



Submission to

The Police Remuneration Review Body

on behalf of the

Police Federation of England and Wales (PFEW)

and the

**Police Superintendents' Association
of England and Wales (PSAEW)**

12th December 2016



Police Federation
of England and Wales
Ffederasiwn Heddlu
Lloegr a Chymru
and
Police Superintendents'
Association
of England and Wales



12 December 2016

To: The Chair of the Police Remuneration Review Body, Mr David Lebrecht

Dear Mr Lebrecht,

We are pleased to enclose the third submission to the Police Remuneration Review Body. This is a joint submission provided on behalf of the Police Federation of England and Wales (PFEW), and the Police Superintendents' Association of England and Wales (PSAEW). The PSAEW will send additional information under separate cover.

We have responded to the remit letter as fully as possible. This includes our views on overall progress towards reform of the remuneration system, and what the aims of the pay system should be, within the wider policing context. However, of more immediate concern to our members will be the section on the matters referred to you for consideration this year.

We have analysed economic data, and conclude that during eight years of austerity officers have seen their pay fall significantly behind, by nearly 15%. We believe that there are indicators – both attitudinal, as collected in our surveys, and in terms of applicant numbers – that policing is becoming less attractive, because of this. We consider that it is essential that officers should not fall any further behind. For that reason, we seek an uplift to basic pay for all officers of 2.8%, this being the Retail Price Index inflation. We seek the same uplift for allowances.

We understand the National Police Chiefs' Council's desire to target pay. We are concerned for a number of reasons, including the fact that Equal Pay Audits clearly show that in the past elements of discretionary pay were problematic. There is a need to

take a national perspective, to avoid poaching and a bidding war between forces. The pay system must support operational capability – including mutual aid and force co-operation. If targeting is to be used, then we believe it would be inappropriate for Chief Constables to be given carte blanche to target unless a number of checks and balances were in place. We have outlined these in the submission: they are in keeping with the Office for Manpower Economics' advice.

The introduction of the apprentice scheme has been hurried, due to external pressures. In setting apprentices' pay we see no reason to deviate from existing Regulations, which allow some scope for differing starting salaries according to prior policing experience. Setting all apprentices' pay at the lowest level might have unintended negative consequences, such as attracting younger recruits only, rather than a broad range.

Finally, we note that section of the Home Secretary's remit letter that states:

"I understand that police partners will provide information on these reforms later in the round, before the oral evidence sessions, with a view to providing detailed proposals, including transition plans for the 2018/19 round".

Whilst we understand that there will be a need to continue the design process throughout the year, we believe that in keeping with the PRRB's remit and ethos there must be assurance that all parties will be included in any such information. We seek an outline from the PRRB and their secretariat, the Office of Manpower Economics, of how this will work in practice and how the staff associations will be included.



Andy Fittes,
General Secretary
PFEW



Tim Jackson,
National Secretary
PSAEW

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1 Executive Summary

- 1.1.1 The Police Federation of England and Wales and the Police Superintendents' Association of England and Wales together represent over 123,000 officers, from the rank of Constable to Chief Superintendent.
- 1.1.2 Our submission to the Police Remuneration Review Body (PRRB), in this its third year of operation, is provided in response to the Home Secretary's remit letter to the PRRB, sent on 18th October 2016. The remit letter seeks views about a number of overarching issues, such as the overall direction of travel regarding pay reform. It also seeks views on specific matters as outlined. These include whether there should be short term targeting, and pay setting for apprentices.
- 1.1.3 Accordingly, our submission is split into two sections.

Section A: the Staff Associations' perspective on overall direction of travel.

Section B: Matters referred for recommendation for 2017/2018.

1.2 Section A: the Staff Associations' perspective on overall direction of travel

- 1.2.1 We repeat some issues that we raised in the first year of the PRRB's operation. In particular "*We believe there is a need to ensure the pay system reflects a number of considerations: it should attract and retain officers who are representative of the public served; it should be designed so as to ensure officers believe there is organisational justice within the system; it should be designed, based on evidence of need, and what works; it should facilitate deployability to a range of roles and requiring a range of skills; it should appropriately recognise the skills, knowledge, and attributes, and workload required*". (Page 9, PFEW and PSAEW submission, 9th Jan 2015). Responsibilities undertaken, the risk carried, and the size of the role should also be taken into account. Further, "*We believe that to achieve such a system, existing anomalies need to be addressed. These include the need for a clear rationale for each element of the remuneration package*" (P23, PFEW and PSAEW submission, 9th Jan 2015).

1.2.2 We compare the features that the staff associations want to see in a pay system with those espoused in the remit letter, and find that there is much commonality. However, progress has been slow, in large part because there are a number of conflicting pressures on the design of any pay system. These include external pressures, such as a blanket policy to target pay in the public sector, regardless of organisational and contextual constraints, and the pressure to claw back the apprentice levy; and internal initiatives, such as the College of Policing Leadership Review, and individual initiatives undertaken within the 43 forces. Some of these are at odds with one another.

1.2.3 The statement of aims for any revised pay system is in itself a step forward. It allows the potential to consider what the criteria for success in meeting these aims might be, and track progress.

1.3 Recommendation: benefits realisation tracking

1.3.1 We recommend an approach similar to that undertaken during work on the Armed Forces New Employment Model, following the 2010 Strategic Defence Review. During the design phases, a Benefits Realisation model was developed, with all suggestions for change to pay and terms and conditions being potentially assessed against the key drivers of the new Armed Forces' "offer", these being attractiveness, agility, and affordability.

1.3.2 We also consider the risks and challenges of a new pay system.

1.3.3 We believe the main risks are:

- that the approach will continue to be piecemeal;
- that this will cause positive change impacts to be diluted;
- that some forces will introduce change without reference to others, having unintended consequences;
- that – depending on how it is introduced – a new system will be perceived as a breach of the psychological contract, and be demotivating;
- that a new system may cost more to implement than it will realise in benefits;
- that there will be an impact on equal pay.

1.3.4 We see the main challenges as being:

- the difficulty of enacting behavioural and cultural change, within an average pay uplift budget of only 1%;
- tensions between operational policing objectives, such as the omnicompetence and flexibility of officers, and deep skills development;
- being able to reward professional development within a flat structure;
- the need to consider different job features for different ranks;
- persuading the workforce that a new system is necessary, and value for money.

1.4 **Section B: Matters referred for recommendation for 2017/2018**

1.4.1 We consider three matters in this section. Despite the Home Secretary's direction that the Chief Secretary to the Treasury's policy that a 1% average uplift should be followed, we believe the independent PRRB must be free to draw their own conclusions based on the evidence. For that reason, we consider the following:

- 1) The size of the uplift.
- 2) How it might be applied, including any short term targeting.
- 3) Observations on proposals to introduce police officer apprenticeships, in relation to setting pay.

1.5 **The size of the uplift**

1.5.1 We have calculated the impact of eight years of austerity on the relative value of officers' pay. This includes two years of a pay freeze, and several years of below inflation raises. This has resulted in a real terms gap across all ranks of about 14.6%.

1.5.2 Should austerity measures continue, a pay cap at 1% over the next four years to 2020 would result in an overall gap between pay settlements and inflation of 23% since 2010.

- 1.5.3 The situation is exacerbated by the removal of a number of elements of pay, such as Competence Related Threshold Payments (CRTPs) and Special Priority Payments (SPPs), and performance related bonus payments (Superintendents and Chief Superintendents) and Post-Related Allowances (Chief Superintendents).
- 1.5.4 Officers are telling us that there is an impact on their morale. 71% of the federated ranks said that their pay and benefits had a negative effect on their morale. 68% said pay and benefits had a major effect on their intention to leave.
- 1.5.5 The service has shed 19,668 officers in six years: a reduction of 14%.¹ Whilst we understand the NPCC and Home Office position that there is not a retention issue, we believe that this is only because the service has reduced to the lowest numbers since recording officer strength in this way began, and we believe that retention will be difficult in the imminent future. In addition, our data from forces suggests that recruitment is already problematic.

1.6 Recommendations: pay uplift

- 1.6.1 Officers have already fallen significantly behind in the real terms value of their pay. We believe they should see no further decline, and that this year they should have a rise – for all officers, at all spine points – of 2.8% in line with Retail Price Index (RPI) inflation.

¹ Allen, G. and Dempsey, N Police Service Strength, Briefing paper No. 00634, 11 October 2016. <http://researchbriefings.files.parliament.uk/documents/SN00634/SN00634.pdf>

1.7 How the uplift might be applied, including any short term, targeting

1.7.1 We have some concerns regarding targeting:

- any targeting now might fly in the face of longer term reforms that are still not worked through;
- unless significant additional money is made available the scope to change relativities is limited, and unlikely to create any positive change;
- previous attempts at targeting – especially via discretionary payments – in the police service have created worrying gender pay gaps, as evidenced by our Equal Pay Audit.²

1.7.2 We agree the Office for Manpower Economics' (OME) position that “effective targeting requires good evidence” (Page 1, OME).³

1.7.3 We believe that any targeting should be subject to appropriate checks and balances. In particular, we have found the OME report setting out the types of questions that should be considered particularly helpful.

² Dr Denis Van Mechelen, Equal Pay Audit 2013, and Trends 2009-2013. Feb 2016. 2016/0001 Research and Policy Department, PFEW.

³ Office for Manpower Economics, Targeted Pay Increases in the Public Sector: Theory and Practice. OME 2016.

1.8 Recommendations: targeting checks and balances

1.8.1 Any new targeting – either by group or systems for individual targeting – should be subject to appropriate checks and balances, as follows:

- there should be appropriate discussion of the case for targeting and / or use of bonuses at an appropriate national forum - likely the Police Consultative Forum;
- discussions should be based on the four components outlined by the OME: that is, context and strategy, detail of implementation, expected impacts, and data and evidence;
- discussions should be given the proper time to be worked through, rather than Chief Constables being given “carte blanche” to pay at their discretion;
- there should be agreement as to what evidence and documents would be provided for discussion throughout.

1.9 Recommendation: targeting using existing allowances

1.9.1 The amount payable– for several allowances – has not changed for several years. The rate for the London Allowance has not changed since 2000. The On Call Allowance, introduced in 2013, was set at £15 but with a caveat that this would be reviewed. That review has not yet taken place. The purpose of this allowance was to drive better management of officers by forces, and to act as a disincentive from using officers in this way. It should therefore be high enough to have this impact.

1.9.2 We therefore recommend that all allowances should be uplifted by the Retail Price Index (RPI).

1.10 Observations on proposals to introduce police officer apprenticeships, in relation to setting pay

1.10.1 The introduction of the apprenticeship scheme has been hurried through, in what seems to be a reaction to the apprenticeship levy. The College of Policing have had to meet a number of extremely challenging deadlines. In that context it is perhaps not surprising that the focus appears to have been on the scheme development requirements and design. Broader issues pertinent to workforce planning have not formed part of the College's work. There has not been a robust analysis of what the offer to candidates actually is; to whom it will be attractive; and whether it might change the nature of recruits to policing, and policing careers, in unintended ways, as well as those intended.

1.10.2 The staff associations support professional development. However, we are concerned that the apprenticeship scheme may attract younger recruits who want to obtain a degree and leave the service, rather than stay in policing. Our concern is that this may create both a shift in the age of recruits, and higher turnover, which together will result in a service with higher proportions of young officers. This could be detrimental to the aspiration that the service should reflect the community, and it could also mean a loss of more mature recruits with life and interpersonal skills that the service hopes to attract.

1.11 Recommendation: apprenticeship pay

1.11.1 In order to offset some of these concerns, and continue to attract a wider range of age groups (the average age of police recruits is 28), as well as to maintain fairness, we recommend that apprentices are paid in accordance with Regulations in the same way that other recruits are. That is, they should be paid within the band £19,000 to £22,000, with those with prior policing experience being able to attract the higher starting salary.

2 Introduction

2.1.1 This submission has been prepared by the Police Federation of England and Wales (PFEW), and the Police Superintendents' Association of England and Wales (PSAEW)⁴ for the Police Remuneration Review Body (PRRB). Separate submissions may be made in whole or in part in future years, dependent on the scope of the remit letter.

2.1.2 This is the third year during which the PRRB has operated. In preparing our submission, we have taken into the PRRB's broad Terms of Reference; and the remit letter from the Home Secretary to the PRRB Chair, supplied on 18th October 2016.

2.2 The Home Secretary's remit letter

2.2.1 The Home Secretary's letter is as follows:

2.2.2 *"I write following the previous Chief Secretary to the Treasury's letter of 13 July, which set out the context for the police pay round for 2017/18.*

The Government's position is that we are keen to support police leaders by giving them the tools they need to increase flexibility; allow movement in and out of policing; increase and introduce skills; and achieve a more diverse workforce mix as well as growing a culture of innovation and challenge. I will be particularly interested to see further police-led proposals on how a fair and sustainable reward structure can be achieved.

I see PRRB continuing to play a key role in the ambitious programme of workforce reform which is currently being taken forward by police partners, including the College of Policing. In particular, the expertise of PRRB's members will be vital not only in addressing the immediate issues for 2017/18, but also in providing an

⁴ Any use of the term "We" throughout this document refers to both organisations.

independent view on the progress being made on longer term reforms and how the risks and challenges of a new reward structure are being addressed as plans develop.

As in previous years, in considering the appropriate level of pay for police officers I would ask you to have regard to the standing terms of reference as set out in previous remit letters.

I refer to the PRRB the following matters for recommendation for 2017/18:

- 1. how to apply the pay award for 2017/18, in accordance with the Chief Secretary's letter, including how best to apply short-term, targeted measures to address recruitment and retention pressures; and*
- 2. to provide observations on proposals to introduce police officer apprenticeships in 2018, in relation to setting pay at an appropriate level.*

These matters for recommendation should be considered in the broader context of the work currently being undertaken by chief constables and the College of Policing. This work will inform the development of a longer-term pay strategy. It includes the implementation of a new five-level organisational structure, pilots of the Advanced Practitioner model, the new Police Professional Framework and, following these and other elements, a more flexible and sustainable reward structure linked to role, competence and skills.

I understand that police partners will provide information on these reforms later in the round, before the oral evidence sessions, with a view to providing detailed proposals, including transition plans for the 2018/19 round.

I place great value on the independent advice of both police pay review bodies and look forward to receiving your recommendations no later than 19 May 2017".

2.3 The Home Secretary's remit letter – our response

2.3.1 Our response is structured into the following sections:

Section A: The staff associations' perspective on the overall direction of travel

- A fair and sustainable reward structure linked to role, competence, and skills;
- Supporting police leaders: tools to
 - increase flexibility;
 - allow movement in and out of policing;
 - increase and introduce skills;
 - achieve a more diverse workforce mix;
 - grow a culture of innovation and change.
- Progress on longer term reforms;
- How the risks and challenges of a new reward structure are being addressed.

Section B: Matters referred for recommendation in 2017/2018.

- Although not explicitly referenced in the remit letter, we believe it is important to consider the overall size of the uplift.
- How the uplift might be applied, including short term targeting.
- Observations on proposals to introduce apprenticeships in 2018, including setting pay.

2.3.2 We note that section of the remit letter that states that:

"I understand that police partners will provide information on these reforms later in the round, before the oral evidence sessions, with a view to providing detailed proposals, including transition plans for the 2018/19 round".

2.3.3 Whilst we understand that there will be a need to continue the design process throughout the year, we believe that in keeping with the PRRB's remit and ethos there must be assurance that all parties will be included in any such information. We seek an outline from the PRRB and their secretariat, the Office of Manpower Economics, of how this will work in practice and how the staff associations will be included.

3 Section A: Staff Associations' perspective on overall direction of travel

3.1 Introduction

3.1.1 In terms of the overall direction of travel, the staff associations and the employers have many aims in common. We certainly agree on the need for a fair, transparent, and sustainable pay system, in which officers have confidence.

3.2 A fair and sustainable reward structure linked to role, competence, and skills

3.2.1 In our first submission to the PRRB in 2014, we were asked to consider what we would like to see achieved in a five year remit for pay. The staff associations stated:

3.2.2 *"We believe there is a need to ensure the pay system reflects a number of considerations:*

- it should attract and retain officers who are representative of the public served;
- it should be designed so as to ensure officers believe there is **organisational justice** within the system;
- *it should be designed, based on **evidence of need, and what works**;*
- it should **facilitate deployability** to a range of roles and requiring a range of skills;
- it should appropriately recognise the **skills, knowledge, and attributes, and workload** required". (Page 9, PFEW and PSAEW submission, 9th Jan 2015)⁵
- Further, it should reward responsibility, risk carried, and job size.

⁵ Submission to the Police Remuneration Review Body, on behalf of the Police Federation of England and Wales, 9 Jan 2015.

We also stated:

“We believe that to achieve such a system, existing anomalies need to be addressed. These include the need for a clear rationale for each element of the remuneration package, and a comparison to jobs with similar knowledge, skills, and attribute requirements; consideration of the appropriateness of pay for differing ranks, and whether a single spine point based method for each rank addresses the different organisational and personal drivers of pay; and consideration of how changes to one element impact on the package overall, and its efficacy.... We ask that the Home Office gives a clear statement of the aims of the pay system; what it should achieve as a whole, and how elements contribute; and how changes will be monitored in future”. (P23, PFEW and PSAEW submission, 9th Jan 2015).

- 3.2.3 Two years on, progress appears to have been rather slow. Moreover, the approach taken thus far has been hampered by what seems to be a lack of consensus within the NPCC, and a lack of resources. Added to that, there have been competing – and sometimes overlapping - pressures on the employer stakeholder group (e.g. the continued introduction of remnants of the Winsor Review, such as the ARC scheme; the introduction of apprenticeships, outside the direct control of policing; and the College’s broad ranging Leadership Review).
- 3.2.4 All of these combined has resulted in a situation where the pay system is in danger of becoming ever more cumbersome and complex.
- 3.2.5 It is worth reiterating the key points the staff associations ask should be reflected in the pay system, and comparing these with the outcomes that the Home Secretary’s remit letter states must be achieved for police leaders.

Table 3.1: Pay system aims

Staff Association aims	Remit letter
Attract and retain officers representative of the public	A more diverse workforce mix
Organisational justice in the system	A fair and sustainable system
Evidence of need, and what works	
Facilitate deployability	Increase flexibility
Reward skills, knowledge, attributes, and workload	Increase and introduce skills
	Allow movement in and out of policing
	Grow a culture of innovation and change

- 3.2.6 There is commonality. But there are also some points on which the staff associations are more cautious, and would wish to see more evidence – such as the need to allow movement in and out of policing. The PSAEW believe there may be merit in this, as it may benefit members in terms of being able to develop their skills outside policing, before returning. The PFEW are somewhat more cautious. However, both staff associations recognise that the concept is embryonic, and therefore positions will need to be kept under review.
- 3.2.7 The statement of aims for any revised pay system is in itself a step forward. It allows the potential for the employers and staff associations to work together to consider what the criteria for success in meeting these aims might be, and track progress. In that respect it may be worth considering an approach similar to that undertaken during work on the Armed Forces New Employment Model, which was recommended following the 2010 Strategic Defence Review. During the design phases, a Benefits Realisation model was developed, with all suggestions for change to pay and terms and conditions being potentially assessed against the key drivers of the new Armed Forces’ “offer”, these being attractiveness, agility, and affordability.

3.3 Recommendation: benefits realisation analysis

3.3.1 There is a need to conduct similar benefit realisation work for the police, mapping anticipated changes against drivers for change, as a check on the course of travel. Doing so would be in keeping with the suggestions the staff associations made in their first year submission:

“Going forward, we recommend changes so that:

- *an evidence based approach to workforce planning is adopted, with appropriate and transparent data;*
- *should significant changes be suggested to pay and conditions, then appropriate modelling of likely impacts should be undertaken; and*
- *recent changes should be monitored for their impact, to check whether intended and unintended consequences have accrued.” PFEW and PSAEW submission to the PRRB, (Jan 2015), P.11.⁶*

3.4 Supporting police leaders: tools to increase flexibility; allow movement in and out of policing; increase and introduce skills; achieve a more diverse workforce mix; grow a culture of innovation and change

3.5 Tools to increase flexibility

3.5.1 It is not clear from this statement what flexibility is needed: that is, whether the intention is to increase the flexibility of the force, or whether it is about giving Chief Constables more flexibility over the manner in which officers are remunerated.

⁶ Submission to the Police Remuneration Review Body on behalf of the Police Federation of England and Wales, and the Police Superintendents’ Association, Jan 2015.

3.5.2 The current pay system is, we believe, encouraging of officers' flexibility. It is based on the concept of the omnicompetence of officers. That is, any warranted officer should be capable of a diverse range of skills and able to perform a range of tasks. By paying officers on pay scales, with incremental increases gained as experience deepens, it allows for forces to deploy officers in a flexible manner.

