

NPCC Design Principles

The design principles were agreed by forces in 2019/20, and are the foundation stone for pay reform.

1	link progression to competence and productivity	Fair
2	establish a robust and transparent mechanism for determining police pay	
3	help to promote wider equality and remove gender and ethnicity pay gaps	
4	allow forces flexibility to target pay for improved operational outcomes	Flexible
5	allow the best officers an opportunity to progress through the pay scale more quickly	
6	create an adaptable and agile pay and reward mechanism within a regulatory framework	
7	can be delivered with minimum operational impact	Deliverable
8	ensure that transition and total life costings are clear and affordable to forces	



Benchmarking police pay

This paper outlines issues involved in benchmarking police pay and makes recommendations about how it should be done.

1. Policy context

In most organisations and sectors, benchmarking has two phases:

- Broad analysis of multiple markets and comparators, to inform decisions about policy.
- Use of a narrower range of comparisons and market indicators, once policy discussion and decisions have clarified which are the most appropriate and which the least relevant, practicable or justifiable.

For example, the first phase might include a total remuneration comparison of Assistant Chief Constables with the private sector, which would show their package value on average across the UK to be around 60% of the market median. Policy-makers might conclude that closing such a wide gap would be impossible and/or that the comparison would be hard to justify given how police recruitment and careers operate. They might move in the second phase to a different market, or a different level in the private sector market (such as lower quartile) or to a comparison which excludes private sector incentive payments.

Typically, a policy will state among other things:

- Which markets, organisations, professions and roles should be regarded as part of the comparator group.
- What is the intended level against the comparator group.
- What is the basis for the comparison – rank or grade, job title, skill group etc.
- What should be included in the comparison – salary, total cash, total remuneration or some other intermediate measure.
- How regional variations should be treated – how many regions and how subdivided.
- Whether all jobs are to be benchmarked in the same way or there are variations for specific groups – for example, because some functions are more expensive than others.

It will also normally give an indication of the role of benchmarking in the pay review process. For example, 'the middle of our pay ranges will be median in the public sector market' suggests benchmarking is central; 'we will take account of the following indicators and ensure we are competitive' suggests there will be a judgement, informed but not dictated by comparisons.



2. What and how to benchmark

In the absence of a policy – except a commitment to look at total remuneration as well as salary and a wish to include a P factor in interpreting the information – benchmarking for the police is bound to be relatively broad. Here are some of the main points to consider.

a. Comparisons

Initial possibilities include:

Comparator	Nature of comparison	Reason
Public sector	Base, total cash, total remuneration	<ul style="list-style-type: none"> ■ The most obvious public service link – accepting that the P factor has to be added ■ People might leave for public sector jobs ■ Source of some direct entrants
Private sector	Base, total cash, total remuneration	<ul style="list-style-type: none"> ■ Alternative career for initial recruits ■ People might leave for private sector jobs ■ Source of some direct entrants
Other professions	Salary structure, level and progression in teaching, nursing etc	<ul style="list-style-type: none"> ■ Alternative career for initial recruits ■ Provides ideas about reward and workforce management which might inform changes for police
Other roles	Local government, army, fire service	<ul style="list-style-type: none"> ■ Army and fire are command structures which bear some comparison to policing ■ Police work in partnership with local authorities

Most organisations would narrow down to a lead comparator, with checks on some others, but national review body studies tend to look at multiple markets (and set benchmarking data alongside other indicators, such as recruitment and retention).

b. Level

It is not necessary to target a specific level in the market and it can cause problems to be too specific. For example, tying pay to median in a specific comparator might prove unaffordable, or conversely might not produce salaries high enough to recruit and retain.

However, it is important to have some idea about what a realistic comparison would be. For example, if the analysis shows both salaries and total remuneration are upper quartile in the public sector for a particular rank or role but below median in the private sector, what conclusion can be drawn?

c. Basis of comparison

Most organisations and sectors do whole pay system comparisons on the basis of grade or rank, which can be translated through job evaluation into benchmarking against jobs of similar size in the chosen market.

Any comparison with other professions or specific services (as in the table above) could be done in a slightly different way, looking for example at stage in career or comparable management responsibilities – though grade and job weight would still be a good guide.



When looking at a whole pay system, it would be normal to benchmark both salary practice and the pay structure – analysing how the average or median actual compares to the chosen market and also how the pay ranges sit in that market.

d. What is included

The normal categories for benchmarking are: basic salary; total cash (base plus annual bonuses); and total remuneration (total cash plus the value of allowances and non-statutory benefits). All are relevant here, including total remuneration. It would not be credible, for example, to compare constable pay with the private sector without acknowledging that the pension is worth more than twice as much as a percentage of salary.

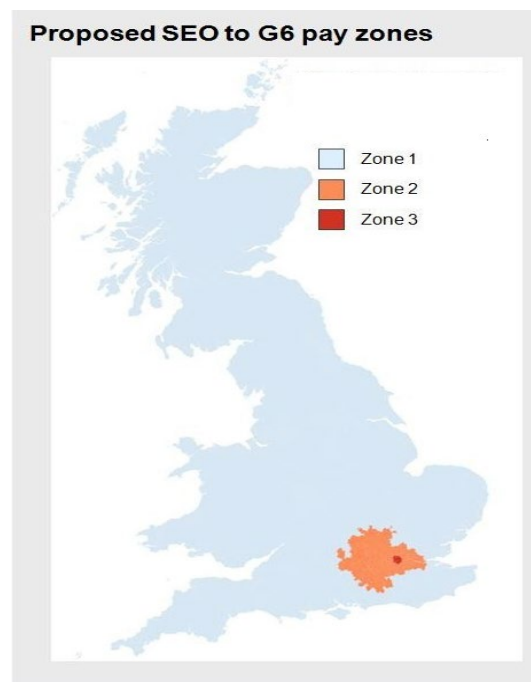
Comparison is normally made with particular levels in the market: median, upper and lower quartile, and sometimes the market mean or average.

There may be specific areas to benchmark occasionally to refresh the policy, such as shift, on call or overtime payments.

e. Regional factors

Local and regional variations in pay are a bigger feature of the market up to professional level that they are at experienced professional and above. In addition, most organisations and sectors do not want to overcomplicate their pay systems, so tend to opt for relatively straightforward regional variations – at its simplest, London and everywhere else.

Our work on options for local pay for the civil service concluded that, for professionals and managers, only three pay zones were needed (see map below). Critically, though, they had to be described at postcode level and were not captured by simple regional boundaries, as parts of the South East were effectively the same price as Outer London.





Analysis of multiple markets in the first phase of benchmarking (see Section 1 above) should make it possible to agree on a small number of regional analyses for officers. It may be necessary to have more subdivision if the aim is also to benchmark front line police staff.

f. Specific groups

Among officers, some specialisms might require further investigation and the range increases if police staff are included.

It is helpful to have a competitive general pay structure, as this reduces the requirement for additional payment for specific skills. Among police staff, this might mean that only legal and IT roles need additional market testing and payments. Among police officers it might also be useful to know by how much, for example, cyber security or fraud investigation roles exceed the general market. There would presumably still need to be a business case for any payment, taking account of the cost and also of the potential for workforce segmentation which pay supplements bring).

3. Making sense of the data

We would expect the move from broad to more targeted benchmarking (see section 1 above) to use simple tests: is it relevant, plausible, defensible, affordable etc. Even when the range of benchmarks has been reduced, however, there will probably still be multiple markets and sectors to examine and conclusions will have to be drawn based on judgement.

This is most difficult when policy guidelines are first developed and applied. Often through a combination of benchmarking, assessment of workforce changes and recruitment and retention data, decisions have to be made about what has to change (for example, 'we are at level x against the market for this rank, and we need to be at level y'). As the police service offers a strong career route, internal relativities – the pay steps people get on promotion – might also influence the choice of investment priorities.

It may be that some ranks or roles sit higher in the market than others, either by policy design or because it is unaffordable to bring them all to the same level and the need is greater in some than in others.

In subsequent years, some decisions are easier because they are based on trends and change through time (for example, 'we were at level y and are now falling behind').

4. Recommendations

We therefore recommend that the NPCC should:

- a. Benchmark police pay with all the comparators in the table in 2a above. This should be done by rank or job level, looking at base salary, total cash and total remuneration and at how police pay compares to median, upper and lower quartile in those markets (where the information allows). The main national analysis should be supplemented by a comparison for Inner London and one for Outer London and the London fringe.



- b. Carry out this benchmarking annually and monitor any change in position over time.
- c. Identify each year additional investigations of specific roles, functions or skill groups where there are pressures or concerns.
- d. Set the benchmarking data alongside relevant data on the workforce – particularly on recruitment and retention and on applications for promotion – to create an assessment of police pay in the market.
- e. Be prepared to adjust the type and range of benchmarking over time as the information becomes more familiar and the debate on the appropriate policy position evolves.
- f. Acknowledge that there is no single perfect comparison which fits the situation. Judgement will be required, taking account of multiple data sources.
- g. Acknowledge also that it may not be right or possible to treat all ranks and roles the same in their relationship to the benchmarks.

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July 2018



Comments on P Factor

This note provides comments on the planned approach to the P Factor – the Descriptors and how they will be used - at the request of the NPCC National Reward Team.

Background

Reviews of remuneration in the armed forces have taken account of an 'X factor' since 1970: a set of criteria intended to recognise the special conditions of military life, as compared with most civilian employment. The X factor criteria have since been reviewed and the weighting adjusted, as agreed by the Armed Forces Pay Review Body.

The P factor in policing is similar in concept. Benchmarking against jobs of similar professional level or job weight in the rest of the economy can provide a starting point for review of remuneration for police officers, but it must also take account of the environment in which the job is done and the distinctive demands which result. Part 2 of the Winsor Review put forward a view about those distinctive demands. The issue has now been taken up by the NPCC National Reward Team, in discussion with the negotiating parties. The current draft Descriptors are attached as an appendix.

The P Factor Descriptors do not carry individual weighting. They are intended to describe distinctive aspects of police work which will be experienced differently by officers, depending on their role, rank and the events and activities in which they are involved at any one time. They add up to an overall picture and will carry a total weighting which, like the X factor in the armed forces, can be reviewed in later years.

Assessment of Descriptors

It is important that the Descriptors:

- Address issues which are additional to and do not duplicate methods which are used in standard benchmarking, in particular job evaluation.
- Are distinct from each other. If they overlap, the same issues will be taken into account twice, leading to an overstatement of the demands of police officer jobs.
- Can be used to assess changing demands and can be reviewed.

Are they additional?

The Descriptors cover several different types of demand, including restrictions or disruption which are part of police officers' lives, emotional/psychological challenges and various kinds of risk. If we compare these with the job evaluation factors used in Korn Ferry's benchmarking of police officer roles from 2018 to 2020 – Know How, Problem Solving and Accountability – they are describing something different.

The main area of potential overlap is training. Job evaluation takes account of all learning which is required for fully satisfactory job performance. It also assumes that employers should and do provide training and equipment to enable their staff to do the job and keep them protected as far as possible.



It is therefore helpful that the Descriptors do not refer to the need for or absence of training (e.g. that officers are more at risk if not properly trained).

Do they overlap?

In our view, the Descriptors as currently drafted do identify 12 distinct areas of demand, clustered under 4 headings. We note that the armed forces X factor definitions have been revised over the years and that might happen here too, but these look like a reasonable starting point.

However, it is essential that anyone using the Descriptors to test the demands of police officer roles interprets them in the right way, to avoid:

- Confusion between clusters. An example is the word 'risk', which is highlighted in the Legal cluster but is used or implied elsewhere, for example under Physical. The only risk being described and assessed under the Legal Descriptor 'Exposure to risk' is the possibility of legal challenge if something goes wrong. The only risk being described under 'High risk of physical harm' is of physical assault or damage. This means that the two forms of risk are different, but also that cluster and Descriptor headings are important in keeping them distinct.
- Confusion within clusters. An example is the cluster headed 'Physical'. One Descriptor in the cluster is about the impact on officers of confrontation – the emotional challenge, the requirement for self control etc. The wording covers situations which fall short of physical violence. The other Descriptor concerns the risk of actual physical harm. Again, the two are different, but care is needed to ensure they don't blur into each other.

How should they be applied and reviewed?

The Descriptors do not constitute a job evaluation scheme, but they have features in common with extended evaluation frameworks which Korn Ferry designs for organisations which agree to pay both for the job and the circumstances in which it is done - for example, an engineer on an oil rig compared to one working in an office. In these frameworks, we often look at physical, environmental, mental and emotional demands.

