



Police
Remuneration Review Body

Police Remuneration Review Body

**Fifth Report
Northern Ireland 2019**

Chair: Anita Bharucha



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Presented to the Permanent Secretary, Northern Ireland Department of
Justice

29 May 2019

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Police Remuneration Review Body

Terms of reference¹

The Police Remuneration Review Body² (PRRB) provides independent recommendations to the Home Secretary and to the Northern Ireland Minister of Justice on the hours of duty, leave, pay, allowances and the issue, use and return of police clothing, personal equipment and accoutrements for police officers of or below the rank of chief superintendent and police cadets in England and Wales, and Northern Ireland respectively.

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

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

The Review Body should also be required to consider other specific issues as directed by the Home Secretary and/or the Northern Ireland Minister of Justice, and

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

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

should be required to take account of the economic and other evidence submitted by the Government, professional representatives and others.

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

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

Members³ of the Review Body

Anita Bharucha (Chair)
Elizabeth Bell
Andrew Bliss QPM
Professor Monojit Chatterji
Richard Childs QPM
Patrick McCartan CBE
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The secretariat is provided by the Office of Manpower Economics.

³ Members of the Review Body are appointed through open competition adhering to the Commissioner for Public Appointments' Code of Practice. Available at: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/578090/Public_Appointments_Governance_Code_.pdf. [Accessed on 24 May 2019]

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POLICE REMUNERATION REVIEW BODY

Fifth Report on Northern Ireland 2019

Executive Summary

Our 2019/20 recommendations (from 1 September 2019):

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

Introduction

1. The Vision for the Police Service of Northern Ireland (PSNI) states:
“We want to help build a safe, confident and peaceful Northern Ireland. We will prevent crime, detect offenders and protect the most vulnerable in society”⁴. The PSNI has a workforce of around 8,900⁵ on a full-time equivalent basis, of whom nearly 6,700 are police officers. Our terms of reference relate only to the pay and certain other conditions of service of PSNI police officers, and not to police staff or other groups.
2. Demand on PSNI officers has increased and become more complex in recent years and the security threat remains ‘SEVERE’, with terrorist activity continuing to place police officers at risk of attack. Moreover, at the time of writing, PSNI officers are operating in the absence of a fully-functioning Northern Ireland Assembly and in an atmosphere of uncertainty about future pressures on Northern Ireland policing.

⁴ PSNI, *Our Strategy and Vision*. Available at: <https://www.psni.police.uk/inside-psni/our-strategy-and-vision/> [Accessed on 24 May 2019]

⁵ PSNI (April 2019), *Strength of Police Service Statistics*. Available at: <https://www.psni.police.uk/inside-psni/Statistics/strength-of-police-service-statistics/>. [Accessed on 24 May 2019]

3. The policing environment is demanding and challenging. Police officers at all ranks undertake important, difficult, complex and sometimes dangerous work. During the course of this review, we have been struck by officers' sense of vocation and public service. It is right that police officers should be held in esteem by those they serve.

Our remit

4. Our Fifth Report contains our recommendations for 2019/20 for police officer pay and allowances for all police ranks in Northern Ireland. The remit letter from the Permanent Secretary of the Northern Ireland Department of Justice asked for recommendations on:
 - the application of any pay award for 2019/20 for police officers of all ranks, including chief officers;
 - whether any increase should be applied to the Northern Ireland Transitional Allowance (NITA) and other allowances, including those for on-call and dog handlers;
 - any changes which should be applied to the existing Competence Related Threshold Payment (CRTP) in light of the review currently being concluded by the PSNI;
 - whether the superintending ranks should have access to targeted payments or bonuses; and
 - consideration of any specific challenges for the PSNI highlighted in written evidence from Northern Ireland parties, particularly in terms of targeting pay awards to address recruitment and retention pressures.

Our analysis of the 2019/20 evidence

5. The main points which we noted from the evidence are:
 - *Policing environment* – The Northern Ireland security situation remains 'SEVERE' with ongoing terrorist activity continuing to place police officers at risk of attack. The overall level of demand on the PSNI remains high and the rise in unplanned overtime is a cause for concern. (Paragraphs 2.25 to 2.27)

- *Sickness levels* – We were particularly concerned to learn that the very high levels of sickness absence reported to us last year had increased. (Paragraph 2.106)
- *Pay parity* – All the Northern Ireland parties continue to recognise that the core role of police officers remains common to all police forces in England, Wales and Northern Ireland, and view pay parity as necessary. We agree that the core role of police officers remains consistent across all the police forces in our remit, and accept this rationale for retaining pay parity. However, pay and workforce reforms in England and Wales and the significant differences between those forces and the PSNI could undermine pay parity in future. (Paragraphs 2.42 and 2.43)
- *Public sector pay policies and affordability* – The lack of a public sector pay policy for Northern Ireland continues to hamper our considerations. Also, policing in Northern Ireland has come under considerable financial pressure in recent years, leading to significant reductions in the size of the PSNI workforce and the adoption of many cost-saving measures in other areas. While the PSNI received additional short-term funding in 2019/20 to prepare for EU Exit, it also faced new and emerging budgetary pressures. Furthermore, the short-term nature of significant sources of PSNI funding make it harder to evaluate its true affordability position each year. (Paragraphs 2.54 and 2.55)
- *Economy and labour market* – While inflation had fallen back from a peak of 3.1% in November 2017 to 2.1% in the year to December 2018, the employment rate has continued to grow with average weekly earnings growth at 3.4% and median pay settlements 2.5% in the three months to January 2019 which is similar to the position in 2018. (Paragraphs 2.61 and 2.62)
- *Earnings* – Police officer median earnings in Northern Ireland decreased by 2.5% in 2017/18. The pay lead of PSNI officers relative to their England and Wales counterparts was 14% compared with 19% last year. This pay lead is primarily due to the NITA, higher overtime earnings, and the retention of the CRTP scheme. (Paragraph 2.75)

- *PSNI workforce, recruitment and retention* – The long-term decline in the number of police officers is a concerning element of the Northern Ireland policing environment and evidence from the parties indicates that current workforce levels are insufficient to meet demand. Consequently, officers are expected to manage an increasing level of responsibility and workload. In addition, there was concern that additional time-limited funding to cover the provision of around 300 officers for EU Exit would not allow the PSNI to do more than maintain current levels of service. (Paragraphs 2.91 to 2.93)
- *Morale and motivation* – From the 2018 Police Federation for Northern Ireland workforce survey, we were particularly struck by the increase in dissatisfaction with pay and the negative impact on morale of the delay in pay awards. We also note the evidence on the effects on officers of increasing demand, workload and responsibility and reducing budgets and workforce. We concluded that productivity within the police depends to a considerable extent on discretionary effort and goodwill. (Paragraph 2.106 to 2.109)

Pay proposals and recommendations for 2019/20

6. The key factors we took into account in reaching our main pay uplift recommendation were:
- the desire of all the parties for continued pay parity with England and Wales;
 - the evidence we received of increasing complexity and demand on the police, including the impact of displaced demand;
 - increased productivity in terms of service improvements achieved despite falling officer numbers;
 - the nature of police work, which is important, difficult, complex and sometimes dangerous;
 - that police productivity depends to a considerable extent on goodwill and discretionary effort which requires officers to be suitably motivated;
 - the state of police morale, with officers concerned about their work-life balance and workload and responsibility;
 - the evidence provided on affordability; and

- the state of the wider economy, including the level of pay settlements and the cost of living.
7. Taking these factors together, **we recommend a consolidated increase of 2.5% to all police officer pay points for all ranks from 1 September 2019.** (Paragraphs 3.6 to 3.17)
 8. We again recommend that the **NITA** is increased in line with the annual pay award. **We therefore recommend a 2.5% increase from 1 September 2019.** (Paragraphs 3.25 and 3.26)
 9. We note the tension between retaining CRTP and the rationale for pay parity. **We therefore recommend that the current level of CRTP does not increase and that the parties submit proposals next year on how CRTP can be incorporated into pay arrangements as part of the pay reform process in Northern Ireland, or a clear programme and timetable for phasing out CRTP.** (Paragraph 3.35)
 10. **We also recommend that the Dog Handlers' Allowance is increased by 2.5% from 1 September 2019** in line with the annual pay award. (Paragraph 3.48)

Targeted payments

11. The remit letter for this round asked us to make a recommendation on whether the superintending ranks in Northern Ireland should have access to targeted payments or bonuses. However, as the idea is at an early stage of development in Northern Ireland and as there was low take-up of such payments in England and Wales this year, we consider that reform of base pay may be a more effective way to reward superintendents fairly for their contribution.
12. We were also asked to make a recommendation on the targeting of pay awards to address recruitment and retention pressures. However, our view is that a careful approach needs to be taken to the introduction of such payments and we ask the parties to keep the matter under review, particularly in the context of future pay reform developments. (Paragraphs 3.43 to 3.45)

Forward Look

13. We hope that PSNI police officers are able to receive their pay award on time in 2019/20, although we recognise the ongoing political situation in Northern Ireland at the time of writing. If police officers are to receive a pay award on the normal timescale, a decision on their pay will need to be made by 31 August at the very latest. We also hope that publication of our report will not be subject to delay. (Paragraph 4.10)

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29 May 2019

Chapter 1 – Introduction

Introduction

1.1 This is our Fifth Report on police officers in Northern Ireland since our establishment in 2014. It contains our recommendations for police officers of all ranks in the Police Service of Northern Ireland (PSNI). For the second successive year, chief police officers were added to our existing remit for the federated and superintending ranks.

1.2 In the context of the current political situation in Northern Ireland, we are again particularly grateful to all the parties involved in the pay review process for their helpful and pragmatic approach to the round.

Our Fourth Report 2018

1.3 Our Fourth Report was submitted to the Northern Ireland Department of Justice (DoJ) on 25 May 2018 (Appendix A). It set out our recommendations on Northern Ireland police officer pay and allowances, which were:

- The time-limited 1% non-consolidated pay award received by the federated and superintending ranks in 2017/18 should be consolidated into all pay points for officers at these ranks.
- In addition to and following the above recommendation, a consolidated increase of 2% to all pay points for police officers at all ranks.
- An increase of 2% in the current level of the Northern Ireland Transitional Allowance (NITA) and the Dog Handlers' Allowance.
- That the Competence Related Threshold Payment (CRTP) scheme remains open to new applicants pending the outcome of the comprehensive review and that the current level of CRTP does not increase.

1.4 Our Fourth Report was not published until February 2019. As the pay year had started in September 2018, this meant that the pay uplift was delayed by around six months and had to be backdated. This was the second year in which police officers had experienced a delay in receiving their pay award.

- 1.5 The PSNI are not the only public sector workforce in Northern Ireland to experience such delays. We also note that in the absence of a fully-functioning Northern Ireland Assembly, the Northern Ireland (Executive Formation and Exercise of Functions) Act 2018 was passed to empower officials in the Department of Finance (DoF) to determine public sector pay policy instead of a Minister of Finance. In addition, the Department of Finance announced in November 2018 that a streamlined approval process had been put in place so that large numbers of public sector staff could receive their pay awards in a more timely fashion in future. For the police as our remit group, we would ask that every effort is made to enable the 2019/20 award to be paid on time.
- 1.6 On 4 February 2019, in the absence of a Minister of Justice, the Permanent Secretary of the DoJ responded to the recommendations by awarding police officers at the federated and superintending ranks in Northern Ireland a 2% consolidated pay increase. The DoJ also approved an increase of 2% to the NITA and the Dog Handlers' Allowance.
- 1.7 In a letter dated 4 February 2019 to the Chair of the Police Remuneration Review Body (PRRB), the Permanent Secretary of the DoJ explained that the award mirrored that made to officers in England and Wales and would be backdated to 1 September 2018.
- 1.8 The letter also stated that the 2018/19 pay award for chief police officers in the PSNI awaited approval.

2019/20 remit

- 1.9 The Permanent Secretary of the DoJ wrote to us on 9 January 2019 (see Appendix B) setting out the remit for the annual review of pay for police officers in the PSNI in 2019/20. The Permanent Secretary referred the following matters to us for recommendation:
- the application of any pay award for 2019/20 for police officers of all ranks, including chief officers;

- whether any increase should be applied to the Northern Ireland Transitional Allowance (NITA) and other allowances, including those for on-call and dog handlers;
- any changes which should be applied to the existing Competence Related Threshold Payment (CRTP) in light of the review currently being concluded by the PSNI;
- whether the superintending ranks should have access to targeted payments or bonuses; and
- consideration of any specific challenges for the PSNI highlighted in written evidence from Northern Ireland parties, particularly in terms of targeting pay awards to address recruitment and retention pressures.

Our approach to the 2019 round

1.10 We received written evidence⁶ in February 2019 and oral evidence in March 2019 in Belfast from the following parties:

- the DoJ and DoF;
- the Northern Ireland Policing Board (NIPB);
- the PSNI;
- the Police Federation for Northern Ireland (PFNI);
- the Police Superintendents' Association of Northern Ireland (SANI)⁷; and
- the Chief Police Officers' Staff Association (CPOSA).

1.11 We are grateful to the parties for providing written evidence, taking part in oral evidence and responding to our requests for further information. We were pleased that the reconstituted NIPB was able to play a part in the pay round after an absence of two years from the Review Body process.

1.12 We had planned to visit Northern Ireland to hold our usual discussion groups with police officers of all ranks in the PSNI in preparation for the 2019/20 pay round. However, for a second year the delay in publication of our latest report left us unable to discuss its content freely with our remit group. Consequently, in visiting Northern Ireland this year, we decided not to hold discussion groups

⁶ The websites for the parties are listed in Appendix C.

⁷ SANI made a joint written evidence submission with the Police Superintendents' Association (PSA).

in the conventional format – which would have assumed all the participants had access to the previous year’s report and could discuss it – but instead made a purely operational visit to the PSNI in Derry/Londonderry and Strabane in January 2019. This enabled us to gain an understanding of the challenges that officers faced. We are very grateful to our hosts for providing this opportunity. We also look forward to holding our usual discussion groups with PSNI officers again in future, once circumstances allow.

- 1.13 In Chapter 2 we summarise the main evidence from the parties, provide our analysis of the issues, and set out the overall context this year. Chapter 3 contains our recommendations on police officer pay and allowances and supporting evidence. Chapter 4 looks ahead to developments which might influence our decision-making in future or which we might require the parties to provide evidence on in the next round.

Chapter 2 – Our Analysis of the 2019/20 Evidence

Introduction

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

Northern Ireland policing environment

General

2.2 According to the **DoJ**, the primary purpose of the PSNI was to protect life and property, preserve order, prevent the commission of offences and, where an offence had been committed, to take measures to bring the offender to justice.

2.3 The **NIPB**'s Annual Policing Plan for Northern Ireland⁸ in 2019/20 was published on 1 April 2019. It contained five overarching themes, including 'More efficient and effective policing', and nine Strategic Outcomes and was the last annual plan produced as part of the NIPB's Strategic Outcomes for Policing 2016-2020⁹. In their forewords to the Plan, the Chair of the NIPB and the Chief Constable of the PSNI explained that it had been developed in the absence of a policing budget for 2019/20.

