

Police Remuneration Review Body

Seventh Report on Northern Ireland 2021

Chair: Anita Bharucha



Police Remuneration Review Body

Seventh Report for Northern Ireland 2021

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Presented to the Minister of Justice for Northern Ireland

5 July 2021

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

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.

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)
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.

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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 2 July 2021]

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List of abbreviations

ASHE Annual Survey of Hours and Earnings
CJRS Coronavirus Job Retention Scheme

COVID-19 Coronavirus Disease 2019
CPI Consumer Prices Index

CPOSA Chief Police Officers' Staff Association
CRTP Competence Related Threshold Payment

EU European Union

FTE Full-time Equivalent

FYE Financial Year Ending

GDP Gross Domestic Product

HMICFRS Her Majesty's Inspectorate of Constabulary and Fire & Rescue

Services

LFS Labour Force Survey

LGBT Lesbian, Gay, Bisexual and Transgender

NHS National Health Service

NIAO Northern Ireland Audit Office

NICEI Northern Ireland Composite Economic Index

NICS Northern Ireland Civil Service
NIPB Northern Ireland Policing Board

NISRA Northern Ireland Statistics and Research Agency

NITA Northern Ireland Transitional Allowance

OME Office of Manpower Economics
ONS Office for National Statistics

PAYE Pay As You Earn

PFNI Police Federation for Northern Ireland
PRRB Police Remuneration Review Body
PSA Police Superintendents' Association
PSNI Police Service of Northern Ireland

RTI Real Time Information

SANI Superintendents' Association of Northern Ireland

SCC Strategic Command Course

POLICE REMUNERATION REVIEW BODY

Northern Ireland Seventh Report 2021

Executive Summary

Our 2021/22 recommendations (from 1 September 2021):

- Pay point 0 of the constable pay scale is uplifted by £250.
- A 1% increase in the Northern Ireland Transitional Allowance for all police officers.

Introduction

- The Police Remuneration Review Body became operational in September 2014 and our terms of reference relate to the pay and certain other conditions of service of police officers in Northern Ireland. Our remit does not include police staff or other groups.
- 2. This is our Seventh Report on police officers in the Police Service of Northern Ireland (PSNI). As at 1 June 2021, there were 6,960 police officers in the PSNI on a full-time equivalent basis.

Response to last year's report

3. Our Sixth Report was submitted to the Department of Justice in June 2020. The Minister of Justice for Northern Ireland responded to this on 18 December 2020 to confirm that she had accepted the main 2020/21 pay award to PSNI officers at the federated and superintending ranks. She wrote again on 2 March 2021 to confirm that she had accepted all our 2020 recommendations in full and authorised publication of our Sixth Report on Northern Ireland. (Paragraphs 1.2 to 1.5)

Our remit

4. Our Seventh Report contains our recommendations for 2021/22 for police officer pay and certain allowances for all police ranks in Northern Ireland. The Minister of Justice invited us to have regard to our standing terms of reference and to consider the parties' proposals on the overall remuneration package for assistant chief constables. (Paragraphs 1.6 and 1.7)

The environment for this year's report

- 5. This is our second report completed during the coronavirus (COVID-19) pandemic. Last year, COVID-19 continued to change the context for our report as we prepared it. While some of the shorter-term effects of COVID-19 are clearer now, the longer-term effects on society and the economy, and the resulting implications for the police service and its workforce, are still uncertain. The work of police officers is important, difficult, complex and sometimes dangerous in the ordinary course of events. As one of the groups working on the frontline during the pandemic, COVID-19 meant that the police had to adapt and respond to a new situation and enforce new and evolving regulations. This added further pressures and personal risk to their challenging role. Consequently, we would like to acknowledge our remit group for their particular contribution this year.
- 6. The UK has now left the European Union (EU) and we note the challenge for the PSNI in policing the only land border between the UK and Europe. We would like to learn more in evidence next year about the impact of the UK's exit from the EU on the PSNI. (Paragraphs 1.10 to 1.12)

The principle of parity on pay and allowances:

7. We uphold the principle of parity on pay and allowances with England and Wales in recognition of the fact that the role of police officer is fundamentally the same across the police forces in England, Wales and Northern Ireland. We also recognise the need for variation in allowances to reflect local conditions. This means the Northern Ireland Transitional Allowance (NITA) is excluded from the principle but that the Competence Related Threshold Payment (CRTP) is not. Parity is longstanding and fundamental to the strong link between PSNI officers and those in England and Wales. Furthermore, the principle of parity is integral to UK policing, indivisible from its history of interoperability and supports many policing activities. Before any departure from the principle of parity on pay and allowances we suggest that very close attention is given to the potential implications. (Paragraph 1.13)

Our analysis of the 2021/22 evidence

- 8. The main points which we noted from the evidence are:
 - Northern Ireland policing environment: We note that the security situation in Northern Ireland remains 'SEVERE' and that police officers on and off duty, and their families, continue to be the target of terrorist threats, including from viable explosive devices. For this reason, our remit group continues to receive the NITA, which is an allowance unique to the PSNI that seeks to acknowledge the impact of the security threat on the lives of its officers and their families. (Paragraphs 2.19 and 2.20)
 - Core pay parity, broad alignment and links to England and Wales: All the parties to this process confirmed to us that they continued to support the principle of parity or broad alignment on core pay scales with England and Wales. In addition, they agreed that the NITA recognised the uniqueness of the Northern Ireland security situation and accounted for the very specific differences between the two environments. Parties confirmed that the policing role in Northern Ireland was fundamentally the same as that in England and Wales despite the uniquely challenging context. (Paragraphs 2.34 to 2.38)
 - Public sector pay policies and affordability: The Chancellor of the Exchequer's announcement of the public sector pay policy for 2021/22 set the context for our report this year. We do not seek to make comment on the public sector pay policy. However, as a result of this policy, our remit letter from the Minister of Justice for Northern Ireland has not asked us for a recommendation on an overall pay award this year. For the first time since our establishment, two differing overall public sector pay policies were announced by the UK and Northern Ireland Governments, with the UK Government pausing pay rises and the Northern Ireland Executive allowing pay awards of up to 1%. We have sought to resolve the tensions between these two policies and to reconcile them with our position on the pay parity principle. (Paragraph 2.49)
 - We are concerned about the PSNI's one-year funding from a multiplicity of sources, its deficit and inability to borrow funds or carry reserves. This is because of the potential impact of these constraints on its ability to

- develop and implement a long-term pay and reward strategy. We assess that one unified funding source and a multi-year budget could assist the PSNI in implementing workforce and pay reform initiatives from England and Wales. (Paragraphs 2.51)
- Economy, inflation, labour market, earnings and pay settlements: We note that many economic indicators are currently subject to greater uncertainty than usual as a result of data collection challenges created by COVID-19 restrictions, and may be subject to future revisions. Next year we expect to focus more on broader trends and changes compared with pre-pandemic levels, and less on annual changes. UK gross domestic product was estimated to have contracted by 9.8% in 2020, the largest UK annual fall on record. Economic output in Northern Ireland saw an annual fall of 6.3%, a smaller contraction than for the UK overall. The Consumer Prices Index measure of inflation was at 2.1% in May 2021, up from 0.7% in March 2021. Pay As You Earn (PAYE) Real Time information (RTI) data indicates that the number of employees on payrolls in Northern Ireland during May 2021 was up by nearly 6,800 (0.9%) compared with May 2020, but down by 4,800 (0.6%) compared with January 2020. At 69.8%, the Labour Force Survey (LFS) employment rate for people aged 16 to 64 in Northern Ireland for the three months to April 2021 was lower than any other region in the UK. The LFS unemployment rate for people aged 16 and over was also lower in Northern Ireland in the three months to April 2021 (3.1%) than any other region of the UK. The economic inactivity rate remained higher in Northern Ireland than in any other region of the UK, at 27.9% of people aged 16 to 64 in the three months to April 2021. PAYE RTI data shows that median earnings in Northern Ireland saw growth of 7.6% in the year to April 2021, and 9.7% since January 2020. Median earnings in Northern Ireland remained 7.4% below the UK in April 2021. (Paragraphs 2.63 and 2.64)
- <u>Police officer earnings</u>: While the Northern Ireland police pay lead has
 fallen in recent years, we observe that median earnings for full-time police
 officers in Northern Ireland remain 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 and higher overtime levels. 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. (Paragraph 2.67)
- PSNI workforce, diversity, recruitment and retention: We note that the number of police officers in the PSNI is to be increased by 100 to a total of 7,100 in 2021/22, bringing the establishment closer to the New Decade, New Approach commitment of 7,500 police officers. In addition, we observe that the application rate from the Catholic community declined slightly again in the latest PSNI recruitment campaign. However, there was an increase in the proportion of female applicants and in the numbers from ethnic minorities and from the lesbian, gay, bisexual and transgender (LGBT) community. We note the recent slowdown in leavers despite the evidence from the Police Federation for Northern Ireland (PFNI) that 400 officers are eligible to retire at any time and that this decline in retirements is possibly a temporary phenomenon attributable to COVID-19. We also observe that the PSNI expects 304 officers to leave in 2021/22. We would welcome an update on retirements from the PSNI next year. (Paragraphs 2.77 to 2.79)
- Morale and motivation: We are concerned about the potential impact on our remit group's morale if excluded from a pay award received by other Northern Ireland public sector workforces. We are grateful to the PSNI for sharing the headline results from its third staff survey in 2019 and keen to see the detailed results of any future surveys in a timely way. We note that this year the PSNI has attributed a reduction in the sickness absence rate to a range of COVID-19-related factors, such as a temporary reduction in demand and the use of special leave and working from home. We also observe the findings of the 2020 inspection by Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS), particularly on mental health provision. We are keen to gain a broader understanding of long-term trends in the PSNI sickness absence rate beyond the annual context but unfortunately comparative sickness absence data for England

and Wales is incomplete. We note the Northern Ireland Audit Office (NIAO) 2020 report findings that an average of 13 days per employee were lost to sickness absence in the Northern Ireland Civil Service in 2019/20 and an average of 14 days were lost to sickness absence in 2018/19 in Northern Ireland local government. By comparison, the figures for the PSNI were 13.92 in 2018/19 and 12.65 in 2019/20 and the NIAO data suggests that recent PSNI rates were similar to those considered very high in the public sector. We note the creation of an Attendance Management Gold Group in the PSNI to address the detrimental impact of sickness absence on service delivery and will be interested in an update on PSNI sickness absence rates next year. (Paragraphs 2.98 to 2.103)

 <u>Legal obligations</u>: We welcome the fact that an outcome has been reached in the McCloud/Sargeant ruling but recognise that the deferred choice option may not provide immediate clarity to affected officers. We also note the possible implications of the holiday pay case listed before the Supreme Court for 2021. (Paragraphs 2.109 and 2.110)

Proposals and recommendations on pay and allowances for 2021/22

- 9. Public sector pay policies and parity on pay and allowances: The particular difficulties we wrestled with this year included the differences between the UK and Northern Ireland public sector pay policies for 2021/22. We have sought to resolve the tensions between these two policies and to reconcile them with the principle, which we uphold, of parity with England and Wales on pay and allowances. We require a justification for any deviation from police allowances in England and Wales, while also recognising the need for variation in allowances to reflect local conditions. This means that only the NITA, which is an allowance unique to Northern Ireland, is excluded from the parity principle. (Paragraphs 3.18 and 3.19).
- 10. Overall pay award our perspective: It is disappointing that our remit letter did not ask us to recommend an overall pay award this year, and that the independence of the Review Body process has again been affected. Our view is that we should be permitted to fully exercise our role in making recommendations on pay uplifts for the next pay round. (Paragraph 3.20)

- 11. Morale: In addition, we are concerned about the possible implications for our remit group's morale if it is excluded from a pay award received by other Northern Ireland public sector workforces. We note that while the PSNI is subject to a pay pause, the Northern Ireland Civil Service has been awarded a 1% uplift for 2021-22. However, we also note the view of the Minister of Justice that the pay awards received over the longer term by PSNI officers balance out those of public sector comparators. We observe that in 2020/21, the Northern Ireland Civil Service received a 1% pay uplift, whereas PSNI officers received 2.5%. (Paragraph 3.21)
- 12. Overall pay award our conclusion: Our paramount consideration this year was that our remit letter did not ask us to make an overall pay award and that this remained unchanged after publication of the Northern Ireland public sector pay policy. Consequently, we concluded that an overall pay award to PSNI officers was outside the scope of our remit. We note that the Minister's reason for maintaining her position was that she did not wish to depart from the principle of broad alignment with England and Wales, and that the UK Government had decided that a pay pause would apply to police officers in England and Wales. (Paragraphs 3.22 and 3.23)
- 13. <u>Bonus payment</u>: While we wished to acknowledge the efforts made by PSNI officers, we considered that it was a matter for the Chief Constable to make bonus payments to individual officers as appropriate, as in England and Wales. We also recognise that it would be for the Northern Ireland Executive to decide on such a payment for an entire public sector workforce, for example the police service. (Paragraph 3.24)
- 14. Removal of pay point 0 on the constable pay scale: We consider it appropriate for the Chief Constable, who this year was granted the same discretion over starting salaries as chief constables in England and Wales, to determine the pay level most appropriate to the specific needs of the PSNI. (Paragraph 3.25)
- 15. <u>Award to officers earning below £24,000 per annum</u>: While our Northern Ireland remit letter did not request such a recommendation, **we recommend**

that pay point 0 of the constable pay scale in Northern Ireland is uplifted by £250. Our understanding is that the Chief Constable will exercise his discretion on starting salaries from the next recruitment round. Therefore, if there are currently any officers earning above pay point 0 but below £24,000 (on a full-time equivalent basis), they should also receive a consolidated pay award of £250. This should take effect from 1 September 2021. This is in accordance with our recommendation for police officers in England and Wales and is in observance of the pay parity principle. We recognise that this £250 uplift recommendation for those earning below £24,000 carries affordability implications and a potential risk of pay leapfrogging. We suggest that the Chief Constable uses his discretion on starting salaries to mitigate this risk. We also observe that the overall cost of the £250 uplift will vary according to how the Chief Constable decides to use his wider discretion on starting salaries. (Paragraphs 3.26 to 3.28)

- 16. Northern Ireland Transitional Allowance: We observe that the security threat in Northern Ireland is still classed as 'SEVERE' and that, as the situation there has not yet normalised, the NITA still applies. Furthermore, as the NITA is unique to Northern Ireland, we observe that increasing it does not breach the principle of parity on pay and allowances with England and Wales.
- 17. We therefore recommend a 1% increase in the NITA for all police officers for 2021/22. The size of the uplift that we recommend is in keeping with the Northern Ireland public sector pay policy, current economic indicators and affordability considerations. We estimate that a 1% increase in the NITA would cost around £250,000. In the interests of clarity, we confirm that police officers who qualify for the £250 uplift should receive the NITA increase in addition. (Paragraphs 3.33 to 3.37)
- 18. <u>Dog Handlers' Allowance</u>: Because we are not making recommendations on the basic pay award or Dog Handlers' Allowance in England and Wales, we do not intend to do so for Northern Ireland police officers this year. (Paragraph 3.38)

- 19. Competence Related Threshold Payment (CRTP): The DoJ and Northern Ireland Policing Board (NIPB) continue to support the phasing out of the CRTP and the PFNI, in a change from its previous position, now reluctantly accepts its gradual withdrawal. It also calls for the immediate implementation of alternative payments, such as an Unsocial Hours Allowance and the Away from Home Overnight Allowance. We recognise the potential risks to morale, motivation and retention from the removal of the CRTP as a consolidated payment but require sound justification for the continuation of the CRTP in Northern Ireland because this deviates from the provision of allowances in England and Wales. We observe that it is five years since the CRTP was phased out in England and Wales. A final resolution on CRTP is therefore overdue and we expect a final decision on the future of the CRTP in evidence next year, along with the outcome of the general review of allowances being conducted by the parties. The continuation of the CRTP is at odds with the principle of parity on pay and allowances. (Paragraphs 3.48 to 3.51)
- 20. Assistant Chief Constable pay scales and allowances: We observe that the parties cite a range of issues and not just pay as likely causes of the low application rates for assistant chief constable posts in Northern Ireland. We urge prompt consideration of the particular range of issues identified by Northern Ireland assistant chief constables themselves and also whether targeted payments, as found in England and Wales, could assist. We welcome the fact that the NIPB is conducting further work to understand the issues. We also suggest reviewing whether the PSNI chief officer removal and relocation package is a specific, potential, barrier to recruitment. We also propose that the NIPB review continues to monitor the developments on chief police officer remuneration in England and Wales. (Paragraphs 3.68 to 3.70)

Forward Look

21. <u>Introduction</u>: This year, our remit did not include making an overall pay award recommendation. It will be for the UK Government and Northern Ireland Executive to determine their public sector pay policies and for the Northern Ireland Minister of Justice to decide our remit for the next pay round. However, our view is that we should be permitted to fully exercise our role in

- making recommendations on pay uplifts for the 2022/23 pay round. (Paragraph 4.2)
- 22. Exit from the European Union: The UK has now left the EU and we note the challenge for the PSNI in policing the only land border between the UK and Europe. We would like to learn more in evidence next year about the impact of the UK's exit from the EU on the PSNI. (Paragraph 4.3)
- 23. <u>COVID-19</u>: We would like next year's evidence to cover the longer-term effects of the pandemic on the policing environment and any implications for the recruitment, retention, morale and motivation of officers. (Paragraph 4.4)
- 24. Northern Ireland police resourcing: We are also concerned about the PSNI's current and future deficit, its one-year funding from a multiplicity of sources and its inability to borrow funds or carry reserves. This is because of the potential impact of these constraints on the PSNI's ability to develop and implement a long-term pay and reward strategy. A multi-year funding arrangement would be beneficial for workforce and reward planning in the PSNI. (Paragraph 4.5)
- 25. Parity on pay and allowances with England and Wales: We have stated our principle of parity on pay and allowances with England and Wales and the requirement for a justification for any deviation from those allowances. We will continue to review the evidence we receive against those principles as part of our future reports. (Paragraph 4.6)
- 26. Evidence provision: We thank the parties for the evidence they have provided this year. We would encourage the continued, and where possible enhanced, provision of data in a number of areas, including the workforce profile and protected characteristics and an update on sickness absence rates.