The Descriptors cover a wider range than this, but the guidance we offer to understand the level of each demand might still be helpful. Relevant questions are:

- How often the features are experienced
- How long the situations last
- How intense or extreme the features can be
- How severe the risks and consequences (and therefore potential impacts) are, and
- Whether or not the individual can predict and/or control situations to the extent that they can change their frequency, duration, intensity and impacts.

Such questions could also guide later review, if the Review Body or the parties want to test whether the average level of demand under the Descriptors has increased over time.

Weighting & plans for use

Value of the P Factor

We understand that the weighting of the P Factor is to be agreed by NPCC and the parties at 13%.



All those involved will know that there is no right answer to weighting, particularly as it has an impact on all officer roles at all ranks. However, a figure at around this level accords with our experience of assessing remuneration factors beyond core job evaluation in the UK and elsewhere. In addition, we note that it is below the X Factor weighting for the armed forces but above the notional figure of 8% proposed by Winsor. We have conducted successive benchmarking projects in policing from 2011 through to 2020, backed up by interviews and study of survey evidence, and feel that the increase in demand on officers during the past decade is very clear. The proposed weighting therefore seems reasonable.

The NPCC National Reward Team intends to apply the 13% by reducing police remuneration by that amount before conducting comparisons. This again seems reasonable. The important point is to be clear and consistent in the method of application.

Benchmarking

An advantage of the P Factor is that it can provide a corrective to generalised benchmarking, for example a comparison between the pay of a police constable and the salary of a job of similar weight in the public or private sectors. However, the NPCC and other parties will also want to conduct more specific comparisons, for example with the pay of nurses, paramedics or social workers. Some of these jobs would be able to point to distinctive characteristics of their own – confrontation and emotional strain, exposure to harm etc. Those targeted comparisons will have to recognise that some aspects of the P Factor may be less of a differentiator in those cases.

Conclusion

The P Factor descriptors are all additional to job evaluation and therefore standard benchmarking; they do not overlap if properly understood and used; and they can be both applied now and reviewed at a later date if interpreted using the right questions.

The intended weighting and proposal for applying it appear reasonable, though care will be needed in interpreting comparisons with some other professions.

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Appendix: P Factor Descriptors

Physical

Uniquely confrontational.

Officers are frequently dealing with people who are angry, aggressive or upset. They face challenge and confrontation in volatile situations where it is hugely demanding to remain calm and professional. There has also been a shift from dealing with crime in the public arena to more private spaces (e.g. mental health, domestic abuse). Policing in this private space is more invasive of privacy and this can increase the strain caused by each encounter.

High risk of physical harm and expectation of assault

Every year thousands of police officers are assaulted and, in rare cases, an officer is killed.¹ In addition to this ongoing risk of physical harm, officers now face a greater threat of a targeted attack on or off duty by criminals and extremists. Officers are also exposed to injury dealing with; vehicle pursuits; public disorder and searching in hazardous conditions with exposure to biohazards such as blood and saliva.

Psychological

Trauma of exposure to distressing incidents and materials.

Exposure to death and disturbing events is a regular occurrence for officers and this can take an emotional toll. Post-traumatic stress and vicarious trauma is not uncommon. The wide spectrum of police work can also see officers deployed from an extremely distressing incident to a more routine matter without time to adjust. The changing nature of crime also requires both regular and specialist officers to continually develop, maintain and apply new skills to face the new challenges associated with increasingly complex and distressing cases. e.g. indecency with children; rape; sexual exploitation and, more recently, acid attacks. This often means that some officers face continual exposure to distress and often have to deal with serious cases in rapid succession.

Level of scrutiny

The advent of social media, a shift in public attitudes towards the actions of authority figures and the nature of media reporting has all served to intensify the need for immediate answers to any incident or event that attracts publicity and is perceived to have had an adverse outcome. This is often before the facts are known and can involve the instant 'naming and shaming' of officers, particularly at senior rank. Anxiety levels when responding to calls are now heightened with the knowledge that every action is likely to be filmed and potentially uploaded to social media and/or attract misconduct proceedings.

Legal

Nonfeasance - the failure to perform an act that is required by law

As a matter of criminal law, officers are obliged to act to prevent crime and intervene in situations whether on or off duty. It can be argued that an officer is never really 'off duty'. This inevitably poses a risk to an officer's safety and affects their ability to enjoy and behave in their private life as a normal member of the public would. When off duty, an officer will likely need to act when not in uniform, without protective equipment or radio communication and in unfamiliar surroundings. Intervention could also expose family or friends to danger.

Exposure to risk

Increasingly officers are responders across a range of incidents hitherto not seen as core police business. These include, 'out of hours' social services cases, medical emergencies and patient transport. Apart from putting additional pressure on officers and deflecting them from their core role, moving into this space has

¹ In year-ending June 2020, there were 11,241 assaults on officers involving injury (ONS data published October 2020). This is a 5.75% increase on the previous year. In addition, there 22,161 non-injury assaults on police officer. The total number of recorded assaults on other emergency workers over the same 2019/20 period was 400.



exposed them to greater risk. They might be unfamiliar with case histories and may also lack the necessary specialist skill set and/or experience to provide the best service. This is particularly relevant when dealing with medical emergencies, helping the mentally ill and other vulnerable adults and children. They carry ultimate responsibility for their decision making in these increasingly testing situations.

Accountability and scrutiny

Disciplinary hearings are now in public and thus, regardless whether or not a case is ultimately proven, an officer can expect a greater intrusion on their private life when disciplinary proceedings are brought. Cases involving death or serious injury require referral to the Independent Office for Police Conduct where there has been any form of police contact. Investigations can become protracted and reports are made public. Personal liability for historic action extends well into retirement and this risk escalates with rank. On conviction, even post retirement, officers could forfeit their pensions and, if dismissed for gross misconduct under the Police and Crime Act 2017, will have this information placed on a publicly-searchable database.

Membership of trade unions and limited political activity

Officers are prohibited from joining a trade union and from taking part in industrial action. The ability of staff associations to conduct meaningful negotiation on behalf of officers is also limited. These restrictions remove many of the usual options available to regular employees for resolving disputes in relation to terms and conditions such as pay. Officers are also restricted from participation in political activity and are expected to be apolitical. As a result, they must be cautious about airing certain opinions and this limits freedom of expression; particularly in a modern on-line era.

Social/Economic

Use of social media

The use of social media is restricted by virtue of an officer's profession and this also extends to use of certain applications. For personal security and safety reasons it is necessary for most officers to guard against sharing personal details, including their profession and/or disguise their true identity. In a time when social media plays such a prevalent part in modern life, this inability to behave and to interact freely online can result in an appreciable level of social separation.

Victimisation based on profession

Where no respect for the authority of law exists and normal standards of acceptable social behaviour do not apply, officers and their families can be targeted and harassed, solely because of their police status. Personal property can be damaged, children bullied or threats made by those they arrest to an officer's personal safety whilst 'off duty'. This may involve active attempts to trace an officer's home address and, in some cases, families may need to be re-housed to avoid victimisation or retaliation.

Disruption to family life

Being a police officer has an inevitable impact upon working arrangements, such as; flexibility of working patterns; requirements to work extended hours; being on-call during leave; taking of rest day(s). What distinguishes police officers further is they can be recalled to duty and/or have leave day(s) cancelled whenever operational need dictates. This level of disruption may have a negative effect on family life. It can impinge on childcare arrangements, have an adverse economic impact by inhibiting a partner's ability to hold down a job and/or limit the ability to develop aspects of a private life such as friendships and hobbies. Officers are intrusively vetted and must, as a matter of regulation, disclose and manage their associations in such a way that may not apply to an ordinary member of the public. This could also have an effect on an officer's private, family and social life.

Associates and business activity

All business interests, such as secondary employment or renting a property must be disclosed and approved by the Force in order to ensure there is no conflict of interest. Disclosure of business-related associates will involve the release of their personal information and, if such an associate is deemed unacceptable, this may inhibit an officer's ability to earn money in a way that would not apply to an ordinary member of the public.

Benchmarking Questions	NPCC Response
1. What is benchmarking?	<p>Within the field of pay and conditions benchmarking is a generic term used to describe the measuring and sizing remuneration metrics and practices within organisations, and comparing them, to judge whether remuneration is fair.</p> <p>Pay benchmarking allows policing to compare the ranks to other roles, other sectors, measure the differentials, and make judgements about whether its pay points, pay scales, total cash and total reward are positioned appropriately on a comparative basis, either against other roles and also between ranks, i.e., one rank is comparatively paid better than another rank. If there are recruitment, motivation or retention issues within the ranks, then this will provide a guide as to how and what to change in terms of pay.</p> <p>Its main use to date has been for the purposes of a) independent benchmarking by Korn Ferry b) ongoing monitoring by NRT and c) when considering base pay adjustments outside the annual pay uplift to pay points in relation to recruitment and motivation issues.</p>
2. How is police officer pay benchmarked? i) At each rank ii) At pay points within each rank, as appropriate	<p>i) Each rank and is compared against market data for roles with similar responsibilities and applied skills. This is from one or more sources. The sources agreed with the staff associations are currently Korn Ferry salary database, IDR surveys and ONS data. Data may also be sourced directly from public sector bodies if this data needs to be supplemented to provide a more rounded picture of current practice. The type of data sourced will vary according to the issue being considered.</p> <p>ii) All the pay points within can be compared to data from Korn Ferry on an annualised basis. They are compared to Korn Ferry in-house salary database (all organisations and public sector) which is downloaded directly from their system. The key pay points for ongoing benchmarking are the first pay and last pay points of each rank. IDS data has been used for specific skills comparison e.g. degree apprenticeships, which is a relevant comparator for the constable rank.</p>

<p>iii) What factors are taken into account? (e.g. hours, shifts, unsocial hours)</p>	<p>iii) The factors taken into account will vary according to the issue being addressed. For base pay comparisons the comparison data is compared the rank pay points, on the assumption of a full time role without further adjustments for hours or supplements being added on an annual basis. However where an external single role comparator, is being compared to an officer rank, adjustments can take place to ensure appropriate comparability. The agreed sources of data will allow us to do this and focus on specific aspects of the package as required.</p>
<p>iv) Who/what are the main comparators groups/jobs?</p>	<p>iv) The comparators fall into three categories, a) role data matching officer ranks according to the size of the role (includes private, not for profit and public sector roles and uses job evaluation to measure the size of the role), b) immediate skills/role comparators, including public sector roles, which is a subsection of the Korn Ferry data, and c) ONS trend data and ASHE data.</p>
<p>v) Why are they the main comparator groups/jobs?</p>	<p>v) Comparators from Korn Ferry based on job size provide longitudinal monitoring of remuneration, allowing an understanding of ongoing and emerging trends in the UK (covers 1 million+ employees) and is available on an annual basis. ONS produces ASHE data (sample size approximately 300,000) which can be selected in different ways, including on a regional basis. Comparators with similar skills data analysis allow for more specific comparison, particularly for recruitment of constables. Matching against other public sector roles ensures ongoing comparability with front line colleagues.</p>
<p>vi) What is the methodology?</p>	<p>vi) Data from Korn Ferry and IDR surveys is normally provided in quartile format. Rank pay points are then compared to the data quartiles in £, lower quartile, median and upper quartile and may also be expressed as a percentage.</p>
<p>vii) How will Korn Ferry data be supplemented with IDR and ASHE data?</p>	<p>vii) More than one data source may be needed depending upon the issue to be addressed, or its relevance. Each data set is a separate data sample from different organisations. As such data can not be aggregated.</p>
<p>viii) Why does the Korn Ferry data need to be supplemented with IDR and ASHE data?</p>	<p>viii) Each data set contributes to the understanding of the positioning of pay rates and are of varying sizes and sources. Korn Ferry data is dependent upon data supplied by clients. In recent years when NPCC commissioned pay benchmarking reports public sector clients did not</p>