Demands on policing

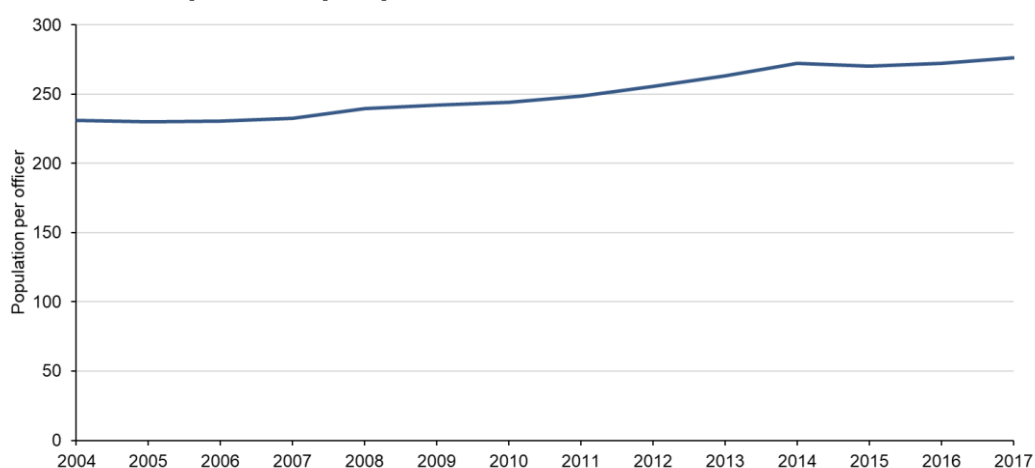
2.4 The security situation makes the policing environment in Northern Ireland unique. In Northern Ireland, the current threat level from Northern Ireland-related terrorism is 'SEVERE', which means an attack is highly likely. In Great Britain, the current threat level from Northern Ireland-related terrorism is 'MODERATE', which means an attack is possible, but not likely.

⁸ Northern Ireland Policing Board (April 2019), *Annual Policing Plan 2019-2020*. Available at: <https://www.nipolicingboard.org.uk/publication/annual-policing-plan-2019-20> [Accessed on 24 May 2019]

⁹ Northern Ireland Policing Board (March 2016), *Strategic outcomes for Policing 2016-2020*. Available at: <https://www.nipolicingboard.org.uk/publication/strategic-outcomes-policing-2016-2020> [Accessed on 24 May 2019]

- 2.5 In addition to more conventional policing operations, officers in Northern Ireland must deal with the continuing threat of security-related attacks which often target police officers and their families. Uniquely in the UK, all PSNI officers are routinely armed and carry personal protection weapons. PSNI officers and their families continue to be subjected to personal threats and the risk of attack.
- 2.6 During 2017/18, the latest year on which data were available at the time of compiling our report, there were 50 shooting incidents and 18 bombing incidents in Northern Ireland. These resulted in: 65 casualties from security-related assaults; 22 casualties from security-related shootings; and 2 security-related deaths.
- 2.7 The population of Northern Ireland grew by 9% (157,000) between mid-2004 and mid-2017, and just under 4% (66,000) between mid-2010 and mid-2017. Chart 2.1 below shows that in mid-2017 there was one police officer for every 277 members of the public; this level represents 32 extra people per officer compared with mid-2010 (an increase of 13%) and 46 extra people per officer compared with mid-2004 (an increase of 20%). As a point of comparison, for England and Wales in mid-2017 there was one police officer for every 477 members of the public (an increase of 90 people or 23% since mid-2010). This comparison with England and Wales should be taken as an indicator of the different nature of policing in Northern Ireland, rather than of any difference in the demand faced by officers.

Chart 2.1: Population per police officer, Northern Ireland, 2004/05 – 2017/18



Source: OME estimates based on: Mid-year Population Estimates, ONS; and PSNI data.

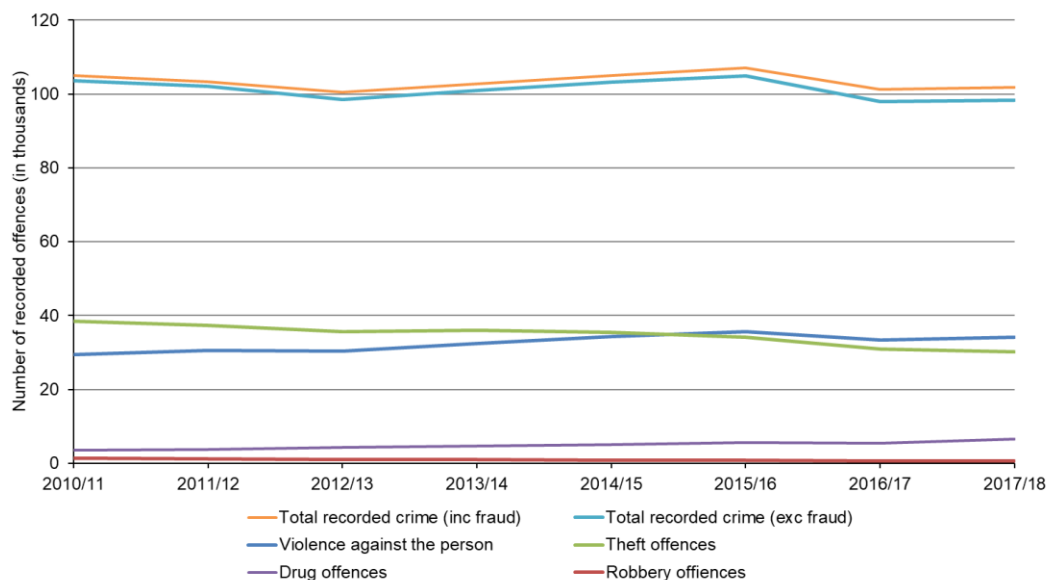
2.8 Crime is just one aspect of the demand placed on the police service, and therefore crime statistics are not a measure of the total demand. Furthermore, crime statistics need to be interpreted with caution, as crime is inherently difficult to measure. Crime covers a wide spectrum of offences and can never be quantified from a single measure. Its effect on police demand cannot be quantified as the crime figures give no indication of complexity, and the amount of time required to deal with each crime varies both between and within offence types.

2.9 Total recorded crime (excluding fraud) has been relatively stable between 2010/11 and 2017/18, falling slightly (down 5,400 or 5.2%) from just under 103,700 to 98,300 offences (Chart 2.2). Before 2010/11, total recorded crime (excluding fraud) fell more steeply, falling by a quarter (34,500) between 2002/03 and 2010/11. Recorded crime levels in 2017/18 were broadly the same as in 2016/17 (up by only 0.3% or just under 300 offences), after having fallen by 6.6% (nearly 7,000 offences) between 2015/16 and 2016/17.

2.10 It should be noted that the headline recorded crime figure hides changes to the types of crime within it. Violence against the person and theft offences are the two largest crime types accounting for 35% and 31% of recorded crime (excluding fraud) in 2017/18 respectively. Of the headline categories, drug offences have seen the largest percentage increase since 2010/11 (up by 87% – just over 3,000 offences) but only accounted for 7% of recorded crimes in 2017/18. Robbery offences saw the largest percentage fall since 2010/11

(down 56% – over 700 offences) but only accounted for 1% of recorded crimes in 2017/18.

Chart 2.2: Police recorded crime, by selected crime type, Northern Ireland, 2010/11 – 2017/18



Source: Police Recorded Crime Statistics, PSNI.

Evidence from the parties

2.11 All parties noted that the security threat was currently assessed as 'SEVERE'.

The **NIPB** observed that the PSNI worked in a significantly different operating environment from any other police service across the United Kingdom. The NIPB added that the PSNI had to consider a current, real and severe terrorist threat to its officers, staff and infrastructure.

2.12 The parties advised that security-related incidents continued to occur, with significant implications for the safety and security of police officers and their wider family circles, including living with a daily threat and under significant restriction. There was one attack on police in 2018, and a number of attack plots against officers both on- and off-duty had been disrupted during this period.

2.13 All parties stressed the impact on policing arising from preparations for the UK exiting the EU and welcomed the additional £16.5 million in funding from central government which would provide an additional 308 officers and staff by April 2020. This was expected to help deal with a potential increase in

demand associated with the land border between Northern Ireland and the Republic of Ireland. Though there was still a high degree of uncertainty around the UK's departure arrangements, the main areas of concern for policing in Northern Ireland were the potential for increased demand on the police, as well as the possible loss of EU measures that currently aided the PSNI in tackling crime.

- 2.14 The **PSNI** highlighted the challenges arising from the absence of a fully-functioning Northern Ireland Assembly, which had led to delays in implementing the Review Body's pay awards and which made future business planning difficult.
- 2.15 The PSNI emphasised that protecting vulnerable individuals played a significant role in Northern Ireland policing, as one in every three calls it received related to someone with an identified vulnerability. The PSNI anticipated that this ratio was likely to increase as its partner agencies' ability to provide assistance was severely restricted due to budget cuts and to an increase in unresolved mental health issues, which generated repeat demand.
- 2.16 The PSNI reported a rise of 120% in the number of sexual offences involving children, along with a rise of 423% in the number of offences involving indecent images of children since 2010. It cited advances in technology and digital globalisation as factors which facilitated child sexual exploitation and abuse, and which, along with fraud, had contributed to an increase of 112% in cyber-crime in the past three years.
- 2.17 The PSNI said that dealing with the past continued to present challenges in terms of cost and public confidence. It explained that currently, the PSNI spent around £25 million a year on legacy issues that could otherwise be spent on other areas of policing such as protecting communities.
- 2.18 The **PFNI** highlighted that the total number of recorded crimes in Northern Ireland (including fraud) in 2017/18 increased slightly from 2016/17, with latest figures indicating that a further increase in the number of recorded crimes was likely over the 2018/19 financial year. It noted that this demand was in addition to the 55% of comparable crimes (between the Northern Ireland

Crime Survey and the PSNI Recorded Crime Statistics) which were not reported to the PSNI in 2017/18, representing a 7% increase in non-reporting from 2015/16.

- 2.19 On the composition of the 2017/18 crime statistics, the PFNI stated that the Northern Ireland crime profile continued to alter in line with longer-term trends. There was an increase in the number of incidents of fraud, violent crimes, and sexual crimes in 2017/18, while crimes associated with robbery, theft, and criminal damage declined.
- 2.20 This additional demand was reflected in the results of the 2018 PFNI workforce survey, in which 65% of all respondents reported that their level of responsibility had increased or increased significantly over the previous twelve months. In addition, 72% reported that their workload had increased or increased significantly. (For further details, please see paragraph 2.104.)
- 2.21 The PFNI commented that total overtime hours worked across the PSNI had reduced by 32% between 2013/14 and 2017/18. This looked set to continue through 2018/19 driven by a reduction in pre-detailed overtime hours. However, casual (or unplanned) overtime hours were at a six-year high in 2017/18, at 38,189, and looked set to exceed 38,000 again in 2018/19.
- 2.22 The **NIPB** noted that the nature of policing was changing, and that the demands faced by the PSNI were becoming more complex, while the resources available to deal with these demands were continuing to decrease.
- 2.23 The **DoJ** stated that, in the absence of the establishment of the Historical Investigations Unit (HIU), there was continued pressure on the police and other criminal justice agencies to deal with unresolved legacy issues. It pointed out that, at present, responsibility for the legacy investigations remained principally with the PSNI, noting that the establishment of the HIU would allow the PSNI to concentrate on the policing needs of today's society. The **PSNI** observed that the cost of historical investigations was growing and that the review and investigation of legacy cases was complex and time-consuming work.

2.24 The **PFNI** told us that focusing on the number of crimes reported provided some indication of demand on the service but ignored proactive policing, collaborative working and vulnerable persons. Nor did it provide a realistic assessment of police productivity or take into account much of the daily work undertaken by police officers, the increasing complexity of police investigations or the growth in response policing.

Our comment

2.25 We note that the security situation remains 'SEVERE' and that police officers and their families continue to be targeted by security-related threats, with the result that they face restrictions on their daily lives that are unique to the policing context of Northern Ireland.

2.26 Demand on police officers in Northern Ireland has risen in recent years, largely due to a shift towards increasingly complex types of criminal activity, often targeting highly vulnerable individuals. Such cases are more time-consuming to pursue and place officers in a greater position of responsibility, increasing perceptions of stress and workload. Furthermore, the PSNI expects to deal with increasing displaced demand resulting from partner agencies' budget cuts and from a growth in unresolved mental health issues. In addition, historical investigations also present a considerable – and growing – financial burden for the PSNI. This increase in demand on police officers has been further compounded by the decline in the ratio of officers to members of the population, contributing to a rise in the amount of unplanned overtime.

2.27 It is also anticipated that the UK's departure from the EU would put additional pressure on policing operations in Northern Ireland, as it has the potential to generate increased demand. However, the nature of the future relationship between the UK and the EU was unknown at the time of writing.

Pay parity and links to England and Wales

2.28 The **DoJ** stated that the retention of broad consistency with England and Wales on police officer pay scales, as a minimum, continued to be important for policing stakeholders in Northern Ireland. The DoJ was supportive of this

and wished to ensure that no barriers were created that would impede the ability of the PSNI to attract, retain and develop police officers from across the UK and beyond.

- 2.29 The **NIPB** stressed that the fundamental principle of a single police service across England, Wales and Northern Ireland remained paramount and that any pay increase awarded should be in parity with officers in England and Wales. The NIPB said that the current budget restrictions under which the PSNI operated required a need for continued collaboration, interoperability and mutual aid in pay systems in policing.
- 2.30 The **PSNI** reported that almost 1,000 police officers from England and Scotland were to begin training for deployment in Northern Ireland in case of disorder arising from a no-deal EU Exit. This was following a request for mutual aid from the PSNI. The PSNI said that parity with England and Wales offered the following benefits: it allowed the sharing of resources to address operational requirements; it facilitated interoperability for transferees and mutual aid, as part of a single police service; and it underpinned resilience in light of the cumulative impact of recent pay constraints and pension changes.
- 2.31 The **PFNI** said that the maintenance of parity in core pay spines with police forces in England and Wales was of fundamental importance to policing in Northern Ireland. It supported the provision of the same level of base pay for officers in Northern Ireland, England and Wales on grounds of fairness, transparency, and police morale. It highlighted that differentiated pay structures risked creating a hierarchy of police services, in terms of financial recompense, and could negatively impact recruitment, retention, and the utilisation of mutual aid.
- 2.32 The **SANI**'s view was that the principle of a single police service across Northern Ireland, England and Wales should be maintained. It contended that parity on core pay spines should continue, on the grounds that the core role of police officers was the same. It highlighted the risk that, if pay and conditions were to become more favourable in Great Britain, trained and experienced officers might leave the PSNI for higher pay.

2.33 Members of the **CPOSA** in Northern Ireland sought continued pay parity, including on allowances, with England and Wales. They did not wish to see pay and allowance options for Northern Ireland deviating from this to the detriment of the CPOSA's Northern Ireland members.

