



Review Body on  
Senior Salaries

# Supplement to the Thirty-Ninth Annual Report on Senior Salaries 2017

REPORT No. 88

Chief police officers in England, Wales and  
Northern Ireland

*Chair:* Dr Martin Read, CBE

Executive Summary

## Strategic priorities

- **Total reward:** In making pay recommendations, the SSRB needs to consider a range of factors alongside basic pay and bonuses, including pensions, relative job security and the value of benefits in kind.
- **Pay and workforce strategy:** Departments need to be clear about their long-term objectives, their future operating model and the pay and workforce strategy required to support them. Annual changes to pay need to be linked to longer-term strategy.
- **Focus on outcomes:** There should be more focus on maximising outcomes for lowest cost and less fixation on limiting basic pay increases across the board.
- **Action on poor performance:** Greater analysis is required of where value is being added and action taken where it is not.
- **Performance management and pay:** There needs to be demonstrable evidence that appraisal systems and performance management arrangements exist and are effective, and of a robust approach to reward structure and career development.
- **Better data:** Better decision-making requires better data, particularly in respect of recruitment, retention and attrition. Emerging issues and pressures need to be identified promptly and accurately so that appropriate action can be taken.
- **Feeder groups:** The feeder groups that will supply the next generation of senior public sector leaders must be closely monitored. The data relating to them needs careful scrutiny for early warning signs of impending problems.
- **Targeting:** Where evidence supports it, pay increases should be targeted according to factors such as the level of responsibility, job performance, skill shortages and location.
- **Central versus devolved tensions:** Tensions that exist in the system that hinder the development of a coherent workforce policy, such as between national and local control, need to be explicitly recognised and actively managed.
- **Diversity:** The senior workforces within our remit groups need to better reflect the society they serve and the broader workforce for which they are responsible.

# Chapter 1

## Introduction and recommendations

### General findings and recommendations for all of our remit groups

1. Historically, the government's main expectation of the SSRB, and the SSRB's main focus, has been the production of annual recommendations on increases in basic pay. In our recent reports we have taken a more strategic approach, which aims to lift everybody's sights above this single issue.
2. This year, in our main report, we reiterated a number of strategic priorities set out for the first time in our 2016 report against which departments need to take action in relation to their senior workforces. These are listed in the box at the beginning of this report and apply equally to chief police officers. Generally, progress has been disappointing.
3. We also highlighted the following general points about the remit groups considered in our main 2017 report<sup>1</sup>. Again, they also relate to chief police officers.
  - Our remit group members continue to believe that their jobs are important and worthwhile. However, many are frustrated and demotivated. One common cause relates to changes to pension tax, which are having adverse impacts on recruitment, retention and motivation. The remit groups also believe that they are undervalued. Low motivation could already be damaging workforce performance and be a warning sign of future recruitment and retention problems.
  - We recognise the pressing need to improve the public finances. However, the manner in which the 1 per cent public sector pay policy has been implemented (as described later in this chapter) is holding back necessary pay and reward reforms. We are seeing very little evidence of pay being linked to workforce strategy or outcomes. Instead, pay policy for our remit groups has been characterised by long periods of rigidity, followed by reactive responses to specific pressures.
  - We believe employers need to develop innovative pay and workforce proposals, even within current budgetary constraints. These should be focused on long-term outcomes, rather than simply on limiting basic pay increases across the board and then reacting in an ad hoc manner when action becomes unavoidable.
4. Consequently, we made two general recommendations for all of the remit groups considered in our main report. As the evidence and analysis set out here confirm, they also apply to chief police officers.
5. Firstly, we believe that innovative pay and workforce proposals should be developed for chief police officers which focus on long-term outcomes and are implemented consistently. The SSRB awaits the development of a new workforce strategy and pay and reward structure for the police and would like to help ensure that both are designed in support of the long-term objectives of the police service and its future operating model.

**Recommendation 1: We recommend that all employers of our remit groups give active consideration to developing genuinely innovative pay and workforce proposals that are focused on maximising outcomes for lowest cost rather than limiting basic pay increases across the board (this repeats Recommendation 1 from our main report).**

<sup>1</sup> The Senior Civil Service, senior officers in the armed forces, the judiciary and Executive and Senior Managers in the Department of Health's Arm's Length Bodies.

6. Secondly, we believe consideration should be given to greater pension flexibility. This is particularly because of the risks to recruitment, retention and motivation resulting from recent changes to pension taxation.

**Recommendation 2: Public sector employers should closely examine the options for making pension packages more flexible and take action where appropriate (this repeats Recommendation 3 from our main report).**

7. In addition, we have been told that uncertainty and confusion around pension taxation is deterring talented individuals from seeking promotion on the grounds that it is not seen, correctly or otherwise, as financially worthwhile to do so. We therefore believe that the Association of Police and Crime Commissioners (APCC) and the National Police Chiefs' Council (NPCC) should consider how individuals can access specialist pension advice in future, should they require it.