<p>ix) Why are these the chosen data sets?</p> <p>x) What are the key differences in the data sets?</p>	<p>participate in their annual survey. Therefore they have used ASHE data to supplement recommendations to us. It is also good practice to use more than one data source to ensure that decisions are not skewed, although a decision may be evidenced by a single data source.</p> <p>xi) Each Korn Ferry and ONS data set provides large scale and continuous data sets, using accepted HR and statistical methodologies. By using more than one data source and set this provides reliability and acceptability. Korn Ferry data can also a) be analysed by sector and allow for the inclusion or exclusion of different organisations' data, b) be reviewed on a total cash basis and c) be viewed on a total remuneration basis. Korn Ferry has provided recommendations and advice on police officer remuneration to the NPCC over a long period, since 2010, and is therefore able to provide an ongoing opinion on changes to the ranks using a consistent methodology. They have also advised the PSA. IDR is also a long term provider in the market, previously known as IDS. In addition the breadth of data held gives the NRT access to look at specific queries on allowances and specific benefits-in-kind offered by other employers.</p> <p>xii) These include a) sourcing of data b) methodology to construct database, as set out in 2022 submission, c) participant organisations and roles in databases d) timing of reports. Korn Ferry reports twice a year, data as at December and July each year. IDR reports monthly on annual pay settlements and individual reports are according to ONS ASHE data reports after April each year.</p>
<p>3. How does benchmarking inform proposals on pay?</p>	<p>Benchmarking informs proposals by showing how a rank is currently positioned relative to an external dataset and whether they are positioned differently to their colleagues. Ideally all ranks would be positioned at a similar range. Where they are not this may be evidenced in concerns about recruitment, motivation and retention. Where the NPCC make a recommendation they will use relevant data to justify a specific change.</p>
<p>4. Will police pay proposals aim for the lower, median or upper quartiles? Why?</p>	<p>The NPCC have not adopted a policy to aim for a specific quartile for all ranks due to the current pay point structure and positioning against market data as there is no consistent story. Korn Ferry data shows that the pay levels /remuneration of officers ranges between above the median to below the lower quartile. However NPCC have endorsed that paying below the lower quartile in</p>

	<p>terms of base pay is inequitable, as the majority of officers are remunerated above this level. Further discussions will take place on this topic when a high level reward policy is discussed in 2022.</p>
<p>P-Factor</p> <p>1. What is the P-Factor?</p>	<p>The Police Factor, or P Factor, describes and values the unique nature of policing and the restrictions and expectations placed on police officers. It is the combination of all of these factors that makes policing unique.</p> <p>Twelve factors have been agreed, placed into four categories covering the following aspects of the role:</p> <ol style="list-style-type: none"> 1. The physical 2. The psychological 3. The legal 4. The socio-economic
<p>2. What is the methodology for determining the value of the p-factor?</p>	<p>The work has built on and updated the original methodology prepared by Sir Tom Winsor in his work on the X factor. The title has been changed as the original X factor was intended to be an amount of base pay deducted from officers not able to fulfil their operational requirements. This was not agreed.</p> <p>The factors were developed through discussions with stakeholders, focus groups with officers, force surveys and considered by Korn Ferry between 2018 to 2021, including:</p> <ol style="list-style-type: none"> i) APCC, PFEW, PSA and CPOSA, and agreement through PCF in the period 2018-2021. ii) Survey of forces in 2019. iii) Focus groups with officers 2018-2019. iv) Review by Korn Ferry (which included considering whether there is any overlap between the factors and benchmarking data they provide. Korn Ferry confirmed, in their opinion, that there is no overlap, and therefore when considering its pay data we can discount for the P Factor).

	Once the factors were agreed we then set out to agree the value.
3. Why is the value currently 13%?	<p>The percentage is capped at the top pay point for constables at 13%. This is the same approach as adopted by Winsor. The P Factor represents those underlying aspects of the role which apply to all officers, irrespective of rank.</p> <p>The final agreement of the percentage value was achieved through discussion and agreement with all stakeholders. This is a subjective value. The original percentage recommended by NPCC was 12%. PRRB recommended that stakeholders came to a consensus. Following further discussions with staff associations, this was raised to 13%.</p>
4. How was 13% arrived at?	<p>To determine the value we reviewed the original percentage range suggested by the Winsor Review. The original value was a subjective judgement of 8-10% of pay. Following discussions with Prof. Richard Disney we determined that the percentage should be set above the upper end of the range, given the new additional factors.</p> <p>We did consider alternatives means to set the percentage. We originally asked the PRRB to advise on the value. This was refused. Therefore we agreed a percentage as described above.</p>
5. Is weighting applied to any of the p-factor descriptors?	No weighting is applied to any of the factors. The reason for this approach is similar to that of the X Factor, which also does not apply weighting. The Armed Forces considered applying specific weightings in 2006 but determined that such a fixed approach could, over time, result in the X Factor becoming a burden and unaffordable. We also consulted with Korn Ferry.
6. How often will the p-factor be valued? Why every five years?	The intention would be to review this on a five year cycle. This is the same period of time as adopted by the Armed Forces for the X factor. This allows for the factor descriptions to be kept up to date. However we would not expect that the percentage would necessarily change. This

	would be most likely to happen if a significant new factor was added, as in the case of the Armed Forces																																						
<p>7. Interaction of the benchmarking and the p-factor?</p> <ul style="list-style-type: none"> • What formula is used to calculate the p-factor premium? • Why is this the preferred formula? 	<p>The P Factor % up to the value applied to the constable top pay point is deducted from the base pay rate when making benchmarking comparisons. At constable pay point 7 we would expect their net salary value to exceed median comparators.</p> <p>Pay point payable to officer = 100 % base pay, made up of 87% of benchmarked pay plus P Factor of 13%, (capped at the top pay point for constables)</p> <p>a) mirrors Winsor approach and b) this is not an item that we have yet specified when describing the reward framework. We do not want it to appear that we have deducted it from base pay, rather, it is incorporated in it c) if it is presented as the Armed Forces as addition to pay, it would need to be funded and paid.</p>																																						
<ul style="list-style-type: none"> • Calculation for each rank (capped at constable pay point 7) 	<table border="1"> <thead> <tr> <th>Rank</th> <th>Pay point</th> <th>Base Pay Rates Year 2021</th> <th>P Factor</th> <th>Base Pay Rates minus P Factor</th> </tr> </thead> <tbody> <tr> <td rowspan="8">Constable</td> <td>0</td> <td>£21,652</td> <td>£2,815</td> <td>£18,837</td> </tr> <tr> <td>1</td> <td>£24,780</td> <td>£3,221</td> <td>£21,559</td> </tr> <tr> <td>2</td> <td>£25,902</td> <td>£3,367</td> <td>£22,535</td> </tr> <tr> <td>3</td> <td>£27,030</td> <td>£3,514</td> <td>£23,516</td> </tr> <tr> <td>4</td> <td>£28,158</td> <td>£3,661</td> <td>£24,497</td> </tr> <tr> <td>5</td> <td>£30,411</td> <td>£3,953</td> <td>£26,458</td> </tr> <tr> <td>6</td> <td>£34,950</td> <td>£4,544</td> <td>£30,407</td> </tr> <tr> <td>7</td> <td>£41,130</td> <td>£5,347</td> <td>£35,783</td> </tr> </tbody> </table>	Rank	Pay point	Base Pay Rates Year 2021	P Factor	Base Pay Rates minus P Factor	Constable	0	£21,652	£2,815	£18,837	1	£24,780	£3,221	£21,559	2	£25,902	£3,367	£22,535	3	£27,030	£3,514	£23,516	4	£28,158	£3,661	£24,497	5	£30,411	£3,953	£26,458	6	£34,950	£4,544	£30,407	7	£41,130	£5,347	£35,783
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Pay & Conditions Portfolio
National Reward Team

The Pay Progression Standard
Force implementation briefing pack

As at 7th June 2021

This slide deck is intended to brief forces sufficiently, so you can begin to prepare for the implementation of PPS ahead of the national guidance being issued (anticipated Jan 22, subject to Ministerial sign off of the determination).

National guidance will provide latitude for forces to implement PPS in accordance with their local systems and processes. This pack provides examples of how a force could choose to implement the PPS (intended to help explain the PPS process).

This slide deck provides information on:

1. The PPS – familiarisation on why it is being introduced, what it is and who it affects
2. The PPS process – design principles and the steps within the process (from the perspective of a HR/Payroll Department)
3. PPS exemptions* - what happens if there is a legitimate (& exceptional) reason for failure to meet the PPS or for a line manager to fulfil their requirement
4. Force implementation of the PPS - national milestones to be met
5. PPS process examples – how a HR/Payroll Department may wish to define the key dates in the PPS process for their force

* The PPS policy has yet to be finalised, which includes circumstances when an exemption may or may not apply. The NRT are currently engaging with force representatives and staff associations on this and it will be included in the guidance.

1. The PPS

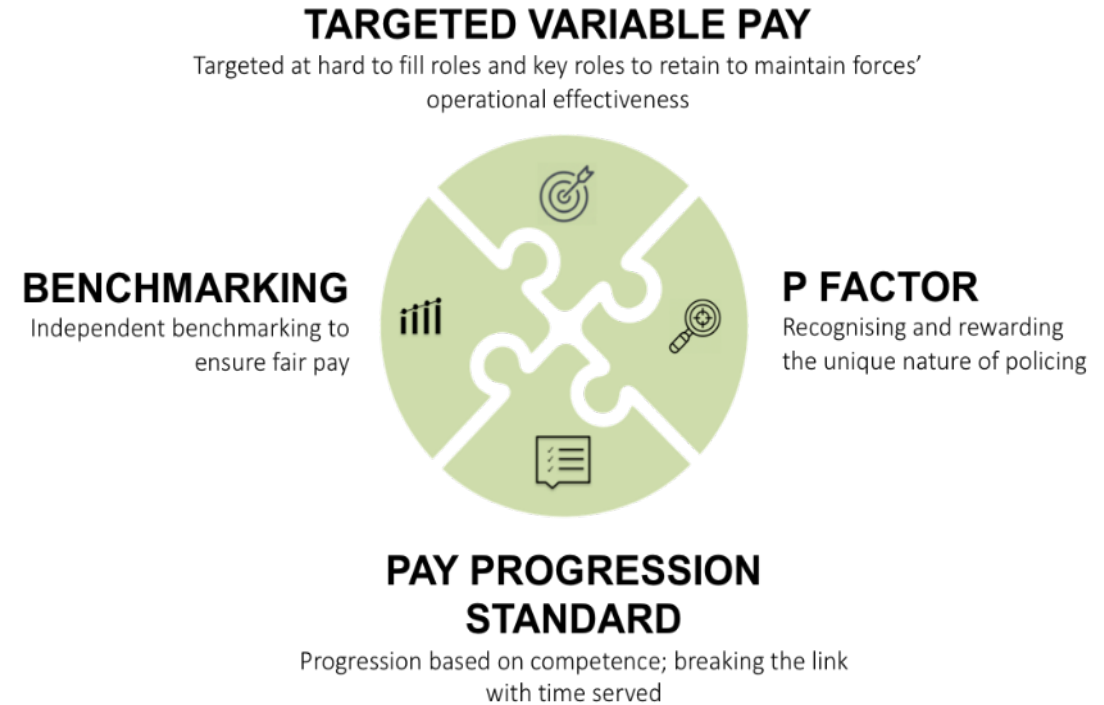
An overview of the PPS

This section is intended to familiarise forces on why the PPS is being introduced, what the PPS is and who it affects

An overview of the PPS

Why is it being introduced and what is it?

- The Pay Progression Standard (PPS) is one of the four elements of the NPCC Pay Reform Programme initiated by the Home Office. This programme will deliver a fair, flexible, deliverable, and affordable pay framework, underpinning the delivery of the Police Uplift Programme.
- The PPS is an objective process, which breaks the link between time and automatic incremental pay progression, by ensuring a decision is made before progression. It sets the foundations of a merit-based pay progression structure.
- The PPS has been designed to ensure it is:
 - i. Fair and straightforward
 - ii. Can be applied consistently and objectively across all forces with different processes and IT systems
 - iii. Enhances the ongoing work of forces and the CoP to deliver effective supervision



An overview of the PPS

Who does it affect?

Who the PPS applies to:

All officers whose base pay is determined by an incremental pay scale, excluding:

- I. Officers who have reached the top pay point of the relevant scale applying to their rank.
- II. Constables during their probationary period - performance during probation is closely monitored and managed under Reg. 12 and 13 of the Police Regulations 2003*. On completion of the probationary period the officer will move to the next appropriate pay point and the PPS will not apply until the following pay anniversary.

* ARC is aligned to IPLDP and is a competence assessment for constables before moving from pay point 3 to 4. It is not required for PEQF recruits because of changes to the probationary assessment process. ARC is independent of the PPS. The PPS will apply to both PEQF and IPLDP recruits once they have completed their probationary period. ARC will run concurrently with the PPS for IPLDP recruits in year three of their service.

General principles of the PPS:

- I. No officer should be penalised unfairly for not achieving the standard.
- II. Incremental pay progression will not take place without confirmation the standard has been met.
- III. Pay will be reinstated at the point the PPS is met and, unless stated, will not be backdated.