Links to workforce and pay reform in England and Wales

2.34 The **DoJ** said that there was a continued desire for broad consistency on pay and conditions between the PSNI and police forces in England and Wales. Along with the PSNI, the DoJ was actively engaging at multiple levels on the programme of reforms being led in England and Wales by the NPCC. The DoJ stated that, while not all aspects of reform would be deemed appropriate for implementation within the PSNI, each would be considered on its own merits, with a view to ensuring that there were no unintended consequences.

2.35 The DoJ had supported PSNI work to carry out an initial impact analysis for each of the workforce reforms proposed in England and Wales, to establish a baseline position and framework for the PSNI to progress work in this area. The DoJ reported that the PSNI had also established a working group, chaired by the Director of Resources, to consider each reform in detail. This working group consisted of representatives from across the organisation, including police staff associations.

2.36 The **PSNI** noted that concerns had been raised on community representation if graduate entry was taken forward as the standard for policing. Several other reforms were said to need further consideration so that the PSNI could review their feasibility within the Northern Ireland context; these included reforms related to entry routes into investigative policing, as well as direct entry routes into policing at inspector and superintendent level.

2.37 The **NIPB** reported that, although there was no requirement for the PSNI to do so, the PSNI chief constable had indicated that he would seek to adopt College of Policing policy where appropriate. Where this was not possible, he would seek to adapt it for the PSNI. The NIPB was supportive of the Workforce Transformation and Pay Reforms Working Group established by the PSNI in June 2018.

- 2.38 The **PFNI** recommended that a meaningful period of consultation was undertaken in Northern Ireland, with all relevant stakeholders, prior to the potential introduction of any element of workforce reform. The PFNI was concerned that there was a significant lack of detail and clarity on pay and reward reform, which was leading to confusion and scepticism on the purpose and outcomes of the reforms. In particular, the PFNI was unconvinced by statements from the NPCC that pay reform would seek to be cost-neutral, affordable and that actual base pay would not be reduced when an officer transitioned onto the new pay framework.
- 2.39 The PFNI did not consider that degree-level entry should become a prerequisite to policing. The PFNI highlighted that the PSNI already trained its police officers to a higher level (level 5) than forces across England and Wales. Therefore, it was of the opinion that requiring a level 6 qualification would have little impact on service provision but might ultimately result in fewer successful student officers and make the PSNI less representative of the local community. Around half of PSNI officers recruited between 2014 and 2017 had a degree, and this was already almost double the proportion of Northern Ireland residents aged 18-59 with a degree.
- 2.40 The PFNI reported that police apprenticeships had not been introduced in the PSNI as the apprenticeship levy was not applicable in Northern Ireland. The PFNI was opposed to police apprenticeships in the PSNI because of the particular policing environment and it was concerned that the £18,000 starting salary would exacerbate existing recruitment issues.
- 2.41 The **SANI** noted that it was observing the developments on workforce and pay reform in England and Wales. It had been briefed on the intention of the PSNI Executive to follow the general direction of the broader police service, allowing for some variation to address local circumstances.

Our comment

- 2.42 We note that all the parties continue to recognise that the core role of police officers remains common to all police forces in England, Wales and Northern Ireland, and view parity on pay as necessary. We agree that the core role of

police officers remains consistent across all the police forces in our remit, and accept this rationale for retaining pay parity.

- 2.43 In previous reports we have highlighted that pay parity could be undermined if pay and workforce reforms progressed in England and Wales and led to significant differences between those forces and the PSNI. The setting up of the Workforce Transformation and Pay Reforms Working Group, and the intention to adopt or adapt College of Policing policy is somewhat reassuring in this regard. However, we consider that this approach may not be sufficient for progress to be made on police reform in Northern Ireland. We are also conscious that adaptation of England and Wales reform could lead to significant differences that might undermine pay parity.

Public sector pay policies and affordability

Public sector pay policies

- 2.44 On 28 February 2019, the Northern Ireland budget for 2019/20 was announced¹⁰ but at the time of writing this report the Northern Ireland public sector pay policy for 2019/20 had yet to be determined.
- 2.45 Nevertheless, the **DoJ** advised us that, on the basis of information it had received from the DoF, the UK Government position on public sector pay from 2018/19 remained in place for 2019/20¹¹. Consequently, the DoJ's understanding was that, in keeping with HM Treasury policy, the 1% pay award limit was removed. Instead, pay awards could be informed by a range of factors, including recruitment and retention. In particular, it was recognised that there might be flexibility in return for improvements to public sector productivity. However, public expenditure remained constrained and any pay increase above 1% would have to be funded from within each department's budget and paid for by efficiency savings.

¹⁰ DoF (February 2019), *Northern Ireland Budget 2019-20 Announced*. Available at: <https://www.finance-ni.gov.uk/news/northern-ireland-budget-2019-20-announced>. [Accessed on 24 May 2019]

¹¹ DoF (November 2018), *Pay Remit Approval Process and Guidance 2018-19*. Available at: <https://www.finance-ni.gov.uk/publications/finance-director-letters-fds-2018>. [Accessed on 24 May 2019]

DoF (November 2018), *Public Sector Pay Policy Set for 2018/19*. Available at: <https://www.finance-ni.gov.uk/news/public-sector-pay-policy-set-201819>. [Accessed on 24 May 2019]

- 2.46 The **NIPB** confirmed that the public sector pay policy for Northern Ireland for 2019/20 had not yet been published and that officials from the DoJ were engaging with the DoF.
- 2.47 The **PSNI** said that workforce-related costs accounted for around 80% of the PSNI's total costs but that with no direction or scenario planning coming from the DoF regarding the 2019/20 budget, it was difficult for the PSNI to assess affordability of any pay proposal. However, the PSNI added that it was committed to ensuring officers were appropriately remunerated and would seek to prioritise any pay award within the budget made available.
- 2.48 The **PFNI** told us that, in the absence of an agreed public sector pay policy in Northern Ireland, remit letters from the Northern Ireland Justice Minister had tended to cite a principle of adherence to UK Government pay policies, while the 2018/19 remit letter from the Permanent Secretary directly referenced guidance issued from the Chief Secretary to the Treasury on public sector pay. While this guidance identified 'increased flexibility' in the pay process, and while the UK Government reported the end of the 1% pay cap in 2017, the PFNI remained sceptical.

Affordability

- 2.49 The **NIPB** told us that during the current chief constable's tenure he had delivered despite significant cuts to the PSNI budget of £150m. It added that the PSNI budget allocation had not yet been confirmed for 2019/20 or beyond and that 2018/19 had been a challenging financial year. Only through the provision of additional in-year funding by the DoJ was the PSNI now projected to break even at year-end. The NIPB added that the lack of direction or scenario planning from the DoF for 2019/20 made it difficult to assess the affordability of any pay proposal.
- 2.50 The **PSNI** said that HM Treasury had agreed an extra £16.48 million in funding to prepare for EU Exit in 2019/20. The PSNI added that it faced new and emerging budgetary pressures, such as the growing cost of legacy investigations, holiday pay, increasing volume of civil litigations, and pensions.

The PSNI stated that it was unlikely to be able to fund those pressures in 2019/20 without separate additional funding.

- 2.51 The PSNI observed that workforce-related costs accounted for around 80% of its total costs. It explained that the obvious way to reduce costs would be to curtail police officer recruitment, which would see officer numbers fall significantly. However, this would be at odds with the plans to increase numbers in response to EU Exit and would require wider political support as it would directly impact on the service to the public and critically impair the PSNI's ability to keep people safe. The PSNI pointed out that a reduction in police officer numbers would result in reduced front-line services and that this would affect the most vulnerable in society and drive services towards emergency response only.
- 2.52 The PSNI explained that it had recently used a Priority-Based Resourcing method to focus on delivering more efficient and effective services and to foster a culture of improvement, innovation and cost control among key managers and leaders. This method of resource management involved examining the skills and capabilities required to perform roles and the critical scrutiny of service requests with particular focus on the potential for workforce modernisation. The process had identified efficiency improvements and had resulted in the reallocation of resources to higher priorities and had informed key corporate strategies, including an HR People Plan.
- 2.53 The **PFNI** said that the EU Exit funding boost amounted to £53 million less than the funding removed from policing since 2014/15. The PFNI added that the PSNI had consistently sought to protect officer headcount numbers by making cuts in other areas but that this became increasingly difficult as budgets continued to decline.

Our comment

- 2.54 The lack of a public sector pay policy continues to hamper our considerations. However, we note that DoF information was that the UK Government position on public sector pay from 2018/19 was still in place for 2019/20.

2.55 Since 2014/15, policing in Northern Ireland has come under considerable financial pressure, seeing a total of £150 million in budget cuts. These have necessitated substantial reductions in the size of the PSNI workforce, despite the adoption of cost-saving measures in other areas. We note the concerns expressed about affordability and the complexities for financial planning that arise from additional funding that is only short-term.

Economy, inflation, labour market, earnings and pay settlements

2.56 The parties submitted written evidence for this report in February 2019. We briefly summarise the main headlines from the information they provided on the economy and labour market below. Our assessment at the end of the section includes the latest data available at the time of finalising our recommendations.

Economy and labour market

2.57 The **DoJ** reported that Northern Ireland had the lowest employment rate of all 12 UK territorial regions. The long-term unemployment rate had increased by 6.9 percentage points over the year to 55.5%, double the UK average rate of 24.4%. In the three months to October 2018 the working age employment rate for Northern Ireland was 68.7%, 0.7 percentage points lower than the previous quarter. The Northern Ireland economic inactivity rate (ages 16-64) was the highest in the 12 UK regions at 28.5%.

2.58 The **PSNI** said that increases in employment had been experienced in all sectors over the year to September 2018. Private sector jobs had increased over the third quarter of 2018 to the highest level on record. Northern Ireland was the only UK region where full-time earnings were higher for females than for males. However, when all employees (full-time and part-time) were considered, males earned more than females.

2.59 The **PFNI** reflected that the UK's economic performance had remained positive throughout 2018, with GDP growth at 1.4% (with 1.6% forecast for 2019; 1.6% for 2020; and 1.7% for 2021). Northern Ireland annual growth had been slower (0.5%) and economic forecasting remained muted but positive. The Northern Ireland labour market had continued to perform strongly in

2018, with employee jobs up 2% in the twelve months to September 2018. Northern Ireland public sector jobs, as a proportion of the Northern Ireland population, were 11% (8% in the UK). However, economic inactivity remained high in Northern Ireland. Inflation had been above 2% throughout 2018 and was predicted to remain so. Analysis by XpertHR showed that the median quarterly base pay award across the UK to October 2018 was 2.3%, up from 2.0% in the quarter to October 2017. XpertHR predicted an increased median pay award of 2.4% over the year to the end of August 2019. An award of 2% was the most commonly reported award over the year from August 2018 and awards of below 2% fell to 15% of employers surveyed in 2018/19 (down from 34% in 2016/17).

- 2.60 The PFNI said that Northern Ireland median full-time weekly earnings in April 2018 were £521 – up 4.2% from £500 in April 2017. This was the largest increase recorded in Northern Ireland since 2015 and the joint highest growth rate recorded from the 12 UK regions.

Our comment

- 2.61 The economy and labour market provide an overall context to our pay considerations. In April 2019 we reviewed the most up-to-date economic and labour market indicators, for the UK and for Northern Ireland, to inform our recommendations. These indicators are summarised below:
- Economic growth in the UK was 1.4% in 2018 overall, with a lower rate (1.1% to 1.3%) forecast for 2019. Economic output for the UK was 19.5% higher in the final quarter of 2018 than it was in the second quarter of 2009, at the lowest point of the UK recession.
 - Growth in the Northern Ireland economy was 1.9% in 2018, with economic output 1.9% higher in the final quarter of 2018 than it was in the second quarter of 2009.
 - Consumer Prices Index (CPI) inflation was 1.9% in March 2019, down from a peak of 3.1% in November 2017. The Retail Prices Index (RPI) rate of inflation was at 2.4% in March 2019, down from a peak of 4.1% in December 2017. Consumer Prices Index with Housing inflation was at 1.8% in March 2019.

- These downward movements in the various measures of inflation can largely be attributed to the fact that price rises stemming from a weakening pound and higher fuel costs have finished working their way through the UK economy.
- At 3.5%, the unemployment rate in Northern Ireland was lower in the three months to January 2019 than that of the UK (3.9%), the Republic of Ireland (5.3%), and the EU (6.6%). However, levels of economic inactivity remained higher in Northern Ireland than in any other region of the UK, at 26.4% of the working-age (16-64) population.
- Median gross weekly earnings for full-time employees in Northern Ireland grew by 4.2% over the 2017/18 financial year, while the UK as a whole saw growth of 3.5%.
- At £521 per week, Northern Ireland median earnings were 8.4% lower than the UK median. This difference is primarily due to significantly lower earnings in the private sector in Northern Ireland relative to the UK, as earnings in the public sector are broadly comparable between Northern Ireland and the rest of the UK.

2.62 We have taken due account of these latest and forecast economic and labour market indicators in producing our report. The latest available data show an improvement in the performance of the Northern Ireland economy, with current growth in output and earnings comparing favourably to the rest of the UK. In Northern Ireland, as with the whole of the UK, we have seen evidence that the labour market is beginning to tighten, though levels of inactivity in Northern Ireland are notably higher than the UK average. Across the UK, inflationary pressures appear to be easing, which will increase the degree to which our recommended uplifts translate into higher real incomes for police officers. We note that there is still considerable uncertainty surrounding the economic and labour market implications of the UK's departure from the EU.

Police officer earnings

2.63 Earnings for police officers in Northern Ireland for 2017/18 need to be interpreted with a degree of caution due to the delay in implementing the 2017 pay award. Our 2017 Report was not published until April 2018, meaning the

pay award was not implemented until after the end of the financial year covered by the two earnings datasets used below. Although the award was backdated, this has not been picked up in the data.

