chancellor, the Home Secretary, the Secretary of State for Defence, the Secretary of State for Health and the Minister of Justice for Northern Ireland on the remuneration of holders of judicial office; senior civil servants; senior officers of the armed forces; very senior managers in the NHS¹⁶; police and crime commissioners, chief police officers in England, Wales and Northern Ireland; and other such public appointments as may from time to time be specified.

The Review Body may, if requested, also advise the Prime Minister from time to time on Peers' allowances; and on the pay, pensions and allowances of Ministers and others whose pay is determined by the Ministerial and Other Salaries Act 1975. If asked to do so by the Presiding Officer and the First Minister of the Scottish Parliament jointly; or by the Speaker of the Northern Ireland Assembly; or by the Presiding Officer of the National Assembly for Wales; or by the Mayor of London and the Chair of the Greater London Assembly jointly; the Review Body also from time to time advises those bodies on the pay, pensions and allowances of their members and office holders.

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

- the need to recruit, retain, motivate and, where relevant, promote suitably able and qualified people to exercise their different responsibilities;
- regional/local variations in labour markets and their effects on the recruitment, retention and, where relevant, promotion of staff;
- Government policies for improving the public services including the requirement on departments to meet the output targets for the delivery of departmental services;
- the funds available to departments as set out in the Government's departmental expenditure limits;
- the Government's inflation target.

¹⁶NHS Very Senior Managers in England are chief executives, executive directors (except medical directors), and other senior managers.

In making recommendations, the Review Body shall consider any factors that the Government and other witnesses may draw to its attention. In particular, it shall have regard to:

- *differences in terms and conditions of employment between the public and private sector and between the remit groups, taking account of relative job security and the value of benefits in kind;*
- *changes in national pay systems, including flexibility and the reward of success; and job weight in differentiating the remuneration of particular posts;*
- *the relevant legal obligations, including anti-discrimination legislation regarding age, gender, race, sexual orientation, religion and belief and disability.*

The Review Body may make other recommendations as it sees fit:

- *to ensure that, as appropriate, the remuneration of the remit groups relates coherently to that of their subordinates, encourages efficiency and effectiveness, and takes account of the different management and organisational structures that may be in place from time to time;*
- *to relate reward to performance where appropriate;*
- *to maintain the confidence of those covered by the Review Body's remit that its recommendations have been properly and fairly determined;*
- *to ensure that the remuneration of those covered by the remit is consistent with the Government's equal opportunities policy.*

The Review Body will take account of the evidence it receives about wider economic considerations and the affordability of its recommendations.

The Review Body on Top Salaries (TSRB) was renamed the Review Body on Senior Salaries (SSRB) in July 1993, with revised terms of reference. The Government revised the terms of reference again in 1998 as a consequence of the Government's Comprehensive Spending Review, in 2001 to allow the devolved bodies direct access to the Review Body's advice and in 2007 to add certain NHS managers to the remit.

Members of the Review Body are:

Dr Martin Read CBE, *Chair*
Margaret Edwards
Professor Dame Hazel Genn DBE QC
David Lebrecht¹⁷
Professor Sir David Metcalf CBE
John Steele¹⁸
Bruce Warman

The Secretariat is provided by the Office of Manpower Economics.

¹⁷ Ex Officio: Chair, Police Remuneration Review Body.

¹⁸ Ex Officio: Chair, Armed Forces' Pay Review Body.

Appendix B

List of those who gave evidence and information to the SSRB

England and Wales

Home Office

Association of Police and Crime Commissioners (APCC)

National Police Chiefs' Council (NPCC) (formerly Association of Chief Police Officers (ACPO))

Chief Police Officers' Staff Association (CPOSA)

Chief police officers in the Metropolitan Police Service

Northern Ireland

Department of Justice for Northern Ireland

Police Service of Northern Ireland

Northern Ireland Policing Board

Appendix C

Website references for publications

This SSRB report can be found at:

<https://www.gov.uk/government/organisations/office-of-manpower-economics>

Evidence submitted to the SSRB by the Home Office:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/397627/2015_16_Home_Office_Evidence_to_the_SSRB_2__Senior_Police_Officers_.pdf

Evidence submitted to the SSRB by the Association of Police and Crime Commissioners:

<http://apccs.police.uk/wp-content/uploads/2013/08/APCC-SSRB-CO-Submission-2015-Final.pdf>

Evidence submitted to the SSRB by the National Police Chiefs' Council (formerly ACPO):