 (Paragraph 4.7)
- 27. <u>Workforce and pay reform:</u> We are interested in receiving further information on plans to incorporate the pay reform measures from England and Wales into the PSNI. We would also like to hear about the Service Modernisation Plan and People Strategy and the Chief Constable's plans for prioritising

neighbourhood policing. We also look forward to receiving the outcome of the NIPB review of PSNI assistant chief constable remuneration and the parties' general review of police officer allowances in Northern Ireland. (Paragraph 4.8)

28. <u>Process</u>: We hope that all PSNI police officers are able to receive their pay award on time in 2021/22 and that publication of our report will not be subject to delay. We also understand at the time of writing that the 2020/21 pay award for PSNI chief police officers remained unapproved. We hope that this matter is resolved soon. (Paragraphs 4.9 and 4.10)

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

5 July 2021

Chapter 1 - Introduction

Introduction

1.1 This is our Seventh Report on police officers in the Police Service of Northern Ireland (PSNI). For the fourth successive year, chief police officers were added to our standing remit (the federated and superintending ranks). As a result, this report contains recommendations for police officers of all ranks in Northern Ireland.

Our Sixth Report 2020

- 1.2 Our Sixth Report was submitted to the Minister of Justice for Northern Ireland on 22 June 2020 (Appendix A). It set out the following recommendations on Northern Ireland police officer pay and allowances:
 - A consolidated increase of 2.5% to all police officer pay points for all ranks.
 - The Chief Constable of Northern Ireland should be granted the same discretion as chief constables in England and Wales regarding the starting salaries of constables.
 - Removal of the lowest point on the sergeants' pay scale.
 - An increase of 2.5% in the current level of the Northern Ireland Transitional Allowance.
 - The current level of the Competence Related Threshold Payment should not increase and the parties submit proposals to us next year on suitable alternative arrangements.
 - Dog Handlers' Allowance should increase by 2.5%.
 - On-call Allowance should be extended to the superintending ranks in Northern Ireland.
 - The parties conduct a comprehensive review of police officer allowances in Northern Ireland within the next twelve months.
- 1.3 On 18 December 2020, the Minister of Justice for Northern Ireland wrote to the Chair of the Police Remuneration Review Body (PRRB) to confirm that she had accepted the main 2020/21 pay award recommendation to PSNI officers at the federated and superintending ranks.

- 1.4 On 2 March 2021, the Justice Minister wrote again to the PRRB Chair (Appendix B). She explained that she had accepted all our 2020 recommendations in full and authorised publication of our Sixth Report on Northern Ireland.
- 1.5 The Minister also confirmed that the federated and superintending ranks had received their backdated 2020/21 pay award in January 2021. At the time of writing, confirmation was awaited on the chief police officers' pay award.

2021/22 remit

- 1.6 The Minister of Justice also asked us to commence our annual review of officers of the PSNI for 2021/22, in conjunction with that for police officers in England and Wales. She invited us to have regard to our standing terms of reference.
- 1.7 In addition, the Minister asked that we consider the parties' proposals on the overall remuneration package for assistant chief constables.

Our approach to the 2021 round

- 1.8 We received written evidence in April 2021 and held oral evidence sessions with the following parties in May 2021:
 - The Department of Justice and Department of Finance;
 - The Northern Ireland Policing Board (NIPB);
 - The PSNI;
 - The Police Federation for Northern Ireland (PFNI);
 - The Superintendents' Association of Northern Ireland (SANI); and
 - The Chief Police Officers' Staff Association (CPOSA).
- 1.9 We held a remote visit in February 2021 with police officers at all ranks in the PSNI. We are very grateful to all those who organised and participated in the virtual discussion groups.

Environment for this year's report

1.10 This is our second report completed during the coronavirus (COVID-19) pandemic. Last year, COVID-19 continued to change the context for our report as we prepared it. The restrictions have continued to change

throughout the year, and while some of the shorter-term effects of COVID-19 are clearer this year, the longer-term effects on society and the economy, and the resulting implications for the police service and its workforce, are still unclear.

- 1.11 The work of police officers is important, difficult, complex and sometimes dangerous in the ordinary course of events. As one of the groups working on the frontline during the pandemic, COVID-19 meant that the police had to adapt and respond to a new situation and enforce new and evolving regulations. This added further pressures and personal risk to their challenging role. Consequently, we would like to acknowledge our remit group for their particular contribution this year.
- 1.12 The UK has now left the European Union (EU) and we note the challenge for the PSNI in policing the only land border between the UK and Europe. We would like to learn more in evidence next year about the impact of the UK's exit from the EU on the PSNI.

The principle of parity on pay and allowances

1.13 We uphold the principle of parity on pay and allowances with England and Wales in recognition of the fact that the role of police officer is fundamentally the same across the police forces in England, Wales and Northern Ireland. We also recognise the need for variation in allowances to reflect local conditions. This means the Northern Ireland Transitional Allowance (NITA) is excluded from the principle but that the Competence Related Threshold Payment (CRTP) is not. Parity is longstanding and fundamental to the strong link between PSNI officers and those in England and Wales. Before any departure from the principle of parity on pay and allowances we suggest that very close attention is given to the potential implications. We provide this explanation here because the issue of parity arises several times in our report.

Structure of report

1.14 Chapter 2 summarises the main evidence from the parties, sets out this year's overall context and provides our analysis of the issues. Chapter 3 contains

our recommendations on the pay and allowances of police officers in Northern Ireland as required by the remit letter and supporting evidence. Chapter 4 looks ahead to the issues that we expect to inform our work next year.

Chapter 2 – Our Analysis of the 2020/21 Evidence

Introduction

2.1 In this chapter we analyse the key points in the evidence from the parties as it relates to our standing terms of reference and matters referred to us by the Minister of Justice for Northern Ireland. Our conclusions from the analysis in this chapter are carried forward to our consideration of pay proposals in Chapter 3 and our forward look in Chapter 4.

Northern Ireland policing environment

General

- 2.2 According to the **DoJ**, the primary purpose of the PSNI is to protect life and property, preserve order, prevent the commission of offences, and, where an offence has been committed, to take measures to bring the offender to justice.
- 2.3 The **NIPB** has a key legislative responsibility to develop and issue a Policing Plan and Annual Performance Plan for the PSNI. The Northern Ireland Policing Plan 2020-2025 developed in partnership with PSNI outlines the collective policing ambition for the five-year period. It sets out three overarching outcomes that the NIPB and PSNI want policing to deliver for the people of Northern Ireland. These are: 'We have a safe community'; 'We have confidence in policing'; and 'We have engaged and supportive communities'.
- 2.4 The Annual Performance Plan for the PSNI 2021/22 supports the evaluation and delivery of the Policing Plan. It contained nine indicators and thirteen measures which will be used to help quantify the progress towards outcomes, inform the basis of the information reported to the NIPB and provide insight into how well both plans are progressing. The indicators include 'to improve representativeness of the service across ranks, grades and departments by gender and community and socio-economic background' (Indicator 2.3).

Demand on policing

2.5 The **DoJ**, **PSNI** and **PFNI** told us that the threat level from Northern Ireland-related terrorism was 'SEVERE', which meant an attack was highly likely.

- 2.6 The **DoJ** informed us that police and prison officers were still seen as a prime target for terrorists. It explained that in April 2021, a part-time police officer and her young daughter had been the target of an attempted bomb attack and that another police officer was the victim of an arson attack at his home. It added that PSNI officers had in recent weeks been faced with a large amount of civil unrest in various parts of Northern Ireland. The DoJ told us that this unrest had started following a decision by the Public Prosecution Service not to prosecute individuals following allegations of offences having been committed under Health Protection (Coronavirus Restrictions) Regulations at a politically high-profile funeral. However, the public order situation had quickly escalated into dissatisfaction with the Northern Ireland Protocol following the UK's exit from the EU and had resulted in significant levels of public disorder and attacks on police officers. At the time of writing, the DoJ said that almost 90 police officers had been injured.
- 2.7 The DoJ added that the pandemic had created perhaps the most significant challenges for policing in Northern Ireland over the past year. It said that the PSNI had played a major role in encouraging compliance with health protection regulations and taking enforcement action where breaches of legal restrictions had taken place. The DoJ explained that this had inevitably impacted on public confidence in policing.
- 2.8 The **PSNI** stressed that the threat level remained at 'SEVERE' for both its onand off-duty officers. It explained that its officers could be vulnerable when
 answering their door at home, when preparing to drive off in their car, or at
 any time when their movements could be predicted. It added that PSNI
 officers carried out daily car inspections to check if an Under Vehicle
 Improvised Explosive Device had been planted on their vehicle. The PSNI told
 us that its officers were advised to be alert to possible threats arising from
 their public or private activities and to make their family aware of the situation.
- 2.9 The PSNI said that the demands on policing in Northern Ireland were more wide-ranging than those faced by forces in England and Wales. It explained that its officers faced the daily ongoing threat from dissident terrorist activity and the potential challenge of policing the only land border between the UK

- and Europe. The PSNI observed that the demands on policing from dealing with organised crime groups and preventing dissident terrorist activity continued to be substantial and resource-heavy.
- 2.10 The PSNI added that the UK's exit from the EU and controversy surrounding the Northern Ireland Protocol had seen a re-emergence of identity politics and a rising tide of tension. It said that the resulting societal and political environment had implications for policing. It stated that this highlighted the importance of adequate funding and resource to manage a potentially volatile, fast-paced, unpredictable and complex set of circumstances.
- 2.11 In February 2021, the PSNI Chief Constable highlighted in his update to the NIPB the critical importance of neighbourhood officers in delivering visible, accessible and responsive policing and building confidence in the police service. He said that, as a consequence, protecting the neighbourhood policing function and its existing resourcing levels would be the PSNI's priority.
- 2.12 The NIPB said that 2020/21 had been an unprecedented year for policing. It stated that the impacts and effects of the COVID-19 pandemic had been wide-ranging for policing and particularly for police interaction with the community.
- 2.13 The **PFNI** described 2020/21 as a year like no other, in which police officers faced consequences like never before, including a risk to their own and to their families' health. It told us that a mix of COVID-19 related issues and complexities from the UK's exit of the EU had politicised policing in Northern Ireland to a level not seen for some time. It added that this was a worrying time for policing and for police officers in Northern Ireland as they attempted to maintain order and keep people safe.
- 2.14 The PFNI reflected that policing had been placed in the most unenviable position: with COVID-19, everyday policing operations had become entangled with the requirement to enforce ever-changing, increasingly complex, confusing, and sometimes contradictory laws and regulations inhibiting the everyday freedoms of millions of people. It said that this had changed the way

- in which police officers engaged with the public and how the public responded.
- 2.15 The PFNI added that police officers had become the visible enforcers of laws who were unaccepted by some and disliked by many. Consequently, police officers were facing protest at a time when physical contact with others posed a risk to their personal health and wellbeing. The PFNI said that in Northern Ireland, this challenging policing environment was further complicated by decades-old divisions, which further tested public confidence in policing. It observed that it would undoubtedly be some time before this public perception could be mended.
- 2.16 The PFNI told us that demand on policing in Northern Ireland remained high. It said that while there was evidence of certain crime types having fallen during the pandemic, the range of crime that the PSNI was required to deal with had not reduced nor the complexity of cases. The PFNI explained that the PSNI still faced the challenging role of 'plugging gaps' in other services, including in mental health provision and caring for vulnerable people. It said that this misplaced demand had grown throughout the course of the COVID-19 pandemic, as mental health and vulnerability issues had increased due to lockdown conditions. The PFNI emphasised that policing in the pre-pandemic world involved a high level of personal risk but that this had been multiplied by COVID-19 as officers risked their own and their families' health through the threat of exposure to the deadly virus.
- 2.17 The PFNI observed that PSNI officers were responding to a continued high level of demand, as well as policing the severe security threat, in extraordinary circumstances. The PFNI said the PSNI had continued to work hard providing a vital public service while attempting to mitigate the risk from COVID-19 to officers and staff. The PFNI added that while conducting vital public safety roles officers were, on occasion, spat at or coughed on by members of the public claiming to be COVID-19 positive. It said that police officers in Northern Ireland and across the UK continued to serve the public through the maintenance of law and order while others were told to stay at home in order to keep safe.

2.18 The PFNI told us that the UK's exit from the EU and the Northern Ireland Protocol had resulted in an increase in community tensions across Northern Ireland. It said PSNI officers continued to face considerable challenges every day both on and off duty and that policing was delivered against the backdrop of a very difficult, demanding and dangerous working environment. The PFNI added that in spite of COVID-19 and the related lockdowns, there were still significant levels of security-related attack planning, procurement and bombmaking which made an attack possible anywhere within Northern Ireland.

Our comment

- 2.19 We note that the security situation in Northern Ireland remains 'SEVERE' and that police officers on and off duty, and their families, continue to be the target of terrorist threats, including from viable explosive devices. For this reason, our remit group continues to receive the NITA which is an allowance unique to the PSNI that seeks to acknowledge the impact of the security threat on the lives of its officers and their families.
- 2.20 In addition, we observe that demand on the PSNI remains high this year, not least in the context of public disorder incidents and increased tensions arising from the enforcement of COVID-19 regulations, the UK's exit from the EU, and the Northern Ireland Protocol. All of these factors have placed a unique combination of pressures on the PSNI in 2021. We would be interested in learning about the impact of the current situation on PSNI efforts to prioritise neighbourhood policing and what this could mean for police officer pay and reward.