An overview of the PPS

The standard

The PPS standard is as follows:

1. Completion of an annual PDR/appraisal

- I. A Professional Development Review (PDR or appraisal) has been completed in accordance with the existing force process (*in the preceding 12 months*)
And
- II. At the date of confirming compliance with the standard, no formal capability process is in place (UPP/UAP)

2. Training

Statutory and mandatory training* has been completed (*in the preceding 12 months*)

3. For line managers only

Where an officer manages others, they have completed PDRs and made PPS decisions on behalf of those they directly manage by their set confirmation date (*in the preceding 12 months*)

* Statutory and mandatory training is defined as National Personal Safety and First Aid training. Forces may be able to add up to two other local training priorities (which can be tailored to force priorities or individual roles) - this has yet to be confirmed as it is still subject to a policy decision.

2. The PPS process

Design principles & the steps within the process

This section highlights the design principles and steps within the PPS process (from the perspective of a HR and Payroll Department), which forces need to consider when designing their own local PPS process

The PPS process

The design principles

1. Any increment due, is paid on the first pay date following an officer's pay anniversary.
2. Officers should have a 12 month period prior to their PPS confirmation date to know what they will be assessed against to achieve the PPS standard, and progress up the pay scale.
3. Officers and managers have sufficient time to complete the PPS (*recommend a minimum of 6 weeks*).
4. The same process should be applied to all relevant officers in a fair and consistent manner.
5. An officers increment date does not change as a result of this process.
6. Administration relating to the PPS is kept to a minimum.

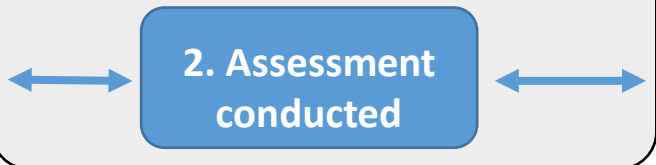
The PPS process

The steps within the process

1. Notification sent/received

Forces need to issue a notification to line manager & officer, telling them their PPS is due & when it needs to be confirmed by .

Assessment window



Line manager conducts PPS assessment within the assessment window. This can be a discussion or meeting and if required take place more than once.

A force may wish to issue a reminder(s) to the line manager & officer during the assessment window, to ensure the PPS is confirmed by the set confirmation date.

3. Confirmation sent/received

Line manager confirms PPS has been met (or not) based on the standard. To be completed by the confirmation date (at the latest).

It is advised that the line manager completes a force PPS form as a record the PPS has been met (or not).

If a line manager is absent it is advised that a force ensures the confirmation is sent/ received by the confirmation date (either by the 2nd line manager or HR).

Payroll need to be notified if the pay increment will be received or withheld.

Data requirement:
Forces will need to keep a record of the protected characteristics of those who do not meet the PPS.

4a. Pay increment received

I. Confirmed PPS is achieved

Officer receives pay increment on first pay date on or after their increment date

4b. Pay increment not received

II. Confirmed PPS is not achieved

(move to 5a)

Or

III. Unconfirmed if PPS is achieved /or not

(move to 5b)

Officer does not receive pay increment on pay date after their increment date

The majority of officers will move through the blue channel (steps 1 – 4a)

5a. Assessment review

If PPS is not achieved, a follow up assessment period is agreed with line manager against defined criteria. Once line manager confirms PPS is achieved, officer receives pay increment on next pay date (not backdated). If the PPS is not achieved an officer can appeal the decision.

5b. Follow up

Force chases PPS confirmations not received. The 2nd line manager and/or Dept. Head is notified. Next: either step 4a applies (& pay is backdated) or 4b II. applies

The PPS process

The steps within the process

Forces need to provide line managers with easy access to the following data/ information:

1. PDR/Appraisal records
2. Relevant training records *(or officers are provided with a confirmation of successful completion)*
3. Where appropriate UPP/UAP records
4. If the officer is a line manager, a record of whether their direct reports PPS assessments were completed on time.

Forces need to ensure they record/ capture the following information:

1. The outcome of the PPS assessment:
 - I. A meeting/ discussion has taken place between the line manager and officer (in the required time period)
 - II. The officer has achieved the PPS (based on the criteria)
 - III. The officer has been notified of the outcome
2. In cases where a PPS has not been achieved:
 - I. To confirm if and what exemptions apply and that they have been endorsed by a 2nd line manager
 - II. To confirm what needs to be met in order to achieve the PPS
 - III. To capture the protected characteristics

- If line managers have not confirmed whether the PPS has been achieved/ or not within the given timeframe, the Force may wish to review this information as part of its performance management regime.
- It is recommended that forces automate the PPS process as much as possible using existing systems.

3. Force implementation of the PPS

National milestones to be met

This section outlines the key dates, to enable the service to deliver the PPS

PPS implementation timeline

National milestones

Forces are required to meet the following dates:

- 1. March 2022** – define local PPS requirements (*how the standard will apply to the force, including any local training priorities**).
- 2. 1st April 2022** – brief officers that the PPS is now effective in force (*although for individual officers the commencement of their PPS assessment period will be linked to when their increment date is*).
- 3. January 2023** – local PPS processes in place (*so the first tranche of officers can receive their PPS assessment from 1st April 2023*).

* Forces may be able to add up to two other local training priorities (which can be tailored to force priorities or individual roles) - this has yet to be confirmed as it is still subject to a policy decision.

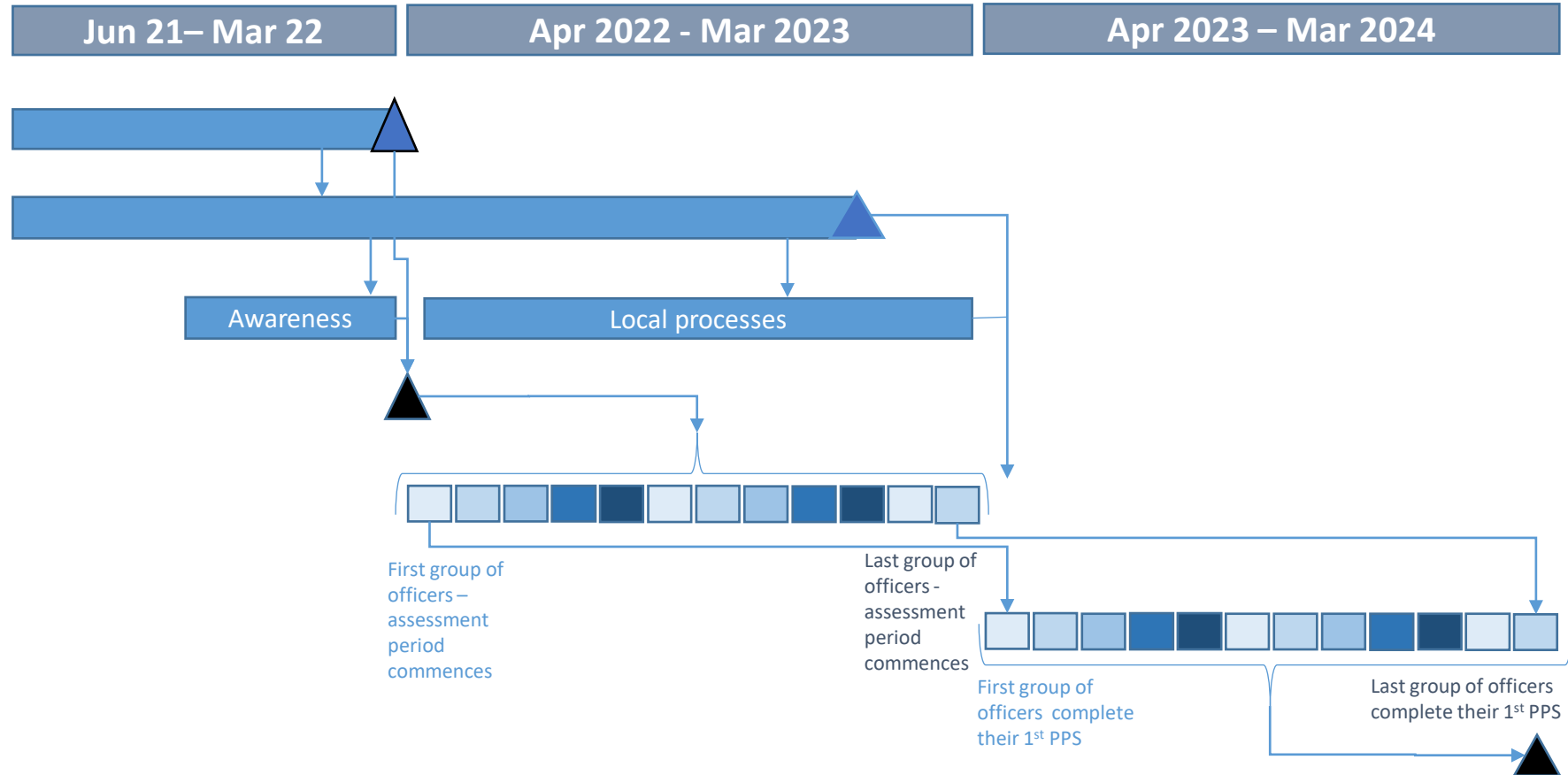
To support forces, the NRT will provide national guidance and communication briefing products. Forces will also be invited to attend PPS webinars where the NRT will provide further briefings and give forces the opportunity to ask questions.

PPS implementation timeline

Force implementation

Force milestones

1. Agree local PPS requirements for eligible officers (*using National Guidance*)
2. Design, develop & implement local PPS processes (*a*) (*using National Guidance*)
3. Communicate the changes (*using NRT messaging*)
4. **PPS becomes effective** (*b*)
5. 12 month individual PPS assessment period commences (*required time period prior to PPS assessment*)
6. Eligible officers have their first PPS assessments/confirmations (*c*)
7. All eligible officers have had their first PPS applied



Notes:

- (a) During this period forces need to engage with their local staff associations.
- (b) On the 1st April 2022 all eligible officers to be notified the PPS is effective in force & they will now be assessed against the PPS to receive their pay progression (although the individual PPS assessment period commences 12 months prior to their PPS confirmation date in 2023/24).
- (c) Eligible officers are officers who have not reached the top of their incremental pay scale - the PPS will not apply to officers who have reached the top of their incremental pay scale by the 1st April 2023 (and beyond).

When you can expect to receive further information from the NRT:

- 1. July 21** –NPCC Pay & Conditions lead to issue message following publication of the PRRB report – for forces to brief officers on what PPS is and what it means for them
- 2. October / November 21** – NRT to issue annual survey (to include further force readiness questions)
- 3. November 21** - NRT issue further PPS messaging - to support forces in their communication to officers
- 4. January 22** - NRT issue PPS national guidance to forces (issue date is linked to the Home Office signing off the determination)

The NRT will also issue progress updates as necessary.

4. PPS policy exemptions

Exemptions

This section explains what happens if there is a **legitimate (and exceptional) reason** for failure to meet any element of the PPS or for a line manager to fulfil their requirement.

Please note: The PPS policy has yet to be finalised, which includes circumstances when an exemption may or may not apply. The NRT are currently engaging with force representatives and staff associations on this and they will be included in the guidance.

The PPS process

Exemptions

- It is fully appreciated that on occasions, there may be a good reason why an officer has not been able to comply with the PPS. For example, when a PDR/appraisal has not been completed due to the extended absence of the officer concerned, or if a force is unable to deliver the training within the necessary timescales.
- No officer will be penalised if there is a **legitimate (and exceptional) reason** for failure to meet any element of the PPS or for a line manager to fulfil their requirement.
- The exemptions are intended to cover the minority of cases and will reflect the general principles of the PPS.
- If the PPS has not been met, and a line-manager considers an exemption does not apply, pay progression would be stopped.
- If pay progression is stopped and an officer believes an exemption applies, they can appeal the decision. If the appeal is upheld pay would be backdated to the officer's pay increment date.
- Once the exemptions are confirmed (through consultation with stakeholders), they will be included in the guidance, intended to be issued in January 22. The NRT will also hold webinars, giving forces an opportunity to raise specific questions on exemptions.

