

## Home Office evidence to the Senior Salaries Review Body

2022/23 pay round

February 2022

### Contents

I: Executive summary	2
II: The PCC role	3
III. The remit group	5
IV: Remuneration	6
V. Pay proposals	8
Annex A: Home Secretary's remit letter to the SSRB	11
Annex B: PCC salaries with effect from 1 May 2018	13

#### I: Executive summary

- 1. Police and Crime Commissioners (PCCs) bring local accountability to policing in England and Wales, providing everyone with the opportunity to have a direct say in policing in their area through their locally elected and accountable PCC. The role of the PCC is to be the voice of the people and to hold the police to account. They are responsible for the totality of policing and aim to cut crime and deliver an effective and efficient police service within their force area.
- 2. PCCs were first elected in England and Wales in 2012, following the introduction of the Police Reform and Social Responsibility Act 2011. The role has evolved since the first round of elections in 2012 and PCCs have taken on responsibility for additional statutory functions including commissioning local victims' services and victims' referral arrangements.
- The Policing and Crime Act 2017 introduced measures to ensure that emergency services collaboration can go further and faster, also enabling PCCs to take responsibility for the governance of fire and rescue services, where a local case is made.
- 4. The Home Secretary's remit letter asks the Senior Salaries Review Body to consider the following in the 2022/23 pay round:
  - whether the level of PCC pay is set at an appropriate level
  - if there is evidence that an uplift is required, how that should be applied
  - for updated commentary and views on whether there is an appropriate mechanism
    to increase PCC pay between formal reviews of their remuneration, and that any
    options consider the need to avoid creating a disparity between PCCs and police
    officers whose pay increases are not automatic.
- 5. The SSRB is asked to consider HM Treasury's 'Economic Evidence to the Pay Review Bodies' that sets out the economic, labour market and fiscal context when making its recommendations.

<sup>1&</sup>lt;a href="https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\_data/file/1038869/">https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\_data/file/1038869/</a>
Economic\_evidence\_.pdf

#### II: The PCC role

- 6. PCCs bring local accountability to policing in England and Wales, providing everyone with the opportunity to have a direct say in policing in their area through their locally elected and accountable PCC. The role of the PCC is to be the voice of the people and to hold the police to account. They are responsible for the totality of policing and aim to cut crime and deliver an effective and efficient police service within their force area. They have statutory responsibilities to set the policing and crime objectives for their area, and to hold the Chief Constable to account for running the force.
- 7. PCCs are elected for each territorial police force in England and Wales except in London, Greater Manchester, and West Yorkshire, where the respective mayors exercise PCC or equivalent functions, and the City of London, where there is a Police Authority.
- 8. PCCs were first elected in England and Wales in 2012, following the introduction of the Police Reform and Social Responsibility Act 2011. Under the terms of the Act, PCCs were initially responsible for:
  - Securing the maintenance, efficiency, and effectiveness of the police force in their area
  - Appointing the chief constable, holding them to account and if necessary, dismissing them
  - Setting the police and crime objectives for their area
  - Working with partners, including commissioning services, to tackle crime and disorder
  - Setting the police force budget and determining the precept
  - Contributing to the national and international policing capabilities set out by the Home Secretary in the Strategic Policing Requirement
  - Contributing to an efficient and effective criminal justice system in the police area.
- 9. The role has evolved since the first round of elections in 2012 and PCCs have taken on responsibility for additional statutory functions. Since October 2014, PCCs have been responsible for commissioning local victims' services, shaping policing services around local needs and priorities. Since April 2015, they have also been responsible for commissioning victims' referral arrangements.
- 10. The Policing and Crime Act 2017 introduced measures to ensure that emergency services collaboration can go further and faster. These are locally enabling, recognising

