



Police
Remuneration Review Body

Police Remuneration Review Body

Sixth Report
England and Wales 2020

Executive Summary

Chair: Anita Bharucha

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

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

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

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

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.

Members³ of the Review Body⁴

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

The secretariat is provided by the Office of Manpower Economics.

³ Members of the Review Body are appointed through an open competition adhering to the Commissioner for Public Appointments' Code of Practice. Available at: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/578090/Public_Appointments_Governance_Code_.pdf [Accessed on 18 June 2020]

⁴ Elizabeth Bell resigned from the Review Body in May 2020.

POLICE REMUNERATION REVIEW BODY

England and Wales Sixth Report 2020

Executive Summary

1. The Police Remuneration Review Body became operational in September 2014 and our terms of reference relate to the pay, allowances and certain other conditions of service of police officers in England and Wales.
2. This is our Sixth Report to the Home Secretary. The Home Secretary's remit letter of 2 November asked us to make a formal recommendation on the police officer pay award for 2020/21 to all ranks, including chief police officers. The Home Secretary asked us to consider our recommendations in the context of the Government's commitment to an increase of 20,000 officers over three years. The letter also asked us to consider the suitability and robustness of the National Police Chiefs' Council (NPCC) proposals for pay reform. (Paragraphs 1.1 and 1.4 to 1.6).
3. As at 31 March 2019, there were just under 123,200 police officers in England and Wales in our remit group⁵ spread over 43 independent police forces. The annual police officer pay bill for financial year 2020/21 is around £6.5 billion⁶.

Response to last year's report

4. Our Fifth Report was submitted to the Home Secretary in May 2019. The Home Secretary responded to this on 22 July 2019 by accepting our recommendations in full. (Paragraphs 1.2 and 1.3)

The environment for this year's report

5. The Government launched a national recruitment campaign in 2019 with the aim of recruiting 20,000 extra police officers in England and Wales over a three-year period. This has provided an important context for our deliberations this year given the need for forces to implement workforce uplift alongside pay reform and the importance of recruitment and retention in enabling the Uplift Programmes. (Paragraph 1.12)
6. Our report this year has been completed against the background of the coronavirus (COVID-19) pandemic. The work of police officers is important, difficult, complex and sometimes dangerous in the ordinary course of events. COVID-19 had an immediate impact on the police and meant they had to respond quickly to a new threat. This added further pressures and personal risk to their challenging role as one of the groups working on the frontline. Consequently, we would like to acknowledge our remit group for their particular contribution this year and express our gratitude to all the parties for continuing to engage with us in oral evidence sessions that had to be conducted entirely by remote means this time. (Paragraphs 1.13 to 1.16)

⁵ Home Office (September 2019), Police workforce, England and Wales: 31 March 2019 second edition. Available at: <https://www.gov.uk/government/statistics/police-workforce-england-and-wales-31-march-2019> [Accessed on 18 June 2020]

⁶ This includes the cost of increasing officer numbers by 6,000 by March 2021, and employer pension and National Insurance contributions.

