

POLICE FEDERATION FOR NORTHERN IRELAND



Submission to the Police Remuneration
Review Body
Addendum to the 2020/21 Pay Review
Round

Introduction

Policing in the UK is now almost four years on from the publication of 'Policing Vision 2025' and almost half way through the associated ten year plan. Policing Vision 2025 initiated the drive to 'transform policing' through reform in order to meet the new and complex challenges it facesⁱ. However, since the early stages of the 'Workforce Reform' process progress has been slow and plans have been beset by uncertainty, confusion and a lack of clear direction. This has resulted in the significant delay in the publication of any detailed proposals. With such a high degree of uncertainty in even high level plans it has been incredibly difficult for all relevant policing stakeholders to fully formulate positions on issues and this has been further complicated by a lack of adequate, formal consultation.

As we reported upon in our submission to the PRRB in 2019, the Police Federation for Northern Ireland (PFNI) have had significant concerns regarding the scale and scope of reforms being driven by the NPCC (specifically in respect of 'pay reform') and we suggested that a prioritisation framework was developed as a matter of urgencyⁱⁱ. This concern was subsequently echoed by the Police Remuneration Review Body (PRRB) in their report on England and Wales in 2019ⁱⁱⁱ. As such, the confirmation (as provided through the NPCCs' 2020 submission to the PRRB) that reforms relating to the Constable pay scale and the link between pay progression and competence have been de-prioritised^{iv}, is welcome news. However, we recognise that this is primarily a response to policing pressures stemming from Operation Uplift and the lack of readiness of forces in England and Wales to implement such changes, rather than any overarching concern regarding the scale and scope of the reforms.

Whilst 'Workforce Reform' is currently only directly applicable to policing in England and Wales, experience tells us that some elements will, at least indirectly, impact upon policing in Northern Ireland. It is our understanding that the Police Service for Northern Ireland (PSNI) approach to the proposals in England and Wales remains to '*adopt, and if not adopt, then to adapt*'. The PSNI Workforce Transformation and Pay Reforms Working Group was established mid-2018, enabling cross-stakeholder discussion on key issues across a range of areas of reform. The PFNI are members of this working group however to-date progress has been slow in many areas owing to the lack of clarity on the proposals coming from England and Wales. This is particularly true for areas associated with pay reform. Nevertheless, it appears to us somewhat sub-optimal to be commenting upon and preparing for the introduction of reform (regardless of the degree of adaption required) without having been directly involved in primary discussions/consultations which could ultimately have helped shape the final proposals. Indeed, it is worth noting that much of our understanding regarding the evolving proposals are from publically available documentation including the NPCC submission to the PRRB, rather than formal access to discussions, consultations or documentation.

Pay Reform & Pay Parity

Whilst the entirety of the 'Workforce Reform' package includes the potential for reform across a broad range of workplace issues, this paper will focus on those items currently under consideration as part of the 'Pay Reform' element. More specifically this paper will focus on those items of reform which have been reported upon as currently within the NPCC's 'delivery phase 3, stream 1' timeline^v i.e. P benchmarking, 'P' Factor and Targeted Variable Payments (TVPs).

According to the NPCC the rationale for change within the police pay system is to '*provide for a fair, flexible and deliverable police reward framework*'^{vi}. From the details provided to-date, the aim appears to be to achieve this through the formal and sole linkage of pay with competence alongside the removal of time served pay progression, the enhancement of Chief Officer discretion in pay levers, the increased variability in available reward packages and the introduction of increased complexity in both the pay system and the Constable pay scale through the introduction of a new junior (foundation) Constable rank. The proposed pay reform interventions have a range of purported outcomes, including interventions to aid retention at the point of retirement, ensure promotion is sufficiently incentivised, early career incentives and incentives to attract candidates as well as targeted interventions to address mid-career unplanned leavers^{vii}. What is perhaps most striking from this list is the breadth of intervention now deemed necessary as part of 'pay reform', with proposed interference in the pay system at almost all stages of a police career, from recruitment to retirement. If individual pay interventions are required at all stages of a police career, does this not signal a broader issue with the pay, terms and conditions of policing which ultimately requires a more wholesale solution than the current piecemeal proposals offer?