- that local leaders are best placed to determine the sort of collaboration that is best for their areas. The Act also enables PCCs to take responsibility for the governance of fire and rescue services, where a local case is made.
- 11. Since the provisions were introduced in January 2017, eight PCCs have submitted business cases to take on fire governance in their area. Of those eight, four have become Police Fire and Crime Commissioners (PFCCs). A further eight considered business cases but faced local opposition and decided not to proceed.
- 12. There are currently four PFCCs (in Essex, Staffordshire, North Yorkshire, and Northamptonshire) who have taken on fire governance in their area, allowing them to hold both police and fire services to account.
- 13. As well as their policing functions, PFCCs are additionally responsible for:
  - Putting in place arrangements for an efficient and effective fire and rescue service;
  - Setting the fire and rescue objectives for their area through a fire and rescue plan;
  - Appointing the Chief Fire Officer, holding them to account for delivery of objectives and if necessary, dismissing them (as long as the relevant legal requirements are met);
  - Setting the service budget for fire and determining the precept (council tax charge).
- 14. The Police and Crime Commissioner Review delivers on the Government's manifesto commitment to strengthen and expand the role of PCCs. It will help PCCs in their role to oversee effective police forces that can cut crime and protect their communities.
- 15. Part One of the Review was launched in July 2020 and focused on strengthening the accountability, visibility, and transparency of PCCs, while also examining the benefits of mayoral devolution and fire governance reform. Recommendations from Part One were announced in March 2021 and are set out, in full, here.
- 16. Part Two of the Review was launched on 27 July 2021 as part of the Government's 'Beating Crime Plan'. Part Two assessed what tools PCCs need to combat crime, drugs misuse and antisocial behaviour, and built upon the work started in Part One of the Review to ensure that effective scrutiny, complaint, and accountability measures are in place for PCCs. As with Part One, the final recommendations from Part Two of the Review will be published in due course.

#### III. The remit group

- 17. The last PCC elections were held in May 2021, postponed from May 2020 as a result of Covid-19. PCCs tend to be from diverse working backgrounds, often with some policing background. Most, if not all, PCCs have had some public sector experience.
- 18. In the May 2021 PCC elections, there were 166 confirmed candidates standing. The Conservative, Labour and Liberal Democrat parties put forward a candidate for each of the 39 seats, but there were also: 11 Reform UK, seven Green, four Plaid Cymru, two English Democrat, and 19 independent candidates. The remaining candidates consisted of smaller, local parties. Unlike in previous elections, no independent candidates were successful in taking up the position of PCC in the May 2021 elections.
- 19. Across England and Wales, there are 30 Conservative, 8 Labour and 1 Plaid Cymru PCCs, along with the 3 directly elected Labour Mayors of London, Greater Manchester and West Yorkshire who exercise PCC or equivalent functions.
- 20. In terms of the diversity, there are now 29 male and 10 female PCCs, an increase from the 7 females elected in 2016. Out of the 39 seats, only one was filled by a candidate from a black or minority ethnic background.
- 21. PCCs should reflect the diverse public they are elected to represent. As highlighted in previous evidence submissions, while the role has attracted strong candidates in terms of skills and experience, women, and those from Black or minority ethnic backgrounds are significantly under-represented amongst those standing and subsequently elected as PCCs.
- 22. We support evidence-based initiatives to increase the diversity profile of PCCs standing for election. However, it is up to political parties to select candidates to stand and ultimately, for the local electorate to choose their next PCC.
- 23. Overall turnout at the last elections was 33.9%, a 6.5 percentage point increase from 2016 (2016 was 27.4%, and 2012 was 15.1%). Turnout in England was 32.4%, up from 25.7% in 2016 and in Wales turnout was 46.8%, up from 46.2% in 2016. Turnout figures for the 2021 election should be treated as provisional until confirmed by the Electoral Commission.
- 24. The APCC will provide detail on the background, previous roles held by PCCs, and reasons for standing down at the last election in their evidence to the SSRB.

