

## Police Remuneration Review Body

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Tenth Report England and Wales 2024

Chair: Zoë Billingham CBE



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Presented to Parliament by the Secretary of State for the Home Department by Command of His Majesty

July 2024

CP 1124



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Any enquiries regarding this publication should be sent to us at:

OME 3<sup>rd</sup> Floor, Windsor House 50 Victoria Street London SW1H 0TL

ome.enquiries@businessandtrade.gov.uk

www.gov.uk/ome

ISBN 978-1-5286-5064-9

E03161204 07/24

Printed on paper containing 40% recycled fibre content minimum

Printed in the UK by HH Associates Ltd. on behalf of the Controller of His Majesty's Stationery Office

## **Police Remuneration Review Body**

#### Terms of reference<sup>1</sup>

The Police Remuneration Review Body<sup>2</sup> (PRRB) provides independent recommendations to the Home Secretary and to the Northern Ireland Minister of Justice on the hours of duty, leave, pay, allowances and the issue, use and return of police clothing, personal equipment and accoutrements for police officers of or below the rank of chief superintendent and police cadets in England and Wales, and Northern Ireland respectively.

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

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

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

<sup>&</sup>lt;sup>1</sup> 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.

<sup>&</sup>lt;sup>2</sup> 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.

#### Members<sup>3</sup> of the Review Body

Zoë Billingham (Chair) CBE Andrew Bliss QPM Professor Monojit Chatterji Richard Childs QPM Mark Hoble JP Patrick McCartan CBE Trevor Reaney CBE

The secretariat is provided by the OME.

<sup>&</sup>lt;sup>3</sup> Members of the Review Body are appointed through an open competition adhering to the Commissioner for Public Appointments' Code of Practice. Available at: <u>https://www.gov.uk/government/uploads/system/uploads/attachment\_data/file/578090/Public\_Appointments\_Governance\_Code\_.pdf</u> [Accessed on 23 May 2024]

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## List of Abbreviations

APCC	Association of Police and Crime Commissioners
ASHE	Annual Survey of Hours and Earnings
AWE	Average Weekly Earnings
COVID-19	Coronavirus Disease 2019
CPI	Consumer Prices Index
CPIH	Consumer Prices Index including owner occupiers' housing costs
CPOSA	Chief Police Officers' Staff Association
CRTP	Competence Related Threshold Payment
CSR	Comprehensive Spending Review
FTE	Full-time Equivalent
FYE	Financial Year Ending
GDP	Gross Domestic Product
HMICFRS	His Majesty's Inspectorate of Constabulary and Fire & Rescue Services
IDR	Incomes Data Research
LFS	Labour Force Survey
LRD	Labour Research Department
MPS	Metropolitan Police Service
NHS	National Health Service
NPCC	National Police Chiefs' Council
NRT	National Reward Team
OBR	Office for Budget Responsibility
ONS	Office for National Statistics
PAYE	Pay As You Earn
PCC	Police and Crime Commissioner
PCDA	Police Constable Degree Apprentice
PDR	Performance Development Review
PFEW	Police Federation of England and Wales
PPS	Pay Progression Standard
PRRB	Police Remuneration Review Body
PSA	Police Superintendents' Association
RTI	Real Time Information
SSRB	Senior Salaries Review Body
TVP	Targeted Variable Pay
UK	United Kingdom

### Foreword

This is our Tenth Report to the Home Secretary. The Home Secretary's remit letter of 20 December 2023 asked us to make a formal recommendation on the police officer pay award for 2024/25 to all ranks up to and including chief superintendent. We are grateful to all parties who took part in the review process. We regret that the Police Federation of England and Wales did not participate, following its withdrawal in 2021, and we hope to hear from it next year.

In our 2022 and 2023 Reports we highlighted the unusual volatility of the economic climate. We expressed our concern about the impact of the rising cost of living on police officers, especially the lower paid. The annual rate of increase in the Consumer Prices Index (CPI) was 8.7% in April 2023, the latest available data when we submitted our recommendations for a 2023 pay award, and 6.7% in September 2023 when police officers received their annual pay award. The CPIH rate (including owner occupiers' housing costs) was 7.8% and 6.3% in those months respectively. As we complete our 2024 Report, the latest annual CPI rate is 2.3% and CPIH is 3.0%, although we note the Bank of England expects inflation to increase in the second half of the year. However, the financial hardship experienced by many officers will continue, as most prices have not fallen and the impact of the last few years' economic instability on mortgages and other loans is still being felt. This will inevitably affect officers' morale and motivation.

In our visits programme each year we are struck by the dedication and determination of the officers we meet. These officers are committed to giving the best possible service to the public and many do so at considerable personal risk to themselves.

Our last two reports highlighted the need for the police service to rebuild trust with local communities and the critical role played by pay and reward in enabling the police service to recruit and retain a workforce with the capabilities and skills to meet this challenge. As set out in the Policing Vision 2030, the police service needs to develop a representative and inclusive workforce with a strong professional and ethical culture and officers who can adapt to the changing nature of crime.

To help develop that workforce, we are proposing a Comprehensive Review of police remuneration in order to facilitate the preparation of a costed plan for reform in time for the next Comprehensive Spending Review. In our view, this should be pursued as a matter of urgency. The review must be owned and driven by the Home Office, National Police Chiefs' Council and Association of Police and Crime Commissioners. These organisations should consider carefully whether the police service has the resources and capabilities to undertake such a review given the tight timescales. Appropriate external expertise should be used as necessary to support the review.

In the context of workforce modernisation, we are concerned about the reports we have received regarding the increase in the number of police officers being put into roles that would be better suited for police staff. This appears to be partly a consequence of the funding arrangements for the Uplift Programme. In our view, careful thought should be given to the impact of this trend on police effectiveness.

We are conscious that over the last decade there has been a significant increase in the gap between private and public sector pay. This risks undermining the ability of the police service to recruit, retain and motivate high-calibre officers with the right attitudes to manage complexity, respond to vulnerability, de-escalate social tension, and build and sustain public trust and confidence.

Therefore, in reaching a pay recommendation for 2024/25, we considered developments in private sector pay. Annual growth in Average Weekly Earnings excluding bonuses was 5.9% in the private sector in the three months to March 2024. Median pay settlements, which HM Treasury described as the most comparable data to Pay Review Body decisions, were around 5.0% in the three months to April 2024.

We also gave weight to the fact that police officers are prohibited from taking industrial action. We considered the implications for policing of the pay settlements that have been offered by the Government to parts of the public sector following industrial action including to consultants and specialists in the NHS. Those settlements also suggest that funding arrangements can be flexible.

Given these factors, and considering all our terms of reference, we conclude that an annual pay uplift of 4.75% for all officers up to and including the rank of chief superintendent is the most suitable approach this year. In addition, we are recommending that chief constables be given the discretion to set starting pay for constables at either pay point 1 or pay point 2 on the constable pay scale. This reflects the need for the police service to continue to recruit at volume to maintain the higher officer numbers following the Uplift Programme. It will assist those forces that are finding recruitment challenging and continue to boost the income of the lowest paid officers.

The Metropolitan Police Service (MPS) employs around a quarter of police officers in England and Wales and accounts for around a sixth of total recorded crime in England and Wales. The MPS is the lead force for countering a number of national strategic threats such as terrorism. Around a third of county lines crime (the practice of establishing crime routes notably associated with drugs and modern-day slavery from major cities into other areas) is linked to London and is exported into other police forces. We have been particularly concerned this year about the difficulties the MPS is experiencing in terms of recruitment. It is 1,400 full-time equivalent (FTE) officers short of its Uplift Programme target of 35,415 FTE, a shortfall which is larger than the size of some of the smallest UK police forces. We are very aware of the operational and public safety risks of it not meeting its workforce targets. We accept that these difficulties may be due to a number of factors. However, to assist with recruitment in the capital, we recommend that the Commissioners of the MPS and the City of London Police be given the additional discretion to set starting pay for constables at pay point 3 on the constable pay scale. This measure could have implications for neighbouring forces and the constable pay scale as a whole. We therefore propose that this additional discretion be limited to two years with an initial review of the discretion after one year. In the meantime, the Comprehensive Review of police remuneration should assess the coherence of the constable pay scale as a whole, including in London.

In addition to the measures relating to pay, we endorse a proposal to reduce the time it takes the federated ranks to reach the maximum annual leave entitlement of 30 days from

20 to 10 years. We also recommend that annual leave for new entrants should be increased from 22 to 25 days. This will increase the attractiveness of the recruitment offer to new joiners including in London as well as improving the well-being of the most junior ranks in the early years of service.

We are conscious that in general police forces have built an average of 2.5% pay growth into their forecasts for 2024. We are also aware that forces are under different levels of financial pressure. The MPS has told us it has only 2% in its budget for pay growth in 2024/25 and some other forces also face particular challenges. Therefore, the pay award, including the extra flexibilities on starting pay, should be centrally funded above 2.5%. We have been told that the consequences of not doing so will potentially be a further reduction in police staff with more police officers being removed from the frontline to fill those roles, and service reductions with forces disengaging from communities through the withdrawal from neighbourhood policing.

Zoë Billingham (Chair) Andrew Bliss Monojit Chatterji Richard Childs Mark Hoble Patrick McCartan Trevor Reaney

31 May 2024

## POLICE REMUNERATION REVIEW BODY

## **England and Wales Tenth Report 2024**

## **Executive Summary**

Our 2024/25 recommendations (from 1 September 2024)

- 1. The Home Office, National Police Chiefs' Council (NPCC) and Association of Police and Crime Commissioners (APCC) to work together as a matter of urgency to undertake a Comprehensive Review of police remuneration focused on examining pay and the mechanics of the coherence of pay scales, allowances, rewarding performance and the mechanism for progression, in order to produce a costed plan in preparation for the next Comprehensive Spending Review. As part of the review, the police service should ask itself some fundamental questions regarding the skills and capabilities it requires to deliver the best outcomes for the public, and how it can attract and retain those skills. We invite the Home Office, NPCC and APCC to provide a plan we can consider by January 2025.
- 2. A consolidated increase of 4.75% to all police officer pay points for all ranks up to and including chief superintendent.
- 3. The chief officer of police in each force be given the discretion to set the starting salary for new constables at either pay point 1 or pay point 2 on the constable pay scale.
- 4. The Commissioners of the Metropolitan Police Service and City of London Police be given further discretion to set the starting salaries of new constables at pay point 3 on the constable pay scale. This additional flexibility should be limited to a period of two years, and be reviewed after one year.
- 5. The allowances set out in the NPCC's schedule for the review of police allowances be reviewed in their entirety in 2024/25 as part of the Comprehensive Review of police remuneration. A coherent and equitable package of proposals for changes to those allowances should be presented to us in the next pay round for implementation in 2025/26.
- 6. On-call Allowance be increased from £20 to £25 as an interim measure pending the outcome of the NPCC's review of allowances in 2024/25.
- 7. London Weighting be uprated by 4.75%.
- 8. Dog Handlers' Allowance be uprated by 4.75% and the additional rate for officers with more than one dog be raised from 25% to 50% of the rate for the first dog.
- 9. The time it takes the federated ranks to reach the maximum annual leave entitlement of 30 days be reduced from 20 to 10 years. Implementation of this change to be in line with the proposals put forward by the NPCC. In advance of that, from September 2024 the annual leave for new entrants also be increased from 22 to 25 days.

- 1. We received the Home Secretary's remit letter on 20 December 2023 asking us to make a formal recommendation on the police officer pay award for 2024/25 for all ranks up to and including chief superintendent. The letter also asked us to provide commentary on the NPCC's schedule for a review of allowances, including the proposed timescales and priority order, and taking into consideration views from policing stakeholders.
- 2. The nature of the challenges facing the police service and its officers is changing. Officers, particularly those on the frontline, have always been required to deal with difficult and dangerous issues often at a risk to their personal safety. For a number of years we have received evidence regarding the growth of online crime and fraud requiring today's police forces to develop new digital capabilities. Over the last two years we have also commented on the growth in public expectations and the challenges facing the service in terms of rebuilding public trust. Greater transparency and public scrutiny are vital to rebuilding confidence in the police service.
- 3. However, this year we received more evidence regarding the impact of 'reverse civilianisation' whereby police officers are being put into roles that would be better suited for police staff. We have been told this is partially a consequence of the funding arrangements put in place to support the delivery of the Uplift Programme. We have also received more information, largely from anecdotal evidence, of the increased pressure on some individual officers resulting from heightened public attention. We have been told about the impact on police officers and their families of recordings of incidents dealt with by response teams or during public demonstrations being placed on social media usually before any internal investigation (if warranted) is completed.
- 4. Our previous report was completed during a period of significant economic uncertainty and the officers in our remit group have continued to experience the consequences. In Chapter 2, we consider Government pay policy, the performance of the wider economy and labour market, the policing workforce and environment, police recruitment, police earnings, retention, motivation and morale. The chapter sets out long-term changes to police earnings and workforce. It also sets out changes to inflation since police officers received their pay award for 2023/24 on 1 September 2023. The Consumer Prices Index rate of inflation was at 6.7% in the year to September 2023, and was 2.3% in the year to April 2024. We look at average earnings and pay settlements including median pay settlements which were around 5.0% in the three months to April 2024.
- 5. Chapter 2 then sets out evidence from staff surveys which suggests morale is declining. The results suggest pay is a factor but not the sole cause. The chapter also highlights the recruitment and retention challenges the service faces over the next few years as it strives to maintain officer numbers at the level achieved through the Uplift Programme. We highlight our particular concerns about the recruitment

challenges facing the Metropolitan Police Service (MPS), which accounts for around a quarter of UK police officers, and the associated operational risks in London and beyond. We reiterate the point we made last year that creating a more diverse workforce that is representative of the communities it serves is an important factor in maintaining police legitimacy.

- 6. In Chapter 3 we comment on various aspects of pay modernisation. We note that in our last two reports we have emphasised the importance of the development of a long-term workforce strategy. Progress on this and other aspects of pay and workforce modernisation has been very slow. A Comprehensive Spending Review (CSR) is expected within the next year to 18 months. We urge the Home Office, NPCC and APCC to seize the opportunity and prepare a costed plan setting out the reforms required. We observe that the CSR will have clear and Government-wide timelines. We point out that it is vital that the police service's plans are prepared in good time. We suggest that these plans should be the product of a Comprehensive Review of police remuneration to maximise the deployment of police officers with the right skills to the right roles. We advise that given the imminence of the CSR, this new review must be tightly focused on ensuring remuneration effectively enables recruitment, retention and progression. We propose that it should examine pay and the mechanics of the coherence of pay scales, allowances, rewarding performance, and the mechanism for progression.
- 7. We observe that the Comprehensive Review must be owned and driven by the Home Office, NPCC and APCC. Ideally, it should be undertaken by the police service itself, providing it is prepared to be sufficiently ambitious and that it is resourced to deliver it. The Home Office, NPCC and APCC should consider carefully whether the police service has the resources and capabilities to undertake such a review given the tight timescales. Appropriate external expertise should be used as necessary to support the review.
- 8. In Chapter 4 we summarise the issues we took into account in making our recommendation for a basic pay award for police officers in 2024/25 and for changes to police allowances. We focus first on the performance of the economy and the impacts on officers of high inflation which we highlight above. Although the rate of inflation is falling, most prices, with the exception of energy prices, have not. We observe that higher mortgage rates mean the lowest paid police officers are still facing significant financial pressure as the result of the substantial increase in the cost of living over the last couple of years.
- 9. We point out that the service needs to ensure that those officers it is recruiting and retaining are those with the attitudes and skills to deal with the ever-increasing complexity of demand driven by technology and evolving social norms. We observe that officers also need the capabilities to drive forward efforts to rebuild the trust in their community. We highlight that the police service still needs to recruit in significant volumes to maintain police officer numbers at the new level following the

Uplift Programme. We give weight to trends in private sector pay and in particular median pay settlements which were around 5.0% in the three months to April 2024. We also give weight to the fact that police officers are prohibited from taking industrial action.

- 10. We explain that we balanced all these factors with affordability. We note the evidence we received from parties regarding the resources available for a pay award for 2024/25 and the likely consequences for police forces of an unfunded pay award including further reverse civilianisation. However, we again observe that affordability is about choice and priorities.
- 11. After taking the above factors into account including the economic situation, pay trends in the private sector, developments in public sector pay, the prohibition on the police taking industrial action, our analysis of recruitment, retention, motivation and morale, and balancing against affordability, we conclude that a pay uplift of 4.75% across all ranks up to and including chief superintendent is the most suitable approach. To assist with recruitment, we also recommend that chief constables be given the discretion to set starting pay for constables at either pay point 1 or pay point 2 on the constable pay scale. We emphasise that it is very important that discretion on setting starting salaries is used fairly across the country, targeted to reflect local needs. We ask the NPCC to produce guidance to ensure equity and consistent application of the discretion by chief constables.
- 12. We highlight the important role of the MPS in UK policing and we set out our particular concerns about the difficulties the MPS is experiencing in terms of recruitment and retention and the operational risks it has articulated of it not meeting its recruitment and retention targets. To assist with recruitment in the capital we recommend that the Commissioners of the MPS and the City of London Police be given the additional discretion to set starting pay for constables at pay point 3 on the constable pay scale. This additional discretion should be limited to two years with an initial review of the discretion after one year. Given the financial pressures facing forces, we set out our view that the pay award, including the extra flexibilities on starting pay, should be centrally funded above 2.5%.
- 13. We also set out our recommendations on police allowances. This includes the uprating of London Weighting by 4.75% in line with the basic pay award, and an increase to On-call Allowance from £20 to £25. We explain our views on the NPCC's proposal for a review of police allowances and set out the thinking behind our recommendation that the NPCC review should take place over one year rather than three years.
- 14. At the end of Chapter 4, we consider the NPCC proposals to reduce the time it takes the federated ranks to reach the maximum annual leave entitlement of 30 days from 20 to 10 years. We endorse its proposals and explain the thinking behind our recommendation that annual leave for new entrants should also be increased

from 22 to 25 days. We emphasise that the implementation of both these changes should be subject to the submission of a satisfactory Equality Impact Assessment by the NPCC to the Home Office.

15. In our Forward Look (Chapter 5) we set out the issues we will want to consider in future pay rounds. This includes the outcome of the Comprehensive Review of police remuneration and the review of police allowances. We also seek an assessment of the early impact on MPS recruitment and that of the City of London Police of the additional discretion we propose the Commissioners of those forces receive to set starting salaries at pay point 3. In addition, we invite parties to provide evidence in the next pay round on how the wider implications for officers of opting out of the pension can be mitigated, for instance the loss of death-in-service benefits.

## **Chapter 1 – Introduction**

#### Introduction

1.1 This is our Tenth Report to the Home Secretary following our establishment in 2014, and in it we make observations and recommendations on the matters referred to us by the Home Secretary in our remit letter.

#### **Our 2023 Police Remuneration Review Body Report**

- 1.2 Our Ninth Report was submitted to the Home Secretary on 31 May 2023 containing our recommendations on police officer pay and allowances (Appendix A). The recommendations set out in our report were:
  - 1. A consolidated increase of 7% to all police officer pay points for all ranks up to and including assistant chief constable and commander.
  - 2. The removal of pay point 0 of the constable pay scale.
  - Point 3 of the chief superintendent pay scale to be uplifted by £2,838 from 1 September 2023 and £2,837 from 1 September 2024. These uplifts are to be made before the application of the respective pay awards for these years.
  - 4. London Weighting to be uprated by 7%.
  - 5. Dog Handlers' Allowance to be uprated by 7%.
  - 6. The introduction of a new pay structure for those appointed as a chief constable or deputy chief constable from 1 September 2023 comprising three pay points for chief constables, and with deputy chief constable pay set at 82.5% of equivalent chief constable pay. Any chief constable or deputy chief constable who resigns or retires from the police service, and is subsequently reappointed to the same post within the same force, is to be reappointed on no more than their previous salary.
  - 7. A consolidated increase of 5% to all existing chief constable and deputy chief constable pay points from 1 September 2023. To start the transition between the existing and new structures, where an existing pay point remains below the pay for the same post in the new pay structure, that pay point is to receive an additional consolidated award of up to 2%, such that the overall uplift does not exceed 7%.
  - 8. Policing parties to bring forward proposals to improve the independence, transparency, and consistency of determining and reporting on chief officer pay and allowances. We expect this to include proposals on how to place, in the public domain on an annual basis, a consistent set of data on the total pay and allowances received by each chief officer in each force.

- 9. A consolidated increase of 5% to the pay points of all chief officers in the Metropolitan Police Service and the City of London Police above the rank of commander.
- 10. A consolidated increase of an additional 2% to the Metropolitan Police Service deputy assistant commissioner pay point in order to retain the link with deputy chief constable pay.
- 11. The Relocation Allowance for chief officers to be amended as proposed by the chief officer remuneration review. The impact of the scheme to be reviewed within three years of implementation.
- 12. Policing parties to bring forward next year additional proposals for a review of the existing power of Police and Crime Commissioners (PCCs) to increase and decrease base pay of chief constables by plus or minus 10% on appointment. As an interim measure, the Home Office to issue guidance to Police and Crime Commissioners advising them against exercising their power to vary starting salaries on appointment until the review is concluded.
- 13. The National Police Chiefs' Council (NPCC) to provide an interim report by 30 November 2023 on its progress to develop a long-term pay and reward strategy. This should include an update on the work on constable base pay and the backto-first-principles review of the P-factor.
- 1.3 The Home Secretary responded on 13 July 2023 by:
  - Accepting in full recommendations 1 to 5, 8 and 13.
  - Accepting recommendation 6 in principle, subject to the development of a full and coherent implementation plan. In the interim, the Home Secretary awarded all chief constables and deputy chief constables, and ranks above commander in the Metropolitan Police Service and City of London Police, a pay uplift of 7% in line with that for all other ranks (instead of recommendations 7, 9 and 10).
  - Accepting recommendation 11 in principle subject to the development of more detailed proposals to inform the amendments to the Police Regulations 2003.
  - Saying they were content to receive proposals on recommendation 12 but rejecting the recommendation that the Home Office should issue guidance to PCCs advising them against exercising their power to vary starting salaries on appointment until the review is concluded.

#### The 2024/25 remit

1.4 The Home Secretary's remit letter of 20 December 2023 (Appendix B) set the context for our 2024/25 review. It asked us to make a formal recommendation on the police officer pay award for 2024/25 to all police officers in ranks up to and including chief superintendent. The Home Secretary separately remitted consideration of pay for chief police officers to the Senior Salaries Review Body (SSRB).

- 1.5 The letter also asked us to provide commentary on the NPCC's schedule for a review of allowances, including the proposed timescales and priority order, and taking into consideration views from policing stakeholders.
- 1.6 The Home Secretary's letter went on to explain that in 2023/24 the Pay Review Bodies had recommended historically high pay awards for their respective workforces in light of the extraordinary macroeconomic context. It stated that accepting these recommendations, while not increasing borrowing, had required tough decisions. The letter said that it was vital that the Pay Review Bodies consider the historic nature of the 2023/24 awards and the Government's affordability position that would be set out further in written evidence.
- 1.7 The Home Secretary's remit letter provides a primary focus for the Review Body. However, it is open to us to consider any issues that fall within the broad scope of our formal terms of reference and this year we have considered issues raised directly with us by officers during visits we undertook in the autumn of 2023 and issues raised by all parties who gave evidence to us, including the National Police Chiefs' Council and the Police Superintendents' Association.

#### Our approach to the 2024/25 pay round

1.8 We have reached recommendations and made observations this year following our close examination of evidence from a range of sources. These include not only the written and oral evidence submissions from the parties and the Home Secretary's remit letter but also our analyses of police workforce and pay statistics, the economic and labour market context and external independent reports.

#### Our visits

- 1.9 We conducted visits to the following police forces in the autumn of 2023: Derbyshire; Greater Manchester; Cleveland; Suffolk; Norfolk; Gloucestershire; and the Metropolitan Police Service (MPS). We were able to meet police officers at all ranks. In all, we heard from more than 300 officers. We are grateful to all those who organised and participated in our visits and look forward to visiting a range of other forces in the coming year.
- 1.10 These visits are a crucial part of our consideration and decision-making process. They enable us to hear from a range of police officers in a variety of roles. We have set out some of the key messages in the appropriate chapters of our report.
- 1.11 A number of recurring themes arose in our discussions:
  - The 7% annual pay award in 2023 received a positive response from officers at all levels, although officers also regretted it not matching inflation, or overcoming the longstanding real-terms pay decline.
  - The most commonplace view on the 2024 pay award was that it should at least match the inflation rate and the pay awards of other public sector groups such

as fire officers. However, police forces reported that they were budgeting for below-inflation pay rises.

- New and recent recruits were struggling financially with the heightened cost of living, especially in the MPS, and pension scheme opt-outs seemed much more commonplace.
- More needed to be done on starting pay. The removal of pay point 1 combined with flexibility on starting pay for those with life experience could improve the calibre and retention of new recruits.
- Apart from the MPS, forces had generally exceeded their Uplift Programme targets but faced increasing pay bill costs from the 2025/26 financial year as the new officers climbed the pay scale. The impact of levels of inexperience on service delivery was causing widespread concern.
- Officers reported being deterred from promotion to the inspecting ranks by pay rates seen as inadequate compensation for extra working hours, additional workload and greater levels of personal responsibility. Also, the pay differentials between those ranks were wrong.
- Financial uncertainties for forces would be intensified as the 2 May 2024 PCC and Mayoral elections were expected to deter precept increases.
- The unique challenges facing the MPS, especially through the financial pressures placed on MPS officers.

#### Meetings with parties prior to the 2024/25 pay round

1.12 In preparation for the 2024/25 pay round, the Chair met with parties to discuss reflections on the 2023/24 report and the evidence requests we had made for submission this year. As part of this process, the Chair met with the NPCC in July 2023 and with the staff associations in November 2023. In addition, we met the NPCC in December 2023 to discuss its interim report on pay reform.

#### Parties giving evidence

- 1.13 In February 2024 we received written evidence from the parties listed below. We have summarised the key points from each party's evidence in Appendix C, and links to the submitted evidence are provided in Appendix D:
  - the Home Office;
  - HM Treasury;
  - the National Police Chiefs' Council (NPCC);
  - the Association of Police and Crime Commissioners (APCC);
  - the Metropolitan Police Service (MPS); and
  - the Police Superintendents' Association (PSA).

- 1.14 We held a series of oral evidence sessions with the parties in the spring of 2024. These were attended by the Minister for Crime, Policing and Fire; Home Office and HM Treasury officials; representatives from the NPCC, APCC, MPS and PSA; the Chief Executive Officer of the College of Policing; and the Deputy Mayor of London for Policing and Crime.
- 1.15 We regret that the Police Federation of England and Wales (PFEW) did not submit written evidence or attend oral evidence sessions following its withdrawal from the Police Remuneration Review Body (PRRB) process in 2021. The PFEW cited concern over the lack of independence in the process following the announcement of the public sector pay pause and the 2021 pay award. We have been able to draw on survey results published by the PFEW. Our visits programme enabled us to hear directly from officers about their concerns.

#### **Environment for our considerations**

- 1.16 Our report has again been completed during a period of economic uncertainty.
- 1.17 In Chapter 2 we consider the implications of the broader policing environment, Government pay policy, and the performance of the wider economy and labour market. We also examine the indicators on changes in the policing workforce and police recruitment, retention, motivation and morale. Chapter 3 contains our observations and commentary on modernising the police workforce and pay.
- 1.18 We set out our pay recommendations in Chapter 4 and in Chapter 5 we look ahead to the possible context for the next pay round and highlight issues that are likely to be of interest to us in future.
- 1.19 The work of police officers is important, difficult, complex and often dangerous. We would again like to acknowledge our remit group for their contribution this year.

## Chapter 2 – Analysis of the 2024/25 Evidence

#### Introduction

2.1 In this chapter we analyse the key points from the evidence as they relate to our standing terms of reference and matters referred to us by the Home Secretary. More detailed summaries of each party's evidence are in Appendix C. Our conclusions from the evidence and analysis in this chapter are carried forward to our consideration of pay proposals in Chapter 4 and our Forward Look in Chapter 5.

#### **Police environment**

- 2.2 Parties reported that the Crime Survey of England and Wales showed a long-term decrease in crime, including a reduction of 15% between the financial years ending (FYEs) 2020 and 2023. However, police recorded crime had increased in the FYE 2023. Parties also highlighted that the complexity of crime was increasing and changing the skills and capacity required to combat it.
- 2.3 The NPCC cited data showing that confidence in policing had fallen and remained low. It said that meeting public expectations and rebuilding trust and confidence remained a police priority. The Home Office told us of an internal review it had launched into the process of police officer dismissals, and that following its conclusion the Government had announced a series of reforms to strengthen police standards and improve public confidence.

#### HMICFRS State of Policing Report 2022<sup>4</sup>

- 2.4 The annual report on the State of Policing in 2022 by His Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) highlighted that the police were experiencing one of their biggest crises in living memory, with particular strain on the relationship between the police and the public. It considered that the public's trust and confidence were unacceptably low, and that the fundamental principle of policing by consent, upon which the service was built, was at risk.
- 2.5 The report said that the perceived legitimacy of the police was central to the public's willingness to co-operate with them and abide by the law and that this drop in trust and confidence could make it harder for decent and honest police officers and staff, who comprised the vast majority of the service, to do their jobs. It also highlighted that these conditions made it less attractive for people to stay in the service, or to join it in the first place.

<sup>&</sup>lt;sup>4</sup> HMICFRS (June 2023), *State of Policing: The Annual Assessment of Policing in England and Wales 2022*. Available at: <u>https://hmicfrs.justiceinspectorates.gov.uk/publications/state-of-policing-the-annual-assessment-of-policing-in-england-and-wales-2022/</u> [Accessed 23 May 2024]

2.6 The report concluded that policing was not broken beyond repair and that, for the most part, it was a service full of dedicated officers, staff and volunteers who were committed to serving the public. It considered that policing had a limited window of opportunity in which to act, and needed to focus on the issues that mattered most to communities, get the basics right and reform many aspects of its leadership and workforce.