As previously alluded to, the implementation of the pay reform proposals in England and Wales are not directly applicable to policing in Northern Ireland. However, as has been reiterated by *all* Northern Ireland stakeholders over the last number of pay review rounds, parity on core pay between policing in Northern Ireland, England and Wales remains of great significance. Our position on this has not changed and neither have the principles which support it (these can be found in our 2019/20 submission to the PRRB^{viii}). Furthermore it remains our position that parity relates to *core pay spines*, with the provision for regional variations which may be deemed appropriate for different police services across the UK.

The PFNI are however aware that the implementation of the pay reform proposals in England and Wales may have implications for pay parity, should significant differences in pay processes emerge between England, Wales and Northern Ireland as a result. However, at the current time the proposals are simply not advanced nor clear enough to allow a full and proper analysis of their implication for policing in Northern Ireland (as evidenced through the lack of progress on any discussion on pay reform as part of the PSNI Workforce

Transformation and Pay Reforms Working Group), preventing discussion on the ‘adoption or adaption’ policy nor the effect on pay parity.

Our current understanding is that whilst some progress has been made on the ‘P’ Factor definition, no agreement has been reached on an associated value and although the Korn Ferry benchmarking exercise has now concluded (as per the NPCC 2020 submission to the PRRB), the NPCC plan to use their interpretation of the results from this singular exercise to inform their *own* pay policy and their future recommendations on base pay. Indeed, the NPCC specifically state that at this time there will be ‘*no change impact to forces*’^{ix}. Based upon this up-to-date information, it is our assessment that there will be no immediate change to pay structures in England and Wales, thus ensuring pay parity is maintained for the 2020/21 pay review round. It is hoped that, should the NPCC position on the use of benchmarking within the determination of pay structures change, all Northern Ireland stakeholders will be informed and appropriate discussions can take place.

Benchmarking

Of all of the proposed elements of pay reform the plan to benchmark police pay against an, as yet unknown, range of comparators has the potential to transform both the mechanism for determining police pay and the value of it, more than any other element of these reforms. Yet it is this element which has, to-date, been the least well articulated nor understood, with a significantly lower level of detailed plans and proposals published. Furthermore, almost four years into the ‘reform’ process it appears that the high level plans for this element of pay reform continue to be beset by contradiction, feeding confusion and furthering scepticism.

For the avoidance of any doubt, the PFNI remain opposed to the benchmarking of police pay, either as the method for setting new base pay levels for officers nor as a sole definitive means of determining future pay awards. Much has been reported regarding benchmarking as a means of ‘*establishing a robust and transparent mechanism*’ for determining police pay, however the PFNI fail to recognise either the robustness nor the transparency the current NPCC outline and we call into question the claim that the benchmarking of pay offers procedural justice for police officers. Whilst much confusion continues over whether the benchmarking exercise conducted by Korn Ferry on behalf of the NPCC will form all or part of the final proposed scheme (or if this is simply operating as an evidence gathering exercise to inform debate) or if an altogether different scheme will be proposed, it is our position that the complexity involved eradicates any semblance of procedural justice. We appear to be moving from a system whereby officers have clarity over what they are paid and when their pay should increase, to a process whereby pay is set based upon a highly complex statistical matrix and involving much greater levels of Chief Constable discretion. The PFNI fail to see how such a complex process could instil any sense of fairness in the

determination of remuneration and we anticipate that should this process proceed, policing will see a significant increase in the levels of dissatisfaction around key areas of pay, remuneration and fairness of pay indicators.

Whilst the find ourselves agreeing with the NPCC regarding the need to move away from the periodic reviews of police pay which have dominated the policing environment over the last number of decades, we are unconvinced that a process which embeds one specific (yet controversial) methodology for determining the value of police pay could produce this outcome. Firstly, we were led to believe that the independently assessed, evidenced based, publically accessible pay review process which was adopted by policing in 2014 *was* the means of halting such reviews. Indeed, we would be left to question the purpose of the pay review process should a singular methodology for determining police pay be introduced. Secondly, given the huge complexities and the inevitable requirement for some degree of notional input into final decision making on pay values, we believe that it is highly likely that the need for periodic reviews will simply remerge with respect to the appropriateness, fairness and representativeness of the benchmarking methodology/comparators adopted. Indeed, such a debate is already underway in England and Wales (albeit seemingly outwith the convention of a formal consultation), with the Police Federation of England and Wales producing an alternative benchmarking exercise identifying the range of potential variables for inclusion/exclusion^x and the potential for differing outcomes. Whilst the PFNI are opposed to the introduction of benchmarking, we find ourselves in agreement with the PFEW that the comparator groups used in a benchmarking exercise should, at the very least, have some similarities with policing in order to ensure a meaningful comparison.