<http://www.npcc.police.uk/documents/reports/ACPO%20submission%20to%20the%20Senior%20Salaries%20Review%20Body%202015%20Final.pdf>

Evidence submitted to the SSRB by CPOSA:

<https://www.gov.uk/government/organisations/office-of-manpower-economics>

Evidence submitted to the SSRB by the Department for Justice of Northern Ireland:

<http://www.dojni.gov.uk/index/publications/publication-categories/pubs-policing-community-safety/policing.htm>

Evidence submitted to the SSRB by the Northern Ireland Policing Board:

http://www.nipolicingboard.org.uk/nipb_response_to_the_senior_salaries_review_board.pdf

Evidence submitted to the SSRB by the Police Service of Northern Ireland:

http://www.psn.police.uk/police_officer_senior_salary_-_submission_-_dec_2014.pdf

Appendix D

Letter from the Chief Secretary to the Treasury to the Senior Salaries Review Body of 29 July 2014

OFFICIAL



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

Review Body Members
Review Body on Senior Salaries
Office of Manpower Economics
Victoria House, Southampton Row
London WC1B 4AD

29 July 2014

Dear Review Body Members

PUBLIC SECTOR PAY 2015-16

I would like to thank you for your work on the 2014-15 pay round. I am strongly convinced of the role of the pay review bodies in determining national pay awards in the public sector and appreciate the important part the pay review bodies have played over the last four years. For a number of review bodies this has included providing expert advice and oversight of wider reforms to pay policy and systems of allowances, in addition to the annual award. I am confident the changes brought about by the pay review body recommendations in these areas are making a significant contribution to the improvement and delivery of public services.

2. You will have seen that for the 2014-15 pay round there were some review body recommendations which, after careful consideration, the Government decided were unaffordable at this time. I hope you will appreciate this was a difficult decision and that the Government continues to greatly value the contribution of the pay review bodies in delivering robust, evidence-based pay outcomes for public sector workers.

OFFICIAL

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3. The Autumn Statement of 2013 highlighted the important role in consolidation that public sector pay restraint has played. The fiscal forecast shows the public finances returning to a more sustainable position. However, the fiscal challenge remains and the Government believes that the case for continued pay restraint across the public sector remains strong. Detailed evidence will be provided during pay review process, but at the highest level, reasons for this include:

a. Recruitment and retention: While recognising some variation between remit groups, the evidence so far is that, given the current labour market position, there are unlikely to be significant recruitment and retention issues for the majority of public sector workforces over the next year.

b. Affordability: Pay restraint remains a crucial part of the consolidation plans that are continuing to help put the UK back on to the path of fiscal sustainability – and continued restraint in relation to public sector pay will help to protect jobs in the public sector and support the quality of public services.

4. In the 2013 Budget the Government announced its policy that public sector pay awards would be an average of up to 1 per cent in 2015-16.

5. The pay review bodies will want to consider the evidence carefully in producing their reports. In particular, what award is justified within the bounds of pay restraint and whether there is a case for a higher award to particular groups of staff, relative to the rest of the workforce, due to particular recruitment and retention difficulties.

6. Pay awards should be applied to the basic salary based on the normal interpretation of basic salary in each workforce. This definition does not include overtime or any regular payments such as London weighting, recruitment or retention premia or other allowances.

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7. Following the Government's announcement in the 2013 Spending Review, substantial reforms to progression pay have been taken forward or are already underway across the public sector. As in the 2014-15 pay round, the Government also asks the pay review bodies to again consider the impact of their remit group's progression structure and its distribution among staff in recommending annual pay awards.

8. In terms of the remit for very senior managers in the Department of Health's arm's length bodies, the Department of Health will write shortly with more details, but the Government may ask you to consider specific issues, other than a general pay uplift, that lie within your terms of reference.

9. I look forward to your recommendations, and reiterate my thanks for the invaluable contribution made by the Review Body on Senior Salaries during the course of this Parliament.

Bert wishes
A handwritten signature in black ink, appearing to read 'Danny Alexander'.