- 2.64 We have examined the earnings¹² of police officers using results from the Annual Survey of Hours and Earnings (ASHE) published by the Northern Ireland Statistics and Research Agency (NISRA), and the Office for National Statistics (ONS) and the Police Earnings Census run by the Home Office. ASHE is a sample survey, published in autumn each year, which provides headline earnings estimates for occupations across the economy; for police officers the Standard Occupational Classification produces figures jointly for constables and sergeants and, separately, for the grouping of more senior ranks. The Police Earnings Census, conducted in its present form since 2010/11, covers all police officers and permits detailed earnings analysis. The Police Earnings Census data provide a useful insight into the range of earnings received within and across ranks, and the take-up and value of individual pay components.
- 2.65 We use the ASHE data to compare median¹³ full-time¹⁴ gross annual earnings of police officers (constables and sergeants) with those of: the whole economy of Northern Ireland; associate professional and technical occupations group in Northern Ireland (the occupational group which includes police officers); professional occupations in Northern Ireland (which tend to be graduate professions); and police officers (constables and sergeants) in England and Wales.
- 2.66 From our analysis (Chart 2.3) we conclude that full-time police officers in Northern Ireland have higher median gross annual earnings compared with their counterparts in England and Wales, approximately £47,600 compared

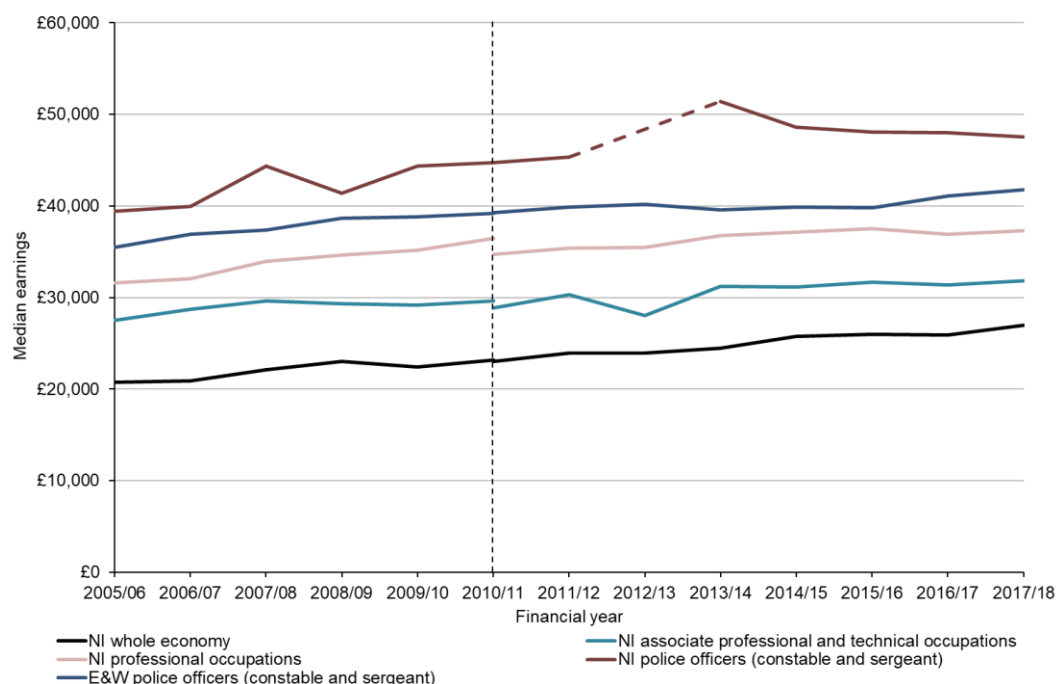
¹² Earnings include basic pay and additional pay from overtime and allowances. Earnings are presented in terms of gross pay (that is before tax, National Insurance and other deductions) in current prices unless otherwise stated.

¹³ The median is the value below which 50% of workers fall. It gives a better indication of typical pay than the mean as it is less affected by a relatively small number of very high earners and the skewed distribution of earnings.

¹⁴ We focus on full-time earnings to control for any differences caused by different mixes of full- and part-time workers over time and between occupations.

with £41,800 respectively in 2017/18; this was primarily driven by the NITA, higher amounts of overtime, and the retention of the CRTP scheme. Moreover, police officers in Northern Ireland have higher median full-time gross annual earnings compared with workers in Northern Ireland in the wider economy and the other occupational groups shown.

Chart 2.3: Median full-time gross annual earnings, Northern Ireland and England & Wales, 2005/06 – 2017/18



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

Notes:

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

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

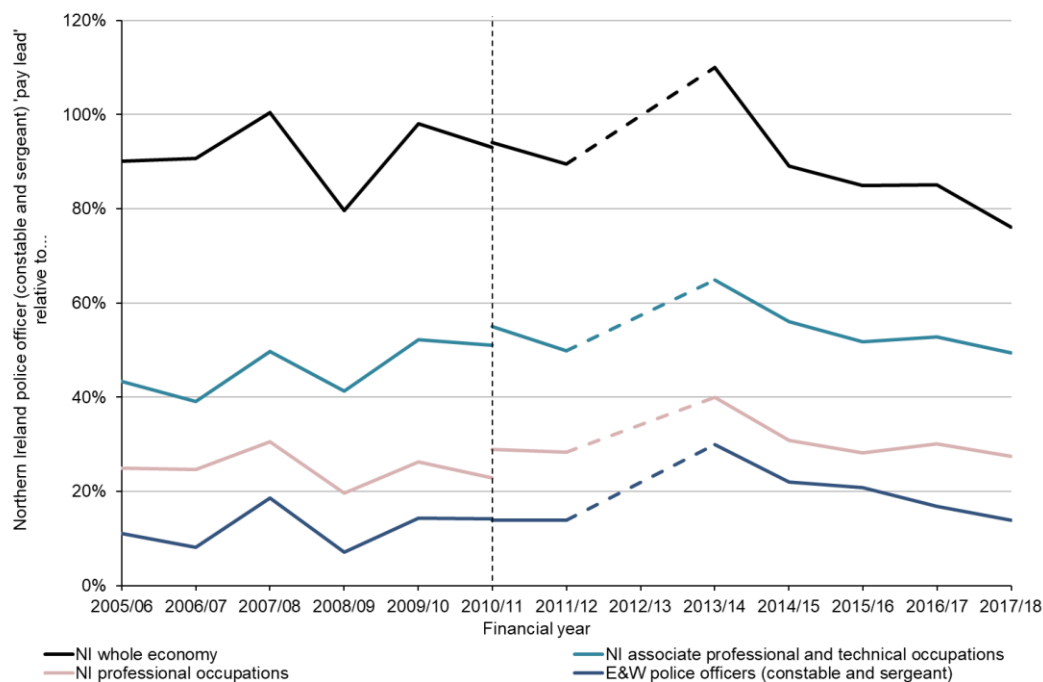
2.67 We note that police officers in Northern Ireland saw a decrease in median full-time gross annual earnings of 0.9% (£420) in 2017/18. Across England and Wales, median full-time gross annual earnings for police officers increased by 1.7% (£680). Median full-time gross annual earnings in Northern Ireland rose by 4.1% (£1,070) for the whole economy, 1.1% (£420) for professional occupations, and 1.4% (£430) for associate professional and technical occupations.

2.68 Our analysis included looking at the differentials between police officer earnings in Northern Ireland and the earnings of other groups. These differentials all fell in 2017/18 (Chart 2.4). The differential with England and

Wales police officers in 2017/18 was similar to that seen in 2010/11, whereas the differential with the rest of the economy in Northern Ireland has narrowed by 18 percentage points. In 2017/18, median full-time gross annual earnings for police officers in Northern Ireland were:

- 76% (£20,600) higher than those for the whole economy in Northern Ireland;
- 49% (£15,700) higher than associate professional and technical occupations in Northern Ireland;
- 27% (£10,200) higher than professional occupations in Northern Ireland; and
- 14% (£5,800) higher than police officers in England and Wales.

Chart 2.4: Police median full-time gross annual pay lead relative to other groups, Northern Ireland and England & Wales, 2005/06 – 2017/18



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

2.69 For a detailed analysis of police earnings we used the latest available Police Earnings Census data (covering the financial year 2017/18). We found that around half or more of officers at each rank in Northern Ireland are at the top of their respective pay scale (Table 2.1). This means that median basic pay is around the top of the pay scale for each rank.

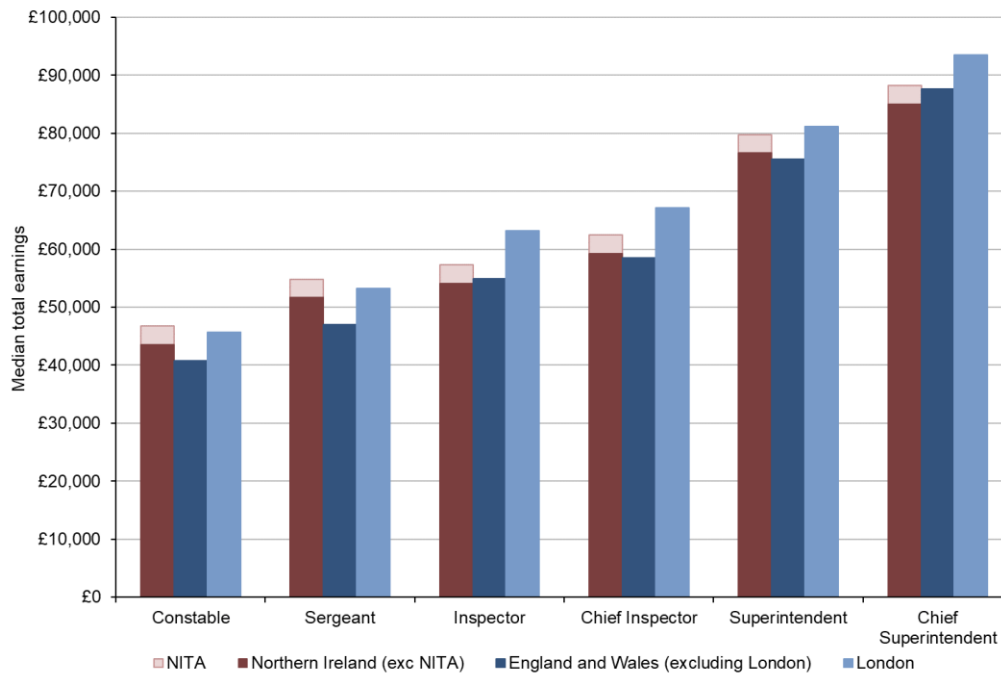
Table 2.1: Proportion of officers (full- and part-time) at the top of pay scales, Northern Ireland and England and Wales, March 2018

	England and Wales	Northern Ireland
Constable	63%	77%
Sergeant	68%	56%
Inspector	56%	49%
Chief Inspector	54%	74%
Superintendent	36%	51%
Chief Superintendent	46%	54%

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

- 2.70 When comparing the total earnings of Northern Ireland police officers with those of their counterparts in England and Wales we show earnings figures including and excluding the NITA. We focus our analysis on the comparison excluding the NITA, as this allowance is paid to police officers in Northern Ireland in acknowledgement of the challenging policing environment and the restrictions faced by officers and their families.
- 2.71 Our analysis shows that Northern Ireland police officers in the inspecting and superintending ranks have similar median full-time total earnings to their counterparts in England and Wales excluding London (Chart 2.5). Constables and sergeants in Northern Ireland have higher median full-time total earnings mainly as a result of higher levels of overtime worked and the retention of CRTP.

Chart 2.5: Median total earnings, by rank, full-time officers, Northern Ireland and England and Wales, 2017/18



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

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

- All police officers received the NITA.
- The proportion in receipt of CRTP ranged from 48% of inspectors to 60% of sergeants.
- The vast majority (i.e. 97%) of constables and sergeants received overtime. Median overtime earnings in Northern Ireland were substantially higher than in England and Wales.
- The majority of officers in ranks above sergeant received Replacement Allowance (available to officers who joined before September 1994). Only 18% of constables received this allowance.
- The proportion of officers receiving On-call Allowance increased with rank from 10% of constables to 46% of chief inspectors. However, the median values were low – equivalent to one bank holiday period for chief

inspectors and two bank holiday periods for each of the other federated ranks.

Table 2.2: Percentage of full-time officers in receipt of additional pay components, Northern Ireland, 2017/18

	Constable	Sergeant	Inspector	Chief Inspector	Supt.	Chief Supt.
NITA	100%	100%	100%	100%	100%	100%
Replacement Allowance	18%	38%	57%	70%	72%	–
CRTP	53%	60%	48%	52%	–	–
On-call Allowance	10%	17%	31%	46%	–	–
Overtime	97%	97%	–	–	–	–
Other payments (e.g. Dog handlers, secondment allowances)	1%	–	–	–	–	–

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

Table 2.3: Median value of additional pay components, full-time officers, Northern Ireland, 2017/18

	Constable	Sergeant	Inspector	Chief Inspector	Supt.	Chief Supt.
NITA	£3,195	£3,195	£3,195	£3,195	£3,195	£3,195
Replacement Allowance	£3,500	£3,500	£3,500	£3,500	£4,060	–
CRTP	£1,224	£1,224	£1,224	£1,224	–	–
On-call Allowance	£46	£46	£46	£23	–	–
Overtime	£5,865	£7,958	–	–	–	–
Other payments (e.g. Dog handlers, secondment allowances)	£2,771	–	–	–	–	–

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

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

Evidence from the parties

2.73 The **PSNI** explained that there was a general perception among its officers of a gradual erosion of their pay and allowances. It observed that this might have had an impact on officers' decisions on whether to remain in service or opt to leave when they had met the criteria for retirement. This perception was borne out by official statistics which confirmed that the average real wage was lower than it was ten years earlier.

2.74 The **PFNI** calculated that since 2010, PSNI pay settlements had totalled 9.5% but CPI inflation had increased by 20.6% and RPI inflation by 28.1%. Therefore, the real-term value of police officer pay continued to fall. Since 2010, the mid-point value of each PSNI federated pay scale had experienced a real-term decline of around 10%.

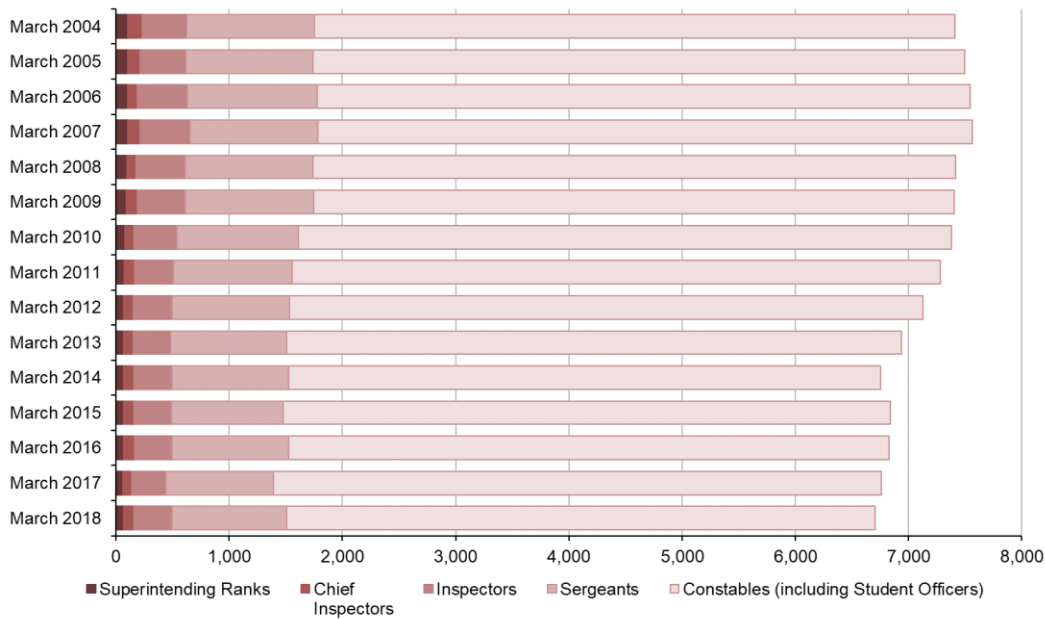
Our comment

2.75 While median police earnings in Northern Ireland have fallen in recent years, we note that earnings for full-time police officers in Northern Ireland are still substantially above those for the Northern Ireland economy as a whole. In addition, full-time police officers in Northern Ireland earn notably more than their counterparts in England and Wales, primarily due to the NITA, higher overtime earnings, and the retention of the CRTP scheme. The size of the pay lead experienced by PSNI officers has decreased from its peak in 2013/14, exhibiting a particularly large fall relative to earnings across the whole of the Northern Ireland economy.