‘P’ Factor

The policy intent and proposed implementation plans for the ‘P’ Factor have developed over the last twelve months, with confirmation from the NPCC of their intention to introduce a ‘P’ Factor payment as a second and supplementary element of base pay, paid to *all* those who hold the Office of Constable. This payment is to be both pensionable and index linked^{xi}. Furthermore, confirmation has been provided that unlike the original ‘X’ factor, the ‘P’ Factor will *not* be removed from those unable to perform frontline policing duties^{xii}. Whilst we initially understood that the ‘P’ Factor was to be a payment made in respect of the all of the ‘unique challenges’ which police officers face, the change of focus from the NPCC towards stress as the sole ‘basis on which a P Factor premium is paid^{xiii}’ is a concerning departure from previous reports.

It is our understanding that agreement has been reached between parties in England and Wales on twelve descriptors which will be used to represent the ‘unique challenges’ facing police officers, however it is disappointing that no Northern Ireland specific views have been incorporated into this. Had we been consulted on this we would have raised concerns

regarding the lack of focus on the impact of a career in policing on the wider family unit, including the impact on spouses' employment, and the heightened impact of a significant number of descriptors on police officers in Northern Ireland.

We also believe that some agreement has been reached on the methodology which is to be used when calculating the full value of base pay (i.e. 'benchmarked pay' plus 'P' Factor). It is our understanding that the (eventual) agreed value of the 'P' Factor is to be first separated out from base pay *before* benchmarking takes place and then re-added, thus ensuring that benchmarking is only conducted on the proportion of the job deemed to be comparable with other careers. Notwithstanding our opposition to the benchmarking element of pay reform, the PFNI are in agreement that this methodology provides a sensible, fair and workable solution.

The main area of disagreement with regards to the 'P' Factor is the monetary value attached to it; a key decision given the financial and symbolic importance which will inevitably be associated with this payment, should it be implemented. The starting point for this discussion appears to be the value Winsor attached to the 'X' factor, namely 8% of a Constable's base pay, despite the fact that this monetary value was only ever attributed to the danger and deployment elements of the 'X' factor descriptors. Furthermore, Winsor concluded that the only disproportionality increased risk-exposure evident within the policing, relative to other occupations, was the 'stress at work' indicator – a fundamental flaw in the original evaluation as mounting evidence has emerged over the last decade of the often excessive strain police officers face as a result of their occupation, as evidenced on a range of measures.

Nevertheless, from this starting point the NPCC have recommended an increase in the value of this payment from 8% of a Constables' base pay to 12% (capped at the top Constables pay point for all other ranks). However, they appear to have done so without any sound rationale. The inclusion of an additional 4% on top of Winsor's original evaluation of 8% which was solely associated with the danger and deployment element of the job, somewhat downplays the significance of the other agreed descriptors including the trauma of exposure to distressing incidents/materials, the level of scrutiny, the disruption to family life and the impact on membership of trade unions and political activity. It is incredibly difficult to understand how they have arrived at this value without sight of any weighting criteria attributed to each descriptor. This leads us to believe that sound rationale is not necessarily an essential prerequisite for the NPCC before setting the value of a significant proportion of police pay and this does not instil confidence in the final outcome from the benchmarking work.

Comparisons have also been drawn with the military 'X' factor, which is currently valued at 14.5%. The PFEW have recommended that the 'P' Factor receive a similar valuation to this.

We have seen no evidence which identifies any reason for a lower value to be applied to police officers, indeed it is possible to argue that given the 24/7 nature of policing and the impact of risk and threat both at work and at home (a threat which therefore also potentially impacts family members), that a higher value payment should be attributed to policing than is currently applicable in the military. Any arguments to the contrary should be fully explained and evidenced.