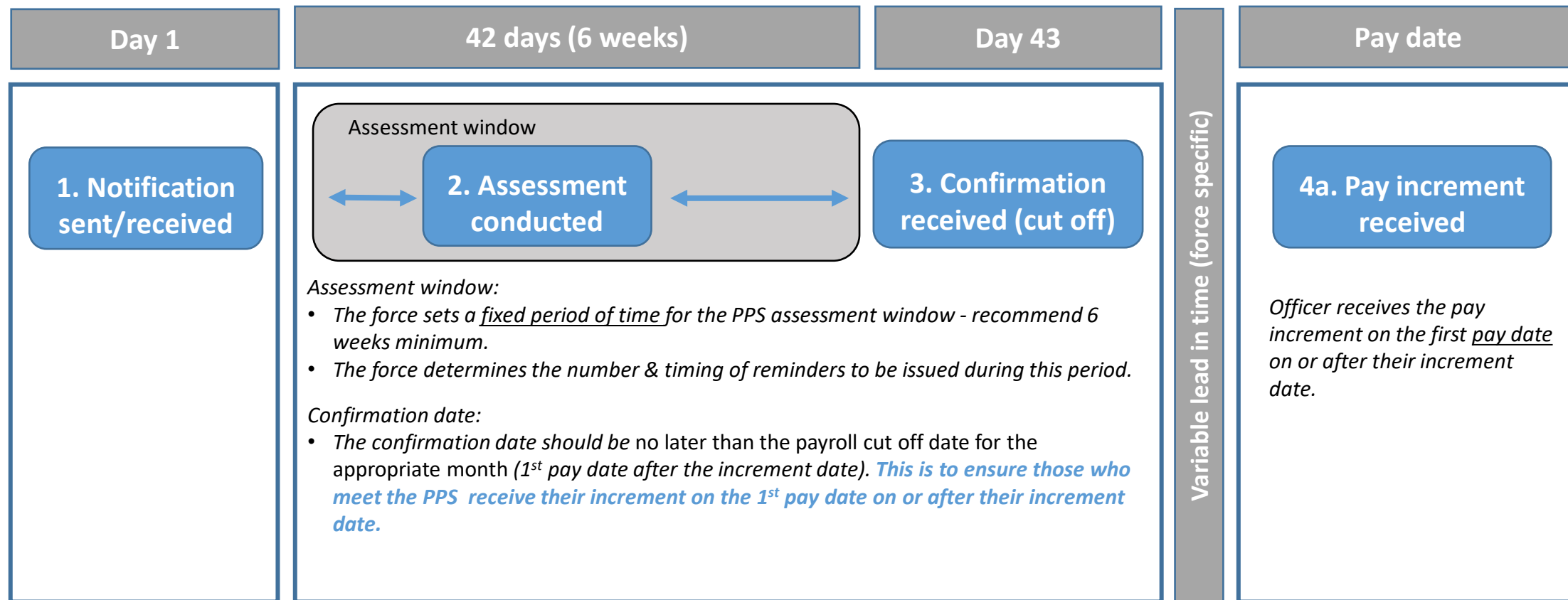
5. PPS process examples

How a force could choose to define the key dates in the PPS process

This section explains how a HR/Payroll Department could choose to define the key dates in the PPS process for their force. It is up to each force to determine its own local PPS processes, aligned to national principles. However the same process should be applied to all relevant officers in a fair and consistent manner.

The PPS process

The timeline for a typical process



- The notification & confirmation date for an officer will be informed by their respective increment date (i.e. pay anniversary).
- A force could choose to have one notification and one confirmation date for a batch of increment dates, which fall within a pay period, or choose to determine the dates on an individual basis.

PPS examples

Defining the key dates in the process

Example A: One notification & confirmation date for a batch of increment dates

For all officers with an increment date between the 1st – 31st July:

- PPS notifications sent – 5th June
- PPS confirmation date - 18th July (in this example, this is also the payroll cut off date)
- Officers receives pay increment – 31st July (pay day)

Consistent process for every officer

1. Confirm the timescale needed for the PPS assessment window – 6 weeks
2. Determine which officers increment dates fall within each pay period – E.g. all officers with an increment date that falls between the 1st – 31st July
3. Determine the confirmation date for those officers – 18th July (also the payroll cut off date for July)
4. Determine the notification date for those officers – 5th June (6 weeks or 42 days prior to the confirmation date)

PPS examples

Defining the key dates in the process

Example B: Individual notification & confirmation dates for individual increment dates

Officer 1 – increment date 3rd July

- PPS notifications sent – 4th May
- PPS confirmation date - 17th June
- Payroll cut off date – 15th July
- Officers receives pay increment – 31st July (pay day)

Consistent process for every officer

Officer 1 – increment date 26th July

- PPS notifications sent – 27th May
- PPS confirmation date - 10th July
- Payroll cut off date – 15th July
- Officers receives pay increment – 31st July (pay day)

Consistent process for every officer

1. Confirm the timescale needed for the PPS assessment window – 6 weeks
2. Determine the confirmation date for both officers
 - Officer 1 – 17th June (increment date minus the time between payroll cut off and the pay date)
 - Officer 2 – 10th July (increment date minus the time between payroll cut off and pay date)
3. Determine the notification date for both officers
 - Officer 1 – 4th May (6 weeks or 42 days prior to the confirmation date)
 - Officer 2 – 27th May (6 weeks or 42 days prior to the confirmation date)

PPS examples

The key dates for the PPS assessment

Example A - One notification & confirmation date for a batch of increment dates

For all officers with an increment date between the 1st – 31st July:

- PPS notification sent – 5th June
- PPS confirmation date - 18th July (in this example, also the payroll cut off date)
- Officers receives pay increment – 31st July (pay day)

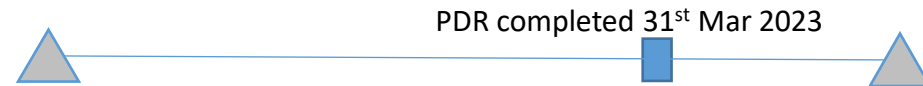
Individual PPS assessment

1. a) PDR completed between PPS confirmation dates (18th July 22 to 18th July 2023) **YES**

b) No formal capability process in place (on the 18th July) **NO**

2. Training completed (18th Jul 22 – 18th Jul 23) **YES**

3. Completed PPS for direct reports when required **YES**



3 x direct reports – confirmed their PPS by the required date

Line Manger completes & submits Force PPS form ahead of the 18th July confirmation date

Please complete the readiness survey

Based on the information provided in this slide deck, please complete the readiness survey and send it back to the NRT by the 30th June 2021. This is to provide the NRT with an up to date view on force preparedness for the PPS to become effective from the 1st April 2022.

Link to survey below:

<https://survey.alchemer.eu/s3/90353108/PPS-Force-Readiness-Survey-June-2021>

The survey will open on the 14th June



Report on the recommendations made by the Steering Group in respect of the review of the terms and conditions of chief officers in England Wales

January 2021

Foreword

I am pleased to present this report, which summarises the agreement reached between stakeholders following a review of the pay and conditions of chief police officers in England and Wales.

The review was undertaken in response to a request from the Home Office and provides the information needed to meet a recommendation by the Senior Salaries Review Board (SSRB) that any review of chief officer pay and conditions should also be considered by the PRRB, to ensure consistency is applied to all ranks. It was overseen by a Steering Group comprising the APCC, NPCC and CPOSA with the PSA involved to reflect the interests of the next generation of chief officers. This ad hoc arrangement was necessary as there is no remuneration structure for chief officers. I was invited to Chair the Group to mitigate any real or perceived conflict of interest by providing independent oversight.

The Group was well supported by two working parties and discussed the material provided with a clear focus on achieving consensus. The constructive approach of all involved means that the review has been completed. The recommendations set out in this report are now to be taken to NPCC and APCC for formal agreement and will then be presented to the Police Remuneration Review Body. Not all the items set out for consideration in the Terms of Reference were agreed by all parties, but the level of agreement achieved has allowed us to set out a satisfactory way forward.

Towards the end of our work the Government published the Spending Review 2020. As part of the response to the economic impacts of the Covid-19 pandemic the Chancellor announced that public sector pay awards would be “paused” for 2021/22. This pause is in relation to the annual pay uplift rather than pay reform. Nevertheless, the Steering Group agrees that it would be inappropriate for chief police officers to benefit from changes in base pay rates at this time. The Steering Group has therefore agreed that the proposals will be put forward to the PRRB for consideration but will make clear that reform of the base pay structure should not be implemented until the public sector pay pause comes to an end.

Elizabeth France CBE
Chair

1. PURPOSE OF REPORT

To summarise the methodology and outcomes of the Chief Officer Remuneration Review. Including recommendations and items being taken forward and consulted on at the APCC General Meeting and Chief Constables Council (CCC), ahead of 2021 Police Remuneration Review Body (PRRB) submissions.

It is noted, that;

- Recommendations on changes to Chief Constables are the responsibility of the APCC
- Recommendation on changes to Deputy Chief Constables are the responsibility of the NPCC
- Recommendations on changes to Assistant Chief Constables are the responsibility of the NPCC

All stakeholders however may comment on the final recommendations made to the Pay Review Body as it is recognised that changes to the pay and conditions for one group may impact upon the recruitment and retention of another.

Following agreement, this report will be shared with the College of Policing and HMICFRS.

2. CONTEXT FOR REFORM

Given the recent announcement from the Treasury on the pay pause for public sector workers, it is agreed there is no appetite to seek endorsement for the immediate implementation of changes relating to chief officer base pay. However, where applicable, the case for change will be presented to the PRRB and approval in principle sought. When the Treasury's position on its public sector pay policy changes, the APCC, NPCC and CPOSA will review implementation, alongside the delivery of pay reform in the other ranks.

3. DRIVERS FOR CHANGE

This review forms part of the wider pay reform programme initiated by the Home Office. The Senior Salaries Review Board (SSRB) recommended that any review of chief officer pay and conditions should also be considered by the PRRB, to ensure consistency is applied to all ranks.

In previous PRRB submissions, the NPCC, APCC and CPOSA have highlighted a need to review chief officer pay and conditions, primarily to improve the talent pipeline into and through the chief officer ranks. Concerns were also reflected in the HMICFRS Leading Lights report.

In 2019 Korn Ferry were commissioned to report on the benchmarking of pay and roles of chief officers. Their report published in February 2020¹ highlighted a number of concerns. This report was supported by the NPCC, APCC and CPOSA in their 2020 PRRB submissions. The key issues raised were;

- Complex pay structure for Deputies and Chief Constables
- Potential career progression problems and succession due to uneven relativities between ranks and the move from permanent to fixed term contracts between ACC and DCC
- Variety of local arrangements for pay and package has an impact on both relativities within policing and comparisons with other sectors
- Powers of pay variation given to PCCs departs from the normal rules of corporate and remuneration governance.

4. SCOPE

¹ Korn Ferry report on Benchmarking of pay and roles for Chief Officers, February 2020

This review considered the following;

- Current base pay policy - for CCs, DCCs and ACCs
- Police and Crime Commissioner (PCC) discretion on base pay policy for CCs
- Other allowances and payments policy – for CCs, DCCs and ACCs

The Terms of Reference were agreed and are appended to this report².

It is noted that Chief Officers in general experience personal tax issues in respect of pension benefits associated with HMRC legislation. This situation is ongoing and was not in scope of this review. However, all parties to the review have concluded that these taxation issues have a far greater significance in discouraging chief officer recruitment and retention than any other single factor.

The Metropolitan Police Service (MPS) and the City of London (CoL) have a different base pay structure to the other 41 forces. Neither force requested a review of base pay, except in relation to the Deputy Commissioner of the City of London. The continuation of the City of London remaining on a different base pay policy was however reviewed and subsequently agreed on by the Steering Group³ and confirmed by the Corporation of London.

5. APPROACH TAKEN

A Steering Group was established, responsible for overseeing the review. The bodies represented were as follows:

- ACC - Workforce and Leadership Lead, Standards and Leadership Lead and Secretariat
- NPCC – Lead for Police Officer Pay and Conditions and the National Reward Team
- CPOSA – Chair and Secretariat
- PSA – National Secretary and Assistant National Secretary
- National Reward Team - acting as the secretariat for the review and producing the data and material for analysis and discussion.

An independent chair, Elizabeth France⁴ was recruited to chair the Steering Group. It was agreed by all parties and the Home Office this was necessary to avoid conflicts of interest. All parties were involved in the discussions to ensure the recommendations represented a consensus. However, it is recognised it would be inappropriate for the NPCC to make recommendations pertaining to Chief Constables pay and conditions.

Two working parties were established to develop the proposals on behalf of the Steering Group. The remit of working party 1 was to consider CCs and DCCs and working party 2 to consider ACCs. All Steering Group members were represented at both working parties, apart from PSA, who were just involved in working party 2. A working party plan was produced and agreed by the Steering Group. The working group also considered the 2020 Chief Officer Pay & Moral survey. The outcomes of each working party meeting were recorded and agreed.