The evidence

7. The main points that we noted from the evidence presented to us are as follows:
- *Policing environment* – The demand placed on the police remains high. There has been no reduction in the range of crime types, the complexity of cases and the extent to which the police is required to deal with displaced demand, and many officers feel exposed to high levels of personal risk. (Paragraphs 2.11 to 2.13)
 - *Government pay policy and affordability* – Each year, we are invited to consider affordability but this is a challenge given the different view that each of the parties takes as to how affordability should be interpreted and assessed. We invite the Home Office to be clearer on the type of analysis that it would find useful, noting that affordability will always be a matter of judgement. Similarly, we have commented in the past on the challenge of measuring productivity in the police and invite the Government to set out the evidence that it wishes us to consider in this context. (Paragraphs 2.24 to 2.28)
 - *Economy, inflation, labour market, earnings and pay settlements* – We are preparing this report in a rapidly changing economic environment. The length and magnitude of the effects of COVID-19 are highly uncertain and it will take some time before official data begin to show the full effects. However, we note that the evidence on the affordability of pay awards set out in departmental evidence submissions remained the best assessment of the position for public sector pay for the 2020/21 financial year. We note that gross domestic product in the three months to March 2020 was 2.0% lower than the previous three months. In the year to April 2020, the Consumer Prices Index was at 0.8%. In the first quarter of 2020 the employment rate was at 76.6% and the unemployment rate was 3.9%. Annual growth in average weekly earnings was 2.4% in the whole economy and 2.2% in the private sector in the first quarter of 2020, and median pay settlements ranged from 2.4% to 2.5% over the same period. (Paragraphs 2.39 and 2.40)
 - *Police earnings* – Our analysis indicated that there was a 1.2% decrease in median full-time gross annual earnings of police officers (constable and sergeant) in 2018/19 but that compositional changes in the workforce and a reduction in overtime may have caused this. Decreasing pay differentials with comparator groups may risk a detrimental effect on the morale and motivation of officers. (Paragraphs 2.50 to 2.52)
 - *Workforce* – We note that between March 2018 and March 2019 there has been an increase in police officer numbers. This reversal of a trend since 2010 sets up a period of growth in officer numbers as the increase of 20,000 officers under the Uplift Programme starts to take effect. The increase in officer numbers will assist forces in redressing the balance between capacity and demand although the recruitment and training of this volume of new recruits will put pressure on existing officers and it will take a number of years for the expansion in numbers to deliver a positive and quantifiable effect in the context of police productivity. (Paragraph 2.90)
 - *Recruitment* – We were told that there is no problem in recruitment but we note that in the previous year not all forces were able to fill all their vacancies. However, HM Treasury has indicated that COVID-19 could lead to a weaker labour market and this may make it easier for forces to hit recruitment targets. (Paragraph 2.91)
 - *Retention* – We are concerned at the increasing levels of voluntary resignations and recognise that the retention of officers is important in the context of the Uplift Programme. However, we are aware that across the labour market generally there is no longer the expectation that individuals will take a job for life and we assess

that it can be beneficial to any organisation to have a healthy mix of new recruits balanced alongside those who contribute expertise, experience and stability. (Paragraph 2.92)

- *Diversity* – Most of the indicators of diversity show some improvement across the officer workforce in recent years, but these remain below levels representative of the communities served by the police. (Paragraph 2.93)
- *Police officer motivation and morale* – The evidence from the staff associations presented a mixed picture on police morale and motivation. On our visits we observed that morale was high in the operational context of wanting to deliver a service and we were struck by the professionalism of officers who took pride in what they did. Nevertheless, we observed that some officers were concerned that pressure on resourcing was leading to an increased level of risk to themselves and to the public because of reduced capacity to respond. The lack of robust ‘employer’ evidence on the morale and motivation of police forces on a national basis makes it difficult for us to draw out relevant national conclusions and we invite the NPCC to consider what data it can make available to us in future. (Paragraphs 2.104 and 2.105)
- *Pensions* – We are concerned at the number of officers opting out of the police pension schemes and that for many the decision to do this will be driven by short-term affordability issues. However, by opting out, officers are forfeiting their right to deferred pay and would be ineligible for death-in-service benefits. We recognise that some longer-serving officers see the new pension arrangements as less beneficial than the previous arrangements although we observe that the new pension scheme compares favourably with many other public sector schemes. (Paragraphs 2.113 to 2.117)
- *Legal obligations* – We welcome the progress made in extending the entitlement of On-call Allowance to superintendents and the carry forward of untaken rest days. However, we remain concerned about the delay in reflecting the provisions of the Children and Families Act 2014 in police regulations. Regulation changes in support of pay reform are likely to place extra pressure on the system and it will be critical that these changes are executed in a timely manner. We welcome the proposals to extend maternity provisions and, in general, are in favour of changes that encourage retention and diversity. (Paragraphs 2.126 to 2.128)

Pay reform

Strategy for reform

8. The key theme emerging from the evidence is that the landscape for reform has changed significantly since the last pay round because of the priority now being given to delivering the Government’s plans to increase the police workforce by 20,000 officers.
9. The NPCC emphasised that the re-focus on strategic priorities meant that pay reform would now be delivered as a series of evolving pay approaches rather than a single event. In our previous reports we assessed that the programme was ambitious and complex and that there were significant risks to successful implementation. The priority now being given to the delivery of the Uplift Programme has contributed to the decision to review priorities on the reform agenda and has informed the refocusing and down-sizing of the programme. These revised priorities recognise the importance of pay in attracting and retaining talent and as an enabler to the Uplift Programme. We see the move to an incremental approach as pragmatic and deliverable although are concerned that significant challenges are being placed on individual police forces with the requirement to deliver pay reform and workforce uplift concurrently. We are also

concerned that the implication of a move to an incremental approach is that there may be a delay to completion of the programme and that consideration of proposals on a piecemeal basis creates a new risk around coherence. (Paragraphs 3.24 to 3.27)