Targeted Variable Payments

Despite reports of problems implementing the variable pay measures previously in place in England and Wales, the NPCC are now recommending an expanded 'Targeted Variable Payment' (TVP) scheme. Whilst it appears that the basis of this expansion is the creation of a more standardised set of available TVPs, there remains significant concern regarding the potential for widespread differentiation in available remuneration packages across policing, as determined by Chief Officer discretion. According to the NPCC's 2020 submission to the PRRB, the new TVP scheme will allow discretion for the following:

- A force-wide recognition payment;
- Financial incentive to assist with: recruitment of officers into 'hard-to-fill' roles; retention of officers in demanding roles and; skills that are in short supply – by virtue of role and/or location;
- Financial payment aimed at deferring an officer's decision to resign or potentially retire^{xiv}.

The PFNI continue to have significant concerns regarding the potential impact of the introduction of TVPs in policing, specifically with regards to the utilisation of Chief Constable discretion in the provision of potentially large financial payments to specific groups of officers – we are once again reminded of the difficulties presented by the Special Priority Payment (SPP) scheme and urge caution in their reintroduction via a different name. There is a very real risk that officers will feel this TVP scheme is both unfair and sponsors favouritism, creating divisiveness and further risking morale and motivation within the workforce. Furthermore, as we have previously reported we believe that the provision of special payments for specific roles/locations actually risks *creating* hard-to-fill roles as the non-TVP related roles subsequently become 'hard-to-fill'. Furthermore, in a career whereby role/location can be determined by the Chief Constable, we would be extremely concerned regarding the potential financial implications such decisions may have should a Chief Constable decide to move an officer out of a role which attracts a TVP.

However, our concerns regarding the TVP scheme also relate to the very real potential for negative impacts experienced by those with protected characteristics in our workforce. We have frequently called for appropriate modelling of comprehensive, transparent and reliable

data to be conducted in advance of any implementation in order to ensure fairness in the process and prevent any unintended consequences. This remains our position. A full equality impact assessment of any proposed TVPs must be conducted, in consultation with the PFNI, prior to the introduction of any Targeted Variable Payments.

On a final point, it is not altogether surprising given the on-going budgetary constraints which are being imposed upon policing across the UK that the UK Government would seek to introduce a system which provides for additional payments for police officers yet provides no additional funding for it. This essentially creates a hierarchy whereby those police services who can afford to 'incentivise' in this manner can do so, whilst others are effectively prevented from utilising the scheme based upon financial viability. Given the difficult budgetary position of the PSNI, the PFNI believe that policing in Northern Ireland may well fall into the latter category. The PFNI believe that this scheme, should it proceed as proposed, must attract new and additional funding.

References

- ⁱ National Police Chiefs' Council, 2016, Reform and Transformation, available from:
<https://www.npcc.police.uk/NPCCBusinessAreas/ReformandTransformation/Reformandtransformation.aspx>
- ⁱⁱ Police Federation for Northern Ireland, 2019, Police Remuneration Review Body February 2019, PFNI, Belfast
- ⁱⁱⁱ Police Remuneration Review Body, 2019, Fifth Report England and Wales 2019, PRRB, London
- ^{iv} National Police Chiefs' Council, 2020, Sixth Submission to the Police Remuneration Review Body, NPCC, London
- ^v *ibid*
- ^{vi} National Police Chiefs' Council, 2020, Appendix C – Blueprint 2.1 Document, January 2020, NPCC Sixth Submission to the Police Remuneration Review Body, NPCC, London
- ^{vii} National Police Chiefs' Council, 2020, Sixth Submission to the Police Remuneration Review Body, NPCC, London
- ^{viii} Police Federation for Northern Ireland, 2019, Submission to the Police Remuneration Review Body, Belfast, PFNI
- ^{ix} National Police Chiefs' Council, 2020, Sixth Submission to the Police Remuneration Review Body, NPCC, London
- ^x Police Federation of England and Wales, 2020, Submission to the Police Remuneration Review Body on behalf of the Police Federation of England and Wales and the Police Superintendents' Association, London, PFEW
- ^{xi} National Police Chiefs' Council, 2020, Appendix I – P Factor Report, January 2020, NPCC Sixth Submission to the Police Remuneration Review Body, NPCC, London
- ^{xii} National Police Chiefs' Council, 2020, Sixth Submission to the Police Remuneration Review Body, NPCC, London
- ^{xiii} National Police Chiefs' Council, 2020, Appendix I – P Factor Report, January 2020, NPCC Sixth Submission to the Police Remuneration Review Body, NPCC, London
- ^{xiv} National Police Chiefs' Council, 2020, Sixth Submission to the Police Remuneration Review Body, NPCC, London