### **Recruitment, retention and motivation of chief police officers**

8. We believe that the recruitment and retention position is fragile and needs to be closely monitored, particularly in the feeder group. There are problems with competitions for chief police officer roles receiving low numbers of applicants, a lack of candidates from other forces and difficulties in filling posts. We also received two reports this year of chief police officer vacancies being left unfilled.
9. Fragile morale within the remit group and the feeder group is also a matter for concern. It is driven by a number of factors including the risk of adverse media attention, insecurity of employment at Chief Constable and Deputy Chief Constable levels and pension taxation.
10. We continue to believe that there is a lack of clarity around how the national control of chief police officers' pay aligns with local pay flexibility and the determination of allowances. In particular, we believe that inconsistent and unclear practice in respect of allowances is having an adverse impact on the mobility of chief police officers across forces. We believe that the APCC and the NPCC should give serious thought to how the system could achieve improved equity and fairness and strike a better balance between local accountability and central control.

### **Pay recommendations**

11. Pay is only one of a number of factors affecting chief police officers. Nevertheless, we believe that the general recruitment, retention and motivation position justifies full use of the 1 per cent of pay budget that has been made available for pay rises this year. Failure to use the full available budget would itself be demotivating.

**Recommendation 3: We recommend, with effect from 1 September 2017, a consolidated increase in basic pay of 1 per cent for all chief police officer ranks at all pay points in England, Wales and Northern Ireland.**

12. We have seen no evidence that London Weighting or the Northern Ireland Transitional Allowance (NITA) for chief police officers should change by anything other than the rate for all other police ranks.

**Recommendation 4: We recommend an increase in London Weighting and in the Northern Ireland Transitional Allowance in line with that recommended for the non-chief police officer ranks.**

## Data and evidence recommendations

13. Three years have passed since the SSRB was first asked to provide independent advice to the government on the pay of chief police officers. We remain very concerned that we are still unable to reach proper evidence-based recommendations on the remit group or feeder groups because of highly fragmented, poor quality and incomplete data. Good data are a pre-requisite for effective workforce management and making evidence-based pay recommendations.
14. Last year, we asked all the main parties to work with each other and with the SSRB secretariat to ensure that much better data were collected and provided on a consistent basis across police forces. The data improved in some respects this year, for example the data on allowances which we were able to collate ourselves from the Police Census. However, overall the data we received were still poor and significant gaps remain. In addition, there was apparent confusion between the parties over who would provide what, resulting in less information being presented to us this year in some areas of direct relevance to our terms of reference, such as recruitment.
15. The root cause of the data problem lies in the absence of a central coordinating body taking overall responsibility for commissioning, collating, analysing and presenting available information to us in an effective and timely way. Apparently, some of the relevant data actually exist, for example in police force and Police and Crime Commissioner (PCC) annual reports and accounts. However, the data are not collated in a manner that supports national-level workforce planning. As we have stated previously, we believe that the Home Office, as the body that commissions independent pay review body advice, is ultimately responsible for ensuring that the SSRB receives the data it requires.

**Recommendation 5: We recommend that the Home Office works with the other main parties and mandates police forces to ensure that the SSRB is provided with reliable, consistent and comparable data in accordance with our stated evidence requirements and terms of reference.**

16. In the case of Northern Ireland, we recognise that the contingent of chief police officers is relatively small. Nevertheless, the same principle of needing reliable, consistent and comparable data applies.
17. We were also concerned to learn that not all PCCs and Chief Constables are publishing a full breakdown of chief police officer pay and benefits as they are required to do by 30 September each year.

**Recommendation 6: We recommend that the Association of Police and Crime Commissioners and the National Police Chiefs' Council work together to ensure that information on chief police officer pay and benefits is published in an open and transparent manner.**

# Appendix A

## Background information on the setting of police pay and the Terms of Reference of the SSRB

Following the Winsor Review<sup>2</sup> 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 the Police Negotiating Board (PNB) to the SSRB's remit<sup>3</sup>. 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 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 the 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 the SSRB's remit in 2013;
- the addition of senior police officers in England, Wales and Northern Ireland to the SSRB's remit from 2014; and
- 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 NHS<sup>4</sup>; 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*

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<sup>2</sup> 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).

<sup>3</sup> 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>

<sup>4</sup> NHS Very Senior Managers in England are chief executives, executive directors (except medical directors), and other senior managers. The SSRB's remit group is now called Executive and Senior Managers in the Department of Health's Arm's Length Bodies.

*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.*

*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.*

Members of the Review Body are:

Dr Martin Read CBE, *Chair*  
Margaret Edwards  
Sir Adrian Johns KCB CBE DL  
David Lebrecht<sup>5</sup>  
John Steele<sup>6</sup>  
Dr Peter Westaway  
Sharon Witherspoon

The Secretariat is provided by the Office of Manpower Economics.

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<sup>5</sup> Ex Officio: Chair Police Remuneration Review Body.

<sup>6</sup> Ex Officio: Chair Armed Forces' Pay Review Body.