10. We note a difference of emphasis between the Home Office and NPCC on the implementation of a system of pay progression based on competence. These differences in perspective need to be addressed and expectations managed on both sides to avoid problems in the future. One of the modifications made to the reform programme acknowledges the difficulty of delivering a system of pay progression based on assessment of competence. We agree that recognition of competence in pay is correct and that this should remain a component of pay reform for delivery as soon as is practical. We note the Home Office was expecting pay reform to link pay to productivity and competence and we would be interested to see this theme developed in evidence for future pay reviews. (Paragraphs 3.28 to 3.30)
11. Last year we noted the challenges of implementation of reform across 43 independent forces both in their capacity to implement change and to ensure consistency in delivery. We commented that we saw the need for a range of personnel functions to be properly resourced to underpin any new pay arrangements. We welcome and support the development of a cross-cutting national HR capability across policing and look forward to receiving evidence in future rounds on its design and roles. (Paragraphs 3.31 and 3.32)

Reform proposals

12. Benchmarking – Benchmarking should inform and guide the development of new pay arrangements. We observe that there was disagreement between the parties as to the methodology used. We have been provided with background data on the benchmarking and look forward to seeing the conclusions of further work in evidence for next year's pay round. (Paragraph 3.50)
13. Sergeants' pay scale – The benchmarking data highlighted that the gap in pay from the top of the constables' scale to the bottom of the sergeants' scale is small. This may be a factor in the difficulty in recruiting sergeants, an important issue given the need to create an additional 2,000 sergeant posts to support workforce uplift. We note the broad consensus across the parties to remove the lowest point of the sergeants' pay scale. As the planned influx of new student officers is to be supported by sergeants, we support this proposal. However, we invite the NPCC to ensure that any subsequent pay changes are presented to us as part of a coherent package. (Paragraph 3.51)
14. Valuing the P-factor – We observe that the ability to remove the P-factor value facilitates pay comparison against a broader range of roles. We note that there is disagreement across the parties on the methodologies used in the valuation of the P-factor. It is important that these differences are resolved because it may prove difficult to get agreement to implementation of any new pay arrangements if these are not. We note that there is no consensus among the parties on the figure presented by the NPCC and that the valuation of the P-factor needs further work. (Paragraphs 3.52 to 3.54)
15. Targeted Variable Pay (TVP) – TVP is used to address skills shortages, assist recruitment into hard-to-fill roles and provide chief constables with a means to address specific local issues. However, this local flexibility means that there are issues around transparency and fairness. We assess that there should be nationally agreed principles to ensure consistency of application across forces and that this should be part of the new strategic HR function. We support the NPCC proposal that the maximum amount payable to an officer in any year be increased from £4,000 to £5,000. (Paragraphs 3.67 to 3.71)

16. Pay progression and transition – The NPCC set out its aspirations for the pay structure of the future, one with fewer pay points and progression based on productivity and competence, rather than time served. There is inconsistency across forces on the use of performance development reviews and readiness to fully implement them. Therefore, we support the pragmatic short-term solution to use the current procedures for dealing with unsatisfactory performance to determine whether progression should be possible. We look forward to receiving details of a more robust and coherent long-term solution in due course. Detailed work on the constables’ pay scale is not being taken forward for the current pay round and we look forward to seeing proposals for change considered as part of a coherent pay package which takes account of the outcome of the benchmarking work. (Paragraphs 3.81 to 3.84)