Parity on pay and allowances and broad alignment with England and Wales

- 2.21 All the Northern Ireland parties supported core pay parity or broad alignment on pay with England and Wales.
- 2.22 The **DoJ** told us that it strongly supported the principle of broad alignment on pay with police officers along with all other key policing stakeholders in Northern Ireland. It said that this was why the remit letter had not sought a recommendation on a pay uplift. The DoJ confirmed that it wished to retain and that it was important to continue with broad consistency on pay and

- other terms and conditions of PSNI officers with their counterparts in England and Wales.
- 2.23 The DoJ explained that while the number of officer transfers and exchanges under mutual aid arrangements continued to be relatively low, the Chief Constable had indicated that if recent violence escalated further, there would need to be a graduated path towards mutual aid from forces in the rest of the UK. In addition, the principle that officers should be rewarded on a consistent basis for fulfilling their core role as an officer, no matter which police force they serve in, remained. The DoJ added that police officer allowances provided recognition for regional variations such as, for example, London Weighting and the NITA.
- 2.24 The DoJ explained that this approach to police pay and allowances would ensure that the PSNI had the ability to attract, retain and develop police officers from across the UK and beyond, including those with specialist skills. It said that this would allow the PSNI to respond to local and national surges in demand and to utilise best practices through continued cooperation with other forces. It reflected that ever-evolving types of crime and operational pressures reinforced the requirement for consistent policing, especially in the context of the COVID-19 pandemic. The Department added that the PSNI sought broad parity to realise benefits that included: maintaining a shared resource to address operational requirements; and the capability to facilitate the interchange of skills and experience with officers in other forces.
- 2.25 The **PSNI** said that it was fundamentally important to maintain pay parity with England and Wales. It ensured that the base pay of officers in Northern Ireland was not less favourable and did not negatively affect the attraction, recruitment or retention of police officers or the use of mutual aid.
- 2.26 The PSNI explained that pay parity with England and Wales offered the following benefits: shared resources to address operational requirements; interoperability for transferees and mutual aid; the underpinning of resilience in light of the cumulative impact of recent pay constraints and pension changes; the interchange of skills and experience; and uniformity with

England and Wales and adherence to the UK Government's public sector pay policy. It stressed that it was essential to ensure that PSNI police officer pay mirrored that of its counterparts in England and Wales to avoid officers being discouraged by different rates of pay for the same tasks.

- 2.27 The **PFNI** told us that it was still firmly of the view that the issue of pay parity related to core pay spines. It explained that this allowed for regional variations in reward without unnecessarily deconstructing core pay structures. It said that broad agreement remained from all parties in Northern Ireland on this issue.
- 2.28 The SANI also sought continued parity with England and Wales on core pay scales. It said that data showed that where there was a disparity in remuneration, satisfaction rates dropped significantly. It added that in the 2020 Police Superintendents' Association (PSA) and SANI Pay Survey, 32% of officers in the superintending ranks in England and Wales were satisfied with their overall remuneration whereas in Northern Ireland, where allowances had fallen behind, only 18% had stated they were satisfied.
- 2.29 The CPOSA said that it continued to seek pay parity, including on allowances, with England and Wales and that it did not wish to see a deviation from the current position to the detriment of its members.

Links to workforce and pay reform in England and Wales

2.30 The **DoJ** told us that it continued to liaise with the PSNI on how and when chief constable discretion on starting salaries, the removal of the lowest point on the sergeants' pay scale and the extension of the On-call Allowance to the superintending ranks would be applied. The DoJ added that it was supportive of the PSNI's programme of change and transition to realise key deliverables and improvements in order to implement the 2025 vision for the Police Service. The DoJ explained that a group within the PSNI was considering further workforce reforms on the basis that any move away from alignment on base pay with England and Wales should not negatively affect recruitment and retention. However, the group was aware of affordability and

- sustainability factors in the context of COVID-19 and the UK's exit from the EU.
- 2.31 The PSNI told us about its new Service Modernisation Plan setting out how the service aimed to embrace change in its work to ensure that it continued to deliver a high-quality service to the public. It said that the Plan would deliver innovative ways of making lasting change and focus on evidence-led, digitally-enabled results driven by ambitious business transformation. The Plan would also renew the current ways of doing things while supporting officers to deliver an agile, fast-paced front-line service. The PSNI added that its work with neighbourhood policing teams and the Plan's new Service Operating Model would allow the PSNI to continue to deliver a policing style that reflected its communities' requirements. The PSNI explained that there was significant uncertainty around the UK's exit from the EU and how this would influence policing demands across Northern Ireland.
- 2.32 The PSNI added that the Chief Constable had agreed with the England and Wales pay reform recommendations put to the Chief Constables' Council in January 2021 and had endorsed the progress made there on the Pay Progression Standard, P-factor and benchmarking. However, the PSNI also told us that it was not proposing any flexibility on short-term bonuses in Northern Ireland for specialist or hard-to-fill posts because these pressures were adequately managed at present.
- 2.33 The **SANI** proposed targeted payments or bonuses for the superintending ranks with clearly defined parameters to ensure equality of opportunity. It said that colleagues in England and Wales had access to such payments but that no defined criteria for a similar payment existed in Northern Ireland. The SANI explained that during its 2019 conference, 55% of attendees had indicated that they would be in favour of targeted payments.

Our comment

2.34 All the parties confirmed to us that they continued to support the principle of parity or broad alignment on core pay scales with England and Wales. In addition, they agreed that the NITA recognised the uniqueness of the

- Northern Ireland security situation and accounted for the very specific differences between the two environments.
- 2.35 In oral evidence with the DoJ, PSNI and NIPB, we also explored whether, despite a common ethos of policing by consent, the higher overall level of risk in Northern Ireland made the role of a police officer there fundamentally different from that in England and Wales. All confirmed that it was fundamentally the same role despite the uniquely challenging Northern Ireland policing context. We agree with this rationale and that police officers should be rewarded on a consistent basis for fulfilling this role, wherever they serve.
- 2.36 Consequently, we uphold the principle of parity on pay and allowances with England and Wales. However, we also recognise the need for variation in allowances to reflect local conditions, which means that only the NITA is excluded from this principle.
- 2.37 However, we also observe that it will become more difficult to maintain parity if Northern Ireland continues to differ from England and Wales on workforce and pay reform and in its public sector pay policy.
- 2.38 We see a potential loss of benefits to the PSNI if it diverges from parity on pay and allowances with England and Wales. Parity is longstanding and fundamental to the strong link between PSNI officers and those in England and Wales. We uphold the principle of parity on core pay and allowances in recognition of the fact that the role of police officer is fundamentally the same across the police forces in England, Wales and Northern Ireland. Furthermore, the principle of parity is integral to UK policing and indivisible from its history of interoperability. Parity on pay and allowances supports many policing activities, mutual aid, close ways of working and the formation of specialist groups on many issues. It is the foundation of professional development and the accepted common basis for training, accreditation and for taking up national roles. It also encourages officer mobility between police services all offering similar opportunities and remuneration. Before any departure from the principle of parity on pay and allowances we suggest that very close attention is given to the potential implications.

Public sector pay policies and affordability

HM Treasury public sector pay policy

2.39 The HM Treasury 2020 Spending Review was published on 25 November 2020. On public sector pay, it said that the Government would pause pay rises for public sector workers in 2021/22 apart from those in the National Health Service (NHS). In addition, public sector workers earning less than £24,000 would receive a minimum £250 pay increase. The Government explained that pausing headline pay awards for some workforces would allow it to protect public sector jobs and investment in public services while responding to spending pressures from COVID-19. It would also avoid further expansion of the gap between public and private sector reward.

Northern Ireland public sector pay policy

2.40 The Northern Ireland public sector pay policy was published on 16 March 2021. It stated that the public sector pay freeze announced in the Spending Review would not be imposed in Northern Ireland and that pay awards of up to 1% would be allowed in addition to any legally entitled progression increases. In addition, the 1% limit on pay awards would not apply to the health service.

Evidence from the parties

- 2.41 The **DoJ** said it recognised that the 2021/22 Northern Ireland public sector pay policy did not mirror that in the rest of the UK. It observed that it was necessary to balance recognition of the contribution of PSNI officers against the need to ensure consistency in approach across the UK. The DoJ explained that the objective of the Northern Ireland public sector pay policy was to reward staff appropriately but where increases were affordable and balanced against other competing demands for resources in the current budgetary context.
- 2.42 The DoJ added that although the Northern Ireland public sector pay policy provided for an uplift of up to 1% for public sector workers, it remained of the view that broad alignment of police officer pay across the UK was the priority in the interests of interoperability across jurisdictions.

- 2.43 The DoJ explained that in addition to its final 2021/22 budget, the PSNI would receive an in-year allocation of £12.3 million. It advised that £9.8 million of this would enable the PSNI to retain its current police numbers of approximately 7,000 and that £2.5 million would allow for the recruitment of 100 officers in 2021/22 towards the New Decade, New Approach commitment of 7,500 police officers. The DoJ said that the annual costs of 100 officers were estimated at £5 million and that the recurring cost of £14.8 million would need to be provided for in future baselines from 2022/23. The DoJ said that the additional £12.3 million would reduce the PSNI deficit to approximately £13.2 million.
- 2.44 The DoJ said that the Northern Ireland Executive expected departments to face significant resource constraints in 2021/22 following the Spending Review. The DoJ explained that efficiency and productivity improvements would continue to be essential but that realising efficiencies was becoming increasingly challenging for departments following recent years of public expenditure constraint. It added that the high proportion of expenditure accounted for by pay had significant implications for resource availability and public service delivery in Northern Ireland.
- 2.45 In oral evidence, the Minister of Justice told us that a longer-term spending review, for example for three years, would help to end financial uncertainty and enhance the PSNI's ability to plan for the longer term and take part in investment planning. She said that the need for a longer-term budget had been recognised by the Northern Ireland Executive and that it was working towards this. The Minister added that it was unfortunate that she personally could not deliver this.
- 2.46 The **PSNI** said that while the additional in-year funding would allow for 100 additional police officers, it still faced funding pressures. It told us that the options available to it were limited and would have an adverse impact on service delivery, operational resilience, capabilities and Policing Plan outcomes. It advised that reductions were most likely to focus on overtime and support costs, which were the very areas in which the PSNI needed to

- invest in order to transform the service. The PSNI added that it awaited confirmation of other funding streams.
- 2.47 The **NIPB** said that it recognised the difficulties for the PSNI in being unable to make long-term plans because of its one-year funding model and that the PSNI required a multi-year settlement to assist with planning more effectively. It observed that the PSNI Chief Constable did not have the same financial powers as chief constables in England and Wales to raise funds through council tax or to build and carry forward financial reserves. Nor could the PSNI collaborate or share services with neighbouring forces to protect service delivery and save money. The NIPB added that the ongoing challenges and demands placed on PSNI resources by COVID-19 and the UK's exit from the EU could impact on operational capability and capacity.
- 2.48 The **PFNI** reflected that while the Chancellor and the Home Secretary focused on the apparent increase in the pay gap between the public and private sectors during the pandemic, the Northern Ireland Finance Minister had taken a different approach, as had the Scottish Government. It stated that these differing approaches reflected the strength of public opinion on the unfairness of not rewarding those public servants who had continued to work in important public-facing roles over the last year while others had stayed at home to stay safe.

Our comment

2.49 The Chancellor of the Exchequer's announcement of the public sector pay policy for 2021/22 set the context for our report this year. We do not seek to make comment on the public sector pay policy. However, as a result of this policy, our remit letter from the Minister of Justice for Northern Ireland has not asked us for a recommendation on an overall pay award this year. For the first time since our establishment, two differing overall public sector pay policies were announced by the UK and Northern Ireland Governments, with the UK Government pausing pay rises and the Northern Ireland Executive allowing pay awards of up to 1%. We have sought to resolve the tensions between these two policies and to reconcile them with our position on the pay parity principle.

- 2.50 We have continued to track indicators relating to our standing terms of reference in the following sections. These provide context for our report and will be relevant when we are asked to make pay recommendations in future years.
- 2.51 We are concerned about the PSNI's one-year funding from a multiplicity of sources, its deficit and its inability to borrow funds or carry reserves. This is because of the potential impact of these constraints on its ability to develop and implement a long-term strategy on pay and reward. We assess that one unified funding source and a multi-year budget could assist the PSNI in implementing workforce and pay reform initiatives.

Economy, inflation, labour market, earnings and pay settlements

- 2.52 The **DoJ** told us that as a small open economy, Northern Ireland was particularly vulnerable to national and international conditions outside of its control. It said that the effects of the COVID-19 pandemic on the global economy had been profound and that impacts on the local economy had been severe. It observed that it could be some time before the economy bounced back to pre-pandemic levels.
- 2.53 The DoJ said that in addition, Northern Ireland businesses and citizens had been affected by uncertainty associated with the UK's exit from the EU and the implementation of the Northern Ireland Protocol. It informed us that businesses, employees and individuals right across the economy were under immense pressure in dealing with these two significant challenges and the future. The DoJ added that at the outset of the pandemic, the Northern Ireland Department for the Economy had estimated that the overall output within the local economy was around 25% below normal in the spring 2020 lockdown, while the Northern Ireland Composite Economic Index (NICEI) output measure also reached a series low point in Quarter 2 of 2020. It told us that in Quarter 3 2020, the NICEI remained 8.3% below the maximum value recorded in Quarter 2 2007.
- 2.54 The DoJ stated that other factors weighing down on growth prospects, included: weak productivity performance; structural labour market challenges;

- business investment concerns; heightened global risks and continued uncertainty as the UK transitioned following its exit from the EU. It reflected that in a constrained fiscal environment the Northern Ireland economy would continue to face significant challenges in the time ahead.
- 2.55 The DoJ informed us that COVID-19 continued to have a negative impact on Northern Ireland's labour market, which already faced persistent longstanding structural challenges. It said that the claimant count and economic inactivity rate had seen significant increases over the course of the year, with the Northern Ireland claimant count having almost doubled between February 2021 and March 2020 to levels last seen during 2012 and 2013. In addition, the unemployment rate in Northern Ireland had increased over the year by 1.3 percentage points to 3.7% in the three months to January 2021. The DoJ said that this increase was driven by the younger population and that the youth unemployment rate (16-24 years) was estimated to be 10.7% in over the same time period.
- 2.56 The DoJ warned that labour market figures should be treated with caution given the ever-changing picture resulting from the pandemic and the various Government interventions put in place to support and sustain employment. It said that it was anticipated that labour market conditions could deteriorate, and that the full impact of the pandemic become clearer, when this support was scaled back.
- 2.57 The DoJ told us that the median of gross full-time public sector employee earnings in Northern Ireland was £619 per week in April 2020, which represented a decrease of 0.9% on April 2019. The equivalent figure for the UK was around 4.5% higher at £647. This represented the largest difference between Northern Ireland and UK public sector median earnings in the last 20 years. The median of gross full-time private sector earnings in Northern Ireland was £463 per week, 34% lower than for the public sector. In addition, the median for the private sector experienced a 3.2% decrease over the year compared with a 0.9% decrease for the public sector. The DoJ added that the differing structure and nature of the workforces needed to be considered when making pay comparisons.

- 2.58 The **PSNI** said that Northern Ireland's EU trade dependence had been such that a 3% reduction in the Northern Ireland gross domestic product (GDP) had been calculated as the likely outcome of the UK's exit of the EU. The PSNI added that the Northern Ireland private sector economy was weak compared with the rest of the UK on a wide range of indicators. It advised that while some local measures were already in place to boost the local economy, economic effects of the UK exit from the EU upon Northern Ireland could be particularly severe. The PSNI reflected that a key driver of prosperity and economic growth was underlying physical and human capital and it expressed concern that the UK's exit from the EU would cause a 'brain drain', a reduction in economic opportunities and an overall decline in investment.
- 2.59 The PSNI reported that the Northern Ireland Department for the Economy had found that: Northern Ireland households had around half the discretionary income of households in the rest of the UK (£119 discretionary income per week in January 2021, compared with £215 as the UK average), which meant that increases in food prices would have a disproportionate impact in Northern Ireland; Northern Ireland adults had the most unsecured debt of all of the UK regions: and 10% Northern Ireland adults were 'in difficulty' financially with a further 29% 'surviving'.
- 2.60 The **PFNI** said that the impact of COVID-19 and lockdown restrictions had affected the Northern Ireland economy in similar way to the rest of the UK. The impact of each subsequent lockdown in Northern Ireland had been less severe than the first, with businesses adapting or pivoting to new markets. It observed that the impact of lockdowns and subsequent resurgences had varied greatly both between and within sectors. It said that in Northern Ireland the service sector had recouped just two-thirds of the decrease in output since the start of the pandemic, while manufacturers had recouped almost all of their post-pandemic slump in output in just a single quarter (the third quarter of 2020).
- 2.61 The PFNI observed that, in addition to the economic impact of COVID-19, the Northern Ireland economy had also been dealing with the direct and indirect consequences of the end of the transition period following the UK's exit from

- the EU and the introduction of the Northern Ireland Protocol. This situation remained in flux with a high degree of uncertainty which meant the effect on the Northern Ireland economy in the medium and long term remained unclear.
- 2.62 The PFNI reported early indications of inflation growing throughout 2021 and 2022, potentially beyond 2%. The PFNI pointed out that this would have a negative effect on the value of take-home wages at a time when public sector pay had been frozen.