DANNY ALEXANDER

OFFICIAL

Appendix E

Letter from the Home Secretary to the Acting Chair of the Senior Salaries Review Body of 3 November 2014



HOME SECRETARY

2 Marsham Street, London SW1P 4DF
www.homeoffice.gov.uk

Margaret Edwards
Acting Chair, Senior Salaries Review Body
Office of Manpower Economics
8th Floor Fleetbank House,
2-6 Salisbury Square,
London.
EC4Y 8JX

03 NOV 2014

Dear Mr Edwards

SSRB Review of Chief Police Officers' Remuneration

I look forward to seeing the SSRB's consideration of pay and conditions for the chief police officer ranks, for the first time based on your objective, independent and comprehensive assessment of the evidence. I am confident that both you and the Police Remuneration Review Body (PRRB) will help deliver pay and conditions that are not only fair to police officers, but are fair to the public as well.

I think it is absolutely right that chief officers' pay is reviewed alongside other senior public officials. That is why, when creating the PRRB, we gave the SSRB that remit. However, in considering the recommendations from you, and from the PRRB, I think it is very important that the Government can consider them collectively, and make a single coherent decision on police pay.

My officials have recently discussed the timing of reports with the SSRB secretariat at the OME and I now write to formally request that the timetable of the SSRB review in respect of the chief police officer ranks be synchronised with the PRRB. That will mean collecting written evidence from December 2014 and a report in June 2015. I think that this will not only ensure the best decision at the end of the process, but will aid the process by ensuring that David Lebrecht can inform each of the bodies of the other's progress.

I look forward to receiving your recommendations no later than 19 June 2015.

Yours sincerely
Theresa May
The Rt Hon Theresa May MP

Appendix F

Letter from the Justice Minister for Northern Ireland to the Acting Chair of the Senior Salaries Review Body of 4 November 2014

FROM THE OFFICE OF THE JUSTICE MINISTER



Department of

Justice

www.dojni.gov.uk

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Our ref: SUB/1307/2014

Margaret Edwards
SSRB Acting Chair
c/o Office of Manpower Economics
Level 8 Fleetwood House
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LONDON
EC4Y 8JX

4 November 2014

Dear Ms Edwards

POLICE SERVICE OF NORTHERN IRELAND – PAY REMIT LETTER

I am pleased to provide the Senior Salaries Review Body with this, my first remit letter for review of the remuneration for senior police officers serving in the Police Service of Northern Ireland (PSNI). In the PSNI that remit includes officers at the rank of Assistant Chief Constable, the Deputy Chief Constable and the Chief Constable

2015/16

In this first year, the parties have acknowledged the many reforms to police officer terms and conditions recently agreed through the Police Negotiating Board arrangements for the PSNI. On this basis, I would ask for recommendations from the Body on the application of any pay award for these senior police officers from 1 September 2015. I also ask that consideration be given to whether the same increase be applied to the Northern Ireland Transitional Allowance and I would welcome your views. Supporting evidence will be submitted in due course.

FROM THE OFFICE OF THE JUSTICE MINISTER



I currently await a letter from the Department of Finance and Personnel in Northern Ireland setting out the pay policy for 2015/16. The Northern Ireland Executive has endorsed the principle of adherence to the UK Government's public sector pay policies and enforcement of pay growth limits is devolved to the Executive within the overarching parameters set by HM Treasury (up to 1% for 2015/16 as announced by the UK Government in the Budget 2013). Further detail on Executive pay policy will be provided in our submission of evidence.

In making your recommendation I think it is important to note that it remains appropriate to retain the continuity with similar ranks in England and Wales, and that pay differentials between these officers and those PSNI officers covered by the Police and National Crime Agency Remuneration Review Body should be maintained.

In doing so, you will want to consider the full package of remuneration paid in Northern Ireland and any specific challenges facing police officers in Northern Ireland not already addressed.

As part of a programme of reform, I would ask that initial consideration be given in the 2015/16 year to the carrying out of a review of the PSNI Assistant Chief Constable pay scales, in the context of pay differentials between ACC and the Chief and Deputy Chief Constable posts, and with the upper echelons of the chief superintendent pay scale.

I look forward to receiving your recommendations in due course.

A handwritten signature in black ink, appearing to read "David Ford".