3.6 Allowing movement in and out of policing

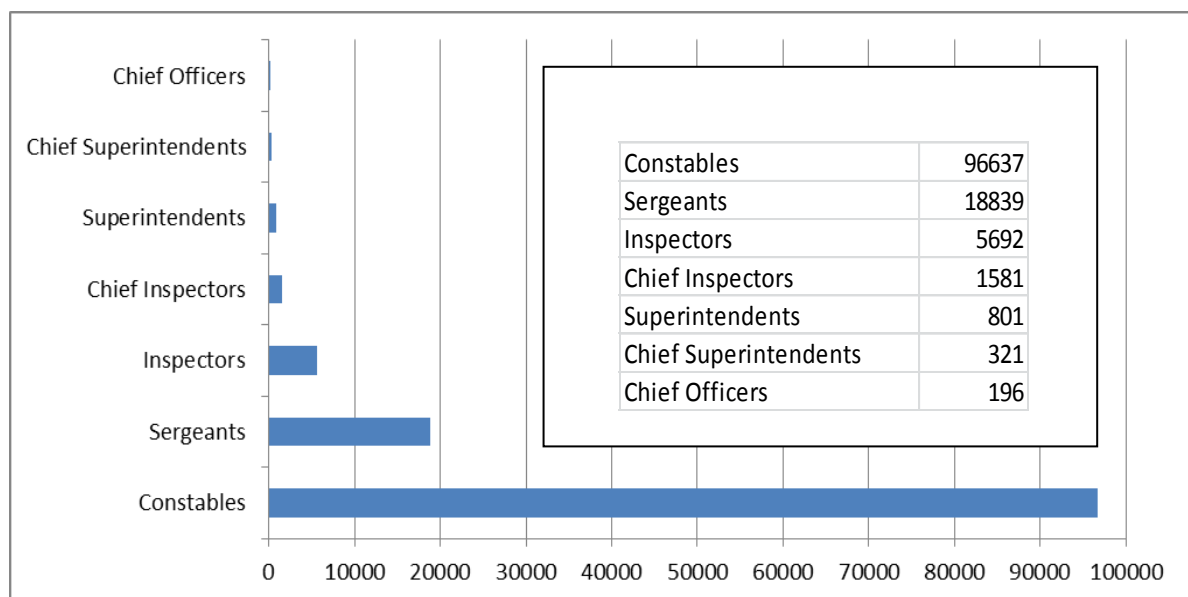
3.6.1 Since the Winsor Review, there has been a narrative that it would be useful to have officers moving in and out of policing. The rationale seems to be that this would help break down the policing culture, and introduce new thinking and skills. As a result, fast track and direct entry schemes have been developed and initiated.

3.6.2 The position of the staff associations has been consistent. We have concerns for the wellbeing of these officers, and their susceptibility to make errors and be subject to misconduct or disciplinary procedures, which would have a negative effect on the public, and the public perception of policing. Bearing in mind they will need to be represented by the staff associations in such cases, this is a cause for uneasiness. We are further concerned that those who enter policing via these routes will be placed in a difficult position, overseeing officers with deeper experience. They may struggle to maintain command, which could jeopardise public safety.

3.6.3 The evidence that these schemes will actually achieve the benefits suggested is slim at best. There seems little monitoring of the impacts on diversity, for example. Furthermore, there has been little cost benefit analysis, and there appear to be few successful candidates, despite significant expenditure on recruiting and selecting.

3.6.4 The impact on officers who have entered by traditional routes does not seem to have been fully considered or monitored. For example, the promotion prospects for officers are scant enough already. Given that only 7-8% of officers ever make it beyond the rank of Sergeant, the impact of recruiting externally at Inspector, Superintendent, and above limits their already meagre opportunities. The following chart shows the proportions of officers at each rank, and demonstrates how few opportunities exist for promotion.

Chart 3.2: Police officer workforce by rank, as at 31 March 2016, England and Wales.⁷



3.6.5 The Training needs of officers who enter at higher ranks, or who leave and then return, will need careful consideration. At present the system of training assumes linear progression through the ranks. The costs of adapting this in order to provide for what may be a handful of new entrants and returnees at each rank will need to be carefully weighed against the benefits. At present we have seen no business case taking this into account.

⁷ Hargeaves, J, Cooper, J, Woods, E, and McKee C, *Police Workforce, England and Wales, 31 March 2016*. Statistical Bulletin 05/16, Home Office.

3.6.6 Clearly in order to attract external candidates who are able to perform the roles required to the level required, the offer made will need to be attractive when compared to others. This will mean some benchmarking against remuneration packages in private sector roles will be needed.

3.7 Increasing and introducing skills

3.7.1 The PFEW and PSAEW are supportive of skills development, and for officers' skills and experience to be externally accredited. We believe officers' knowledge, skills, and experience should be formally recognised.

3.7.2 We are keen to see policing develop and grow for the future, and are supportive of any change that assists this, and improves delivery. But changes must be grounded in a strong evidence base. There are number of initiatives underway for which the evidence base is less robust than we would like. The staff associations have engaged fully in discussions of a number of these, providing both formal consultation responses⁸ and attending numerous workshops and meetings. We will continue to do so.

3.8 Achieving a more diverse workforce mix

3.8.1 The PFEW and PSAEW share the aim of increasing diversity in its widest sense. Specifically, we believe it is essential that the service is representative of the public served. However, we believe it is important to be clear as to whether pay is the important factor here, and what part it plays.

3.8.2 The literature suggests that currently the main barriers to Black and Minority Ethnic (BME) recruitment and retention are primarily related to social or occupational (rather than financial) factors.

⁸ Examples include: The Review of Police Initial Recruitment: Consultation Response, Dr Boag-Monroe, F, and Bamber, D, 11th May 2016; Response to the College of Policing Consultation on the Police Education and Qualifications Framework, Dr Boag-Monroe, F 29th March 2016.

- 3.8.3 For example, in 2000, the Home Office produced a research paper called ‘Attitudes of People from Minority Ethnic Communities Towards A Career in the Police Service’.⁹ This review was commissioned in response to the recommendations listed in the Steven Lawrence Report (1999)¹⁰ and aimed to identify the main factors influencing people’s attitudes towards joining the police in order to help guide and improve the recruitment strategies of the police service of England and Wales.
- 3.8.4 In general, the respondents appeared to have a limited awareness of what police officers actually do on a day-to-day basis and highlighted several key inhibitors that would, or had, stopped them from applying to join the police service, such as: the fear of having to work in a racist environment; anticipated isolation due to ethnicity, leading to the need to deny cultural identity to fit in; the danger of the job; fear of abuse from the public; anticipated reactions of family, friends and local community (worry, hostility, disappointment and distrust); the perception that ethnic minorities have limited promotion prospects within the service; pressure from family members; and fear of failure (during the application or training phases).
- 3.8.5 However, ethnicity does not appear to be the only cultural influence on people’s opinions of working for the police service. Research carried out by Cashmore in 2002,¹¹ found that Black and Asian officers interviewed in the West Midlands, Norfolk, and Derbyshire often cited socio-economic or geographic factors as primary reasons for recruitment inhibition. For example, one respondent grew up in an inner city area and claimed that regardless of ethnicity, all young people in this sort of location have negative views of the police.

⁹ Stone, V. & Tuffin, R. (2000). Attitudes of people from minority ethnic communities towards a career in the police service. Home Office: Police research Series: Paper 136

¹⁰ Macpherson, S. W. (1999). The Stephen Lawrence Inquiry: report of an inquiry. TSO.

¹¹ Cashmore, E. (2002). Behind the window dressing: ethnic minority police perspectives on cultural diversity. *Journal of Ethnic and Migration Studies*, 28, 2, 327-341

- 3.8.6 Although these studies are both over a decade old and much positive action work has been done to try and improve the recruitment, retention and progression of BME officers within the police service since, ¹² a more recent survey by the College of Policing (2014) suggests that the key barriers may remain social and/or occupational in nature.¹³ This particular survey was run by the College of Policing as part of their BME Progression 2018 programme, and aimed to explore the experiences and perceptions of recruitment, retention and progression (RRP) of BME officers.¹⁴ Once again, social and occupational factors (such as discrimination and lack of opportunity or support) were the main barriers reported in terms of applying for promotion and specialist posts.
- 3.8.7 Unsurprisingly then, when the officers were asked what they wanted from their forces, the reported answers were also social and occupational (rather than financial) in nature.

3.9 Pay diversity data

- 3.9.1 We examined whether there are in fact any differences in attitudes to pay by gender and ethnic group. We also assessed differences in expressed likelihood of leaving, and morale.

¹² Home office. (2008). Policing ministers assessment of minority ethnic recruitment, retention and progression in the police. A paper for the home secretary. Retrieved from: http://www.staffordshire.police.uk/media/misc_docs/pdf/strategy/minority_recruitment.pdf

¹³ College of Policing website (2014). *BME Progression 2018 Programme. Recruitment, retention and progression of BME officers – Findings from a survey of officers*. Retrieved from: http://www.college.police.uk/What-we-do/Support/Equality/Documents/BME_Officer_survey_findings.pdf

¹⁴ College of Policing website (2014). *BME Progression 2018 Programme. Recruitment, retention and progression of BME officers – Findings from a survey of officers*. Retrieved from: http://www.college.police.uk/What-we-do/Support/Equality/Documents/BME_Officer_survey_findings.pdf

- 3.9.2 Small differences were seen between the Pay and Morale survey responses of BME respondents and White respondents, as well as between the responses of female and male respondents. Most notably 11% of BME respondents said that they intended to leave as soon as possible compared to 6% of White respondents. We do not know whether that is wholly due to pay, but we do know that 75% of BME respondents were dissatisfied with their overall remuneration compared to 66% of White respondents.
- 3.9.3 In addition, we analysed pay between 2009 and 2013, and conducted an Equal Pay Audit (EPA). There were significant gaps in pay by gender and minority groups. For lower ranks this included for basic pay, but the gaps were more pronounced on all elements of discretionary pay. We are therefore concerned that any introduction of new components of discretionary pay, including those under the Assessing and Recognising Competence project, and bonuses, should be subject to rigorous checks to ensure that adverse impact does not occur.

3.10 A culture of innovation and challenge

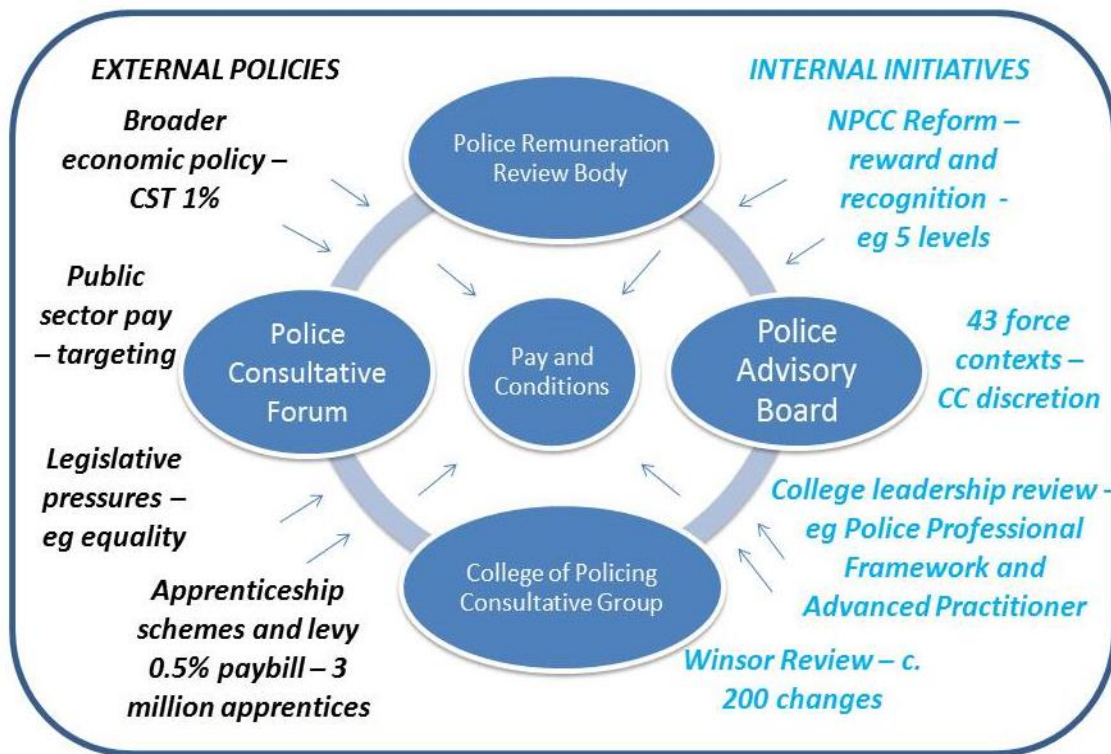
- 3.10.1 We are conscious that one of the drivers of encouraging people in and out of the police service is to change the organisational culture. However, given the small numbers of Direct Entry recruits, for example, there must be a question mark over whether culture change can really be enacted by so few.
- 3.10.2 We await proposals and a rationale as to how pay can be used to drive such cultural change.

3.11 Progress on longer term reforms, and how the risks and challenges of a new reward structure are being addressed

3.11.1 There are a number of pressures on the pay system. These include the external context, such as the Chief Secretary to the Treasury's (CST's) intention to keep pay increases to 1%, and internal initiatives, such as the NPCC's reform of reward and recognition, and the College of Policing's Leadership Review. Add to this the intention for forces to try and claw back some of the governments' apprenticeship levy by creating an apprentice entry route to policing, and the fact that measures suggested by Tom Winsor in his Independent Review of Police Officer and Staff Remuneration and Conditions (2012),¹⁵ are still being enacted. (This includes access to pay spine points being determined by competence based assessment, which was developed before the College's Leadership Review, and which cuts across it). Taken all together, this creates a complex and confused landscape within which to try to create a coherent and meaningful pay system, that drives the behaviours intended.

¹⁵ Winsor, T. (2012) Independent Review of Police Officer and Staff Remuneration and Conditions. Final report, 2.

Figure 3.3: Determining pay: the context



3.12 What are the risks and challenges of a new reward structure?

3.13 Risks

3.13.1 The key risks to a new reward structure that we perceive are as follows:

- There is a risk that the approach taken will continue to be piecemeal, with conflicting pressures from internal policing initiatives such as the remainder of the Winsor Review, and the College of Policing Leadership Review, and external pressures such as the introduction of the apprenticeship levy.
- This in turn leads to a risk that any positive intentions from a new pay system will be diluted, as the overall direction of travel will be impacted by initiatives that drive different behaviours.
- There is a significant risk that some forces will introduce change without reference to others. The result is that a fully considered national pay structure, bought into by officers, will prove more difficult to enact. The staff associations have significant concerns that individual force activity will set precedents that

have unintended consequences for other forces. Examples include the MPS and Wiltshire forces' removal of ranks, and the MPS use of bonuses to pay firearms officers, which has resulted in officers moving between forces, to the detriment of some. Overall, there is likely to be a negative impact on interoperability and national level capability. We believe the NPCC needs to be able to take a national perspective.

- There is a risk that any new system will be considered to be unfair, or a breach of the psychological contract between officers and employers. The incremental pay system, currently set in Regulations, forms a core part of officers' legal rights. It is likely to be perceived as a promise to officers, and changing it would probably be seen as a breach. There is consistent evidence that breaches of the psychological contract can cause workers to behave in one or more of four main behavioural clusters: Exit, Voice, Loyalty, or Neglect (EVLN), any one of which would be problematic for the service.¹⁶
- The remit letter states that any new system should be sustainable. We believe sustainability includes ensuring that it can be administered in a way that is cost effective. There is a risk that the new system will cost more to implement, in terms of time taken by officers and supervisors to enact, than it will be of benefit. For example, the design of the Assessing and Recognising Competence project, aimed at assessing officers' competencies to enable progression to spine point 4 for Constables, has revealed that supervisors are wary of enacting such a system without training, while Constables are wary that they will need to spend considerable time on proving competence. There is a question over whether the system will deliver value for money to the public, or whether, in fact, it will end up costing more to enact than is realised in benefits.

¹⁶ Turnley, W.H. and Feldman, D. C. The Impact of Psychological Contract Violations on Exit, Voice, Loyalty, and Neglect. *Human Relations*. July 1999, vol 52, (7) 895-922.

- There is a significant risk that there will be an impact on equal pay. Our Equal Pay Audit over the period 2009 to 2013¹⁷ showed that on every element of discretionary pay, the force as a whole was subject to worrying levels of inequality by gender and by ethnicity. Competence Related Threshold Payments (CRTPs) and Special Priority Payments (SPPs) were extremely problematic, in part due to differential access. In 2013 for Constables the gender pay gap for basic pay was 3.5%, and for total pay, including discretionary elements, 6.8%. For Sergeants the total pay gap was 5.1%. This despite the gap decreasing progressively since the 2009 pay audit, as discretionary pay elements have been removed.

3.14 Challenges

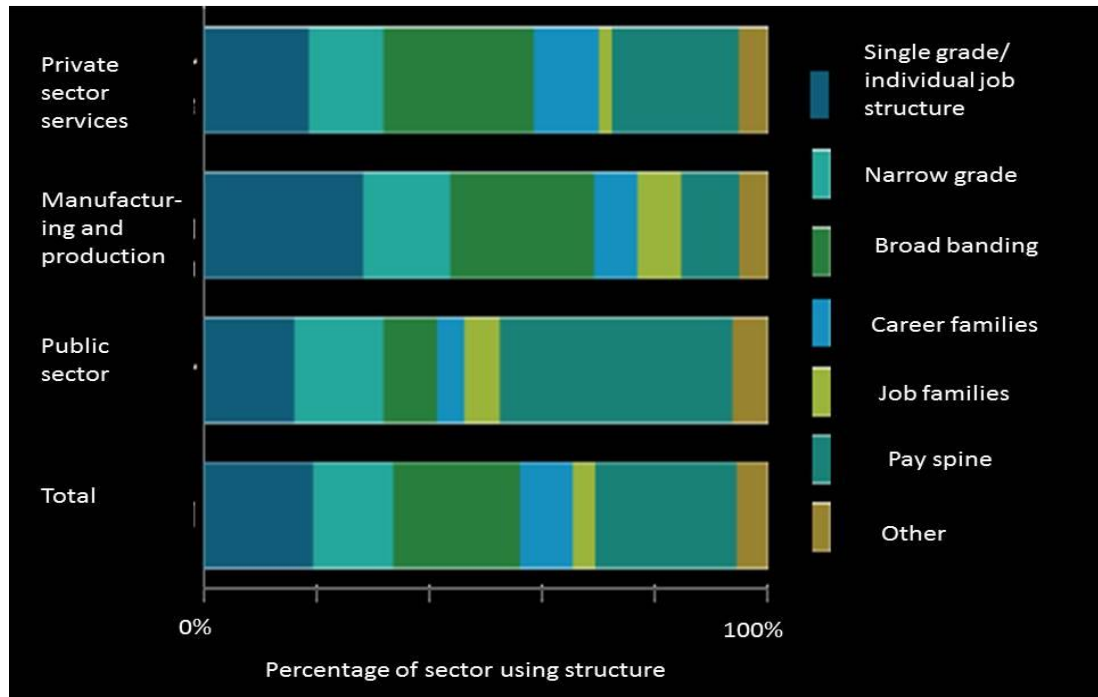
3.14.1 The main challenges, in designing a new reward structure are:

- Assuming that the main aim of a new pay system is to enact behavioural and cultural change, it is difficult to see how significant change can be incentivised within the CST overall direction that any pay uplift should average 1%.
- There are likely to be tensions between the numerous operational drivers in policing, which may create challenges in redesigning the pay system. As an example, we believe it is essential to support the omnicompetence of officers, and flexibility across delivery of services to the public, especially in times when officer numbers have been significantly reduced. By contrast, there is a need to encourage deeper skills development in some specific areas, such as Child Sexual Exploitation and delivery of services to vulnerable people. Incentivising both these via pay is challenging.
- It is challenging to reward continuous professional development in a flat structure, wherein approximately 80% of officers are never promoted beyond the rank of Constable.

¹⁷ Dr Denis Van Mechelen, Equal Pay Audit 2013, and Trends 2009-2013. Feb 2016. 2016/0001 Research and Policy Department, PFEW.

- There may be a need to consider different job features for different ranks. For example, for lower ranks it is logical to consider whether the skills and competency requirements should be taken into account (albeit we consider that the current incremental system, which rewards experience as a “dummy” for competence and skills, may be more cost-effective). For some ranks, such as Superintending ranks, it will also be important to reward workload, and span of command and control, as these vary widely within rank.
- Persuading the workforce that any new system is necessary and value for money is likely to be challenging. A PwC report on modern pay systems examines what pay systems are currently used in both the public and private sector. Using XpertHR data, PwC examined what are the most common systems. This shows that pay spines were the most common form of system across all types of employment considered, but especially in the public sector. While other systems are used elsewhere, the continued prevalence of such systems suggests that they are workable and potentially fit for purpose.

Chart 3.4: Type of pay and grading structure by sector 2015 (Source: XpertHR, OME report, P.13).¹⁸



3.14.2 We believe that the requirement for officers to have, or gain soon after entry to the service, degree level qualifications will cause individuals to consider their marketability in a way that officers may not previously have done. We believe it will be necessary to benchmark officers' pay against graduate roles, in order to continue to attract and retain officers of an appropriate calibre. Further, it will be necessary to benchmark officers' pay at ranks such as Inspector and Superintendent, in order to make sure that the remuneration package is competitive, in order to achieve the recruitment of direct entry candidates.