Our comment

- 2.63 We recognise that economic and labour market indicators are likely to show more volatility than usual over the coming months both as COVID-19 restrictions are eased, and as comparisons are made with the unusual situation a year earlier. We also note that many of these indicators are currently subject to greater uncertainty than usual as a result of data collection challenges created by COVID-19 restrictions, and may be subject to future revisions. While we summarise some of the key indicators in this section, next year we expect to focus more on broader trends and changes compared with pre-pandemic levels, and less on annual changes.
- 2.64 The parties' written evidence was submitted in April 2021. We set out below the latest economic and labour market indicators as at 23 June 2021, available to us when finalising our Report:
 - Economic growth. UK GDP was estimated to have contracted by 9.8% in 2020. This was the largest annual fall in UK GDP on record and reflected the effects of the COVID-19 virus itself, the imposition of public health restrictions and voluntary social distancing to contain its spread. Economic output in Northern Ireland saw an annual fall of 6.3%, a smaller contraction than for the UK overall.
 - In its May Monetary Policy Report⁴, the Bank of England forecast economic growth of 7.25% overall in 2021 followed by 5.75% in 2022. It expected demand growth to be boosted by reduced health risks and

⁴ Bank of England (May 2021), *Monetary Policy Report*. Available at https://www.bankofengland.co.uk/monetary-policy-report/2021/may-2021 [Accessed on 2 July 2021]

- uncertainty; fiscal and monetary stimuli; and household spending. In April, Ernst & Young forecast the Northern Ireland economy to grow by 5.9% in 2021 and 4.1% in 2022.
- Inflation. Inflation, as measured by the Consumer Prices Index (CPI), was
 at 2.1% in May 2021, up from 0.7% in March 2021. The Consumer Prices
 Index including owner occupied housing costs measure of inflation was
 also at 2.1% and the Retail Prices Index measure was at 3.3% in May.
 Separate inflation figures are not available for Northern Ireland.
- The Bank of England expected CPI inflation to rise temporarily above 2% towards the end of 2021, driven largely by energy prices. It projected CPI inflation to be close to 2% in 2022 and 2023.
- Labour market. Pay As You Earn (PAYE) Real Time Information (RTI) data indicates that the number of employees on payrolls in Northern Ireland during May 2021 was up by nearly 6,800 (0.9%) compared with May 2020, but down by 4,800 (0.6%) compared with January 2020. The equivalent figures for the UK as a whole showed the May 2021 figure to be 0.5% higher than May 2020 and a 1.9% lower than January 2020.
- At 69.8%, the Labour Force Survey (LFS) employment rate for people aged 16 to 64 in Northern Ireland for the three months to April 2021 was lower than any other region in the UK (the equivalent figure for the UK as a whole was 75.2%). The LFS unemployment rate for people aged 16 and over was also lower in Northern Ireland in the three months to April 2021 (3.1%) than any other region of the UK (4.7% for the UK as a whole and also lower than in the Republic of Ireland (5.8% for the single month of April 2021⁵). The economic inactivity rate remained higher in Northern Ireland than in any other region of the UK, at 27.9% of people aged 16 to 64 compared with 21.0% in the UK as a whole in the three months to April 2021.
- At the end of April 2021, 3.4 million jobs in the UK were being supported by the Government's Coronavirus Job Retention Scheme (CJRS). This represented 11.7% of all employments. In Northern Ireland, 90,000 jobs

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⁵ <u>https://www.cso.ie/en/releasesandpublications/er/mue/monthlyunemploymentapril2021/</u> [Accessed on 2 July 2021]

were furloughed at the end of April, 11.9% of all employments, a similar rate to the rest of the UK. The Office for Budget Responsibility⁶ expected UK unemployment to peak at 6.5% in the final quarter of 2021, once the CJRS has closed.

- Earnings. PAYE RTI data shows that median earnings across the UK grew by 9.9% in the year to April 2021. The growth in median earnings since January 2020 was 6.6%. Northern Ireland saw growth in median earnings of 7.6% in the year to April 2021, and 9.7% since January 2020. This growth reflects both the bounce back in working hours since April 2020 and the restructuring of the overall workforce, with many fewer jobs in the lower-paying sectors such as accommodation and food services and arts and recreation.
- Median earnings in Northern Ireland remained 7.4% below the UK in April 2021. This difference is primarily due to significantly lower earnings in the private sector in Northern Ireland relative to the UK.

Police officer earnings

- 2.65 We have set out our analysis of police earnings data in Appendix D. This included looking at the differentials between police officer earnings in Northern Ireland and the earnings of other groups (Chart D.2). These differentials with the whole Northern Ireland economy and Northern Ireland professional occupations fell in the financial year ending (FYE) 2020, while the differential with England and Wales Police and Northern Ireland associate professional and technical occupations rose.
- 2.66 In FYE 2020, median full-time gross annual earnings for police officers in Northern Ireland were:
 - 71% (£20,100) higher than those for the whole economy in Northern Ireland;
 - 47% (£15,400) higher than associate professional and technical occupations in Northern Ireland;

⁶ Office for Budget Responsibility (March 2021), *Economic and Fiscal Outlook*. Available at: https://obr.uk/efo/economic-and-fiscal-outlook-march-2021/ [Accessed on 2 July 2021]

- 23% (£9,000) higher than professional occupations in Northern Ireland;
 and
- 18% (£7,300) higher than police officers in England and Wales.

Our comment

2.67 While the Northern Ireland police pay lead has fallen in recent years, we observe that median earnings for full-time police officers in Northern Ireland remain 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 and higher overtime levels. 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.

PSNI workforce, diversity, recruitment and retention

- 2.68 We have set out our analysis of PSNI workforce data in Appendix D.
- 2.69 The **DoJ** said that the Minister and Department continued to support the PSNI in its efforts to implement measures to increase officer numbers in underrepresented groups in the PSNI. However, the DoJ said it was mindful of the pressures on recruitment as a result of the pandemic.
- 2.70 The **PSNI** told us that its workforce model had been based on maintaining a police officer operational capacity against a target figure of 7,100, while the New Decade, New Approach deal committed the Northern Ireland Executive to increasing the police officer establishment to 7,500, which was the figure suggested in the Patten Review.
- 2.71 The PSNI explained that additional in-year funding received in 2021/22 would increase its recruitment forecast for 2021/22 to 458 student officers. It explained that candidates from the 2020 recruitment campaign would begin training from May 2021 and that there would be a steady flow of appointments throughout the period. It also expected around 300 officers to leave the PSNI in 2021/22. The PSNI added that fewer officers had left the PSNI in recent months than predicted which could be attributed to COVID-19. It stated that

- 2.8% of the PSNI workforce had 30 years' service or more compared with 1.1% in England and Wales forces.
- 2.72 The PSNI said that in its latest recruitment exercise held in 2020, it had received a lower proportion of applications from the Catholic community (30.8% of the total), compared with 2018 (31%) and 2017 (31.8%). However, the proportion of female applicants rose compared with these years, as did the both number and proportion of applicants from ethnic minorities and the LGBT community.
- 2.73 The PSNI added that student officers were appointed on the basis of a requirement to serve at any location in Northern Ireland. It stated that this had not been identified as a difficulty or barrier to student officer recruitment to date and that its external recruitment campaigns had attracted a significant number of applications.
- 2.74 The PSNI added that in recent campaigns, there had been a shift from the largest percentage of successful applicants being within the 25 to 29 age range to the 21 to 24 age band. It explained that approximately 40-45% of appointees across all recruitment campaigns had a degree level or higher qualification but that the numbers appointed with a degree had reduced from 50% in Campaign 1 to 40% in Campaign 5.
- 2.75 The **PFNI** explained that there was a significant number of officers (more than 400) able to retire from the PSNI with full pension benefits at any stage. The PFNI added that of the 182 officers who left the PSNI between April and November 2020, almost 20% were aged 45 or under. The PFNI said that this had been a consistent trend in the outflow of officers from the PSNI over a number of years, identifying a significant leakage of experienced, mid-service officers. It observed that this would ultimately be detrimental to service provision and could result in skills and knowledge gaps.
- 2.76 The PFNI said that the publication of the New Decade, New Approach agreement in January 2020 had signalled a commitment to increase police officer numbers in Northern Ireland to 7,500. This commitment had been cautiously welcomed by PFNI with acknowledgement that this policy would

require ongoing political will and adequate funding. The PFNI welcomed the additional in-year funding received by the PSNI for recruitment but observed that there did not appear to be any medium- or long-term funding plan. The PFNI added that the short-term, single-year nature of PSNI funding did not assist with long-term planning and that the situation on PSNI officer numbers remained highly volatile and uncertain.

Our comment

- 2.77 We note that the number of police officers in the PSNI is to be increased by 100 to a total of 7,100 in 2021/22, bringing the establishment closer to the New Decade, New Approach commitment of 7,500 police officers. We observe that this increase was funded from a special in-year budget rather than from annual funding and that such uncertainty and unpredictability is likely to inhibit PSNI long-term strategic planning.
- 2.78 In addition, we observe that the application rate from the Catholic community declined slightly again in the latest PSNI recruitment campaign. However, there was an increase in the proportion of female applicants and in the numbers from ethnic minorities and from the LGBT community. We request a further update from PSNI next year on its plans to achieve a diverse and inclusive workforce representative of the community it serves, encompassing all the protected characteristics.
- 2.79 We note the recent slowdown in leavers despite the PFNI's evidence that 400 officers are eligible to retire at any time and that this decline in retirements is possibly a temporary phenomenon attributable to COVID-19. We also observe that the PSNI expects 304 officers to leave in 2021/22 and also provides evidence that 2.8% of the PSNI workforce has at least 30 years' service compared with 1.1% of the England and Wales police workforce. We would welcome an update on retirements from the PSNI next year.

Morale and motivation

2.80 Parties expressed significant concern to us at the potential impact on our remit group's morale if excluded from a pay award received by other Northern

Ireland public sector workforces under the Northern Ireland public sector pay policy.

Surveys

- 2.81 The **PSNI** told us that it had completed its third Employee Engagement and Wellbeing Survey, which Durham University had conducted in 2019. It said that there had been a 28.7% response rate which was lower than in 2017 (32.6%) and 2016 (40.8%).
- 2.82 The PSNI provided its 2019 headline survey results. There had been small increases since 2017 in scores for levels of engagement (5.41 out of 7 compared with 5.3 previously) and vision clarity (4.46 out of 7 compared with 4.27 in 2017), while organisational pride (3.91 out of 7) had seen a small decrease since 2017, and public service motivation (5.48 out of 7) had remained constant over time.
- 2.83 The **PFNI** said its 2020 Covid and Wellbeing Survey had asked respondents to indicate how they would rate morale: 53% of respondents said that their personal morale was low or very low; 63% reported low team morale; 83% thought that morale across the PSNI as a whole was low; and more than half of respondents had reported low levels of morale across all three of these measures. The PFNI added that the proportion of respondents reporting low personal morale was very similar to that reported in the 2018 PFNI Workforce Survey (54%). However, the percentage of respondents who reported low team morale and low service-wide morale had declined by 7 percentage points and 9 percentage points respectively.
- 2.84 The PFNI explained that the three top reasons given for reducing personal morale in 2020 were: the delay in the implementation of the pay award (93%); pay and benefits (including pension) (86%); and how the police were treated as a whole (83%).
- 2.85 The PFNI added that it cautiously welcomed the evidence of a reduction in low morale levels. It explained that anecdotal evidence from serving officers indicated that the reduction could be attributed to increasing recognition of wellbeing issues in the PSNI stemming from the impact of COVID-19 on

- working practices, which had led to an improved work-life balance. The PFNI said that an example of this was the reduction in overtime hours required from officers in early 2020/21.
- 2.86 The **SANI** raised the issue of breaches of working time regulations and defining the working week for the superintending ranks in the PSNI. It told us that 75% of SANI respondents in the 2020 PSA and SANI Pay Survey had reported that the PSNI did not ensure compliance with working time regulations. The SANI added that discussions with the PSNI had highlighted the need for recording and measuring working hours and that in its 2019 Resilience Survey only 12% of respondents were satisfied with their working hours.
- 2.87 The SANI added that the McCloud/Sargeant pensions remedy was by far the most discussed issue among SANI members. It explained that 75% of SANI respondents to the 2020 PSA and SANI Pay Survey had stated that uncertainty regarding their pension had lowered their morale. The SANI told us that the number of its members affected by this issue had increased significantly since the latest survey following the promotion of a new cohort of officers to the superintending ranks.

Sickness absence

- 2.88 The **PSNI** told us that the target Average Working Days Lost due to sickness for officers for 2020/21 was 11.20 days per officer and that the projected annual figure was now 11.03, which was below the target. The PSNI added that between April and November2020, 1,862 officers took sickness absence, which was a decrease on the same period the previous year, when 2,343 officers were sick. The PSNI explained that occurrences of police officer sickness had decreased significantly, with 2,141 occurrences of sickness absence recorded from April to November 2020, compared with 2,788 for the same period in the previous year.
- 2.89 The PSNI explained that the emergence of COVID-19 in the early part of 2020 had resulted in a national lockdown and the implementation of special leave across the organisation. It said that these measures had brought about a

significant 27.9% reduction in sickness absence. In addition, as lockdown had continued and crime levels fell by up to 20%, the requirements to attend crime scenes and use physical restraints had declined, so reducing musculoskeletal conditions. In addition, social distancing measures and other precautions seemed to have reduced the incidence of other conditions. Moreover, the PSNI said that special leave for self-isolation and the ability to work from home had also contributed to a reduction in overall sickness absence.

- 2.90 The PSNI explained that the main causes of sickness absence were musculoskeletal (27%), respiratory (22%) and psychological (20%). It told us that musculoskeletal conditions had fallen by 29% and psychological conditions by 6%. However, respiratory ailments had increased by 13% primarily because of COVID-19. The PSNI stated that current levels of sickness absence still posed a risk to service delivery and that the Deputy Chief Constable chaired an Attendance Management Gold Group to oversee the issue.
- 2.91 PSNI told us that the People Strategy, which it had launched in March 2021, encompassed five key principles: Being Representative and Inclusive; Resourcing for the Future; Leading Together; Serving with Professionalism; and Valuing Health and Wellbeing. It said that the work under the Valuing Health and Wellbeing pillar of the People Strategy would bring a greater focus on the health and wellbeing of officers.
- 2.92 The **PFNI** told us that sickness levels within the PSNI remained stubbornly high despite a slight decline in absence levels in 2019/20. It said that an average of 12.65 working days were lost in 2019/20 due to sickness absence, compared with 13.92 in 2018/19, and 13.40 in 2017/18. It added that this figure was higher than any period between 2005/06 and 2013/14 and higher than the average figure of 11.72 working days lost between 2003/04 and 2019/20.