² Appendix 1 – Terms of Reference for the review

³ Appendix 2 – City of London discussion paper

⁴ Also the independent chair of the Police Consultative Forum and Police Advisory Board

6. BASE PAY POLICY

6.1 Review of Chief Constable and Deputy Chief Constable Pay Groups

This section is not applicable to the MPS & CoL.

There are currently 12 CC & DCC pay groups, but the current methodology determining the basis of distribution for this is no longer available, albeit that the placement of forces in the scale can be seen to be linked to force size.

In 2020, Korn Ferry advised reducing the pay groups from 12 to 4. Their report benchmarked Chief Officer pay based on these 4 groups, with each group having a distinct job size. The use of the 4 groupings and the dividing lines between the forces was an approach Korn Ferry first applied in its benchmarking of Chief Officers in 2011, commissioned by CPOSA. They used the same technique and groupings in their benchmarking updates in 2014 and 2015 and repeated this methodology in their 2020 report. Korn Ferry also confirmed that to finalise and substantiate its proposals a more detailed analysis of each force was needed to take place to confirm whether their recommendations on the 4 groups and the forces within each group was appropriate.

It is noted that the current methodology for chief constables and deputy chief constables is a different approach to that for other ranks, as base pay reflects the force size, which in turn denotes a level of base pay. Although these chief officers have the same role profile and broadly the same underlying responsibilities, the size of the role is substantially different between forces. The work by the Steering group acknowledged these differences.

The Steering Group agreed to review and substantiate the Korn Ferry proposal. In doing this, the National Reward Team considered the following datasets⁵. It was agreed these provide an indication of job size. For each data set the comparative positions of the 41 forces was observed.

1. Total force funding⁶
2. Total force headcount
3. Population estimates for a force area
4. Estimated average population density for a force area
5. Complexity – discounted, it was agreed this was reflected in total force funding (annual grant)
6. Collaboration – discounted, agreed this is part of a Chief Officer role.

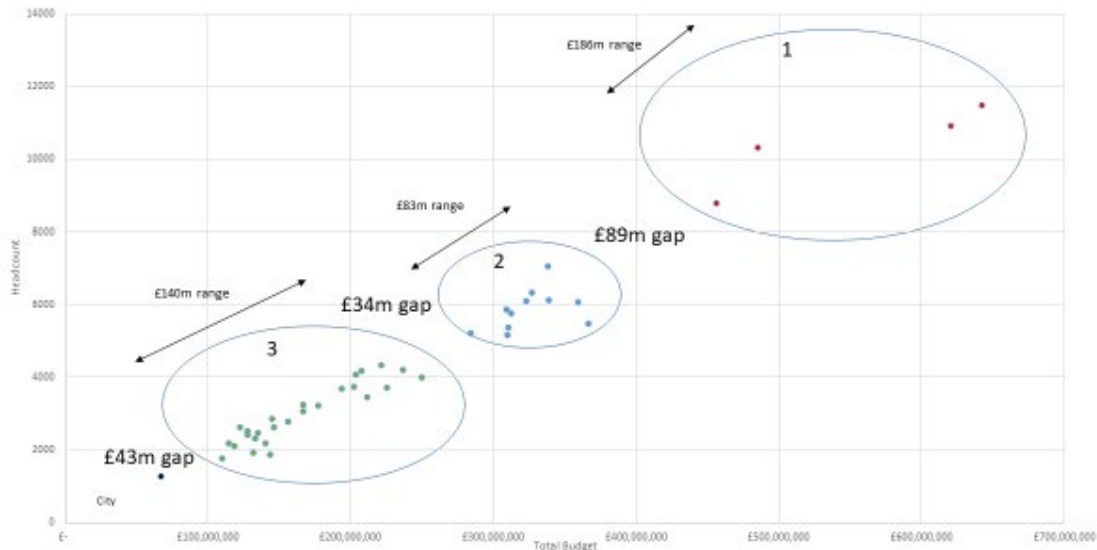
Some of these datasets are interrelated, i.e. force funding is largely dependent on population, so you would expect the data to present the same outcomes.

When the different datasets were overlaid, 3 natural clusters emerged, as shown in chart 1. The largest gaps are between each cluster (bar the gap between West Midlands and West Yorkshire). The Steering Group agreed this was a logical conclusion given the distinct gaps between the force sizes.

Chart 1: Total headcount verses total funding, with population & area size overlaid (the red, blue & green colour coding represents the order of forces)

⁵ Datasets used: (1) APCC change in funding table (2) Home Office 2019 ADR (3) Population estimates all ages– ONS summary for the UK mid-2019. (4) ONS population density mid-2019

⁶ Concern total funding could skew the data disproportionately as precept introduces a political element, but it was agreed it does reflect the relative size of a force - reducing potential impact from grant changes (increasing stability for this exercise) and it has historic links to the original grant allocations.



6.1.1. The breadth of group 3 - should it be broken down, to create a 4th grouping?

When reviewing chart 1, concern was expressed about the number of forces in group 3, with it being the largest with 26 forces, i.e. does Warwickshire (at the bottom of group 3) have a similar level of challenge to Surrey or Nottingham (forces at the top of group 3).

The Steering Group did consider having 4 groups as there is a small gap within the 3rd cluster where a fourth grouping could be drawn. However, on balance, the Steering Group supported 3 groups in principle and believes a justifiable approach has been used based on the data. Korn Ferry⁷ also have no objection in principle to using 3 rather than 4 groups. They note that some broad banded pay systems in other sectors and organisations do this. It was agreed these groups should only be applied to job sizing for base pay policy and not to other areas of policing.

Subsequently the NPCC recommended reviewing the agreed principle of moving to 3 pay groups once the base pay rate options had been developed, to verify alignment.

6.1.2. Outliers

When looking at chart 1 and the individual data sets, two forces presented themselves as outliers. One of which was considered in further detail. Following discussion, the Steering Group made a decision on its recommended placement.

Recommendation 1 – move in principle to 3 pay groups for both CCs & DCCs. Seek a recommendation from PRRB, including their observations on the methodology. Immediate implementation is not recommended, this will be reviewed when the Treasury's public sector pay policy changes and alongside the delivery of pay reform in the other ranks. *The principle of 3 pay groups will also be reviewed to verify alignment with base pay rate proposals.*

6.2 Base pay rates for Chief Constables and Deputy Chief Constables

This section is not applicable to the MPS & CoL.

Korn Ferry recommend 1 rate of pay for each group. Using this approach, two options were put forward:

- Option 1 - migrating each group to the top national-set rate in that group. This option would mitigate against issues like overlapping⁸, providing a clear monetary incentive to move from DCC to CC and from ACC to DCC. No overlapping occurs using this approach. For CCs the majority of rates are within the current parameters already permitted by virtue of the additional 10% discretion exercised by PCCs⁹.
- Option 2 - migrating each group to the average rate of pay in that group. Structurally this would mean some continued possible overlapping for ACCs.

Both options discussed were based on using the current national rate of pay and not benchmarked data, on the basis that the rates are not being questioned by Steering Group members, rather it is the structure which needs to be addressed.

During the review, the Treasury announced its public sector pay pause. With this in mind, the Steering Group agreed that it would not make a decision on its preferred option or seek views from the NPCC or APCC. Although the respective bodies will still update PRRB on the developed methodology to demonstrate progress and seek their observations.

Once the Treasury change its position on the public sector pay policy, these options will be revisited based on updated data. The Steering Group will also need to agree the common principles in terms of moving to the new structure, including timing e.g. does this take effect on a set date or is a change linked to new contracts. This will help determine a recommended option.

Korn Ferry believe the options being considered are a simplification of the kind they recommended and is an improvement in terms of clarity and rewards for promotion. It is also justifiable in that neither option considers a general increase in all Chief Officer pay.

The two options were costed and high level observations noted. It is expected that any future changes to Chief Officer pay would be funded from within force budgets.

Recommendation 2 – review base pay rate options for each group with updated pay data when public sector pay policy changes and pay reform progresses in other ranks. Seek observations from PRRB on the methodology used to demonstrate progress.

To note; the CoL requested a review of the base pay rate of the City of London Deputy Commissioner. This will be considered at the same time as recommendation 2, when public sector pay policy changes.

6.3. DCC base pay as a % of CC base pay

Historically DCC salaries are set at 80-82.5% of the Chief Constable's salary. However on examination of actual pay rates this is not the case, with 5 DCCs paid a higher % and 3 paid a lower %. The Steering Group agreed this should be consistent across the service, with DCC pay being 82.5% of CC base pay.

Recommendation 3 – DCC base pay is 82.5% of CC base pay. Seek a recommendation from PRRB. Immediate implementation is not recommended, this will be reviewed when the Treasury's public sector pay policy changes.

6.4. Base pay rates for ACCs

⁸ Under the current system because of the pay rates it is not always worthwhile for DCCs to move

⁹ There will be one exception

No concerns have been expressed with the current ACC pay scale from either the NPCC or CPOSA. The CPOSA 2020 Pay & Morale survey shows 74% of ACCs are satisfied or very satisfied with base pay. Therefore it appears there is no need to reduce the number of pay points or pay different rates for the job¹⁰. The working party did acknowledge it is unusual to have increments for such a senior role.

It was agreed that Targeted Variable Payments can be issued to attract candidates with additional responsibilities at this rank, acknowledging the differences in job size.

When viewing ACC base pay alongside ranks either side of it, the pay gap between an ACC and the smallest DCC role is approx. £3,000. This could potentially dis-incentivise officers moving to the DCC rank. The working group were therefore supportive of the proposals to reduce DCC rates of pay to 3, to support the talent pipeline. The pay gap of approx. £13,000, between Chief Superintendent and ACC rank is deemed sufficient to incentivise movement, but due to concerns raised by the PSA with Chief Superintendent pay and an increase its job size, the Steering Group supported a review of the top pay point for Chief Superintendents, to improve the talent pipeline. This is subject to a separate review being carried out by the NPCC.

The Steering Group agreed to retain the 3 point pay scale for ACCs with no changes to pay rates.

6.5. DCC Contracts

DCCs are currently employed on a fixed term arrangement (FTA) in line with CCs. The original intention was to encourage movement within the Chief Officer ranks and so encourage chief officers working and moving between forces¹¹.

CPOSA continue to be concerned about the job security of its members and would like DCCs to be employed on a permanent basis. According to the 2020 CPOSA Pay & Morale Survey 71% of ACCs/Commanders said they are more likely to apply for a DCC role if it was a permanent post.

The APCC want to maintain the FTA, they are concerned that the potential impact of the removal of FTAs for DCCs would be a reduction in applications for chief constable vacancies. The APCC would need some reassurance that the removal of FTAs for DCCs would not have a detrimental impact on applications for Chief Constable roles before considering such a change. This position was ratified at the APCC General Meeting and will be presented in the APCC PRRB submission.

At CCC, the fixed term arrangement for DCCs has been discussed on a number of occasions. A range of views have been aired and no consensus reached. The principle concerns for some are the question of unreasonable jeopardy before pensionable age/service, and the impact on mobility. However, for others, the potential blockage to succession and team management have precedent, and sometimes the link to concerns around diversity. Options such as aligning FTAs to dates for pensionable service/age have been offered in feedback. As no consensus position has been reached, the NPCC will seek observations from the PRRB.

The Steering Group agreed there is no recommendation. All parties will present their respective positions in their PRRB submissions.

¹⁰ It was noted that Winsor recommended one rate of pay for this role.

¹¹ It was noted that Winsor recommended the continuation of fixed term contracts

6.6. Base Pay for temporary CCs & DCCs

Currently an ACC acting up to a DCC receives 90% of the DCC base salary, and similarly, a DCC acting up to a CC receives 90% of the CC base salary. The original rationale for this is unknown, but it is most likely to reflect the reduced level of experience. For other ranks temporarily acting up, post holders are put on the bottom pay point to reflect this, but for DCCs and CCs there is only one rate of pay, so a reduced percentage may have been seen as the equivalent. It is very unusual to adopt such an approach for such senior roles.

CPOSA are concerned this is unfair, as all other ranks receive the substantive base salary. These two post holders also carry the greatest level of responsibility in force. There are temporary CCs and DCCs who also lose money, depending on the force, which could dis-incentivise officers from applying. The Steering Group agreed, temporary DCCs and CCs should receive the substantive base pay.

Recommendation 4 - temporary DCC & CCs to receive the substantive base pay salary. To seek a recommendation from PRRB. To be implemented in 2021/22, subject to the Home Office determination process.