#### HMICFRS report – Police performance: Getting a grip<sup>5</sup>

- 2.7 This report also highlighted that public trust and confidence in the police was at an all-time low, and that the police needed to focus on doing what mattered most and doing it well.
- 2.8 It found that poor and simplistic data and analysis were leading to poorly informed decisions, and that inadequate understanding of demand meant some forces operated in crisis mode. It highlighted that a clear understanding of demand and well-considered multi-agency plans were not widespread among forces and officers were spending a high proportion of their time responding to demand unrelated to policing and better addressed by other organisations.
- 2.9 It found that the police workforce was increasingly under-resourced and underskilled, and said that forces reported that they were regularly at minimum staffing levels and had difficulties in recruiting and retaining officers. Forces' ability to have the right people available was being hindered by the increase in young-in-service officers, who were dedicated but inexperienced and needed training while they built up their skills.
- 2.10 The report highlighted that data from the Uplift Programme showed 71% of voluntary resignations were of officers in their first five years' service. It also reported that there was a significant financial impact from additional recruitment and training when budgets were stretched, and that the financial loss of early police officer leavers was estimated at £83,000 per officer in the first year of service and £138,000 over the first two years. HMICFRS considered that without a strategic focus on attrition rates, forces were unable to address them, and that this ultimately affected the ability of forces to provide a good-quality service to the public due to insufficient resources and wasted investment.
- 2.11 The report also found that first-line supervisors were being let down by forces which were failing to invest in them or support them in their vital role critical to the service the public received and to the management of officer performance and wellbeing. HMICFRS found too many examples of investigations with no supervisor oversight, and called for greater investment in first-line supervisors.

<sup>&</sup>lt;sup>5</sup> HMICFRS (July 2023), Police performance: Getting a grip. Available at:

https://hmicfrs.justiceinspectorates.gov.uk/publications/police-performance-getting-a-grip/ [Accessed 23 May 2024]

#### The Policing Productivity Review<sup>6</sup>

- 2.12 The Policing Productivity Review was commissioned in 2022 against the backdrop of the Uplift Programme and the 'ever more complex and expanded policing mission'. The report contained 26 wide-ranging recommendations with a focus on applying technology to improve productivity and overcoming barriers to productivity.
- 2.13 The report set out how demand on policing had changed over time and how this required officers to have different skillsets compared with the past. It also reflected that technological advances had given police officers new investigative opportunities.
- 2.14 The recommendations of the report included:
  - In advance of the next Spending Review, the policing sector should develop, and agree with the Home Office, a sector strategy which scoped future demand, required capabilities and set out clear shared ambitions and commitments in terms of public benefits.
  - The Home Office should support forces to minimise the number of officers posted in back-office or support functions or where their warranted powers were not required.
  - The NPCC and the College of Policing should build on the Strategic Assessment of Workforce to develop a future-focused sector skills plan for officers and for staff, scoping capabilities, gaps and training needs.
  - To ensure the right talent was attracted to, and retained in policing, there should be a clear people strategy for science, technology and innovation in policing.
  - Data on the police workforce must improve: the reporting requirement must be expanded to include consistent data standards and more information on sickness and leavers. The College of Policing should bring all parties working on improving police data (its quality, consistency and application) into a Policing Data Hub. The Chief Executive of the College should lead an urgent twelve-month programme to strengthen police data capabilities.
- 2.15 The HMICFRS report on police performance found that while wellbeing support had improved in most forces, some officers in high-risk roles, such as investigators, felt unable to admit if they were not coping. Some had not had welfare meetings for four years. Experienced investigators said they felt 'exhausted'. Better-performing forces had a detailed understanding of the main drivers of stress in their organisation. The report recommended that, by January 2024, forces should review their proactive wellbeing support for officers and staff in high-stress roles and situations. They

<sup>&</sup>lt;sup>6</sup> Home Office (October 2023), *Policing Productivity Review – Improving Outcomes for the Public*. Available at <u>https://www.gov.uk/government/publications/policing-productivity-review</u> [Accessed 23 May 2024]

should make sure it included targeted support that went beyond mandatory annual psychological screening.

#### The Angiolini Inquiry Part 1 Report<sup>7</sup>

- 2.16 Part 1 of the Angiolini Inquiry looked into how an off-duty MPS officer was able to abduct, rape and murder Sarah Everard. The report made 16 recommendations designed to ensure that everything possible was being done to prevent those entrusted with the power of the office of constable from abusing that power.
- 2.17 The Inquiry found that policing needed to grasp fully the extent of the cultural problems it faced and the way that this affected the public it served. It needed to do more than make further changes to policies, guidance and training, although these were important and worthwhile. All policing leaders needed to rethink fundamentally how they led their organisations to ensure that certain types of behaviour, from the unacceptable to the criminal, were never tolerated.
- 2.18 The Inquiry recommended a review of the conditions of female officers and staff in order to encourage more women to join the police and progress in policing careers. Among other things it said this should include a review of working conditions that did not address the realities of modern working lives, including families where both parents were officers and shared caring responsibilities.

#### Our comment on the police environment

- 2.19 The decline in public trust and confidence in the police has featured prominently in the reports cited above. While there has been a particular focus on issues in the MPS, we observe that no force is immune from these difficulties. We are particularly conscious of the effect of this on officer morale and motivation.
- 2.20 As we have said in previous years, forces will need support to help them meet the challenges involved in rebuilding that trust and confidence. Pay cannot guarantee ethical behaviour in police officers, but it can encourage effective delivery, a positive culture and a sense of being valued. The right pay and reward structures will also play an important role in attracting recruits with the right motivations, and in creating strong ethical behaviour within forces.

### Government pay policy and affordability

2.21 Evidence received from HM Treasury stressed that, although public sector borrowing and debt were forecast to fall, they were historically high, and discipline with the public finances was central to continuing to get borrowing down to levels where debt could sustainably fall. It added that further significant borrowing would add to existing inflationary pressure.

<sup>&</sup>lt;sup>7</sup> The Angiolini Inquiry (February 2024), *Part 1 Report.* Available at: <u>https://www.angiolini.independent-inquiry.uk/reports/</u> [Accessed 23 May 2024]

- 2.22 HM Treasury said that government departments were facing their tightest year of the 2021 Spending Review period in FYE 2025, with significant pressures arising from inflation, previous pay awards and department-specific pressures. It stated that departments were therefore having to reprioritise and continue to identify efficiency savings to enable funding to be available for this year's pay awards. In oral evidence HM Treasury advised that 2% had been assumed for 2024/25 pay awards in the 2021 Spending Review.
- 2.23 The Home Office explained that overall funding for PCCs would increase by up to £922.2 million in FYE 2025 compared with FYE 2024, assuming full take up of precept flexibility. In oral evidence the Minister for Crime, Policing and Fire told us that this included £150 million funding from the 2021 Spending Review for a 2% pay award in 2024/25, but stressed that Home Office and police budgets were fully committed for FYE 2025, and so there were no additional resources available to fund anything beyond that.
- 2.24 The NPCC informed us that the total pay budget across the police service was approximately £15 billion a year, of which around £10.3 billion related to officer pay. The NPCC estimated that salary costs would increase by around £0.25 billion over the next three years (excluding annual pay awards) as a result of the Uplift Programme. The NPCC advised that forces had built an average of 2.5% pay growth into their forecasts for 2024/25 and around 2% thereafter. The MPS said that its budget assumed 2% pay awards in 2024/25 and thereafter.
- 2.25 The joint statement by the NPCC, Chief Police Officers' Staff Association (CPOSA) and PSA, and supported by the APCC, highlighted that the central funding made available to forces for last year's pay award was proportioned by grant and resulted in a shortfall in 18 forces, causing significant impact on local budgets, and a surplus in 25 forces. It said that should the same approach to allocating funding be applied for this year's pay award, additional targeted support for the worst affected forces would be required.
- 2.26 In oral evidence the APCC explained that any pay award over 2% would require additional funding, otherwise forces would have to make cuts to specialist services and police staff numbers. Such measures would reduce police productivity.

Our comment on Government pay policy and affordability

2.27 We have had regard to the evidence from the Home Office, MPS and APCC that, based on assumptions from the 2021 Comprehensive Spending Review (CSR), a 2% award had been budgeted for, and from the NPCC saying that forces had built an average of 2.5% into forecasts for 2024/25. We have also been provided with evidence on the challenging budgetary constraints faced by forces and government departments reflecting recent high inflation, the steps that were taken to make last year's pay award affordable, and the pressures this has placed on this year's budgets. We also heard in oral evidence that the use of the funding formula rather

than workforce size to allocate the additional funding provided of the 2023 pay award meant not all forces had been fully funded for the additional cost. Furthermore, funding an award of 2.5% would be a struggle for some forces this year potentially leading to service reductions.

- 2.28 The joint statement said that affordability needed to consider not just the national context but pressure points in individual forces, both revenue and capital, which had been compounded by a centrally mandated workforce strategy with funding tied into police numbers. We recognise that the effect of any pay award will be different for each force, and reiterate again this year that we do not make overall recommendations based upon separate assessments of affordability in each of the 43 forces but rather take a balanced overall view. We have concluded in previous years, and the same applies this year, that it is neither realistic nor feasible for us to take account of the possible range of flexibilities and priorities which each force will assign to police pay, or to take account of the potential trade-offs that might exist between pay and other possible expenditures.
- 2.29 We consider that affordability assessments stem from choices and prioritisation made at multiple levels, from central government down to individual forces. In practice, there are degrees of flexibility at every level, including individual forces and central Government, in how budgets can be constructed or how money is spent.
- 2.30 Moreover, it would appear that the affordability figures presented to us this year are based on assessments made three years ago in the 2021 CSR. As we have pointed out in previous years, we would not properly discharge our remit if we were to base our recommendations on pre-determined budgetary considerations alone. We also have to consider the needs of the police service and its ability to deliver the best outcomes in terms of public safety, including the other, sometimes competing, factors set out in our terms of reference, particularly in light of the economic volatility seen in recent years.

#### The economy and labour market

- 2.31 HM Treasury highlighted that the economy had faced an unprecedented series of shocks in recent years, which had driven up inflation. It said the Bank of England had taken necessary action to bring inflation back to target, which was working, but had led to slower growth over the past 18 months. HM Treasury reported that, in light of these shocks, the economy had performed better than first expected and while inflation was now on a downward trend, it remained elevated and returning inflation to target remained a top priority for the Government. HM Treasury also advised that:
  - wage growth had started to ease back from the historically high levels reached last year, and was expected to fall to below 4% this year and further to around 2% next year as the labour market loosened;

- vacancies across the economy remained on a downward trend and there had been notable improvements in the recruitment and retention status of key public sector workforces over the last year, although pinch-points remained; and
- the Office for Budget Responsibility (OBR) expected unemployment to rise slightly over the coming year as a result of slower gross domestic product (GDP) growth and higher interest rates weighing on labour demand.
- 2.32 In oral evidence, the Minister for Crime, Policing and Fire highlighted that the latest OBR forecasts were for 1.6% average inflation and 2.7% pay inflation across the public and private sectors for the next two years.
- 2.33 The NPCC said that ongoing economic uncertainty, low growth and continued inflation were driving higher costs of living which were felt most acutely by officers on the lowest pay scales. The NPCC stated that combined with continued high employment, this was likely to continue to drive employees' pay claims and to reduce the scope for increased public expenditure. The NPCC reported that the implication for policing (and the wider public sector) was a continuing tight labour market and wage growth, affecting recruitment and retention strategies and future pay assumptions.
- 2.34 The MPS presented data showing that median earnings in London were 27% higher than across the UK. It highlighted the higher costs in London of: accommodation, despite the London housing market growing at a slower rate than the rest of the UK; childcare; and the general cost of living. The MPS reported that the London labour market remained tight and public sector salaries were not sufficient to attract and retain staff.

#### Our comment on the economy and labour market

- 2.35 We set out below the latest economic and labour market indicators (summarised in Table 2.1:) as at 31 May 2024, available to us when finalising our recommendations:
  - Inflation. Inflation has been falling over the past year. The Consumer Prices Index (CPI) increased by 6.7% in the year to September 2023 (when the 2023 police pay award took effect), and the CPI including owner occupiers' housing costs (CPIH) increased by 6.3% over the same period. In the year to April 2024 the CPI increased by 2.3%, and the CPIH increased by 3.0%.
  - Core CPI (which excludes the effects of price changes in energy, food and alcohol) was higher at 3.9% in the year to April 2024, while core CPIH was 4.4%.
  - The Bank of England base interest rate has increased from 0.1% at the start of December 2021 to 5.25% since August 2023 to try to slow rising prices. Rising interest rates have a knock-on effect on mortgage payments over a long period.

- In its March 2024 Economic and Fiscal Outlook<sup>8</sup>, the OBR expected CPI inflation to reach the 2% target in the second quarter of 2024 and to fall to 1.4% in the fourth quarter of 2024.
- In its May 2024 Monetary Policy Report<sup>9</sup>, the Bank of England's median projection expected CPI inflation to fall temporarily to 2.1% in the second quarter of 2024, as energy prices fell, before increasing again to 2.4% in the third quarter and 2.8% in the fourth quarter, due to the persistence of domestic inflationary pressures.
- *Economic growth.* UK GDP figures showed that the UK economy grew by 0.1% over 2023 as a whole, but shrank in the last two quarters of 2023 (by 0.1% in the third quarter and 0.3% in the fourth quarter), thereby meeting the technical definition of a recession. The first quarterly estimate of GDP for 2024 showed that this recession had ended, with GDP in the first quarter of 2024 estimated to be 0.6% higher than the previous quarter and 0.2% higher than a year earlier.
- In March 2024, the OBR estimated that annual GDP growth would pick up slightly to 0.8% in 2024. It considered that lower than expected inflation strengthened near-term growth prospects but the medium-term economic outlook remained challenging, in particular rising levels of economic inactivity.
- Labour market. Pay As You Earn (PAYE) Real Time Information (RTI) data indicate that the number of employees on payrolls in April 2024 was 30.2 million, 0.4% higher than a year earlier but 0.3% lower than January 2024. Estimates from the Labour Force Survey<sup>10</sup> (LFS) put total employment at 33.0 million in the three months to March 2024, 204,000 (0.6%) lower than a year earlier, with falls in both the number of employees (down 0.1%) and self-employment (down 2.6%). The LFS unemployment rate (for those aged 16 and over) was 4.3% in the three months to March 2024, 0.3 percentage points higher than a year earlier. However, the Claimant Count rate in April 2024 was 4.1%, the same as a year earlier. The ONS recorded 898,000 job vacancies in the three months to April 2024, 17.3% lower than a year earlier.
- Average earnings. In the three months to March 2024, Average Weekly Earnings (AWE) annual growth for the whole economy was 5.7% for total pay and 6.0% for regular pay (excluding bonuses).
- AWE annual growth in the three months to March 2024 was 6.2% in the public sector (6.3% excluding bonuses) and 5.9% in the private sector (both including and excluding bonuses).

<sup>&</sup>lt;sup>8</sup> OBR (March 2024), *Economic and Fiscal Outlook*. Available at: <u>https://obr.uk/efo/economic-and-fiscal-outlook-march-2024/</u> [Accessed on 23 May 2024]

<sup>&</sup>lt;sup>9</sup> Bank of England (May 2024), *Monetary Policy Report*. Available at: <u>https://www.bankofengland.co.uk/</u> monetary-policy-report/2024/may-2024 [Accessed on 23 May 2024]

<sup>&</sup>lt;sup>10</sup> The ONS advises that increased volatility of LFS estimates, resulting from smaller achieved sample sizes, means they should be treated with additional caution, and it recommends using them as part of a suite of labour market indicators.

 Pay settlements. The latest estimates for median pay settlements in the three months to April 2024 were around 5.0%. Our analysis of Brightmine (formerly XpertHR) data indicates that just under half (49%) of pay awards so far in 2024 have been worth less than 5%, compared with less than one-quarter (23%) in 2023 and three-fifths (60%) in 2022.

	Figure
Inflation indicators	
Annual CPI inflation	2.3%
Annual CPIH inflation	3.0%
Annual Retail Prices Index inflation	3.3%
Pay and earnings indicators	
Brightmine (formerly XpertHR) median pay settlements	4.9%
Incomes Data Research (IDR) median pay settlements	5.0%
Labour Research Department (LRD) median pay settlements	5.0%
LRD lowest basic rates median pay settlements	5.0%
Annual growth in AWE – whole economy	5.7%
Annual growth in AWE – private sector	5.9%
Annual growth in AWE – private sector excluding bonuses	5.9%
Annual growth in AWE – whole economy excluding bonuses	6.0%
PAYE median annual change in pay	6.1%
Annual growth in AWE – public sector	6.2%
Annual growth in AWE – public sector excluding bonuses	6.3%
PAYE annual change in median pay	6.9%
Labour market indicators	
LFS annual employment growth	-0.6%
PAYE employees on payroll annual growth	0.4%
Claimant count rate	4.1%
LFS unemployment rate (aged 16 and over)	4.3%
LFS employment rate (aged 16 to 64)	74.5%

#### Table 2.1: Latest economic and labour market indicators, as at 31 May 2024

Source: ONS - Labour Market Overview<sup>11</sup>, Consumer Price Inflation<sup>12</sup>, Claimant Count (Experimental Statistics)<sup>13</sup>, and Earnings and Employment from PAYE RTI (Experimental Statistics)<sup>14</sup>; Brightmine<sup>15</sup>; IDR<sup>16</sup>; and LRD<sup>17</sup>.

Note: The employment rate measures the proportion of the population (aged 16 to 64) in employment; the unemployment rate gives the number of unemployed people as a proportion of the total number of people (aged 16 and over) either in work or unemployed; and the claimant count rate is the number of people claiming unemployment benefits as a proportion of the total number of workforce jobs and claimants of unemployment benefits.

- realtimeinformationstatisticsreferencetableseasonallyadjusted/current [Accessed on 23 May 2024]
- <sup>15</sup> <u>https://www.brightmine.com/uk/products/hr-compliance-centre/</u> [Accessed on 23 May 2024]

<sup>&</sup>lt;sup>11</sup> <u>https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/</u> <u>bulletins/uklabourmarket/may2024</u> [Accessed on 23 May 2024]

<sup>&</sup>lt;sup>12</sup> <u>https://www.ons.gov.uk/economy/inflationandpriceindices/bulletins/consumerpriceinflation/april2024</u> [Accessed on 23 May 2024]

<sup>&</sup>lt;sup>13</sup> <u>https://www.ons.gov.uk/employmentandlabourmarket/peoplenotinwork/outofworkbenefits/datasets/</u> claimantcountcla01/current [Accessed on 23 May 2024]

<sup>&</sup>lt;sup>14</sup> https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/datasets/

<sup>&</sup>lt;sup>16</sup> <u>https://www.incomesdataresearch.co.uk</u> [Accessed on 23 May 2024]

<sup>&</sup>lt;sup>17</sup> <u>http://www.lrd.org.uk/index.php?pagid=29</u> [Accessed on 23 May 2024]

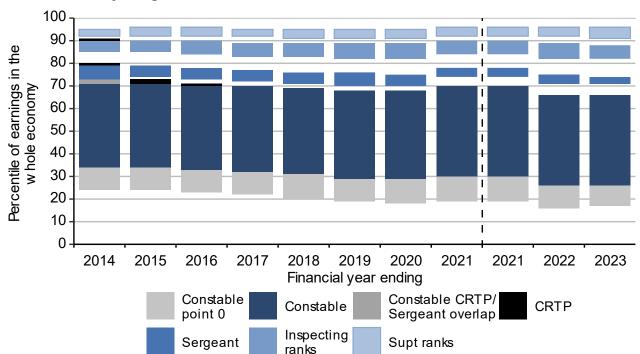
- 2.36 We observe that inflation levels have been particularly high over the last three years but have been falling over the past year. However, we emphasise that this only represents a slowing in the rate of overall price increases and not a fall in prices. Therefore, the effect of the recent high inflation will continue to be felt by officers in our remit group. The Bank of England also expects inflation to increase again in the second half of the year.
- 2.37 The MPS has highlighted its concerns over the uniqueness of London in terms of the cost of living and labour market. We note that the MPS dropped its London residency criteria for new recruits in 2022, and in the 2023 PFEW Pay and Morale Survey, 46% of respondents working in London or forces covered by the South East Allowance did not live within their force area, with the majority of these citing they could not afford to do so. The absence of a regional breakdown of inflation figures makes it difficult to judge how cost-of-living pressures in London have changed compared with the rest of the England and Wales over time.
- 2.38 We also observe that measures of average earnings growth and median pay settlements have not fallen as quickly as inflation. Last year we gave particular weight to developments in private sector pay in considering our recommendations, and they continue to play an important role this year. We discuss changes in police earnings compared with other parts of the economy in the next section.

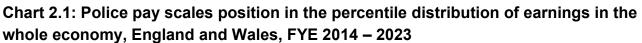
#### Police earnings

#### Our analysis of police earnings

- 2.39 Our analysis of police earnings, summarised below and set out in full in Appendix E, should be seen in the wider context of a significant increase in the gap between private and public sector pay over recent years. Average Weekly Earnings in the private sector have grown by 10.2% in real terms since 2014, compared with an increase of just 1.7% in the public sector (Chart E.1).
- 2.40 Our analysis of how the police officer pay scales compare with the distribution of earnings in the whole economy (Chart 2.1) has shown a gradual decline since FYE 2014 for the ranks of constable and sergeant. Pay scales for the inspecting and superintending ranks have been more stable against the distribution of whole economy earnings over the same time period.
- 2.41 Pay point 1 of the constable pay scale has fallen from the 34<sup>th</sup> percentile of whole economy earnings in FYE 2014 to the 26<sup>th</sup> percentile in FYE 2023. That is to say an officer on point 1 in FYE 2014 would have basic pay that was higher than the earnings of 34% of employees in the whole economy, whereas in FYE 2023 the basic pay of an equivalent officer was higher than 26% of employees. This pattern is similar when looking at the top of the constable pay scale, which dropped from the 73<sup>rd</sup> percentile to the 66<sup>th</sup> when the Competence Related Threshold Payment (CRTP) is included and from the 71<sup>st</sup> to 66<sup>th</sup> percentiles when it is excluded.

2.42 The bottom of the sergeant pay scale has been less affected, owing to the removal of the bottom pay point in 2014 and 2020. However, the top of the scale has reduced from the 80<sup>th</sup> percentile (79<sup>th</sup> percentile excluding CRTP) in FYE 2014 to the 74<sup>th</sup> percentile in FYE 2023.





Source: OME analysis of police pay scales and Annual Survey of Hours and Earnings, ONS. Notes:

– Pay scales are as from 1 September in each financial year. Therefore, the 2023 pay scales are as from September 2022 and still include pay point 0 which was removed in September 2023.

– CRTP has been included in the scales for constables, sergeants and the inspecting ranks from 2013 to 2015 as this was effectively an extra pay point on the scales.

– In 2013 and 2014 the bottom point of the sergeant pay scale was equal to the top point of the constable scale excluding CRTP.

– The ranges shown for the inspecting ranks cover both the national and London pay scales.

There are discontinuities in the series due to changes to the Standard Occupational Classification in FYE 2021.

- Data for the latest year are provisional.

#### Evidence from the parties on police earnings

- 2.43 The Home Office considered that median total earnings for police officers remained competitive when compared with: the private sector; professional occupations; and managers, directors and senior officials.
- 2.44 The joint statement by the NPCC, CPOSA and PSA, and supported by the APCC, reiterated concerns from last year around the real-terms pay cuts police officers had seen over the last decade. It highlighted the need to continue to reduce these real-term cuts.

- 2.45 The NPCC said that 86% of police officer respondents to the 2022 Wellbeing Survey had reported dissatisfaction with their basic pay, and that 69% said they worried about the state of their finances every day or almost every day.
- 2.46 The MPS reported on a recent MetFriendly survey which had found that MPS officers were more likely to have financial concerns than those in other forces. The MPS also provided data from a variety of job adverts setting entry pay for constables in London in the context of jobs in London from which it aimed to recruit or that might attract leavers. The MPS said that real-terms pay cuts and paying behind market medians were unsustainable in a competitive employment market where the knowledge, skills and experience of police officers were easily transferable.

## PFEW Pay and Morale Survey<sup>18</sup>

- 2.47 The majority of respondents to the 2023 PFEW Pay and Morale Survey<sup>19</sup> expressed dissatisfaction with pay: 79% were dissatisfied with basic pay, and 78% with overall remuneration (pay and allowances). However, both these proportions were lower than in 2022.
- 2.48 The proportion of respondents who said that they were never or almost never able to cover their monthly essentials was 18%, down slightly from 19% in 2022. Over half of respondents (58%) said they worried about money every day or almost every day, down from 71% in 2022. The proportion of respondents who said that they felt worse off financially compared with five years ago was 85%, down from 87% in 2021.

## Our comment on police earnings

- 2.49 We have noted the Home Office comparisons of median police earnings against median earnings in the private sector; professional occupations; and managers, directors and senior officials. However, we highlight that the median is just one measure of the earnings distribution and can be affected by the composition of the workforce. Half or more of officers are at the top of their pay scale for most ranks, and so any comparison of median earnings for these ranks do not give any indication of the competitiveness of the lower parts of the pay scales. Furthermore, over the longer term the differentials between median earnings of police officers and other occupations have generally been declining.
- 2.50 Instead of focusing solely on medians, we also compared the police pay scales against the distribution of earnings in the wider economy. This showed the police pay scales for lower ranks have been gradually falling down the distribution of earnings in the whole economy since FYE 2014. However, the pay scales for higher

 <sup>&</sup>lt;sup>18</sup> PFEW (March 2024), *Pay and Morale Survey 2023 – Headline Report*. Available at: <u>https://www.polfed.org/media/19164/pay-and-morale-survey-report-2023.pdf</u> [Accessed 23 May 2024]
 <sup>19</sup> Which received around 28,000 responses.

ranks have been more stable relative to the distribution of whole economy earnings over the same time period. We have also heard again from parties about the decline in real-terms police earnings since 2010.

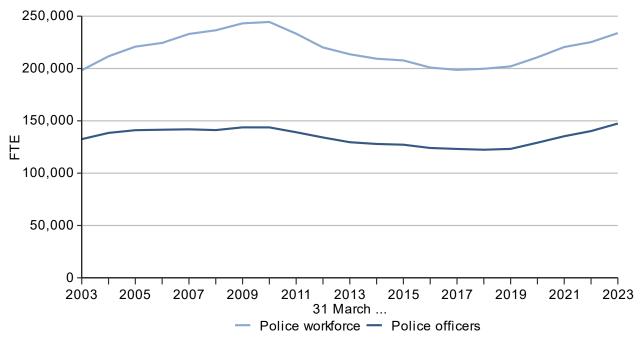
2.51 As in our previous reports, we do not make any judgement on what the correct level of police earnings should be in real terms or relative to comparators. However, we observe that decreases in real terms, or in comparison with other sectors, over the long term have potentially negative implications for the morale and motivation of officers and for recruitment and retention. This is highlighted to us by the results of staff association surveys.

## Police workforce, diversity, recruitment and retention

Our analysis of police workforce, diversity, recruitment and retention

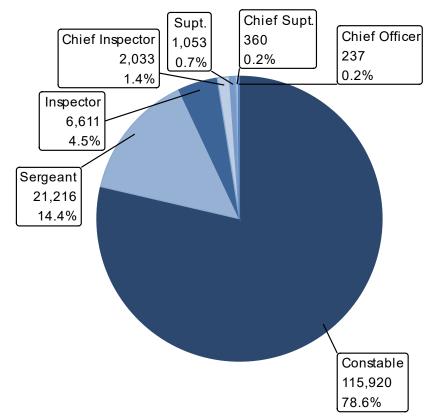
- 2.52 We have set out our full analysis of police workforce data in Appendix E. We highlight some of the key points below.
- 2.53 In March 2023, police officers accounted for just over three-fifths of the police workforce. Between March 2018 and March 2023, officer numbers increased by 25,000 full-time equivalents (FTE) or 20% (Chart 2.2). At the end of March 2023, there were 147,400 FTE police officers, the highest number since the data series begins in March 2003. The strength of the overall police workforce increased by 34,000 FTE (17%) between March 2018 and March 2023, to just over 233,800 FTE. However, it remained nearly 10,700 (4%) below its 2010 peak.

## Chart 2.2: Strength of police workforce and number of police officers (FTE), England and Wales, March 2003 – March 2023



Source: Police Workforce Statistics, Home Office.

2.54 In March 2023, nearly four-fifths (79%) of police officers were constables (Chart 2.3), and just 7% of officers were in the ranks above sergeant. The proportions in each rank have been relatively stable since comparable data started in 2003.



### Chart 2.3: Breakdown of police officers by rank, England and Wales, March 2023

Source: Police Workforce Statistics, Home Office.

2.55 While overall police officer numbers were higher in March 2023 than March 2010, this was not the case in all forces (Chart 2.4). Officer numbers remained below 2010 levels in 16 forces, despite these forces meeting their recruitment targets under the Uplift Programme.

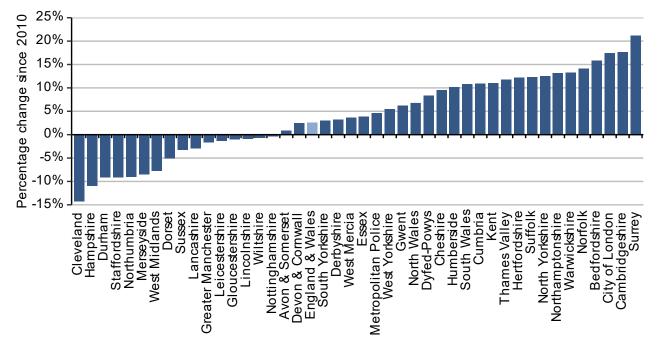


Chart 2.4: Percentage change in police officer numbers, FTE, between March 2010 and March 2023, by force, England and Wales

Source: OME analysis of Police Workforce Statistics, Home Office.

2.56 The overall proportion of officers who were female<sup>20</sup> (Chart 2.5) increased from 30% to 35% between 2018 and 2023, but the proportion of female officers for ranks above constable was lower than the overall proportion. The overall proportion of ethnic minority<sup>21</sup> officers (Chart 2.6) increased from 6.6% to 8.4% between 2018 and 2023, continuing a steadily upward path over the past decade, but again the proportion of ethnic minority officers for ranks above constable was lower than the overall proportion. These indicators show improvement in diversity across the officer workforce in recent years, but remain below levels representative of the communities served by the police.

<sup>&</sup>lt;sup>20</sup> Proportions of female officers exclude officers who did not state their sex from the denominator.
<sup>21</sup> Proportions of ethnic minority officers exclude officers who did not state their ethnicity from the denominator.