¹⁸ Office for Manpower Economics with PwC: Research into Modern Pay Systems. November 2016. (P.13)
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/567543/PWC_Research_into_modern_pay_systems_Nov_2016..pdf

3.15 Fair pay: Analysis of pay survey questions around what types of pay system seem fair

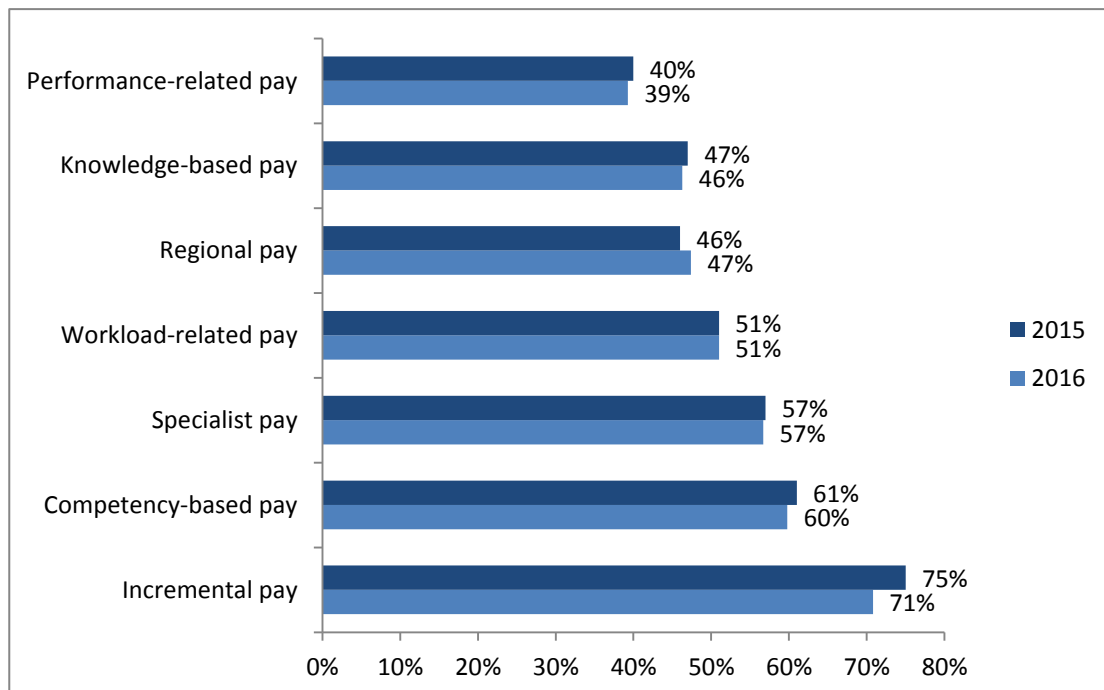
- 3.15.1 In our yearly survey of PFEW officers' attitudes to pay, we asked officers to what degree they believe different types of reward systems are fair. ¹⁹
- 3.15.2 Respondents' views concerning the type of pay system they see as fair have not changed substantially over the last 12 months. Incremental pay remains most likely to be seen as fair by respondents. Although a slightly smaller proportion of respondents felt that incremental pay was fair this year compared to last year, 71% felt that it was fair for officers' pay to be determined by their length of service.
- 3.15.3 60% of respondents said that competency-based pay was fair; however there were some variations in attitudes on the basis of organisational demographics such as rank and length of service. For instance, 57% of constables felt that competency-based pay was fair, compared to 76% of chief inspectors. In addition, 51% of respondents with between zero and two years' service, 57% of respondents with between 11 and 15 years' service and 72% of respondents with over 30 years' service said that competency-based pay was fair.
- 3.15.4 A small majority of respondents also felt that specialist pay and workload-related pay were fair; however again there were differences seen across various groups. As might be expected, respondents in what may be considered specialist roles were more likely to say that specialist pay was fair, including 65% of respondents in Investigations and 63% of respondents in Operational Support. On the other hand, fewer than half of all respondents in Response policing and Custody roles felt specialist pay was fair, at 49% and 48% respectively. It must be remembered that officers, unlike other professions, are placed into roles by Chief Constables, and must fulfil roles asked of them. There is little choice: and it is therefore small wonder that a sizable proportion believe skills based pay is not fair in policing.

¹⁹ Dr Fran Boag-Monroe, Attitudes Towards Targeted pay. Sept 2016. R053/2016 Research and Policy Department, PFEW.

3.15.5 Moreover, the proportion of respondents who felt that workload-related pay was fair varied substantially across different ranks rank.48% of constables, 57% of sergeants, 66% of inspectors and 76% of chief inspectors said that it was fair for pay to reflect the workload carried by a particular role.

3.15.6 Mirroring the findings of last year’s survey, under 50% of respondents felt performance-related pay, knowledge-based pay and regional pay were fair. As in 2015, this latter method saw large variations according to respondents’ region. 71% of respondents in the South East and 65% of respondents in London said that regional pay was fair. This compares to less than half of respondents in other regions, with respondents in Wales and the North East least likely to agree that regional pay was fair, at 28% and 29% of respondents respectively. Notably there has not been any substantial increase in the last 12 months in the proportion of respondents in London and the South East who said that regional pay was fair; indeed respondents in London were less likely to feel that regional pay was fair this year compared to 2015.

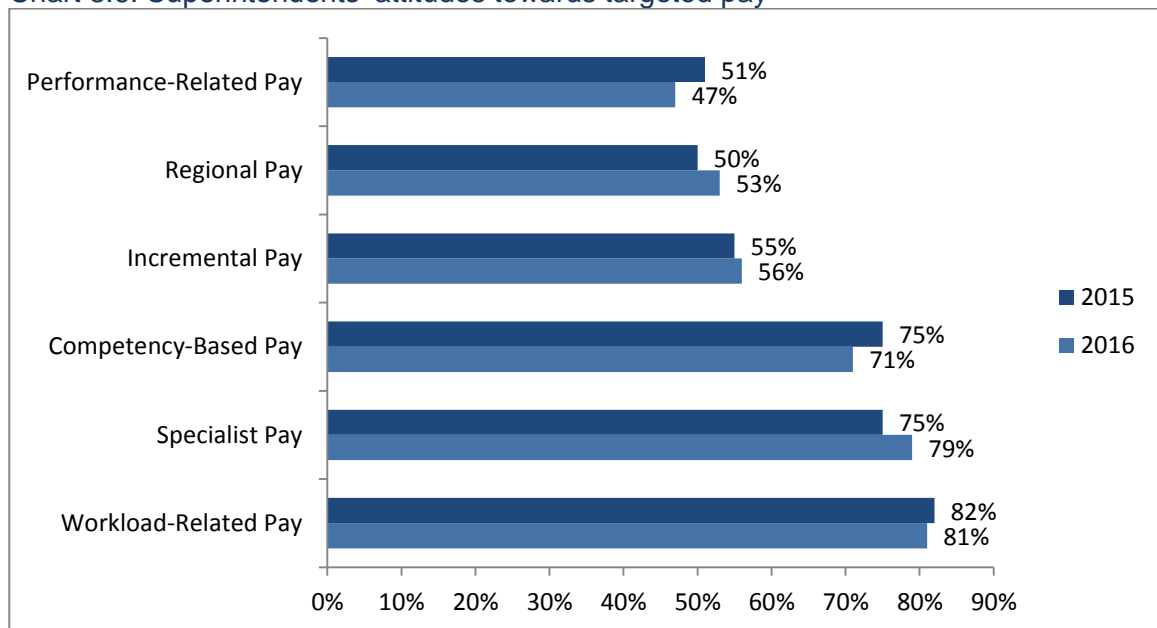
Chart 3.5: Federated ranks’ attitudes towards targeted pay



3.15.7 A majority of respondents to the 2016 PSAEW Pay and Morale survey felt that at least some forms of targeted pay were fair. More than three quarters of respondents said that workload-related pay and specialist pay were fair, whilst around seven out of ten respondents said that competency-based pay was fair. There have been some changes in responses compared to 2015, for instance this year respondents were slightly more likely to say that specialist pay was fair and slightly less likely to say that competency-based pay was fair. However differences across years were relatively small and the same three forms of targeting were preferred by respondents both this year and last year.

3.15.8 Comparison of these findings with the PFEW Pay and Morale survey discussed above shows that, overall, superintending ranks were much more likely to say that workload-related pay and specialist pay were fair compared to federated ranks, and slightly more likely to feel that competency-based pay was fair. They were also less likely to agree that incremental pay was fair, although a small majority of respondents still agreed that this method was fair. Notably, attitudes of inspecting ranks and superintending ranks towards targeting were more similar. For instance, 68% of inspecting ranks said that workload-related pay was fair compared to 81% of superintending ranks, and 71% of both inspecting ranks and superintending ranks felt that competency-based pay was fair.

Chart 3.6: Superintendents' attitudes towards targeted pay



4 Section B: Matters referred for recommendation for 2017/2018

4.1 Introduction

4.1.1 Two matters were explicitly referred for recommendation for this year, these being:

- How to apply the pay award for 2017/2018, including how best to apply short term, targeted measures to address recruitment and retention pressures; and
- To provide observations on proposals to introduce police officer apprenticeships in 2018, in relation to setting pay at an appropriate level.

4.1.2 In addition, the staff associations assume that, despite the Home Secretary's direction in the remit letter that the PRRB applies the pay award for 2017/2018 "in accordance with the Chief Secretary's letter", by which we assume the section of the Chief Secretary's July 2016 letter stating there is a government commitment to "fund public sector workforces for pay awards of an average of 1% a year, up to 2019/2020" we believe it is important that the independent PRRB has the flexibility to consider the overall size of the uplift. We therefore reserve the right to make a case for an appropriate uplift. Accordingly, we consider three matters below:

- The overall size of the uplift.
- How it might be applied, including any short term targeting.
- Observations on proposals to introduce police officer apprenticeships, in relation to setting pay.

4.2 The overall size of the uplift

4.2.1 Notwithstanding the CST advice that pay should be capped at an average of 1%, we believe that there is a strong case for a higher uplift for officers. We consider:

- Analysis of economic data: the impact of pay freezes and caps, in the context of current inflation and inflation projections for the future; and
- analysis of officers' satisfaction with their pay, their morale, and their likelihood of leaving, with data being derived from our pay and morale surveys. This is in keeping with the PRRB overall remit to consider recruitment and retention issues and the part that pay plays in these.

4.3 The economic context, including recent changes to remuneration

4.4 Political context

4.4.1 The Government's public sector pay restraint - first a two year freeze in 2011 and 2012 followed by an annual 1% pay cap since 2013 - continues to impact on officers. It seems there has been no change in Government policy that the pay cap will continue in place until 2019-20.²⁰ By the end of this Parliament, police officers will have endured eight years of pay restraint.

4.5 Public and private sector pay rises

4.5.1 The prolonged period of public sector pay restraint continues to coincide with stronger pay growth in the private sector resulting in a widening pay gap.

²⁰ July 2015 Budget. Available from HM Treasury website, https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/443232/50325_Summer_Budget_15_Web_Accessible.pdf

- 4.5.2 The most recent average weekly earnings reported by the Office for National Statistics (ONS) shows regular pay in the 3 months to August 2016 increasing by 2.4% in the private sector, but only 1.6% in the public sector.²¹
- 4.5.3 Last year's Office for Budgetary Responsibility (OBR) report (November 2015) forecast average earnings to rise steadily by 3.9% by the end of the CSR period²². More recently XpertHR published an average earnings forecast of 2.6% by the end of 2017 alone, which was based on the estimates of 11 independent forecasters.²³ With public sector pay restraint this growth will continue to be driven by the private sector. In a recent paper delivered to the IDR/OME Conference on Pay in the Public Sector²⁴ Professor Ken Mayhew reported a National Institute of Economic and Social Research (NIESR) forecast of average earnings of 3% by 2018. The gap with the public sector will only widen more with serious implications for public sector recruitment and retention, which is beginning to emerge in other review body remit groups. Last year the Institute for Fiscal Studies reported that the public-private pay gap will soon be back to levels last seen in the late 1990s and 2000s. This point has been repeated more recently by Professor Mayhew in his recent IDR/OME Conference paper.
- 4.5.4 Graph 4.1 shows that pay settlements in the whole economy and the private sector over the past two years continue to cluster around a median of 2%.²⁵ The graph also clearly shows how inflation had already started to rise even before the EU referendum result in favour of Brexit.

²¹ ONS, *UK Labour Market*, October 2016, 19 October 2016, p18 link to supplementary table EARN01. Available from ONS website, <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/uklabourmarket/october2016#average-weekly-earnings>

²² Office for Budget Responsibility, *Economic and fiscal outlook*, November 2015 (Cm 9153), p12 and p86. See also table 3.4 on p84 reporting other forecasters. Available from OBR website, http://cdn.budgetresponsibility.independent.gov.uk/EFO_November_2015.pdf

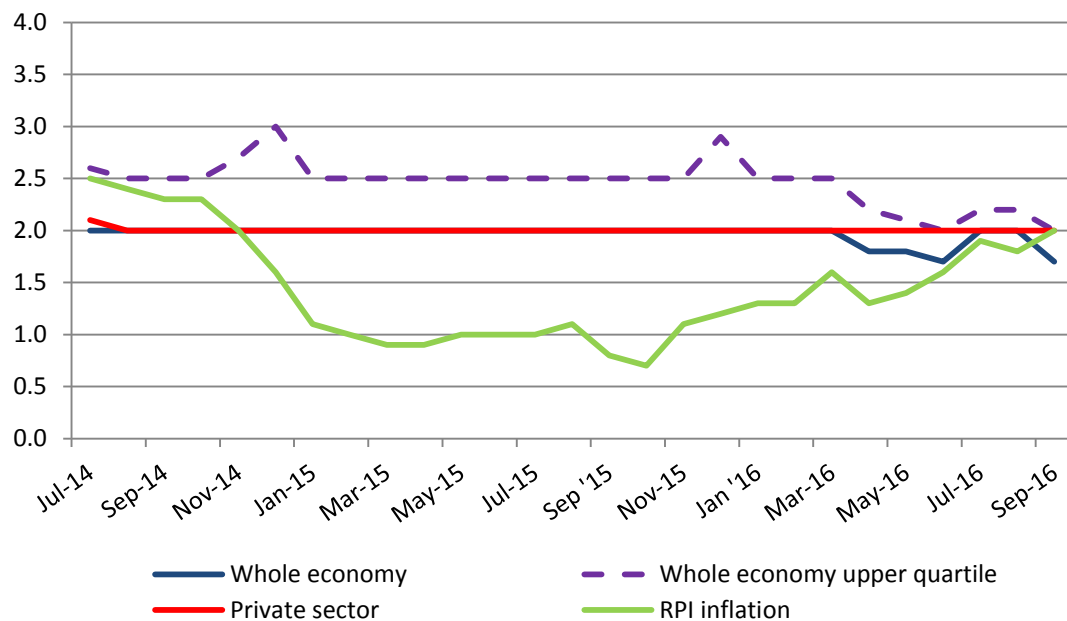
²³ XpertHR, Average weekly earnings www.xperthr.co.uk/indicators/average-earnings/16285

²⁴ Ken Mayhew, *Making decisions on public sector pay*, Incomes Data Research/Office of Manpower Economics Conference on Pay in the Public Sector, 15 September 2016.

²⁵ *Pay trends October 2016: pay awards highlight sectoral differences*, XpertHR. Based on charts 1 and 3 linked to excel data. Available from XpertHR website, <http://www.xperthr.co.uk/survey-analysis/pay-trends-october-2016-pay-awards-highlight-sectoral-differences/161465/>; RPI

4.5.5 RPI inflation is now close to the median pay settlement in the private sector, so there will be added pressure going forward on private sector pay which is not restrained by a pay cap. Public sector pay is now starting to fall behind in a way not seen since 2013/14 when RPI inflation was around 3%.

Graph 4.1: Whole economy and private sector median pay settlements and RPI inflation, July 2014 to September 2016 (XpertHR)



4.6 Inflation and the value of pay

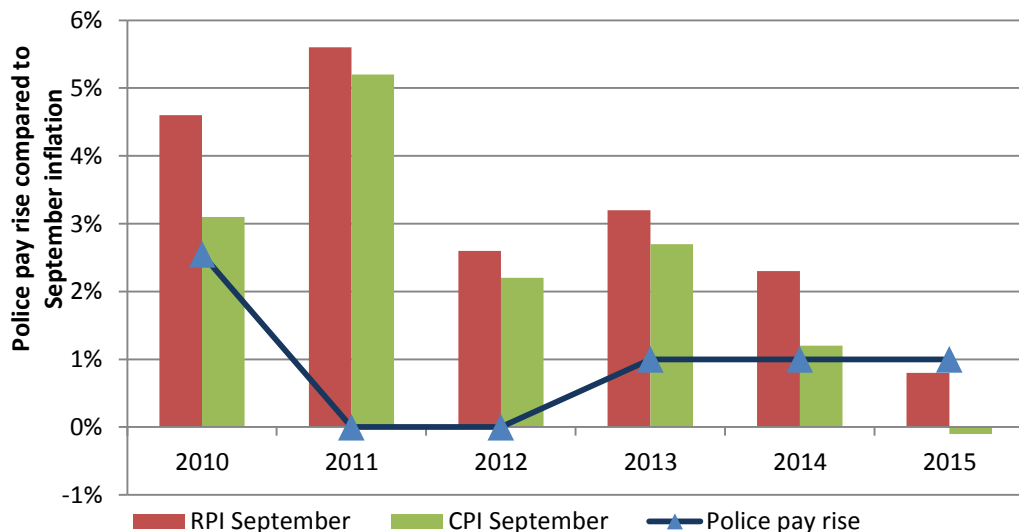
4.6.1 The first review body report coincided with a period of exceptionally low inflation with RPI at 0.8% and CPI at -0.1% in September 2015 (see graph 3.2 below). However, the second report's award with effect from September 2016 coincided with a noticeable rise in inflation to 2% (RPI) and 1% (CPI).

inflation from ONS, *Consumer Price Inflation* Bulletins from August 2014 to October 2016. See complete *Consumer Price Inflation Reference Tables*, October 2016 (Table 37 RPI All Items: 1948 to 2016) on ONS website at <https://www.ons.gov.uk/economy/inflationandpriceindices/datasets/consumerpriceinflation>

4.6.2 The Brexit vote has engendered a rapidly changing economic context. There is now a consensus among all economic commentators and forecasters - including the Bank of England - that inflation is set to rise even further over the course of the current Parliament.

4.6.3 In Graph 4.2 we have updated last year's analysis of the value of police officer pay settlements since 2010. Over the period to 2016 cumulative pay settlements for the police have totalled 6.55%, whereas cumulative RPI inflation has been 21.1%. This means that the settlements since 2010 have left a gap for officers of 14.6% below inflation.

Graph 4.2: Police officer pay settlements compared to RPI and CPI inflation, 2010-16



4.7 Overall impacts on police pay: inflation and loss of components of pay

4.7.1 This year we have used data collected by the Home Office for the most recent financial year 2015-16.

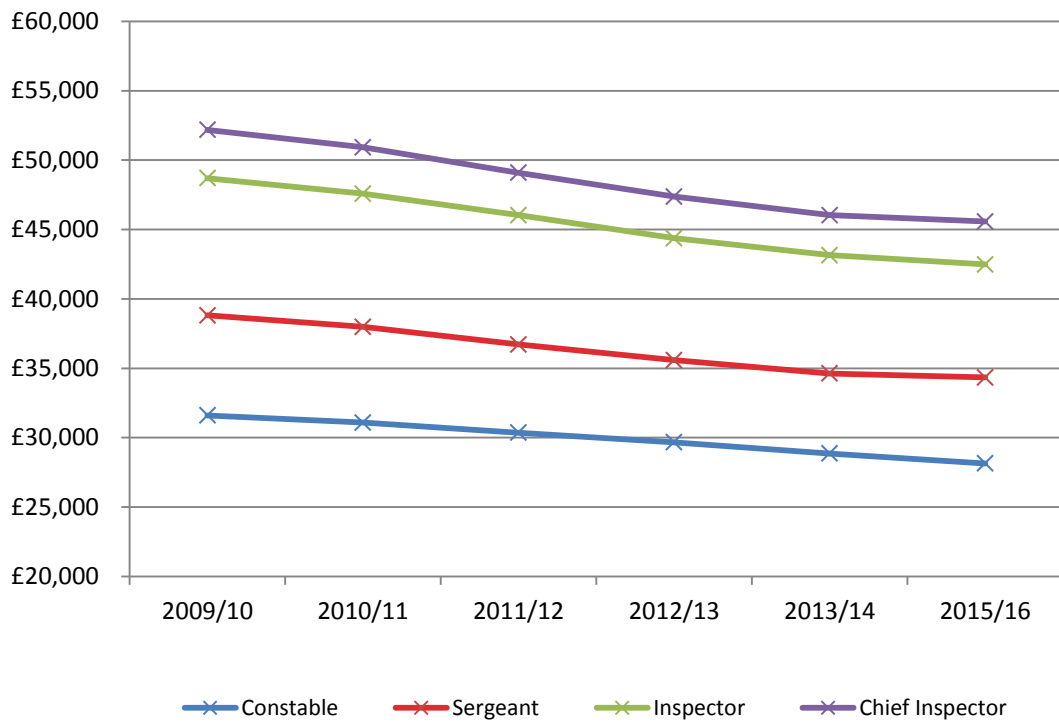
4.7.2 Average nominal pay data from the Earnings Censuses for 2010 to 2016 is used as the basis for calculating the fall in average real pay for both Federated and Superintending rank officers. 2009-10 is taken as the base year, and RPI inflation rates for each financial year have been calculated from the 12 month rate published every month by the Office for National Statistics (ONS).