7. PCC DISCRETION ON CC BASE PAY POLICY

PCCs currently have the discretion to vary the pay of a chief constable by up to 10% more, or less, than the relevant base pay amount in determinations. This discretion can only be used on appointment

As at the 31st March 2020 one current PCC has chosen to exercise their discretion to pay slightly less than the base pay rate set out in the determinations. To date since this regulation was adopted we understand this has now only been applied twice. There is consensus this should be removed and a CC paid at least the national base pay rate for the relevant force in accordance with the determination.

As at 31st March 2020, 10 PCCs have chosen to exercise their discretion to pay up to 10% more than base pay. This discretion is valued by PCCs and there is consensus it should remain in place. CPOSA believe the exercise of discretion needs to become more transparent, a lack of transparency raising concerns for its members. They support defining the rationale at the point of recruitment, not once the role has been offered. APCC believe a PCC should be able to offer extra pay based on the strength of the candidate and to maintain an element of privacy that shows respect for senior leaders. In acknowledgement of CPOSA's concerns, it was agreed that the rationale for discretionary pay should be noted in the proposed model contract (refer to section 8 on contracts), along with the rationale and the ability to vary starting salary. This would make the discretionary policy clearer.

The APCC would also like the opportunity to review increasing the percentage value, which could address the issue that allowances are being issued outside of regulations. It was agreed this would be reviewed in the future at an appropriately agreed time, post making changes to CC pay rates. It was also agreed PCCs should have the ability to exercise their discretion to pay up to 10% at other points during the contract term, not solely on appointment, so applying flexibility to CC base pay in line with a CC developing into their role or reflecting exceptional performance. The recommendation is that PCCs have the ability to apply this to CC's within their current contract term. Any upward increase would be for the remaining period of the contract. It was also agreed that the rationale for this would need to be included in the contract (refer to section 8).

Recommendation 5 - Remove PCC discretion to pay up to 10% less than the national base pay rate. Seek a recommendation from PRRB. To be implemented in 2021/22, subject to the Home Office determination process.

Recommendation 6 – PCCs to have the discretion to pay up to 10% more than the national base pay rate at any point within a contract term. Seek a recommendation from PRRB. To be implemented in 2021/22, subject to Home Office determination process.

Recommendation 7 – To include in a standardised CC contract, a statement on the application of PCC discretion & rationale (linked to recommendation 8). To be implemented in 2021/22.

8. OTHER ALLOWANCES AND PAYMENTS POLICY

The Steering Group agreed the findings from the working groups on pay and conditions. This work was supported by the NRT survey on chief officer pay and allowances which allowed for a better understanding of the current level of allowances being paid across forces¹². The findings showed the range of differences and supported concerns raised by CPOSA. It was agreed that the range of allowances made available to all chief officers should be more consistent, albeit that there will be local discretion in the value and how this is applied by the local PCC or CC.

The Home Office asked the Steering Group to consider adopting a standardised contract for all chief officers, with local discretions. It was agreed this would be appropriate and alleviate several of the concerns raised by CPOSA. A working group will be established in 2021 to take this forward.

CPOSA also requested that all Chief Officers receive an offer of a car or car allowance (depending on the method provisioned locally).

It was agreed that the standardised contract should clarify that medical insurance is a negotiable condition and should include a supportive statement on CPD to allow officers to grow within the role.

CPOSA proposed that the current relocation allowance be extended from 6 months for up to a 2 year period. The NPCC are supportive of a change for DCCs noting that circumstances have changed and an extension could encourage movement between forces. This proposal was not accepted by the APCC, suggesting instead the current relocation and reimbursement of relocation expenses should be consistently promoted and offered within a standardised contract. As consensus was not reached, Steering Group members agreed there was no recommendation, all parties would present their respective positions in their PRRB submissions and seek a view from PRRB.

Recommendation 8 - Introduce a standardised contract for CCs, DCCs & ACCs with clarity on areas for discretion. To be implemented in 2021/22.

Recommendation 9 - Promote the availability of the relocation and reimbursement of relocation expenses in the standardised contract. To be implemented in 2021/22.

Recommendation 10 - Include a reference to CPD in the standardised contract. To be implemented in 2021/22.

¹² 2020 NPCC National Reward Team Survey of Chief Officer Pay and Conditions

Recommendation 11 - Provide clarity in the standardised contract that medical expenses and insurances are a matter for local negotiation. To be implemented in 2021/22.

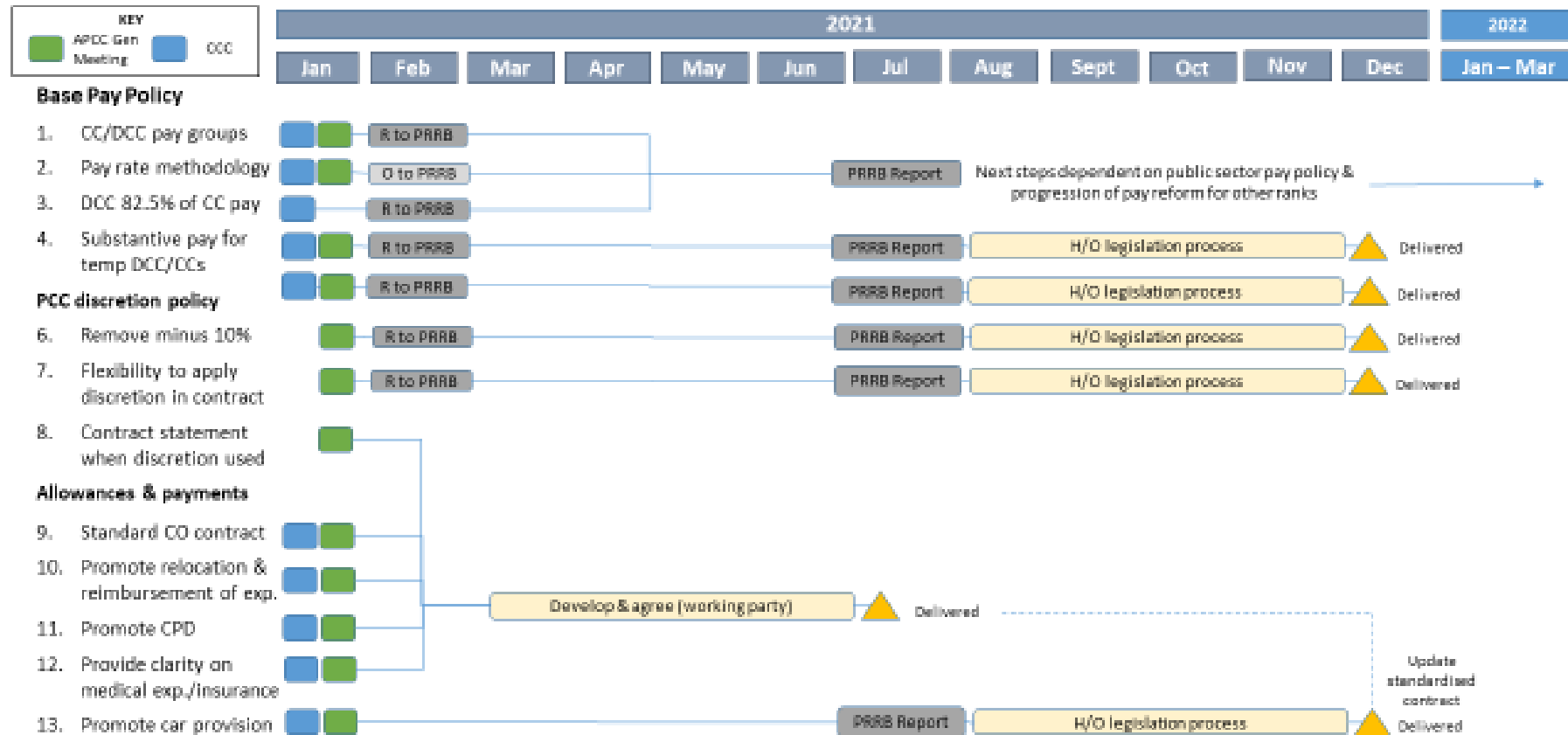
Recommendation 12 - Car provision to be offered to all in standard contract offering. Although there will be local discretion in value & how it is applied by PCCs/CCs. To be implemented in 2021/22, subject to Home Office determination process.

9. EXPECTED OUTCOMES

Overall the recommendations are expected to encourage more candidates to apply to become chief officers, while motivating and retaining good officers. In summary the proposals:

- Meet the majority of concerns raised by CPOSA
- Provide clarity for candidates and PCCs in respect of contract terms and benefits available
- Concerns on appointment of CCs re level of salary paid being below determination rate are removed
- Moving to a simplified base pay rate structure for CCs and DCCs
- Minimising overlapping within the pay structure, facilitating officers to move from smaller to larger forces and up the ranks
- Extension of discretion for PCCs during the contract period will allow for ongoing recognition of good performance
- Acknowledgement of that availability of benefits will facilitate performance

10 DELIVERY TIMELINE – for the agreed recommendations



* CoL Dep. Commissioner base pay will be reviewed when public sector pay policy changes.

11. SUMMARY OF RECOMMENDATIONS

This table summarises the agreed recommendations for change from the Chief Officer Review Steering Group. Column 5 identifies who the relevant employer is, but it is acknowledged that all parties have a view on the recommendations.

No	Steering Group recommendation	Consensus	Rationale	Employer	Consultation forum	2021 PRRB submission	Implementation
Base Pay Policy							
1	Move in principle to 3 pay groups for CCs & DCCs	Agreed (CPOSA, NPCC & APCC)	<ul style="list-style-type: none"> Simplified structure Rewards promotion & improves talent pipeline 	APCC & NPCC	<ul style="list-style-type: none"> APCC General Meeting for CC changes CCC for DCC changes (Jan 21) 	<ul style="list-style-type: none"> APCC & NPCC to seek observations on methodology used and recommendation in principle. CPOSA commentary supportive of change 	<p>Immediate implementation not recommended. APCC & NPCC to review;</p> <ul style="list-style-type: none"> When public sector pay policy changes When pay reform progresses in other ranks <p>The principle of moving to 3 groups will also be reviewed once base pay rate options have been developed, to verify alignment.</p>
2	Review pay rate options for each group with updated pay data when public sector pay policy changes and pay reform progresses in other ranks	Agreed (CPOSA, NPCC & APCC)	<ul style="list-style-type: none"> No appetite to make pay changes in context of announcement for public sector pay freeze Need to consider CO change alongside the delivery of pay reform for other ranks 	APCC & NPCC	<ul style="list-style-type: none"> APCC General Meeting for CC changes CCC for DCC changes (Jan 21) 	<ul style="list-style-type: none"> APCC & NPCC to seek observations on the methodology & developed principles CPOSA commentary supportive of change 	
3	DCC base pay is 82.5% of CC base pay	Agreed (CPOSA, NPCC & APCC)	<ul style="list-style-type: none"> Consistency across the service 	NPCC	<ul style="list-style-type: none"> CCC (Jan 21) 	<ul style="list-style-type: none"> NPCC to seek a recommendation CPOSA commentary supportive of change 	
4	Temporary DCCs & CCs to receive substantive base pay	Agreed (CPOSA, NPCC & APCC)	<ul style="list-style-type: none"> Pay in accordance with risk Service consistency Perceived fairness 	NPCC & APCC	<ul style="list-style-type: none"> APCC General Meeting for CC changes CCC for DCC changes (Jan 21) 	<ul style="list-style-type: none"> APCC & NPCC to seek a recommendation CPOSA commentary supportive of change 	

PCC discretion on CC base pay policy							
5	Remove PCC discretion to pay up to 10% less than the national base pay rate.	Agreed (CPOSA, NPCC & APCC)	<ul style="list-style-type: none"> Minimal usage (est. twice) Should be paid at least the national base pay rate 	APCC	<ul style="list-style-type: none"> APCC General Meeting (Jan 21) 	<ul style="list-style-type: none"> APCC to seek a recommendation 	Dec 2021, subject to Home Office determination change
6	PCCs to have the discretion to pay up to 10% more than the national base pay rate at any point within a contract term	Agreed (CPOSA, NPCC & APCC)	<ul style="list-style-type: none"> Reflects development in role Reflects exceptional performance 	APCC	<ul style="list-style-type: none"> APCC General Meeting (Jan 21) 	<ul style="list-style-type: none"> APCC to seek a recommendation 	Dec 2021, subject to Home Office determination change
7	To include in a standardised CC contract, a statement on the application of PCC discretion and rationale (linked to rec 8)	Agreed (CPOSA, NPCC & APCC)	<ul style="list-style-type: none"> Improved transparency at the point of recruitment 	APCC	<ul style="list-style-type: none"> APCC General Meeting (Jan 21 - for a decision) 	Not applicable	July 2021
Other Allowances and payments policy							
8	Introduce a standardised contract for CCs, DCCs & ACCs with clarity on areas for discretion	Agreed (CPOSA, NPCC & APCC)	<ul style="list-style-type: none"> Raised by the Home Office Service consistency Improved transparency on the employment offering at point of recruitment 	NPCC & APCC	<ul style="list-style-type: none"> APCC General Meeting for CC changes CCC for DCC & ACC changes (Jan 21 - to seek a decision) 	Not applicable	July 2021
9	Promote the availability of the reimbursement of relocation expenses in the standardised contract	Agreed (CPOSA, NPCC & APCC)	<ul style="list-style-type: none"> Service consistency Improved transparency on the employment 	APCC & NPCC			