#### IV: Remuneration

- 25. PCCs are currently placed into five salary groups aligned to the 12 force weightings used to govern Chief Constables' pay. These groups attract a spot rate salary ranging from £66,300 to £100,000. PCCs taking on responsibility for the governance of fire and rescue services receive an additional consolidated award of £3,000.
- 26. The total basic pay bill for PCCs is just over £3 million a year. This figure excludes employer national insurance contributions. Employer pension contributions are published in PCCs' annual accounts.
- 27. Paragraph 3 of Schedule 1 to the Police Reform and Social Responsibility Act 2011 provides that a PCC is to be paid authorised allowances in respect of expenses incurred in the exercise of their functions. The kinds and amounts are determined by the Home Secretary and at present include travel expenses, subsistence expenses and exceptional expenses. As required by secondary legislation, PCCs publish full details of expenses claimed and reimbursed every quarter. Current rates and eligibility are available at https://www.gov.uk/government/publications/expenses--2/expenses.
- 28. The purpose of authorised allowances is to reimburse PCCs for the expenses incurred in carrying out their duties, not to provide a general gratuity for undertaking the role. Publicly setting the rates of the allowances, and requiring PCCs to publish their expense in full every quarter, ensures fairness, transparency and accountability.
- 29. PCCs were given access to the Local Government Pension Scheme (LGPS) in November 2012, as part of an agreed package of remuneration. Member contributions are tiered based on earnings and based on current PCC salaries, members contribute between 9.9% and 10.5% of their salary. Employees typically contribute approximately one third of the scheme's costs and the employer contributes the rest.
- 30. The LGPS is administered locally and employer contribution rates vary between funds and employers. Employer contribution rates are set every three years during a valuation process, and LGPS administering authorities publish the contribution rates for their employers in a valuation report<sup>2</sup>.
- 31. There is not a benefits package for PCCs that extends beyond the PCC salary. By law, PCCs are required to declare any paid or unpaid interests that may conflict with their role or affect the amount of time they have to devote to it.
- 32. In its last report, the SSRB recommended the introduction of a loss of office payment for PCCs who lose their seat at an election, comparable to those available to MPs. It

<sup>&</sup>lt;sup>2</sup> Reports are available from <a href="https://lgpsboard.org/index.php/fund-valuations-2019">https://lgpsboard.org/index.php/fund-valuations-2019</a>

was suggested this would help to promote the PCC role to a more diverse range of candidates, particularly by making it more attractive to people earlier on in their careers who may have financial commitments and family responsibilities. The Government agreed to consider this further. In broad terms, if a scheme for PCCs were introduced similar to that available to MPs, a PCC earning £76,500 who had been in office for four years might receive a payment of around £6,000.

33. To introduce a loss of office payment for PCCs, the Police Reform and Social Responsibility Act 2011 would have to be amended. We are committed to considering any evidence that is available to demonstrate a loss of office payment would have a positive impact on the diversity of candidates standing for election, alongside other interventions.