- 4.7.3 The 2015-16 data covers earnings' growth over the last two years, since 2013-14, so it is necessary to take into account cumulative inflation over this two year period. ONS data shows cumulative inflation of 3.1% over two years.²⁶
- 4.7.4 Federated Ranks have had continued loss of allowances such as CRTP which reduced to only £300 by 2015-16 from £900 in 2013-14. This represents a loss of £600 for those at the top of scale and in receipt of the payment.
- 4.7.5 As in previous years we have used Census figures for nominal average pay (basic and total) in each financial year from 2009-10 to 2015-16 for full-time officers in each rank, and then calculated the nominal percentage increase from one year to the next and set this against RPI inflation for each year, and cumulatively across the period. Over this period the recent changes in pay and inflation have together reduced the real terms value of full-time Constables' average basic pay by approximately 11% (from £ 31,601 in 2009-10 to £28,147 in 2015-16), and total pay by about 15% (from £38,125 to £32,478) . This represents an additional 2% fall in the value of basic pay and 4% in total pay since 2013-14 (respectively 1% and 2% per year).
- 4.7.6 The real pay of Sergeants fell by about 12% (basic) and 17% (total), and reflects an additional fall of 1% and 3% respectively since 2013-14. Likewise, there were continuing falls in the real pay of Inspectors (13% basic and 17% total) and Chief Inspectors (13% basic and 16% total).
- 4.7.7 The real terms value of Superintendents' pay also continued to fall by 15% (basic) and 18% (total) since 2009-10, an additional fall over the last two years of 2% and 3% respectively.

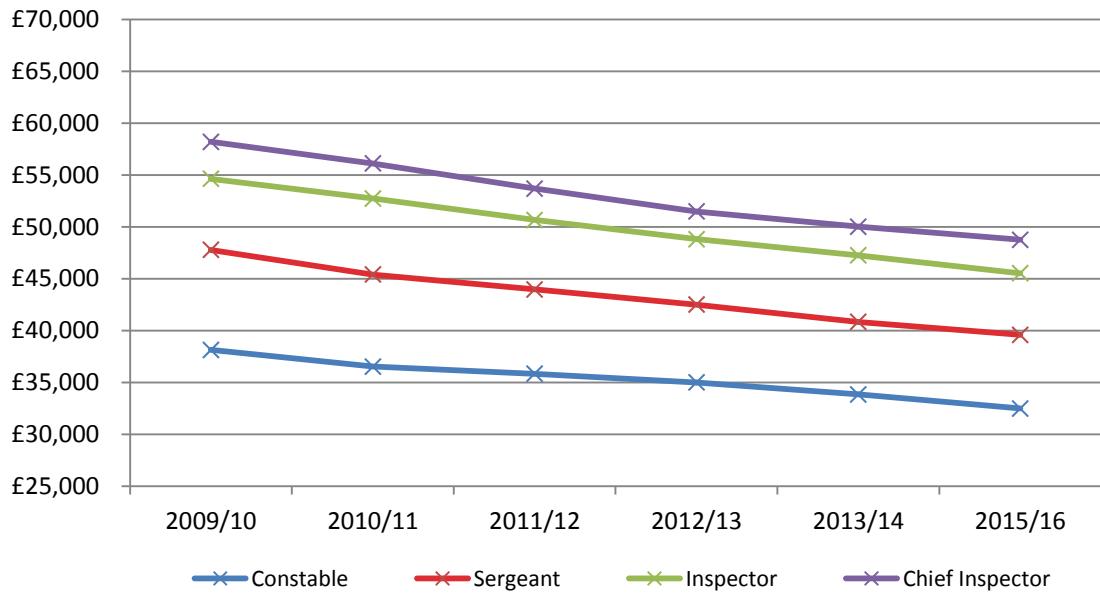
²⁶ FY average calculated from monthly figures in table 37, Office for National Statistics (ONS), *Consumer Price Inflation Reference Tables*, October 2016 (see previous reference).

4.7.8 The situation is somewhat different for Chief Superintendents' pay which increased slightly in real terms in this period, due in large part to the increase in nominal pay noted previously. This offset much of the rise in inflation over this period. Therefore, over the whole period since 2009-10 their basic pay fell by 10% by 2015-16 and total pay fell by 15%.

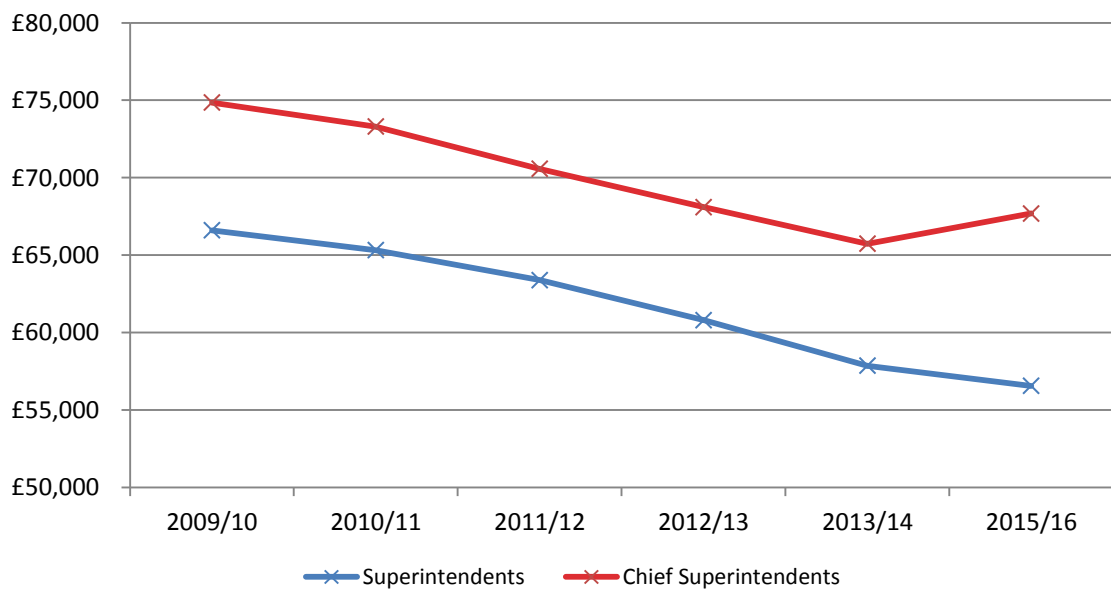
Graph 4.3: Average basic pay in real terms for federated ranks (at 2009-10 prices)



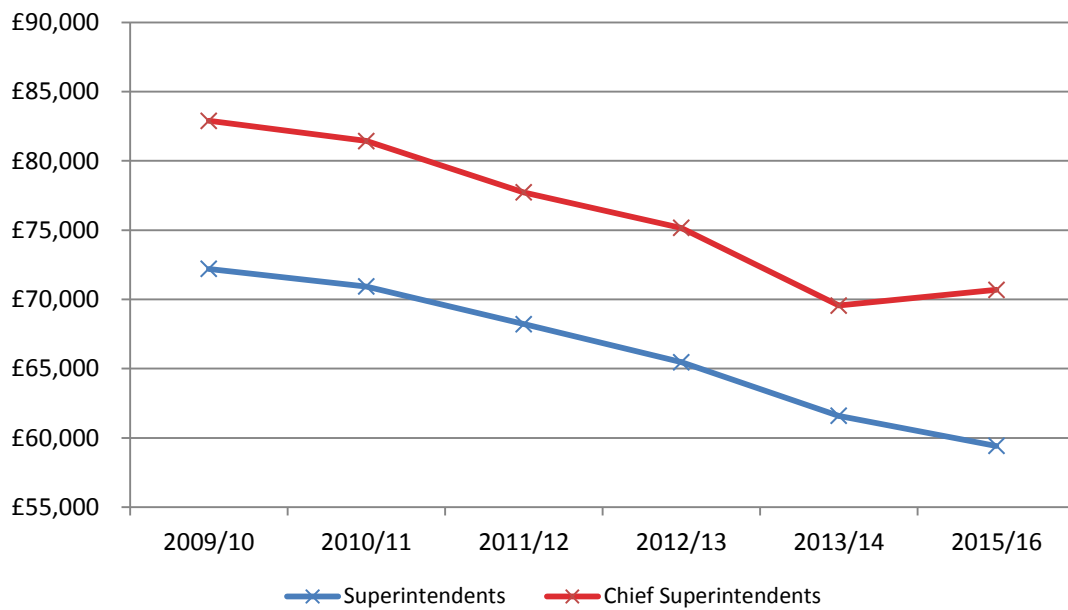
Graph 4.4: Average total pay in real terms for federated ranks (at 2009-10 prices)



Graph 4.5: Average basic pay in real terms for superintending ranks (at 2009-10 prices)



Graph 4.6: Average total pay in real terms for superintending ranks (at 2009-10 prices)

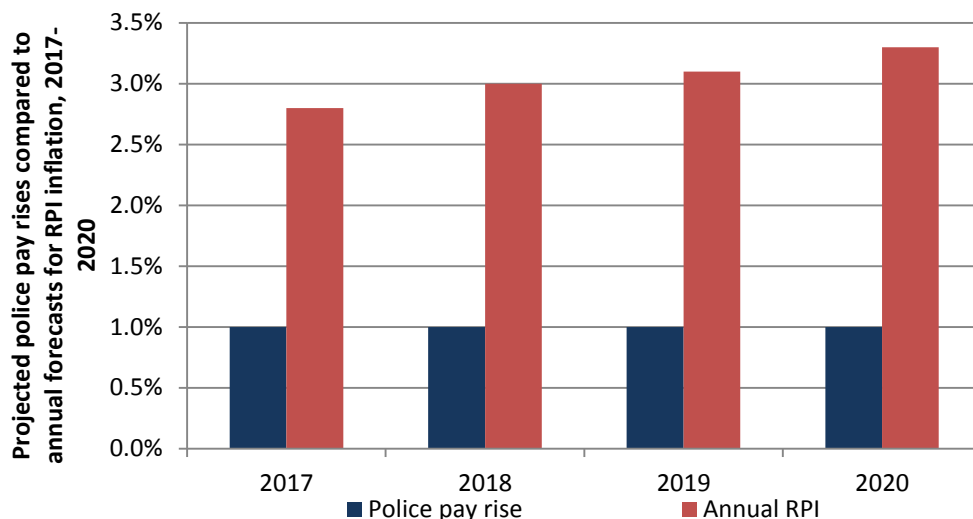


4.7.9 It is crucial to remember, too, that the through-life value of remuneration has declined for many officers due to the move away from final salary pension schemes, to the career average scheme, in 2015.

4.8 Projecting forwards in austerity

4.8.1 If the Government's public sector pay policy continues for the next four years then it is necessary to consider what that will mean for officers by 2020. For this calculation we have used forecast RPI inflation figures reported in HM Treasury's Forecasts for the UK economy.²⁷ The annual average of independent forecasts shows a projected average for 2017 of 2.8% before rising to 3.0% in 2018, 3.1% in 2019 and 3.3% by 2020. Therefore a 1% police settlement in each of the next four years would result in a further gap of 8.2% below inflation. This would equate to an overall gap of approximately 23% since 2010.

Graph 4.7: Forecast annual increase in cost of living and police pay increases under Government pay policy until 2020



²⁷ HM Treasury, *Forecasts for the UK economy: August 2016*, 17 August 2016. Based on the average of the most recent independent forecasts in the last 3 months, table M3, p22. These forecasts beyond 2017 are the most recent that the Treasury has published.

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/546720/2016_08_forecomp_august_2016.pdf

4.8.2 Indeed, it may be that these forecasts turn out to be somewhat conservative estimates. The National Institute of Economic and Social Research (NIESR), an economic think-tank renowned for its balanced forecasts, has recently released its forecast for the UK economy which says even CPI inflation “will accelerate, peaking at around 4 per cent in the second half of 2017, and this will impact on real disposable income.”²⁸ The Bank of England in its most recent Inflation Report²⁹ has also revised upwards its projection for CPI inflation for 2017 Q4 to 2.7% from 2.0% in August.

4.9 Summary

4.9.1 Over the period since 2010 to now, there has been a real terms gap in the value of police pay settlements across all ranks on the pay scales (compared to RPI) of about 14.6%. Continuing the pay cap for another four years would result in an overall fall in the real terms value of police settlements of about 23% since 2010 (-14.6% plus a further -8.2% in 2017 to 2020).

4.9.2 Although pay settlements in the whole economy and private sector in the last two years continue to cluster around a median of 2%, there is now a growing consensus that Brexit has changed everything in terms of the cost of living going forward. In terms of average total pay (which takes into account continuing effects of Winsor reforms, as well as inflation) over the period 2010-16 the federated ranks (covering all ranks from Constable to Chief Inspector) as a whole have had a real terms reduction of about 16%, Superintendents a reduction of about 18% and Chief Superintendents of about 15%.

²⁸ National Institute of Economic and Social Research, *NIESR Press Release: The UK economy will grow 2% in 2016 before slowing to 1.4% in 2017*, 2 November 2016. See also article in the National Institute Economic Review no. 238 November 2016.

http://www.niesr.ac.uk/sites/default/files/UK%20economy%20Press%20Release%20-%20Nov%2016_sk.pdf

²⁹ Bank of England, *Inflation Report November 2016*, 3 November 2016, p36. The Bank also forecast CPI inflation to stay at around this level (2.5%) up to 2019Q4
<http://www.bankofengland.co.uk/publications/Documents/inflationreport/2016/nov.pdf>

4.10 Recommendation: pay uplift

4.10.1 Officers have already fallen significantly behind in the real terms value of their pay. We believe that officers should see no further decline, and that this year they should have a rise in line with RPI inflation, of 2.8%. This would at least ensure that they are able to maintain their living standards at this point.

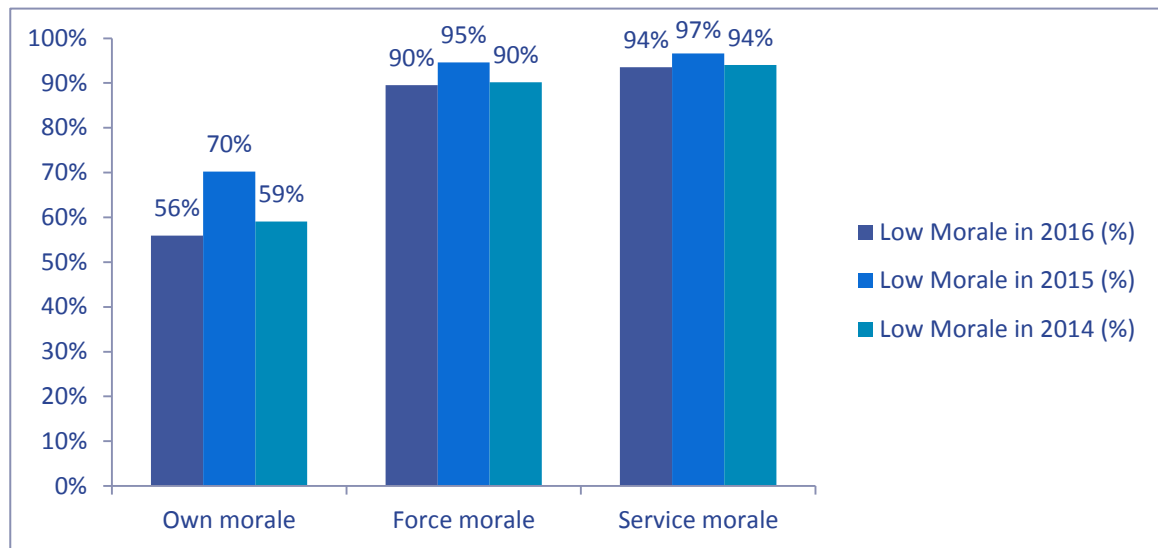
4.10.2 Going forward, we believe that the government policy of 1% increases are not sustainable. In order to recruit and retain officers with the requisite skills, and to pay officers a fair wage for the tasks they do, money must be found to make up the reduction of over 14% in just six years.

4.11 The impact in terms of officers' perceptions of pay, and recruit / retention: Pay survey data; overall morale, stated likelihood of leaving

4.11.1 As seen in Chart 4.8, the proportion of respondents in the 2016 PFEW Pay and Morale survey who said that their own morale was low was smaller than in 2015, but similar to 2014. We believe this may be because the impact of the introduction of the CARE scheme in 2015 caused a particular breakdown of morale. The proportion of respondents who reported low morale in their force and in the service as a whole this year were both identical to the proportions seen in 2014.

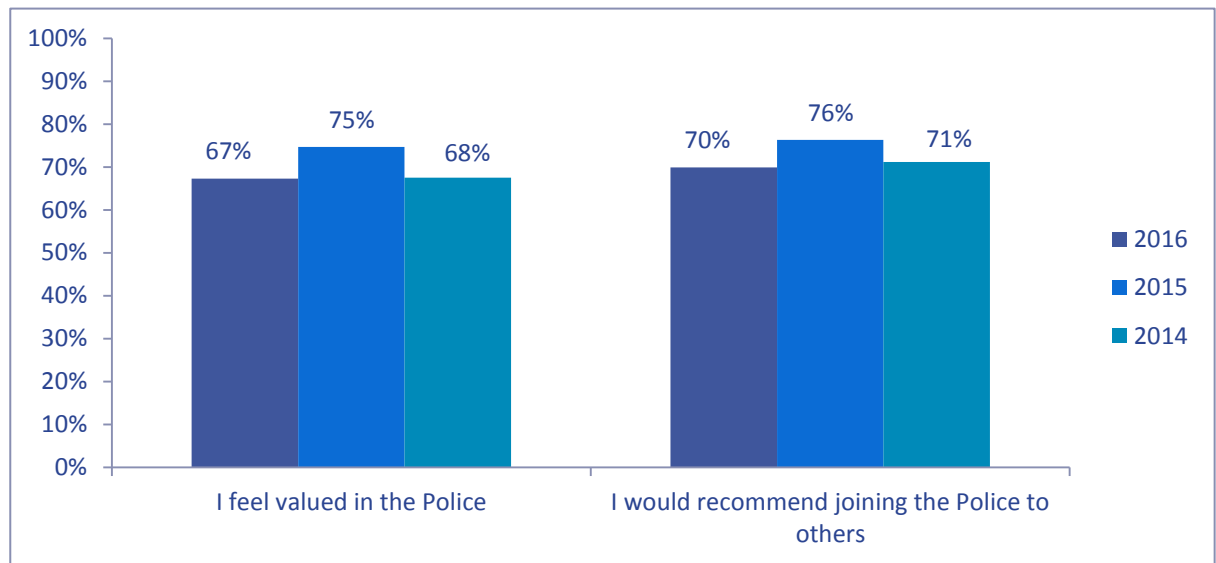
4.11.2 This year's survey also asked respondents to indicate which factors had a positive or negative impact upon their morale. Critically, 71% said that their pay and benefits had a negative impact upon their morale. 84% of respondents said that how the police as a whole were treated had a negative effect on their morale (compared to 4% who said it had a positive effect). Whilst it is not clear what exactly is meant by how they are treated, it would be normal to assume remuneration plays a part in that.

Chart 4.8: Proportion of respondents reporting low personal morale, force morale and service morale in 2014, 2015 and 2016.



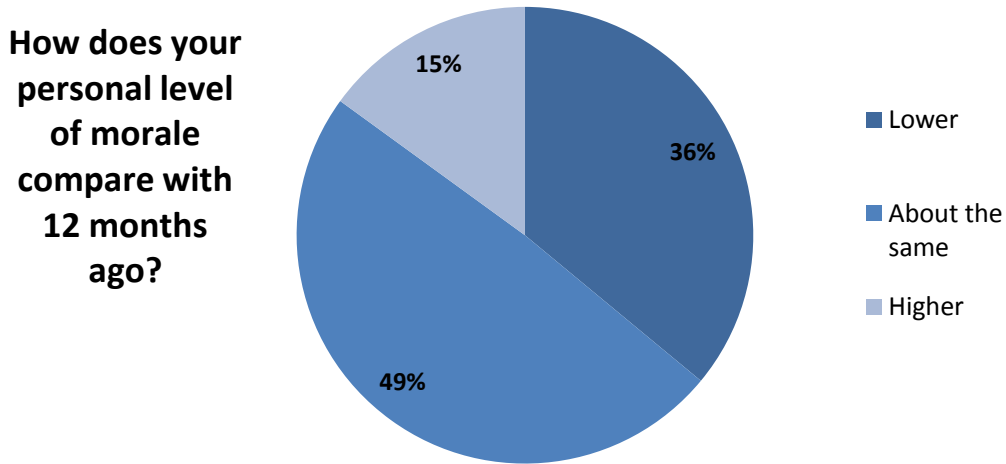
4.11.3 Considering other indicators of officers' morale, 67% of respondents in the 2016 survey did not feel valued in the police service whilst 70% said that they would not recommend joining the police service to others. These proportions are relatively similar to the proportion of respondents' who expressed these attitudes in 2014. Again, given that officers' feelings of being valued (or not) are likely to relate to their remuneration, we believe the fact that over two thirds of officers do not feel valued should be of concern to the PRRB, as well as to the leaders of the service, and government.