10	Include a reference to CPD in the standardised contract	Agreed (CPOSA, NPCC & APCC)	offering at point of recruitment				
11	Provide clarity in the standardised contract that medical expenses/ insurance are a matter for local negotiation.	Agreed (CPOSA, NPCC & APCC)					
12	Car provision to be offered to all in standard contract offering. Note; there will be local discretion in value & how it is applied by PCCs/CCs.	Agreed (CPOSA, NPCC & APCC)	<ul style="list-style-type: none"> • Service consistency • Improved transparency on the employment offering at point of recruitment 	APCC & NPCC	<ul style="list-style-type: none"> • APCC General Meeting for CC changes • CCC for DCC & ACC changes (Jan 21) 	<ul style="list-style-type: none"> • APCC & NPCC to seek a recommendation • CPOSA commentary supportive of change 	Dec 2021, subject to Home Office determination change

To note

- i. The base pay rate of the City of London Deputy Commissioner will be reviewed following a change in public sector pay policy
- ii. The Steering Group recommended no change to ACC base pay policy, accepting Targeted Variable Payments can be issued to attract candidates with additional responsibilities

The Steering Group were unable to reach consensus on the following items - the rationale for change was not agreed:

1. To remove the Fixed Term Appointment (FTA) for DCCs - Steering Group members to present their respective positions in their PRRB submissions
2. To have the flexibility to extend the current relocation allowance from 6 months to up to a 2 year period. Steering Group members to present their respective positions in their PRRB submissions.

Appendix 1
Chief Officer Remuneration Review
Terms of Reference – September 2020

1. Broad purpose

This review forms part of wider pay reform project initiated by the Home Office. The output will be a proposal of revised pay scales and other allowances to be considered by the consulting bodies set out below. The review will:

- make proposals to redesign the current pay levels of Chief Officers in line with the principles applied to the pay reform of other police officer ranks
- review and make recommendations concerning allowances and benefits where appropriate
- review the current processes attaching to the way pay and conditions are determined to ensure all parties have confidence in the process and that it is transparent

2. Stakeholders

The key stakeholders who will prepare the proposals for consultation are as follows:

- NPCC (Lead for Police Officer Pay and Conditions and the National Reward Team)
- APCC (Workforce and Leadership Lead, Standards and Leadership Lead and Secretariat)
- CPOSA (Chair and Secretariat)
- PSA (National Secretary and Assistant National Secretary)

It is noted that stakeholders have some conflict of interests (e.g. the NPCC should not make recommendations on Chief Constable pay levels), however all parties will be involved in discussions to ensure the recommendations represent a consensus.

The following bodies will be consulted with:

- Police Consultative Forum
- PRRB - to agree the new base pay rates and any other changes requiring changes to determinations
- Home Office - for final sign off
- College of Policing – for information
- HMICFRS – for information
- Papers will be prepared by the National Reward Team (NRT). Peter Smith of Korn Ferry will also participate and be consulted as an independent adviser as required.

3. Background & Scope

Chief Officer pay had previously been considered as part of the annual review of all senior public sector colleagues by the Senior Salaries Review Body. Given the wider effects of pay reform affecting other ranks, it was recommended that, while pay reform was being carried out within the service, that the annual review of all Chief Officers pay and allowances be considered by the Police Remuneration Review Body.

In addition there have been a number of reports issued on chief officer recruitment and retention (including HMICFRS Leading Lights) and any recommendations need to be considered against their findings.

Currently Chief Officer base pay is set out as follows:

- Chief Constables receive a spot rate of base pay set out in regulations according to a method of classification which relates to the size/budget/population of the force. The exact methodology behind the classification has been lost. There are currently 12 rates of pay for all English & Welsh forces plus separate rates for the Met. Police and Crime Commissioners

have the discretion, upon appointment, to set the rate at 10% above or below the rate set out in regulations.

“A Police and Crime Commissioner may, on appointing a Chief Constable, set the Chief Constable’s salary rate up to ten per cent above or below the rate for the post as set out in Annex F of the determinations.” (details attached at Appendix B)

- Deputy Chief Constables receive a spot rate of base pay that is set at 80% of the force Chief Constable rate.
- Assistant Chief Constables have a three point pay scale. Pay progression is related to service and work based assessment.

There are a number of allowances that can be applied on top of base pay for Chief Officers, including:

- Replacement allowance
- London weighting
- London allowance
- London transitional supplement
- South East allowance
- South East transitional supplement
- Motor vehicle allowance

Expenses may include the following:

- Reimbursement of medical expenses
- Removal expenses
- Relocation expenses
- Accommodation expenses
- Travel expenses
- Uniform expenses /Food expenses

A NRT remuneration survey will be issued to all forces for payroll manager to complete in order to check the current usage of allowances and expenses and used to inform and evidence recommendations.

It is noted that Chief Officers in general experience personal tax issues in respect of pension benefits associated with HMRC legislation. This situation is ongoing and will not form part of this review.

4. Work Plan

- a) To consider the recommendations made by Peter Smith in his Korn Ferry Benchmarking report (produced in February 2020) to determine whether the base pay structure for Chief Constables and Deputies from the current twelve levels (plus London) should be simplified and reduced to four (plus London), with consequential changes to DCCs. A costed report will be drafted for the working party to consider.
- b) To consider the current pay scale of ACCs and its relationship with the DCC and superintending rank.
- c) To consider other allowances and expenses such as, the relocation and replacement allowance, to agree if these are appropriate (taking into account existing initiatives already being discussed at PCF by CPOSA and other recommendations, including those in HMICFRS Leading Lights report).
- d) To review the process for the variation of the pay of a Chief Constable on appointment in the light of any proposed changes and to ensure transparency around decision making and make recommendations if required.

5. Timeline

- Initial working party meeting to define scope and terms of reference, June/ July 2020
- Chief Officer Remuneration Survey June – July 2020. Report drafted September 2020
- Working Party meetings, October – December 2020
- Recommendations from NPCC, APCC and CPOSA to be included in 2021 submissions to PRRB.

Appendix 2

Chief Officers' Pay Review – The City of London Police

1. Purpose

- 1.1. This short report considers the inclusion of The City of London Police (CoLP) within the current review of the chief officers' pay review. It concludes that the CoLP's unique status (as with the Metropolitan Police but for different reasons) should see it removed from the comparative tables for the purposes of the review.

2. Introduction

- 2.1. From the outset, CoLP has been an obvious outlier when compared to all other metropolitan and provincial police forces and current salary levels are at stark variance with the force groupings defined by the chosen data sets.

- 2.2. There are, however, a number of reasons to support the assertion that CoLP is unique in nature, which makes it hard, or almost impossible, to measure against other forces using the standard metrics applied in the review, namely:

- Force funding
- Headcount
- Population
- Area size
- Complexity
- Collaboration

3. How the City of London Differs

- 3.1. The main factors that distinguish CoLP from regular police forces are summarised below:

- i. The City has only a relatively small residential population. However, in normal circumstances (i.e. pre COVID-19) the square mile has in excess of 500,000 people commute in to work. Added to this, an increasingly diverse nightlife swells numbers.
- ii. All other forces in the review have a Police and Crime Commissioner (MOPAC for The Met). However, the oversight and governance for CoLP is via The Corporation of London. The two organisations are entwined in a much closer relationship for historical reasons, which leads to layers of governance and a style of oversight that is unique in UK policing. This requires the CoLP's chief officer team to devote more time to this area than most of their colleagues, over and above their day roles running the force.
- iii. Unlike holding national portfolios, CoLP, like the Met, is a National Lead Force. The Met leads for Counter Terrorism (CT) nationally and CoLP leads for Fraud and Economic Crime. Its unique position and links with the financial community mean that CoLP is not just a centre of excellence but a lead both nationally, training forces across the country, and internationally, working with other governments and international bodies in areas of money laundering and fraud.
- iv. Recently, and in addition to the force's national lead role responsibilities, The NPCC has given The CoLP Commissioner the national portfolio for Cyber Crime. The main rationale for this is that a significant percentage of economic crime is now cyber enabled.

- v. CoLP is unique in receiving significant funding from the private sector (e.g. Lloyds insurance market) in order to lead and tackle distinct areas of economic crime on behalf of the industry as a whole. This involves a considerable amount of work locally in relationship building, expectation management and collaborative working.
- vi. The geographical area of CoLP, at the heart of London, carries a disproportionate risk of terrorist attack. Within its immediate limits and just beyond is a very high number of London's key high-risk targets. This was most recently demonstrated by the two terrorist attacks, on London Bridge/Borough Market and at Fishmongers Hall. These were in, or adjacent to, CoLP and in both cases it was CoLP firearms officers who were on scene to deal with the threat. This overall risk level means that CoLP's chief officer team is embedded at the heart of CT protective security, alongside The Met.
- vii. CoLP is surrounded on all sides by the Met and, due to the unique relationship, work hand in hand in many areas on a daily basis. This is not considered mutual aid but rather an integral part of daily operations. Some of these areas include firearms response and public order in central London (not just CoLP). There are a number of units where officers of each force are embedded in each other's units as part of permanent establishment.

4. Conclusion

- 4.1. This paper does not seek to comment on the appropriateness, or otherwise, of existing CoLP chief officer salaries. Instead, the intention is to determine whether or not there are reasons why, for the purposes of the national chief officers' pay review, the CoLP can be readily compared to other forces. Having done this, it is considered that the differentiating factors are sufficient to justify treating the CoLP as a special case.

5. Recommendations

- 1. The CoLP is removed, for comparison purposes, from the national review of chief officers' pay.
- 2. Chief Officer pay in CoLP is progressed as a separate work stream by the NPCC lead for pay and conditions to confirm the rationale for the force's position within the future chief officer pay structure.

VISION

The new operating model is strengthening the NPCC so it is better able to deliver its mission and contribute to reducing crime and protecting the public. In 2021/22, changes have focused on the creation of a new Strategic Hub. The Strategic Hub will bolster the support to chief constables and NPCC leads boosting the NPCC's coordination of critical national policing issues. As the result the NPCC will better equipped to deliver its core roles in:

Coordination

Collaboration

Communication

The Strategic Hub will:

- Facilitate quicker and better-informed decision-making, and provide the required resourcing and skills to coordinate the delivery of agreed objectives.
- Provide chief officers and NPCC Leads with the dedicated support they need to progress important national policing business.
- Operate virtually across the policing network, using modern technology to bring the team together to deliver the NPCC Strategy and the wider Policing Vision.
- Act as a single "gateway" into the NPCC for both forces and partners.

Who's in the hub?



Strategy Planning and Performance Team (SPP) is the gatekeeper for NPCC managing the workflow and tracking delivery. The investment in this new capability provides a business structure that is better equipped to deal with national pressures which are cross cutting and require a coordinated response across multiple agencies.



The Business Support Team maintains the logistics for the delivery of strategic meetings including Chief Constables Council, Regional Chiefs and the newly formed Strategic Planning and Coordination Board. The team also provide the support to the remote workforce for all IT and equipment, HR support, finance, governance assurance, information management and data protection protocols, and host force management duties.



The Communications Team communicate the collective professional expertise, views and actions of UK police chief officers to the public, government and stakeholders. This includes strategic communication, press office (24/7 out of hours service), issues and crisis management, parliamentary and stakeholder engagement and digital.



The Operating Model Programme Team will continue to develop, review and adjust the model within the live environment. The programme team provide a capacity to develop a capability approach within NPCC which will assist in the evolution of policing as it prepares to tackle new and existing threats.



The Committee Coordinators are an integral part of the Strategic Hub and contribute towards the delivery of the NPCC objectives and annual plan. Each coordinator provides a conduit between their respective Coordination Committees and the Strategic Hub, building consistent working practices to inform and support key decision-making, the identification of priorities and performance management.