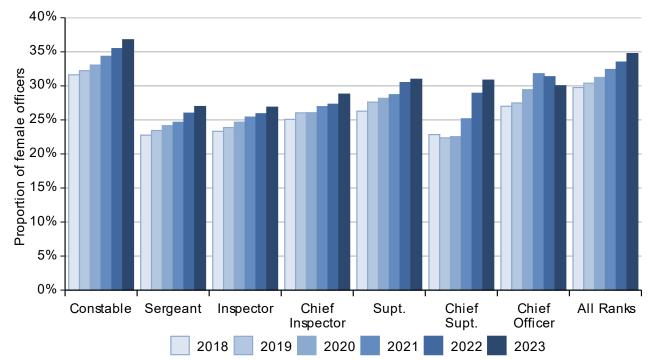
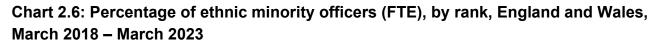
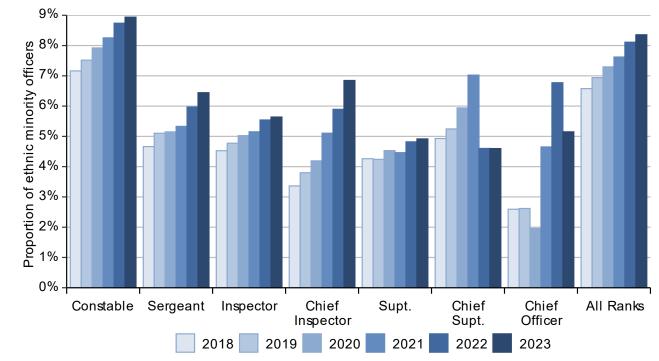


Chart 2.5: Percentage of female officers (FTE), by rank, England and Wales, March 2018 – March 2023

Source: OME analysis of Police Workforce Statistics, Home Office. Note: Officers who did not state their sex are excluded from calculations.





Source: OME analysis of Police Workforce Statistics, Home Office. Note: Officers who did not state their ethnicity are excluded from calculations.

2.57 The announcement of the Uplift Programme in 2019 led to a sharp increase in the number of police officer joiners (Chart 2.7). There were around 17,900 joiners in

FYE 2023 (the last year of the Uplift Programme), 26% (3,700 FTE) higher than the previous year and the highest level since the data series began in FYE 2003. The number of joiners during FYE 2023 was 12% of the total number of police officers in March 2023.

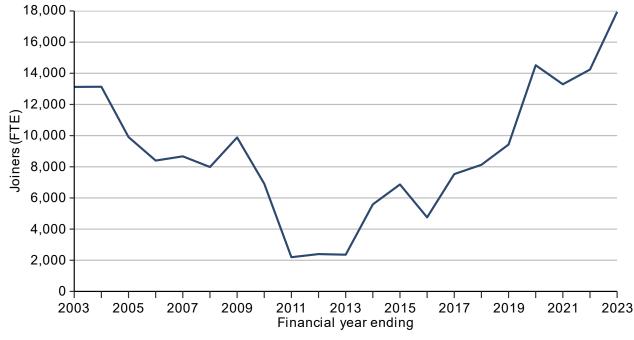


Chart 2.7: Police officer joiners (FTE), England and Wales, FYE 2003 – 2023

Source: Police Workforce Statistics, Home Office.

2.58 The number of officers leaving police forces<sup>22</sup> (Chart 2.8) in FYE 2023 was 10,500 FTE. This represented an increase of 13% (1,200 FTE officers) compared with the previous year. The attrition rate<sup>23</sup> increased to 7.5% in FYE 2023, the highest since the data series began in FYE 2004. Omitting those leavers who transferred to other forces within England and Wales rather than leaving the service altogether, the attrition rate was 6.6% in FYE 2023, also the highest since the data series started. Nearly two-fifths (38%) of police leavers in FYE 2023 were normal retirements<sup>24</sup> and just over two-fifths (43%) were voluntary resignations (Chart 2.9). This is the first year (since the data series began in FYE 2007) in which the number of voluntary resignations exceeded the number of normal retirements. The number of voluntary resignations increased by 33% in the latest year, while the number of normal retirements fell by 4%.

<sup>23</sup> The total number of police officers leaving forces in the financial year as a proportion of the total officers in post in the March just before the financial year began.

<sup>&</sup>lt;sup>22</sup> Including officers transferring between forces.

<sup>&</sup>lt;sup>24</sup> Individuals who have retired, not on ill-health grounds.

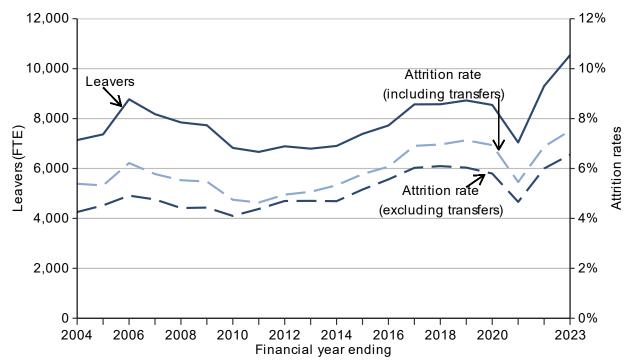
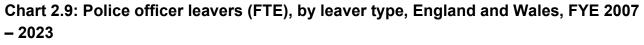
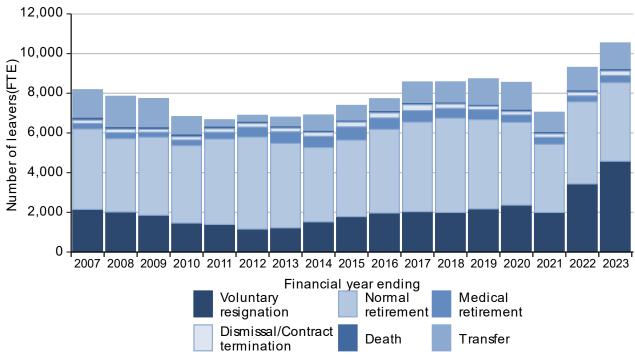


Chart 2.8: Police officer leavers and attrition rates (FTE), England and Wales, FYE 2004 – 2023

Source: OME analysis of Police Workforce Statistics, Home Office.





Source: Police Workforce Statistics, Home Office.

2.59 The proportion of leavers that were voluntary resignations was highest for constables (Chart 2.10), accounting for around half (53%) of constables who left in FYE 2023. For all other ranks, normal retirement was the most common reason for leaving.

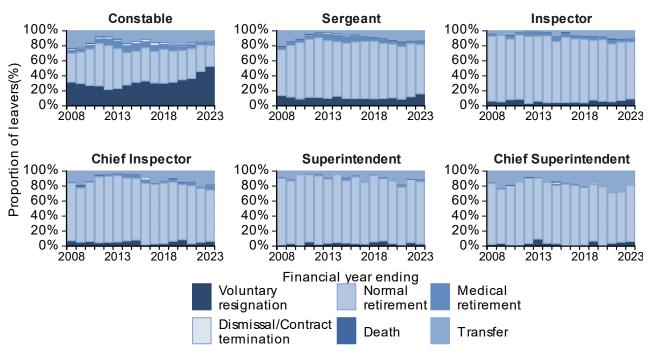


Chart 2.10: Police officer leavers (FTE), by leaver type and rank, England and Wales, FYE 2007 – 2023

Source: Police Workforce Statistics, Home Office.

#### Evidence from the parties on police workforce, diversity, recruitment and retention

- 2.60 The Home Office reported that the Government had fulfilled its commitment to recruit 20,000 additional police officers by 31 March 2023. The Home Office also told us that the Government had continued to work with forces to support the commitment to maintain officer numbers, and that it was important that each police force had an effective workforce plan in place to meet current and future needs. The Home Office said it continued to work closely with policing partners nationally as they sought to build on the success of the Uplift Programme in developing longer-term workforce plans.
- 2.61 The Home Office informed us that the retention of police officers was a priority for itself and the NPCC. It advised that the voluntary resignation rate was low compared with other sectors and was in line with modelled expectations. However, it was at the highest level since comparable records began in 2003. The Home Office explained that it was common across many sectors and professions for the leaver rates to be higher within an individual's first year, and that management information showed the leaver rates for new officers remained consistent at 10% and in line with modelling. The Home Office also highlighted that following the Uplift Programme the officer workforce had a higher proportion of new recruits with less than two years' service, and, therefore, a larger proportion of officers at the stage where leaver rates were higher.
- 2.62 The Home Office outlined the new Police Constable Entry Programme that was expected to become available from April 2024. This would require candidates to

have a level 3 qualification (equivalent to two A-levels), and would not require studying for a qualification during probation.

- 2.63 The Home Office emphasised that police forces that reflected the community they served were crucial to tackling crime and maintaining public trust and confidence in a modern diverse society. It said that the police officer workforce was more representative than it had ever been, but it was clear that more could be done to attract and recruit officers from black communities. The Home Office told us that insights into the barriers for certain groups joining the police had been shared with forces, and that it had worked with force recruitment teams to share best practice in attraction and outreach activity, supporting forces to develop their own strategies and connect with local communities.
- 2.64 The joint statement by the NPCC, CPOSA and PSA, and supported by the APCC, said that the police service had demonstrated its commitment to building the workforce, maintaining officer numbers, and improving workforce representation. It highlighted that one in five officers were in training and 40% of the workforce had less than five years' service. It also noted that while officer numbers across England and Wales were at their highest level, for individual forces and the system as a whole capacity remained below 2010 levels.
- 2.65 The NPCC told us that a new National Leavers' Framework had been implemented in FYE 2023 to provide a more comprehensive understanding of reasons for leaving policing, together with practical guidance and support to develop force retention strategies. It provided data on the reasons for resignations between November 2022 and October 2023, and highlighted that pay remained low as a reported reason, although the reason for leaving was unknown in over half of cases.
- 2.66 The NPCC reported a continuation in the downward trend in applications for promotion that it told us about last year. It said that the numbers passing through the process were being maintained by an increase in the pass rate.
- 2.67 The NPCC reflected that improvements to workforce representation had been largely as a result of the recent volume of recruitment. It reported that wider qualitative work undertaken to better understand barriers and levers for the progression of women showed interwoven factors beyond just pay, including perceived investment required to succeed, personal impact of failing and work-life balance. The NPCC also said that strategies to support representation through the ranks needed to be considered alongside attrition. It reported that:
  - females were more likely to resign during mid-career, at 16-20 years' service, the likely cause was that balancing career and family commitments during this period becomes irreconcilable and leads to resignation.

- resignation rates for ethnic minority officers were consistently higher throughout the working lifecycle when compared to their white counterparts, especially in early years.
- 2.68 The MPS reported that it had recruited over 7,580 officers in the last three years and expected to recruit a total of 1,666 this year. However, this would leave it around 1,400 FTE officers short of its Uplift Programme target of 35,415 FTE. The MPS explained that application numbers had continued to decline throughout FYE 2024, were at their lowest monthly level in the last three years, and were around 30% of the level required for it to grow next year.
- 2.69 The MPS recognised that retaining skilled and experienced officers was essential as it was struggling to generate the volume of new entrants required to meet its growing operational demand. It reported that MPS voluntary resignations continued to track the national position. However, it observed that the voluntary resignation rate was particularly acute within the first four years of service and represented 46% of monthly resignations. The MPS said this was in part reflective of the growth during the Uplift Programme, but remained a concern for the longer-term sustainability of the workforce. The MPS reported on initiatives it had undertaken to encourage retention, particularly for officers in early years of service.

#### Our comment on police workforce, diversity, recruitment and retention

- 2.70 As we highlighted last year, the completion of the Uplift Programme was a significant achievement. However, the police service now faces the challenge of maintaining officer numbers at the level achieved through the Uplift Programme and of dealing with some of the knock-on consequences.
- 2.71 We have continued to hear this year about how the focus on officer numbers through the Uplift Programme, combined with budgetary pressures, is leading to reverse civilianisation whereby police officers are being put into roles that would be better suited for police staff. We do not consider this to be an effective use of public funds, and note that the affordability constraints discussed earlier mean these pressures are unlikely to ease. We welcome the recommendation from the Policing Productivity Review for forces to be supported to minimise the number of officers posted in back-office or support functions or where their warranted powers are not required.
- 2.72 We are particularly concerned about the continued recruitment challenges reported in the MPS and that it expected to be 1,400 FTE officers below target in March 2024 as a result. Last year the MPS was the only force not to have met its recruitment target during the Uplift Programme and it is concerning that application numbers have continued to fall. We note that the attrition in the MPS in percentage terms is tracking the national position but that the size of the MPS means this leaves more roles to be filled. The MPS has told us of the operational risks and the risks to its reform programme resulting from not meeting its workforce targets. We recognise

that these recruitment challenges will be caused by a variety of factors, and consider the role that starting salaries can play in easing these pressures in Chapter 4.

- 2.73 We are also concerned that voluntary resignations have overtaken retirements as the main reason for officers leaving in the latest data. We understand that this is partly due to the increase in the number of officers with less than five years' service as a result of the Uplift Programme, and the higher resignation rates associated with officers with this length of service. We observe that voluntary exit rates are significantly lower for ranks above constable. We welcome the implementation of the National Leavers' Framework, and were particularly encouraged by what we heard on our visit to Greater Manchester Police about the successes it had achieved through the implementation of stay interviews. We ask that parties update us next year on attrition rates in early years of service, including any effects resulting from the National Leavers' Framework.
- 2.74 We have previously highlighted the leadership and supervisory challenge faced by the police service in managing the increased levels of inexperience in the service. We have also highlighted the importance of leadership and supervision to maximise retention and to meet the Policing Vision 2030 objective of being "a representative and inclusive workforce with effective leaders and a strong ethical and professional culture which challenges inappropriate behaviour when it occurs." The continued decline in the number of applications for promotion is another area of concern in this context, and we request that parties continue to provide information on these numbers and any work being done to encourage more applications.
- 2.75 We note again this year that indicators of diversity have shown improvement, but that the numbers of female and ethnic minority officers remain below levels representative of the communities they serve. We consider that policing missed an opportunity to make more progress in closing the diversity gap during the Uplift Programme, and we encourage more rigorous steps to be taken in the future to ensure a better diversity balance. We continue to be concerned by the evidence of higher resignation rates among women and ethnic minorities, and note the challenges this poses for further increasing the diversity of the workforce.
- 2.76 We welcome the Home Office's publication of data on disability, sexual orientation and religious beliefs. We encourage the Home Office and police forces to work to improve the completeness of these data and of data on other protected characteristics not yet published, so that we can use them in future.

## Police motivation and morale

2.77 The Home Office informed us that the first Police Covenant Annual Report had been published in May 2023, and had outlined the progress made on its priorities. The Home Office said that, since then, the work of the Police Covenant had continued to drive improvements in physical and mental health and wellbeing for police officers,

staff, leavers and their families, and had aided retention. The Home Office also stated that it continued to fund the National Police Wellbeing Service.

- 2.78 The NPCC reported that research through the National Wellbeing Survey showed that policing remained a demanding and stressful occupation where individuals were exposed to high levels of threat and emotionally demanding situations. The NPCC explained that measures of officers' wellbeing were lower for junior ranks and for shift working. However, absenteeism and restricted duties remained lower than prepandemic levels, albeit slightly up on the previous year.
- 2.79 The NPCC also told us that wellbeing, as measured by emotional energy, of police officers had been found to have improved slightly during the coronavirus (COVID-19) pandemic but was now below that seen in the 2019/20 survey. It identified that the challenges around officer wellbeing were also seen in early years with more than a third of new recruits reportedly ignoring their personal life needs due to work strain, and agreeing that tension and stress from work adversely affected the rest of their life. These were both higher than in 2021.

### PFEW Pay and Morale Survey

- 2.80 Results of the PFEW 2023 Pay and Morale Survey showed 58% of respondents reported that their morale was low. This was slightly higher than in 2022 (56%) and in line with the level in 2021. Furthermore, 87% said morale in their force was low (unchanged from 2022) and 91% said morale in the police service as a whole was low (up slightly from 90% in 2022). The top reported factors negatively affecting morale were: how the police were treated by the Government; how the police were treated by the public; and pay.
- 2.81 The PFEW 2023 Pay and Morale Survey also showed that 22% of respondents intended to resign from the police service either within the next two years or as soon as possible. This had increased from 18% of respondents in 2022. The top reported factors having a major effect on that intention were: morale; how the police were treated by the Government; the impact on mental health; and pay.

### Our comment on police motivation and morale

- 2.82 We are grateful for the provision of results from the National Wellbeing Survey and the PFEW Pay and Morale Survey. We are concerned by the evidence these show of continued decreasing morale and wellbeing, and increasing proportions intending to leave the police service. However, we are encouraged to note that pay appears to be declining as a driver of low morale and intention to leave.
- 2.83 We recognise that declining public trust and confidence in the police has a negative effect on the morale of officers. From what we have seen on our visits we agree with the HMICFRS observation that, for the most part, policing is full of dedicated officers who are committed to serving the public.

## Pensions

- 2.84 The Home Office stated that public sector pensions were often substantially more generous than those in the private sector. It highlighted that from April 2024 the employer contribution rate for the police pension scheme would increase from 31% to 35.3%.
- 2.85 The NPCC reported that recent trends had seen increasing numbers of officers opting out of the police pension. It estimated that 6.5% of officers were opting out of the pension scheme. Results from an unpublished survey by the NPCC showed the most common reasons for opting out were rent/mortgage costs, childcare costs and debt. The NPCC analysis showed that 41% of officers who had opted out were in their first five years of service. The NPCC said that its pension team was working to increase knowledge of the value of the pension scheme, including providing comparisons with private sector pensions and targeting communications to new joiners who may only be thinking about a short police career.
- 2.86 The MPS told us that 10% of its officers had opted out of the pension scheme, even after an auto-enrolment exercise the previous year. The MPS said that it was driven by affordability for new recruits, and considered this to be an indicator that starting salaries were not sufficient.

## PFEW Pay and Morale Survey

2.87 In the 2023 PFEW Pay and Morale Survey 7% of respondents indicated that they had opted out of the pension scheme, up slightly from 6% in 2022. A further 18% indicated that they were considering opting out, down slightly from 19% in 2022. The main reason given for having opted out was that the contributions were too high and/or unaffordable (76% of officers who had opted out).

## Our comment on pensions

- 2.88 While pensions are not directly in our remit, our terms of reference do state that it is important for us to be mindful of developments in police officer pensions to ensure there is a consistent, strategic and holistic approach to police pay and conditions. We are conscious that pensions form an important part of the overall remuneration package, and that changes to police pensions can affect morale, motivation and retention.
- 2.89 We continue to be concerned about the proportion of officers opting out of the police pension scheme. Our analysis of the Police Earnings Census shows that in FYE 2023 10% of officers (for whom pension information was provided) had opted out of the police pension scheme and that this represented an increase of 3 percentage points on the previous year. The vast majority of officers who had opted out were constables and around two-fifths were in their first five years of service. The results from the PFEW Pay and Morale Survey highlight that affordability concerns are the main reason for officers opting out. We also observe that police starting pay is now

higher than the upper threshold for the lowest rate of officer contributions, and so new recruits are no longer benefiting from lower contribution rates.

- 2.90 Our concern is that, by opting out, officers are not only forfeiting the deferred pay element of the remuneration package, but also benefits linked to death in service and ill-health retirement. We encourage forces to ensure they are publicising the benefits of the pension scheme to all officers and highlighting the risks of withdrawing to those opting out.
- 2.91 We observe career aspirations in society have evolved and more officers are likely to come into policing thinking of it as a shorter-term career than the traditional 'job for life'. Defined benefit pension schemes such as the police pension do not necessarily support such career aspirations. We encourage the Government to consider whether changes can be made to the police pension scheme to help make it more affordable for young-in-service officers, and more appealing to officers considering shorter-term policing careers.
- 2.92 The Home Office and HM Treasury highlighted that employer contribution rates were increasing from April 2024. We observe that this increase has preserved the pension benefits received by officers but not increased them.

# Legal obligations on the police service in England and Wales and relevant changes to employment law

- 2.93 The Home Office informed us that it was working with the Police Consultative Forum to understand:
  - whether any amendments were required to Police Regulations and determinations to ensure officers were able to receive the provisions of the Carer's Leave Act 2023; and
  - how the provisions of the Neonatal (Leave and Pay) Act 2023 should be applied to police officers.
- 2.94 The Home Office provided an update on the work that had been done to enact the remedies to the discrimination identified in the McCloud/Sargeant legal case. The MPS and PSA advised us that the process to deliver the McCloud Pension Remedy was unsettling for officers. They highlighted that officers wanting to be placed back in the 1987 Police Pension Scheme for the remedy period would be required to pay the difference in the contribution rates between the new and old schemes plus interest. Officers would not receive a statement of what they owed until August 2024, and interest would accumulate and compound until the debt had been paid. The MPS said that while many officers welcomed the opportunity to regain their 1987 scheme benefits, they had not been able to budget or plan for the additional costs to do so, which would potentially wipe out any pay award for this year. The PSA considered that the process would significantly affect the morale and mental wellbeing of many officers.

## Our comment on legal obligations on the police service in England and Wales and relevant changes to employment law

- 2.95 We note the work being done by the Home Office and Police Consultative Forum to ensure that recent changes to employment law are reflected in Police Regulations. We ask that the parties keep us informed on this work and on any other relevant changes to employment law.
- 2.96 Last year we encouraged the Home Office to confirm as soon as possible its preferred option for payment of employee contribution rate arrears for officers returning to the 1987 Police Pension Scheme for the McCloud Pension Remedy period. We are encouraged, therefore, that this has been set out, although we recognise the concerns of the parties on the effect these payments will have on the morale and mental wellbeing of affected officers.
- 2.97 We observe that since our last report, the Strike (Minimum Service Level) Act 2023 has come into effect. This, along with accompanying regulations, has introduced minimum levels of service during industrial action across health, education, fire and rescue, transport, border security, and nuclear decommissioning and radioactive waste management services. Police officers are prohibited from withdrawing their labour and so are not directly affected by this Act. However, the restrictions placed on industrial action in affected sectors brings them more into line with police officers.

## **Chapter 3 – Police Workforce and Pay Modernisation**

## Introduction

3.1 In this chapter, we comment on the evidence that we received on police workforce and pay reform as it relates to our standing terms of reference.

## Our previous commentary on workforce and pay reform

- 3.2 Our 2023 Report was the ninth in which we considered evidence on progress in police workforce and pay modernisation. We expressed disappointment that that it had not been possible for policing parties to put in place at the end of the Uplift Programme a new overarching strategy setting out the purpose and objective of pay reform. We were of the view that it was unfortunate that steps had not been taken to facilitate the concurrent development of a strategy alongside delivery of the Uplift Programme targets. We welcomed the NPCC's commitment to develop a longerterm pay and reward strategy. However, we highlighted that there was no timetable in the NPCC written evidence in 2023 for the production of a strategy. We observed that a pay and reward strategy was critical to facilitating the changes needed to achieve the commitments set out in the Policing Vision for 2030. We suggested that the police service needed a funded workforce modernisation plan that set out how it would deliver the service's vision for policing and support the cultural change required across the police service that the Baroness Casey Review and other inguiries and incidents had shown was required. We urged the NPCC and Home Office to make the development of a strategy a priority and to address the current strategic vacuum. We suggested that such a strategy should seek to address the following questions:
  - How will the police service attract and retain high-calibre applicants with the right skills, commitment and attitudes?
  - How will changes to the workforce and pay enable the police service to address concerns about police legitimacy and rebuild the trust of communities?
  - How will it ensure that the police service attracts and retains officers from diverse backgrounds with the right capabilities and attitudes to deal with the changing nature of the increasing complexity of demand driven by both technology and changing social attitudes?
- 3.3 We also pointed out that a long-term pay and reward strategy needed to address the coherence of the police pay scales across all ranks of the system to ensure that the career ladder for officers enabled effective progression and movement. In particular, we said that work should examine the differential between inspectors and chief inspectors and between the top of the chief inspector rank and the bottom of the superintendent rank. We asked also for detailed evidence on this issue for this pay round.

- 3.4 On other aspects of pay modernisation we requested:
  - More information on the operation of the Pay Progression Standard (PPS). In particular, evidence that those reported as meeting the PPS have actually met the three elements of the standard including the training and Performance Development Review (PDR) requirements. We also sought information on the mechanisms in place to support those who fall below the required standard in their PDRs, the impact of PPS and the outcomes it is delivering.
  - Clarification on how the PPS fits with other work to change behaviour to improve standards such as the College of Policing's use of the COM-B model<sup>25</sup>.
  - A fundamental, back-to-first-principles review of the P-factor including its value.
  - A revision of the methodology on the interaction of the P-factor with the benchmarking process, and a clear and transparent statement of the methodology adopted, with example calculations.
  - An update on plans to monitor Targeted Variable Pay (TVP). We noted that formal monitoring of the use of TVP would be beneficial.
  - An explanation of how TVP will fit with, and possibly be replaced by, the College of Policing's plans for accreditation and licencing in certain areas linked to pay.
  - A framework for TVP that provides greater clarity on the criteria for awarding TVP, promotes consistency of application and creates an expectation that an award will be time limited.
- 3.5 We also noted our concerns and those of other parties regarding the complicated and fragmented decision-making infrastructure, containing both statutory and nonstatutory bodies, surrounding police workforce and pay modernisation. We encouraged the Home Office to review the existing framework and consider whether anything more needed to be done to communicate to parties the operation of the system in an easily understandable manner.
- 3.6 Lastly, we requested that the NPCC provide an interim report on its progress to develop a long-term pay and reward strategy including an update on the work on constable base pay and the back-to-first-principles review of the P-factor by 30 November 2023. In response, the NPCC submitted a short note on that date outlining its thinking on the challenges it faced in developing a long-term pay and reward strategy and setting out work it had undertaken on the P-factor and other matters.

<sup>&</sup>lt;sup>25</sup> The COM-B model for behaviour change cites capability (C), opportunity (O), and motivation (M) as three key factors capable of changing behaviour (B).

## Modernising police workforce and pay: future direction

- 3.7 In response to our observations in our 2023 Report about making the development of a workforce strategy a priority, the NPCC briefly described in its written evidence the initial discussions it had been having with the Home Office and College of Policing about developing a workforce plan. The NPCC explained that these discussions had covered how such a comprehensive plan would be commissioned, funded and delivered, and how it could inform a future CSR. It told us about the work on a reward strategy it had been progressing in advance of the development of a workforce plan. The NPCC also told us that a wider review of the constable pay progression framework would be included in its next submission to us. It explained that it would also be reviewing, over three years, the coherence of the police pay scales across all ranks to ensure effective progression and movement of officers. It explained that this process would be used to consider our concerns about the pay of inspectors and chief inspectors. In a subsequent letter, the NPCC acknowledged there was a pressing need to review the base pay structure of all ranks and proposed to accelerate the work on the wider pay structure and complete the review across all ranks during the course of the current year.
- 3.8 The APCC and MPS supported the NPCC's future plans to review the coherence of the police pay scales across all ranks, but the MPS emphasised that pay reform must be properly funded and support a coherent pay strategy.
- 3.9 In oral evidence the Minister for Crime, Policing and Fire said that funding for the implementation costs of major changes to the pay scales would need to be considered during the next CSR. The Minister also cautioned about the risks of unexpected economic events to multi-year settlements.
- 3.10 In oral evidence the NPCC, like the Home Office, noted that the resources to reform police pay scales would need to be secured through the next CSR. The NPCC underlined the importance of securing a multi-year funding settlement to complement any workforce strategy in the interest of financial stability. The NPCC also explained that it lacked an appropriately sized internal resource to drive pay reform and workforce modernisation and it was proving difficult to secure adequate resources from the Home Office and forces to create such a central resource. In addition, up to this point, key partners had first been focused on the delivery of the Uplift Programme and then on maintaining officer numbers at the new levels.
- 3.11 In oral evidence the PSA set out its position on a long-term strategy for the police service. It noted that although there were risks attached to developing such a strategy, it would enable the police service to articulate its case more effectively to external stakeholders. The PSA said it was in favour of a multi-year settlement for the police service although it would require some 'fail safes' to guard against unforeseen economic events such as significant rises in inflation as had taken place in recent years.

3.12 The PSA also drew our attention to the lack of progress being made on reviewing the decision-making infrastructure surrounding police workforce and pay modernisation and asked us to formalise our 2023 comments into a recommendation.

## The Policing Productivity Review

3.13 The Policing Productivity Review was commissioned to review productivity and to provide recommendations to improve efficiency and effectiveness in policing. The review observed that the policing sector was at a crucial juncture following the boost in numbers as a result of the Uplift Programme at a time when there had been marked declines in public confidence and legitimacy. It stated that the service was under pressure to demonstrate and explain the public benefits it was delivering. The report observed that the current NPCC strategy "sets out a wide policing mission but does not prioritise, nor set, clearly defined outcomes (what the sector will achieve and deliver for government and the public)." The Review recommended that the policing sector, in advance of the next Spending Round, developed and agreed with the Home Office, a sector strategy. It proposed that the strategy should identify future demand, required capabilities and set out shared ambitions and goals in terms of public benefits. It advised that the work should be led by the NPCC, working with the APCC.

# Our comment and recommendation on the future direction of modernising police workforce and pay

3.14 It has been 13 years since the publication of the Winsor report which was an independent review of police officer and staff remuneration and conditions. In establishing the Winsor Review the Government observed that:

"Pay systems in the private and the wider public sector have changed over the last thirty years to recognise and reward skills. In the police service however, this doesn't happen enough. Skills, performance and successful crime fighting are not rewarded. Time served still determines how well most police officers are paid."

- 3.15 We observe that 13 years later too little has changed. We recognise that there has been piecemeal reform but this remains too slow and lacks ambition given the challenges the police service faces in terms of rebuilding public trust and acquiring the skills and capabilities it needs to fight the ever-growing complexity of crime. For instance, diversity is an important factor in operational policing but more thought needs to be given to the levers available including through remuneration to reduce the timescales required to achieve a truly diverse workforce.
- 3.16 Over the last few years, there have been various measures introduced to adjust police pay scales that have resulted in the removal of the first pay point on the sergeant scale, in the raising of the police constable degree apprentice (PCDA) minimum to pay point 0, and last year in the removal of pay point 0 on the constable pay scale and the uplift to pay point 3 of the chief superintendent pay scale. The

police service has also taken small steps to begin to break the link between time served and progression, reward skills and capabilities, and recognise the uniqueness of the police officer role through, for instance, the introduction of the PPS and TVP. However, while we accept that there are plans in hand to further develop these tools and to review key aspects of police pay, such as the coherence of pay scales, progress has been too slow and the scale of ambition is too limited. In our view, the police service as a whole needs to step back and ask itself some fundamental questions about what it is looking to achieve through pay and reward, in order to build the workforce it needs for the future. The NPCC's recent decision to accelerate its review and the work on the wider pay structure is a step in the right direction.