Inspection of how well the PSNI treats its workforce and the people of Northern Ireland⁷

- 2.93 Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) found in its 2020 inspection that the PSNI treated its workforce fairly and was therefore good at inspiring confidence. However, HMICFRS also identified three areas for improvement. These were to: provide its workforce with better information about the grievance procedure; introduce a more consistent process for managing poor performance; and seek to reduce waiting times for mental health support.
- 2.94 Findings on how the PSNI treated it workforce included that officers frequently raised concerns with HMICFRS about their workload. The inspectorate said that the PSNI needed to consider the significant effect on officers of asking them to work on their rest days, particularly for the many who travelled a long way to work to avoid the security risks associated with living locally and being identified. Also, while physiotherapy provision was quick and efficient (to address the high proportion of PSNI sickness absence arising from musculoskeletal problems caused by the wearing of often heavy ballistic protection), mental health referrals had long waiting lists. The inspectorate observed that demand for mental health support generally outstripped capacity but also that mental health support in the PSNI was disjointed.
- 2.95 In addition, efforts to develop a general PSNI health and wellbeing plan had been affected by a shortage of trained occupational health specialists in Northern Ireland, as well as the PSNI's inability to equal the remuneration package offered by Health and Social Care Northern Ireland.
- 2.96 The HMICFRS found that the PSNI worked hard to resolve identified problems or perceptions of unfairness. Focus groups told the inspectorate that there was generally a quick response from the Chief Constable to problems raised by the workforce (for example, he introduced a lighter-weight uniform

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⁷ HMICFRS (September 2020) The Police Service of Northern Ireland - *An inspection of how well the service treats its workforce and the people of Northern Ireland.* Available at: https://www.justiceinspectorates.gov.uk/hmicfrs/publications/police-service-northern-ireland-an-inspection-of-how-well-the-service-treats-its-workforce-and-the-people-of-northern-ireland/

- for frontline officers). In addition, the staff associations reported that they met regularly with PSNI leaders and maintained positive relationships with them.
- 2.97 In addition, the inspectorate reported that the PSNI used surveys to find out about perceptions of fairness within the workforce. Since 2016, it had conducted several staff surveys, albeit with low response rates.

Our comment

- 2.98 In keeping with the views of parties to this process, we are concerned about the potential impact on our remit group's morale if it is excluded from a pay award received by other Northern Ireland public sector workforces.
- 2.99 We are grateful to the PSNI for sharing the headline results from its third staff survey in 2019. This is the first time it has done so. We are keen to see the detailed results of any future surveys in a timely way. We also ask if consideration is being given to methods to increase the survey response rate.
- 2.100 We note that this year the PSNI has attributed a reduction in the sickness absence rate to a range of COVID-19-related factors, such as a temporary reduction in demand and the use of special leave and working from home. This contrasts with 2020, when we expressed concern at the increase in the number of PSNI officers taking sick leave. In addition last year, we learned that the Northern Ireland Audit Office (NIAO) had linked high levels of sickness absence to officer under-resourcing since 2010, significant budget cuts and increasing demand. We also observe the findings of the 2020 HMICFRS inspection, particularly on mental health provision.
- 2.101 We are keen to gain a broader understanding of long-term trends in the PSNI sickness absence rate beyond the annual context. We also want to evaluate the rate against the most relevant comparator but unfortunately sickness absence data from police forces in England and Wales is incomplete.
- 2.102 In the meantime, we note the NIAO November 2020 report findings that an average of 13 days per employee were lost to sickness absence in the Northern Ireland Civil Service (NICS) in 2019/20 and an average of 14 days were lost to sickness absence in 2018/19 in Northern Ireland local

- government. The NIAO described both figures as very high and explained that the NICS figure was twice the England and Wales civil service sickness absence rate and that the Northern Ireland local government figure was the highest public sector sickness absence rate in the UK.
- 2.103 By comparison, the figures for the PSNI were 13.92 in 2018/19 and 12.65 in 2019/20. The PSNI sickness absence rate then fell this year. However, the NIAO data suggests to us that recent PSNI rates were similar to those considered very high in the public sector. We note the creation of an Attendance Management Gold Group in the PSNI to address the detrimental impact of sickness absence on service delivery and will be interested in an update on PSNI sickness absence rates next year.

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

- 2.104 Our terms of reference require us to have regard to the relevant legal obligations on the PSNI (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.
- 2.105 The **DoJ** told us that it was continuing to work with the Department of Finance (DoF) and HM Treasury to monitor developments and facilitate work on wider UK Government consideration to address issues related to the McCloud/Sargeant judgments. It explained that these two cases had identified age discrimination in the 2015 public sector career-average pension scheme.
- 2.106 The DoJ informed us that, following a consultation on the McCloud/Sargeant Remedy, the DoF had announced that pension scheme members would be able to choose to receive legacy pension scheme benefits, or benefits equivalent to those available under the reformed pension scheme, for service between 2015 and 2022. In addition, affected members would receive a 'deferred choice underpin' of which pension scheme benefits they would

prefer to take at the point they retire. All pension scheme members would be treated equally in terms of which pension scheme they belonged to and from 1 April 2022, all those who continued in service would do so as members of the reformed schemes. The DoJ explained that its officials were working with those from the DoF on the development of primary and secondary legislation to bring about the changes required as a consequence of the McCloud/Sargeant ruling.

- 2.107 The DoJ also told us that the Government Actuary had advised that an indicative or provisional estimate of the remedy in all Northern Ireland public sector schemes was £100 million. In addition, the DoJ advised us that there was a risk that a further 250 to 300 officers in the 1988 scheme, with between 25 and 29 years' service on 1 April 2022, might choose to retire rather than transfer into the 2015 scheme following the McCloud Remedy.
- 2.108 The **PSNI** told us that it continued to be affected by legal obligations arising from the ruling of the Employment Appeals Tribunal on holiday pay and overtime (Bear Scotland v Fulton). It said that the matter had been listed before the Supreme Court in 2021. It added that from a practical point of view the resolution of the main issues would potentially determine whether the total value of the relevant claims against the PSNI and the NIPB were around £300,000 or £60.2 million. The PSNI told us that the Supreme Court's findings could have implications for differential treatment of police officers and police staff which was a matter of considerable importance.

Our comment

- 2.109 We welcome the fact that an outcome has been reached in the McCloud/Sargeant ruling. We note that the Department of Finance for Northern Ireland has announced, after considering all the responses to the consultation on the proposed McCloud/Sargeant remedy, that it intends to proceed with the deferred choice option. However, we recognise that the deferred choice option may not provide immediate clarity to affected officers.
- 2.110 We also note with interest the possible implications of the holiday pay case listed before the Supreme Court for June 2021 and that the outcome could

affect members of our remit group both individually and indirectly through possible impacts on the PSNI's budget.

Chapter 3 - Pay proposals and recommendations for 2021/22

Introduction

- 3.1 In this chapter we make recommendations and observations on the pay and allowances of police officers in Northern Ireland for the 2021/22 pay year.
- 3.2 In our remit letter, the Minister of Justice for Northern Ireland asked us to commence our annual review in respect of officers of the PSNI for 2021/22, in conjunction with that for police officers in England and Wales.
- 3.3 The letter added that the Minister had seen the Home Secretary's remit letter for officers in England and Wales and had noted her position in support of a temporary pause to public sector pay awards for 2021/22. The Minister explained that she had not yet been given any indication on whether the Northern Ireland Executive would be considering a similar approach to public sector pay in the Northern Ireland jurisdiction. However, she observed that she remained in favour of maintaining the principle of broad alignment on police pay between the different jurisdictions and would not, therefore, be seeking a recommendation for police officer pay uplifts for 2021/22.

Pay proposals

Evidence from the parties

- 3.4 The **DoJ** confirmed that although the detail of the Northern Ireland public sector pay policy had not been known at the time the remit letter was issued, the Minister of Justice retained her current position which was to maintain the principle of broad alignment. The DoJ explained that, given the longstanding policy in Northern Ireland of maintaining broad alignment, it was required to exclude the matter of a pay uplift from the remit letter because of the decision by the UK Government to apply the pay pause to police officers in England and Wales.
- 3.5 In oral evidence, the Minister of Justice told us that in the past, the PSNI had received a higher pay award than other public sector workers in Northern Ireland, for example in the previous year. The Minister of Justice also reflected that the impact on officers' morale of a comparatively lower pay

award this time should be considered over the longer term, as then it would be seen that PSNI pay awards balanced out those of comparators over time. The Minister of Justice explained that the remit letter followed the established process of upholding the principle of broad consistency with England and Wales.

- 3.6 The DoJ explained that in January 2021, the Health Minister had announced a recognition payment of £500 for health service workers and that some parties had raised the issue of extending such payments to various other sectors including police officers. The DoJ added that it fully recognised the important work that frontline PSNI officers had undertaken in difficult circumstances. However, it clarified that recognition of those at the forefront of work to help tackle and manage the impact of the pandemic, including payment to various groups, was a matter for the Northern Ireland Executive. The DoJ said that the Northern Ireland Executive had continued to restrict such payments to health service workers to recognise the unique circumstances they faced during the pandemic.
- 3.7 The **PSNI** said that its Service Management Board had put forward the following pay issues for consideration by the Review Body for all police officers in 2021/22: any pay increase to be in parity with officers in England and Wales; incremental pay progression (which depended on a satisfactory performance assessment in the Individual Performance Review); retention of the NITA with a review of this allowance; retention of the Dog Handlers' Allowance in parity with England and Wales; and a review of the starting salary for student officers.
- 3.8 The PSNI also informed us that it had received a budget for 2021/22. However, it told us that it did not know its allocation beyond this, that it was unclear when it would obtain details of any future budget and that any direction or scenario planning for future years was not known. The PSNI explained that, as a consequence, it found it difficult to assess the affordability of any pay proposal. Nevertheless, it stated that it was committed to ensuring that officers were appropriately remunerated and would continue to make the case to the DoJ and wider government to ensure that there was sufficient

funding to implement any pay proposal. The PSNI explained that the gross cost of a 1% uplift in basic pay was £3.7 million. The PSNI added that it had made significant cuts to its non-pay budgets in the past few years and was facing a challenging financial year due to the COVID-19 pandemic. It confirmed that it had received additional in-year funding from the DoJ because of COVID-19 costs.

- 3.9 In oral evidence, the PSNI told us that it continued to support pay parity but also wanted to recognise police officers for their work. The PSNI said that it was in favour of its budget absorbing a 1% pay increase for police officers in 2021/22 and wanted England and Wales forces to receive this too. It added that police officers deserved this recognition for their work in the last year and that a 1% award had been prioritised in available PSNI funding. It told us that this was in keeping with the decision to award police staff a 1% uplift and in line with the Northern Ireland Civil Service pay increase. The PSNI added that if police officers did not receive a 1% uplift, police officer morale would be significantly affected. All officers across the organisation and their families had been impacted by the pandemic: they had to face the challenges of responding operationally to COVID-19 and enforcing the restrictions and putting their own lives on the line in communities.
- 3.10 The **PFNI** observed that the Northern Ireland remit letter was less explicit than the Home Secretary's regarding the imposition of a pay freeze for police officers. However, the PFNI noted that the Justice Minister's remit letter, in stating that she would not be seeking any recommendation for police officer pay uplifts for 2021/22, was now at odds with the Northern Ireland public sector pay policy that had since been published. The PFNI said it was a welcome step that the Northern Ireland public sector pay policy provided scope for pay awards for up to 1% if certain conditions were met and opened up the opportunity for the PRRB to consider the evidence provided.
- 3.11 The PFNI sought a 3% uplift for all federated officers in the PSNI from September 2021. It said that it strongly believed that police officers in Northern Ireland and across the UK deserved a pay award in 2021/22 and that ensured a real-terms increase in the value of take-home pay. The PFNI

- based its proposal on a predicted rise in inflation during the course of the year.
- 3.12 In oral evidence, the PFNI told us that its 3% pay uplift proposal for 2021/22 was based on the need for a real-terms pay increase. It said that it had been a year for policing like no other. The PFNI advised us that the Bank of England expected inflation to rise above 2% and currently stood at 1.5% and that a 3% award would ensure that pay outpaced inflation. The PFNI added that it was vitally important to achieve that this year and that available economic forecasts were particularly uncertain. The PFNI stated that the 3% pay award and pay parity were not mutually exclusive such an award for police officers in Northern Ireland could be mirrored in England and Wales and the Police Federation of England and Wales had also proposed a 3% increase in 2021/22.
- 3.13 The PFNI also requested a £500 bonus payment, as awarded to NHS colleagues, for all police officers in Northern Ireland in recognition of their continued work during the COVID-19 pandemic. It highlighted the sacrifices made by police officers on the frontline during the year and their vital role in keeping people safe, protecting the NHS and saving lives and ultimately risking their own health. The PFNI told us that it was pleased to see some recognition for NHS colleagues who had faced a monumental challenge over the last year but that to provide reward for one part of society's key responders and not for another was a devastating blow to everyone involved.
- 3.14 The PFNI also said that pay point 0 should be removed from the constable pay scale and all student officers moved to pay point 1. It added that while the PRRB remit letter 2021 had not mentioned it, the Chancellor of the Exchequer had announced a £250 pay increase for those earning under £24,000 in the public sector. The PFNI stated that continued use of pay point 0 for PSNI student officers made those officers eligible for this pay increase and proposed the application of the £250 increase to the starting salaries of PSNI student officers from September 2021. However, the PFNI added that the most appropriate course of action, when considering the implications of the 2016 Deloitte Review and the 2019 PFNI student officer pay survey, was to

remove pay point 0 and move all student officers to pay point 1. It explained that in this way the need for a £250 pay increase for the lowest paid PSNI officers would be removed.

- 3.15 The PFNI expressed its disappointment at the change to starting salaries being made through the chief constable's discretionary powers because he could set the starting salary at any level between pay point 0 and pay point 1. The PFNI added that no change had yet been made to starting salaries despite acceptance of the PRRB recommendation and that this highlighted a key issue in the use of discretionary powers in pay setting. The PFNI stated that a recommendation in 2020/21 to remove pay point 0 from the constable pay scale would undoubtedly have had a greater and more immediate impact.
- 3.16 In written evidence, the SANI proposed maintaining parity of pay with England and Wales in respect of core pay scales. It also requested an increase in pay scales in line with the cost of living and told us that only 24% of SANI members believed that they had received pay increases which would maintain their standard of living. In oral evidence, however, the SANI advised us that its original proposal for pay to be in line with the cost of living was submitted before publication of the Northern Ireland public sector pay policy. It said that this was the SANI position at the time and reflected economic uncertainty. The SANI emphasised to us in oral evidence that retention of pay parity with police officers in England and Wales was key for its members.
- 3.17 The CPOSA told us that it understood the current environment and position on public sector pay in 2021/22 and asked for any pay award to officers in England and Wales to be mirrored in Northern Ireland to avoid any detriment to its members. It also requested continued incremental pay progression for PSNI assistant chief constables.

Our comment and recommendation

Public sector pay policies

3.18 In reaching our conclusions this year, we have examined carefully the parties' evidence and proposals and have taken account of the factors in our terms of reference, the points raised in the remit letter and our own analysis of other

published sources of information. The particular difficulties we wrestled with this year included the differences between the UK and Northern Ireland public sector pay policies for 2021/22. For the first time since our establishment, two differing overall public sector pay policies were announced by the UK and Northern Ireland Governments, with the UK Government pausing pay rises and the Northern Ireland Executive allowing pay awards of up to 1%. We have sought to resolve the tensions between these two policies and to reconcile them with our position on the pay parity principle.

Parity on pay and allowances

3.19 As we have stated in Chapter 2, we uphold the principle of parity with England and Wales on the pay and allowances of police officers in Northern Ireland and observe that all the Northern Ireland policing parties continue to support the principle of pay parity – or broad alignment – with England and Wales. We require a justification for any deviation from police allowances in England and Wales, while also recognising the need for variation in allowances to reflect local conditions. This means that only the NITA, which is an allowance unique to Northern Ireland, is excluded from the parity principle. We have applied the parity principle to our observations and both of our recommendations in this chapter.

Overall pay award – our perspective

3.20 As we observed in Chapter 2, it is disappointing that our remit letter did not ask us to recommend an overall pay award this year, and that the independence of the Review Body process has again been affected. Our view is that we should be permitted to fully exercise our role in making recommendations on pay uplifts for the next pay round.

Morale

3.21 In addition, we stated in Chapter 2 that, in keeping with views expressed by Northern Ireland policing parties, we are concerned about the possible implications for our remit group's morale if it is excluded from a pay award received by other Northern Ireland public sector workforces. In this context, we note that while the PSNI is subject to a pay pause, the Northern Ireland Civil Service has been awarded a 1% uplift for 2021-22. However, we also

note the view of the Minister of Justice that the pay awards received over the longer term by PSNI officers balance out those of public sector comparators. We observe that in 2020/21, the Northern Ireland Civil Service received a 1% pay uplift, when PSNI officers received 2.5%.