#### V. Pay proposals

- 34. The SSRB is asked to consider HM Treasury's 'Economic Evidence to the Pay Review Bodies' that sets out the economic, labour market and fiscal context when making its recommendations on pay awards for 2022/23. We also ask that the SSRB has regard to the Government's inflation target, as set out in its terms of reference.
- 35. The Government must balance the need to ensure fair pay for public sector workers with protecting funding for frontline services and ensuring affordability for taxpayers. We ask that the SSRB make affordability a key consideration when making its recommendations. Any increases to PCC remuneration will be funded from existing budgets and no additional funding will be made available. The Government will undertake a further assessment of affordability when the SSRB submits its recommendations.
- 36. As elected representatives, public accountability and integrity are an integral part of the PCC role. Their remuneration must be seen as fair and reasonable to taxpayers and the police workforce. We are not sighted on evidence to suggest that pay awards should be targeted at specific areas.
- 37. We ask the SSRB to review whether the level of PCC pay is set at an appropriate level and, if there is evidence that an uplift is required, how that should be applied. PCC pay is currently weighted by force area in the same way as that of chief police officers, as recommended by the SSRB in the initial review of PCC remuneration in 2011. We ask that the SSRB considers the pay awards received by police officers, police staff and other public sector workers since the last review of PCC pay when making its recommendations.
- 38. We continue to believe that full-time elected office holders and selected appointed posts in the public sector, as previously identified by PricewaterhouseCoopers and informing the SSRB's recommendations in 2011, are the most relevant and comparable roles for PCCs. However, as set out in the paragraph above, we ask that the SSRB is mindful of the pay awards received by police officers and other public sector workers when making its recommendations.
- 39. The Government accepted the SSRBs recommendation in its last review that PCCs with responsibility for the governance of fire and rescue services should receive an additional consolidated award of £3,000. We note the SSRB's comment in its last review that, although it was too early to assess the impact, responsibility for fire and rescue governance will be a significant duty for PCCs to undertake. Four PCCs have now taken on responsibility for the governance of fire and rescue services and it likely that further evidence is now available on the impact of these additional responsibilities.

We welcome an updated assessment from the SSRB based on the evidence it receives on whether the additional award is set at the right level.

- 40. We consider that taking on this responsibility has an impact on the overall workload of PCCs and additional remuneration is reasonable and fair. Since not all PCCs exercise fire and rescue functions, we do not believe it would be appropriate to consolidate an additional award into the base pay for all PCCs. However, this should be kept under review.
- 41. It its last review of PCC pay, the SSRB recommended that a review of the pay structures for PCCs should be conducted in advance of the next formal review of their pay. The Government was of the view that PCC pay structures should be reviewed following the completion of the review of chief police officer pay, that forms part of sector-led reforms to deliver a new pay and reward framework for police officers.
- 42. In the 2021/22 pay round, the National Police Chiefs' Council and APCC submitted proposals to the Police Remuneration Review Body (PRRB) to simplify and streamline the base pay structure for Chief Constables and Deputy Chief Constables, reducing the current 12 salary groups to three. The proposed salary groups are attached at Annex C. The PRRB noted the proposals but asked to see more detailed evidence to substantiate how the number of pay groups was agreed upon. We understand this has now been provided to the PRRB.
- 43. The proposal to move in principle from the current 12 pay groups to three appears reasonable, but we are not yet sighted on implementation and transition plans for the proposals to reduce the chief police officer pay groups. However, pay levels for PCCs should reflect the importance and demands of the role and should take account of the size of police force, value of the annual budget, total population and geographical area. We consider that the system of force weightings used to govern chief officer pay, that reflect these factors, continues to provide a suitable basis for determining PCC. We therefore welcome views from the SSRB on whether PCC salary groups should reduce from five to three in line with the proposed groups for chief officers.
- 44. Subject to the SSRB's views on whether PCC salary groups should reduce to three, we also welcome views on implementation and whether it should be sequenced with chief officers. Police force areas in groups three, four and five would form a new single group, which may lead to an increase in salaries for some PCCs. Assuming the highest salary within the current three groups is retained, the total PCC pay bill would potentially increase by around £131,000 a year. As highlighted in the paragraphs above, it is important that PCC remuneration is seen as reasonable and fair to the wider police workforce.
- 45. We ask the SSRB to provide updated commentary and views on whether there is an appropriate mechanism to increase PCC pay awards between formal reviews of their remuneration. We draw attention again to the need for PCC remuneration to be seen as fair and reasonable to taxpayers and the police workforce. It is also important that

PCCs maintain an effective working relationship with the police workforce and that any options consider the need to avoid creating a disparity between PCCs and police officers whose annual pay awards are not automatic. We therefore maintain the view that PCC pay should not automatically increase in line with pay uplifts awarded to local authority staff.