Chart 4.9: Proportion of respondents disagreeing with attitudinal statements in 2014, 2015 and 2016



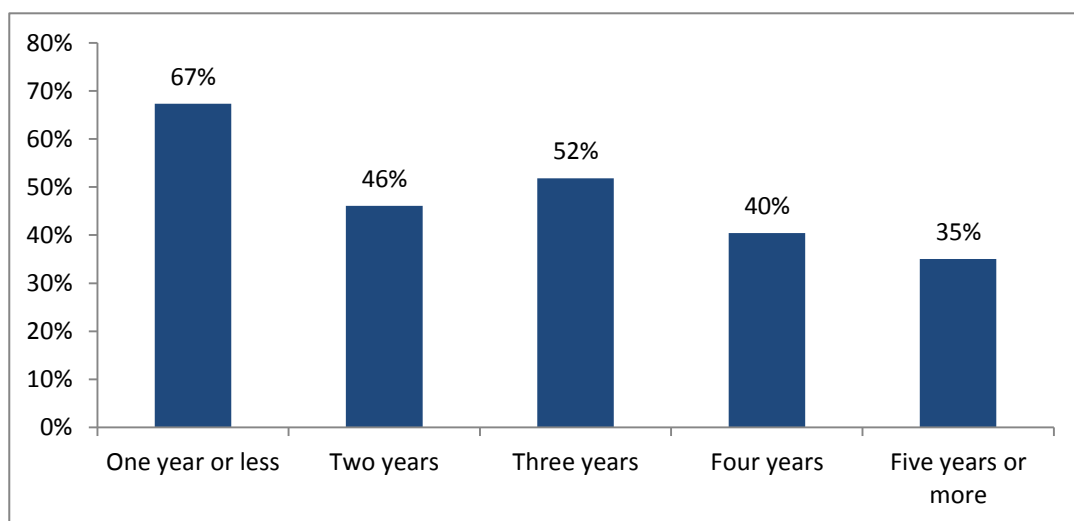
4.11.4 50% of respondents in the 2016 PSAEW Pay and Morale survey said that their morale was high, compared to 18% of respondents who said that their morale was low. Morale amongst the superintending ranks was therefore somewhat higher than amongst the federated ranks. On the other hand, 36% of respondents felt that their morale was lower now than 12 months ago, whilst only 15% of respondents reported that their morale was now higher.

Chart 4.10: Self-reported changes in personal morale compared to 12 months ago



4.11.5 In addition, 30% of respondents to the 2016 PSAEW Pay and Morale survey had been in rank for one year or less. This had a bearing on the proportion of respondents reporting high morale, as large differences were seen in morale on the basis of respondents' time in rank. For example, whilst 67% of respondents who had been in rank for one year or less said that their morale was high only 35% of respondents who had been in their current rank for more than five years reported high morale.

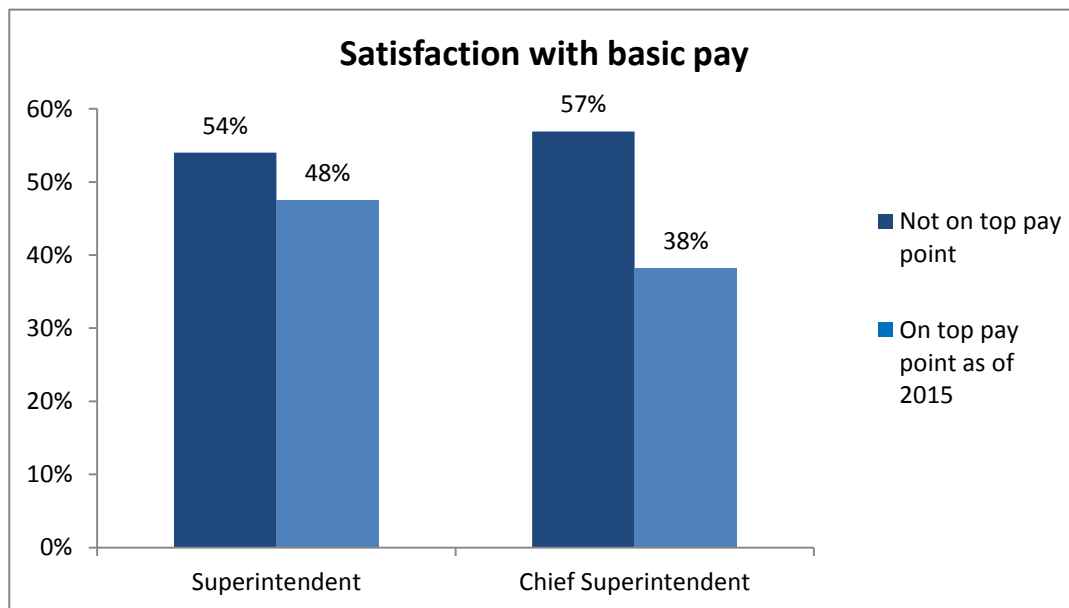
Chart 4.11: Proportion of respondents reporting low personal morale in 2016 (by time in rank)



4.11.6 70% of respondents in this year's PSAEW survey did not feel fairly paid considering the stresses and strains of their job, whilst two thirds of respondents said that they were not fairly paid considering the responsibilities they have within their job. Moreover, in relation to their job responsibilities, 41% of respondents felt less fairly paid now compared to 12 months ago, in contrast to 5% of respondents who felt more fairly paid.

4.11.7 Respondents who had reached the top pay point for their rank during 2015 or earlier (and therefore did not receive an incremental pay increase in the last 12 months) were however less likely to be satisfied with their pay than respondents who had not yet reached the top pay point. This difference was particularly striking amongst chief superintendents. 38% of chief superintendents on the top pay point for their rank said that they satisfied with their basic pay, compared to 57% of chief superintendents who had not yet reached the top pay point.

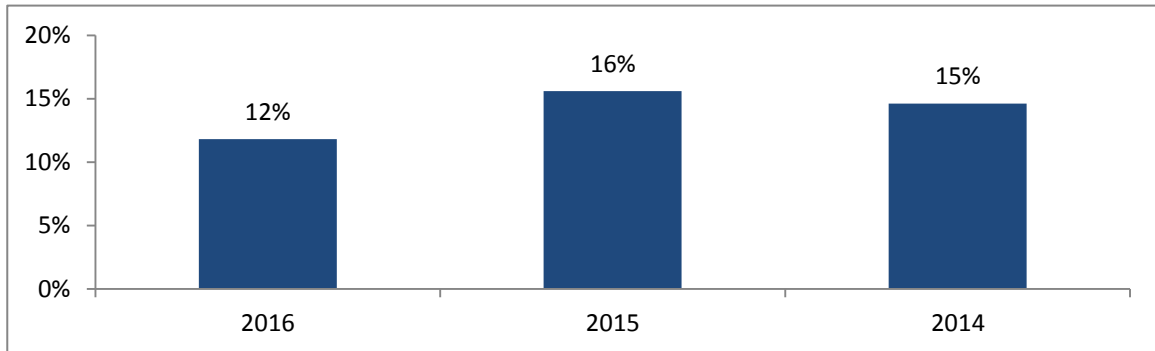
Chart 4.12: proportion of respondents reporting satisfaction with basic pay by rank and pay point



4.12 Retention

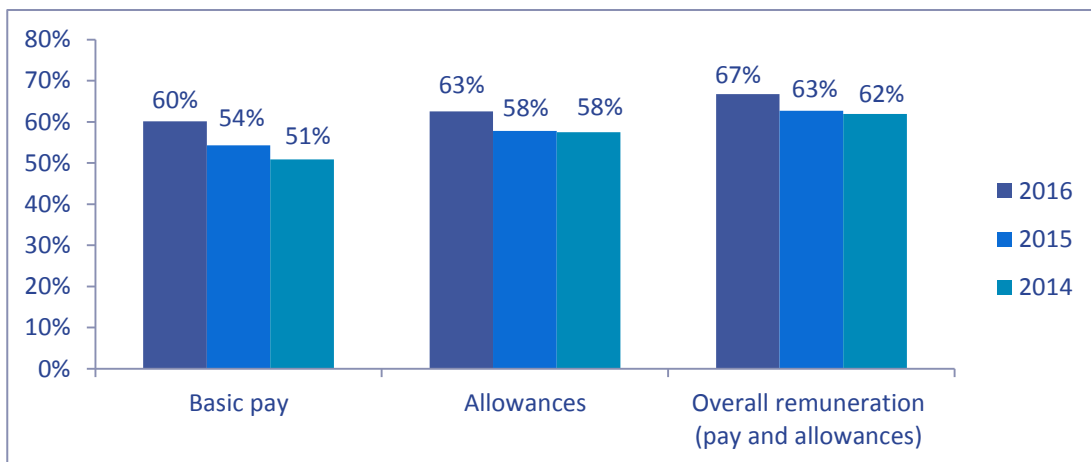
- 4.12.1 For several years, there has been a need for Chief Constables to shed numbers of officers in order to deal with reducing budgets. We understand the NPCC position that officers are not leaving in numbers that are significantly greater than needed, to achieve this. However, at the point when the employers no longer need to reduce numbers, we believe there is likely to be a significant retention problem. 12% of PFEW officers stated an intention to leave. We believe this is a lead indicator of the likelihood of officers leaving the service.
- 4.12.2 Several factors had a major effect on intention to leave for a larger proportion of respondents this year compared to last year. In particular, 68% respondents said that their pay and benefits had a major effect on their intention to leave in 2016, compared to 59% in 2015. In addition, better opportunities outside the police had a major effect on intention to leave for 59% of respondents this year, compared to 51% of respondents in last year's survey. Respondents were slightly less likely to cite their morale and how the police as a whole were treated as having a major impact on their intention to leave this year compared to 2015.
- 4.12.3 For the first time, the 2016 PFEW survey also measured respondents' organisational commitment to understand in more detail the reasons why respondents stayed in the police service. 34% of respondents said that they felt a strong sense of belonging to the police service whilst 31% said that they were happy to spend the rest of their career in the police. In contrast, 73% said that staying in the police was a matter of necessity and 62% said that they felt they had a lack of options to consider leaving. This demonstrates the current difficulty officers have in being able to take their skills outside policing.

Chart 4.13: Proportion of respondents intending to leave the police within two years in 2014, 2015 and 2016



4.12.4 Whilst the proportion of respondents who reported low morale and intention to leave were smaller in this year's PFEW survey compared to previous years, respondents were more likely to be dissatisfied with their remuneration this year, in particular 60% said that they were dissatisfied with their basic pay and 63% said that they were dissatisfied with their allowances.

Chart 4.14: Dissatisfaction with Pay and Remuneration in 2014, 2015 and 2016



4.13 Case Studies on recruitment / retention

Outside our survey data, we have looked to recruitment drives in forces and retention matters. The picture is unclear due to a lack of data collected in many forces.

Case Study 1: force level data on recruitment and retention.

In light of the deficit of publically available workforce data, the PFEW submitted Freedom of Information (FOI) requests to a sample of six police forces in preparation for the 2015 PRRB submission. This included a request to the MPS, who have stated that they have recruitment and retention issues, and that they need the ability to target key groups during recruitment. This includes a move towards direct entry.

While all the forces acknowledged receipt of the requests, only two forces (Devon & Cornwall, and Wiltshire) supplied data within the statutory timeframe and thus, also in time for inclusion in last years the PRRB report. Table 4.15 is an updated summary of the information gained through these FOIs. Two more forces supplied data, approximately two and six months past the statutory timeframe of 20 days (Greater Manchester and the MPS respectively). Specifically, forces were asked to supply:

- 1) Annual number of officer vacancies/posts advertised for the years 2010-2015.
- 4) Annual number of applicants for the advertised officer vacancies/posts for the years 2010-15.
- 5) Annual number of applicants who were accepted for the officer advertised vacancies/posts for the years 2010-15.
- 6) Total number of officers leaving the force for the years 2010-15,

broken down by the length of service (in years), the reasons for leaving (e.g. transfer to another force, exiting the police service, retirement etc.) and by specialty.

The aims of collecting these data were to develop an understanding of the calibre of recruits being brought in via the traditional entry method, to assess whether there is a problem either with number or skills / qualities; and to better understand the reasons for leaving, to establish whether, in fact, some of those leaving particular roles could be incentivised to stay by remuneration, or whether other methods might be more appropriate. (For example, whether the issues are to do with wellbeing, hours worked, and so on).

As with last year's PRRB submission, we would like to highlight forces' inability to supply simple workforce data in response to, and in line with, statutory deadlines (20 days). This indicates that forces may not be using data to make well-informed evidence-based decisions around recruitment and retention issues.

Table 4.15: 2015 FOI request responses

Force Name	FOI Request Date	Confirmation Received	Status	Comments
Devon & Cornwall³⁰	20.11.15	23.11.15	Data Received 14.12.15	Officer vacancies/posts: Campaign number only Applicants: Yes Accepted applicants: Yes Leavers by length of service: Yes Leavers by Reason: Yes Leavers by Specialty: Yes
Wiltshire³¹	20.11.15	23.11.15	Some data Received 17.12.15	Officer vacancies/posts: Force does not advertise for set number of vacancies but have set 'intakes'. In 2015 there were 3 intakes each with 16 available posts (48 posts) Applicants: Refused on the basis that it would exceed the cost limits under the Act which is currently set at £450 or 18 staff hours work. Accepted applicants: 56 Leavers by LoS: Provided start dates Leavers by Reason: Broad description only Leavers by Specialty: Yes – Position title
Avon and Somerset³²	20.11.15	20.11.15	Request refused 21.12.15	Reason for refusal: Refused on the basis that it would exceed the cost limits under the Act which is currently set at £450 or 18 staff hours work.
Metropolitan Police³³	20.11.15	23.11.15	Some data received 04.05.16	Officer vacancies/posts: The MPS do not keep records of the number of vacancies advertised

³⁰ Ashford, H. (Email, personal communication 14 December 2015).
³¹ Mayell, S. (Email, personal communication 17 December 2015).
³² Pritchard, R. (Email, personal communication 21 December 2015).
³³ Edwards, D. (Email, personal communication 4 May 2016).

				Applicants: Refused on the basis that it would exceed the cost limits under the Act which is currently set at £450 or 18 staff hours work. Accepted applicants: Yes Leavers by length of service: Yes Leavers by Reason: Yes Leavers by Specialty: Yes - broad business groups only
Dorset	20.11.15	24.11.15	Still awaiting response	NA
Greater Manchester³⁴	20.11.15	20.11.15	Data received 26.01.2016	Officer vacancies/posts: The GMP do not keep records of the number of vacancies advertised Applicants: Refused on the basis that it would exceed the cost limits under the Act which is currently set at £450 or 18 staff hours work. Accepted applicants: Yes Leavers by length of service: Yes Leavers by Reason: Yes Leavers by Specialty: Yes - Broad business groups only

Devon and Cornwall were the only force to supply data in regards to the number of applications that were received and the number of vacancies/campaigns. Two recruitment campaigns were run; one in 2013 and one in 2015. Interestingly, this data highlighted a considerable drop in the number of applicants between 2013 and 2015. More specifically, the number of applications received in 2013 was over twice as many (n=1,149) than that in 2015 (n=439).

It is difficult to understand why two of the three biggest forces in England and Wales were unable to supply this data neither within the statutory FOI period, nor within the costs. This would appear to be extremely basic workforce planning data.

³⁴ Kynaston, D. (Email, personal communication 26 January 2016).

Case Study 2: Recruiting

We are aware that there have been recruiting issues in some forces already. One force held recruitment drives in both March of this year, and autumn. The March drive had significantly higher applicants than the autumn drive, by a factor of 7:1.

In the latest drive, those potential recruits who did not follow up on their initial interest were asked why they did not. About a third of respondents stated that they could not afford to take a pay drop to the starting salary.

Case study 3: Recruiting –potential for better management information

The College of Policing was awarded £500,000 from the Police Transformation Fund to support the development of a new e-recruitment platform.³⁵ This was one of seven recommendations from the College’s review of Police Initial Recruitment published in August 2016; but would also support Recommendation 3 of the Leadership Review, by enabling all vacancies for recruitment and promotion to be advertised nationally. The platform should track candidates, monitor recruitment and promotion trends, and assess the effectiveness of new recruitment strategies.

Implemented effectively, the proposed e-recruitment platform could be a significant source of management information for the police service and for the PRRB going forward. For instance, data from this platform could be used to broadly monitor recruitment trends but also have specific applications such as the identification of hard-to-fill vacancies or skill shortage areas at both a force and a national level. Management information data from an effective e-recruitment platform could also help to evaluate and improve initiatives to recruit more diverse workforce at all levels of the police service; for example by monitoring the number of applicants from under-represented groups who apply and are selected for internally and externally advertised vacancies. This would be a positive step forward, and provide much more advanced data than are current available.

There must be continued momentum and management support behind the project for it to be successful. According to the College, the £500,000 awarded from the Police Transformation Fund is to “deliver a robust business case and options assessment to support the development of an innovative, modern approach to e-recruitment and careers/ job-related information”,³⁶ rather than to definitively fund

³⁵ College of Policing Review of Police Initial Recruitment Working Group meeting, Ryton, 14 October 2016

³⁶ Ibid.

the implementation and ongoing administration of the platform itself. There is a clear risk that continuing budgetary pressures and the challenge of achieving “buy-in” from each of the 43 forces could mean that this project never moves beyond the option assessment phase.

4.14 How the uplift might be applied, including short term targeting

4.14.1 The Chief Secretary to the Treasury's direction to the Chairs of the pay review bodies (July 2016) was:

"I expect to see targeted pay awards, in order to support the continued delivery of public services, and to address recruitment and retention pressures. This could mean that some workers could receive more than 1 percent while others receive less, and there should be no expectation that every worker will receive a 1 percent pay award. I am aware that this requires you to have good, evidence-based propositions to consider".

4.14.2 We are concerned that this is a blanket policy statement, rather than an assessment of what works and drives appropriate behaviours in a specific organisation and context.

4.14.3 In a recent presentation at the Pay in the Public Sector conference³⁷, Ken Mayhew, the economist to the Armed Forces' Pay Review Body noted that most academic research that is robust shows the positive effect is very, very limited in terms of impacting motivation. Therefore he would urge caution in this area.

4.14.4 Professor Mayhew discussed whether pay should be targeted according to market forces by rewarding those in roles where there are recruitment and retention issues because the workers could potentially earn more elsewhere. However, these market forces are often temporary, and so payments can become obsolete. Professor Mayhew went on to say that rather than focusing on the market alone, it is better to combine job evaluation with a relatively cautious, and if possible 'scientific', approach regarding markets.

³⁷ Professor Ken Mayhew, AFPRB, Pay in the Public Sector Conference (IDR/OME), 15th September 2016

4.14.5 Finally, Professor Mayhew stated that a significant risk is that it is easier to give out targeted pay than to take it away. It is therefore necessary to be cautious: devolving pay decisions can be particularly problematic, as problems can be created that are difficult to unpick later.

4.14.6 We are aware that in other pay systems, such as that of the Armed Forces, a complex situation exists whereby personnel may be paid by rank, for specialist skills, and Recruitment and Retention Payments (RPPs) especially for pinch point trades. However, this provides an example of the kind of issue to which Professor Mayhew refers, as the pinch points change over time, and ensuring the pay system is able to keep up with this has proven near impossible.

4.15 Targeting pay: key concerns

4.15.1 Targeting pay in the current economic climate is a particularly tricky issue. Our main concerns are that:

- 1) Any targeting now might fly in the face of the longer term reforms to policing reward and recognition that are still not designed. As Professor Mayhew has said, local decisions may be difficult to unpick: it is hard to take pay away.
- 2) As the OME report “Targeted Pay Increases in the Public Sector: Theory and Practice” (OME, 2016)³⁸ points out, “Public sector workforces are funded for pay awards of 1 percent per year up to 2019-2020, providing only limited scope to change pay relativities. Therefore targeted annual pay awards are most likely to be effective in addressing relatively minor pay discrepancies” (Page 1, OME 2016).
- 3) There is a “need to be mindful of any disproportionate effects of targeting according to legally protected characteristics” (Page 1, OME 2016). The staff associations feel this has proven to be a particularly problematic issue on police remuneration systems in the past, given that our Equal Pay Audit

³⁸ Office for Manpower Economics, *Targeted Pay Increases in the Public Sector: Theory and Practice*. OME 2016

over the period (2009 to 2013)³⁹ demonstrated that on every element of discretionary pay, the force as a whole was subject to worrying levels of inequality by gender and by ethnicity. In particular, Competency Related Threshold Payments (CRTPs) and Special Priority Payments (SPPs) were extremely problematic, in part due to differential access by gender. By 2013 for Constables the gender pay gap for basic pay was 3.5%, and for total pay, including discretionary elements, 6.8%. For Sergeants the total pay gap was 5.1%. This despite the gap decreasing progressively since the 2009 pay audit, as discretionary pay elements have been removed.