PSNI workforce

2.76 Data provided by the PSNI (Chart 2.6) show that the full-time equivalent (FTE) number of police officers fell (by 807 or 11%) from March 2007 to March 2014, and then picked up slightly (by 83 or 1%) to March 2015. Since then, numbers have fallen further, such that there were 11% (859) fewer officers in March 2018 than in March 2007. This compares with a fall of 14% over the same period for officers in England and Wales.

Chart 2.6: Number of police officers (FTE), by rank, Northern Ireland, March 2004 – March 2018

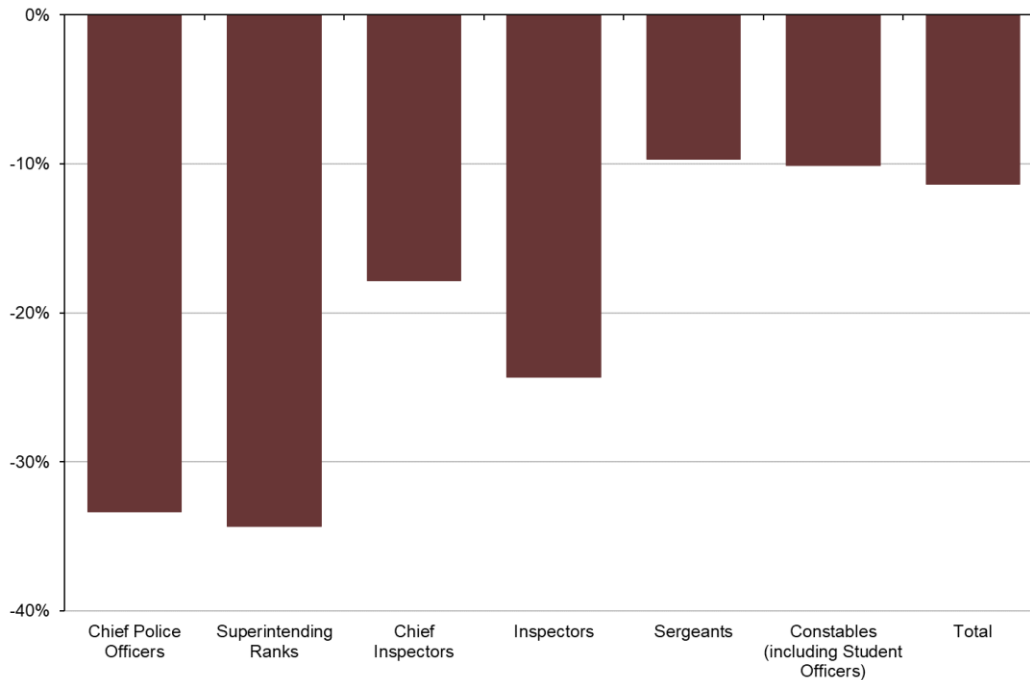


Source: PSNI data

2.77 Police officers have accounted for around three-quarters of the police workforce in Northern Ireland since 2007, with police staff making up the remainder. The number of police staff decreased every year between March 2004 and March 2017, a cumulative fall of 38% (1,222 FTE) over this period. Police staff numbers rose by 225 FTE (11%) between March 2017 and March 2018, as a result of a transfer of staff from a contractor to the PSNI in September 2017. In March 2018 there were nearly 1,000 fewer FTE police staff than in March 2004, a reduction of 31%.

2.78 We observe that since 2007, the largest proportional decreases in police officers (Chart 2.7) have been for the chief officer and superintending ranks (33% and 34% respectively). However, in absolute terms, the greatest decrease has been for constables (just under 600 officers).

Chart 2.7: Percentage change in police officer numbers (FTE) between March 2007 and March 2018, by rank, Northern Ireland



Source: OME analysis of PSNI data.

Workforce diversity

2.79 According to data provided as part of the PSNI's written evidence, the profiles for gender and age in the PSNI as at 31 March 2018 were broadly consistent with those for police officers in England and Wales. Around 29% of police officers in the PSNI were female, and nearly half of officers (49%) were aged 41 to 55.

2.80 Compared with England and Wales, PSNI had higher proportions of officers with 5-14 and more than 30 years' service, but lower proportions with less than 5 and 15-24 years' service at 31 March 2018. Between 2016 and 2018, the PSNI had seen a reduction of around 700 officers with 5-9 years' service, and an increase of around 500 officers with 1-4 years' service.

2.81 PSNI data¹⁵ from 1 February 2019 showed that 0.5% of police officers and 0.7% of police staff described themselves as being from an ethnic minority.

¹⁵ PSNI (February 2019), *Workforce Composition Statistics*. Available at: <https://www.psni.police.uk/inside-psni/Statistics/workforce-composition-statistics/> [Accessed on 11 April 2019]

Furthermore, 32.1% of officers and 19.5% of staff were from a Catholic background.

Evidence from the parties

- 2.82 The **DoJ** reported that the PSNI had secured additional funding from HM Treasury for 2019/20 in preparation for EU Exit. This would be sufficient to fund a further 308 officers and staff. The DoJ was encouraged that PSNI recruitment campaigns continued to attract a very high volume of applicants. It reflected that the PSNI had implemented a number of changes in its recruitment campaigns over recent years to encourage applications from across all sections of the community and remained committed to being representative of the community it served. The PSNI continued to monitor and manage the composition of its workforce and would seek to mitigate the risk associated with the potential loss of the most experienced officers.
- 2.83 The DoJ also highlighted that the NIPB would be recruiting for a number of senior officer vacancies. The DoJ was unaware of any potential concerns about the ability of the NIPB to attract suitable applicants. However, it viewed it as possible that the current threat level and challenges on legacy and lack of financial flexibility might matter to prospective applicants, in addition to geographic location and the overall reward package.
- 2.84 The **PSNI** said that in the past five years, officer numbers had dropped from 7,100 to 6,702. Furthermore, a further 100 were expected to leave before the end of March 2019. Its analysis concluded that current officer numbers were insufficient to deal with the wide range of issues which the organisation faced, as it would take around 7,000 officers to maintain service delivery and deal with the daily threat.
- 2.85 The **NIPB** reported that a number of senior officer competitions were pending as the deputy chief constable and three of the assistant chief constables were on temporary promotion. In addition, the chief constable had announced he would retire at the end of his contract in June 2019, so the focus of the Board's attention had now turned to appointing a replacement. Indications were that a sufficient talent pool existed and a sufficient level of interest for

the deputy and assistant chief constable posts was expected. The Board was aware of the difficulties experienced by a number of police services in England and Wales in making chief officer appointments. The last PSNI chief constable competition had attracted three applicants, of whom two were from outside the PSNI. The post of PSNI chief constable was a respected position and the salary sat favourably in comparison with other UK chief officers (the third highest pay point after the commissioner and deputy commissioner in the Metropolitan Police Service).

- 2.86 The **PFNI** considered that the number of student officers who did not complete their training and the number of successful applicants who decided not to pursue a career in policing was significant. The PFNI believed further work was needed to understand what the barriers were to Catholic recruitment, how they emerged and were disseminated, and what could be done to break them down. The PFNI opposed positive discrimination measures and 50:50 recruitment.
- 2.87 The PFNI anticipated that the additional officers to be funded by the £16.5 million from EU Exit funding would enhance the current model of policing which operated along the border area, working within the PSNI ethos of policing with the community. With so much unknown about EU Exit, it was an absolute necessity that this funding was kept under constant review. The reality was that the recruitment of these officers over the next two years simply enabled the service to 'stand still' in terms of police numbers. With numbers already well below where they should be and with the continued high number of officers retiring from the service, these officers did not provide additional capacity but simply prevented it falling dangerously below required establishment. Consequently, the pressures on the current workforce would remain.
- 2.88 The PFNI expected that with annual recruitment of around 300 officers a year, it was highly likely that the PSNI workforce would continue to decline. The total officer outflow rate was 364 officers in 2017/18 (up from 317 in 2016/17). In 2018/19, the prediction was 428 officers. Retirements were set to increase as the ex-Royal Ulster Constabulary full-time reserves were eligible to claim a

full pension from April 2018. In the first eight months of 2018/19, 208 officers retired - just 9 below the total retiring in 2017/18. At the end of November 2018, 357 officers were eligible to retire by the end of December 2018, and 154 officers would become eligible to retire during 2019, meaning that in twelve months the PSNI could see 511 police officers retire (8% of the PSNI workforce). Also, medical retirements increased 43% in 2017/18 to 76 and accounted for 21% of all officer outflow.

- 2.89 The number of voluntary resignations had increased by 37% between 2016/17 and 2017/18 to 56. The PFNI considered that this high rate was likely to be sustained this year. It added that the number of exit interviews conducted remained low which made it very difficult to understand the reasons for the growth in resignations.
- 2.90 The **SANI** noted a significant shortfall in suitable candidates in the last two processes for promotion to superintendent. It observed that this left a heavy dependence on temporary promotions.

Our comment

- 2.91 The long-term decline in the number of police officers is a concerning element of the Northern Ireland policing environment. Evidence from the parties indicates that current workforce levels are insufficient to meet demand, with the result that officers are being expected to manage an increasing level of responsibility and workload.
- 2.92 We were concerned to hear from the PFNI that the provision of around 300 additional officers to the PSNI workforce in EU Exit funding would simply allow the PSNI to maintain current levels of service. We would like an assessment of the position regarding EU Exit and demand on policing in next year's evidence.
- 2.93 With the potential for officer outflow to increase as significant portions of the workforce reach retirement age in 2019, it is likely that the PSNI will come under considerable pressure to increase recruitment in order to maintain its current capacity.

Morale and motivation

- 2.94 The **PSNI** provided figures showing that there were rising levels of sickness absence. Around 37% of sickness absences were categorised as psychological, followed by musculoskeletal at around 33%. The levels of sickness absence had been highlighted as a risk that would have a detrimental impact on service delivery.
- 2.95 The PSNI had assessed the changes between the first employee engagement and wellbeing survey (January 2016) and the second (July 2017) as showing encouraging results. The PSNI said that improvements could be seen across many of the repeated measures included in the second survey. The PSNI was encouraged by the two-year trend showing an increase in public service motivation, higher levels of perceived organisational support, and the reduction of uncertainty in the workplace. Safety culture, threat stressors, and supervisor support for safety were all included in the second survey because of the 'SEVERE' security rating. A third survey was intended for autumn 2019.
- 2.96 The PSNI had appointed a wellbeing coordinator to help deliver an Employee Engagement and Wellbeing Strategy, and a Wellbeing Action Plan had been developed that would deliver various projects over the next 18-24 months. Also, the PSNI Stress and Trauma Survey had been launched in November 2018 to research the sources of stress and trauma encountered by officers and the impacts on mental health.
- 2.97 The **PFNI** observed that the delay in implementing the 2018/19 pay award, combined with the removal of the 1% non-consolidated bonus in August 2018, had resulted in a reduction in take-home pay for police officers in Northern Ireland every month between September and February. It highlighted the impact of this on police morale and asked that preparations be undertaken to ensure the implementation of the 2019/20 pay award in a more timely fashion.
- 2.98 The PFNI said that in the second PFNI workforce survey from September 2018, 61% of respondents had expressed dissatisfaction with pay, up from 32% in 2015. It explained that 90% of respondents had reported that the delay in the 2017/18 pay award had negatively affected upon morale within the

service, with 62% saying it had resulted in a negative financial impact for them.

2.99 The PFNI explained that in its 2018 workforce survey, 92% of respondents had reported low service-wide morale (96% in 2015), 70% had reported low team morale (82% in 2015), and 54% had reported low personal morale (73% in 2015). These figures represented an improvement on the 2015 results.

2.100 The PFNI added that 88% of respondents in 2018 had said that the delay in implementing the 2017/18 and 2018/19 pay award, as well as the review of CRTP, had caused a reduction in their morale. Furthermore, 85% of respondents had reported a reduction in morale as a result of their pay and benefits. Respondents had cited other factors as reducing morale: the way the police were treated as a whole (84%); work-life balance (75%); workload and responsibility (74%); and health and wellbeing (64%).

2.101 The PFNI remained deeply concerned about the impact on officers of the decline in police officer numbers in the context of demand on policing continuing to grow – both in terms of operational need and public expectations – and falling budgets. The PFNI explained that with more complex crime and fewer officers, the burden inevitably fell on those left behind and increased the stresses and strains on those relied upon to keep people safe.

2.102 The PFNI observed that sickness levels among officers continued to grow and in particular that the impact of mental ill-health was increasing. The PFNI explained that, at the time of submitting evidence, an average of 14.17 working days per PSNI officer were projected to be lost to sickness in 2018/19. This would almost match the 14.18 peak recorded in 2014/15. The PFNI emphasised its particular concern at the levels among officers of mental ill-health and absence due to psychological illness, and that the proportion of working days lost for psychological reasons had increased further in 2018, up to 34% from 30% in 2017.

2.103 The PFNI emphasised that focusing on attendance management rather than dealing with the causes of sickness absence would not solve the issue in the long term. It said that dealing with sickness absence within policing required a

much broader understanding of the root causes, including issues of workload, demand, stress, rest days and officer numbers.

2.104 The PFNI reported the following from its second workforce survey, 2018:

- 80% of respondents had disagreed that the PSNI was very concerned about their wellbeing, with just 4% agreeing;
- 65% of all respondents had reported an increase or significant increase in responsibility in the previous twelve months;
- 72% had reported an increase or significant increase in workload in the previous twelve months, compared with 63% with 2015;
- 56% had reported that their workload was too high or much too high during the previous twelve months, compared with 42% in 2015;
- increases in all three measures of workload and responsibility compared with 2015;
- more than half of respondents had disagreed or strongly disagreed that they had enough time to do their job to a standard they could be proud of;
- nearly 60% of respondents had said they were unable to meet all the conflicting demands on their time; and
- sergeants were the rank most likely to report that their workload was too high, followed by the inspecting ranks.

2.105 The PFNI explained that it had begun an active Wellbeing Project for officers and that the PSNI had also launched an ambitious project which aimed to centralise the issue of the health and wellbeing of the workforce. The PFNI stated that it was of critical importance that the broader, more structural and strategic workforce issues which continued to impact upon health and wellbeing were addressed. The key issues it identified were: workforce size; appropriate rest and recuperation time (including daily rest breaks); recognition of the importance of family life; and access to appropriate and timely medical intervention, if and when the need arose.

Our comment

2.106 We were particularly concerned to learn that the very high levels of sickness absence reported to us last year had increased and represented an even

greater risk to service delivery. We welcome the measures being introduced to address sickness absence, such as the appointment of a wellbeing coordinator, the delivery of a wellbeing strategy and action plan, and research into the impacts of policing on officers' mental health. We look forward to hearing more about these initiatives next year but remain concerned about whether these measures are sufficient in the circumstances.