### Annex A: Home Secretary's remit letter to the SSRB



**Home Secretary** 

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Dr Martin Read CBE Chair Senior Salaries Review Body Office of Manpower Economics 3rd Floor Windsor House 50 Victoria Street London SW1H 0TL

BY EMAIL ONLY

2<sup>nd</sup> December 2021

Dear Dr Read

#### Senior Salaries Review Body (Police and Crime Commissioner) Remit 2022/23

A full review of Police and Crime Commissioner (PCC) remuneration was due to take place in following the elections in 2020. As you are aware, the elections were postponed to May 2021 as a result of Covid-19. The elections have now taken place and I am writing to ask you to conduct a review of PCC remuneration.

I refer to the SSRB the following matters for consideration in the 2022/23 pay round:

- · Whether the level of PCC pay is set at an appropriate level.
- If there is evidence that an uplift is required, how that should be applied.
- In your last review, the SSRB recommended that PCC salaries should automatically be
  increased in line with the pay award for local authority staff and that this link should
  continue annually until the next formal review of PCC pay. The Government did not
  accept this recommendation. However, I would welcome updated commentary and
  views on whether there is an appropriate mechanism to increase PCC pay between
  formal reviews of their remuneration. I ask that any options consider the need to avoid
  creating a disparity between PCCs and police officers whose pay increases are not
  automatic.

The Government must balance the need to ensure fair pay for public sector workers with protecting funding for frontline services and ensuring affordability for taxpayers. I would ask that you make affordability a key consideration when making your recommendations.

I value the independent and expert advice of the Review Body and I look forward to receiving your report in May 2022.

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Rt Hon Priti Patel MP

Accessible version available at <a href="https://www.gov.uk/government/publications/remit-letter-to-the-senior-salaries-review-body-2022-to-2023/ssrb-remit-letter-from-the-home-secretary-2022-to-2023-accessible-version">https://www.gov.uk/government/publications/remit-letter-to-the-senior-salaries-review-body-2022-to-2023/ssrb-remit-letter-from-the-home-secretary-2022-to-2023-accessible-version</a>

## Annex B: PCC salaries with effect from 1 May 2018

Police force area	Salary
West Midlands	£100,000
Avon and Somerset	£86,700
Devon and Cornwall	,
Essex	
Hampshire	
Kent	
Lancashire	
Merseyside	
Northumbria	
South Wales	
South Yorkshire	
Sussex	
Thames Valley	
Cheshire	£76,500
Derbyshire	
Hertfordshire	
Humberside	
Leicestershire	
Nottinghamshire	
Staffordshire	
West Mercia	
Bedfordshire	£71,400
Cambridgeshire	
Cleveland	
Dorset	
Durham	
Gwent	
Norfolk	
North Wales	
North Yorkshire	
Northamptonshire	
Suffolk	
Surrey	
Wiltshire	
Cumbria	£66,300
Dyfed-Powys	
Gloucestershire	
Lincolnshire	
Warwickshire	

PCCs taking on responsibility for the governance of fire and rescue services will receive an additional consolidated award of £3,000.

# Annex C: Proposed salary groupings for Chief Constables

Police force	Proposed salary group
Greater Manchester	1
Thames Valley	
West Midlands	
West Yorkshire	
Avon and Somerset	2
Devon and Cornwall	
Essex	
Hampshire	
Kent	
Lancashire	
Merseyside	
Northumbria	
South Wales	
South Yorkshire	
Sussex	
Bedfordshire	3
Cambridgeshire	
Cheshire	
Cleveland	
Cumbria	
Derbyshire	
Dorset	
Durham	
Dyfed-Powys	
Gloucestershire	
Gwent	
Hertfordshire	
Humberside	
Leicestershire	
Lincolnshire	
Norfolk	
North Wales	
North Yorkshire	
Northamptonshire	
Nottinghamshire	
Staffordshire	
Suffolk	
Surrey	
Warwickshire	
West Mercia	
Wiltshire	