Overall pay award – our conclusion

- 3.22 Our paramount consideration this year was that our remit letter did not ask us to make an overall pay award and that this remained unchanged after publication of the Northern Ireland public sector pay policy. Consequently, we concluded that an overall pay award to PSNI officers was outside the scope of our remit. We note that the Minister's reason for maintaining her position was that she did not wish to depart from the principle of broad alignment with England and Wales, and that the UK Government had decided that a pay pause would apply to police officers in England and Wales.
- 3.23 We note the proposals and observations on the overall pay award that we received from the Northern Ireland policing parties and the reasons for them. However, these are outside the scope of our remit this year.

Bonus payment

3.24 We also note the PFNI's proposal that officers should receive a bonus payment in recognition of their continued work during the COVID-19 pandemic. We acknowledge the efforts made by officers but consider it to be for the Chief Constable to use his existing discretion to make bonus payments as appropriate to individual officers, as in England and Wales. Furthermore, we recognise that it would be for the Northern Ireland Executive to decide on such a payment for an entire public sector workforce, for example the police service.

Removal of pay point 0 on the constable pay scale

3.25 We observe the PFNI's proposal to remove the lowest police pay point and note their points about the implications of the 2016 Deloitte Review and the 2019 PFNI student officer pay survey. However, we consider it appropriate for the Chief Constable, who this year was granted the same discretion over starting salaries as chief constables in England and Wales, to determine the

pay level most appropriate to the specific needs of the PSNI. We recognise the importance of local flexibility on starting salaries and the ability to consider factors including labour market conditions in order to meet the PSNI's recruitment requirements. We understand that the Chief Constable is to exercise his discretion on starting salaries from the next PSNI recruitment round.

Award to officers earning below £24,000 per annum

- 3.26 On 25 November 2020, as well as the pay pause for groups of public sector workers, the Chancellor of the Exchequer announced that public sector workers earning below £24,000 would be guaranteed a pay rise of at least £250. As a consequence, our remit letter for police officers in England and Wales asked us to provide recommendations on the implementation of this uplift.
- 3.27 While our Northern Ireland remit letter did not request such a recommendation, we have concluded that because an award to officers earning below £24,000 has been applied to police officers in England and Wales, it should also extend to those in Northern Ireland. Consequently, we recommend that pay point 0 of the constable pay scale in Northern Ireland is uplifted by £250. Therefore, if there are currently any officers earning above pay point 0 but below £24,000 (on a full-time equivalent basis), they also should receive a consolidated pay award of £250. This should take effect from 1 September 2021. This is in accordance with our recommendation for police officers in England and Wales and is in observance of the pay parity principle.
- 3.28 We recognise that this £250 uplift recommendation for those earning below £24,000 carries affordability implications, particularly in the context of the increase of 100 police officers in the PSNI's establishment in 2021/22 and the 458 student officers in total that the PSNI predicts that it will be recruiting. There is also a potential risk of pay leapfrogging. We suggest that the Chief Constable uses his discretion on starting salaries to mitigate this risk. We also observe that the overall cost of the £250 uplift will vary according to how the Chief Constable decides to use his wider discretion on starting salaries.

Recommendation 1. Pay point 0 of the constable pay scale is uplifted by £250.

Northern Ireland Transitional Allowance

- 3.29 The **DoJ** said that the NITA was an allowance unique to the PSNI that sought to acknowledge the impact of the security threat on the lives of its officers and their families. It told us it was supportive of retention of the NITA in view of the continuing level of threat to officers in the PSNI. However, the DoJ added that, as with core pay, it was not seeking a recommendation for an uplift to the NITA for 2021/22.
- 3.30 The DoJ told us that the PSNI continued to seek to include a review of the level of the NITA and that the Chief Constable had first written to the DoJ on the matter in September 2019. It explained that the business case required from the PSNI had not been provided. The DoJ added that officials were progressing the review of allowances recommended by the PRRB and that a review of the NITA allowance was being considered as part of this work.
- 3.31 The **PSNI** sought the retention of the NITA and an increase in line with the pay uplift.
- 3.32 The **staff associations** called for the NITA to be uplifted in line with the pay award, while the SANI requested additionally that the increase should be in line with the cost of living.

Our comment

3.33 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 both on- and off-duty 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.

- 3.34 We note that the security threat in Northern Ireland is still classed as 'SEVERE' and that, as the situation there has not yet normalised, the NITA still applies. Furthermore, as the NITA is unique to Northern Ireland, we observe that increasing it does not breach the UK Government's public sector pay policy.
- 3.35 We therefore recommend a 1% increase in the NITA for all police officers for 2021/22. The size of the uplift that we recommend is in keeping with the Northern Ireland public sector pay policy, current economic indicators and affordability considerations.
- 3.36 We estimate that a 1% increase in the NITA would cost around £250,000. This is on the basis that on 1 June 2021, there were 6,960 police officers in the PSNI and that the NITA is currently worth £3,456.
- 3.37 In the interests of clarity, we confirm that police officers who qualify for the £250 uplift should receive the NITA increase in addition.

<u>Recommendation 2</u>. A 1% increase in the Northern Ireland Transitional Allowance for all police officers.

Dog Handlers' Allowance

3.38 It has been our position in previous years to recommend increasing the Dog Handlers' Allowance in line with our recommended basic pay award. However, because we are not making recommendations on the basic pay award or Dog Handlers' Allowance in England and Wales, we do not intend to do so for Northern Ireland police officers this year. This is in accordance with the principles of pay parity and broad alignment on allowances with England and Wales.

Competence Related Threshold Payment

3.39 The **DoJ** said that it had not yet been informed of any proposals with regard to reform of the CRTP. It clarified that it had been supportive of the removal of the CRTP in line with the position in England and Wales.

- 3.40 The **PSNI** confirmed that the NIPB and DoJ had expressed support for the withdrawal of the CRTP in Northern Ireland to ensure pay parity with England and Wales but that the PFNI's position was that it could not endorse the removal or withdrawal of the CRTP without an alternative allowance being put in place. The PSNI told us that the CRTP cost £6.6 million in 2020/21, including on-costs.
- 3.41 The PSNI explained further that the PFNI had previously requested consideration of a number of alternative approaches to the CRTP and to achieve cost savings through the reform of other payments. The PSNI said that if the Service Management Board decided to retain the allowance in the interim, this would permit the exploration of an Unsocial Hours Allowance (payable at 10% of basic salary between 2000hrs and 0600hrs), as implemented in England and Wales, at a potential cost of £13.7 million a year.
- 3.42 The **NIPB** said that it awaited details from the PSNI on any proposed alternative to the CRTP. The NIPB stated that it wanted the CRTP to cease or begin to be phased out by 2022. It added however that any agreed alternative allowance should not exceed the cost of the current CRTP scheme.
- 3.43 The **PFNI** said that it had been involved in discussions with the PSNI on a review of the CRTP since 2017, with the PSNI considering a final options paper in October 2020.
- 3.44 The PFNI told us that while it remained fundamentally opposed to the removal of the CRTP, it had reluctantly accepted the position of the PRRB on the matter. However, it stressed that the PFNI's position was based upon the immediate implementation of appropriate replacement allowances to coincide with the CRTP removal. It said that this would allow for the retention of parity with police officers in England and Wales and minimise the detriment to PSNI officers. The PFNI added that, in the interests of fairness and ensuring the most equitable transition from the CRTP, replacement allowances should be paid immediately to those officers who would have received the CRTP in future and phased in for those officers currently in receipt.

- 3.45 The PFNI explained that the CRTP should be replaced by: an Unsocial Hours Allowance to compensate officers, regardless of length of service, for every full hour worked between the hours of 8pm and 6am at 10% of the officer's hourly rate of pay; and an Away from Home Overnight Allowance for officers in the federated ranks at the rate of £50 per night, for every night in which an officer was held in reserve.
- 3.46 The PFNI stated that there were three options for the removal of the CRTP: full removal on 31 March 2022 with immediate implementation of the appropriate replacement allowances; a phased removal over two years ending on 31 March 2024, during which it would remain open to new applicants (but with a reduction in the value over the period of approximately 33% a year); or a phased removal of the CRTP over two years. In this option, the scheme would be closed to new applicants from 31st March 2022 and removed in its entirety by 31st March 2024. The PFNI expressed a preference for a phased withdrawal to reduce the financial hardship for officers.
- 3.47 The PFNI added that its position was still that the CRTP should have been retained until the College of Policing and the National Police Chiefs' Council had completed its work on workforce modernisation and pay reform. However, it said that it was open to any suggestions on the CRTP and would work with the PSNI on the implementation of any recommendations by the PRRB.

Our comment

- 3.48 The CRTP was introduced in 2003 to recognise and reward officers able to demonstrate high professional competence under four national standards. It was phased out in England and Wales in 2016. We note that it is worth £1,224, was last increased in September 2013 and is pensionable. It is currently received by around 3,600 PSNI officers, or those 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.
- 3.49 We note that in evidence this year the DoJ and NIPB continue to support the phasing out of the CRTP, with the NIPB proposing its cessation by 2022.

 However, the PFNI, in a change from its previous position, says that although

it still fundamentally opposes the CRTP removal, it now reluctantly accepts its gradual withdrawal. It also calls for the immediate implementation of alternative payments, such as an Unsocial Hours Allowance and the Away from Home Overnight Allowance.

- 3.50 We welcome the PFNI's statement this year that it is open to any suggestions in respect of this allowance and that it will work with the PSNI around the implementation of any recommendations by the PRRB. We recognise the potential risks to morale, motivation and retention from the removal of the CRTP as a consolidated payment. However, it remains the case that we require sound justification for the continuation of the CRTP in Northern Ireland because this deviates from the provision of allowances in England and Wales.
- 3.51 We understand that for various reasons the PSNI has decided to keep the CRTP for a further year (2021/22). We ask for the CRTP to be included in the parties' general review of allowances or considered in parallel. We observe that it is five years since the CRTP was phased out in England and Wales. A final resolution on CRTP is therefore overdue and we expect a final decision on its future in evidence next year. The continuation of the CRTP is at odds with the principle of parity on pay and allowances with England and Wales.

Assistant Chief Constable pay scales and allowances

- 3.52 The Minister said in her remit letter that she would welcome the PRRB's consideration of the parties' proposals in respect of the overall remuneration package for assistant chief constables in Northern Ireland. She asked us to take into account the report from the NIPB on its review of chief officer allowances, a proposal on assistant chief constable pay scales from the CPOSA and any other evidence provided by the parties in their submissions on the proposals being put forward on both pay scales and allowances.
- 3.53 The **DoJ** told us that the NIPB had expressed its concern at the low number of applicants to the most recent assistant chief constable recruitment competition. The DoJ added that while the NIPB had completed a review of senior officer allowances, including a benchmarking exercise, it also wished to raise the issue of assistant chief constable pay scales. The DoJ said it was

supportive of our consideration of evidence submitted by the parties on the overall remuneration package for assistant chief constables, including pay scales and allowances. The DoJ confirmed that the NIPB's proposed approach had also been discussed with, and welcomed by, the PSNI and CPOSA. The DoJ invited us to give our views on the scope of the work, its underlying assumptions and the general principles to be considered in taking it forward.

- 3.54 The **PSNI** told us that had it four assistant chief constables and that, as at 15 March 2021, all of them were male. The PSNI said that it was challenging to recruit and retain assistant chief constables, mainly because it was difficult to secure applications from other police services. Feedback received was that it was not financially beneficial to move to the PSNI. Also, there seemed to be a lack of awareness of the terms and conditions of employment and the extra payments provided. Furthermore, individuals were reluctant to physically move their family to the PSNI where the threat level was 'SEVERE'. It also meant transferring to an environment where policing faced significant political challenges on legitimacy and therefore on chief officer accountability. The PSNI added that families held a key influence over such career decisions and spouses and children had expressed concern about their safety and security in Northern Ireland.
- 3.55 The PSNI also observed that eligible candidates needed to have progressed through the police national assessment centre for chief officers and the Strategic Command Course (SCC). It told us that four PSNI officers would be attending the SCC this year and that this was good news because the PSNI had two assistant chief constable vacancies. It advised that the NIPB would advertise the vacancies as soon as possible after the SCC and that this year the PSNI and the NIPB would be present to 'sell' the PSNI to SCC participants.
- 3.56 The PSNI told us that pay and allowances were important and that information on these and on the removal and relocation package in particular would be included in recruitment information for those considering promotion or transfer to the PSNI. In addition, it said that potential applicants were known to reject

the PSNI if there were less demanding roles available elsewhere. Furthermore, concerns about personal security and the geographical separation of Northern Ireland from England and Wales were known deterrents.

- 3.57 The **NIPB** told us that the Justice Minister's request to us to consider a review of the pay scale for assistant chief constables followed on from a decline in the number of applicants for the last recruitment competition delivered by the NIPB in May 2020. In this competition, there were three applications and subsequently one candidate withdrew. It added that in comparison, the chief constable competition in June 2019 had attracted a pool of four applications and that eight applications had been received for the deputy chief constable competition in January 2020. The NIPB stated that since 2000, it had undertaken seven assistant chief constable competitions and that no more than four applications had been received for each one.
- 3.58 The NIPB also explained that although chief officers had the same role and profile and broadly the same responsibilities, the size of the role varied between police services. It observed that arguably the scale and pressures of assistant chief constable posts in the PSNI differed from those in other areas of England and Wales for the same base rate of pay. The NIPB explained that after the 2020 assistant chief constable competition, an independent equality, diversity and human rights advisor had told the NIPB to consider developing a strategy to increase the size and diversity of the applicant pool in future in the interests of merit-based selection. The advisor had recommended taking into account both systemic problems in assistant chief constable recruitment in the UK and factors intrinsic to the PSNI.
- 3.59 The NIPB added that it was cognisant of the findings of the HMICFRS and Her Majesty's Inspectorate of Constabulary in Scotland 2019 Leading Lights report on the selection and development of chief officers and specifically on the barriers and inhibitors to mobility. The inspection found that finance was a key issue of concern and in particular that pensions, taxation and lifetime allowances were key factors affecting decisions on whether to apply for promotion.

- 3.60 The NIPB reflected that a key challenge was attracting candidates given the PSNI's geographical location and the issue of mobility in that potential candidates were unwilling to move home to take up post in Northern Ireland. The NIPB explained that as the security situation, the travel requirement and and the high cost of flights were potential issues it had agreed an attractive and competitive policy on removal and relocation costs for chief officers in 2020. This was intended to reimburse reasonably incurred expenses such as accommodation, transportation of furniture and personal items and travel costs to oversee removal.
- 3.61 The NIPB acknowledged that the England and Wales chief officer remuneration review in England and Wales published in January 2021 had found no recruitment or retention issues regarding assistant chief constables. Moreover, the findings from the CPOSA 2020 pay and morale survey had shown that 74% of assistant chief constables were satisfied or very satisfied with base pay, while the pay gap between chief superintendent and the assistant chief constable rank was deemed sufficient to incentivise movement.
- 3.62 The NIPB added that it recognised that the Northern Ireland context required specific consideration. It asked us to note that it intended to undertake further work to identify any potential barriers to recruiting and retaining talent at a senior rank in the PSNI and to understand the issues, particularly in relation to the diversity of the pool of candidates for assistant chief constable posts. It said that it proposed progressing this work to coincide with this year's Senior Police National Assessment Centre and SCC.
- 3.63 The NIPB told us that it had commissioned a review of chief officer allowances. This had provided a comparison with police services and bodies from the wider public sector. The NIPB said that once it had received the findings, it had recommended to the Minister of Justice in September 2020 a reduction in the chief officer car allowance and the cessation of health insurance, broadband allowance and the proactive element of insurance cover.