2.107 We are grateful to the PFNI for providing us with the results of its 2018 workforce survey. While we note that low morale levels have improved somewhat among officers since 2015, we were particularly struck by the increase in dissatisfaction with pay and the negative impact of the delay in pay awards on morale for the vast majority of respondents and the reported impact on their finances.

2.108 We also note the PFNI's observations on the impact on officers of rising demand, workloads and responsibility, falling budgets and a shrinking workforce and the considerable effort made by officers to maintain service levels in the circumstances. This reinforces the anecdotal evidence we have of a highly committed workforce, with a real sense of vocation. We conclude that productivity within the police depends to a considerable extent on discretionary effort and officers' goodwill.

2.109 We ask the PSNI to share with us the results of its third workforce survey intended for autumn 2019.

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

2.110 Our terms of reference require us to have regard to the relevant legal obligations on the police service in Northern Ireland (including anti-discrimination requirements on age, gender, race, sexual orientation, religion and belief and disability), and any relevant legislative changes to employment law which do not automatically apply to police officers. We are grateful for the evidence provided on these matters and trust that the relevant parties will undertake their responsibilities on any legal obligations arising in this area.

2.111 The **DoJ** told us about a number of areas that had been identified for legislative provision:

- Provision had been secured to allow UK citizens to apply to the PSNI in the event of a no-deal EU Exit, as existing legislation required applicants to be EU nationals.
- The Work and Families Act (Northern Ireland) 2015 made provision for shared rights to leave and pay for workers, including shared parental leave. The Department planned to consult on a draft Determination on family provisions. The PSNI was understood to be administratively applying these provisions.
- The amendment of regulations to ensure the continued legislative provision for the deduction of members' pension contributions with effect from April 2019 and, following the 2017 Supreme Court judgment in the Brewster legal case, to remove the requirement for unmarried, co-habiting partners of police pension scheme members to be specifically nominated in order to be eligible for a survivor's pension.

2.112 The DoJ also told us it was monitoring ongoing court proceedings in relation to alleged age discrimination following court findings on the introduction of the Career Average Revalued Earnings pension reforms for firefighters and the judiciary (McCloud and Sargeant).

2.113 The DoJ was monitoring another legal case which the **NIPB** and **PSNI** told us had legal implications for the PSNI. It arose from the 2014 Employment Appeal Tribunal (EAT) ruling on holiday pay and overtime (Bear Scotland Ltd v Fulton). The EAT had found that the calculation of normal remuneration paid to workers on annual leave should include overtime and other regular additional payments where there was an intrinsic link between such payments and the work the person was required to carry out. A class action representing more than 3,700 PSNI officers and police staff had subsequently been brought against the PSNI chief constable and the NIPB over holiday pay claims dating back to 1998. The Industrial Tribunal had ruled that officers were owed money as their holiday pay had been based on basic working

hours, not actual hours worked, including overtime, and had breached European Working Time Regulations.

2.114 The PSNI and NIPB explained that the Industrial Tribunal was still to establish whether any claim for loss would be restricted to the three months before the claim or cover a longer period. The PSNI said that it was considering the legal judgment which was complex and significant. The PSNI and NIPB told us that the PSNI could face an estimated £30 million bill for unlawful deductions over the preceding 20 years. They expressed concern that the ruling could potentially place further strain on the already stretched PSNI budget.

Chapter 3 – Pay Proposals and Recommendations for 2019/20

Introduction

3.1 In this chapter we review the parties' proposals on the 2019/20 basic pay uplift for police officers of all ranks in the PSNI and assess the evidence on CRTP, the NITA, and other allowances. We also make recommendations as required by the remit letter.

Basic pay uplift

Evidence from the parties

- 3.2 In its evidence the **DoJ** asked us when making a pay recommendation for officers in the PSNI to take a number of key considerations into account. These were: the 2019/20 Northern Ireland public sector pay policy; the PSNI's ability to fund any increase from within existing funding levels; and the PRRB's recommendations for police officers in England and Wales. The **NIPB** emphasised that any pay increase awarded should be in parity with officers in England and Wales.
- 3.3 The **PSNI** stated that subject to pay parity with England and Wales, it proposed a 2% pay award for 2019/20. Noting that the NPCC had asked us to consider a three-year pay deal for officers in England and Wales, the PSNI added that it was supportive of one in principle but was mindful of affordability and other complicating factors in the absence of a functioning Northern Ireland Executive.
- 3.4 The **PFNI** sought a minimum uplift of 3.2% to reflect the RPI inflation forecast for 2019. The PFNI said its proposal was subject to the England and Wales pay award and was in the interests of parity of core pay spines. It added that should the 4% pay award proposed for England and Wales by the NPCC or the 5%/6.2% award proposed by the Police Federation of England and Wales be implemented, then the PFNI would expect its officers to receive the same uplift. The **SANI** confirmed that it aligned with the PFNI proposal on the pay uplift for 2019/20.

3.5 The **CPOSA** stated that it was seeking a pay increase for chief police officers worth no less than 2% in 2019/20. It also said that, in any case, police chief officer pay should be increased by no less than the award to the federated and superintending ranks. The CPOSA shared the PSNI's position on the possibility of a multi-year pay deal. The CPOSA confirmed that it was seeking yearly increments for eligible members in addition to the pay increase in 2019/20.

Our comment and recommendation

Introduction

3.6 In reaching our conclusions we have carefully examined the parties' evidence and proposals and taken account of both the factors in our terms of reference and the points raised in the remit letter. We have also undertaken our own analysis of other public sources of information. We are making our recommendations in the absence of a fully-functioning Northern Ireland Assembly and Northern Ireland public sector pay policy for 2019/20.

Pay parity

3.7 We note that all the parties to this process continue to recognise that the core role of police officers remains consistent across all police forces in England, Wales and Northern Ireland, and view parity on pay as necessary. This carries significant weight in our conclusions as we agree that the core role of police officers is essentially the same across all the police forces in our remit and accept this rationale for retaining pay parity. However, we are aware that the principle of pay parity will potentially be tested in future by police workforce and pay reform in England and Wales and by PSNI affordability and funding constraints. For this reason, we will continue to review, as part of our future reports, the case for pay parity.

Policing environment

3.8 The evidence we received of increasing complexity and changing demand on the police in Northern Ireland, including the impact of displaced demand, has been a key factor in our pay considerations this year, as has the impact on PSNI officers of reduced numbers among their ranks and greater burdens of responsibility. There is also qualitative evidence of increased productivity in

policing in terms of service improvements achieved despite falling officer numbers.

- 3.9 We have also considered our recommendation in the context of the nature of police work. We conclude that our recommendation needs to recognise the important, difficult, complex and sometimes dangerous work undertaken by police officers of all ranks, and their exposure to personal risk.

Morale and motivation

- 3.10 Aligned to this, we have taken into account that police productivity depends to a considerable extent on goodwill and discretionary effort which, in turn, requires officers to be suitably motivated.
- 3.11 We are concerned about officers reporting that they feel unable to do their jobs properly or achieve a work-life balance. While there are issues here for management to address, we consider that these are not new and that if left unresolved will lead to a long-term impact on recruitment and retention.
- 3.12 We were also particularly concerned to learn that very high levels of sickness absence, especially where attributed to psychological causes, had increased. In addition, unplanned overtime levels which were at a six-year high, were predicted to increase further this year.

Affordability

- 3.13 As in previous years, the DoJ Permanent Secretary's remit letter asked us to take account of the importance of affordability in reaching our recommendations. At the time of writing this report the Northern Ireland public sector pay policy for 2019/20 had yet to be determined. In addition, we are aware that the Northern Ireland political environment creates uncertainty for the PSNI's funding position and financial planning. However, as the PSNI proposed a 2% pay award for 2019/20, we took this to mean that it would find a 2% uplift affordable.
- 3.14 In 2007, the Northern Ireland Executive endorsed the principle of adherence to the UK Government's public sector pay policies, with enforcement of pay growth limits devolved to the Northern Ireland Executive within the

overarching parameters set by HM Treasury. The DoJ advised us that the UK Government's position on public sector pay from 2018/19 remained in place for 2019/20, that the 1% pay award limit was removed and that pay awards could be informed by a range of factors. In particular, there could be flexibility on pay in return for improvements to public sector productivity. Last year, we noted that the findings of the 2017 Police Effectiveness and Police Efficiency Reports by Her Majesty's Inspectorate of Constabulary Fire and Rescue Services indicated that the PSNI had identified considerable potential savings. Consequently, we were prepared to accept that the PSNI had become a more efficient organisation. This year, the PSNI told us how it had achieved a combination of service improvements, cost savings and resource release. This suggests to us that the PSNI continued to realise productivity improvements this year.

Economic factors

3.15 Evidence on the wider economic situation shows that inflation rates have continued to fall since reaching a high point of 3.1% in November 2017. The latest available data show an improvement in the performance of the Northern Ireland economy, with current growth in output and earnings comparing favourably to the rest of the UK. In Northern Ireland, as with the whole of the UK, we have seen evidence that the labour market is beginning to tighten, though levels of economic inactivity in Northern Ireland are notably higher than the UK average. We also note that median gross weekly earnings for full-time employees in Northern Ireland grew by 4.2% over the 2017/18 financial year, while the UK as a whole saw growth of 3.5%. Police officers in Northern Ireland continue to have higher full-time median gross annual earnings than other groups in Northern Ireland.

Chief police officers

3.16 For the second time, we were asked to provide recommendations on the pay of chief police officers in Northern Ireland. These officers are the senior leaders in policing and it is important that they are rewarded appropriately for the important work they do. We are also reluctant to recommend a pay uplift

for this group that differs from the award for the other police ranks, particularly with police pay reform in prospect, unless compelling reasons exist.

- 3.17 Taking all these factors into account, we recommend a consolidated increase of 2.5% to all police officer pay points for all ranks for 2019/20. The recommended pay scales are given at Appendices D and E.

Recommendation 1. We recommend a consolidated increase of 2.5% to all police officer pay points for all ranks from 1 September 2019.

Northern Ireland Transitional Allowance

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

Evidence from the parties

- 3.19 The **DoJ** said that it remained supportive of an increase to the NITA in line with the main award this year.
- 3.20 The DoJ pointed out that the NITA had nearly been phased out 10 years earlier but that when the threat level had increased again that policy had been reversed. It explained that it would not be appropriate to remove the NITA while the threat level from domestic terrorism was assessed as 'SEVERE'. The DoJ view was that the level of threat was unlikely to reduce in the 2019/20 period. Consequently, the DoJ would not in current circumstances envisage its removal: the payment was tied specifically to a threat that would first need to be removed.

- 3.21 The DoJ also observed that whether the NITA always needed to be increased in line with pay was a separate matter. Nevertheless, it gave recognition to the importance of the NITA as a long-established annual payment to every officer in recognition of the difficulties they faced.
- 3.22 The **NIPB** proposed the retention of the NITA with an uplift in line with the main pay award for 2019/20. However, the NIPB added that it intended to have a discussion with the PSNI chief constable about the rationale used to determine the criteria and the level of the allowance payable.
- 3.23 The **PSNI** proposed a 2% uplift to the NITA (in line with its proposal for the basic pay award) and explained that 6,611 officers received it at a cost of around £25 million.
- 3.24 The **PFNI** said that the NITA should be uplifted in line with the pay increase. It explained that any move away from this would signal to serving officers that the risks arising from their occupation and the resultant restrictions and disruption to their personal lives and those of their families, were no longer considered important or worthy of recognition. It added that this would have serious and long-lasting implications for morale and motivation. The **SANI** emphasised that its members continued to face an organised and enduring terrorist threat from groups which sought to control sections of the population by intimidation and violence. The **CPOSA** proposed increasing the NITA by a minimum of 2%, or in line with the pay award.

Our comment and recommendation

- 3.25 The security threat in Northern Ireland is still classed as 'SEVERE'. With the political situation still unresolved in Northern Ireland, as well as wider uncertainties surrounding EU Exit, this is not thought likely to change. In addition, the parties gave us detailed information on current security threats and, on our visit, we were able to gain an insight into the distinct operating environment of Northern Ireland and its impact on officers and their families.
- 3.26 We note the NIPB's interest in reviewing the rationale for the NITA as part of a plan to review all police allowances. In our view, any increase below the pay award might have a detrimental impact on PSNI officers' morale and

motivation unless it can be clearly demonstrated that the security situation has improved. We did not receive any evidence to suggest breaking the link with the basic pay award this year and, while we remain conscious of the cost of any increase, conclude that maintaining the historical link to our basic pay recommendation would be appropriate again this time. In view of the continuing security threat, we recommend increasing the NITA by 2.5%.

Recommendation 2. We recommend an increase of 2.5% in the current level of the Northern Ireland Transitional Allowance from 1 September 2019.

Competence Related Threshold Payment

- 3.27 The CRTP scheme was introduced with effect from April 2003 to recognise and reward officers able to demonstrate high professional competence under the following four national standards: professional competence and results; commitment to the job; relations with the public and colleagues; and willingness to learn and adjust to new circumstances.
- 3.28 The payment is currently received by around 3,300 PSNI officers. It is worth £1,224 and is pensionable, and was last increased by 1% in September 2013 following the end of the two-year pay freeze. It is available to officers in the federated ranks who have served for a year at the maximum of their pay scale and who satisfy the requirements of the scheme. CRTP was phased out in England and Wales in 2016.
- 3.29 The 2019 remit letter asked the Review Body to recommend on whether any changes should be applied to the existing CRTP scheme in light of a review being concluded by the PSNI.

Evidence from the parties

- 3.30 The **PSNI** told us that the chief constable had commissioned detailed work to be undertaken to establish a process for the removal of CRTP. It was proposed that in the absence of a functioning Northern Ireland Executive and Finance Minister, payment of CRTP should be continued until such time as a comprehensive review was undertaken on the implementation of a potential

alternative arrangement to maintain parity with police officers in England and Wales. It was suggested that this approach would (in the intervening period) assist in addressing issues raised by the PFNI relating to: officer motivation; attrition rate; and progress on workforce transformation and pay reforms. The PSNI observed that the cost of CRTP was £6 million and that the cost of an unsociable hours allowance, if introduced as an alternative to CRTP, would be £13 million.

- 3.31 The PSNI added that, following consultation with the PFNI, a general agreement had been reached that CRTP should be removed for:
- unsatisfactory attendance in line with a revised attendance management policy;
 - an incomplete individual performance review;
 - unsatisfactory performance (for example a failure to complete mandatory training requirements in firearms or first aid as the result of an inability to attend); and
 - unsatisfactory conduct.

3.32 The **DoJ** said that it understood that the PSNI had now completed its review of the scheme in conjunction with the PFNI. It added that those parties had proposed that the existing scheme remain open and that CRTP payments should be removed where attendance, performance or conduct was unsatisfactory, or where the individual performance review was incomplete. The Department was unable to offer a substantive view on the detailed proposals until they were made available but was open to considering the retention of CRTP without increase.

3.33 The **NIPB** stated that it did not support an increase in CRTP and instead proposed its phased withdrawal, with eventual cessation by 2022.