- 3.17 The evidence we received from the Home Office and HM Treasury was that it would be likely that a CSR process would be launched relatively soon after the general election. There was a recognition among all policing parties that the next CSR provides an important opportunity for securing the resources the police service needs to modernise its workforce. Our strong view is that in order to seize the opportunity presented by the next CSR, there needs to be a clear and compelling articulation of the case for reform. The police service needs to have a costed plan in place setting out the reforms it needs. This should be the product of a Comprehensive Review of police remuneration. We observe that the CSR will have clear and Government-wide timelines. It is vital that the police service's plans are prepared in good time.
- 3.18 In conducting the Comprehensive Review, the police service needs to be ambitious and look, as the Winsor Review did, at remuneration and conditions to maximise the deployment of police officers with the right skills to the right roles. That means considering how to deliver fair remuneration that allows the police service to attract the right skills while providing value for money to the taxpayer and maximising productivity. However, given the expected imminence of the CSR, this new review must be tightly focused on ensuring remuneration effectively enables recruitment, retention and progression. It should examine pay and the mechanics of the coherence of pay scales, allowances, rewarding performance, the mechanism for progression, and also ask some fundamental questions:
  - What skills and capabilities the police service requires to deliver the outcomes the public expects and to rebuild public trust?
  - What type of organisation it is aspiring to be? For instance, should it be a graduate profession only or not?
  - How can it attract the scarce skills that are valued across the public and private sector and what can be done to address recruitment and retention challenges? What contribution can direct entry play?

- How should pay and benefits be adjusted to reflect the shift towards portfolio careers which means that many new recruits may not view policing as a career for life as many previous generations have done?
- What can be done to increase at pace the diversity of the police service?
- 3.19 In considering these key questions, the Comprehensive Review might usefully consider whether there are lessons to be learned from the remuneration models of other police forces outside the UK. In our view, the review should also consider police pensions given the growing tendency of officers in the early years of service to opt out because of financial pressures.
- 3.20 In our 2022 Report, we observed that there was a complicated and fragmented decision-making infrastructure containing both statutory and non-statutory bodies surrounding police workforce and pay modernisation. In their 2023 evidence, the NPCC and PSA expressed similar concerns. The Comprehensive Review of remuneration should also consider this issue and as a minimum consider what more can be done to communicate to parties the operation of the system in an easily understandable manner.
- 3.21 The Comprehensive Review must be owned and driven by the Home Office, NPCC and APCC. Ideally, it should be undertaken by the police service itself, providing it is prepared to be sufficiently ambitious and that it is resourced to deliver it. The Home Office, NPCC and APCC should consider carefully whether the police service has the resources and capabilities to undertake such a review given the tight timescales. Appropriate external expertise should be used as necessary to support the review.
- 3.22 The evidence we received this year from policing parties raised the prospect of securing a multi-year settlement at the next CSR. In previous reports we have set out our concerns about such settlements particularly in periods of economic instability. That said, we recognise the benefits of such arrangements in terms of financial planning and stability and note that such settlements have often been agreed as a way to deliver workforce modernisation and pay reform.
- 3.23 We acknowledge that work on a number of these areas is already underway but it lacks coherence, the pace needs to be vastly accelerated and some more fundamental questions need to be addressed. We therefore strongly urge parties to begin work on this longer-term plan. As any work develops, it would be helpful to have a clear articulation of the key milestones in the development of a workforce strategy and other reform.
- 3.24 The Comprehensive Review should also consider the best way to develop an additional future capability in the police service to drive workforce modernisation effectively. We recall that in our 2021 Report, we expressed concern regarding the changes to designated National Reward Team (NRT) funding that meant from FYE 2022 it would not be funded by the Home Office but instead the majority of funding

would come from chief constables and an agreed allocation within the NPCC operating model. While we recognise that steps have been taken to increase resources within the NRT in the last few months, in our view more needs to be done.

<u>Recommendation 1.</u> We recommend that the Home Office, NPCC and APCC work together as a matter of urgency to undertake a Comprehensive Review of police remuneration focused on examining pay and the mechanics of the coherence of pay scales, allowances, rewarding performance and the mechanism for progression in order to produce a costed plan in preparation for the next CSR. As part of the review, the police service should ask itself some fundamental questions regarding the skills and capabilities it requires to deliver the best outcomes for the public, and how it can attract and retain those skills. We invite the Home Office, NPCC and APCC to provide a plan we can consider by January 2025.

## Pay Progression Standard

- 3.25 The PPS was applied to all progression with effect from 1 April 2023. To pass the PPS, officers must have completed a PDR or an annual appraisal and any local training requirements. Where an officer manages others, they must have completed PDRs and made PPS decisions on behalf of those they directly manage. In addition, there must be no formal capability procedure in place.
- 3.26 The NPCC set out the findings of a review of the first six months of the operation of the PPS. Results suggested that the PPS had encouraged officers to complete PDRs but the NPCC said that further assessment was needed on how the process was driving quality. The PSA reported that in its 2023 Pay Survey 89% of respondents with line management responsibility said they had been able to complete a PDR for every officer they line managed in the last twelve months and 64% had been able to complete the PPS process for all their direct reports in the last twelve months (up from 78% and 22% respectively in 2022).
- 3.27 The NPCC explained that forces were reviewing their local policies to ensure they were operating in accordance with national guidance and to ensure appropriate monitoring is in place. The NPCC described the work being undertaken by a central team to support data extraction and equality impact assessments. It also said that additional guidance and workshops with forces would be undertaken to improve officers' understanding of the service's overall ambition for the PPS. The NPCC explained that once there was more consistent application of the PPS, the service would consider how it could be used to further support professionalism through pay mechanisms, in line with the developing reward framework. The NPCC told us that

work would begin in 2024 to identify additional areas for inclusion in the PPS and that a twelve-month evaluation of the PPS would also be undertaken.

3.28 The MPS told us it would like a review of the PPS to look at introducing a mechanism to ensure the PPS was relevant to officers at the top of their pay scale, possibly by the inclusion of an additional payment over and above the top of the scale for those who satisfy the PPS criteria. The MPS argued that in future the PPS could have a role to play in supporting professionalism through pay mechanisms. It also suggested that the PPS could, as an alternative to TVP, help provide options for differential pay to recognise skills that were in short supply.

### Our comment on the Pay Progression Standard

- 3.29 In our view, the future of the PPS and how best it can improve standards in policing should be considered as part of the Comprehensive Review we have recommended. We again urge parties to be ambitious and imaginative in considering the link between the PPS and progression. Currently, the bar officers need to meet in order to pass the PPS is not very high. We assume that this is the reason for the extremely high pass rate for PPS (94%). We note the NPCC's view that the PPS is driving the completion of PDRs but these should be undertaken regardless of the PPS. In our view, ensuring the completion of PDRs is a key responsibility for the police service's senior managers.
- 3.30 The Comprehensive Review of police remuneration should consider how to raise the bar. We understand the job-related fitness test will eventually become part of the PPS, but we have been told by the NPCC that it is being redesigned and that research is underway by the College of Policing to reassess the requirement. We are aware that the NPCC plans to consider how to improve the consistency of application of the PPS and to identify additional areas for inclusion in the PPS. We encourage parties to think creatively about how the PPS can be made a meaningful tool for improving performance. There should be a focus on clarifying the outcomes the PPS is seeking to deliver and establishing how these will be measured. This will enable the police service to reach a view on how in future it might be linked to pay and whether the PPS is having a positive impact on performance and standards.
- 3.31 We agree with the MPS that the police service should explore how the PPS could be used to recognise skills that are in great demand. We also agree thought should be given to the application of the PPS to those at the top of the pay scale. However, we do not support the introduction of additional payments for those at the top of the pay scale who pass the PPS.

## P-factor and pay benchmarking

3.32 The NPCC evidence included a source document which brought together information on the P-factor. The NPCC told us that it had responded to our concerns on the methodology for the interaction between the P-factor and benchmarking by adopting a more conventional approach than it had previously used to applying a pay premium. This meant the P-factor would be calculated and added as an additional element to base pay, after benchmarking against comparators. In its evidence, the NPCC explained that chief constables had recently reviewed and endorsed the descriptors, methodology for and valuation of the P-factor. In oral evidence, the NPCC told us that it would be happy to commission independent research to support its valuation of the P-factor.

- 3.33 The PSA said that the P-factor should be an additional amount applied after the benchmarking process had produced an outcome. Publicly, the PFEW, like the PSA, have stated that the P-factor should be in addition to police pay structures. It has also stated that it is undertaking its own review of the P-factor design.
- 3.34 In oral evidence, the PSA told us that it was broadly happy with the value that had been placed on the P-factor by the NPCC (13%). Drawing on personal examples and experience, the PSA explained the additional burdens placed on officers' private lives as a result of being police officers. The PSA asked us to make a decision on the value of the P-factor.
- 3.35 Following its oral evidence session, the NPCC wrote to us regarding the basis of its proposed valuation of the P-factor describing the evolution of its thinking post the Winsor Report and its discussions with key experts. It reiterated its view that the P-factor should be valued at 13% and set the P-factor descriptors in the context of the current operational environment.

#### Our comment on the P-factor

- 3.36 We recognise the importance attached by policing parties to having a mechanism which describes and values the unique nature of policing and the restrictions and expectations placed on police officers. We understand the intention that it should represent the underlying aspects of the role which apply to all officers, irrespective of rank. This is challenging in an era where some reverse civilianisation has led to more officers undertaking back-office roles while others deal with a large range of responsibilities on the frontline. We note the evidence the NPCC has presented to us which explains the evolution of the concept over a number of years. This includes a description of the development of the P-factor descriptors and the value attached to the P-factor. A short description of the highlights is at Appendix F.
- 3.37 We note the NPCC's intention to begin to use the P-factor to inform communications with officers regarding the current remuneration package. However, we find it difficult to understand the benefit of this and can see a number of risks. We note that there is no consensus on the P-factor across parties. There is a difference of view regarding the way that it should be used in conjunction with benchmarking and the PFEW is proposing further research on the P-factor.

- 3.38 In our view, the resources of policing employers should focus on reviewing police pay and pay structures. The P-factor is an abstract concept that does not deliver any immediate practical benefit to police officers. Attempting to communicate the concept to officers as part of current pay arrangements may create confusion and raise expectations that the employer will take immediate steps to recognise the Pfactor and lead directly to increases to their remuneration package.
- 3.39 Instead, we propose that the Comprehensive Review of police remuneration which we have recommended should explore how the unique aspect of a police officer's role, which the P-factor has striven to capture, should be incorporated into the pay scales. The Comprehensive Review should be used by parties to articulate effectively the case for officers receiving remuneration that recognises those unique characteristics.

## **Targeted Variable Pay**

- 3.40 In its evidence, the NPCC set out the results of a review it had undertaken on the implementation and effectiveness of TVP in driving skills, recruitment and retention. The NPCC told us that TVP was seen as a cost-effective mechanism and part of a wider recruitment and retention strategy. The NPCC reported that it had submitted a business case to the Home Office to make TVP permanent and that the Home Office had agreed a further extension of the temporary determination to enable collection of a full twelve months of data and to adopt lessons learnt into the existing framework. The NPCC also set out its plans for a further review and to introduce measures to improve consistency.
- 3.41 The Home Office described the additional work requested by the Minister for Crime, Policing and Fire and the significant improvements the NPCC had made to data collection, including the collection of quarterly data on the officers receiving TVP, their roles, protected characteristics and value of the payments they received. The Home Office noted that the data did not yet cover a full financial year, making it difficult to reach firm conclusions on the equality impact of TVP.
- 3.42 The PSA endorsed the proposals for making TVP permanent and requested that we formally support the NPCC's recommendation. It also put forward two additional proposals:
  - any change to the regulation around TVP should form part of the PRRB process; and
  - if there was any possibility that the current regulation be altered or not made permanent, the PSA asked that we make a recommendation that those officers receiving the payments should receive at least twelve-months' notice of the change to help manage any loss in income.

### Our comment on Targeted Variable Pay

- 3.43 In our view, the future role of TVP should also be considered as part of the Comprehensive Review of police remuneration. Our position remains that TVP has an important part to play in the police service reward and remuneration framework. We recognise the value placed on TVP by policing parties. We welcome the submission of a business case by the NPCC to the Home Office for the TVP regulations to be made permanent. We also strongly support the Home Office Minister's request for a framework providing greater clarity on the criteria for awarding TVP that promotes consistency of application and the steps the NPCC has already taken to strengthen the guidance available to forces. As we said in our report last year, we are concerned that the existing framework governing TVP risks enabling forces to use the payments for purposes for which they were not originally intended. TVP should not be used in a way that risks undermining the national pay structure or creating damaging competition between different forces. We also continue to encourage parties to consider the scope for strengthening monitoring arrangements.
- 3.44 We welcome the intention to extend TVP to June 2026 to provide time for completion of the framework requested by the Home Office and other practical considerations. This will also give the Comprehensive Review of police remuneration an opportunity to consider the scope for the future use of TVP.
- 3.45 We note the PSA's concerns about the impact on officers' income of the removal of TVP. We observe that TVP is a time-limited award and the terms and conditions under which officers are receiving such an award should be made explicit when it is awarded. Officers should also receive reasonable notice of the removal of a TVP. The NPCC should provide further guidance to forces on this.

## Chapter 4 – Pay Proposals and Recommendations for 2024/25

## Introduction

- 4.1 In this chapter we make recommendations on police officer pay and allowances for the 2024/25 pay year.
- 4.2 In our remit letter, the Home Secretary asked us for a recommendation on how to apply the police officer pay award for 2024/25 for all ranks up to and including chief superintendent.

## **Basic pay award**

- 4.3 In their evidence, the APCC, NPCC, MPS, and PSA drew attention to the decline of police pay in real terms. The NPCC stated that the 7% uplift in 2023 had only made small inroads into the erosion of pay since 2010, and the real-terms decline now stood at 16.3%. The NPCC highlighted the damage that was being done by the decline to the 'psychological contract' with officers. The PSA also set out its analysis of pay decline and concluded that the pay of the superintending ranks had been suppressed by between 13.2% and 12.6% between 2015 and 2023.
- 4.4 The joint statement by the NPCC, CPOSA and PSA and endorsed by the APCC sought an above inflation percentage increase across all ranks. The NPCC drew attention to the need to address cost-of-living pressures and reverse the real-terms pay cuts. It also argued that the award should recognise the contribution the service made to society and the need for it to attract and retain high-quality officers. While the MPS endorsed the proposal for an above-inflation pay rise in 2024, it also pointed out that this would not be sufficient to address the recruitment and retention challenges facing the MPS. It highlighted data which showed the particular challenges it faced in terms of London salaries. In oral evidence, the PSA confirmed that it was seeking a pay award of 6.7% while the MPS indicated that an award of around 4-5% would make sense.
- 4.5 The joint statement highlighted that inflation was 6.7% in September 2023. As set out in Chapter 3 on pay modernisation, it also proposed that we should recommend a longer-term strategy linked to a future multi-year settlement aligned to the next CSR that continued to reduce real-terms pay cuts. The NPCC expressed its concern that police base pay was not remaining competitive in the labour market. It set out the results of benchmarking work on salaries and total remuneration undertaken by Korn Ferry to support its proposal. This included comparisons with other key public sector roles and organisations.
- 4.6 The NPCC wrote to us following its oral evidence session recommending a pay award for 2024/25 of 6%. It told us this was based on the need to reflect inflationary pressures in the past year, historic pay degradation and the extraordinary duties and

restrictions placed on police officers, acknowledged within the P-factor. It explained that the figure of 6% took account of the need to make headway into real-terms pay cuts, the benchmarking of base pay in comparator sectors (considering the P-factor), as well as the impact of any changes to police starting salaries. It said that the 6% would also facilitate future reforms to better equalise progression between pay points, with a view to improving pay comparisons.

- 4.7 The NPCC said it acknowledged the challenge for us in balancing any recommendation against affordability. In written communications after oral evidence, the NPCC emphasised to us, as we explain in detail in Chapter 2, that any contribution that forces were required to make towards an increase in pay in 2024/25 (including the 2.5% in medium term forecasts) would likely lead to reduced service delivery possibly through further use of police officers in police staff roles and a reduction in frontline police staff posts. It observed that a contribution greater than 2.5% would have a severe impact on public safety.
- 4.8 The NPCC and APCC emphasised that affordability needed to consider the national context and pressure points in individual forces. The APCC highlighted the risks posed to the police service of an unfunded pay award. It asserted that it would almost certainly lead to cuts in numbers of police staff which would divert police officers from the front line, in addition to reduced levels of asset investment.
- 4.9 The NPCC pointed out in its written evidence that although central funding (above 2.7%) was made available to forces for the 2023 award, funding was proportioned by grant, resulting in a shortfall in 18 forces, causing significant impact on local budgets, and a surplus in 25 forces. It warned that if the same approach to allocating funding was applied to the 2024 pay award, additional targeted support for the worst affected forces would be required. The NPCC proposed that it and the Home Office consider the impact of funding mechanisms.
- 4.10 In its written evidence, the Home Office highlighted the historically high pay award given to the police service in 2023/24. It also set out the competitiveness of the overall remuneration package for police officers. As part of that, it stated that median total earnings for police officers remained competitive when compared with the private sector, professional occupations, and managers, directors and senior officials. It also asked that in making recommendations on the remuneration for officers in the federated and superintending ranks we had regard to the views of the SSRB in respect of chief officers.
- 4.11 As we describe in Chapter 2, the Home Office also provides some detail in its evidence of the internal prioritisation exercise it undertook to fund the 2022/23 and 2023/24 pay awards. It noted that there was no scope for further reprioritisation of Home Office budgets without significantly further impacting on the outcomes that it could deliver for the public, including within forces, crime reduction programmes,

centrally funded police technology and capabilities programmes, and the wider work of the Home Office.

- 4.12 The Home Office also told us that the impact and affordability of a pay award would vary by force. It warned that an unfunded pay award was likely to significantly impact on forces' ability to maintain officer and staff numbers. This could lead to increased reverse civilianisation consequently risking a reduction in the size of the workforce and, therefore, likely leading to a reduction in the effectiveness of policing by impacting frontline response and productivity. In oral evidence, the Minister for Crime, Policing and Fire told us that a pay award of 2% was affordable for 2024/25 but that 2.5% was on the edge of affordability. The Minister also drew attention to OBR forecasts of 1.6% average inflation and 2.7% pay inflation across the public and private sectors for the next two years.
- 4.13 We received very positive feedback during our visits programme on the 2023 pay award that uplifted all police officer pay points by 7%. However, officers were concerned that it did not match inflation and observed that it would not address the longstanding real-terms decline in pay in recent years. The majority of officers we spoke to argued that the 2024 pay award should at least match the inflation rate, and the pay awards of other public sector groups such as fire officers. In Gloucestershire and elsewhere, a number of officers suggested a need for substantial pay increases over the next few years to address the long-term decline in pay.
- 4.14 Most of the officers we met across all the forces we visited drew our attention to cost-of-living pressures. The financial pressure on officers seemed particularly intense in London but we came across examples of officers struggling financially in all the forces we visited. In Norfolk officers told us that the pay increase simply 'disappeared' into higher mortgage rates and higher food and fuel costs. In Derbyshire we heard reports of some officers using foodbanks and payday loans. In Cleveland we saw a foodbank at the station.

### Our comment and recommendations on the basic pay award

4.15 In making our pay award recommendations we considered a number of factors which we discuss below.

### Economic factors

4.16 Officers within our remit group continue to feel the effect of the high inflation seen over the last two years. The wider economy including the level of pay settlements and the increased cost of living are factors in our deliberations. Annual CPI inflation was 8.7% in April 2023, the latest available data when we submitted our recommendations for a 2023 pay award, and 6.7% in September 2023 when police officers received their annual pay award. The CPIH rate was 7.8% and 6.3% in those months respectively. As set out in Chapter 2, there continues to be

uncertainty about the economic climate. The CPI rate of inflation was 2.3% in the year to April 2024 and the CPIH rate was 3.0%, but the Bank of England expects inflation to increase in the second half of the year.

4.17 Recent data suggest a weakening of the labour market: PAYE RTI figures indicate that employee numbers are higher than a year ago but have been falling since January 2024; and unemployment has started to increase, with the OBR forecasting that it will reach 4.6% in the middle of 2024 and remain at this rate until the end of 2025. Annual growth in Average Weekly Earnings excluding bonuses was 6.0% in the whole economy and 5.9% in the private sector in the three months to March 2024, and median pay settlements were around 5.0% in the three months to April 2024. We note that the Fire Brigades Union is balloting its members on a 4% pay award for 2024/25 with the recommendation that it be accepted.

### The right to industrial action

- 4.18 The prohibition on police officers taking industrial action means that we have an obligation to deliver a fair, just and equitable pay award. We have again monitored the impact of recent industrial disputes and pay negotiations across the public sector. In a number of cases industrial action has led to employers making significantly enhanced pay offers. For instance, industrial action in the NHS has led to a significant additional pay award for NHS consultants which has been accepted by trade unions. Those settlements also suggest that funding arrangements can be flexible.
- 4.19 In addition to these immediate issues, we considered a number of longer-term factors, set out in the following sections.

### Recruitment and retention

- 4.20 We are aware that the police service will need to continue to recruit at levels above those seen before the Uplift Programme over the next few years if it is to maintain police service numbers at the levels achieved by the Uplift Programme. We note the reports the NPCC has received from forces regarding recruitment becoming more challenging. However, we have seen little evidence to suggest that the police service as a whole is developing a problem with recruitment that would prevent it maintaining current levels, although different forces will face differing employment markets. We are very concerned that the MPS was expecting to be around 1,400 officers short of its Uplift Programme target by March 2024. We understand from the MPS that the volume of monthly applications it will need to receive in FYE 2025 to maintain a workforce of around 34,000 FTE is significantly greater than the monthly average it received in FYE 2024. This is particularly concerning given that the MPS employs a quarter of police officers in England and Wales.
- 4.21 As we have observed in previous reports, the police service needs to recruit officers to meet the challenges posed by the current policing environment and to build and

sustain public trust and confidence. Today's police officers are required to respond to vulnerability, de-escalate social tension and manage complexity. This requires the police service to recruit officers with the right attitudes and maturity to develop these skills through the training and supervision provided by forces. Remuneration needs to be competitive to attract and retain such officers in policing. We are conscious that over the last decade there has been a significant increase in the gap between private and public sector pay which risks undermining the ability of the police service to recruit, retain and motivate high-calibre officers.

4.22 We also remain concerned that it will take many years for the police service to achieve a truly diverse workforce. Voluntary resignation rates from the police service, although rising, remain low in comparison with other public sector organisations. In that context we again observe that efforts to address the diversity challenge are not assisted by the consistently higher voluntary resignation rates of female officers and ethnic minority officers particularly in the early years of service. We understand that these officers have higher resignation rates than their white and male counterparts for complex reasons. However, we observe that the police service needs a remuneration package that is sufficiently competitive to encourage these officers to remain in the service.

#### Policing environment

4.23 In our 2022 and 2023 reports, we commented on the challenges the police service faces in dealing with the increasing complexity of demand driven by both technology and changing social attitudes, and also in rebuilding trust in their communities. The HMICFRS 2022 State of Policing Report stated that the police service is at a historic turning point – and that there is a limited window of opportunity to repair public trust. His Majesty's Chief Inspector of Constabulary, Andy Cooke, said "The public's trust and confidence in the police are at an all-time low, so it is vital that forces take heed of our findings and work quickly to rectify the issues highlighted." We comment in detail on these challenges in Chapter 2. We judge that forces will need the right pay and reward structures to help create a strong ethical culture and to attract recruits with the right motivations and attitudes and reward them for the personal risks they face.

#### Morale and motivation

- 4.24 We continue to be concerned by the results from the PFEW Pay and Morale Survey showing low levels of morale in comparison with previous years. Good morale and motivation shapes behaviour and drives productivity. We were particularly concerned by the increase in the number of respondents to the PFEW Pay and Morale Survey who said they intended to resign either within the next two years or as soon as possible.
- 4.25 As responses to the PFEW survey demonstrate, pay is not the only factor affecting officers' morale. However, our analysis shows that the differentials between the

median earnings of comparator groups and median police earnings have generally been declining since 2011. Over the long term, decreasing differentials with comparator groups have potentially negative implications for the motivation and morale of officers and for retention and recruitment. We are concerned that unless addressed this will impede policing's ability to retain a workforce with the skills and capabilities it requires.

#### Affordability

- 4.26 We balanced all these factors with affordability. We note the evidence we received from the Home Office who told us that the 2024/25 Police Funding Settlement accounted for a pay award of 2% in 2024/25. We are aware of the Home Office's position that there are no additional resources available in its budget to fund a pay award above that level and that the prioritisation exercise that it undertook to partially fund the 2023 police pay award cannot be repeated in 2024. We recognise that this is the final year of the 2021 CSR settlement and that circumstances have altered significantly since those financial arrangements were negotiated.
- 4.27 We also note the NPCC's assertion that any contribution that a force is required to make towards increasing pay in 2024/25, including to the 2.5% increase which was already in force's medium term financial plans, would likely lead to reduced service delivery and a further use of police officers in police staff roles. We note that this view was echoed by the APCC and Home Office. We are conscious that the NPCC has told us that a force contribution to the 2024/25 pay award that was greater than 2.5% would have a severe impact on public safety. We are also aware of the survey undertaken in 2023/24 by the Home Office and NPCC of police forces' finances. We note that one of its key findings was that police forces had a deficit of around £3 billion.
- 4.28 However, we observe that affordability is about choice. As a number of parties have told us, the ability of police forces to fund a 2.5% pay award or a pay award above that level will vary from force to force. We are aware of the complexities of the current police funding formula and that the proportion of funding coming from the council tax precept varies significantly between forces. We are conscious that the NPCC has drawn our attention to the fact that central funding (above 2.7%) was made available to forces for last year's pay award of 7%, but because it was proportioned by grant it resulted in a shortfall in 18 forces, causing significant impact on local budgets, and a surplus in 25 forces. As always, we received very limited evidence on the detail of the choices individual forces are likely to face in managing their 2024 budgets, although the view we have received from policing parties is that forces' flexibility is particularly limited this year. However, we cannot be expected to have regard to the precise and differing circumstances of each of the separate 43 police forces. In addition, we observe that even if Home Office budgets cannot be further reprioritised there are always options for prioritising spending at the central government level.

#### Pay recommendation

4.29 After taking the above factors into account, including the economic situation, pay trends in the private sector, developments in public sector pay, the prohibition on the police taking industrial action, our analysis of recruitment, retention, motivation and morale and balancing against affordability, we concluded that an annual pay award in 2024 of 4.75% across all ranks up to and including chief superintendent is the most suitable approach.

<u>Recommendation 2.</u> We recommend a consolidated increase of 4.75% to all police officer pay points for all ranks up to and including chief superintendent from 1 September 2024.

4.30 In their evidence, the APCC and the NPCC told us that forces had built an average of 2.5% pay growth into their forecasts for 2024. The pay award should be centrally funded above that amount. We have been told that the consequences of not doing so will potentially be a further reduction in police staff with more police officers being removed from the frontline to fill those roles and service reductions with forces disengaging from communities through the withdrawal from neighbourhood policing.

## **Starting salaries**

- 4.31 In its written evidence, the NPCC proposed the removal of pay point 1. It noted that the proposal would deliver recruitment and retention benefits and set out some costs. It told us that the cost in FYE 2025 would be £9.7 million, in FYE 2029 the annual cost would be £133.6 million and the cumulative additional costs would be £195 million. In calculating the costs, the NPCC assumed that 10,000 officers were recruited by forces in FYE 2025 and appointed to pay point 2, and that 10,000 officers appointed in the year before the recommendation was introduced all progressed to pay point 2. The NPCC requested additional funding for forces to support the change. It pointed out that constable starting base pay is now the same regardless of entry route. It also explained that it is currently undertaking a survey with chief officers to understand the appetite for flexibility of pay on entry and training. As set out in Chapter 3 on pay modernisation, the NPCC also told us that a wider review of the constable pay progression framework would be included in its next submission to us and that this would be followed by a review of the coherence of the police pay scales across all ranks.
- 4.32 In its evidence, the MPS set out the particular challenges that it faced in London in terms of starting salaries. It highlighted the results of benchmarking work it had undertaken. It acknowledged the benefits to the police service as a whole of removing police pay point 1, but proposed instead that starting salaries should be set locally by chief officers up to the current pay point 2. The MPS highlighted that

even with an above inflation pay award the changes to starting salaries would not be sufficient to address the MPS recruitment and retention issues.

- 4.33 On our visits programme, we again heard reports of new and recent recruits struggling financially with the heightened cost of living, especially in the MPS. There was a strong view that more still needed to be done on starting pay. There was a consensus that the current starting pay discouraged more experienced candidates from applying to join the police service. In one force we heard about promising recruits leaving after taking a pay cut to join the police service and then being placed under unsustainable financial pressure due to a rise in interest rates. Again, the financial pressure on new recruits seemed particularly intense in London. We were told that new recruits did not receive discounted travel during their first twelve weeks in service. Officers were not eligible for discounted rail travel and Oyster cards until they had a warrant card. We heard anecdotes of young recruits in the early weeks of training going without proper meals to pay for travel costs. The MPS told us it was much easier to recruit police staff than police officers as it could use the pay system much more flexibly.
- 4.34 Some officers in Derbyshire and London observed that seven years to reach the top of the constable pay scale was too long when competence was achieved after two years, and it was possible to gain promotion to sergeant after two. One or two officers pointed out that the shape of the existing constable pay scale meant the most significant pay increases came in the last two years which had implications for recruitment and retention.
- 4.35 In oral evidence, the MPS acknowledged that transitional arrangements would be needed if chief constables were given the discretion to recruit new officers at any point up to pay point 2 on the constable scale. However, such arrangements had been introduced before. Most officers gained under such arrangements. The MPS accepted that there would be financial implications as officers would progress more guickly up the pay scale. Following oral evidence and at our request, the MPS submitted further thinking on measures that might assist it with the challenges it faced. The MPS set out a number of options and at their core was a request for a 6% pay award for 2024, alongside the ability for the MPS to have discretion to set starting salaries at pay point 3. The options were differentiated by the size and targeting of an increase to London Weighting. We also subsequently received a letter from the Temporary Commissioner of the City of London Police requesting that any changes to London Weighting, or other allowances or flexibilities granted to the MPS, should also be applied to the City of London Police. In oral evidence, the Deputy Mayor of London for Policing and Crime strongly supported the MPS' proposals and highlighted the challenges facing the force in policing the capital.