4.15.2 The staff associations agree the OME position that “Effective targeting requires good evidence” (Page 1, OME 2016). Further, that any targeting of pay should not “do more harm than good by creating other supply or motivation problems, especially in the context of limited budgets”. (Page 1, OME 2016). We also support the OME in saying that “Vacancies or concerns about staff morale are not sufficient basis for a targeted pay award, There needs to be evidence that targeting will have an impact on the issue of concern.” (page 1).

4.15.3 We believe there are two main ways to target pay: towards groups, such as firearms specialists, and towards individuals, such as those undertaking especially challenging jobs. (For example, a Superintendent with a particularly large span of command and control).

4.15.4 The staff associations find the list of questions provided in the OME’s recent report on targeting pay (P.23-24) extremely helpful. These are replicated in the table following:

³⁹ Dr Denis Van Mechelen, Equal Pay Audit 2013, and Trends 2009-2013. Feb 2016. 2016/0001 Research and Policy Department, PFEW.

Table 4.16: Targeting Pay

1. General context and strategy	What is the aim of greater pay targeting ? For example, is the aim to improve economy, efficiency, effectiveness or equity? How does targeting support the wider strategy for the workforce, policy and delivery?
	Does the current pay structure already target the right employees to the right extent and, if not, why not?
	Are the desired strategic aims achievable through annual pay reviews , especially in the context of tight control of the public sector paybill? Or is more fundamental reform of pay and pay structures required?
	What is the main intended purpose of targeting pay? For example, is it related to retention or motivation of existing employees or recruitment or selection of new ones?
2. Detail of implementation	In what form should targeted pay increases be paid? For example, should targeted pay increases be consolidated or non-consolidated or in the form of allowances? Will the impacts differ in accordance with the form of increase?
	Should increased targeting be delivered through means of targeting already in use or the introduction of new ones?
	According to which potential dimensions (for example skills, location or employee performance) will targeting be delivered?
	What are the alternatives to increased pay targeting , and if they are less suitable, why is that?
	What will the impacts be according to protected characteristics?
	At what level is the required targeting decision best made? By the relevant government department (advised by the relevant PRB) or delegated to a local level?
	However pay is targeted, are there appropriate supporting mechanisms to appropriately redirect the required funding?

3. Expected impacts of increased pay targeting:	On the retention of targeted employees?
	On recruitment into targeted posts?
	On productivity of targeted employees or new recruits into targeted posts?
	On non-targeted employees and posts?
	On fairness and equity?
	What will the net effect be on the cost, size, motivation and composition of the workforce?
	Will there be wider labour market effects?
4. Questions of data and evidence:	What data or information is required to support decisions on targeted pay?
	In a situation of imperfect evidence or data, to what extent should judgement be applied?
	How might the quality of evidence or data be improved over time to support improved decision-making?

4.15.5 In addressing issues regarding short term targeting this year, the staff associations have had no firm proposal from the NPCC to date. That is, we have not seen any proposal based around the sorts of question areas outlined by the OME in table 4.16. We understand the general context and strategy. We understand that the NPCC wish to introduce short term measures only, so as not to affect the longer term reforms, and that some of these are likely to be local. However, the detail of implementation is not yet set out; nor have there been discussions regarding the expected impacts. We have not yet seen data and evidence justifying the NPCC position.

4.15.6 We are aware, then, that the NPCC submission may raise the use of short term bonuses for certain skills groups (possibility fire arms specialists and detectives). We have very recently been made aware that bonuses may also be used for Advanced Practitioners. But as yet, there has been no discussion of the likely size of such bonuses; how they would be funded (which may impact on other officers); whether they would be consolidated; nor of any evidence showing that bonuses are likely to meet the NPCC aims (whatever these are). Worryingly, we have not seen evidence of consideration of equality impacts.

4.15.7 To be clear, the staff associations are keen to ensure that members are rewarded appropriately. However, in the absence of data at this point in the pay cycle, we urge the utmost caution in targeting using bonuses.

4.16 Checks and balances

4.16.1 We believe that should any targeting occur, and / or bonus payments be made then there must be appropriate checks and balances in place to avoid manifest unfairness; to ensure that these have the effect intended; and to avoid negative impacts on other officers.

4.16.2 Further, as an underlying principle, we believe any bonuses should be pensionable. As the OME have said, the scope to change relativities is small. The likelihood of addressing any real problems through a bonus will be weakened if that bonus payment is not pensionable. In the context of the introduction of the CARE scheme, any payments that do not contribute to the calculation of overall average earnings for pension purposes would likely be seen by officers as an insidious attack on their lifelong remuneration.

4.16.3 We do not believe that targeting should come from within the overall uplift. That is, an uplift should be applied to all officers of 2.8%. Targeting should be additional to this. We believe that local force budgets have additional funding sufficient to pay for targeting.

4.16.4 The checks and balances we would expect to see in place include the following:

- 1) There should be discussion of the case for targeting and / or use of bonuses at an appropriate national forum – likely the voluntary Police Consultative Forum. National level discussions are essential to ensure that no one force disadvantages another, by, for example, paying bonuses that mean officers are poached between forces.
- 2) Discussions should be based on the four components outlined by the OME: that is, context and strategy; detail of implementation; expected impacts; and data and evidence.

- 3) We would expect any such discussions to be given the proper time to be worked through, rather than the PRRB offering a “carte blanche” for the employers to simply say they will introduce bonus payments to be used at Chief Constables’ discretion.
- 4) There should be agreement as to what evidence and documents would be provided for discussion throughout. For example, it seems reasonable to request that a business case would be presented – usually by the employers, but sometimes by staff associations – stating the rationale for change, and the expected impacts. Once that is agreed, an implementation plan would be needed. Risk assessments should be made as to the likely benefits and disbenefits. This should include assessment of the impact on protected characteristics, and an Equality Impact Audit, at an appropriate point. Data such as any recruiting gaps and retention issues, as well as potentially benchmarking against other groups (internally and externally) should be provided.

4.17 Case studies

4.17.1 We provide some case studies below that demonstrate the lack of evidence currently being provided by the employers, when considering overall uplifts, and targeting.

Case Study 1: the removal of the ranks of Chief Inspector and Commander from the MPS.

In May 2016 the media started reporting the abolition of the ranks of Chief Inspector and Commander in the Metropolitan Police Service (MPS). Clearly the tasks done by these ranks will not disappear: they will still need to be achieved, and most likely by those at lower ranks.

The PFEW at national level (PFEW General Secretary) has written to the MPS formally requesting the business case justifying this move, and the HR procedure by which it is to be achieved. A letter in response was received on 8 December 2016 from the MPS Director of People and Change, Robin Wilkinson, stating only that the MPS was awaiting a formal letter from the Metropolitan Police Federation (MPF), who are taking legal advice. The letter made no mention of either the business case or HR policy, which have not been shared with any staff association representative, national or local.

We believe that, in keeping with best practice, and indeed with the OME list of considerations for targeting pay, the MPS should have been able to readily supply a business case outlining the intention behind this move, and the risks regarding the motivation and workload impact on other officers.

Again, as in the previous case study, it is difficult to understand why the largest force in the country seems unable to share basic workforce change information. This has an impact on our members in the MPS both directly on

those in these ranks, and also indirectly on other ranks. It also has a national impact, as it sets a precedent. We believe it is inappropriate for the MPS to insist (as in the letter dated 8th December 2016) that they will deal solely with the MPF on this matter, and not with the statutory national representatives of the staff associations.

Case study 2: Firearms officers

In the NPCC's submission to the PRRB last year, the roles forces most commonly saw as hard-to-fill were firearm and detective roles. We therefore assessed whether officers in these roles reported lower morale or were more likely to intend to leave the police than other officers. As seen in Charts 4.16 and 4.17 below, there is no clear evidence to suggest that, on a national level, the morale or intention to leave of respondents in these roles was substantially different to that of other officers.

Chart 4.16: Proportion of respondents reporting low morale (by role)

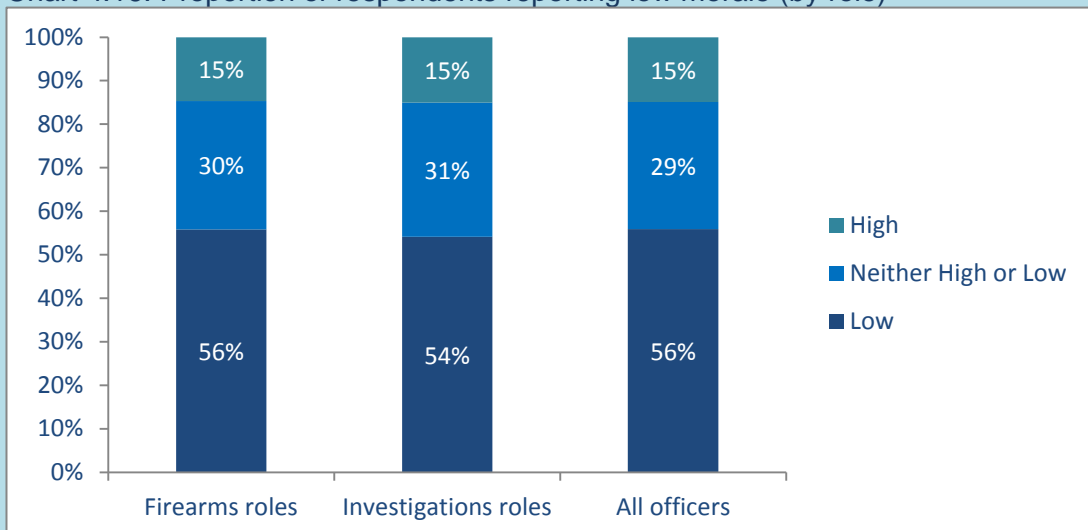
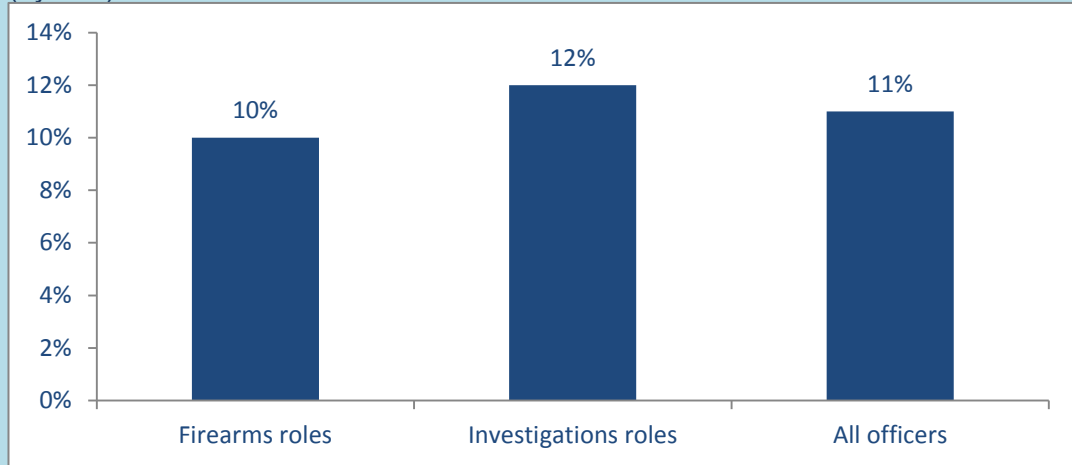
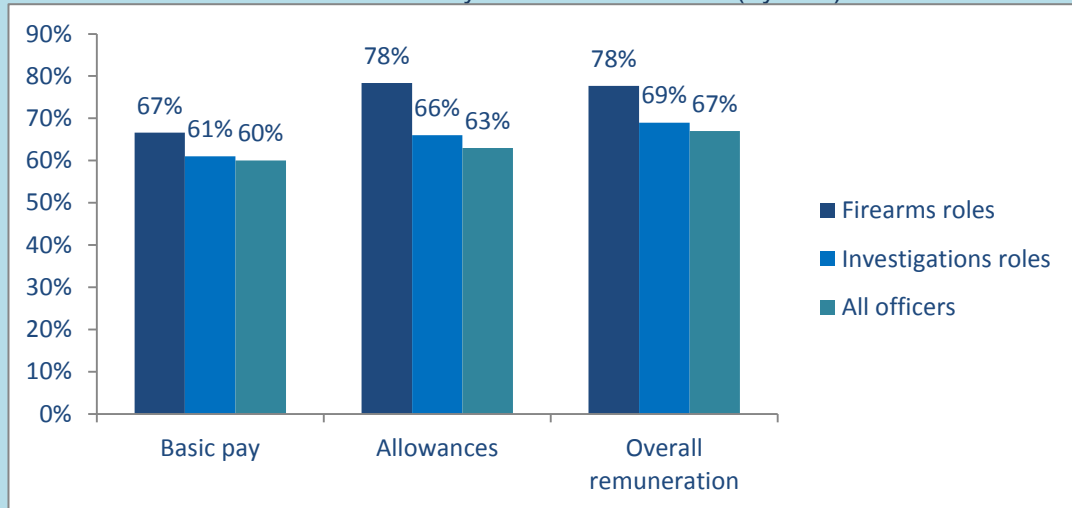


Chart 4.17: Proportion of respondents intending to leave the police within two years (by role)



There do however appear to be some force-level differences in these areas. For example, 36% of City of London respondents in an investigation role and 29% of MPS respondents in a firearms role said that they planned to leave within two years. Chart 4.18 also shows that firearms officers were somewhat more likely to be dissatisfied with their remuneration, in particular their allowances, than other officers.

Chart 4.18: Dissatisfaction with Pay and Remuneration (by role)



At this stage, we have little data to inform any decision. The NPCC has asked forces to supply information about hard-to-fill posts, and shared some information on Friday 9th December 2016. The information suggests that a number of forces are reported by their HR teams to be finding it difficult to fill certain posts. However, there is, as yet, no quantification of the degree of the problem. Perhaps, even more importantly, there is no analysis of the reasons: it is not known whether this is related to pay, or whether it is an issue that needs to be addressed in another way.

Case study 3: Apprenticeships

We believe the way in which the apprenticeship scheme has been introduced means that it could be included as a case study here. It demonstrates how basic manpower planning analysis of the offer to candidates, the likely take up, and the intended and unintended consequences to the profile of the service have not been examined in any meaningful way prior to scheme introduction. However, since the setting of apprenticeship pay is included for consideration in this year's remit letter, apprenticeships are considered in a later section of this submission.

4.18 Roles we believe could benefit from bonus payments

4.18.1 In our first PRRB submission in 2014 we provided the following information:

“Superintendents and Chief Superintendents have demanding and variable roles. They are the senior operational leaders in the service, operating at both the strategic and the tactical levels, and are the bridge by which policies and procedures get translated into practice”.

4.18.2 We gave three examples of roles undertaken by Superintendents that demonstrated varying levels of span of command, and responsibilities undertaken, and we went on to state:

“We believe that for Superintendents, the variation in roles is widening. This is partly because the Superintendents have seen the largest cut in numbers by rank (in proportion terms, with around 25% reduction in their numbers between June 2010 and December 2014, from 1,666 to 1,273), and those that remain having to take on additional responsibilities. This has been exacerbated by the fact that many Chief Superintendents’ roles have been removed, and at least two services (Northamptonshire and Wilshire) have removed the Chief Superintendent rank from their structure, meaning some Superintendents are now undertaking roles previously filled by Superintendents. It is also partly because in order to cope with budget cuts, many police services have moved away from the Basic Command Unit (BCU) of policing. Where it has been retained, BCUs have often been merged, leaving Superintendents with increasing spans of command and responsibilities. Overall, we believe the pay bill has been suppressed by these impacts, with officers being paid at Superintendents’ rates for work previously done by Chief Superintendents, and higher ranks”.

4.18.3 Since 2014, this situation has worsened. The number of superintending ranks is now 1,122, according to national statistics published in March 2016. That’s a reduction of around 1/3 in only six years. More forces – notably the MPS – have stated an intent to remove ranks. Yet the tasks that need to be done are not reducing.

4.18.4 We believe that roles that are so variable in terms of responsibilities should be considered for individual targeting. In particular, where roles have been effectively downgraded from Chief Superintendent to Superintendent rank, some consideration should be given to remuneration. Similarly roles that have significantly greater responsibilities – for example in terms of population served, and / or span of command and control over other officers – consideration should also be given to individual targeting. We believe it would be possible to draft broad principles guiding such individual targeting.

4.18.5 Given the numbers involved, we believe that it would be possible to address this using forces' existing budgets.

4.18.6 The PSAEW will provide a separate submission on this matter, and will provide updated case studies. The PFEW supports the PSAEW position regarding the superintending ranks.

4.19 Recommendations: targeting checks and balances

4.19.1 We recommend that any discussions of targeting, (either by group or, for individuals), be channelled through an appropriate route – which we believe is the Police Consultative Forum. We believe that in so doing there would be appropriate checks and balances applied by the employers and staff associations, to avoid some of the problems that have arisen in the past with regard to discretionary pay elements, where individuals with protected characteristics have suffered adverse impact. We recommend that the OME checklist regarding targeting be used as a framework around which to base discussions in the PCF. Such discussions should be given proper time to work through, and there should not be “carte blanche” for Chief Constables' to exercise complete discretion without these checks being applied. There should be agreement as to what evidence and documents would be supplied throughout.

4.20 Targeting via allowances

4.20.1 One very specific form of targeting is the use of allowances to pay individuals for undertaking particular tasks.

4.20.2 We understand that one of the criticisms levelled at the current pay system is that the allowances are complex.⁴⁰ We disagree. The number of allowances has been drastically reduced in recent years.

4.20.3 It is of some concern that forces who want to undertake targeting at Chief Constables' discretion are not, in some cases, using approved allowances – that have been reviewed in statutory forum and agreed at national level – for the purposes intended.

4.20.4 The table below notes the main allowances payable to officers.

4.20.5 Some of these allowances are treated as pay, and are generally uprated in accordance with pay rises. However, a number are not, and in fact the amount payable has not changed for several years. The rate for the London Allowance has not changed since 2000. The On Call Allowance, introduced in 2013, was set at £15 but with a caveat that this would be reviewed. That review has not yet taken place. The purpose of this allowance was to drive better management of officers by forces, and to act as a disincentive from using officers in this way. It should therefore be high enough to have this impact.

4.20.6 We believe all allowances should be pensionable, and should be uplifted in line with RPI.

⁴⁰ HR Director, MPS, at Pay in the Public Sector Conference (IDR/OME joint run), 15th September 2016.

Table 4.20: Current allowances

Allowance	Purpose/current rate	Last updated	Comment
London weighting	Higher cost of living in London £2,373 per annum	1 September 2016	This is actually not an allowance. It is provided for under the pay Regulation 24 and Annex F. It is pensionable pay and consequently it is usually updated in line with basic pay. PRRB has recommended an increase to London weighting, in line with basic pay, in both previous reports.
London allowance	Recruitment and retention i) £4,338 a year, if appointed on or after 1 September 1994 and not receiving a replacement allowance; ii) £1,011 in other cases	The rate was set following a PAT award in 2000. It has not been updated since.	In our submission last year we asked for an increase, in line with the pay uplift.
South East allowance	Recruitment and retention i) Essex, Herts, Kent, Surrey, TV – at Chief Officer discretion, not exceeding £3,000 per annum ii) Beds, Hants, Sussex – at Chief Officer discretion, not exceeding £2,000 per annum	The maximum rate of payment was increased by £1,000 from 1 September 2016 (following the last PRRB report)	Prior to September 2016 the rates had not been increased at all, since the introduction of the allowances in 2001. However, the use of Chief Officer discretion in relation to the amount paid was introduced following a 2011 PNB agreement. The PRRB has now increased the upper limit by £1,000 – as originally agreed in the 2011 PNB (PNB 2011/1). However, the PNB agreement also contained protection arrangements (so that no officer would receive less than the original lower figure (£2,000 and £1,000). But this has not been translated into determinations.