Implementation and readiness for reform

17. There has been progress across the pay reform programme including in work with stakeholders to build consensus and in defining the benefits of the reform programme. However, we would have welcomed more detail on forces’ readiness for implementation and specifics on the plans for delivery of the proposals. (Paragraphs 3.100 to 3.102)
18. We welcomed the Home Office’s confirmation that it is taking a more active role in the governance of police pay and workforce reform. Close working between the Home Office, Police and Crime Commissioners (PCCs) and chief constables will go some way to mitigate the risk that the dispersed nature of policing, across 43 independent forces, presents in relation to coherent and effective delivery of pay and workforce reform. We note that the Home Office is enabling the Police Consultative Forum which will have a role in facilitating the delivery of reform. (Paragraph 3.103)
19. We invite the NPCC and Home Office to work together to agree the sequencing of delivery of reform so that work can be initiated in good time to enable completion of the essential legislative functions needed to enable effective implementation. (Paragraph 3.104)
20. We welcome the clarity provided by the NPCC regarding the development of Equality Impact Assessments (EIAs) and its confirmation that these have been at the forefront of its considerations in the development phase. However, we encourage the parties to come together to resolve their issues on methodology and look forward to receiving more detail on the EIAs undertaken as part of next year’s submission. (Paragraph 3.105)
21. In last year’s report we commented on a number of risks which we judged required urgent attention. Many of these risks have now been mitigated either through specific action or as a consequence of the reprofiling of the programme. Despite the improvements made this year, we assess that risk remains in five key areas and that a focus needs to be maintained on:
 - ensuring that all the components of the revised programme remain coherent and consistent with the vision and timetable for reform;
 - understanding and managing the capacity of forces to deliver pay reform alongside the Uplift Programme;
 - ensuring that the individual components of reform are properly resourced;
 - reviewing the readiness of forces for implementation; and
 - undertaking timely and comprehensive consultation and communication with all stakeholders.
22. We consider that there is now more realism and confidence in the programme and support the pragmatic approach. (Paragraphs 3.106 to 3.108)

Chief police officers

23. We have again been invited by the Home Secretary to consider the pay of chief police officers as part of our pay round. (Paragraph 4.1)
24. In our last two reports we commented that there would be merit in a wide review of chief officer pay and conditions. We have suggested that chief officer pay would benefit from structure and consistency, not least to address the variations in the payment of benefits and allowances between forces. We urge the relevant parties to commence the review at the earliest opportunity. (Paragraphs 4.3 and 4.47)
25. The evidence we received highlighted the unique features of the chief officer role. Chief officers carry significant levels of risk and accountability. Chief constables have a specific role in providing strategic, long-term direction for their force, as well as national and regional roles above their force responsibilities. The decision to increase police officer numbers and the requirements to deliver such national initiatives, alongside workforce and pay reform puts chief officers under acute pressure to lead, drive forward and successfully deliver change while, at the same time, meeting the requirements of and maintaining a relationship with their PCC. We also acknowledge the unprecedented leadership challenges presented by COVID-19. (Paragraphs 4.8 to 4.10)
26. The proportions of female and ethnic minority chief officers are significantly lower than the proportions for these groups across the full range of police ranks. This is of concern and we will monitor these trends with interest. (Paragraph 4.32)
27. We were pleased to see that work has been done to quantify and understand the barriers to recruitment to chief officer rank. We will be interested to see how the recommendations of the Leading Lights⁷ Report are taken forward and the results of the initiatives taken. We also note the work being done under the auspices of the Senior Leaders' Hub to support and develop both potential and existing chief officers, and to encourage under-represented groups within these cadres. (Paragraphs 4.33 and 4.34)
28. There is a lack of transparency, and thus potential for unfairness, over the composition of the chief officer reward package given the variation in benefits in kind offered by individual forces. Proposals to pay chief officers who are relocating a rent allowance need further work and should be progressed in the context of the planned review of chief police officer pay. The outcome of the review of chief officer pay should include a set of transparent, coherent and fair criteria to enable a consistent approach in relation to the payment of allowances to chief officers. (Paragraphs 4.48 and 4.49)
29. It is important that individuals are encouraged to take on temporary appointments and that, if an officer is fulfilling all the functions of that higher rank, this added responsibility should be rewarded in pay. However, this should not inadvertently encourage a position where people remain in temporary appointments for a long time. (Paragraphs 4.57 and 4.58)
30. Although pensions are outside our remit, we welcome the changes to the Annual Allowance threshold as we know that pension taxation continues to be a source of concern among this group. (Paragraph 4.61)

Basic pay recommendations for 2020/21

31. The key factors we took into account in reaching our main pay award recommendation were:

⁷ HMICFRS and HMICS (August 2019), *Leading Lights: An inspection of the police service's arrangements for the selection and development of chief officers*. Available at: <https://www.justiceinspectors.gov.uk/hmicfrs/publications/leading-lights-an-inspection-of-the-police-services-arrangements-for-the-selection-and-development-of-chief-officers/> [Accessed on 18 June 2020]