#### Our comment and recommendations on starting salaries

- 4.36 In our previous report we highlighted that starting salaries need to be competitive to ensure the next generation of officers have the capabilities and attitudes to deal with the changing nature and the increasing complexity of demand driven by both technology and changing social attitudes. We therefore recommended in our 2022 Report that the PCDA minimum should be raised to pay point 0 from 1 September 2022. In our 2023 Report we recommended the removal of pay point 0. We made this proposal in the context of a commitment from the NPCC to review constable base pay in 2023/24. We are disappointed that this work has been delayed.
- 4.37 We note the NPCC's proposal in its evidence this year to remove pay point 1. We are aware of the benchmarking work undertaken by the NPCC concerning constable base pay and total remuneration and its argument that the removal of pay point 1 could improve the competitiveness of starting salaries as well as shortening pay scales.
- 4.38 Once again, this year most of the forces we visited raised the issue of starting salaries. We heard about the financial struggles facing new recruits who were not living with their parents or a partner and the challenges of attracting candidates with more life experience and from other career paths.
- 4.39 We are also aware of the reports the NPCC has received from forces regarding recruitment becoming more challenging. However, we have seen little evidence to suggest that the police service as a whole is developing a problem with recruitment that would prevent it maintaining officer numbers at the levels achieved by the Uplift Programme, although different forces will face differing employment markets. We recognise that the introduction of the new Police Constable Entry Programme is an attempt to attract talented candidates with a greater breadth of experience. We have also heard on visits about the strain studying for a degree while working on the frontline can place on young officers. However, we are sceptical that this new route will draw in candidates who have had previous careers unless their starting salaries reflect the wider experience they have gained in the jobs market. We therefore welcome the NPCC's recognition of this issue in its evidence and its intention to review entry route pay.
- 4.40 We are also aware of the voluntary resignation of police officers during the early years of service. We have been told that over half of voluntary resignations take place in the first two years and just under three quarters in the first five years. In oral evidence, the NPCC told us that 1 in 10 recruits leave during training, half of voluntary resignations are officers in their first two years' service, and three-quarters of voluntary resignation are officers in their first five years' service. We note that the NPCC has pointed out that these rates have been stable over time, but that because of the Uplift Programme they equated to higher numbers of officers.

However, we observe that overall attrition rates in the police service have been rising.

- 4.41 Our analysis of advertised degree apprenticeship roles on the GOV.UK Find an Apprenticeship search engine indicates that the police starting salary is competitive relative to other degree apprenticeships. Survey data from IDR<sup>26</sup> suggests that pay for police constable degree apprentices is above the median for degree apprenticeships both on commencement and completion of the qualification. We also looked at starting salary data for graduates collected by IDR, the Institute of Student Employers and High Fliers. Police starting salaries outside London were lower than the median starting salaries reported by these sources, but the inclusion of London Weighting and London Allowance in London meant starting salaries in the capital were slightly above the median starting salaries these sources reported.
- 4.42 We observe that with regard to the public sector outside London and forces covered by the South East Allowance police starting salaries are lower than those for teachers but slightly higher than for nurses, but note that both nursing and teaching are degree entry professions. The MPS starting salary of £36,775 (including London Weighting and London Allowance) is similar to the starting salary for teachers in inner London and higher than for nurses. Police starting salaries in the forces covered by the South East Allowance are higher than those of both teachers and nurses.
- 4.43 However, we remain very concerned about the difficulties the MPS is experiencing in terms of recruitment and retention and in particular the expected shortfall of 1,400 officers against its Uplift Programme target by March 2024. We understand from the MPS that delivering on its recruitment target (2,667) for the FYE 2024 required a monthly application volume of around 2,500. It reported that its current twelve-month average is 1,273. It explained that for 2024/25, application volumes needed to increase to around 3,200 per month between April and September to deliver its 'stand still' workforce plan of 34,000 FTE. We have also noted the evidence we have been given on attrition by the MPS during the early years of service:

"Voluntary resignations continue to track the national position and are running at a 12-month rolling average of 3.6% and 0.3% of the workforce each month. This attrition is particularly acute within the early year (0-4 years of service) and represents 46% (financial year 2022/23 - 45%) of monthly resignations."

4.44 The MPS employs around a quarter of police officers in England and Wales and accounts for around a sixth of total recorded crime in England and Wales. The MPS is the lead force for countering a number of national strategic threats such as terrorism. Around a third of county lines crime (the practice of establishing crime

<sup>&</sup>lt;sup>26</sup> IDR (June 2023), *Pay Climate Issue 33*. Available at: <u>https://www.incomesdataresearch.co.uk/</u> <u>resources/pay-climate/issue-33-june-2023</u> [Accessed 23 May 2024, note this report is behind a pay wall]

routes notably associated with drugs and modern-day slavery from major cities into other areas) is linked to London and is exported into other police forces. We are aware of the operational risks the MPS has articulated of it not meeting its recruitment and retention target. We are also mindful of the risks highlighted to us in oral evidence of crime 'radiating out' from the capital if issues are not tackled effectively. This is in addition to the resourcing burden placed on other local forces to support the policing of large-scale demonstrations in the capital under mutual aid arrangements.

- 4.45 We also note that the MPS has told us that the applications for police constable roles are falling. We sympathise with the MPS' desire to have further discretion to set starting salaries up to pay point 3 on the constable pay scale.
- 4.46 We are conscious that it would be best to take further decisions regarding the bottom of the constable pay scale, particularly in relation to the removal of pay points, in the context of decisions around the reform of the constable pay scale as a whole and the overall review of the coherence of police pay scales. However, we recognise that police forces across the country will experience different recruiting and retention pressures. We are also very concerned about the immediate challenges the MPS faces in attracting officers of the right calibre with the right skills and attitudes and in the volume needed to address current shortfalls. We are alert to the operational risks and the implications for public safety that the MPS has told us may arise if the situation is not addressed. We acknowledge that the shortfall in the MPS is the result of a number of factors and may indeed be partly the result of short-term problems that will ease over time. However, appropriate and competitive starting salaries are part of the immediate solution.
- 4.47 We are therefore recommending that the chief officer of police in each force be given the discretion to set the starting salary for new constables at either pay point 1 or pay point 2 on the constable pay scale. In addition, we recommend that the Commissioner of the Metropolitan Police Service should be given further discretion to set the starting salaries of new constables at pay point 3 on the police constable pay scale. To reduce the risk that this measure has a negative impact on the recruitment and retention of the City of London Police, we also recommend that the same discretion be given to the City of London Police Commissioner. In our view, these measures should be centrally funded.
- 4.48 We are conscious that one of the consequences of this additional discretion for the MPS and the City of London Police may be to significantly shorten the constable pay scale in those forces. In practical terms, this will mean that new recruits in those forces may reach the top of the constable pay scale within five years of joining the police service. While this may deliver additional benefits in terms of reducing attrition in the first five years of service, there are implications for career constables. We therefore propose that this additional discretion to set starting pay at pay point 3 be limited to two years with an initial review of the discretion after one year. This will

enable the impact of, and continuing need for, this measure to be assessed. In the meantime, the Comprehensive Review of police remuneration, which we proposed in Chapter 3, will have the opportunity to assess the coherence of the constable pay scale as a whole, including the position in London, and the implications of a shortened constable pay scale for those career constables who make such a vital contribution in areas such as neighbourhood policing.

<u>Recommendation 3.</u> We recommend that the chief officer of police in each force be given the discretion to set the starting salary for new constables at either pay point 1 or pay point 2 on the constable pay scale from 1 September 2024.

<u>Recommendation 4.</u> We recommend that the Commissioners of the Metropolitan Police Service and City of London Police be given further discretion to set the starting salaries of new constables at pay point 3 on the constable pay scale. This additional flexibility should be limited to a period of two years, and be reviewed after one year.

- 4.49 We are aware that the NPCC previously provided guidance for chief constables on setting starting salaries for PCDA entrants. We recommend that the NPCC should provide revised guidance to assist chief constables and the Commissioners of the MPS and the City of London Police in determining appropriate starting salaries for new entrants under the new arrangements. That guidance should have particular regard to equality considerations. In our view, it is very important that discretion on setting starting salaries is used fairly across the country, targeted to reflect local needs and in accordance with guidance from the NPCC to ensure equity and consistent application.
- 4.50 We note that the MPS told us that when implementing a change to starting salary pay points those currently below that pay point, for instance pay point 3, would be placed on to it with the same incremental base date. Those already on that pay point would progress to the next pay point on their current incremental pay date. We agree this is a sensible approach and we understand it is in line with previous practice. We assume that other forces that chose to exercise their discretion up to pay point 2 will follow a similar approach. The NPCC may wish to consider producing guidance.

#### Chief superintendent pay scale

4.51 In our last report we recommended that point 3 of the chief superintendent pay scale be uplifted by £2,838 from 1 September 2023 and £2,837 from 1 September 2024.

We asked that these uplifts be made before the application of the respective pay awards for these years.

4.52 In its evidence, the PSA noted the delays to the finalisation of the regulations to implement the 2023 recommendation to uplift pay point 3 of the chief superintendent pay scale over two years. The PSA requested that we investigate the causes of the delay. In oral evidence, the PSA told us that since it had submitted its written evidence, the Home Office had published the new regulations and that they mirrored the PRRB's formal recommendation.

#### Our comment on the chief superintendent pay scale

4.53 We understand that the delays to the regulatory changes to implement our 2023 recommendation have now been addressed. We are expecting that point 3 of the chief superintendent pay scale be uplifted by £2,837 from 1 September 2024 before the application of the pay award in 2024.

## Inspectors and chief inspectors

- 4.54 In our 2023 Report, we expressed concern about the feedback we had received during our visits programme regarding the pressures on inspectors and chief inspectors and the difficulties caused by the small pay differential between inspectors and chief inspectors and the large pay gap between the top of the chief inspector rank and the bottom of the superintendent rank. We heard of similar concerns during our visit programme this winter. We invited parties to offer evidence on this in the 2024 pay round.
- 4.55 The NPCC told us that as part of its medium-term work programme it would review the coherence of pay scales across all ranks, including the ranks of inspector and chief inspector. In oral evidence, the NPCC emphasised it had not provided evidence on the inspecting ranks this year as it wanted to look at pay scales as a whole.

#### Our comment on inspectors and chief inspectors

4.56 We were very disappointed not to receive evidence on inspector and chief inspector pay this year. However, as we observed in relation to starting salaries, it would be best to consider reforms to the pay of inspectors and chief inspectors in the context of the Comprehensive Review of police remuneration and the planned examination of the coherence of police pay scales. This should address such inconsistencies as the 2% gap between the top of the inspector pay scale and the bottom of the chief inspector pay scale, and the 15% gap between the top of the chief inspector pay scale and the bottom of the superintendent pay scale. We also point out that the pay scales for chief inspectors are the shortest of any rank. In the meantime, we propose that the NPCC should do more to make chief officers aware that they have the flexibility to start chief inspectors at a point above the current pay point 1 on the chief inspector pay scale.

4.57 As part of the Comprehensive Review which we have recommended, the issue of the workload of inspectors and chief inspectors should be considered. We observe that the removal of overtime in the 1990s means that inspectors are likely to experience supervising teams, and particularly sergeants, that are earning more on certain operations because of overtime payments, despite working similar hours.

### Allowances

- 4.58 Our remit letter asked that we provide commentary on the NPCC's schedule for a review of allowances, including the proposed timescales and priority order, and taking into consideration views from policing stakeholders. In its evidence, the Home Office asked that when considering allowances that also applied to chief officers, we had regard to the views of the SSRB. The Home Office explained that any increases to allowances in 2024/25 would need to be funded from within existing allocations and would affect the overall affordability of a pay award.
- 4.59 The NPCC set out its plans for a three-year review of allowances commencing in FYE 2025. In oral evidence, the NPCC set out some of the practical challenges around reviewing allowances including establishing why certain allowances had been fixed at certain rates.
- 4.60 In its evidence, the PSA supported the NPCC's plans for reviewing allowances but set out its concerns about the pace of the reviewing process. The NPCC explained that following pressure from the PFEW and the PSA it considered whether any additional enhancement was needed to any of the allowances in advance of the review. The NPCC concluded that the only case where such an enhancement was merited was the On-call Allowance which it proposed should be raised from £20 to £25. The MPS supported an increase to the On-call Allowance. In its evidence, the PSA set out its analysis of on call rates in the public and private sector based on work done by IDR. Its evidence also included a series of statements from PSA members setting out the impact of being on call on officers' health and family life. Based on that analysis, the PSA proposed that the on-call rate be increased to £60 (which after income tax at the higher rate of 40% would amount to £36 net per 24-hour period of on-call). In addition, the PSA called for the £60 payment to become reckonable for pension purposes.
- 4.61 In oral evidence, the PSA reiterated its members' commitment to performing on-call duties and highlighted the advantages of this to the police service and the significant operational responsibilities carried by superintendents while on call. It pointed out that its members did not receive any additional overtime payments when called upon. Members did receive re-rostered rest days but the PSA told us that such days were rarely taken due to the demands of further on-call periods and the day job. The PSA emphasised that its members needed to be recompensed appropriately for their on-call responsibilities and explained that was the reason for its request for a special on-call rate of £60 for the superintending ranks.

- 4.62 With regard to other allowances, the PSA asked in oral evidence that the review of the Motor Vehicle Allowance be expedited. It pointed out that under the current proposals officers were unlikely to see any change for at least another 18 months, which the PSA considered to be unacceptable.
- 4.63 The MPS told us its concerns about the pace of the review programme. In its evidence, the MPS offered up resources to facilitate an early review of the London Allowance and South East Allowance. In oral evidence, the NPCC told us it had now been agreed to bring forward this work to 2024/25. It also set out the difficulties it faced in reviewing allowances as there was often not a clear rationale for the way that the existing allowances had been constructed.
- 4.64 At oral evidence, we encouraged the NPCC to reflect on whether it could accelerate the reviews of any other allowances in order to enable firm proposals for change to be put to us during this pay round. The NPCC concluded that it was unable to do so.

#### Our comment and recommendations on the review of allowances

- 4.65 We welcome the NPCC's plan for a more systematic review of police allowances. We note both the schedule and priority order for reviewing the allowances and the description of the review process set out in the NPCC's written evidence. However, we share the concerns that have been raised by the MPS and PSA about the pace of the review process. We had hoped to receive the first tranche of proposals on allowances in the 2024 pay round and we are concerned that it has not been possible to accelerate at least some of the proposals so we can consider them during this pay round. We consider this to be a result of the concerns we set out in Chapter 3 about the resourcing of the NRT and we reiterate our view that this resourcing issue should be addressed.
- 4.66 In our 2023 Report we advised that, in the interests of transparency, the group designing the schedule and eventually reviewing the allowances should include some members who are entirely independent of policing. We note that as part of the process the NPCC has set out for the review of allowances it has agreed where appropriate to commission independent advice to both develop the evidence and assess a proposal for change. We were pleased to learn that an independent review of both elements of the Motor Vehicle Allowance (essential user lump sum & mileage rate) has already been commissioned. We note that the intention is that, at the end of the review process, the outcome will be presented to the Home Secretary who will decide whether the issue should be referred back to us. Our strong view is that the outcome of all reviews of allowances should be presented to us.
- 4.67 We note the work undertaken by the NPCC to consider whether any additional enhancement was needed to any of the allowances in advance of the review. We have considered the NPCC proposal to raise the On-call Allowance by £5 to £25 and the arguments and evidence presented by the PSA for a much larger increase for superintendents.

- 4.68 We acknowledge the benchmarking research put forward by parties that shows that the market median for on-call rates is higher than £20. In its evidence, the NPCC highlighted that the average payment for standby reported by IDR on a weekday is £24.21. We are also aware that police staff can receive on call payments of £32.23 per 12-hour shift as a standby allowance. We note that increases to the police staff on-call allowance are linked to the pay award.
- 4.69 We examined the detailed evidence presented by the PSA in support of a differentiated on-call allowance and its request for a significantly higher rate for superintendents to reflect the on-call responsibilities the rank carries and the impact on the lives of the officers concerned. We observe that we do not have similar evidence on other ranks so it is difficult to assess the case for a differentiated allowance. We understand from the NPCC that it is unable to support a differentiated allowance at this point and that it needed to carry out a complete review with stakeholders. We note the need for this work and await its outcome.
- 4.70 The combination of the increasing demands placed on the police as a result of the rapidly changing operational context and the financial pressures of recent years means we judge that there is a mismatch between police allowances and the current needs of officers. In our view police allowances need to be reviewed as a matter of urgency. We therefore recommend that all the allowances set out in the NPCC's plan be reviewed over one year rather than three years. This should be part of the Comprehensive Review of police remuneration that we recommended in Chapter 3. We hope that a coherent and equitable package of proposals for changes to police allowances will be brought forward to us for the 2025 pay round for implementation in 2025/26. After that initial review, we agree with the NPCC that each allowance should be reviewed at least every five years. In the meantime, we recommend that as an interim measure the On-call allowance be raised from £20 to £25.

<u>Recommendation 5.</u> We recommend that the allowances set out in the NPCC's schedule for the review of police allowances be reviewed in their entirety in 2024/25 as part of the Comprehensive Review of police remuneration. A coherent and equitable package of proposals for changes to those allowances should be presented to us in the next pay round for implementation in 2025/26.

<u>Recommendation 6.</u> We recommend that On-call Allowance be increased from £20 to £25 from 1 September 2024 as an interim measure pending the outcome of the NPCC's review of allowances in 2024/25.

# **Regional allowances**

- 4.71 The Home Office asked us to consider the evidence put forward by policing partners on whether there was a case for increasing London Weighting in 2024/25. It also asked us to have regard to the views of the SSRB on London Weighting in respect of chief officers. It said that any increase must be funded from within existing allocations and take into account the Home Office assessment of the overall affordability of the 2024/25 pay award.
- 4.72 In its evidence, the MPS set out the particular challenges that it faced in London in recruiting and retaining officers. It concluded that even an above inflation pay award combined with the removal of pay point 1 of the constable pay scale would not be sufficient to address the MPS' recruitment and retention issues. The MPS described the decline in real terms of the London Allowance since 2000 and noted that an additional £1,891 per officer would be needed to address this. The MPS explained that it was pressing for a review of the London Allowance in 2024/25 and had offered resources to the NPCC to support such a process. However, it observed that even if that work proceeded, there would be no change to the London Allowance until September 2025. Given the recruitment crisis in London and cost-of-living pressures, the MPS therefore proposed that London Weighting should be increased by £2,000. It suggested London Weighting could be adjusted further after the NPCC review of allowances.
- 4.73 As set out in paragraph 4.35, the MPS, subsequent to oral evidence, set out a number of further options on the size of the increase to and the targeting of London Weighting. The MPS explained that increasing London Weighting by £2,000 remained its preferred option. In oral evidence, the MPS proposals were strongly supported by the Deputy Mayor of London for Policing and Crime.
- 4.74 In oral evidence, the Home Office told us that an enhanced financial package for MPS officers would not be a simple remedy for the recruitment problems facing the MPS. It asserted that the combined package of London Allowance and London Weighing compared well with equivalent packages in other parts of the public sector. Reputational issues were a factor in the difficulties facing the MPS.
- 4.75 In oral evidence, the MPS was very clear that remuneration was part of the solution to the challenges it faced. There was a sense that the current package did not adequately recognise the challenges and risks facing MPS officers and the uniqueness of the role especially given cost-of-living pressures. The MPS reiterated that not all of the recruitment difficulties it faced were the result of its current reputation difficulties. Public services across London were finding it difficult to recruit and retain staff. Its proposal that London Weighting should be increased by £2,000 was pragmatic and the best option given the current regulatory framework. There was no headroom in the delegated authority for the Commissioner to raise the London Allowance any further. The MPS had recently negotiated to bring forward

the review of the London Allowance to 2024/25. The MPS also acknowledged that surrounding forces faced similar challenges to the MPS on recruitment and their package might also need to be reviewed.

4.76 In oral evidence, the APCC was broadly supportive of some additional measures to assist the MPS in its recruitment efforts providing this did not unduly impact on surrounding forces. In oral evidence, the NPCC emphasised the difficulties of reviewing the London Allowance or London Weighting in isolation and the implications for neighbouring police forces. The NPCC also observed that previous measures introduced by the MPS which had often made use of TVP had not made a significant impact on the MPS' recruitment difficulties. It was therefore hard to assess whether raising London Weighting, which was a universal payment, was likely to significantly assist with recruitment.

#### Our comment and recommendation on regional allowances

- 4.77 We recognise that London Allowance, South East Allowance and London Weighting make an important contribution to ensuring that policing salaries are competitive in the local labour markets of the relevant forces. In our last report, we invited parties to provide evidence in the 2024 pay round on whether further uplifts to the London or South East Allowances were required. We note from the evidence that we have seen that in January 2024 two forces were not using their maximum South East Allowance.
- 4.78 We recognise the particular challenges facing the MPS because of the dynamics of the London labour market. We note for instance that the MPS has told us that the median salary for full time workers was £34,963 across the UK and £44,370 in London (27% higher in London). We also note the MPS' statement that it would take an officer recruited at the bottom of the constable pay scale around 5 years to reach the London average salary. We also note the evidence the MPS has provided on housing, childcare and other costs in London. We recognise the decline in the real-terms value of the London Allowance. We also note that, in spite of all its efforts, the MPS is currently a net loser in terms of the transfer of officers between forces. We welcome the NPCC's decision to bring forward its planned review of the London Allowance and the South East Allowance to 2024/25 following an offer of assistance from the MPS. This should take account of the impact on neighbouring forces of the additional temporary flexibility on setting starting salaries granted to the Commissioners of the MPS and the City of London Police. We look forward to receiving the outcome of that review in the next pay round.
- 4.79 As we said in paragraph 4.43 we are very concerned about the MPS recruitment shortfall and the associated operational risks of the MPS continuing to operate at below capacity. We understand the MPS proposal that as an interim measure, in advance of the NPCC review of regional allowances, London Weighting should be adjusted. We have reviewed the various options for doing so put forward by the

MPS but we concluded that adjusting London Weighting at this time was not the best approach.

4.80 We point out that London Weighting has traditionally been a universal benefit to MPS officers. We observe that the MPS' original proposal of raising London Weighting for all its officers by £2,000 would be very expensive. The MPS told us that it would cost around £50.4m in 2024/25. Given that at the current time MPS attrition in percentage terms is in line with other forces and it is recruitment at volume that is proving difficult, we could not support such a significant uplift to London Weighting. In our view, more targeted measures, such as the additional discretion to set starting salaries at pay point 3, are more appropriate. We did consider the MPS' subsequent proposals to uplift the London Weighting of particular groups of officers particularly those in the early years of service. However, we judge that further and very careful consideration of the consequences of those proposals, including for equality and diversity, would be needed before adopting a differentiated approach to London Weighting. We also note that in comparison to other parts of the public sector, the 'London package', comprising London Weighting and the London Allowance, compares well to many other public sector location allowances. It is only surpassed by the premium paid to teachers in inner London. We therefore recommend that London Weighting should be uplifted in line with the basic pay award in 2024

<u>Recommendation 7.</u> We recommend that London Weighting be uprated by 4.75% from 1 September 2024.

# Dog Handlers' Allowance

4.81 The NPCC provided an update on the second part of its review of the Dog Handlers' Allowance which focused on payments made to dog handlers with a second dog. The NPCC proposed that the allowance to officers for a second dog should be raised from 25% of the first dog allowance to 60%. The MPS supported this proposal. As part of this review, the NPCC considered how a methodology for determining the allowance might be agreed. This would be considered again as part of the next review in 2025/26.

#### Our comment and recommendation on Dog Handlers' Allowance

4.82 We note the work that has been undertaken by the NPCC to review the allowances made to dog handlers with more than one dog. However, we were concerned by the lack of data on the number of dogs per officers and on the number of dog handlers who have dogs that have to be exercised separately. We also note the lack of suitable comparators. We observe that it is difficult to make robust recommendations in the absence of basic statistical data.

4.83 In spite of these challenges, we recognise the additional burdens, particularly in terms of the time required to exercise the dogs, placed on officers as the result of having responsibility for more than one dog. However, the NPCC proposal to uplift the allowance for subsequent dogs to 60% of the allowance for the first dog was "based on a subjective and professional decision, considering the current circumstances attaching to the requirements of being responsible for an additional dog." We observe that, in contrast, the majority of respondents to the NPCC's survey of dog handlers felt that an allowance for subsequent dogs that was 50% of the allowance for the first dog was most appropriate. Given we were not entirely convinced by the NPCC's methodology for determining the percentage uplift to the allowance for subsequent dogs, we have given weight to the views of the dog handlers themselves and we recommend that the allowance to officers for subsequent dogs should be raised from 25% to 50% of the rate for the first dog. As in previous years, we also recommend that Dog Handlers' Allowance be uprated in line with the main pay award.

<u>Recommendation 8.</u> We recommend that Dog Handlers' Allowance be uprated by 4.75% and the additional rate for officers with more than one dog be raised from 25% to 50% of the rate for the first dog from 1 September 2024.

## Annual leave

- 4.84 The NPCC explained that the current annual leave policy was established in 2004. It set out its proposals to reduce the time it took the federated ranks to reach the maximum annual leave entitlement, from 20 to 10 years. It explained that this would be achieved by incrementally increasing the leave entitlement between six and 10 years of service. Officers with between two and six years of service would, as under the existing arrangements, be entitled to 25 days' annual leave. The NPCC explained that officers would receive one additional day's annual leave each year from their sixth year of service until they reached their full annual leave entitlement of 30 days in their tenth year of service.
- 4.85 The NPCC explained in its evidence that current arrangements for the police service did not compare favourably with those of other organisations (Table 4.1).

Employer/workers	Days' entitlement on entry (difference from police officers)	Maximum days' entitlement (difference from police officers)	Years to reach maximum (difference from police officers)	Other
Police officers in England and Wales	22	30	20	
Most of the civil service (including Home Office and Ministry of Defence)	25 (+3)	30	5 (-15)	+1 privilege day
Passport Office	25 (+3)	30	6 (-14)	+1 privilege day
Prison Service	25 (+3)	30	10 (-10)	
NHS Agenda for Change staff	27 (+5)	33 (+3)	10 (-10)	
Fire and Rescue	30 (+8)	33 (+3)	5 (-15)	
British military	30 (+8)	30	0 (-20)	Deployment leave
Police staff covered by the Police Staff Council	24 (+2)	29 (-1)	5 (-15)	

#### Table 4.1: Annual leave arrangements for police and market comparators

Source: NPCC evidence

- 4.86 The NPCC explained that the intention was to transition to the new policy over a three-year period. It said that implementation would commence on 1 April 2025. The NPCC also explained that it intended to carry out a review of the policy after two years, with a view over time for officers to reach their maximum leave allocation after five years of service. The MPS supported the proposal on annual leave.
- 4.87 In oral evidence, NPCC highlighted work that showed the stress and the strains on officers in the first six years of service and the risk of burnout. It suggested that bringing forward annual leave entitlement might assist with this problem. It pointed out that the current generation expected a better work life balance and more annual leave would help address this. It noted that the annual leave proposals would be funded by forces themselves.
- 4.88 In oral evidence, the Home Office told us that annual leave provision for police officers seemed old-fashioned and out of step with many employers.

#### Our comment and recommendation on annual leave

- 4.89 We welcome the work undertaken by the NPCC to review annual leave entitlement. We observe that annual leave makes an important contribution to wellbeing and morale. We note with concern references to survey evidence from the PFEW regarding a downward trend in mental health and wellbeing. As we said in our 2023 Report, existing entitlements do not necessarily reflect current market practice. We note that it currently takes police officers 20 years to reach their maximum entitlement. The evidence provided by the NPCC shows that in many other public sector organisations it takes employees between 5 and 10 years.
- 4.90 We recognise that changing the annual leave policy may assist the police service's efforts to improve diversity. In its evidence, the NPCC highlighted that female

officers are more likely to resign mid-career. We agree with the NPCC that this could likely be the impact of balancing career and family commitments and that earlier access to maximum annual leave entitlement might help address this issue. We have commented in a number of our previous reports on the higher resignation rates for ethnic minority officers particularly in the early years of service. We therefore accept that this impacts on the proportion of ethnic minority officers likely to achieve the maximum leave entitlement.

- 4.91 We agree with policing parties that annual leave is an important part of the overall remuneration package and will affect the attractiveness of policing as a career. We are aware of the increasing dissatisfaction among officers with the overall remuneration package as demonstrated by survey evidence presented by the staff associations. We welcome the NPCC's intention to review after two years the impact of the implementation of any new annual leave policy. We note the costs associated with the new annual leave policy and we also agree the NPCC's proposed transition arrangements which we accept are to help manage the operational and financial impact to forces.
- 4.92 However, in our view the decision to not adjust the annual leave of new starters as part of the new policy is a missed opportunity. The amount of annual leave offered by an organisation is an important part of the recruitment package. We therefore recommend that, alongside the changes proposed by the NPCC, annual leave for new entrants should be increased from 22 to 25 days. We note that this will have implications for transition costs and will increase the estimated reduction in police officer capacity. However, we observe that this will be offset to some degree by the productivity gains resulting from improved officer performance as a result of annual leave as described by the NPCC in its evidence.
- 4.93 We note that the NPCC has prepared an Equality Impact Assessment of its proposed changes to annual leave. We ask that the NPCC work with the Home Office to review the Equality Impact Assessment to ensure that it covers all the proposals relating to annual leave and that it is robust. The new policy should not be implemented until that work is completed.
- 4.94 As we said last year, we note with concern anecdotal evidence which suggests officers have difficulties in taking their existing leave entitlements and rest days. We also observe that ensuring officers can take their leave is as important as increasing the amount of leave to which they are entitled. We note that 34% of respondents to the PFEW 2023 Pay and Morale Survey said they were unable to take all the annual leave they were entitled to, and 64% have had at least one request for annual leave refused in the past twelve months. The NPCC evidence noted that forces with an already high accumulation of annual leave days and local policy of payment in lieu will be most impacted by increasing the number of annual leave days. However, we were disappointed that no thought seemed to have been given to how to address the underlying problem in these forces. In our view, police forces should strongly

encourage officers to take their full annual leave allocation. We observe that this would not only be beneficial in terms office staff wellbeing but it is also an important anti-corruption measure.

4.95 We note the NPCC's plans to carry out a broader review of leave in 2024/25 covering Carers Leave and Neonatal Leave and Paternity Leave plus other requests from the staff associations.

<u>Recommendation 9.</u> We recommend that the time it takes the federated ranks to reach the maximum annual leave entitlement of 30 days be reduced from 20 to 10 years. Implementation of this change to be in line with the proposals put forward by the NPCC. In advance of that, we also recommend that from 1 September 2024 the annual leave for new entrants be increased from 22 to 25 days.

# **Chapter 5 – Forward Look**

#### Introduction

5.1 It will be for Government to set the remit for the next pay round. However, the core of the 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.