Allowance	Purpose/current rate	Last updated	Comment
			In our submission last year we asked for an increase, in line with the pay uplift.
Dog Handler's Allowance	<p>Paid to police officers who care for and keep police-owned dogs.</p> <p>£2,217 per annum</p>	<p>Upated 1 September 2016.</p>	<p>Historically this allowance has been uprated each year in line with the pay uplift.</p> <p>PRRB has recommended an increase to this allowance, in line with basic pay, in both previous reports.</p>
On-Call	<p>Paid in respect of each day on which an officer spends any time on-call</p> <p>£15 per day (period of 24 hours)</p>	<p>Introduced in 2013</p> <p>Has never been increased</p>	<p>The introduction of the allowance was intended to drive down use of on-call (i.e. act as a financial disincentive for the force).</p>
Motor Vehicle Allowance	<p>For casual and essential car users.</p> <p>Per mile rate is HMRC rate</p> <p>Lump sum for essential users: £846, £963 and £1,239 per annum (depending on cc of car).</p>	<p>Change to HMRC rates took effect from 1 September 2016</p> <p>Lump sum not increased since 1 April 2012</p>	
Away from Home Overnight Allowance and Hardship allowance	<p>£50, paid to officers for each night they are held in reserve, as defined in Annex U.</p> <p>£30 hardship allowance if officers are not provided with proper accommodation as per Annex U.</p>	<p>Came into effect in 2012.</p> <p>Neither have been uprated.</p>	<p>Introduced in 2013, following a Police Arbitration Tribunal (PAT) award.</p> <p>In last year's submission we said the time was right to review the value of the hardship allowance, as recommended by the PAT.</p>
Bonus payments	<p>For a piece of work that is outstandingly demanding, unpleasant or important.</p> <p>Between £50 - £500 (at CO discretion)</p>	<p>Came into effect on 1 April 2003.</p> <p>Amount has not changed since 2003.</p>	

4.21 Recommendation: allowances

4.21.1 We recommend that all allowances be upgraded in line with this year's RPI, of 2.8%.

4.22 Observations on proposals to introduce apprenticeships in 2018, including setting pay

- 4.22.1 We are surprised that the setting of pay for apprenticeships is in this year's remit letter, given that there is so much detail of the overall offer to apprentices yet to be worked through.
- 4.22.2 The staff associations support development activities.
- 4.22.3 We believe that the design of apprenticeships within policing is something of a kneejerk reaction, mainly to claw back the apprentice levy.
- 4.22.4 There is currently a lack of evidence of the attractiveness of this as an offer to potential recruits. There is a need to consider what the offer is, and to whom it is likely to be attractive.
- 4.22.5 Our concern is that, if set too low, the pay may attract very young candidates only (e.g. 18 year olds, seeking to gain a degree). This may be at the expense of attracting recruits with more life experience, who bring maturity to the role. The current average age of recruits into policing is 28.
- 4.22.6 There is a significant risk that new recruits may join seeking to gain a degree, without incurring fees, then leave the service. We have seen no evidence of a cost benefit analysis, taking into account detailed modelling of the costs to the public and the benefits realised. We believe it is important to consider what are the likely costs of perhaps losing many recruits after 4-5 years? What is the additional training cost of that level of turnover? It would be useful to understand the assumptions made regarding turnover and so on. There is a danger that the service may claw back the apprenticeship levy in the short term, only to bear greater costs later, because of higher turnover.

4.22.7 We understand that one suggestion is that apprentices are paid based on the portion of their time for which they are not undertaking professional development, and therefore are available for deployment. This sets a dangerous precedent, at a time when the College is trying to encourage development throughout careers. If apprentices were to be paid only for the time they are not being developed, then would this apply to all?

4.22.8 We see no reason to deviate from current regulations, which allow a starting salary of £19,000 to £22,000 per year, with those with prior policing experience being eligible for the higher end of the band. We believe this is fair, and moreover that it would continue to attract recruits from a wider age band than just the usual university applicant age.

4.23 Recommendation: apprenticeships

4.23.1 Apprentices should be treated no differently to any other recruit when setting their pay.

5 Annex A: PFEW Pay and Morale Survey Headline Statistics

Full report available on request from Dr Fran Boag-Monroe⁴¹.

fran.boag-monroe@polfed.org

⁴¹ Dr Boag-Monroe, F. PFEW Pay and Morale Survey, Full Report, 2016. R007/2016.



PFEW Pay and Morale Survey 2016 Headline Statistics July 2016

Author: Fran Boag-Munroe

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	<input type="checkbox"/> Restricted	Not for open publication. Restricted to:
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Introduction

The PFEW Pay and Morale Survey 2016 opened on 1st June 2016, and closed on 8th July 2016. During that time we had responses from 45,036 officers, which were reduced to 43,022 after data cleansing.⁴² The response rate for the Pay and Morale Survey 2016 was therefore 35% of all federated rank officers in England and Wales.

The response rate attained this year is reasonably similar to response rates attained in employer-led surveys such as the Armed Forces Continuous Attitude Survey (AFCAS) and the NHS staff survey. In 2015 the response rate for AFCAS was 45% and for the NHS staff survey was 41%.

The following are some key headline findings. Data are still being analysed for the Police Remuneration Review Body (PRRB) in 2017. More detailed analysis will be provided with the full report to the PRRB, and will include comparisons of groups such by rank and role; as well as more complex analysis to determine the factors that best predict officers' morale and intention to stay in or leave the police service.

⁴² Data were removed where the respondent gave implausible answers: e.g. said they had been at the top of their pay scale since 1980; said they were on the top of the pay scale but had only been in service 1-2 years, and so on.

Findings Summary

Demographics

Comparison of survey respondents against the police service as a whole in terms of characteristics including rank, role, gender, ethnicity and region (using Home Office and HMIC data) indicated that the survey sample was broadly representative of federated ranks in England and Wales⁴³.

The survey also provides an insight into other characteristics for which data are either not collected or have not been routinely published by the Home Office. For example, respondents' average length of service was 15.0 years. Only 29.2% of respondents had been in the police for 10 years' or less. Respondents' average age was 40.5 years; the average age of new recruits (with less than one year's service) was 26.9.

61.2% of respondents said that they had some form of carer responsibilities (including caring for children, a spouse or relatives); just 5.0% of respondents said that they worked part-time.

29.2% of respondents were educated to degree level or above, this increased to 47.9% of respondents who joined the police within the last two years.

⁴³ No statistically significant differences were observed between the survey sample and the federated ranks population for any of these characteristics. Consequently data were not weighted prior to analysis.

Morale

55.9% of respondents said that their morale was low. The proportion of respondents reporting low morale in this year's survey was somewhat lower than last year, and more in keeping with the proportion who reported low morale in 2014.

A similar pattern is seen for the proportion of respondents reporting low force morale and low service morale. In both instances, these proportions were closer to those observed in 2014 than those observed last year.

Please be aware that it is not possible to identify directional trends based on differences between findings from 2014, 2015 and 2016. Previous years' data are provided for comparison purposes only.

	Low Morale in 2016 (%)	Low Morale in 2015 (%)	Low Morale in 2014 (%)
Own morale	55.9	70.2	59.1
Force morale	89.5	94.6	90.2
Police Service	93.5	96.6	94.0

Factors affecting morale

Although the proportion of respondents who said that their morale was low this year was smaller than last year, the 2016 survey still found that over half of respondents felt that their own morale was low. We therefore looked at the factors that affected respondents' morale.

As seen below, the two factors most likely to have had a negative impact upon respondents' morale were how the police as a whole are treated and their pay and benefits. The two factors most likely to have had a positive impact upon respondents' morale were their relationship with colleagues and how they are treated by their line manager.

Factor	Negative effect on morale (%)	Positive effect on morale (%)
How the police as a whole are treated	84.2	3.5
Pay and benefits (including pension)	70.9	5.6
Work-life balance	58.2	15.6
Workload and responsibilities	52.4	15.0
Health and wellbeing	54.3	15.0
Opportunities for development and promotion	49.9	6.4
Treatment by senior managers	42.1	19.9
Day-to-day job role	39.9	25.6
Treatment by line manager	14.9	49.3
Relationship with colleagues	13.9	50.3

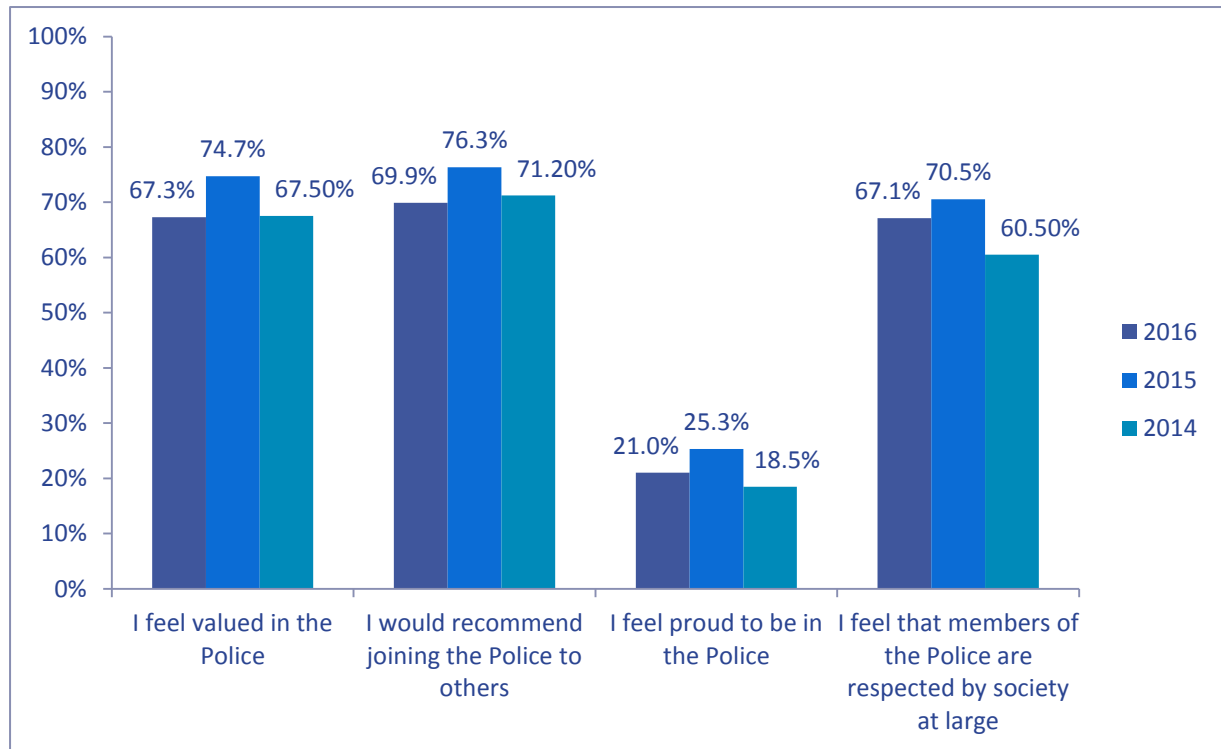
Attitudes towards the police

A majority of respondents said that they felt proud to be in the police; however more than two thirds of respondents did not feel valued in the police. A similar proportion did not feel that the police were respected by society at large, whilst 69.9% of respondents would not recommend joining the police to others.

Following a similar pattern to those seen for respondents' morale, the proportion of respondents in 2016 who did not feel valued in the police and would not recommend joining the police to others was smaller than in 2015; this year's results were instead more in keeping with the findings from 2014's survey. The proportion of respondents who felt that the police are respected was also smaller than last year, but still larger than the proportion seen in 2014.

Factor	Disagree (%)	Agree (%)
I feel valued in the Police	67.3	11.2
I would recommend joining the Police to others	69.9	13.1
I feel proud to be in the Police	21.0	61.0
I feel that members of the Police are respected by society at large	67.1	16.9

Chart One: Disagreement with attitudinal statements in 2014, 2015, and 2016



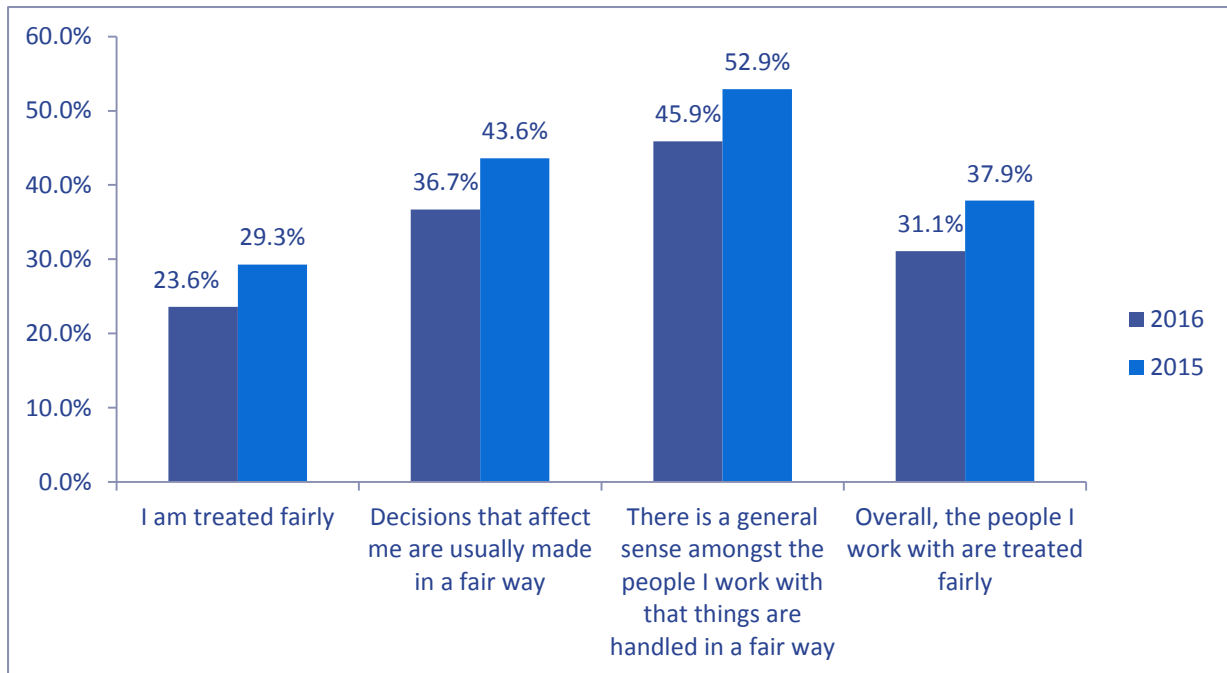
Fairness

Respondents were more likely to agree than disagree that they were treated fairly; they were also slightly more likely to agree than disagree that the people they worked with were treated fairly.

In line with the results reported above for respondents' morale and attitudes towards the police, the proportion of respondents who did not feel that they or their colleagues were fairly treated in 2016 was somewhat lower than the proportion of respondents who did not feel fairly treated in 2015.

Factor	Disagree (%)	Agree (%)
I am treated fairly	23.6	45.4
Decisions that affect me are usually made in a fair way	36.7	31.5
There is a general sense amongst the people I work with that things are handled in a fair way	45.9	24.3
Overall, the people I work with are treated fairly	31.1	37.3

Chart Two: Disagreement with fairness statements in 2014 and 2015⁴⁴



⁴⁴ Data on fairness judgement were not collected in 2014

Intention to stay in the police

This year, 11.8% of respondents said that they intended to leave the police either as soon as possible or within the next two years. This is a smaller proportion compared to previous years; 14.6% of respondents in 2014 and 15.6% of respondents in 2015 said that they intended to leave the police.

Intention	2016 (%)	2015 (%)	2014 (%)
I intend to stay until pension age	53.1	49.5	51.1
I will stay for at least the next two years	15.4	13.0	11.8
I am planning to leave within the next two years	5.4	7.0	6.4
I am seeking alternative employment at the moment	6.4	8.6	8.2
I don't know	19.7	21.9	22.5

Reasons for Staying

The Pay and Morale Survey 2016 looked in more detail at the reasons why respondents stayed in the police. Around a third of respondents said that they felt a strong sense of belonging and attachment to the police. However 73.2% said that staying in the police was a matter of necessity as much as desire and 61.5% said that they felt they had a lack of options to consider leaving.

Factor	Disagree (%)	Agree (%)
I feel a strong sense of “belonging” to the police	44.6	34.0
I would be very happy to spend the rest of my career in the police	43.8	31.4
I feel a strong personal attachment to the police	40.9	35.3
I feel I have too few options to consider leaving the police	18.3	61.5
If I had not already put so much of myself into the police, I might consider working elsewhere	17.9	64.7
Right now, staying in the police is a matter of necessity as much as desire	12.6	73.2

Reasons for leaving

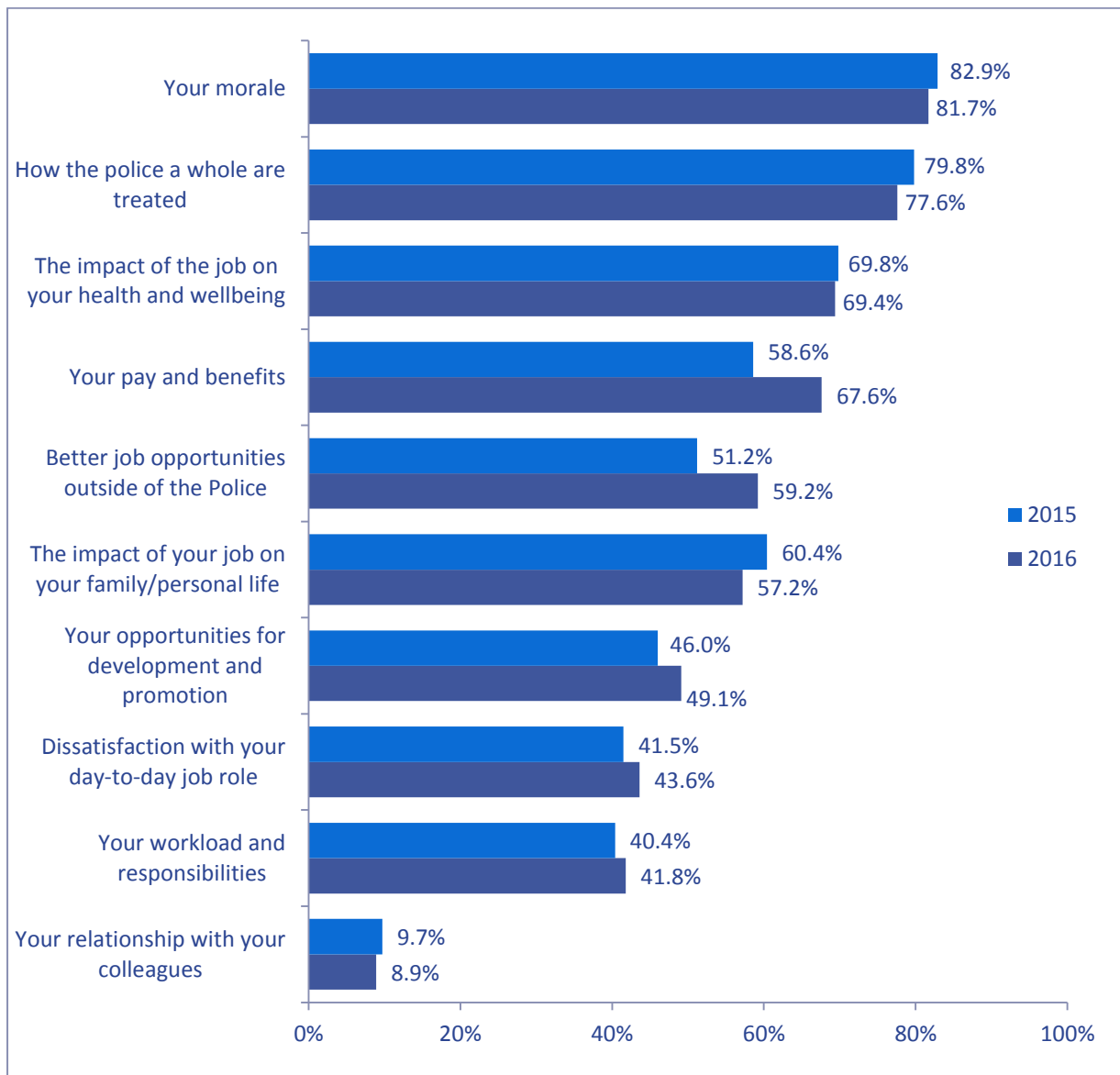
Respondents who said that they planned to leave the police were asked to indicate the factors that affected this decision. The three factors most commonly cited as having a major effect on intention to leave were morale, how the police as a whole are treated and the impact of the job on health and wellbeing. These were the same three factors cited by respondents in the 2015 survey.

Comparison of data from 2015 and 2016 indicates that several factors had a major effect on intention to leave for a larger proportion of respondents this year compared to last year. In particular, 67.6% respondents said that their pay and benefits had a major effect on their intention to leave in 2016, compared to 58.6% in 2015. In addition, better opportunities outside the police had a major effect on intention to leave for 59.2% of respondents this year, compared to 51.2% of respondents in last year's survey.