- The continued high demand on the police with no reduction in the range of crime types or the complexity of cases. (Paragraph 5.18)
 - The priority being given to achieve the uplift in police officer numbers, including the need for pay to: facilitate recruitment; encourage retention of those with skills and experience; reward those in supervisory chains who will have the additional responsibilities in delivering workforce uplift and supporting the new intake of officers; and acknowledge the part played by all officers in continuing to deliver a service in a demanding environment, given that it will take some time for the benefits of the Uplift Programme to be realised. (Paragraphs 5.19 and 5.20)
 - The state of police morale, including the frustration of officers who told us that they were not able to do their job properly and of their concerns about the volume and complexity of their work. (Paragraph 5.22)
 - The evidence provided on affordability, noting that views on this are driven by both budget and demand but that ultimately it was a matter of judgement. (Paragraph 5.23 to 5.26)
 - The state of the wider economy, including indicators of pay settlements. (Paragraph 5.28)
 - The relationship to pay reform. (Paragraph 5.29)
32. While COVID-19 continued to change the context for this report as we prepared it, we considered our remit in the usual way, including by focusing on longer-term trends in the data and information relevant to our evidence-based process. (Paragraph 5.30)
33. Taking all the above factors into account, **we recommend a consolidated increase of 2.5% to all police officer pay points for all ranks from 1 September 2020.** (Paragraph 5.32)

Pay arrangements for new constables

34. We conclude that pay flexibility on starting salaries for new constables should be retained, but reviewed by the NPCC in the context of its benchmarking work as part of pay reform. For apprentices we assess that an important element in addition to the starting salary is the pay progression available upon qualification as a police constable, and again we urge the NPCC to look at this in the context of its benchmarking work as part of pay reform. (Paragraphs 5.41 to 5.44)

Sergeants' pay scale

35. As discussed above, **we recommend the removal of the lowest point of the sergeants' pay scale from 1 September 2020.** (Paragraph 5.46)

Allowances

36. **We recommend that Dog Handlers' Allowance should increase by 2.5% from 1 September 2020.** (Paragraph 5.52)
37. We have noted the issues presented around London Weighting, the London Allowance and South East Allowance and conclude that the whole issue of geographical allowances should be reviewed urgently. However, pending this **we recommend that London Weighting should increase by 2.5%, and that, for officers appointed on or after 1 September 1994 and not receiving Replacement Allowance, the maximum rate of London Allowance should increase by £1,000 to £5,338 a year.** (Paragraphs 5.64 to 5.66)

Forward Look

38. We note that the current economic data means that this year's pay recommendation will be a real-term increase for officers in our remit group but assess that this is justified given the evidence presented to us and the demand, complexity and level of risk and responsibility placed on the police. We recognise that the environment for next year's review will be influenced by a number of factors. (Paragraph 6.2)
39. The longer-term implications of COVID-19 for the police service and its workforce are uncertain. We will seek to monitor the impact of COVID-19 on our remit group, as data become available. We will also be interested to receive evidence on the impact of the UK exiting the European Union on policing and to receiving an update on the Uplift Programme and pay reform, including seeing pay proposals developed from the benchmarking work. If the Home Office wants us to consider a multi-year deal then we would invite it to be clear on the parameters for this in the remit letter. (Paragraphs 6.3 to 6.9)
40. We note that chief police officers are not in our standing terms of reference and invite the Home Office to provide clarity on whether chief officer pay should continue to be considered by us or revert to the Senior Salaries Review Body. (Paragraphs 6.10 to 6.12)
41. We have previously highlighted the importance of a robust evidence base. Where we have identified gaps in evidence, we encourage those responsible for gathering data to consider what improvements can be made to facilitate the provision of data. (Paragraphs 6.13 and 6.14)

Our 2020/21 recommendations (from 1 September 2020)

- **A consolidated increase of 2.5% to all police officer pay points at all ranks.**
- **The removal of the lowest point of the sergeants' pay scale.**
- **Dog Handlers' Allowance should increase by 2.5%.**
- **London Weighting should increase by 2.5%.**
- **The maximum rate of London Allowance should increase by £1,000 to £5,338 a year for officers appointed on or after 1 September 1994 and not receiving Replacement Allowance.**

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22 June 2020