#### Pay and workforce modernisation

- 5.2 In our last two reports, we have emphasised the importance of the development of a long-term workforce strategy. Progress on this and other aspects of pay and workforce modernisation has been very slow. A CSR is expected within the next year to 18 months.
- 5.3 In Chapter 3 we urge the Home Office, NPCC and APCC to seize the opportunity and prepare a costed plan setting out the reforms required. We observe that the CSR will have clear and Government-wide timelines. It is vital that the police service's plans are prepared in good time. We explain that the plan should be the product of a Comprehensive Review of police remuneration to maximise the deployment of police officers with the right skills to the right roles. That means considering how to deliver fair remuneration that allows the police service to attract the right skills while providing value for money to the taxpayer and maximising productivity. However, given the imminence of the CSR, this new review must be tightly focused on ensuring remuneration effectively enables recruitment, retention and progression. It should examine pay and the mechanics of the coherence of pay scales, allowances, rewarding performance, and the mechanism for progression. We set out the key questions the review should consider in Chapter 3. This should include considering again the issue of direct entry. The review will also wish to consider what can be done to simplify the complicated and fragmented decisionmaking infrastructure containing both statutory and non-statutory bodies surrounding police workforce and pay modernisation. We have invited the Home Office, NPCC and APCC to provide a plan we can consider by January 2025.
- 5.4 The review must be owned and driven by the Home Office, NPCC and APCC. Ideally, it should be undertaken by the police service itself, providing it is prepared to be sufficiently ambitious and that it is resourced to deliver it. The Home Office, NPCC and APCC should consider carefully whether the police service has the resources and capabilities to undertake such a review given the tight timescales. Appropriate external expertise should be used as necessary to support the review.

# Resourcing pay and workforce modernisation

5.5 We were concerned by the NPCC's description in oral evidence of the challenges it faces in resourcing the central NRT team which is the engine house of workforce modernisation. We recall that, in our 2021 Report, we expressed concern regarding the changes to designated NRT funding that meant from FYE 2022 it would not be funded by the Home Office but instead the majority of funding would come from chief constables and an agreed allocation within the NPCC operating model. While we recognise that steps have been taken to increase resources within the NRT in the last few months, in our view more needs to be done. This lack of capacity is a key reason for the delay to the preparation of a long-term workforce strategy for the police service. We would like to see future evidence from parties regarding the building of an additional future capability in the police service to drive workforce modernisation effectively.

# Recruitment, retention and diversity

- 5.6 We remain concerned about recruitment and retention in the MPS and the operational risks associated of it not addressing the current shortfall in officer numbers. In Chapter 4 we set out our recommendation that the Commissioners of the MPS and the City of London Police be given an additional discretion for a period of two years to set starting pay for new recruits at pay point 3 on the constable pay scale. We ask that this additional discretion be reviewed after one year. We therefore look forward to receiving an assessment in the next pay round of the early impact this additional discretion has had on MPS recruitment.
- 5.7 In addition, as we said in our last report, having a more diverse workforce is an important building block of police legitimacy. We remain concerned about the pace of change across the police service. We ask parties to update us on plans developed through the Comprehensive Review to accelerate the pace of change.

## Allowances

5.8 The NPCC provided a schedule for a three-year review of police allowances. We have asked that this be accelerated and take place over one year as part of the Comprehensive Review of police remuneration. We therefore look forward to receiving the proposals from this review of allowances in the next pay round for implementation in 2025/26.

## Pensions

5.9 While pensions are not directly within our remit, our terms of reference do state that it is important for us 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. We are also aware that changes to police pensions can affect morale, motivation, and retention.

5.10 As we set out in Chapter 2, we remain concerned by the number of officers opting out of the police pension scheme. This is partly because by opting out officers are forfeiting their right to an important part of the remuneration package. As we have said elsewhere, we judge that there may be a particular issue in the early years of service which we hope the Comprehensive Review of police remuneration will consider. However, we would also like evidence in the next pay round on how the wider implications for officers when they opt out of the pension can be mitigated, for instance the loss of death-in-service benefits.

## **Engagement with parties**

5.11 We are pleased that the PSA was part of the pay review process in 2024. We regret that the PFEW has not yet chosen to return. As in the previous few years, its absence made our consideration of key issues more complex. We hope to receive formal evidence from all parties in the next pay round.

## Evidence gaps and data limitations

- 5.12 We appreciate the parties' continuing efforts to improve the evidence base and the additional information that has been provided to us for this pay round in response to the requests in our last report. We have commented in this report on the following specific issues:
  - updates on attrition rates in early years of service, including any effects resulting from the National Leavers Framework; (Paragraph 2.73)
  - information on the number of applications for promotion and any work being done to encourage more applications; (Paragraph 2.74) and
  - further data on the protected characteristics of officers. (Paragraph 2.76)
- 5.13 We encourage those responsible for gathering data to consider what improvements can be made to facilitate the provision of data in these areas.

# Appendix A – Our Previous Reports

# 2023 Report

We submitted our 2023 Report on 31 May 2023 and the Government responded to the recommendations on 13 July 2023<sup>27</sup>. The recommendations were as follows:

Our 2023/24 recommendations (from 1 September 2023)

- 1. A consolidated increase of 7% to all police officer pay points for all ranks up to and including assistant chief constable and commander.
- 2. The removal of pay point 0 of the constable pay scale.
- 3. Point 3 of the chief superintendent pay scale to be uplifted by £2,838 from 1 September 2023 and £2,837 from 1 September 2024. These uplifts are to be made before the application of the respective pay awards for these years.
- 4. London Weighting to be uprated by 7%.
- 5. Dog Handlers' Allowance to be uprated by 7%.
- 6. The introduction of a new pay structure for those appointed as a chief constable or deputy chief constable from 1 September 2023 comprising three pay points for chief constables, and with deputy chief constable pay set at 82.5% of equivalent chief constable pay. Any chief constable or deputy chief constable who resigns or retires from the police service, and is subsequently reappointed to the same post within the same force, is to be reappointed on no more than their previous salary.
- 7. A consolidated increase of 5% to all existing chief constable and deputy chief constable pay points from 1 September 2023. To start the transition between the existing and new structures, where an existing pay point remains below the pay for the same post in the new pay structure, that pay point is to receive an additional consolidated award of up to 2%, such that the overall uplift does not exceed 7%.
- 8. Policing parties to bring forward proposals to improve the independence, transparency and consistency of determining and reporting on chief officer pay and allowances. We expect this to include proposals on how to place, in the public domain on an annual basis, a consistent set of data on the total pay and allowances received by each chief officer in each force.

<sup>&</sup>lt;sup>27</sup> House of Commons (July 2023), Home Office police update: Written statement – HCWS945. Available at: <a href="https://questions-statements.parliament.uk/written-statements/detail/2023-07-13/hcws945">https://questions-statements.parliament.uk/written-statements/detail/2023-07-13/hcws945</a> [Accessed on 23 May 2024]

- 9. A consolidated increase of 5% to the pay points of all chief officers in the Metropolitan Police Service and the City of London Police above the rank of commander.
- 10. A consolidated increase of an additional 2% to the Metropolitan Police Service deputy assistant commissioner pay point in order to retain the link with deputy chief constable pay.
- 11. The Relocation Allowance for chief officers to be amended as proposed by the chief officer remuneration review. The impact of the scheme to be reviewed within three years of implementation.
- 12. Policing parties to bring forward next year additional proposals for a review of the existing power of Police and Crime Commissioners to increase and decrease base pay of chief constables by plus or minus 10% on appointment. As an interim measure, the Home Office to issue guidance to Police and Crime Commissioners advising them against exercising their power to vary starting salaries on appointment until the review is concluded.
- 13. The National Police Chiefs' Council to provide an interim report by 30 November 2023 on its progress to develop a long-term pay and reward strategy. This should include an update on the work on constable base pay and the back-to-first-principles review of the P-factor.

## **Previous recommendations**

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

Report	Recommendation	Government response
1 <sup>st</sup> (2015)	A consolidated increase of 1% to all pay points for federated and superintending ranks from 1 September 2015.	Accepted
	A 1% increase to London Weighting (from 1 July 2015) and Dog Handlers' Allowance (from 1 September 2015).	Accepted
	The London inspecting lead retained for now.	Accepted
2 <sup>nd</sup> (2016)	A consolidated increase of 1% to all pay points for federated and superintending ranks from 1 September 2016.	Accepted
	A 1% increase to London Weighting and Dog Handlers' Allowance from 1 September 2016.	Accepted
	The maxima for South East Allowances to be increased to £2,000 and £3,000 respectively from 1 September 2016.	Accepted
	Motor Vehicle Allowances mileage rates for federated and superintending ranks should be the prevailing HM Revenue & Customs rates for essential and casual users from 1 September 2016. The current structure and values for the essential users' lump sums should remain.	Accepted

Report	Recommendation	Government response
3 <sup>rd</sup> (2017)	A consolidated increase of 2% to all pay points for federated and superintending ranks from 1 September 2017.	Increased consolidated pay by 1% and, for 2017/18 only, provided a 1% non-consolidated pay award
	London Weighting and Dog Handlers' Allowance to be uprated by 2% from 1 September 2017.	Increased London Weighting and Dog Handlers' Allowance by 1%
	The introduction of appropriate, targeted arrangements in 2017/18 to allow local flexibility for chief officers to make additional payments to police officers in hard-to-fill roles and in superintending ranks. This interim measure should have a time limit through to September 2020.	The Home Secretary welcomed this recommendation
	In order to support our consideration of pay and reward, the Home Office, NPCC and CoP should publish an integrated police workforce and pay reform plan through to 2020 which specifies the strands of reform, their purpose, lead responsibilities and the implementation strategy.	The Home Secretary looked to the CoP and the NPCC to take forward this work
4 <sup>th</sup> (2018)	The time-limited 1% non-consolidated pay award received by the federated and superintending ranks in 2017/18 to be consolidated onto all pay points for officers at these ranks with effect from 1 September 2018.	Rejected
	In addition to and following the first recommendation, a consolidated increase of 2% to all police officer pay points at all ranks from 1 September 2018.	Increased pay by 2%
	London Weighting and Dog Handlers' Allowance to be uprated by 2% from 1 September 2018.	Accepted
	Police forces to appoint apprentice constables on a starting salary of between £18,000 and pay point 1.	Accepted
	Following twelve months, and subject to satisfactory completion of Year 1 of their apprenticeship, apprentice constables to move to the next pay point on the existing police constable pay scale.	Accepted
5 <sup>th</sup> (2019)	A one-year pay award for all police officers in 2019/20.	Accepted
	A consolidated increase of 2.5% to all police officer pay points for all ranks from 1 September 2019.	Accepted
	Subject to further review in the next pay round, no change to the current arrangements for apprentice progression, namely that following twelve months, and subject to satisfactory completion of Year 1 of their apprenticeship, apprentice constables should move to the next pay point on the existing police constable pay scale.	Accepted
	Dog Handlers' Allowance should be uprated by 2.5% from 1 September 2019.	Accepted
	London Weighting should be uprated by 2.5% from 1 September 2019.	Accepted
	An increase in the On-call Allowance from £15 to £20 from 1 September 2019.	Accepted
6 <sup>th</sup> (2020)	A consolidated increase of 2.5% to all police officer pay points at all ranks from 1 September 2020.	Accepted
	The removal of the lowest point of the sergeants' pay scale from 1 September 2020.	Accepted

Report	Recommendation	Government response
	Dog Handlers' Allowance should increase by 2.5% from 1 September 2020.	Accepted
	London Weighting should increase by 2.5% from 1 September 2020.	Accepted
	The maximum rate of London Allowance should increase by £1,000 to £5,338 a year for officers appointed on or after 1 September 1994 and not receiving Replacement Allowance.	Accepted
7 <sup>th</sup> (2021)	The minimum rates for Police Constable Degree Apprentice starting pay and pay point 0 of the constable scale are uplifted by £250, and that all officers with a basic salary above these minima but below £24,000 (on a full-time equivalent basis) should receive a consolidated pay award of £250.	Accepted
8 <sup>th</sup> (2022)	A one-year award for police officers in 2022/23.	Accepted
	A consolidated increase of £1,900 to all police officer pay points for all ranks.	Accepted
	The Police Constable Degree Apprentice (PCDA) minimum should be raised to pay point 0 (£23,556 from 1 September 2022).	Accepted
	London Weighting and the Dog Handlers' Allowance should be uplifted by 5%.	Accepted
	Parties should review the requirement and appropriate level for the Dog Handlers' Allowance.	Accepted
9 <sup>th</sup> (2023)	A consolidated increase of 7% to all police officer pay points for all ranks up to and including assistant chief constable and commander.	Accepted
	The removal of pay point 0 of the constable pay scale.	Accepted
	Point 3 of the chief superintendent pay scale to be uplifted by £2,838 from 1 September 2023 and £2,837 from 1 September 2024. These uplifts are to be made before the application of the respective pay awards for these years.	Accepted
	London Weighting to be uprated by 7%.	Accepted
	Dog Handlers' Allowance to be uprated by 7%.	Accepted
	The introduction of a new pay structure for those appointed as a chief constable or deputy chief constable from 1 September 2023 comprising three pay points for chief constables, and with deputy chief constable pay set at 82.5% of equivalent chief constable pay. Any chief constable or deputy chief constable who resigns or retires from the police service, and is subsequently reappointed to the same post within the same force, is to be reappointed on no more than their previous salary.	Accepted in principle subject to the development of a full and coherent implementation plan
	A consolidated increase of 5% to all existing chief constable and deputy chief constable pay points from 1 September 2023. To start the transition between the existing and new structures, where an existing pay point remains below the pay for the same post in the new pay structure, that pay point is to receive an additional consolidated award of up to 2%, such that the overall uplift does not exceed 7%.	A consolidated uplift of 7% for all chief officers

Report	Recommendation	Government response
	Policing parties to bring forward proposals to improve the independence, transparency and consistency of determining and reporting on chief officer pay and allowances. We expect this to include proposals on how to place, in the public domain on an annual basis, a consistent set of data on the total pay and allowances received by each chief officer in each force.	Accepted
	A consolidated increase of 5% to the pay points of all chief officers in the Metropolitan Police Service and the City of London Police above the rank of commander.	A consolidated uplift of 7% for all chief officers in London
	A consolidated increase of an additional 2% to the Metropolitan Police Service deputy assistant commissioner pay point in order to retain the link with deputy chief constable pay.	Effectively accepted by the award of a 7% uplift to all chief officers in London
	The Relocation Allowance for chief officers to be amended as proposed by the chief officer remuneration review. The impact of the scheme to be reviewed within three years of implementation.	Accepted in principle subject to the development of more detailed proposals
	Policing parties to bring forward next year additional proposals for a review of the existing power of Police and Crime Commissioners to increase and decrease base pay of chief constables by plus or minus 10% on appointment. As an interim measure, the Home Office to issue guidance to Police and Crime Commissioners advising them against exercising their power to vary starting salaries on appointment until the review is concluded.	The Home Secretary said they were content to receive proposals on this but rejected the recommendation that the Home Office should issue guidance to PCCs advising them against exercising their power to vary starting salaries on appointment until the review is concluded
	The National Police Chiefs' Council to provide an interim report by 30 November 2023 on its progress to develop a long-term pay and reward strategy. This should include an update on the work on constable base pay and the back-to-first-principles review of the P-factor.	Accepted

# Appendix B – Home Secretary's Remit Letter



**Home Secretary** 

2 Marsham Street London SW1P 4DF www.gov.uk/home-office

Zoë Billingham Chair Police Remuneration Review Body Windsor House 50 Victoria Street London SW1H 0TL

20 December 2023

Dear Zoë

#### POLICE REMUNERATION REVIEW BODY REMIT 2024/25

I would like to take this opportunity to thank the Police Remuneration Review Body (PRRB) for your work in the 2023/24 pay round and for your ninth report. The Government recognises the valuable role of the PRRB in reviewing police officer pay and the expert advice the Body provides.

I write to you now to formally commence the 2024/25 pay round, and I refer to the PRRB the following matters:

- how to apply the pay award for 2024/25 for all police officers in ranks up to and including chief superintendent.
- to provide commentary on the National Police Chiefs' Council's schedule for a review of allowances, including the proposed timescales and priority order, and taking into consideration views from policing stakeholders.

In 2023/24, the Pay Review Bodies recommended historically high pay awards for their respective workforces in light of the extraordinary macroeconomic context. Accepting these recommendations, whilst not increasing borrowing, required tough decisions. It is vital that the Pay Review Bodies consider the historic nature of the 2023/24 awards and the Government's affordability position that will be set out further in written evidence.

In reaching your recommendations, I would also ask you to have regard to the standing terms of reference set out at: <u>https://www.gov.uk/government/organisations/police-remuneration-review-body/about/terms-of-reference</u>

Thank you for your hard work in this important area. I look forward to receiving your report in May 2024.

**Rt Hon James Cleverly MP** 

# Appendix C – Summaries of Parties' Written Evidence

C.1 We have set out below our summaries of the written evidence provided to us this year.

# **Home Office**

- C.2 The Home Office drew attention to the long-term downward trend in crime while highlighting recent increases in computer misuse and criminal damage. It also pointed to data that gave an insight into lower-volume but higher-harm crimes. While these showed a recent decrease in the number of homicides, there had been increases in robbery offences and offences involving knives and firearms.
- C.3 With regard to public confidence in policing, the Home Office described various reviews it had commissioned which were designed to tackle areas that were perceived to be undermining public confidence. These included the outcome of an internal review into the process of police officer dismissals.
- C.4 The Home Office highlighted the success of the Uplift Programme: 3,000 more officers protecting communities than in 2010. It outlined the financial (£425 million for 2024/25) and non-financial resources it was providing to assist forces in maintaining officer numbers at Uplift Programme levels. These included the Uplift Hub which the Home Office described as a valuable online resource for forces that contained learning, insights and best practice. The Home Office also provided an update on entry routes to the police service and the issues around direct entry.
- C.5 It pointed out that voluntary resignation rates at around 3% were low compared to other sectors. However, it highlighted that in the year ending 31 March 2023 there was an increase of 13.2% in police leavers (excluding transfers) on the previous year. The Home Office note that around 43% of those leavers retired. The Home Office explained that increased leaver rates could mostly be attributed to the changing profile of the police service. The Home Office pointed out that it was common across many sectors and professions that leaver rates were higher within an individual's first year in employment. It noted that NPCC management information showed that for new police officers, leaver rates remained consistent at 10%. It noted that the Uplift Programme meant that, overall, the police officer workforce had a larger proportion of new recruits with less than two years' service. The Home Office concluded that a larger proportion of officers were at the stage where leaver rates are higher.
- C.6 The Home Office asserted that the police officer workforce was now more representative than it had ever been but that more could be done to attract and recruit officers from black communities. It described work that it had undertaken to reduce the barriers to certain groups joining the police service.

- C.7 The Home Office set out progress on the Police Covenant and reported that it continued to fund the National Police Wellbeing Service, with a further £3 million of funding provided for the financial year ending (FYE) 2024.
- C.8 The Home Office asked that we have regard to HM Treasury's economic evidence, and it set out the current economic context. The Home Office emphasised the importance of ensuring that inflation returned to the Government's 2% target. It explained that funding for the police system would rise by up to £842.9 million when compared with 2023/24, bringing the total settlement for 2024/25 up to £18.4 billion. It said that, for PCCs, this would mean an increase of up to £922.2 million when compared with 2023/24 (assuming the take up of the full precept flexibility), taking total funding for PCCs up to £16.4 billion. The Home Office told us that this increase was to support forces in meeting the costs of the 2023/24 pay award, assist forces with the costs arising as a result of changes to employer pension contributions and to support forces in managing inflationary pressures in 2024/25. The Home Office warned that it did not include provisions for the cost pressures of future pay awards.
- C.9 The Home Office set out in detail the internal prioritisation to fund the 2023/24 and 2022/23 pay awards. It noted that there was no scope for further reprioritisation of Home Office budgets without significantly further impacting on the outcomes that it could deliver for the public, including within forces, crime reduction programmes, centrally funded police technology and capabilities programmes, and the wider work of the Home Office.
- C.10 It noted that the impact and affordability of a pay award would vary by force. It warned that an unfunded pay award was likely to significantly impact on forces' ability to maintain officer and staff numbers. This would lead to increased reverse civilianisation and consequently risk a reduction in the size of the workforce. As a result there would likely be a reduction in the effectiveness of policing by impacting frontline response and productivity.
- C.11 The Home Office said the award given to the police service in 2023/24 was historically high. It also provided an update on police pensions and set out the competitiveness of the overall remuneration package for police officers. As part of that, it stated that median total earnings for police officers remained competitive when compared with the private sector, professional occupations, and managers, directors and senior officials. It also asked that in making recommendations on the remuneration for officers in the federated and superintending ranks we had regard to the views of the Senior Salaries Review Body (SSRB) in respect of chief officers.
- C.12 The Home Office also highlighted that it expected to see police forces delivering over £100 million of cashable efficiency savings from force budgets by 2024/25. It reported that it was currently exploring with police forces the recommendations made by the Policing Productivity Review to determine how they could be

implemented to reduce the burden on officers and free up additional time and capacity for forces.

- C.13 The Home Office drew attention to the NPCC's schedule for a review of allowances and noted that the Home Secretary's remit letter asked us to provide commentary on the schedule. The Home Office told us that any increases to allowances in 2024/25 or London Weighting would need to be funded from within existing allocations and that would affect the overall affordability of a pay award. The Home Office asked that when considering allowances that also apply to chief officers, we had regard to the views of the SSRB.
- C.14 The Home Office provided a brief update on work to review and strengthen the consistency of Targeted Variable Pay (TVP). It also set out the work it was doing with the Police Consultative Forum to ascertain whether amendments were needed to police regulations to take account of the Carer's Leave Act 2023 and the Neonatal (Leave and Pay) Act 2023.

#### **HM Treasury**

- C.15 HM Treasury's evidence set out the economic, labour market and fiscal context within which it asked Pay Review Bodies to consider their recommendations for 2024/25 pay awards.
- C.16 HM Treasury told us that departments were facing their tightest year of this Spending Review period. It said that departments had faced two years of aboveaffordability pay awards, alongside an array of other pressures, including from inflation, as the economy had moved on from forecasts available at the time budgets were set in 2021. It explained that expenditure on pay for workforces covered by Pay Review Bodies was set to be around £10 billion more than planned in 2024/25, even before 2024/25 awards were considered. HM Treasury therefore considered it vital that Pay Review Bodies considered the historic nature of the pay awards delivered over 2022/23 and 2023/24 and the Government's affordability position when forming their recommendations.
- C.17 HM Treasury advised that the overall public sector remuneration package remained competitive when accounting for pay, pensions and wider benefits such as job security. It highlighted that median pay remained higher in the public sector, pensions continued to be substantially more generous, while redundancies remained concentrated in the private sector.
- C.18 HM Treasury said that recruitment and retention trends across Pay Review Body workforces had improved over the last year following an initial deterioration after the pandemic, with vacancies falling and headcount increasing across public-sector-facing industries both in absolute terms and relative to private-sector-facing industries. It recognised that vacancies across the economy remained elevated but said they were expected to continue to ease, and that Pay Review Body workforces

had been further supported through the pay awards delivered for 2023/24 and an array of non-headline pay measures that had been delivered or committed to. HM Treasury were cognisant that recruitment and retention pinch-points remained, but told us these were generally limited to specific areas of workforces, as opposed to being broad-based.

- C.19 HM Treasury highlighted that the economy had faced an unprecedented series of shocks in recent years, which had driven up inflation through higher energy prices and led to a subsequent increase in domestically generated inflation. It advised that action taken by the Bank of England to bring inflation back to target was working but had inevitably led to slower growth over the past 18 months. It cited OBR forecasts for an increase in unemployment through this year and next. HM Treasury also pointed out that wage growth had started to ease from its historically high levels and was forecast to fall below 4% this year and to around 2% in 2025.
- C.20 HM Treasury reflected that inflation had fallen significantly since its peak in October 2022 but remained elevated having proven more persistent than expected. It said that inflation was forecast to continue to fall in 2024/25. It stressed that there remained considerable uncertainty over the outlook and that the Bank of England's Monetary Policy Committee had judged that risks remained skewed to the upside, in the short term. HM Treasury added that interest rates had increased to their highest levels in over fifteen years, increasing costs for households, businesses and the Government. It told us that significantly increasing borrowing would create further inflationary pressures, potentially necessitating interest rates to remain higher than currently expected. HM Treasury advised that continued fiscal consolidation was necessary to limit inflationary pressures and get debt falling and reduce the deficits that arose from pandemic- and energy-related support. It told us that evidence indicated the possibility of short-run spillovers from public sector pay growth to the private sector, which could also impact on inflationary pressures.

# NPCC

- C.21 The NPCC told us that the Crime Survey for England and Wales, which remained the best estimate of long-term crime, showed a long-term reduction in all crime excluding fraud and computer misuse. However, it explained that the complexity of crimes being investigated was increasing. The NPCC pointed out that data also showed that workload per officer exceeded 2010 levels. The NPCC noted that meeting public expectations and rebuilding trust and confidence remained a police priority. It highlighted data that showed public confidence in policing had fallen and remained low.
- C.22 The NPCC observed that at a national level, following the Uplift Programme, the number of officers had increased, but it pointed out that numbers remained below 2010 levels for many forces. It told us that the majority of forces (27 out of 43) had seen a reduction in officers per capita since 2010 and nationally the total workforce

number (officers and staff) was below 2010 levels. At various points in its evidence, the NPCC highlighted the risks of reverse civilianisation. The NPCC pointed out that one in five officers were currently in training and 40% of the workforce had under than five years' service.

- C.23 The NPCC also told us that there was some evidence of a slowing of interest in joining the police. It drew attention to the introduction of the two-year non-accredited Police Constable Entry Programme in April 2024. It explained that half of all officers were expected to join through this route in 2024/25. This would mean a significant shift away from existing apprenticeship schemes.
- C.24 The NPCC highlighted the progress made in respect of overall female and ethnic minority representation since 2010. It noted that the representation of ethnic minority officers through the ranks was progressing slowly. In the year ending March 2023 of those promoted (all ranks), 7.6% identified themselves as ethnic minority. The NPCC explained that this was below the overall workforce level and down on the previous year (9.5%).
- C.25 The NPCC told us that just under half of those leaving the service did so on retirement and the remainder of the attrition was due to voluntary resignations. It explained that this was being driven by the service profile. Over half of officers who voluntarily resigned did so in the first two years and just under three quarters in the first five years. The NPCC observed that attrition was, and would continue to be, significantly affected by the shape of the workforce. It explained that in 2016, around 15% of the workforce had under five years of service but this had more than doubled by March 2023. It asserted that long-term modelling predicted retirement rates declining along with resignations as the profile of the police service returned to normal with the conclusion of the Uplift Programme. It highlighted evidence that suggested pay remained low as a reported reason for resignations. However, it added that an indication of pay increasing as a factor in retention might be the levels of officers opting out of the police pension scheme and the levels of dissatisfaction with pay in the Wellbeing Survey.
- C.26 The NPCC reported that more than one in ten officers were on long-term sick absence, restricted or adjusted duties as at March 2023. It observed that most citizens would experience three or four potentially traumatic events in their lifetime, whereas each police officer was likely to experience between 400 and 600 in their policing career. It also highlighted the dissatisfaction with pay demonstrated by the results of the 2022 Wellbeing Survey.
- C.27 The NPCC evidence set out the police funding for 2024/25 which, assuming full take up of precept flexibility, meant that overall police funding available to PCCs would be £18.4 billion, an increase of £1.2 billion on 2023/24. However, the NPCC pointed out that as a result of the Uplift Programme there would be an additional £0.25 billion in salary costs in the next three years. The NPCC also highlighted a 2023 survey of

police finance that revealed that policing has a deficit of around £3 billion. It reported that most forces had planned deficits in the short term which would require efficiency and savings plans estimated to total £1 billion. The NPCC explained that central funding (above 2.7%) was made available to forces for the 2023/24 pay award but it was proportioned by grant, which resulted in 18 forces' pay awards not being fully funded. The NPCC noted that forces had on average built 2.5% into budgets for pay growth for 2024 and 2% for the following years. The NPCC also drew attention to the inflexibility created by ringfenced budgets tied to a growth in police officer numbers.

- C.28 The NPCC stated that that the 7% uplift in 2023 had only made small inroads into the long-term pay erosion since 2010, which it said now stood at 16.3%. The NPCC asserted that the decline in real-terms pay undermined the psychological contract that existed, and it was keen to examine scope for pay restoration as well as its proposals on constable pay.
- C.29 The NPCC evidence included a joint statement it made with the Chief Police Officers' Staff Association (CPOSA) and PSA. This sought a funded, above-inflation pay award applied equally across all ranks, together with a recommendation for a longer-term strategy linked to a future multi-year settlement aligned to the next Comprehensive Spending Review (CSR) that would continue to reduce the realterms pay cuts. The statement noted that inflation was 6.7% in September 2023. In its submission, the NPCC asked that the pay award recognised the need to address cost-of-living pressures, and the need to make continued inroads into reversing realterms pay cuts. It also asked us, in setting this percentage, to consider three interrelated elements of: inflation, societal contribution, and the need to attract and retain the best. The NPCC pointed out that although the 7% uplift was higher than some other parts of the public sector it was concerned that police base pay was not sufficiently competitive in the labour market. To support its pay proposal, the NPCC evidence set out the result of benchmarking work on salaries and total remuneration undertaken by Korn Ferry. This included comparisons with other key public sector organisations.
- C.30 The NPCC said it acknowledged the challenge for us in balancing any recommendation against affordability. The NPCC warned that if funding for this year's pay award was again proportioned by grant, additional targeted support would be required for the forces worst affected by a funding shortfall. The NPCC proposed that it and the Home Office have a discussion about the impact of funding mechanisms in relation to the 2024/25 pay award.
- C.31 The NPCC proposed the removal of pay point 1 of the constable pay scale and requested additional funding for forces to support the change. It explained that it was currently undertaking a survey with chief officers to understand the appetite for flexibility of pay on entry and training.