- 3.64 The **CPOSA** advised us that it continued to support a national review of assistant chief constable pay and allowances this year. It said that certain posts carried a more significant burden of risk, demand and responsibility, such as those found in Northern Ireland, particularly in terms of span of control than in other parts of the UK. However, the CPOSA said that it also recognised that forces in England and Wales led on national portfolios or regional collaborations. The CPOSA reminded us that it had previously suggested linking assistant chief constable pay directly to that of the chief constable. However, it also told us that it was amenable to a more generic review.
- 3.65 In oral evidence, the CPOSA proposed a number of measures to help increase the assistant chief constable candidate pool, including better coordination of recruitment notices with the SCC and improvements to the removal and relocation package. It explained that if the PSNI senior ranks were to attract more applicants and become more diverse, it was vital that the NIPB published its assistant chief constable vacancies across the UK in a timely way, so straight after the SCC had finished. The CPOSA said the NIPB and PSNI needed to engage with SCC participants and have an attractive removal, relocation and remuneration package prepared.
- 3.66 The CPOSA said that while it was useful to have officers return to the PSNI from other parts of the UK, to expand the diversity of the senior officer cohort, it would also be necessary to attract first-time candidates to Northern Ireland from the rest of the UK. The CPOSA added that it had heard from colleagues minded to work in Northern Ireland that they were attracted by the range of challenges presented. However, it was possible for individuals to underestimate the intensity of the operating environment.
- 3.67 The CPOSA told us that while the existing PSNI removal and relocation package was reasonable, an enhanced offer might overcome partners' and families' concerns about moving to Northern Ireland. The CPOSA explained that police officers wanted to join the PSNI but that their families could be very nervous about relocating.

Our comment

- 3.68 We observe that the parties cite a range of issues and not just pay as likely causes of the low application rates for assistant chief constable posts in Northern Ireland. We welcome the fact that the NIPB is conducting further work to understand the issues, particularly those around recruitment, retention and the diversity of the candidate pool and potential barriers to attracting and retaining talent. We ask that the NIPB is mindful of the principles of independence, transparency and fairness when conducting their review. We regard this review as being potentially important to efforts to increase the diversity of the PSNI chief police officer group and would be interested in seeing the outcome in evidence next year.
- 3.69 We agree with the Minister of Justice that the PSNI assistant chief constable pay scales and allowances should be considered together as parts of the total reward package. We also think there is a pressing need to review whether the PSNI chief officer removal and relocation package is a specific, potential, barrier to recruitment. We understand that while it is worth £35,000 maximum, it is potentially taxable at up to 60% because of the loss of the personal allowance.
- 3.70 In addition, we urge prompt consideration of the particular range of issues identified by Northern Ireland assistant chief constables themselves and also whether targeted payments, as found in England and Wales, could assist. While we assess that remuneration is only part of the solution to assistant chief constable recruitment and retention problems in Northern Ireland, it is of fundamental importance that this group feels valued. We also suggest that the NIPB continues to monitor developments on chief police officer remuneration in England and Wales.

Chapter 4 – Forward Look

Introduction

- 4.1 This time our remit did not include making an overall pay award recommendation. However, the work we have undertaken this year will position us well for the next pay round.
- 4.2 It will be for the UK Government and the Northern Ireland Executive to determine their public sector pay policies and for the Northern Ireland Minister of Justice to decide our remit for the next pay round. However, our view is that we should be permitted to fully exercise our role in making recommendations on pay uplifts for the 2022/23 pay round. Our report will be driven by our standing terms of reference. In this chapter we aim to give the parties who provide evidence, and the remit group more generally, some indication of areas which are likely to be of continuing interest to us in future pay rounds.

Exit from the European Union

4.3 The UK has now left the EU and we note the challenge for the PSNI in policing the only land border between the UK and Europe. We would like to learn more in evidence next year about the impact of the UK's exit from the EU on the PSNI.

COVID-19

4.4 COVID-19 has played a powerful role in driving changes to policing and the policing environment. We would like next year's evidence to cover the longer-term effects of the pandemic on the policing environment and any implications for the recruitment, retention, morale and motivation of officers.

Northern Ireland police resourcing

4.5 We are concerned about the PSNI's one-year funding from a multiplicity of sources, its deficit and its inability to borrow funds and carry reserves. This is because of the potential impact of these constraints on its ability to develop and implement a long-term pay and reward strategy. We assess that one unified funding source and a multi-year budget would assist the PSNI in

implementing pay and workforce and pay reform initiatives. We would be interested in learning about any developments in this area next year.

Parity on pay and allowances with England and Wales

4.6 We have stated our principle on parity with England and Wales on pay and allowances and our requirement for a justification for any deviation from those allowances. We will continue to review the evidence we receive against this principle as part of our future reports.

Evidence provision

- 4.7 We thank the parties for the evidence they have provided this year. We would encourage the continued, and where possible enhanced, provision of:
 - historical data to allow time-series analysis on the demographics of the workforce, including the age profile of recruits;
 - information on sickness absence and analysis of the reasons for high sickness absence levels;
 - information on the recruitment and retention of officers such as on numbers of applicants and recruits, outflow rates and wastage, including during training;
 - an update on levels of overtime taken, both pre-detailed and casual;
 - an update on progress in response to the Deloitte report, the workforce profile and protected characteristics;
 - data on hard-to-fill posts;
 - data on the morale and motivation of officers, such as from 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.

Workforce and pay reform

4.8 We are interested in receiving any information on plans to incorporate the pay reform measures from England and Wales into the PSNI. We would also like to hear about the Service Modernisation Plan and People Strategy and the Chief Constable's plans for prioritising neighbourhood policing. We observe that these initiatives in the PSNI may diverge from the workforce and pay reform plans in England and Wales. We also look forward to receiving the outcome of the parties' review of police officer allowances in Northern Ireland that we recommended in 2020.

Process issues

- 4.9 We advise prompt payment of the award to PSNI police officers in 2021/22 and hope that publication of our report will not be subject to delay.
- 4.10 We also understand at the time of writing that the 2020/21 pay award for PSNI chief police officers remained unapproved. We urge expeditious resolution of this matter.

Appendix A – Our Previous Recommendations

2020 Report

We submitted our 2020 Report on 22 June 2020. The recommendations were as follows:

Our 2020/21 recommendations (from 1 September 2020):

- A consolidated increase of 2.5% to all police officer pay points for all ranks.
- The Chief Constable of Northern Ireland should be granted the same discretion as chief constables in England and Wales regarding the starting salaries of constables.
- Removal of the lowest point on the sergeants' pay scale.
- An increase of 2.5% in the current level of the Northern Ireland Transitional Allowance.
- The current level of the Competence Related Threshold Payment should not increase and the parties submit proposals to us next year on suitable alternative arrangements.
- Dog Handlers' Allowance should increase by 2.5%.
- On-call Allowance should be extended to the superintending ranks in Northern Ireland.
- The parties conduct a comprehensive review of police officer allowances in Northern Ireland within the next twelve months.

The Minister of Justice for Northern Ireland responded to the report on 18 December 2020 and awarded a 2.5% consolidated pay increase to officers in the federated and superintending ranks, backdated to 1 September 2019. The award also increased the Northern Ireland Transitional Allowance and Dog Handlers' Allowance by 2.5%. Our remit letter from the Minister of Justice (Appendix B) on 2 March 2021 informed us that Department of Justice officials were working to conclude the award for senior officers, and confirmed that the Minister had approved all the recommendations contained in the sixth PRRB Report.

Previous recommendations

All of our previous recommendations, along with the responses⁸ are set out below.

Report	Recommendation	Response
1 st (2015)	A consolidated increase of 1% to all pay points for	Accepted
	federated and superintending ranks	
	No increase to the current level of Competence Related	Accepted
	Threshold Payment	
	Northern Ireland Transitional Allowance to be uprated by	Accepted
	1%	
	Dog Handlers' Allowance to be uprated by 1%	Accepted
2 nd (2016)	A consolidated increase of 1% to all pay points for	Accepted
	federated and superintending ranks	
	No increase to the current level of Competence Related	Accepted
	Threshold Payment	A
	Northern Ireland Transitional Allowance and Dog Handlers'	Accepted
	Allowance to be uprated by 1%	Aggertad
2rd (2047)	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	Increased consolidated
	federated and superintending ranks	pay by 1% and, for
		2017/18 only, provided a 1% non-consolidated
	No increase to the current level of Competence Related	pay award Accepted
	Threshold Payment	Accepted
	Northern Ireland Transitional Allowance and Dog Handlers'	Increased Northern
	Allowance to be uprated by 2%	Ireland Transitional
		Allowance and Dog
		Handlers' Allowance by
		1%
	No increase to the current level of the On-call Allowance	Accepted
4 th (2018)	The time-limited 1% non-consolidated pay award received	Rejected
	by the federated and superintending ranks in 2017/18	
	should be consolidated onto all pay points officers at these	
	ranks.	
	In addition to and following our first recommendation, a	Accepted
	consolidated increase of 2% to all police officer pay points	
	at all ranks.	
	An increase of 2% in the current level of the Northern	Accepted
	Ireland Transitional Allowance and Dog Handlers'	
	Allowance	A
	The CRTP scheme remains open to new applicants	Accepted
	pending the outcome of the comprehensive review and that	
	the current level of CRTP does not increase	

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⁸ Responses to the 2015, 2016, 2019 and 2020 Reports were made by the Northern Ireland Minister of Justice. The 2017 and 2018 Reports were responded to by the Permanent Secretary at the Department of Justice in Northern Ireland in the absence of a Minister of Justice.

Report	Recommendation	Response
5 th (2019)	A consolidated increase of 2.5% to all police officer pay points for all ranks.	Accepted for federated and superintending ranks. No response yet made regarding chief police officers
	An increase of 2.5% in the current level of the Northern Ireland Transitional Allowance.	Accepted
	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.	Accepted
	Dog Handlers' Allowance should increase by 2.5%.	Accepted
6 th (2020)	A consolidated increase of 2.5% to all police officer pay points for all ranks.	Accepted
	The Chief Constable of Northern Ireland should be granted the same discretion as chief constables in England and Wales regarding the starting salaries of constables.	Accepted
	Removal of the lowest point on the sergeants' pay scale.	Accepted
	An increase of 2.5% in the current level of the Northern Ireland Transitional Allowance.	Accepted
	The current level of the Competence Related Threshold Payment should not increase and the parties submit proposals to us next year on suitable alternative arrangements.	Accepted
	Dog Handlers' Allowance should increase by 2.5%.	Accepted
	On-call Allowance should be extended to the superintending ranks in Northern Ireland.	Accepted
	The parties conduct a comprehensive review of police officer allowances in Northern Ireland within the next twelve months.	Accepted

Appendix B - Minister of Justice's Remit Letter

FROM THE OFFICE OF THE JUSTICE MINISTER



Minister's Office Block B, Castle Buildings Stormont Estate Ballymiscaw Belfast BT4 3SG Tel: 028 9076 5725 DOJ.MinistersOffice@justice-ni.x.qsi.qov.uk

Our ref: SUB-0111-2021

Anita Bharucha (Chair)
Police Remuneration Review Body
Office of Manpower Economics
8th Floor Fleetbank House
2-6 Salisbury Square
LONDON
EC4Y 8JX

2 March 2021

Dear Chair

POLICE REMUNERATION REVIEW BODY REMIT FOR 2021/22

Firstly, I would like to thank you for the work undertaken by the Police Remuneration Review Body (PRRB) in support of the 2020/21 pay process. On 16 December I approved the payment of the main 2020/21 award. Payments were made to the federated and superintending ranks in January salaries backdated to 1 September 2020. Officials are working to conclude the award for senior officers having recently received a pay remit for this cohort from the Northern Ireland Policing Board.

I can confirm that I have approved all the PRRB recommendations contained in the 6th report and my officials are liaising with the PSNI as to their practical application. I can confirm that I am content that the 6th report on Northern Ireland 2020 is now published on your website. In relation to the recommendation for a review of allowances for PSNI officers, preparatory work is now underway to take this forward. However, the pace with

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FROM THE OFFICE OF THE JUSTICE MINISTER



which we have been able to progress this recommendation has, inevitably, been impacted by the need to prioritise our response to the current pandemic.

I would be grateful if the PRRB would now commence its annual review in respect of officers of the PSNI for 2021/22, in conjunction with that for police officers in England and Wales.

I have had sight of the Home Secretary's remit letter for officers in England and Wales and note her position in support of a temporary pause to public sector pay awards for 2021/22. I have not yet been given any indication as to whether the Northern Ireland Executive will be considering a similar approach to public sector pay in this jurisdiction. However, I remain in favour of maintaining the principle of broad alignment on police pay between the different jurisdictions and will not therefore be seeking a recommendation for police officer pay uplifts for 2021/22.

The Northern Ireland Policing Board (NIPB) has also raised the issue of pay scales for Assistant Chief Constables (ACCs) in Northern Ireland, following a decline in the number of applicants for the recent ACC competition. The Board recently completed a review of senior officer allowances, as an outworking of their consideration of the written submission to the PPRB 2020/21 process and since the Board had not reviewed the Chief Officer allowances for a considerable period of time, which included a benchmarking exercise. I have taken the view that it would be preferable to look at the issue of ACC pay scales alongside the Board's proposals on the allowances available for ACCs, since allowances are also part of the reward package.

I would, therefore, welcome the PRRB's consideration of the parties' proposals in respect of the overall remuneration package for (ACCs), taking into account the Board's report of its review of allowances, a proposal on ACC pay scales from CPOSA and any other evidence provided by the parties in their submissions on the proposals being put forward on both pay scales and allowances.

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FROM THE OFFICE OF THE JUSTICE MINISTER



As in previous years, I would also invite you to have regard to PRRB's standing terms of reference.

I can confirm that stakeholders have received a copy of the PRRB's last report to inform preparation of their written evidence.

The Department would welcome receipt of your seventh report and recommendations by early June 2021. I look forward to working with you and your members in support of the process for the year ahead.

Yours sincerely,

NAOMI LONG MLA Minister of Justice

Naeri Rhong.

Please ensure that you quote our reference number in any future related correspondence.

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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/

Northern Ireland

https://www.nipolicingboard.org.uk/

Policing Board

Police Service of

https://www.psni.police.uk/

Northern Ireland

Police Federation for

https://www.policefed-ni.org.uk/

Northern Ireland

Superintendents' https://policesupers-

Association of Northern

my.sharepoint.com/:b:/p/wtr/EW80LboyVL5HnQ7U9uVIs8

Ireland

8B 5oJMAiT1vLGiPVREIX83A?e=3r9o1S

Chief Police Officers'

Staff Association

https://cposa.uk/

Appendix D - Our Analysis of Earnings and Workforce Data

Earnings

Sources

- D.1 We have examined the earnings⁹ of police officers using the Annual Survey of Hours and Earnings (ASHE) run by the Office for National Statistics (ONS) and the Northern Ireland Statistics and Research Agency (NISRA) and the Police Earnings Census run by the Home Office.
- D.2 The ASHE is a sample survey covering 1% of employees on Pay As You Earn tax schemes, published in late autumn each year. It provides headline earnings estimates for occupations across the economy; for police officers it produces figures jointly for constables and sergeants and, separately, for the grouping of more senior ranks.
- D.3 The Police Earnings Census, conducted in its present form since the financial year ending (FYE) 2011, covers all police officers and permits detailed earnings analysis. The 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.
- D.4 The coronavirus (COVID-19) pandemic created challenges to ASHE data collection in 2020 lower response rates from companies and difficulty validating returns in the time available. As a result, the final achieved sample size was lower than would normally be expected. This means that ASHE estimates for 2020 are subject to more uncertainty than usual.
- D.5 In our analysis of both these sources we focus on median¹⁰ full-time¹¹ gross annual earnings.

⁹ 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.

¹⁰ 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.

¹¹ Full-time earnings are used to control for any differences caused by different mixes of full- and part-time workers over time and between occupations.

Analysis

D.6 We used ASHE data to compare the earnings of police officers (constables and sergeants) with those of: the whole economy; associate professional and technical occupations group (the occupational group which includes police officers); and professional occupations (which tend to be graduate professions). From our analysis (Chart D.1) we conclude that police officers in Northern Ireland have higher median full-time gross annual earnings compared with counterparts in England and Wales, approximately £48,500 compared with £41,100 respectively in FYE 2020; this was primarily driven by the Northern Ireland Transition Allowance (NITA), higher amounts of overtime, and the retention of the Competence Related Threshold Payment (CRTP) scheme in Northern Ireland. 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.