3.34 The **PFNI** proposed an uplift to CRTP in line with the 2019/20 pay award. It explained that broad agreement had been reached between it and the PSNI on the retention of CRTP, including for new applicants. Under the revised scheme, the proper application of the payment would be evaluated from 2021/22 to take workforce reform in England and Wales into account. The

PFNI added that it was working with the PSNI on the detail of the joint position on the revised CRTP scheme, particularly on the criteria for the removal and reinstatement of the payment under the revised attendance management policy. The PFNI stressed that the CRTP had remained at the same rate since 2013, so in real terms had declined.

Our comment and recommendation

3.35 We observe that the PSNI opted to retain CRTP in an amended form following consultation with the PFNI. We also note the tension between retaining CRTP and the rationale for pay parity and that the NIPB proposes the phased withdrawal of CRTP by 2022. We would like the parties to submit proposals next year on how CRTP can be incorporated into pay arrangements as part of the pay reform process in Northern Ireland, or a clear programme and timetable for phasing out CRTP.

Recommendation 3. We recommend that the current level of the Competence Related Threshold Payment (CRTP) does not increase and that the parties submit proposals next year on how the CRTP can be incorporated into pay arrangements as part of the pay reform process in Northern Ireland, or a clear programme and timetable for phasing out CRTP.

Targeted payments

3.36 Our 2019 remit letter asked us to make a recommendation on whether the superintending ranks should have access to targeted payments or bonuses. It also asked for a recommendation on consideration of any specific challenges for the PSNI highlighted by the Northern Ireland parties, particularly on targeting pay awards to address recruitment and retention pressures.

Evidence from the parties

3.37 The **DoJ** told us that while it was unaware of any specific challenges in attracting and retaining police officers, it was open to considering the targeting of pay awards where there was evidence to substantiate a case in line with pay policy.

- 3.38 The **PSNI** said that it had not included proposals for local flexibility regarding any targeted interim mechanisms to address specialist posts and hard-to-fill posts as these pressures were being managed at present. The PSNI added that it would continue to consider the matter as part of the workforce reform programme in light of any valid and evidenced issues raised by the staff associations.
- 3.39 The **PFNI** proposed the exclusion of targeted payments from the 2019/20 round. It stated that longer-term arrangements surrounding the future provision of targeted pay awards should be based upon robust evidence, including comprehensive, transparent and reliable data. In advance of implementation of pay targeting, the PFNI required a meaningful consultation process and any proposals to be thoroughly modelled.
- 3.40 The PFNI explained that its opposition to any pay targeting within the federated ranks in the 2019/20 round was because of: the impact of prolonged and ongoing pay restraint; the need to increase the starting salary; a lack of evidence on hard-to-fill roles; and the absence of any detailed proposals on targeting pay. It said that any alteration to the PFNI position would involve a detailed critical analysis of the policy. In addition, the effect of targeting on those who did not receive the award and the experience of past targeted payments, such as the Special Priority Payment¹⁶, should be taken into consideration.
- 3.41 The PFNI said it noted with interest the low take-up of the targeted pay provisions in England and Wales following the PRRB recommendation in 2017/18. In the PFNI's view, targeted payments were very divisive and vulnerable to criticism because of the subjective nature of the criteria for payment. Furthermore, discussions on variable pay as part of pay reform were ongoing. The PFNI asserted that any additional funds should be used to

¹⁶ The Special Priority Payment scheme provided the PSNI with the ability and flexibility to make payments to police officers in qualifying posts of between £500 and £3,000 per annum and, in exceptional circumstances, £5,000. The scheme was designed to ensure that those police officers in the most demanding and difficult frontline operational roles should attract rewards. However, it was considered to be divisive and counterproductive in some cases.

recognise all police officers, who worked incredibly hard and in difficult circumstances.

- 3.42 The **SANI** said that it aligned itself with the general position on targeted payments or bonuses taken by the Police Superintendents' Association (PSA) in England and Wales, which was for the introduction of a 'contributory pay point' of £2,000 for superintendents and £4,000 for chief superintendents. The PSA proposed making it subject to a performance and development review and agreement with a line manager to undertake additional responsibilities but with payment not at the discretion of a chief officer. The SANI added that the relevant requirements would have to be changed to make application possible in Northern Ireland. Some of the criteria would need to be amended, mainly because multi-force collaborations were not a feature of Northern Ireland policing because of its geographical position.

Our comment and recommendation

- 3.43 We note that the PFNI does not support targeted payments. In addition, the PSNI has told us that recruitment and retention pressures to address specialist and hard to fill posts are being managed at present. In the light of these comments, we do not recommend pay targeting for the federated ranks in the PSNI.
- 3.44 We agree that a careful approach needs to be taken to the introduction of targeted payments to address recruitment and retention pressures and note that only limited use has been made in England and Wales of the temporary provision for targeted payments authorised by the Home Secretary in October 2018. The suitability of pay targeting for federated officers in the PSNI is a matter that we ask the parties to keep under review, particularly in the context of future pay reform developments.
- 3.45 We note that the SANI is aligned with the PSA's position on targeted payments for particularly demanding roles in the superintending ranks. This accords with our recommendation in 2017 on additional payments for hard-to-fill roles and the superintending ranks in England and Wales. We recognise that the idea is at an early stage of development in Northern Ireland and that

different criteria would need to apply. However, in the context of the example of low take-up for the superintending ranks in England and Wales of the targeted payments authorised in 2018, we ask if reform of base pay may be a more effective way to reward superintendents fairly for their contribution. Consequently, we await with interest the NPCC's proposals on pay reform for the superintending ranks in England and Wales.

Dog Handlers' Allowance

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

Evidence from the parties

3.47 The **DoJ**, **NIPB**, **PSNI** and **PFNI** all proposed increasing the Dog Handlers' Allowance in line with their proposals for the pay award for 2019/20. The PFNI said that the historical practice of uplifting the allowance in line with the pay award was designed to cover the additional annual costs of caring for a dog and to help ensure that it remained financially viable for officers to continue to do so despite inflationary pressures. In the second (2018) PFNI workforce survey, 38% of respondents in receipt of the Dog Handlers' Allowance were satisfied with its value and 38% dissatisfied.

Our comment and recommendation

3.48 In evidence, the parties continued to support increasing the Dog Handlers' Allowance in line with the main pay award and we did not receive any proposals for an alternative approach. We therefore recommend a 2.5% uplift for this allowance. This is consistent with our recommendation in England and Wales.

Recommendation 4: We recommend that the Dog Handlers' Allowance should increase by 2.5% from 1 September 2019.

On-call Allowance

3.49 On-call Allowance is paid to police officers who have been authorised to remain available to report for duty if required. It is an allowance that only the federated ranks can receive. Table 2.2 in Chapter 2 shows the percentage of officers in receipt of On-call Allowance.

Evidence from the parties

3.50 The **NIPB** said that it was supportive of the retention of the On-call Allowance, but was mindful of police officer morale and motivation and health and wellbeing. It explained that through its resource committee, its members would seek to monitor the use of on-call by the PSNI, to ascertain whether careful management could help to reduce reliance on on-call and thereby improve the work-life balance of those who were required to be on-call.

3.51 The **PSNI** told us that the On-call Allowance was claimed by slightly fewer officers in 2017/18 than in 2016/17 and that the on-call units and costs in 2017/18 had also reduced in comparison with 2016/17. However, detailed information on the final position in 2018/19 was not available at the time of evidence submission.

3.52 The **PFNI** proposed an increase to the On-call Allowance from £15 to £25.49 for each period of on-call. This was to bring it in line with Police Scotland. The PFNI also called for indexation of the On-call Allowance in line with the annual increase to base pay. The PFNI added that the overuse of on-call could have a serious impact on the personal and family lives of police officers, as it frequently left them unable to detach properly from their work. The PFNI explained that the review of the On-call Allowance previously requested by the Review Body had been stalled by the impact on decision-making of continuing political uncertainty in Northern Ireland.

3.53 The PFNI said that while it was content to engage in a meaningful review of the On-call Allowance, it strongly believed that an increase in the rate should be implemented without further delay. It told us that its current value was simply too low to compensate officers adequately for the level of disruption experienced. Nor did the cost of the On-call Allowance act as a suitable

disincentive to prevent over-reliance on the use of on-call by the PSNI: the PFNI stated that in 2017/18, more than 86,500 on-call periods were claimed, amounting to a daily average of 237. It also said that the total number of officers receiving the On-call Allowance in 2017/18 was 1,596, which was almost a quarter of all PSNI officers. In addition, each of these officers worked 54 periods of on-call on average during the year, which was more than one a week. The PFNI said that this was a significant and too frequent burden, considering that each full-time officer would already have worked at least a forty-hour week, potentially followed by overtime hours.

- 3.54 On the results of the second PFNI workforce survey 2018, the PFNI reported that 76% of respondents had said they were dissatisfied with the value of the On-call Allowance. The PFNI explained that this was the highest level of dissatisfaction across the four allowances included in the survey question.

Our comment

- 3.55 We are grateful to the PSNI for the information it has provided this year on the frequency of use and costings for the On-call Allowance. From these we note the slight reduction in the number of officers who claimed On-call Allowance in 2017/18 compared with 2016/17 and in the on-call units and costs. We also welcome the NIPB's undertaking to seek to monitor the PSNI's use of on-call to assess whether it can be reduced further in the interests of improving officer work-life balance, morale and motivation levels and health and wellbeing.
- 3.56 In our England and Wales report we have recommended increasing the amount of On-call Allowance from £15 to £20 in 2019/20 in view of the impact of such duties on people's lives but, with reform of police pay and allowances in prospect, did not support linking any uplift of the On-call Allowance automatically to the annual pay award. We suggest that the Northern Ireland parties consider adopting the same position.

Access by the superintending ranks to payment for on-call duties

- 3.57 The remit letter also asked for our views on access by the superintending ranks to payment for on-call duties.

Evidence from the parties

- 3.58 The **DoJ** said that the impact of on-call arrangements on the superintending ranks was last explored in 2014, when it was concluded that the focus should be on enabling an appropriate balance between work and private lives. The DoJ said that this was still the most appropriate way to address the issue.
- 3.59 The **NIPB** view was that the On-call Allowance should not be paid to the superintending ranks. The NIPB recalled suggestions in the past that it should, but that the Winsor Review recommendation for England and Wales was that it should not. The NIPB said it agreed with Winsor that officers in the most senior command and management positions should expect to be called upon in the most pressing circumstances when required by their subordinates, as this was the case for senior managers in other occupations.
- 3.60 The **PSNI** said it continued to require a high level of senior management presence out of core hours. It added that while attempts had been made, with some success, to reduce duplication of senior manager on-call duties through the introduction of rotas with wider spans of responsibility, there were still significant commitments at that level. The PSNI explained that a minimum number of senior managers in specific roles were required to be on-call every weekend and that some officers performed an on-call role several times a week. The PSNI clarified that roles such as Duty Silver Officer (as carried out by the superintending ranks) were now covered by on-duty rather than on-call arrangements.
- 3.61 The **PFNI** stated that it fully supported the proposal from the **SANI** and the PSA for the On-call Allowance to be made available to officers in the superintending ranks. The **SANI** and the PSA called for the PRRB to recommend that the superintending ranks receive a payment of at least £29.17 for any 24-hour on-call period and that this should be backdated to April 2018. The SANI and the PSA also said that it should be a mandatory payment rather than at the discretion of chief officers and a mechanism introduced to uprate it regularly. The SANI and the PSA explained that they sought the on-call payment as compensation for the restrictions and disruption caused by on-call.

Our comment

- 3.62 As we said last year, we recognise the increasing impact of workload on the superintending ranks, whose numbers have reduced while their responsibilities seem to have grown as demand has increased and become more complex. However, we would like further evidence on the frequency, burden and breadth of on-call duties for the superintending ranks specifically in Northern Ireland.
- 3.63 In our England and Wales report, we make clear that we are sympathetic to the proposal received again this year from the PSA for the superintending ranks to receive On-call Allowance. In addition, we agree that improvements should be made to how on-call is managed and monitored. We are not convinced that the superintending ranks should be denied the On-call Allowance because of their senior status: in other spheres, senior workers can receive an on-call payment, for example in the medical profession.
- 3.64 In our Northern Ireland report last year, we said that there seemed to be an issue with the remuneration of the superintending ranks and that this might best be resolved through the comprehensive police pay reform process. We again encourage the Northern Ireland parties to engage in these developments. We have also specifically asked the NPCC for a proposal on the introduction of the On-call Allowance to the superintending ranks or an alternative compensation method for the superintending ranks in England and Wales, which we hope Northern Ireland would then be able to consider adopting.

Payment for rest days untaken

- 3.65 The remit letter from the Permanent Secretary of the DoJ asked for our views on the introduction of payment for rest days untaken as a result of exigencies of duty.

Evidence from the parties

- 3.66 The **DoJ** said that it had asked the PSNI to engage directly as soon as possible with the relevant parties on the topic of payment for rest days untaken. The DoJ said it was mindful of the importance of the issue (along

with access to on-call payments for the superintending ranks) to officer wellbeing and work-life balance. However, the DoJ rejected the introduction of such payments in case it was seen as actively encouraging officers to work to excess. Instead, the DoJ favoured ensuring that all police officers took their untaken rest days within a reasonable period of time. The DoJ welcomed the views of the PRRB on the matter.

- 3.67 The **PSNI** said that officers were required to take a modified rest day (a rest day recorded as being owed to a police officer because they had to work on their allocated rest day) within a timeframe contained in regulations. The PSNI added that it had reminded officers that there was no provision to bank cancelled rest days outside the stipulated timeframe.
- 3.68 We learned from the PSNI in 2018 that the number of modified or untaken rest days had reduced greatly, from more than 50,000 in 2014 to around 3,000 by the end of 2017. This year, the PSNI told us that the number of modified or untaken rest days stood at 4,728 in November 2018.
- 3.69 The **PFNI** reported that high levels of rest-day working remained unresolved and were a key issue in terms of officer welfare and wellbeing. In the second PFNI workforce survey in 2018, 21% of officers had reported rest days cancelled or reallocated at least once per month, an increase of 13% since the 2016 PFNI survey.
- 3.70 The PFNI observed that operating without sufficient rest could have significant consequences both for police officers and the people they served. It added that while the number of rest days owed to PSNI officers had declined significantly following changes made in 2017, it would be very concerned if rest-day working on a regular basis was being used to ensure adequate coverage of events while reducing the overtime budget. The PFNI saw rest-day working as a key indicator of demand. It observed that with increasing demand and workload and declining officer numbers and budgets, the evidence from the latest PFNI survey and anecdotal reports pointed to an increasing reliance upon rest-day working to the detriment of officer wellbeing.