- C.32 The NPCC set out its plans for a three-year review of allowances commencing in FYE 2025. The NPCC explained that following pressure from the Police Federation of England and Wales and the PSA it had considered whether any additional enhancement was needed to any of the allowances in advance of the review. The NPCC concluded that the only case where such an enhancement was merited was the On-call Allowance which it proposed should be raised from £20 to £25.
- C.33 On the Dog Handlers' Allowance, the NPCC provided an update on the second part of its review which focused on payments made to dog handlers with an additional dog. The NPCC proposed that the allowance to officers for an additional dog should be raised from 25% of the first dog allowance to 60%.
- C.34 The NPCC explained that the current annual leave policy was established in 2004. It sets out its proposals to reduce the time it takes the federated ranks to reach the maximum annual leave entitlement, from 20 to 10 years. The NPCC told us that it planned to transition to the new policy over a three-year period with implementation commencing on 1 April 2025. The NPCC also explained that it intended to carry out a review after two years, with a view over time for officers to reach their maximum leave allocation at five years.
- C.35 The NPCC described the changes to the police pension scheme and set out the implications of the remedies to the discrimination identified in the McCloud/Sargeant legal case and the new pension scheme. It outlined the results of recent surveys into the reasons for officers opting out of the pension scheme. The NPCC floated the idea of a more flexible contribution rate.
- C.36 In response to issues raised in our 2023 Report and in line with its interim report, the NPCC evidence briefly described the discussions it had been having with the Home Office and the College of Policing about a workforce plan that would inform a future CSR. It explained that the discussions had focused on how such a comprehensive plan would be commissioned, funded and delivered. The NPCC described its work on a reward strategy in advance of the development of a workforce strategy. The joint statement from the NPCC and staff associations sought a recommendation for a longer-term strategy linked to a future multi-year settlement aligned to the next CSR. It stated that the aim would be to continue to reduce the real-terms pay cuts.
- C.37 The NPCC told us that it planned to bring forward costed proposals for a wider review of constable pay in its next submission to us. In addition, in its medium-term workplan it set out its intention to, over a three-year period, review the coherence of the police pay scales across all ranks to ensure the career ladder enabled effective progression and movement in line with the reward framework and developing reward strategy. That work would include looking at the pay of the inspecting ranks.
- C.38 The NPCC evidence included a source document which brought together information on the P-factor. The NPCC told us that it had revised the methodology

and moved to a more conventional approach to the P-factor and benchmarking. The NPCC explained that chief constables had recently reviewed and endorsed the descriptors, the methodology for, and valuation of, the P-factor.

- C.39 The NPCC set out the findings of a review of the first few months of the operation of the Pay Progression Standard (PPS). The review showed that the PPS had helped drive Performance Development Review completions but a further assessment of how it was driving quality was needed. The NPCC explained that forces were reviewing their local policies to ensure they were operating in accordance with national guidance and to ensure appropriate monitoring was in place. The NPCC also told us that a central team was working with forces to support data extraction and support equality impact assessments. Additional guidance and workshops were being organised to improve forces' understanding of the service's overall ambition for the PPS and to explain how it would impact on service modernisation.
- C.40 The NPCC also told us that once there was more consistent application of the PPS, the service would consider how it could be used to further support professionalism through pay mechanisms, in line with the developing reward framework. It explained that work would begin on scoping possible areas in 2024 and a twelve-month evaluation of the PPS would be undertaken.
- C.41 The NPCC set out the results of a review it had undertaken of the implementation and effectiveness of TVP in driving skills, recruitment and retention. The NPCC told us that TVP was seen as a cost-effective mechanism and part of a wider recruitment and retention strategy. The NPCC reported that it had submitted a business case to the Home Office to make TVP permanent and that the Home Office had agreed a further extension of the temporary determination to enable collection of a full twelve months of data and to adopt lessons learnt into the existing framework. The NPCC also set out its plans for a further review and to introduce measures to improve consistency.

# APCC

- C.42 The APCC described the role of the PCCs and their contribution to policing. The APCC told us that it supported the joint statement to the PRRB made by the NPCC, CPOSA and PSA.
- C.43 It explained that it agreed with the other policing parties that for 2024/25 there should be an above-inflation pay award. It endorsed the proposal that we should recommend a longer-term pay strategy linked to a future multi-year settlement aligned to the next CSR. It said that this settlement should continue to reduce the real-terms decline in police pay.
- C.44 The APCC emphasised the risks posed to the police service of an unfunded pay award. It asserted that it would almost certainly lead to cuts in the numbers of police staff which would divert police officers from the front line, in addition to reduced

levels of asset investment. It confirmed the joint statement's assertion that central funding was needed to support the pay award, and that affordability needed to consider not just the national context but pressure points in individual forces.

C.45 The APCC also endorsed the NPCC's proposals for both a wider review of the police pay structure, underpinned by a longer-term work plan and people strategy, and its plan to review police allowances.

## MPS

- C.46 The MPS described the challenges it faced in terms of the growing complexity of demand. It set out the particular demands it faced in London and drew a comparison between its resources and those of some other city police departments in other countries. The MPS set out the particular demands it faced in London including to deliver a 'New Met' for London alongside responding to the Baroness Casey report.
- C.47 The MPS expressed concern about the economic climate in relation to the recruitment and retention challenges it faced. It pointed out that accommodation, general shopping and childcare costs in London were higher than in other parts of the UK. It cited a comparative exercise with Birmingham showing consumer prices (excluding rent) were 39.2% higher, restaurant prices were 50.6% higher and groceries were 28.5% more expensive. The MPS evidence also contained the early results of a survey that highlighted the financial pressures facing officers.
- C.48 The MPS highlighted some of the barriers to expanding frontline officer numbers created by the inflexibility of ring-fenced funding. It reported that by the end of 2023/24 the MPS would be 1,400 officers short of its Uplift Programme target and the applications for police constable roles were falling. It told us that police constable application numbers had continued to decline throughout 2023/24: about 800 per month which was around 30% of the level required for growth. It set out the particular recruitment challenges it faced and called for an independent, cross-department review of the specific challenges for the public sector recruiting in London.
- C.49 The MPS reported that attrition rates were becoming unpredictable and that voluntary resignations had risen and were tracking national rates. It said that they remained particularly acute in the early years. The MPS set out the operational risks of it failing to recruit and retain sufficient officers.
- C.50 The MPS set out its budgetary position, stating that it had no flexibility to go beyond an uplift to pay of 2% in 2024/25 without securing additional funding. Its evidence set out some of the additional costs associated with policing the capital. Like the NPCC, it also highlighted problems created by ring-fencing budgets linked to increasing police officer numbers.

- C.51 The MPS endorsed the NPCC's analysis of the 16% decline of pay in real terms over recent years, and the NPCC proposal for an above inflation pay rise in 2024/25. However, it pointed out that this would not be sufficient to address the recruitment and retention challenges facing the MPS. It highlighted data which showed the particular challenges it faced in terms of London salaries. It proposed that starting salaries were set locally by chief officers up to the current pay point 2 of the constable pay scale.
- C.52 The MPS told us that it supported the NPCC plan to review allowances and increase the On-call Allowance from £20 to £25. However, it expressed concern about the pace of the process. The MPS offered up resources to facilitate an early review of the London Allowance and South East Allowance. It set out the decline in real terms of the London Allowance since 2000 and noted that an additional £1,891 per officer would be needed to address this. Given the recruitment crisis in London and cost-of-living pressures, it proposed that we increase London Weighting by £2,000. It observed that the future of London Weighting could then be adjusted after the NPCC review of allowances.
- C.53 The MPS reported that it supported the NPCC's proposal to raise the allowance for officers with a second dog from 25% of the first dog allowance to 60%. It also told us that it agreed with the NPCC's plan to reduce the time it took the federated ranks officers to reach the maximum annual leave entitlement.
- C.54 With regard to pay reform, the MPS stated that it must be properly funded and supported by a coherent pay strategy. The MPS committed to push real reform at pace. The MPS told us that it would like a review of the PPS to lead to it being extended to those at the top of the pay scales possibly by the inclusion of an additional payment for those who met the PPS criteria. The MPS argued that in future the PPS had a role to play in pay progression and supporting professionalism. It also suggested that the PPS could, as an alternative to TVP, provide options for differential pay to recognise skills that were in short supply.
- C.55 The MPS welcomed the NPCC's intent to review the constable pay progression framework. It asserted that increments must be reduced in number and linked to attainment of capability and competence, ideally addressing key attrition points. It would like the work to be linked to the PPS to enable accelerated progression or slower progression based on capability and performance. The MPS would also like the review to consider whether a single pay scale was still relevant: "It must consider pay differentiation for specific, in demand, skills. It must work in concert with a wider review of location allowances and consider if regional pay scales are more desirable."

#### PSA

C.56 The PSA set out the issues it had requested be included in the Home Secretary's remit letter to us. These included a review of mileage allowances and the On-call

Allowance. It also requested that TVP be reviewed and consideration be given as to whether the TVP regulation should be made permanent.

- C.57 While noting the drawbacks of the NPCC's proposal for a three-year rolling review of allowances, the PSA explained that it accepted the NPCC's proposed approach because of the resource constraints on the NPCC's National Reward Team. However, it highlighted its concerns that the process of actually reviewing allowances would not commence until September 2024. The PSA set out the discussions it had undertaken with the NPCC in order to mitigate the delay. It explained that this included action on the On-call Allowance.
- C.58 The PSA set out the background and history of the On-call Allowance which it pointed out had not being uplifted since 2019. It highlighted a comparative analysis of other on-call payments in the private and public sectors produced by Incomes Data Research. Its evidence also included over 75 impact statements from superintendents. These detailed the impact on family life, sleep, childcare costs, health and finances. The PSA also highlighted that police officers serving in Police Scotland received an on-call allowance of £28.92 per period and that police staff in England and Wales were covered by a Police Staff Council agreement of £32.23 for certain defined periods.
- C.59 The PSA proposed that we recommend to the Home Secretary, that the 24-hour on call rate be increased to £60 for the superintending ranks (which after income tax at the higher rate of 40% would amount to £36 net per 24-hour period of on call), and in addition that the allowance became reckonable for pensionable purpose.
- C.60 The PSA set out the history of TVP which following a consultation had been extended until June 2024. The PSA reported that on the 21 November 2023 a business case had been sent by the NPCC National Reward Team to the Minister for Crime, Policing and Fire recommending that the TVP legalisation be made permanent. The PSA endorsed the proposals and requested that we formally support the NPCC's recommendation. It also put forward two additional proposals:
  - any change to the regulation around TVP should form part of the PRRB process; and
  - if there was any possibility that the current regulation be altered or not made permanent, then we should make a recommendation, that those officers receiving the payments, should receive at least twelve months' notice of the change to help manage any loss in income.
- C.61 The PSA set out its thinking on the P-factor. It explained that in its view the P-factor should be an additional amount applied after the benchmarking process had produced an outcome. It said that it was a premium that should be applied to recognise the intangible feeling/weight or responsibility that comes with being a police officer. The PSA suggested that valuing the P-factor would only be resolved

through a decision by us. It therefore asked that, we make a judgement on the value of the P-factor, that should be applied in addition to the salary produced through an agreed benchmarking process.

- C.62 With regard to a pay award for 2024/25, the PSA set out its analysis of pay and inflation between 2015 and 2023 concluding that pay for the superintending ranks had been supressed by between 13.2% and 12.6%. The PSA's evidence also included a copy of the joint statement on behalf of the NPCC, CPOSA and PSA. In line with that statement, the PSA sought a funded, above inflation pay award that was applied equally across all ranks, together with a recommendation for a longer-term strategy linked to a future multiyear settlement aligned to the next CSR that continued to reduce the real-terms pay cuts. The joint statement noted that inflation was at 6.7% in September 2023.
- C.63 The PSA also set out its response to the Home Office's consultation on Amendments to Annex F of the Police Regulations regarding the uplift to pay point 3 of the chief superintendent pay scale following the Government's acceptance of our 2023 recommendations. The PSA explained it had proposed a small amendment. It requested that we investigate the reasons behind the delay to the amendment of the Regulations.

# Appendix D – The Parties' Website Addresses

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

Home Office	https://www.gov.uk/government/publications/home-office- evidence-to-the-police-remuneration-review-body-2024-to- 2025
HM Treasury	https://www.gov.uk/government/publications/economic- evidence-to-the-pay-review-bodies-february-2024
National Police Chiefs' Council	https://news.npcc.police.uk/resources/cnt6o-bj205-f7e1q-vtfsf- 49uuc
Metropolitan Police Service	https://www.met.police.uk/SysSiteAssets/foi- media/metropolitan- police/priorities and how we are doing/corporate/written- evidence-police-remuneration-review-body-prrb- february2024.pdf
Association of Police and Crime Commissioners	https://www.apccs.police.uk/our-work/developing-our- workforce/
Joint submission from the Police Superintendents' Association and the Superintendents' Association of Northern Ireland	https://www.policesupers.com/news/superintendents- association-joins-with-chief-officers-and-other-policing- organisations-to-call-for-above-inflation-pay-award

# Appendix E – Our Analysis of Police Earnings and Workforce Data

#### Police earnings

#### Sources and context

- E.1 We have examined the annual earnings of police officers using results from the Annual Survey of Hours and Earnings (ASHE) run by the Office for National Statistics (ONS), and the Police Earnings Census run by the Home Office.
- E.2 The ASHE is a sample survey of employers covering 1% of employees on Pay As You Earn tax schemes. The results provide earnings estimates by a number of breakdowns, including sex, occupation, industry and region.
- E.3 Our analysis of ASHE focuses on the earnings of police officers and how they compare with other occupations across the economy. There are two occupational groups relating to police officers: the first covers constables and sergeants, while the second covers the inspecting, superintending and chief officer ranks. Our analysis focuses on the first group (constables and sergeants) as smaller sample sizes for the second group mean the uncertainty around earnings estimates is higher, and for some years the data are suppressed due to the level of uncertainty.
- E.4 The effects of the coronavirus (COVID-19) pandemic on the labour market, in particular wages and hours worked are likely to have affected the growth rates in ASHE data for 2020 to 2022, and the ONS advises focusing on long-term trends rather than year-on-year changes. In addition, response rates from 2020 onwards have been lower than previously due to data collection challenges during the pandemic and response rates not recovering afterwards. Therefore, ASHE estimates from 2020 onwards are subject to more uncertainty.
- E.5 The Police Earnings Census, conducted in its present form since FYE 2011, covers all police officers and permits detailed analysis of their earnings. 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.
- E.6 In our analyses of both these sources we focus on median<sup>28</sup> full-time<sup>29</sup> gross<sup>30</sup> annual earnings.

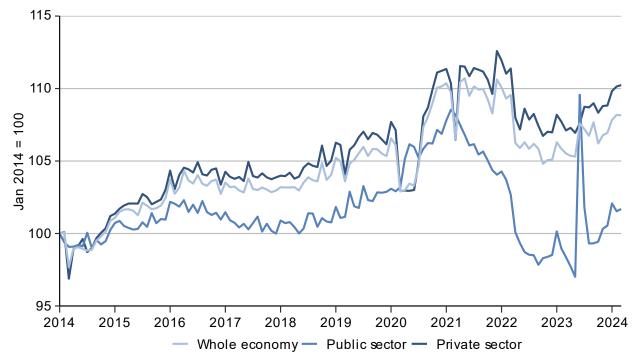
<sup>&</sup>lt;sup>28</sup> The median is the value below which 50% of workers fall. It gives a better indication of typical pay than the mean as it is less affected by a relatively small number of very high earners and the skewed distribution of earnings.

<sup>&</sup>lt;sup>29</sup> We focus on full-time earnings to control for any differences caused by different mixes of full- and part-time workers over time and between occupations.

<sup>&</sup>lt;sup>30</sup> That is before deductions for tax, National Insurance, pension contributions and any other deductions imposed by the employer.

E.7 Our analysis of police earnings should be seen in the wider context of a significant increase in the gap between private and public sector pay over recent years.Average Weekly Earnings in the private sector have grown by 10.2% in real terms since 2014, compared with an increase of just 1.7% in the public sector (Chart E.1).

Chart E.1: Real Average Weekly Earnings (January 2014 prices), by sector, 2014 – 2024



Source: OME analysis of Average Weekly Earnings, Consumer Prices Index, ONS.

#### Analysis

- E.8 We used ASHE data to compare the earnings of police officers (constables and sergeants) with: the whole economy; the associate professional occupations group (the occupational group which includes police officers); and professional occupations (which tend to be graduate professions).
- E.9 Our analysis showed that in the FYE 2023 the median full-time earnings of police officers decreased by 2.4% (£1,000, Chart E.2). This is likely to be caused by compositional effects as a result of the Uplift Programme and/or sampling effects. In FYE 2023, median full-time earnings rose for all three comparison groups (by 5.6% for the whole economy, 3.9% for professional occupations and 2.5% for associate professional occupations).

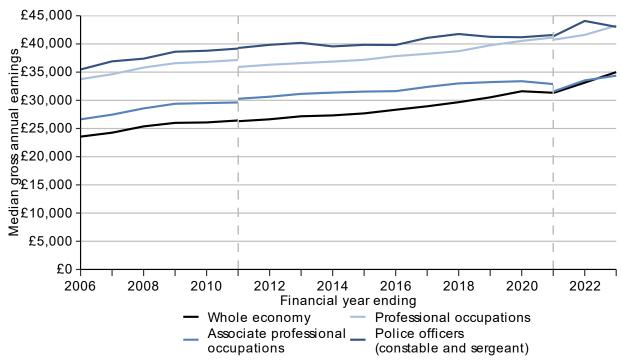


Chart E.2: Median full-time gross annual earnings, England and Wales, FYE 2006 – 2023

Source: OME analysis of Annual Survey of Hours and Earnings, ONS. Notes:

- There are discontinuities in the series due to changes to the Standard Occupational Classification in FYEs 2011 and 2021.

- Data for the latest year are provisional.

- The 'associate professional occupations' line represents 'associate professional and technical occupations' prior to the 2021 Standard Occupational Classification changes.

E.10 Median full-time gross annual earnings for police officers in FYE 2023 were 23% higher than in the whole economy (Chart E.3), 10 percentage points less than in FYE 2022. In FYE 2023, median full-time gross annual earnings for police officers were 25% higher than associate professional occupations (down from 31% in FYE 2022), and 0.5% lower than professional occupations (down from being 6% higher in FYE 2022).

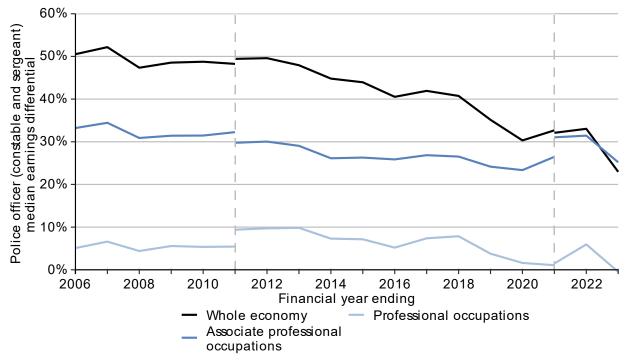


Chart E.3: Differentials between police officer full-time median gross annual earnings and those of other groups, England and Wales, FYE 2006 – 2023

Source: OME analysis of Annual Survey of Hours and Earnings, ONS. Notes:

- There are discontinuities in the series due to changes to the Standard Occupational Classification in FYEs 2011 and 2021.

- Data for the latest year are provisional.

– The 'associate professional occupations' line represents 'associate professional and technical occupations' prior to the 2021 Standard Occupational Classification changes.

- E.11 For a detailed analysis of police earnings we used the latest available Police Earnings Census data (covering FYE 2023). Median basic pay for full-time federated and superintending officers ranged from £39,200 for constables to £92,500 for chief superintendents (Chart E.4). Inspectors and chief inspectors are the only ranks to have different basic pay scales in London from elsewhere in England and Wales, resulting in higher median basic pay for those ranks in London.
- E.12 Median total earnings for full-time federated and superintending officers ranged from £42,300 for constables to £93,700 for chief superintendents outside London and from £50,100 to £99,000 in London (Chart E.4). Median total earnings are higher in London than the rest of England and Wales for all federated and superintending ranks, due to London-based officers receiving London Weighting and higher rates of Location and Replacement Allowances.

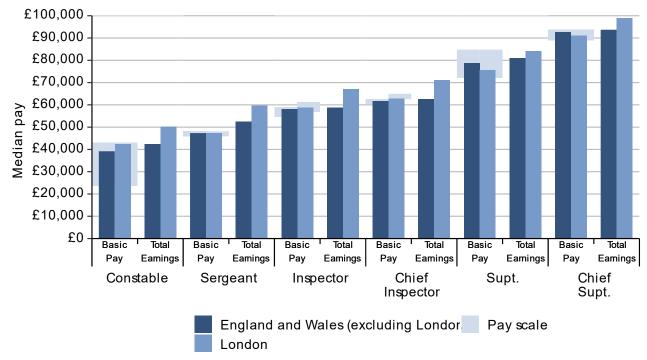


Chart E.4: Median basic pay and total earnings, by rank, full-time officers, England and Wales, FYE 2023

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

Note: Pay scales are from September 2022. The new pay scale is shown for constables, which contains the old pay scale within its range.

E.13 Median basic pay in FYE 2023 was close to the pay scale maxima for all the federated ranks. This is as a result of around half or more of officers being at the top of their respective pay scales (Table E.1). Nearly two-thirds of constables were on the new pay scale in March 2023, but just 3% of all constables were on pay point 0 of the new scale (which has since been removed). Inspector and superintendent were the only ranks to have fewer than half of officers at the pay scale maximum.

	Constable (old scale)	Constable (new scale)	Sergeant	Inspector	Chief Inspector	Supt.	Chief Supt.
0*		3%	_	19%	_	_	_
1		12%	_	20%	22%	21%	28%
2		9%	16%	15%	28%	24%	22%
3		8%	17%	46%	50%	18%	50%
4		8%	67%	_	_	37%	_
5		5%	_	_	_	_	_
6*		5%	_	_	_	-	_
7*		12%	_	_	_	_	_
8			_	_	_	_	_
9*	1%		_	_	_	_	-
10	37%		_	_	_	_	_
Total	38%	62%	100%	100%	100%	100%	100%

#### Table E.1: Distribution of officers on pay scales, England and Wales, March 2023

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

– Percentages represent proportions of all officers in each rank – where there are two pay scales for a rank, percentages have been calculated based on the total number of officers across both pay scales.

- '..' represents a non-zero percentage less than 0.5%.

- '-- ' represents non-applicable pay points.

\* Pay points 6, 7 and 9 were removed from the old constable pay scale on 1 April 2014, 2015 and 2016 respectively. Pay points 0 and 1 were removed from the sergeant pay scale on 1 April 2014 and 1 September 2020 respectively. Pay point 0 was removed from the new constable pay scale on 1 September 2023.

- E.14 Our assessment of police earnings included the proportion of full-time officers in receipt of specific allowances and overtime (Table E.2) and the median annual values of those payments for officers in receipt of the particular payments (Table E.3). Key observations include:
  - The vast majority of eligible officers received Unsocial Hours Allowance (93% at the constable rank, although the proportions decreased as rank increased) and overtime payments (94% of both constables and sergeants).
  - The proportion of officers receiving overtime was slightly higher than the previous year (up 1.9 percentage points for constables and 2.3 percentage points for sergeants). The median amount of overtime was around £190 (8%) higher than in FYE 2022 for constables, and around £570 (14%) higher for sergeants.
  - The proportion of officers who received Replacement Allowance (available to officers who joined the police before September 1994) fell with rank, from 19% of chief superintendents to just 1% of constables. As might be expected with a legacy payment, all ranks saw a decrease in the proportion of officers in receipt of Replacement Allowance compared with the previous year.

- The percentages of officers receiving Location Allowances and London Weighting reflected the proportions of officers working in London and the South East (excluding those receiving Replacement Allowance in South East forces).
- Just over half of chief superintendents received Recognition of Workload Payments<sup>31</sup> (intended to be paid when the demands placed on the officer exceed those usually placed on other officers of the same rank) with a median value of £4,000.
- Very few officers received Away from Home Overnight and Hardship Allowances, or Service Critical Skills Payments.

	Constable	Sergeant	Inspector	Chief Inspector	Supt.	Chief Supt.
Location Allowance	43%	45%	43%	41%	39%	38%
London Weighting	27%	30%	28%	24%	26%	22%
Replacement Allowance	1%	3%	8%	9%	18%	19%
Unsocial Hours Allowance	93%	91%	82%	70%	_	-
Away from Home Overnight Allowance	7%	7%	5%	5%	-	_
Hardship Allowance	1%	1%	-	-	-	_
On-call Allowance	7%	17%	38%	63%	82%	74%
Service Critical Skills Payment	8%	7%	4%	-	-	_
Recognition of Workload Payment	_	-	-	-	12%	53%
Overtime	94%	94%	_	-	_	-
Other payments (e.g. Dog Handlers', secondment allowances)	26%	27%	31%	39%	43%	42%

# Table E.2: Percentage of full-time officers in receipt of additional pay components,by rank, England and Wales, FYE 2023

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

Notes:

- Percentages relating to fewer than 30 officers are suppressed.

- Forces that did not provide data for a pay component are excluded from the denominator for that component.

<sup>&</sup>lt;sup>31</sup> Recognition of Workload and Service Critical Skills Payments are collectively referred to as Targeted Variable Pay (TVP).

	Constable	Sergeant	Inspector	Chief Inspector	Supt.	Chief Supt.
Location Allowance	£4,338	£4,338	£4,338	£4,338	£4,338	£2,792
London Weighting	£2,643	£2,643	£2,643	£2,643	£2,643	£2,643
Replacement Allowance	£2,845	£2,859	£2,845	£2,692	£2,845	£2,752
Unsocial Hours Allowance	£527	£569	£262	£94	_	_
Away from Home Overnight Allowance	£250	£250	£250	£225	-	-
Hardship Allowance	£180	£90	-	-	_	_
On-call Allowance	£620	£680	£700	£720	£860	£830
Service Critical Skills Payment	£750	£850	£850	-	_	_
Recognition of Workload Payment	-	-	-	-	£2,311	£4,000
Overtime	£2,714	£4,534	-	-	-	_
Other payments (e.g. Dog Handlers', secondment allowances)	£306	£526	£104	£337	£1,239	£1,239

Table E.3: Median value of additional pay components, full-time officers in receipt of relevant payments, by rank, England and Wales, FYE 2023

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

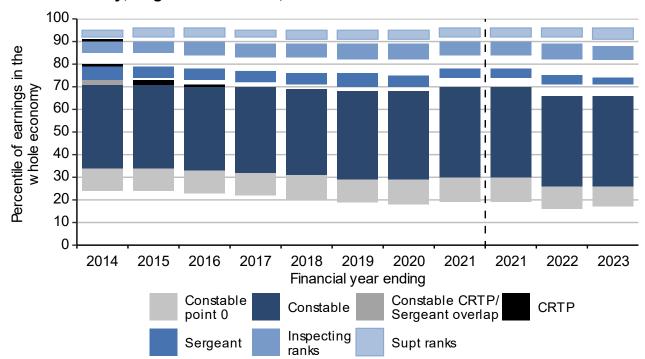
Note: Estimates relating to fewer than 30 officers are suppressed. Zero allowances are ignored in calculation of the medians. Estimated overtime values exclude forces where one or more components of overtime pay were missing from the Police Earnings Census.

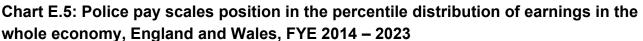
#### **Police pay scales**

Police pay scales relative to the distribution of earnings in the wider economy

- E.15 The differentials between police earnings and earnings in the wider economy shown earlier in Chart E.3, focused on the median earnings of police officers. However, changes in the median can reflect changes to workforce composition as well as changes to actual earnings.
- E.16 A different way to compare police pay with the wider economy is to look at changes in the pay scales relative to the earnings distribution in the wider economy (Chart E.5).
- E.17 Between FYE 2014 and 2023, the bottom of the constable pay scale (excluding the apprenticeship minimum) dropped from the 24<sup>th</sup> percentile of whole economy earnings to the 17<sup>th</sup> percentile. That is to say that a new constable on point 0 in FYE 2014 had a starting salary that was higher than the earnings of 24% of employees in the whole economy, whereas in FYE 2023 the starting pay of an equivalent new starter was higher than the earnings of 17% of employees. This pattern is similar when looking at point 1 of the constable pay scale (which has dropped from the 34<sup>th</sup> percentile to the 26<sup>th</sup>) and at the top of the constable pay scale (which dropped from

the 73<sup>rd</sup> percentile to the 66<sup>th</sup>, when the Competence Related Thresholds Payment (CRTP)<sup>32</sup> is included and from the 71<sup>st</sup> to the 66<sup>th</sup> percentile when it is excluded).





Source: OME analysis of police pay scales and Annual Survey of Hours and Earnings, ONS. Notes:

- Pay scales are as from 1 September in each financial year.

– CRTP has been included in the scales for constables, sergeants and the inspecting ranks from FYE 2014 to 2016 as this was effectively an extra pay point on the scales.

– In FYE 2013 and 2014 the bottom point of the sergeant pay scale was equal to the top point of the constable scale excluding CRTP.

- The ranges shown for the inspecting ranks cover both the national and London pay scales.

There are discontinuities in the series due to changes to the Standard Occupational Classification in FYE 2021.

- Data for the latest year are provisional.

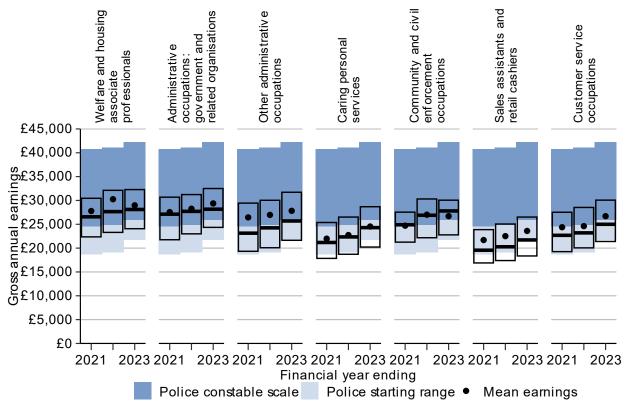
E.18 The bottom of the sergeant pay scale has been less affected, owing to the removal of the bottom pay point in 2014 and 2020. However, the top of the scale has reduced from the 80<sup>th</sup> percentile (79<sup>th</sup> percentile excluding CRTP) in FYE 2014 to the 74<sup>th</sup> percentile in FYE 2023. The inspecting ranks have seen the minimum fall from the 85<sup>th</sup> percentile to the 82<sup>nd</sup>, and the maximum fall slightly from the 91<sup>st</sup> (90<sup>th</sup> excluding CRTP) to the 88<sup>th</sup>. The superintending ranks have been broadly unchanged relative to whole economy earnings.

<sup>&</sup>lt;sup>32</sup> CRTP acted, in effect, as an additional point on the pay scales for the federated ranks until it was removed in April 2016.