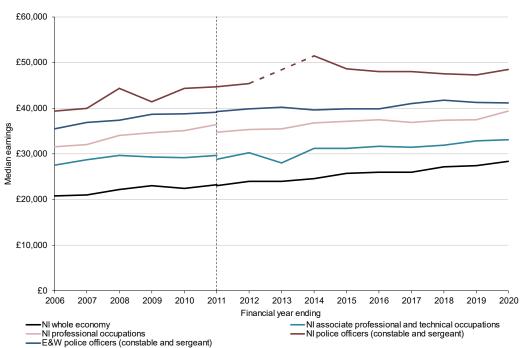


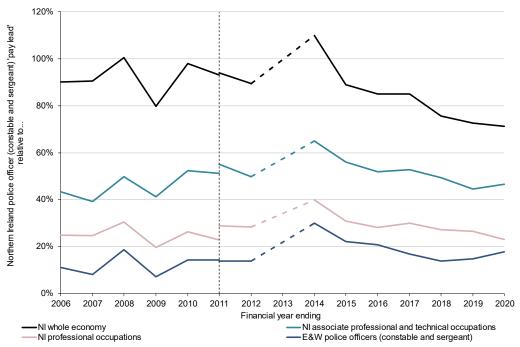
Chart D.1: Median full-time gross annual earnings, Northern Ireland and England & Wales, FYE 2006 – 2020

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 FYE 2011).
- Data for Northern Ireland police officers are not available for FYE 2013 due to a small sample size.
- Data for the latest year are provisional.

- D.7 We note that median full-time gross annual earnings of police officers in Northern Ireland in FYE 2020 increased by 2.3% (just over £1,100) compared with FYE 2019. Across England and Wales median full-time gross annual earnings for police officers fell by 0.3% (just over £100). Median full-time gross annual earnings in Northern Ireland rose by 3.2% (around £900) for the whole economy, 5.3% (nearly £2,000) for professional occupations, and 0.8% (£300) for associate professional and technical occupations.
- D.8 Our analysis included looking at the differentials between police officer earnings in Northern Ireland and the earnings of other groups (Chart D.2). These differentials with the whole Northern Ireland economy and Northern Ireland professional occupations fell in FYE 2020, while the differential with England and Wales Police and Northern Ireland associate professional and technical occupations rose. In FYE 2020, median full-time gross annual earnings for police officers in Northern Ireland were:
 - 71% (£20,100) higher than those for the whole economy in Northern Ireland;
 - 47% (£15,400) higher than associate professional and technical occupations in Northern Ireland;
 - 23% (£9,000) higher than professional occupations in Northern Ireland;
 and
 - 18% (£7,300) higher than police officers in England and Wales.

Chart D.2: Northern Ireland police median full-time gross annual pay lead relative to other groups FYE 2006 – 2020



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 FYE 2011).
- Data for Northern Ireland police officers are not available for FYE 2013 due to a small sample size.
- Data for the latest year are provisional.
- D.9 For a detailed analysis of police earnings we used the latest available Police Earnings Census data (covering FYE 2020). We found that inspectors were the only rank in Northern Ireland where fewer than half of officers were at the top of their pay scale (Table D.1). This means that median basic pay is around the top of the pay scale for each rank apart from inspectors.

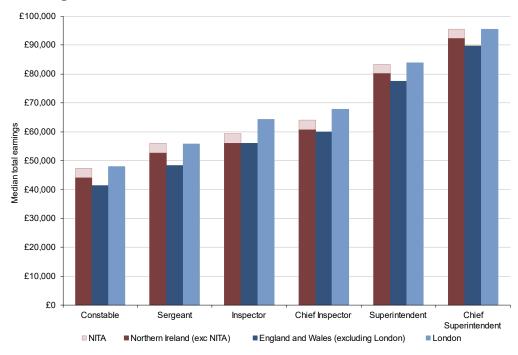
Table D.1: Proportion of officers (full- and part-time) at the top of pay scales, Northern Ireland and England & Wales, March 2020

	England & Wales	Northern Ireland
Constable	61%	69%
Sergeant	65%	59%
Inspector	53%	47%
Chief Inspector	55%	62%
Superintendent	42%	66%
Chief Superintendent	55%	56%

Source: Office of Manpower Economics (OME) analysis of Police Earnings Census data, Home Office.

- D.10 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.
- D.11 Our analysis shows that Northern Ireland police officers at all ranks have higher median full-time total earnings than their counterparts in England and Wales excluding London (Chart D.3). The gap is highest for constables and sergeants (around £2,700 and £4,200 respectively) mainly as a result of higher levels of overtime worked and the retention of CRTP in Northern Ireland. The gap is smallest for inspectors (just under £90) as a result of a lower proportion of Northern Ireland inspectors being at the top of the pay scale.

Chart D.3: Median total earnings, by rank, full-time officers, Northern Ireland and England & Wales, FYE 2020



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

D.12 Our assessment of police earnings includes the proportion of full-time officers in Northern Ireland in receipt of specific allowances and overtime (Table D.2) and the median annual values of those payments for those officers who were

in receipt of the particular payments (Table D.3). Our key observations include:

- All police officers received the NITA;
- The proportion in receipt of CRTP ranged from 48% of inspectors to 64% of constables;
- The vast majority of constables and sergeants (96%) received overtime.
 Median overtime earnings in Northern Ireland were more than double those in England and Wales;
- The proportion of officers in receipt of Replacement Allowance (available to officers who joined before September 1994) increased with rank from 11% of constables to 74% of superintendents; and
- The proportion of officers receiving On-call Allowance also increased with rank from 8% of constables to 56% of chief inspectors. However, the median values were low – equivalent to one bank holiday period for constables and chief inspector and two bank holiday periods for sergeants and inspectors.

Table D.2: Percentage of full-time officers in receipt of additional pay components, Northern Ireland, FYE 2020

	Constable	Sergeant	Inspector	Chief Inspector	Supt.	Chief Supt.
						Oupt.
NITA	100%	100%	100%	100%	100%	_
Replacement Allowance	11%	25%	35%	54%	74%	_
CRTP	64%	61%	48%	56%	_	_
On-call Allowance	8%	18%	25%	56%	_	_
Overtime	96%	96%	_	_	_	_
Other payments (e.g. Dog						
Handlers', secondment	1%	_	_	_	_	_
allowances)						

Source: OME analysis of Police Earnings Census data, Home Office. Note: Figures relating to fewer than 10 officers have been suppressed.

Table D.3: Median value of additional pay components, full-time officers, Northern Ireland, FYE 2020

				Chief		Chief
	Constable	Sergeant	Inspector	Inspector	Supt.	Supt.
NITA	£3,338	£3,338	£3,338	£3,338	£3,338	_
Replacement Allowance	£3,500	£3,500	£3,500	£3,500	£4,060	_
CRTP	£1,224	£1,224	£1,224	£1,224	_	_
On-call Allowance	£23	£46	£46	£23	_	_
Overtime	£5,014	£7,338	_	_	_	_
Other payments (e.g. Dog						
Handlers', secondment	£2,757	_	_	_	_	_
allowances)						

Source: OME analysis of Police Earnings Census data, Home Office. Note: Figures relating to fewer than 10 officers have been suppressed.

D.13 Focusing on full-time constables, we observe that while median basic pay is similar in Northern Ireland to England and Wales, the median value of additional allowances in Northern Ireland is nearly double that of officers in England and Wales (Table D.4). This is driven by the NITA and significantly higher levels of overtime in Northern Ireland. We note that most of the allowances available in England and Wales are received by fewer than half of full-time constables, so have a median value of zero.

Table D.4: Median value of pay components received by full-time constables, Northern Ireland and England & Wales, FYE 2020

	Northern Ireland	England & Wales
Basic pay	£39,721	£39,721
Additional pay	£9,099	£4,689
 London Weighting 	_	£0
 London/South East Allowance 	_	£0
– NITA	£3,338	_
 Replacement Allowance 	£0	£0
- CRTP	£1,224	_
 Unsocial Hours Allowance 	_	£536
 Away from Home Overnight Allowance 	_	£0
 Hardship Allowance 	_	£0
 On-call allowance 	£0	£0
Overtime	£4,812	£2,034
 Other payments 	£0	£0
Total pay	£47,405	£42,253

Source: OME analysis of Police Earnings Census data, Home Office. Note: Components do not add to totals as medians are not additive

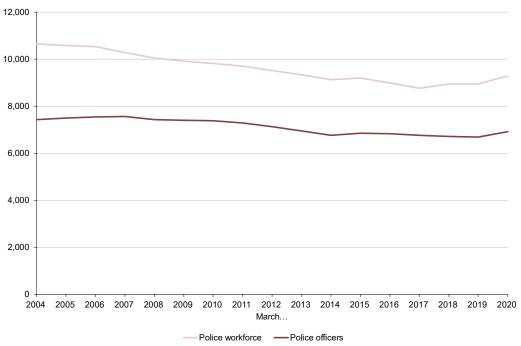
Workforce

D.14 Data provided by the PSNI (Chart D.4) show that the full-time equivalent (FTE) police workforce (i.e. both officers and permanent support staff) shrank nearly every year between March 2004 (the earliest year for which we have data) and March 2017. The workforce then grew in the year ending March

2018 (by 2%), remained stable in the year to March 2019 and grew again in the year to March 2020 (by 4%). In March 2020 the overall workforce was just under 9,300 FTE, around 1,350 FTE (13%) lower than in March 2004 but 522 FTE (6%) higher than March 2017.

D.15 Police officers account for around three-quarters of the PSNI workforce. Officer numbers fell every year between March 2007 and March 2019, apart from a slight increase between March 2014 and March 2015. In March 2020 there were just over 6,900 FTE officers, 230 FTE (3.5%) higher than in March 2019 and the highest level since March 2013 but 650 FTE (9%) fewer than in March 2007.

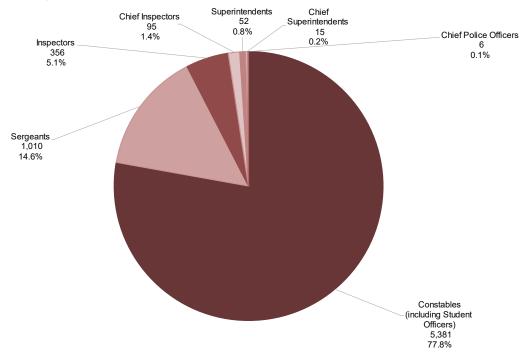
Chart D.4: Strength of police workforce and police officers (FTE), Northern Ireland, March 2004 – March 2020



Source: PSNI data.

D.16 Just over three-quarters (78%) of police officers were constables in March 2020 (Chart D.5), and just 8% of officers were in the ranks above sergeant.

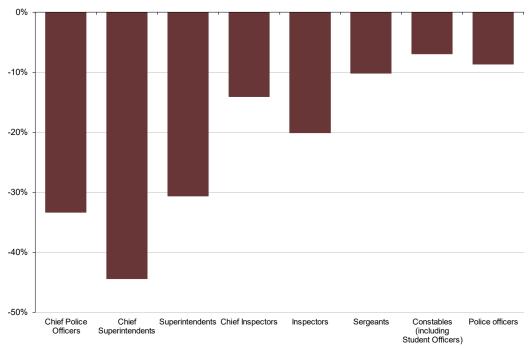
Chart D.5: Breakdown of full-time equivalent police officers by rank, Northern Ireland, March 2020



Source: OME analysis of PSNI data

D.17 Between March 2019 and March 2020 there were increases in officer number for all ranks apart from chief officers and superintendents (both 1 FTE lower than a year previously). The largest absolute increase was in the number of constables (up 159 FTE or 3%) but the largest percentage increase was for chief inspectors (up 16% or 13 FTE). Since 2007 the largest proportional decreases in police officers (Chart D.6) have been for chief superintendents (down 44%). However, the greatest decrease in absolute terms has been for constables (around 400 FTE officers).

Chart D.6: Percentage change in police officer numbers (FTE) between March 2007 and March 2020, by rank, Northern Ireland



Source: OME analysis of PSNI data

Appendix E – Recommended Changes to PSNI Federated and Superintending Ranks' Pay Scales and Allowances from September 2021

Salary scales

The salary scales in effect from 1 September 2019 are set out below along with our recommendations for effect from 1 September 2020.

Rank	Pay point	With effect from 1 September 2020	Recommended for effect from 1 September 2021	Notes
Constable				
(appointed on or after				
1 September 2014)	0	£21,189	£21,441	а
	1	£24,780	£24,780	b
	2	£25,902	£25,902	
	3	£27,030	£27,030	
	4	£28,158	£28,158	
	5	£30,411	£30,411	
	6	£34,950	£34,950	
	7	£41,130	£41,130	
Constable				
(appointed before 1	0	£26,199	£26,199	
September 2014)	1	£29,241	£29,241	
	2	£30,933	£30,933	•
	3	£32,826	£32,826	С
	3 4			
	5	£33,861	£33,861	
	_	£34,950	£34,950	
	6	£38,022	£38,022	.1
	7	£41,130	£41,130	d
Sergeant	1	£42,537	£42,537	
	2	£43,965	£43,965	
	3	£44,901	£44,901	
	4	£46,227	£46,227	d
Inspector	0	£52,698	£52,698	
•	1	£54,186	£54,186	
	2	£55,671	£55,671	
	3	£57,162	£57,162	d

		With effect from	Recommended for effect from	
Rank	Pay point	1 September 2020	1 September 2021	Notes
Chief Inspector	1	£58,332	£58,332	е
	2	£59,502	£59,502	
	3	£60,732	£60,732	d
Superintendent	1	£70,173	£70,173	
	2	£73,833	£73,833	
	3	£77,691	£77,691	
	4	£82,881	£82,881	
Chief Superintendent	1	£86,970	£86,970	
	2	£89,910	£89,910	
	3	£91,749	£91,749	

Notes:

- a. On commencing service as a PSNI trainee. All trainees enter at point 0 until attestation/graduation. Last year we recommended that the Chief Constable of Northern Ireland was granted discretion to set the pay of new entrants between pay point 0 and pay point 1. This was accepted by the Minister of Justice, but has not yet taken effect.
- b. On commencing service as a probationary PSNI constable. 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 2021 are set out below.

Northern Ireland Transitional Allowance

£3,492 per annum

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

Appendix F - Chief Police Officer Pay

The salaries for chief police officers recommended for effect from 1 September 2020¹² are set out below. We have not recommended any change for effect from 1 September 2021.

Chief and Deputy Chief Constable Salaries

	Recommended for effect from 1 September 2020
Chief Constable	£217,992
Deputy Chief Constable	£177,117

Assistant Chief Constables' Pay Scale

Pay point	Recommended for effect		
-	from 1 September 2020		
1	£105,600		
2	£112,404		
3	£119,220		

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

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¹² At the time of writing this report the Minister of Justice had accepted last year's recommendation for the chief officer ranks, but no payments had been made.

Appendix G – 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 points on sergeants' pay scale	Pay point 0 removed in 2014 Pay point 1 removed in 2020	Pay point 0 removed in 2015 PRRB recommendation to remove pay point 1 accepted in 2021
Shortened 4-point superintendents' pay scale	Applied from 2014	Applied from 2014
Shortened 3-point assistant chief constable 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 max 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 and increased to £20 in 2019. Extended to the superintending ranks in 2020.	£15 rate for weekdays and weekends and £23 rate for Bank Holidays introduced in 2014. Extended to the superintending ranks in 2020.
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	Casual overtime rate unchanged 4-hour minimum payment

	travelling time for recalls between tours of duty 4-hour minimum payment when recalled to duty – abolished Cancellation of rest day with fewer than 5 days' notice – rate changed to time and a half from double time Pay at time and a half for working on a rostered rest day with fewer than 15 days' notice.	when recalled to duty – retained Payment of double time for cancellation of rest day changed from 5 days' 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 Northern Ireland 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