- 3.71 The **SANI** told us that it had repeatedly raised the issue of payment for untaken rest days with the PSNI and at the Policing Advisory Group for Northern Ireland. However, the SANI advised that the issue remained unresolved as the PSNI had said that there was no regulatory basis for paying members of the superintending ranks for owed rest days that could not be re-rostered due to the pressures of their roles.
- 3.72 The SANI said that its position on payment for untaken rest days was reflected in its written evidence presented jointly with the PSA. This asked for the superintending ranks to receive a non-discretionary payment when they had worked a rest day that they were unable to re-roster and take within twelve months. The PSA had explained that its proposal for payment had been rejected by the Police Consultative Forum in England and Wales and by the NPCC, even though a number of police forces in England and Wales were now paying officers in the federated ranks and/or the superintending ranks for owed rest days, outside of regulations.
- 3.73 The PSA and SANI stated that they would fully welcome the issue being resolved by reducing the demand on superintendents or increasing the number of superintendents. However, in the absence of such developments they sought financial recompense for modified or untaken rest days. The PSA and SANI asked us to consider a recommendation to formalise such payments in regulations.

Our comment

- 3.74 The last time a Northern Ireland remit letter asked for our views on the management of rest days was in 2016. We thought it had then been resolved by the SANI with the PSNI and through the Police Consultative Forum in England and Wales. We were therefore disappointed that it had reverted to us this year. We would ask the PSNI to work with the parties to find a solution to the matter.

Chapter 4 – Forward Look

Introduction

4.1 In this forward look we focus on the key issues that arose in this pay round, and which are likely to set the context for our work next year. We ask the parties to keep them in mind when formulating their next set of evidence. These areas include, broadly, the Northern Ireland environment and resourcing, pay parity, evidence provision, supporting activity, workforce and pay reform and process issues.

Northern Ireland environment and resourcing

4.2 The political situation in Northern Ireland has again had significant implications for PSNI resourcing and budgetary planning this year. The PSNI budget for 2019/20 was only finalised on 28 February 2019. While the PSNI had received an extra £16.48 million in funding to prepare for EU Exit in 2019/20, it also faced new and emerging budgetary pressures, such as the growing cost of legacy investigations in the context of rising demand on policing overall.

4.3 We again made recommendations this year without a Northern Ireland public sector pay policy in place. Ideally, future remit letters would include a clear approach to public sector pay in Northern Ireland, in particular how it should be interpreted for police officers and how it is being applied to other public sector groups. This would aid our deliberations and help the parties as they prepare their evidence.

4.4 At the time of writing this report, the nature and timing of the UK's planned departure from the EU remains uncertain. We would like an assessment of the position regarding EU Exit and demand on policing in next year's evidence.

Pay parity

4.5 We note the continuing support this year from the parties for retaining the principle of pay parity. However, there are potentially significant implications for pay parity arising not only from workforce and pay reforms in prospect in

England and Wales, but from affordability and funding constraints in Northern Ireland. We suggest that the parties in Northern Ireland keep a close watch on developments in England and Wales and regularly evaluate the implications for the sustainability of pay parity.

Evidence provision

4.6 We thank the parties for the evidence they have provided this year.

Specifically, we would encourage the continued, and where possible enhanced, provision of:

- historical data to allow time-series analysis on the demographics of the workforce;
- information on sickness levels and analysis of the reasons for rising sickness absence levels;
- information on the recruitment and retention of officers such as attrition rates, applicants for posts and wastage including during training;
- an update on the levels of overtime being undertaken, both pre-detailed and casual;
- an update on progress in response to the Deloitte report¹⁷;
- data on hard-to-fill posts;
- data on the morale and motivation of officers, such as from the next PSNI and PFNI surveys of officers;
- data on movements between the PSNI and other police forces;
- data on on-call duties and on untaken rest days;
- information on any matters with regard to the relevant legal obligations on the PSNI and any relevant legislative changes to employment law which do not automatically apply to police officers; and
- views on gender pay gap reporting.

¹⁷ Deloitte (December 2016), *Understanding barriers affecting police officer recruitment*. Available at: <https://www.psnipolice.uk/globalassets/inside-the-psni/our-departments/human-resources/documents/research-project---final-report-v1-0-15-dec-2016.pdf>. [Accessed on 24 May 2019]

Supporting activity

- 4.7 We understand that the effectiveness of the Policing Advisory Group for Northern Ireland has been reviewed. We observe that it is vital that with the current constraints on the wider policy-making process in Northern Ireland, all stakeholders make optimum use of this Group to transact business.

Workforce and pay reform

- 4.8 We are grateful to the parties that responded in detail to the workforce and pay reform proposals for England and Wales. These proposals have considerable implications for the future of pay parity. We suggest that a fuller debate is needed about future policy on parity and we request evidence from the parties next year on the risks to pay parity and the extent to which pay parity on core pay spines is a longer-term objective.
- 4.9 The workforce and pay reform process is extensive, complex and lengthy. A proactive, holistic and strategic approach to workforce and pay reform will be required. While we welcome the creation of the Workforce Transformation and Pay Reforms Working Group in the PSNI and the intention of the PSNI to adopt or adapt policy reforms from England and Wales, we consider that this approach may not be sufficient for progress to be made on police reform in Northern Ireland. We note that the PSNI is part of the NPCC, the body leading on many aspects of police pay reform in England and Wales, and we request information in evidence next year on the strategic implications for the PSNI of the workforce and pay reform plans in England and Wales. In particular, we would like this to focus on four proposals: the constable pay scale; p-factor; benchmarking for all ranks; and variable pay.

Process issues

- 4.10 The political situation in Northern Ireland continued to present significant challenges for the remit group and the Review Body process again this year. PSNI officers in the federated and superintending ranks experienced a delay of around six months before they could receive their pay award for 2018/19. Moreover, the associated delay in publication of our 2018/19 report affected our visit to PSNI officers and left us unable to hold discussion groups with them, as we would normally do this on the basis of a published report.

- 4.11 However, we were very pleased that, after an absence of two years, the NIPB was able to participate in this round by giving written and oral evidence.
- 4.12 On a separate matter, we understand at the time of writing that the 2018/19 pay award for the PSNI chief police officer cadre remains unapproved. We hope that this is resolved soon.
- 4.13 We remain particularly grateful to all the parties this year for providing us with evidence in the extraordinary circumstances that persist in the current political situation and for their efforts to ensure that the round could proceed.

Appendix A – Our Previous Recommendations

2018 Report

We submitted our 2018 Report on 25 May 2018. The recommendations were as follows:

Our 2018/19 recommendations (from 1 September 2018)

- We recommend that the time-limited 1% non-consolidated pay award received by the federated and superintending ranks in 2017/18 should be consolidated onto all pay points for officers at these ranks.
- *In addition to and following* the above recommendation, we recommend a consolidated increase of 2% to all police officer pay points at all ranks.
- We recommend an increase of 2% in the current level of the Northern Ireland Transitional Allowance and Dog Handlers' Allowance.
- We recommend that the CRTP scheme remains open to new applicants pending the outcome of the comprehensive review and that the current level of CRTP does not increase.

In the absence of a Minister of Justice, the Permanent Secretary of the Northern Ireland Department of Justice responded to the report on 4 February 2019 and awarded a 2% consolidated pay increase to officers in the federated and superintending ranks. The award also increased the Northern Ireland Transitional Allowance and Dog Handlers' Allowance by 2%. At the time of writing this report no response had been made for the chief officer ranks.

Previous recommendations

All of our previous recommendations, along with the responses¹⁸ are set out below.

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

¹⁸ Responses to the 2015 and 2016 Reports were made by the Northern Ireland Minister of Justice. The 2017 and 2018 Reports were responded to by the Permanent Secretary of the Northern Ireland Department of Justice in the absence of a Minister of Justice.

Report	Recommendation	Response
2 nd (2016)	A consolidated increase of 1% to all pay points for the federated and superintending ranks.	Accepted
	No increase to the current level of Competence Related Threshold Payment.	Accepted
	Northern Ireland Transitional Allowance and Dog Handlers' Allowance to be uprated by 1%.	Accepted
	No increase to the current level of the On-call Allowance.	Accepted
3 rd (2017)	A consolidated increase of 2% to all pay points for the federated and superintending ranks.	Increased consolidated pay by 1% and, for 2017/18 only, provided a 1% non-consolidated pay award.
	No increase to the current level of Competence Related Threshold Payment.	Accepted
	Northern Ireland Transitional Allowance and Dog Handlers' Allowance to be uprated by 2%.	Increased Northern Ireland Transitional Allowance and Dog Handlers' Allowance by 1%.
	No increase to the current level of the On-call Allowance.	Accepted
4 th (2018)	We recommend that the time-limited 1% non-consolidated pay award received by the federated and superintending ranks in 2017/18 should be consolidated onto all pay points for officers at these ranks.	Rejected
	In addition to and following our first recommendation, we recommend a consolidated increase of 2% to all police officer pay points at all ranks.	Increased pay by 2% for federated and superintending ranks. No response yet made regarding chief police officers.
	We recommend an increase of 2% in the current level of the Northern Ireland Transitional Allowance and Dog Handlers' Allowance.	Accepted
	We recommend that the CRTP scheme remains open to new applicants pending the outcome of the comprehensive review and that the current level of CRTP does not increase.	Accepted

Appendix B – Permanent Secretary’s Remit Letter

FROM THE PERMANENT SECRETARY
Peter May



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Chair
Police Remuneration Review Body
Office of Manpower Economics
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EC4Y 8JX

9 January 2019

Dear Chair

POLICE REMUNERATION REVIEW FOR 2019/20

Firstly, I would like to take this opportunity to congratulate you on your recent appointment to the role of Chair of the Police Remuneration Review Body (PRRB).

While I am acutely aware that the pay round for 2018/19 has not yet been concluded for PSNI officers, I am keen to ensure that the process for next year is not unduly delayed. I am therefore writing to ask that the PRRB commences its annual review of pay and conditions for officers of the PSNI for 2019/20, simultaneously with that for officers in England and Wales.

Having taken the views of stakeholders in preparation for the review, we would welcome the PRRB's recommendations on the following matters:

- the application of any pay award for 2019/20 for police officers of all ranks, including chief officers;
- whether any increase should be applied to the Northern Ireland Transitional Allowance (NITA) and other allowances, including those for on-call and dog handlers;
- any changes which should be applied to the existing Competence Related Threshold Payment (CRTP) in light of the review currently being concluded by the PSNI;

- whether the superintending ranks should have access to targeted payments or bonuses;
- consideration of any specific challenges for the PSNI highlighted in written evidence from NI parties, particularly in terms of targeting pay awards to address recruitment and retention pressures.

I can confirm that the Department was also asked to consider including the introduction of payment for rest days untaken as a result of exigencies of duty, as well as access by the superintending ranks to payment for on-call duties. Mindful that these areas are important to ensuring officer wellbeing and work/life balance, we will ask the PSNI to engage directly with the relevant stakeholders on these matters as soon as possible. Any views the PRRB might wish to offer would, of course, be most welcome.

The Public Sector Pay Policy for Northern Ireland for the next financial year has not yet been published and officials are engaging with the Department of Finance in this regard. It is suggested that, in the interim, the PRRB continues to take account of the importance of affordability in reaching its recommendations, as has been the case in previous years.

For some years, the stakeholders in Northern Ireland have been keen that the PRRB recommendations for PSNI officers are broadly consistent with their counterparts in England and Wales. This remains the case and has been reflected in inputs I have received to date. I am also aware of the reforms being led in England and Wales by the National Police Chiefs' Council (NPCC). The PSNI has established a working group which will engage closely with the NPCC and the College of Policing with a view to considering the implications of these reforms for officers in Northern Ireland. I understand that the PRRB expects written evidence submissions to address these points in detail.

Consistent with last year, this letter is issued subject to the views of an incoming Minister of Justice. Departmental officials will continue to liaise closely with your secretariat in respect of local political developments.

I am grateful to the PRRB for the work undertaken in support of the 2018/19 pay round and look forward to working with you and your members in support of the process for the year ahead.

Yours sincerely



PETER MAY

Appendix C – The Parties’ Website Addresses

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

Department of Justice Northern Ireland	https://www.justice-ni.gov.uk/
Police Service of Northern Ireland	https://www.psni.police.uk/
Police Federation for Northern Ireland	https://www.policefed-ni.org.uk/
Superintendents’ Association of Northern Ireland	https://www.policesupers.com/wp-content/uploads/2019/02/PSA-SANI-PRRB-2019-submission-FINAL.pdf
Chief Police Officers’ Staff Association	https://cposa.uk/

Appendix D – Recommended Changes to PSNI Federated and Superintending Ranks’ Pay Scales and Allowances from September 2019

Salary scales

The salary scales in effect from 1 September 2018 are set out below along with our recommendations for effect from 1 September 2019.

Rank	Pay point	With effect from 1 September 2018	Recommended for effect from 1 September 2019	Notes
Constable (appointed on or after 1 September 2014)	On commencing service as PSNI trainee	£20,169	£20,673	a
	On commencing service as probationary PSNI constable	£23,586	£24,177	b
	2	£24,654	£25,269	
	3	£25,728	£26,370	
	4	£26,802	£27,471	
	5	£28,947	£29,670	
	6	£33,267	£34,098	
Constable (appointed before 1 September 2014)	7	£39,150	£40,128	
	On commencing service as PSNI trainee	£24,936	£25,560	
	On commencing service as probationary PSNI constable	£27,831	£28,527	
	2	£29,445	£30,180	c
	3	£31,245	£32,025	
	4	£32,229	£33,036	
	5	£33,267	£34,098	
Sergeant	6	£36,189	£37,095	
	7	£39,150	£40,128	d
	1	£40,488	£41,499	
	2	£41,847	£42,894	
Inspector	3	£42,738	£43,806	
	4	£43,998	£45,099	d
	0	£50,160	£51,414	
	1	£51,573	£52,863	
	2	£52,986	£54,312	
	3	£54,408	£55,767	d

Rank	Pay point	Recommended		Notes
		With effect from 1 September 2018	for effect from 1 September 2019	
Chief Inspector	1	£55,521	£56,910	e
	2	£56,634	£58,050	
	3	£57,804	£59,250	d
Superintendent	1	£66,789	£68,460	
	2	£70,275	£72,033	
	3	£73,947	£75,795	
	4	£78,888	£80,859	
Chief Superintendent	1	£82,779	£84,849	
	2	£85,578	£87,717	
	3	£87,327	£89,511	

Notes:

- a. All trainees enter at point 0 until attestation/graduation.
- b. At attestation/graduation trainees become constables and move onto point 1.
- c. All officers move to this salary point on completion of two years' service as a constable.
- d. Officers in the PSNI who have been on this point for a year will have access to the Competence Related Threshold Payment
- e. Entry point for an officer appointed to the rank, unless the chief officer of police assigns the officer to a higher point.

Allowances

The recommended values of allowances from September 2019 are set out below.

Northern Ireland Transitional Allowance	£3,372 per annum
Dog Handlers' Allowance	£2,340 per annum

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

Appendix E – Recommended Changes to Chief Police Officer Pay from September 2019

Chief and Deputy Chief Constable Salaries

	With effect from 1 September 2018	Recommended for effect from 1 September 2019
Chief Constable	£207,489	£212,676
Deputy Chief Constable	£168,582	£172,797

Assistant Chief Constables' Pay Scale

Pay point	With effect from 1 September 2018	Recommended for effect from 1 September 2019
1	£100,509	£103,023
2	£106,986	£109,662
3	£113,475	£116,313

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

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

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

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