Factor	No effect on intention to leave (%)	Some effect on intention to leave (%)	Major effect on intention to leave (%)
Your morale	2.3	16.0	81.7
The impact of the job on your health and wellbeing	7.3	23.3	69.4
The impact of your job on your family/personal life	12.0	30.8	57.2
How the police as a whole are treated	4.6	17.8	77.6
Your relationship with your colleagues	63.4	27.7	8.9
Your treatment by	58.6	27.5	13.9

your line manager			
Your treatment by senior managers	22.9	33.4	43.7
Your opportunities for development and promotion	19.5	31.4	49.1
Your pay and benefits	7.4	25.0	67.6
Better job opportunities outside of the Police	11.8	28.9	59.2
Dissatisfaction with your day-to-day job role	19.4	37.0	43.6
Your workload and responsibilities	20.9	37.2	41.8

Chart Three: Factors with a major impact on intention to leave in 2015 and 2016⁴⁵



⁴⁵ Data on reasons for leaving were not collected in 2014

Pay and Remuneration

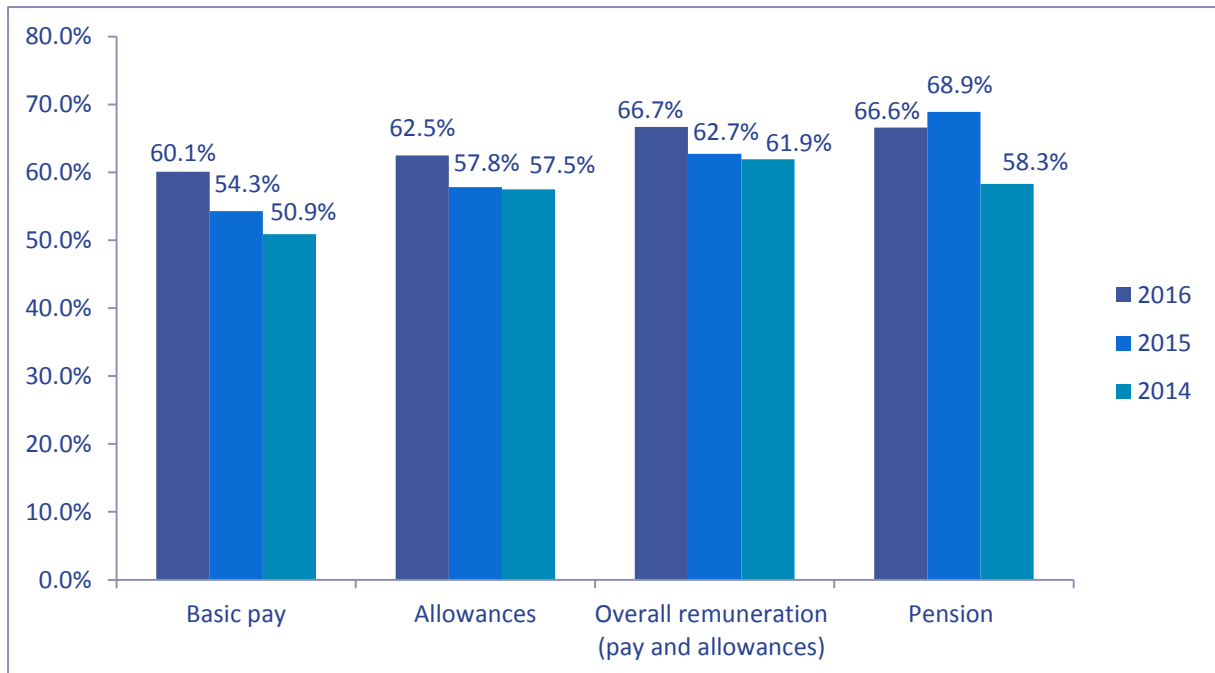
Satisfaction with Pay

60.1% of respondents said that they were dissatisfied with their basic pay, with just 21.0% saying that they were satisfied. More than two thirds of respondents said that they were dissatisfied with their overall remuneration and with their pension.

A larger proportion of respondents said that they were dissatisfied with their pay, their allowances and their overall remuneration this year compared to either 2015 or 2014. The most substantial difference across the three years is seen in respondents' dissatisfaction with their basic pay; this was 50.9% in 2014 and 54.3% in 2015, compared to 60.1% in 2016.

Factor	Dissatisfied (%)	Satisfied (%)
Basic pay	60.1	22.1
Allowances	62.5	14.5
Overall remuneration (pay and allowances)	66.7	13.9
Pension	66.6	20.5

Chart Four: Dissatisfaction with Pay and Remuneration in 2014, 2015 and 2016

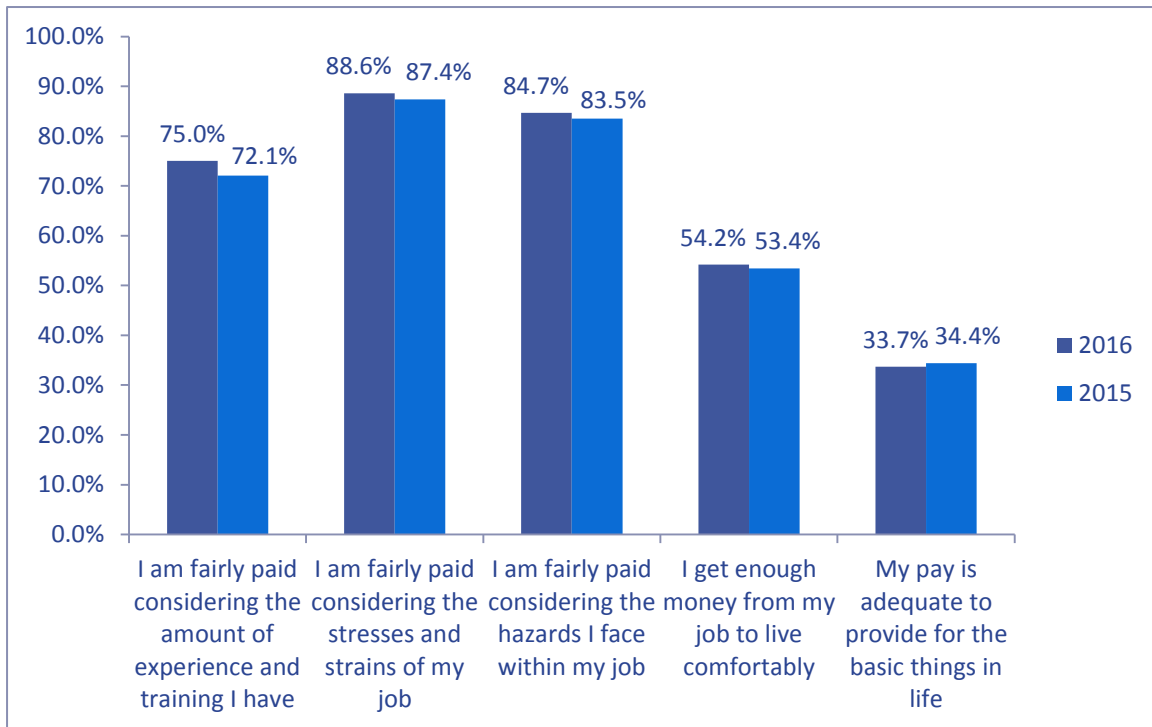


Fairness of Pay

Respondents were asked whether they felt that they were fairly paid. A large majority of respondents disagreed with statements relating to the fairness of their pay. In particular, 84.7% of respondents did not agree that they were fairly paid considering the hazards they faced and 88.6% disagreed that they were fairly paid considering the stresses and strains of their job. A slightly larger proportion of respondents disagreed that they were fairly paid this year compared to 2015.

Factor	Disagree (%)	Agree (%)
I am fairly paid considering the amount of experience and training I have	75.0	9.6
I am fairly paid considering the stresses and strains of my job	88.6	4.2
I am fairly paid considering the hazards I face within my job	84.7	6.2
I get enough money from my job to live comfortably	54.2	22.0
My pay is adequate to provide for the basic things in life	33.7	46.6

Chart Five: Disagreement with fairness of pay statements in 2014 and 2015⁴⁶



⁴⁶ Data on fairness judgement were not collected in 2014

Promotion and Development

51.5% of respondents were dissatisfied with their promotion prospects, compared to 11.3% who said that they were satisfied. 75.8% of respondents said that they had chosen not to apply for promotion. Respondents were asked to indicate their reasons for not applying. The reason most frequently given for not applying for promotion was that respondents enjoyed their current role.

In last year's Pay and Morale Survey, 17.9% of respondents who had not applied for promotion said that it would not be worth it for the salary on offer. This year the proportion was 23.3%. Salary at the next rank therefore appeared to be an issue for a larger proportion of respondents in 2016 than in 2015.

Factor	(%)
I enjoy my current role	33.4
I want to stay at the rank I am in	27.9
It would not be worth it for the responsibilities and pressures of the job	26.8
I do not believe there is any point in applying, as there are not enough positions at the next rank	26.7
The promotion process is too time-consuming	23.7
It would not be worth it for the salary on offer	23.3
I am more interested in pursuing other roles at my current rank	22.0
I have too many commitments in my family/personal life	19.9
Promotion would mean being posted somewhere else within the force area	18.3
I would have to leave my current specialism if I were promoted	14.6
I plan on retiring or resigning soon	9.5
I intend to apply within the next year	9.5

With regards to training and development, 46.8% of respondents were dissatisfied with their opportunities for training; whilst 42.6% of respondents were dissatisfied with the training they were given. Both of these proportions are lower than seen in either 2014 or 2015.

In comparison, the proportion of respondents who were dissatisfied with the Performance and Development Review (PDR) process was slightly higher in this year's survey compared to 2015. This year, 51.5% of respondents said that they were dissatisfied with the PDR process, compared to 48.3% in 2015. Although relatively small, this difference is pertinent given that from 1 April 2016, progression through pay scales for all federated ranks has been linked to attaining a satisfactory grade or above in their PDR.

Factor	Dissatisfied in 2016 (%)	Dissatisfied in 2015 (%)	Dissatisfied in 2014 (%)
Your opportunities for training	46.8	53.0	53.6
The training you are given	42.6	50.0	46.7
Performance and Development Review (PDR) process	51.1	48.3	⁴⁷

⁴⁷ Data on satisfaction with PDR process were not collected in 2014

6 Annex B: PSAEW Pay and Morale Survey PRRB Key Statistics

Full reports⁴⁸ available on request from Dr Fran Boag-Monroe.

fran.boag-monroe@polfed.org

⁴⁸ Dr Boag-Monroe, F. PSAEW Pay Survey 2016 – Headline Statistics 2016. R056/2016.

Dr Dr Boag-Monroe, F. PSAEW Pay Survey 2016 – Full Report 2016.R068/2016.

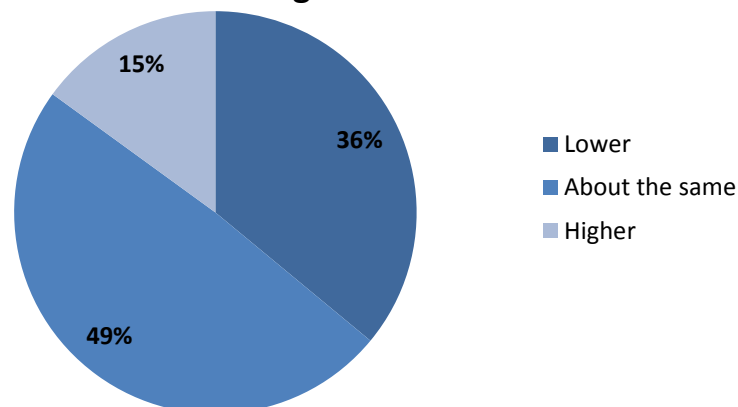
PSAEW Pay and Morale Survey PRRB Key Statistics

Morale

50% of respondents in the 2016 PSAEW Pay and Morale survey said that their morale was high, compared to 18% of respondents who said that their morale was low. Morale amongst the superintending ranks was therefore somewhat higher than amongst the federated ranks. Respondents were also slightly more likely to report high morale this year than in 2015, when 45% of respondents said that their morale was high. Despite this, 36% of respondents felt that their morale was lower now than 12 months ago, whilst only 15% of respondents reported that their morale was now higher.

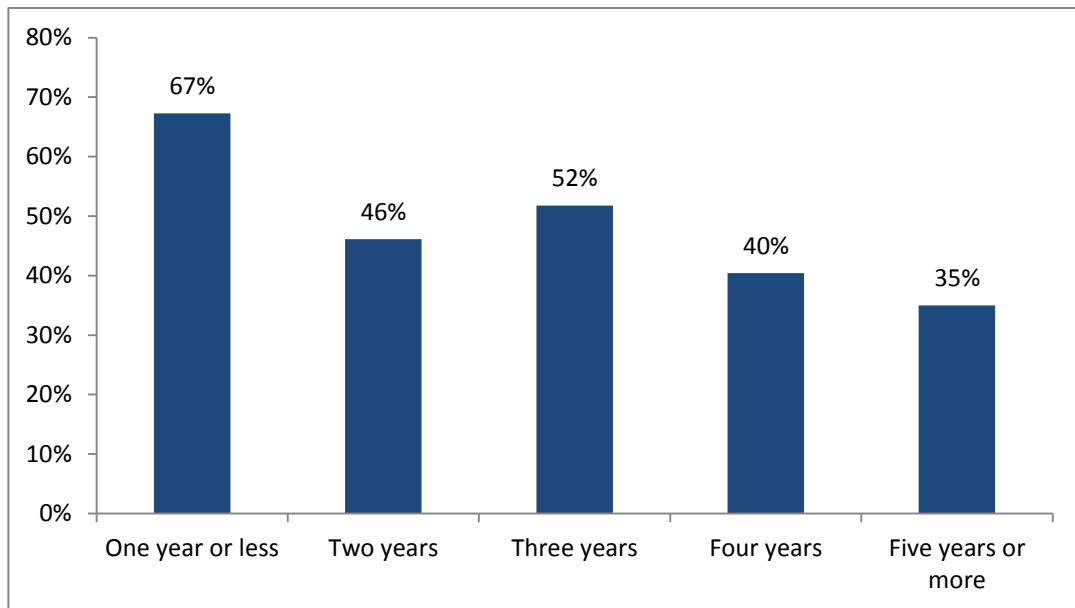
Chart One: Self-reported changes in personal morale compared to 12 months ago

How does your personal level of morale compare with 12 months ago?



In addition, 30% of respondents to the 2016 PSAEW Pay and Morale survey had been in rank for one year or less. This had a bearing on the proportion of respondents reporting high morale, as large differences were seen in morale on the basis of respondents' time in rank. For example, whilst 67% of respondents who had been in rank for one year or less said that their morale was high only 35% of respondents who had been in their current rank for more than five years reported high morale.

Chart Two: Proportion of respondents reporting low personal morale in 2016 (by time in rank)

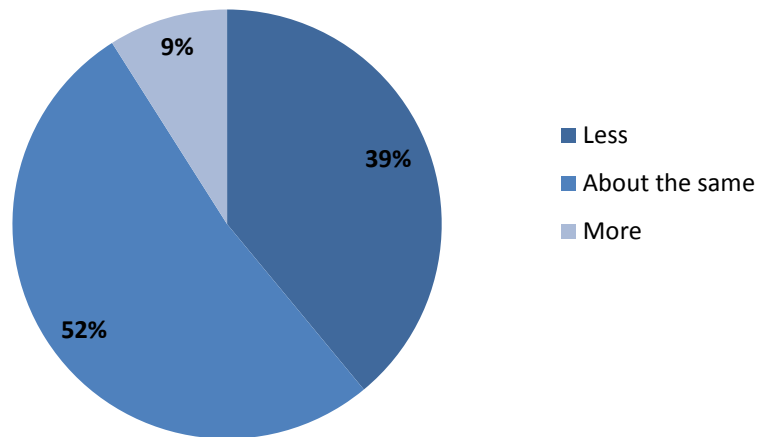


Following the same approach adopted in this year’s PFEW Pay and Morale survey, the 2016 PSAEW survey asked respondents to indicate the factors that had a positive and negative impact upon their morale. As with the federated ranks, the factor most likely to have had a negative impact upon the morale of superintending ranks was the way the police as a whole are treated; 64% of respondents said that this had a negative impact upon their morale, whereas 14% said that it had a positive impact upon their morale. With regards to the impact of pay and benefits on morale, 43% of respondents said that this had no impact on their personal morale, whilst 36% reported a positive impact and 21% reported a negative impact.

This year 55% of PSAEW Pay and Morale survey respondents said that that would recommend joining the police to others; a slightly higher proportion than the 47% of respondents who expressed this attitude in 2015, and a much higher proportion compared to the 13% of respondents in this year’s PFEW survey, as noted above. A small majority of respondents (52%) said that they felt valued in the police. Once more this was slightly higher than seen in 2015 (45%); however only 9% of respondents actually said that they felt more valued now compared to 12 months ago.

Chart Three: Self-reported changes in feeling valued in the police compared to 12 months ago

How valued do you feel within the police compared with 12 months ago?



The 2016 PSAEW Pay and Morale survey also asked respondents about their level of personal motivation. 62% of respondents said that their motivation was currently high, compared to 14% who reported low motivation. This was the first year that motivation was addressed within the survey, meaning that comparison with last year was not possible. Nonetheless, respondents were again asked how their personal motivation compared to 12 months ago. 12% of respondents said that their motivation was higher than 12 months ago, 58% said that it was about the same, whilst 30% of respondents felt that their motivation was now lower than it was 12 months ago.

Workload and responsibilities

63% of respondents in this year's PSAEW Pay and Morale survey said that their work-life balance had a negative impact upon their morale, whilst the same proportion said that they found it difficult to balance the demands of their job with their non-work life. Only 4% of respondents said that their work-life balance had improved in the last year, compared to 45% who said that their work-life balance was worse now than it was 12 months ago.

These findings can be seen in the context of the workload levels reported by respondents. 77% of respondents in this year's survey said that their workload over the last 12 months had been too high. Although this was a slightly smaller proportion than in 2015, 70% of respondents said that their workload had increased over the last 12 months. In addition, 76% of respondents said that their responsibilities had increased over the same period, with 46% of respondents saying that they have had additional responsibilities devolved to them from a person of a more senior grade.

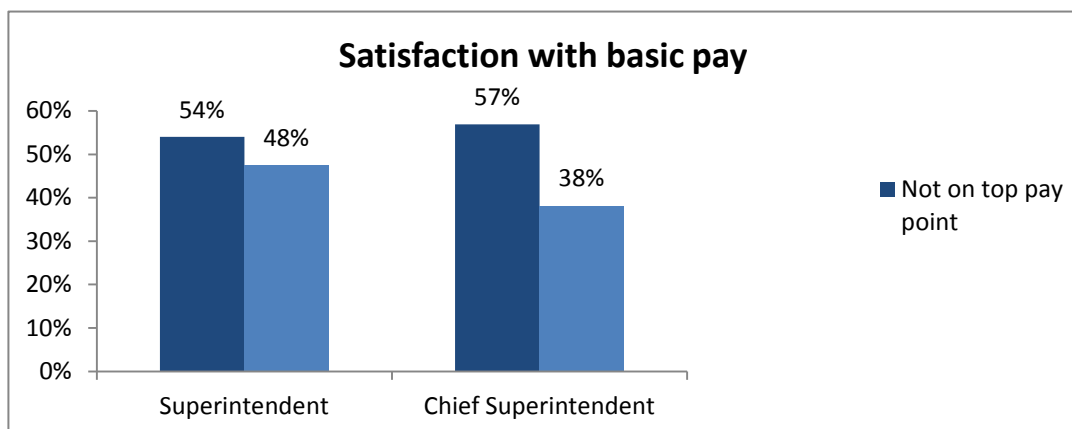
Satisfaction with pay

In light of the above findings, it is notable that 70% of respondents in this year's survey did not feel fairly paid considering the stresses and strains of their job, whilst two thirds of respondents said that they were not fairly paid considering the responsibilities they have within their job. Moreover in relation to their job responsibilities, 41% of respondents felt less fairly paid now compared to 12 months ago, in contrast to 5% of respondents who felt more fairly paid.

Overall, a small majority of respondents (53%) said that they were satisfied with their basic pay in this year's survey, and 45% of respondents said that they were satisfied with their overall remuneration (both pay and allowances). These proportions were again slightly higher than in 2015, when 45% of respondents were satisfied with their basic pay and 39% of respondents were satisfied with their overall remuneration.

Respondents who had reached the top pay point for their rank during 2015 or earlier (and therefore did not receive an incremental pay increase in the last 12 months) were however less likely to be satisfied with their pay than respondents who had not yet reached the top pay point. This difference was particularly striking amongst chief superintendents. 38% of chief superintendents on the top pay point for their rank said that they satisfied with their basic pay, compared to 57% of chief superintendents who had not yet reached the top pay point.

Chart Four: Proportion of respondents reporting satisfaction with basic pay by rank and pay point



Attitudes toward targeted pay

A majority of respondents to the 2016 PSAEW Pay and Morale survey felt that at least some forms of targeted pay were fair. More than three quarters of respondents said that workload-related pay and specialist pay were fair, whilst around seven out of ten respondents said that competency-based pay was fair. There have been some changes in responses compared to 2015, for instance this year respondents were slightly more likely to say that specialist pay was fair and slightly less likely to say that competency-based pay was fair. However differences across years were relatively small and the same three forms of targeting were preferred by respondents both this year and last year.

Comparison of these findings with the PFEW Pay and Morale survey discussed above shows that, overall, superintending ranks were much more likely to say that workload-related pay and specialist pay were fair compared to federated ranks, and slightly more likely to feel that competency-based pay was fair. They were also less likely to agree that incremental pay was fair, although a small majority of respondents still agreed that this method was fair. Notably, attitudes of inspecting ranks and superintending ranks towards targeting were more similar. For instance, 68% of inspecting ranks said that workload-related pay was fair compared to 81% of superintending ranks, and 71% of both inspecting ranks and superintending ranks felt that competency-based pay was fair.

Chart Five: Respondents' attitude towards targeted pay