#### Constable pay scale relative to the distribution of earnings in specific sectors

- E.19 We have used the longitudinal nature of the ASHE to identify occupations from which officers joined the police service between FYEs 2019 and 2023. Using the three-digit level of the Standard Occupational Classification, we found the occupations from which the most officers joined were: welfare and housing associate professionals; caring personal services; sales assistants and retail cashiers; other administrative occupations; administrative occupations: government and related organisations; community and civil enforcement occupations; and customer service occupations.
- E.20 We then compared the constable salary with the quartiles and mean of the earnings distributions for these occupations since 2021 (Chart E.6). This comparison showed that the starting salary range (points 0 to 1 on the constable scale prior to the removal of point 0 in September 2023) lay below or overlapped with median and mean earnings in each of the occupations considered. It also showed that the top of the constable scale was significantly above the upper quartile of earnings for each of the occupations.

# Chart E.6: Full-time earnings distributions for selected occupations and police starting salaries, England and Wales, FYE 2021 – 2023



Source: OME analysis of Annual Survey of Hours and Earnings, ONS.

Note: Lowest black horizontal line in each bar represents the lower quartile, the thicker middle black line represents the median, and the top one represents the upper quartile of the earnings distribution.

#### Workforce, diversity, recruitment and retention

E.21 We have examined the police workforce, diversity, recruitment and retention using the Police Workforce Statistics published by the Home Office<sup>33</sup>.

#### Overall workforce

- E.22 The overall police workforce (Chart E.7) peaked in 2010 at 244,500 full-time equivalents (FTE) before falling by 19% (45,800 FTE) to 198,700 FTE in March 2017, a similar level to that seen in March 2003. Between March 2017 and March 2023, workforce strength has increased by a total of 18% (35,100 FTE) to 233,800 FTE.
- E.23 Police officers account for just over three-fifths of the police workforce. The number of officers fell every year from a peak at 143,800 FTE in March 2009 to 122,400 FTE in March 2018, a 15% drop. Since 2018, officer numbers have increased by 25,000 FTE (20%). At the end of March 2023 there were 147,400 FTE police officers, 3% higher than in March 2009 and the highest number since the comparable data series began in March 2003.

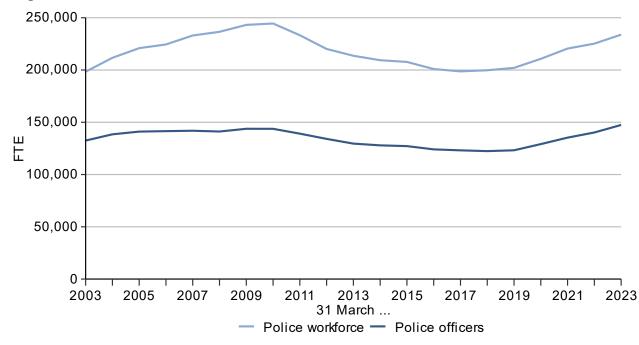


Chart E.7: Strength of police workforce and number of police officers (FTE), England and Wales, March 2003 – March 2023

Source: Police Workforce Statistics, Home Office.

<sup>&</sup>lt;sup>33</sup> Home Office (July 2023), Police workforce, England and Wales: 31 March 2023. Available at: <u>https://www.gov.uk/government/statistics/police-workforce-england-and-wales-31-march-2023</u> [Accessed on 23 May 2024]

E.24 In March 2023, nearly four-fifths (79%) of police officers were constables (Chart E.8), and just 7% of officers were in the ranks above sergeant. The proportions in each rank have been relatively stable since 2003 (when comparable data start).

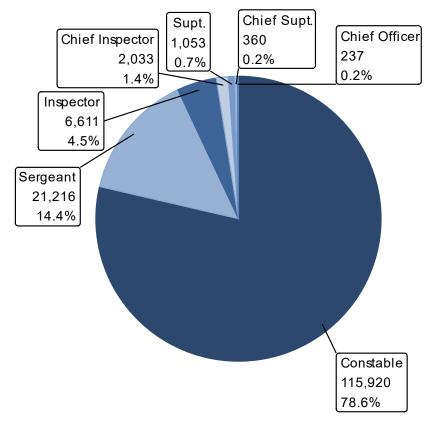


Chart E.8: Breakdown of police officers by rank, England and Wales, March 2023

Source: Police Workforce Statistics, Home Office.

- E.25 Between March 2022 and March 2023, there were increases in the number of officers in all ranks except chief officers. In absolute terms, the largest increase was in the number of constables (up 5,900) while in percentage terms chief superintendents saw the largest uplift (6%).
- E.26 Although overall police officer numbers are now above 2010 levels, this is not the case for all ranks (Chart E.9), chief superintendents have seen the largest proportional decrease (24%) but the greatest absolute decreases have been for sergeants (approximately 1,900 officers) and inspectors (approximately 600 officers).

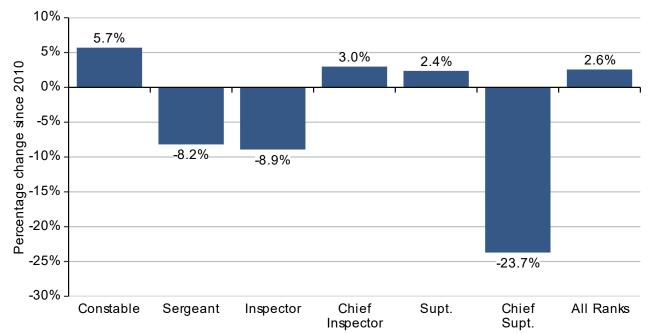
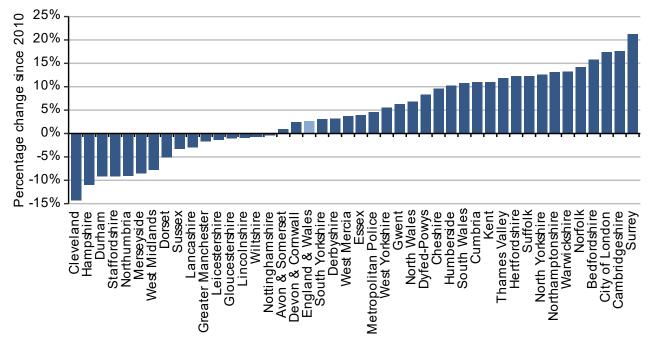


Chart E.9: Percentage change in the number of police officers (FTE) between March 2010 and March 2023, by rank, England and Wales

Source: OME analysis of Police Workforce Statistics, Home Office.

E.27 The majority of forces (27 of 43) had more officers in March 2023 than in March 2010 (Chart E.10), with Surrey having the largest percentage increase since March 2010 (21%). However, in some forces officer numbers continue to be significantly below March 2010 levels, with Cleveland showing the largest percentage reduction over this period (14%).

Chart E.10: Percentage change in police officer numbers (FTE), between March 2010 and March 2023, by force, England and Wales



Source: OME analysis of Police Workforce Statistics, Home Office.

- E.28 His Majesty's Inspectorate of Constabulary and Fire & Rescue Services assigns the work of police officers to three broad roles frontline, frontline support, and business support (Table E.4). Between March 2010 and March 2016, the numbers of officers in all roles fell. However, the proportion of officers in frontline roles increased over this period from 91.0% to 93.4%, as a result of proportionally lower reductions in these roles.
- E.29 The number of business support roles has been increasing each year since March 2016 and was above the March 2010 level in March 2023. The number of frontline support roles increased substantially in the last two years and are now at the highest level since March 2012. The number of officers in frontline roles continued to fall between March 2016 and March 2019, but have seen substantial increases since then to reach the highest level since the data series started (in March 2010). The proportion of officers in frontline roles has fallen from its peak of 93.4% in March 2016 to 91.1% in March 2023.

Table E.4: Number of police officers by role (FTE), England and Wales, March 2010 –
March 2023

				Full-time equivalent
Year	Frontline	Frontline Support	Business Support	Proportion of officers in frontline roles
2010	123,384	6,499	5,670	91.0%
2011	119,729	6,469	4,912	91.3%
2012	116,122	5,971	4,161	92.0%
2013	113,009	5,215	3,762	92.6%
2014	111,383	4,706	3,309	93.3%
2015	110,853	4,324	3,528	93.4%
2016	106,411	4,087	3,401	93.4%
2017	105,502	4,114	3,471	93.3%
2018	103,837	4,348	4,428	92.2%
2019	103,347	4,176	4,645	92.1%
2020	108,856	4,140	4,846	92.4%
2021	113,645	4,677	5,749	91.6%
2022	117,132	5,478	5,989	91.1%
2023	123,465	5,699	6,352	91.1%
2010 – 2023	0.1%	-12.3%	12.0%	
2010 – 2016	-13.8%	-37.1%	-40.0%	
2016 – 2023	16.0%	39.4%	86.8%	

Source: Police Workforce Statistics, Home Office.

- Data for 2010 to 2014 were collected on a different basis to those for 2015 onwards. The figures presented for these years have been estimated based on a parallel running year (2015) where data were collected on both bases.

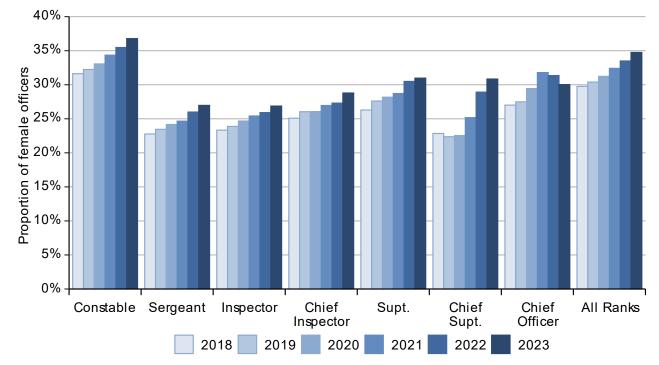
- Officers who are classified as being in 'National Policing' or 'Other' roles are excluded.

Notes:

#### Workforce diversity

E.30 The overall proportion of officers who were female<sup>34</sup> (Chart E.11) increased from 30% to 35% between 2018 and 2023, but the proportion of female officers for ranks above constable was lower than the overall proportion. The overall proportion of ethnic minority<sup>35</sup> officers (Chart E.12) increased from 6.6% to 8.4% between 2018 and 2023, continuing a steadily upward path over the past decade, but again the proportion of ethnic minority officers for ranks above constable was lower than the overall proportion. These indicators show improvement in diversity across the officer workforce in recent years, but remain below levels representative of the communities served by the police.

Chart E.11: Percentage of female officers (FTE), by rank, England and Wales, March 2018 – March 2023



Source: OME analysis of Police Workforce Statistics, Home Office. Note: Officers who did not state their sex are excluded from calculations.

<sup>&</sup>lt;sup>34</sup> Proportions of female officers exclude officers who did not state their sex from the denominator. <sup>35</sup> Proportions of ethnic minority officers exclude officers who did not state their ethnicity from the denominator.

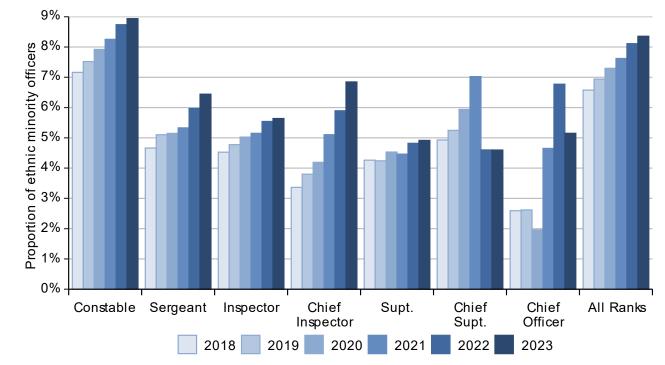
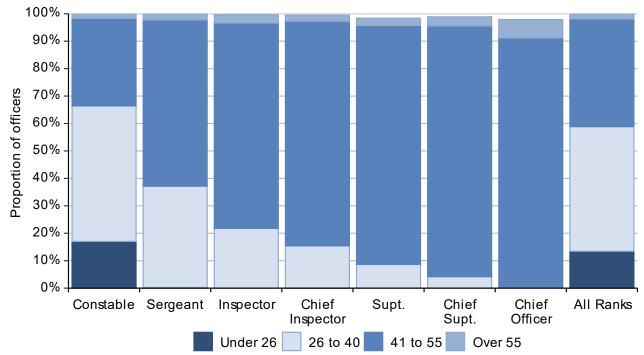


Chart E.12: Percentage of ethnic minority officers (FTE), by rank, England and Wales, March 2018 – March 2023

Source: OME analysis of Police Workforce Statistics, Home Office. Note: Officers who did not state their ethnicity are excluded from calculations.

E.31 Nearly three-fifths (59%) of all police officers (by headcount) were aged 40 or under on 31 March 2023, with 13% of all officers aged under 26 (Chart E.13). The proportion of officers aged under 40 decreases as rank increases: 66% of constables were under 40, but only 0.4% of chief officers.

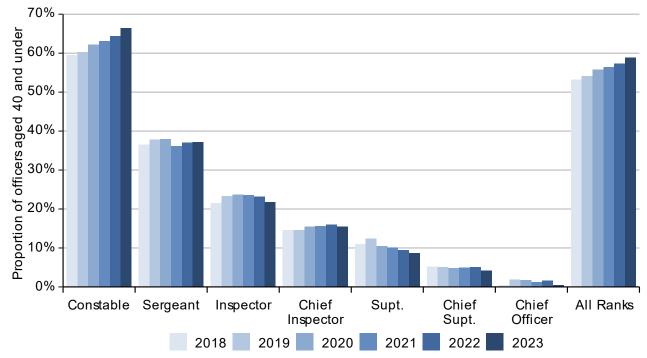




Source: OME analysis of Police Workforce Statistics, Home Office.

E.32 Looking at change over time (Chart E.14), the overall proportion of officers aged 40 and under has risen from 53% in March 2018 to 59% in March 2023. However, the inspecting, superintending and chief officer ranks all saw decreases in the proportions of officers in this age group during the latest year.

Chart E.14: Proportion of police officers aged 40 and under (headcount basis), by rank, England and Wales, March 2018 – March 2023



Source: OME analysis of Police Workforce Statistics, Home Office.

- E.33 The Home Office, NPCC and College of Policing have been collaborating in developing a National Standard for Workforce Data, with an aim to bring more standardisation within policing for the collection of data on protected characteristics (and some other demographic information). The variables currently covered are: ethnicity, age, religion or belief, disability, sexual orientation, gender, sex, and gender reassignment. Information on their protected characteristics is self-reported by officers on police force Human Resource systems, and many officers are yet to provide such information. Therefore, the data are not currently complete.
- E.34 In addition to the data presented above on sex, ethnicity and age, Home Office has started publishing information on the proportion of officers broken down by disability status, sexual orientation, and religious beliefs. These show that:
  - 63% of officers had declared their disability status, of these 8% reported a disability;
  - 63% of officers had declared their religion, of these 45% had no religion, 44% were Christian, 2% were Muslim and 8% reported other religions or beliefs; and
  - 60% of officers had declared their sexual orientation, of these nearly 5% were gay/lesbian and 3% were bisexual.

#### Recruitment

E.35 The FTE number of police officer joiners (Chart E.15) fell sharply after FYE 2009, with fewer than 2,500 joiners annually between FYE 2011 and 2013 (due to most forces freezing recruitment as a response to public sector austerity). The number of joiners then increased in most years from FYE 2014 to 2019, before the announcement of the Uplift Programme in 2019, led to a sharp increase. There were around 17,900 joiners in FYE 2023 (the last year of the Uplift Programme), 26% (3,700 FTE) higher than the previous year and the highest level since the data series began in FYE 2003. The overall joiner rate<sup>36</sup> for FYE 2023 was 12%.

<sup>&</sup>lt;sup>36</sup> The number of joiners during the financial year as a proportion of the total numbers of officers in post at the end of the financial year (31 March).

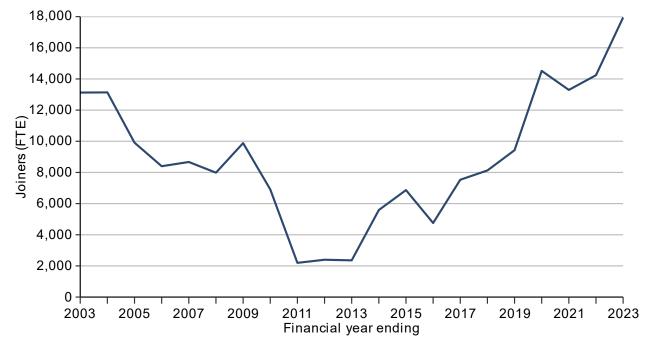


Chart E.15: Police officer joiners (FTE), England and Wales, FYE 2003 – 2023

Source: Police Workforce Statistics, Home Office.

- E.36 In FYE 2023, 85% of joiners (around 15,300 FTE) were new recruits joining as an officer for the first time (Chart E.16). This was a similar proportion to the previous few years, but higher than was seen between FYE 2007 and 2019 (usually 70-80%, but around 60% in FYE 2013 and 2014).
- E.37 The number of officers re-joining the police service in England and Wales fell significantly in FYE 2011 (from around 370 FTE the previous year to around 80 FTE) and had remained below 100 FTE a year until FYE 2019. However, since the announcement of the Uplift Programme the number of re-joiners has increased, and in FYE 2023 there were 480 FTE rejoining officers.
- E.38 The number of transfers between forces fell from a peak of 1,630 in FYE 2008 to around 240 in FYE 2012, before slowly recovering. In FYE 2023 there were 1,600 transfers, 12% more than the previous year.

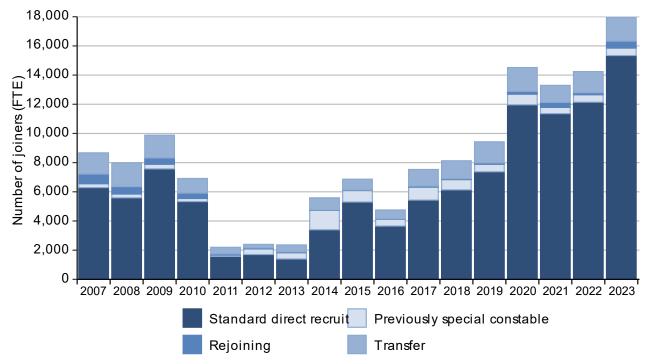


Chart E.16: Police officer joiners (FTE), by route of entry, England and Wales, FYE 2007 – 2023

Source: Police Workforce Statistics, Home Office.

Note: Standard direct recruit includes officers joining via Direct Entry, Fast Track and Police Now schemes.

#### Retention and attrition rates

E.39 The number of officers leaving police forces<sup>37</sup> (Chart E.17) in FYE 2023 was 10,500 FTE. This represented an increase of 13% (1,200 FTE officers) compared with the previous year. The attrition rate<sup>38</sup> rose each year from 4.6% in FYE 2011 to 7.1% in FYE 2019, but had dropped to 5.5% by FYE 2021. By FYE 2023 it had increased to 7.5%, the highest since the data series started (in FYE 2004). Omitting those leavers who transferred to other forces within England and Wales rather than leaving the service altogether, the attrition rate was 6.6% in FYE 2023, also the highest since the data series started.

<sup>37</sup> Including officers transferring between forces.

<sup>&</sup>lt;sup>38</sup> The total number of police officers leaving forces in the financial year as a proportion of the total officers in post in the March just before the financial year began.

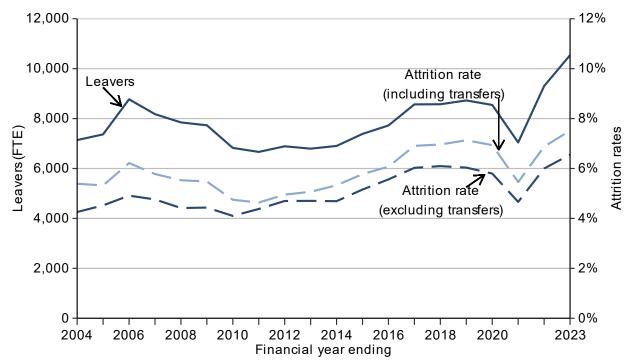
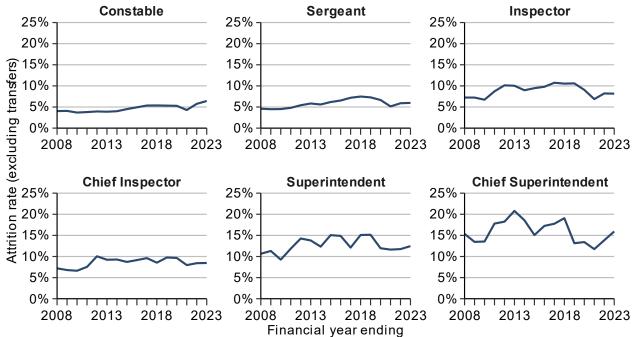


Chart E.17: Police officer leavers and attrition rates (FTE), England and Wales, FYE 2004 – 2023

Source: OME analysis of Police Workforce Statistics, Home Office.

E.40 By rank, the attrition rate excluding transfers (Chart E.18) in FYE 2023 was lowest for constables and sergeants (6.4% and 6.0% respectively) and generally increased with rank to be highest for chief superintendents (15.9%). This reflects higher proportions of officers with longer service at higher ranks.





Source: OME analysis of Police Workforce Statistics, Home Office.

E.41 Nearly two-fifths (38%) of police leavers in FYE 2023 were normal retirements<sup>39</sup> and just over two-fifths (43%) were voluntary resignations (Chart E.19). This is the first year (since the data series began in 2007) for which the number of voluntary resignations exceeded the number of normal retirements. The number of voluntary resignations increased by 33% in the latest year, while the number of normal retirements fell by 4%.

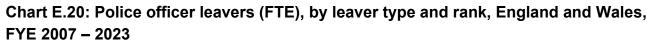
12,000 10,000 Number of leavers(FTE) 8,000 6,000 4,000 2,000 0 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022 2023 Financial year ending Voluntary Normal Medical resignation retirement retirement Dismissal/Contract Death Transfer termination

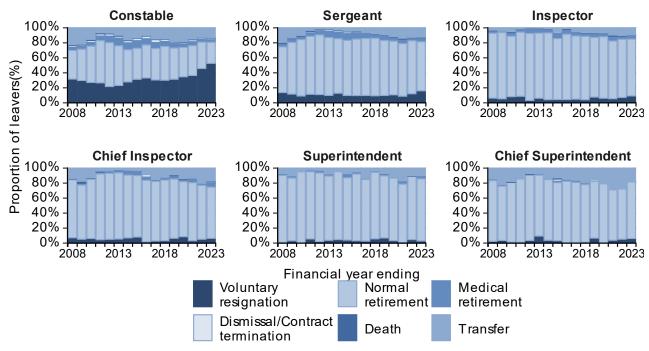
Chart E.19: Police officer leavers (FTE), by leaver type, England and Wales, FYE 2007 – 2023

Source: Police Workforce Statistics, Home Office.

E.42 The proportion of leavers that are voluntary resignations is highest for constables (Chart E.20), accounting for around half (53%) of constables who left in FYE 2023. For all other ranks, normal retirement was the most common type of leaver.

<sup>&</sup>lt;sup>39</sup> Individuals who have retired, not on ill-health grounds.





Source: Police Workforce Statistics, Home Office.

### Appendix F – P-factor

#### **Development of the P-factor**

- F.1 In its evidence over a number of years, the NPCC has set out the background to the P-factor, its current definition, the P-factor descriptors and the way the NPCC envisages the P-factor will be used.
- F.2 The P-factor builds on the original X Factor design, recommended in the 2012 Winsor Review of Police Officer and Staff Remuneration and Conditions. In 2018, the NPCC started to consider how and why the X Factor should be modified to support the Reward Framework and in 2021 presented its design to us. The design consisted of revised descriptors, an increased valuation, a methodology to determine it, and a review process.

#### Descriptors

- F.3 There are 12 descriptors which fall under four headings: physical, psychological, legal, social/economic. The NPCC state that the P-factor descriptors have been designed to be distinct from each other. They are generic and not applied to a specific role within policing. They relate to the Office of Constable and the degree to which some of the descriptors might apply is situational, it is recognised that for an individual officer, this may vary throughout a police career, with role and/or rank.
- F.4 Many of the descriptors were part of the original factors considered by Winsor. However, new factors were included to reflect the digitalisation of society and the rise of social media. The NPCC believes they accurately encapsulate the contemporary elements of a police officer's role that are unique and reflect what Winsor described as "... those elements of police officers' responsibilities and obligations, and terms and conditions, that are peculiar to service as a police officer, and are shared by very few workers in the public sector and even fewer in the private sector." The NPCC concluded that the factors should be reviewed on a regular basis to ensure they remain relevant and reflect the changing role of all police officers.

#### The value of the P-factor

F.5 The Winsor report recommended the value should be set at 8% of a constables pay, with the monetary value capped at the top of the constables' pay scale. This 8% was linked the danger and deployment elements of the P-factor. Winsor defined it as a payment in recognition of the stress the job can create. No monetary value was given to the other elements by Winsor. In 2020, the NPCC reviewed the value of the P-factor and proposed that the value be raised to 12%. The NPCC wanted the value to cover all the 12 (revised) P-factor descriptors and not just the two danger and deployment elements. The NPCC set out evidence to demonstrate that the

stressors associated with the role of a police officer had increased significantly since the Winsor Review and that it was negatively impacting job satisfaction levels. The NPCC judged that the P-factor should be lower that the military's X Factor of 14.5%. There was a difference of view with the staff associations regarding the value of the P-factor. In our 2020 Report we noted this difference of view and invited the parties to address this as a priority so as not to hinder progress or distract attention from the overall programme of reform. The discussions between the NPCC and the staff associations led to the agreement in 2021 that the P-factor should be valued at 13%.

- F.6 The NPCC secured an independent assessment of the value of the P-factor in 2020. Korn Ferry, in its 2020 report, stated that there was no right answer to weighting, particularly as it had an impact on all officer roles at all ranks. However, Korn Ferry judged that a figure at around the level proposed by the NPCC accorded with its experience of assessing remuneration factors beyond core job evaluation in the UK and elsewhere.
- F.7 In its 2024 evidence, the NPCC stated that chief constables had recently reviewed and endorsed the 13% valuation.

#### The way that the P-factor is used to benchmark salary

F.8 In our 2022 and 2023 Reports, we highlighted that the NPCC proposed assigning a proportion of each pay point as the P-factor and excluding this when making pay comparisons. In contrast, the conventional method would add the P-factor proportion after the comparison with other salaries had been made. We were concerned that this would have the effect of artificially depressing the underlying police salary used for making comparisons, meaning that a bigger pay uplift would be required in order to match comparators' salaries. In its 2024 evidence, the NPCC addressed this and agreed that the value of the P-factor be calculated as an addition to pay:

Application of the P-factor is as follows:

Base pay (against which benchmarking is considered) + P-factor (13%)

= total pay (would anticipate this to be 113%)

(excludes allowances & discretionary payments)

# Appendix G – Recommended Changes to Police Officer Pay Scales and Allowances from 1 September 2024

### Salary scales

The salary scales for the federated and superintending ranks in effect from 1 September 2023 are set out below along with our recommendations for effect from 1 September 2024.

Federated ranks

		With effect from 1 September	Recommended for effect from 1	
Rank	Pay point	. 2023	September 2024	Notes
Constable (appointed on				
or after 1 April 2013)	1	£28,551	£29,907	a,b
	2	£29,751	£31,164	
	3	£30,957	£32,427	
	4	£32,163	£33,690	
	5	£34,575	£36,216	
	6	£39,432	£41,304	
	7	£46,044	£48,231	
Sergeant	2	£49,077	£51,408	
	3	£50,079	£52,458	
	4	£51,498	£53,943	
Inspector	0	£58,422	£61,197	
	1	£60,015	£62,865	
	2	£61,602	£64,527	
	3	£63,198	£66,201	
Inspector (London)	0	£60,891	£63,783	
	1	£62,487	£65,454	
	2	£64,089	£67,134	
	3	£65,688	£68,808	
Chief Inspector	1	£64,449	£67,509	с
	2	£65,703	£68,823	
	3	£67,017	£70,200	
Chief Inspector (London)	1	£66,936	£70,116	с
	2	£68,187	£71,427	
	3	£69,498	£72,798	

#### Superintending ranks

		With effect from 1 September	Recommended for effect from 1	
Rank	Pay point	2023	September 2024	Notes
Superintendent	1	£77,121	£80,784	
	2	£81,036	£84,885	
	3	£85,164	£89,208	
	4	£90,717	£95,025	
Chief Superintendent	1	£95,094	£99,612	
	2	£98,238	£102,903	
	3	£103,242	£111,117	d

#### Legacy pay scales

Constables appointed before 1 April 2013 remain on the old pay scale, and there are also legacy pay points for any chief inspectors who were in post on 31 August 1994. The value of these pay points in effect from 1 September 2023 are set out below along with our recommendations for effect from 1 September 2024.

Rank	Pay point	With effect from 1 September 2023	Recommended for effect from 1 September 2024	
Constable (appointed				
before 1 April 2013)	0	£30,069	£31,497	
	1	£33,324	£34,908	е
	2	£35,133	£36,801	f
	3	£37,158	£38,922	
	4	£38,265	£40,083	
	5	£39,432	£41,304	
	6	£42,720	£44,748	
	7	£46,044	£48,231	
Chief Inspector (in post				
31 August 1994)	Outside London	£68,082	£71,316	
	London	£70,548	£73,899	

#### Allowances

The recommended revised values of allowances from 1 September 2024 are set out below:

London Weighting	£3,024 per annum
Dog Handlers' Allowance	£2,826 per annum for the first dog, 50% additional for other dogs
On-call Allowance	£25 per day

The values of all other allowances and payments remain unchanged.

#### Notes:

- a. Officers appointed on or after 1 September 2023 join at pay point 1 and move up to the next pay point annually in accordance with the provisions on incremental progression set out in Part 1BA of Annex F under Regulation 24 of the Police Regulations 2003.
- b. We have recommended that the chief officer of police in each force be given discretion to set starting pay at pay point 2, and the Commissioners of the MPS and City of London Police be given further discretion to set starting pay at pay point 3.
- c. Entry point for an officer appointed to the rank, unless the chief officer of police assigns the officer to a higher point.
- d. Includes second part (£2,837) of the uplift of £5,675 recommended by PRRB and accepted by Government in 2023.
- e. On completion of initial training, officers will move to pay point 1.
- f. All officers move to this salary point on completion of two years' service as a constable.

Incremental progression through the pay scale is dependent upon confirmation that an officer meets the Pay Progression Standard.

E03161204 978-1-5286-5064-9