DAVID FORD MLA
Minister of Justice

Appendix G

Chief police officer pay structure from 1 September 2014

Force Weighting	Force	Chief Constable Salary (£)	Deputy Chief Constable Salary (£)
10.0	Greater Manchester West Midlands	185,103	141,915
8.0	West Yorkshire	172,764	138,213
6.5	Thames Valley	163,512	134,895
6.0	Merseyside Northumbria	160,419	132,351
5.5	Hampshire	157,332	129,804
5.0	Devon & Cornwall Kent Lancashire	154,254	127,257
4.5	Avon & Somerset Essex South Wales South Yorkshire Sussex	151,173	124,716
3.5	Nottinghamshire	145,002	119,622
3.0	Cheshire Derbyshire Hertfordshire Humberside Leicestershire Staffordshire West Mercia	141,915	117,078
2.5	Norfolk Surrey	138,828	114,534
2.0	Bedfordshire Cambridgeshire Cleveland Dorset Durham Gwent Northamptonshire North Wales North Yorkshire Suffolk Wiltshire	135,774	111,990
1.5	Cumbria Dyfed-Powys Gloucestershire Lincolnshire Warwickshire	132,657	111,063
	Northern Ireland	197,439	160,416

Force	Salary (£)
Metropolitan Police Service	
Commissioner	265,317
Deputy Commissioner	219,039
Assistant Commissioner	185,103
Deputy Assistant Commissioner	141,915
City of London	
Commissioner	164,136
Assistant Commissioner	135,381
Assistant Chief Constables and Commanders in England, Wales and Northern Ireland	
Salaries (£)	
	95,640
	98,727 (removed 1 June 2015)
	101,805
	104,895
	107,976

Appendix H

Overview of allowances and benefits in kind received by chief police officers in 2014-15

England and Wales:

This is an initial summary and not intended to be a definitive list.

National

- *Relocation and removal expenses:* all reasonable costs arising from the sale and purchase of a chief police officer's house, and all tax liabilities arising from any relocation package are reimbursed, so that the individual concerned is not placed at any personal financial disadvantage. Removal expenses are to be paid when a chief police officer moves home when joining a police force.
- *The Motor Vehicle Allowance:* All police officers have the option of a Motor Vehicle Allowance.

Geographical

- *London Weighting and London Allowances:* Police officers in the Metropolitan and City of London areas receive a pensionable London Weighting (currently £2,325 per annum) and non-pensionable London Allowances.
- *South East England Allowances:* are applicable in Bedfordshire, Essex, Hampshire, Hertfordshire, Kent, Surrey, Sussex and Thames Valley.

Locally agreed

- *Healthcare provision:* some forces provide private healthcare schemes or medical insurance.
- In addition, chief police officers are often provided with access to a car pool or dedicated car at a cost decided locally.

Northern Ireland

- *Northern Ireland Transitional Allowance (NITA):* Police officers in Northern Ireland receive £3,132 per annum to take account of the extraordinary circumstances they face there and the special difficulties which their job entails for them and their families.
- *Rent/Housing Allowance:* Chief Constable: £18,000; Deputy Chief Constable and Assistant Chief Constables: up to £4,710.
- *Broadband Allowance:* £360.
- *Car Allowance:* £8,895.
- *Healthcare Allowance:* £600.

Appendix J

Glossary of terms and abbreviations

Accrual rate	The rate at which future benefits in a defined-benefit pension scheme accumulate.
ACPO	The Association of Chief Police Officers was replaced by the NPCC (see below) on 1 April 2015.
APCC	Association of Police and Crime Commissioners.
Base pay	Basic salary, excluding non-consolidated bonuses, allowances, value of pensions, etc.
Chief police officers	The chief police officer ranks are: <ul style="list-style-type: none">• Metropolitan Police Service (MPS) Commissioner• MPS Deputy Commissioner• Chief Constable; MPS Assistant Commissioner; City of London Commissioner• Deputy Chief Constable; MPS Deputy Assistant Commissioner; City of London Assistant Commissioner• Assistant Chief Constable; MPS or City of London Commander.
College of Policing	The College of Policing is the professional body for all officers and staff who work in policing in England and Wales. It became operational in December 2012.
CPI	Consumer Prices Index
CPOSA	Chief Police Officers' Staff Association
MPS	Metropolitan Police Service
NIPB	Northern Ireland Policing Board
NPCC	National Police Chiefs' Council (formerly ACPO)
PCC	Police and Crime Commissioner
PRRB	Police Remuneration Review Body
PSNI	Police Service of Northern Ireland
RPI	Retail Prices Index
Spot rate	Chief Constables and Deputy Chief Constables are all paid a standard amount within a national pay structure. This contrasts with Assistant Chief Constables whose base pay is at a specific point on a pay scale.
Take-home pay	Basic salary and any performance-related pay less income tax, National Insurance and, where appropriate, pension contributions.
Winsor Review	An independent review of police officer and staff remuneration and conditions in England and Wales chaired by Tom Winsor and published in March 2011.

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