

To: Surrey Police Authority

Date: 15th December 2011

By: T/Chief Constable Craig Denholm

Title: Regulation A19 – Continuation of Use

Purpose of Report/Issue:

To seek endorsement of a Chief Officer Group (COG) recommendation to continue using Regulation A19 of the Police Regulations 1987 to compulsorily retire all senior police officers reaching 30 years' pensionable service.

Summary:

In November 2010 the use of Regulation 19 was sanctioned by the Surrey Police Authority for a period 3 years. This was required to facilitate the broader aims of the Operational Policing Review (OPR) conducted in 2009, which included a reduction in senior police officer posts (inspector to chief superintendent) to help fund an uplift in constable numbers of 200.

It was agreed that the continued use of A19 would be subject to annual review and this is the first.

Recommendation(s) -

The Police Authority is asked to:

- Endorse the COG recommendation and agree that the application of Regulation A19 should remain in place for all senior ranks (inspector to chief superintendent) until December 2012.
 - The use of Regulation A19 will continue to be subject to annual review.
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Equalities Implications –

An Equality Impact Assessment completed at the time of the original decision to use A19 in 2010. It is being refreshed but the impact will not change.

The main point is that the Force has recognised the adverse impact on a small number of individuals who will be older in years because of their 30 years of service. However, the justification for the implementation of A19 has been clearly articulated and the Force has fulfilled its responsibility under the general duty to give due regard to the impact of the decision.

Risk-

Increased likelihood of not delivering forecasted savings if A19 not implemented (high risk)

Legal challenge (age discrimination) by Police Federation or individual officer (low risk)

Loss of operational skills and experience leading to potential shortfall if not properly managed (low risk)

Personal impact on affected officers (low risk)

Human Rights –

The contents of this report have been considered for any human rights implications and none arise.

Attachments – Background papers -

Appendix A

Appendix B

Contact details –

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Regulation A19 – Continuation of Use

1. Purpose

- 1.1 The purpose of this paper is to review the use of Regulation A19 of the Police Pensions Regulations 1987 to compulsorily retire all senior police officers reaching 30 years' pensionable service.
- 1.2 The use of the Regulation was sanctioned by the Surrey Police Authority for a period 3 years in November 2010 and it was agreed that its continued use would be subject to annual review.
- 1.3 An extract from the original business case (Policy Log) used to justify using A19 is attached at **Appendix A** for reference.

2. Background

- 2.1 In September 2009, the Chief Officer Group announced an Operational Policing Review (OPR). This review resulted in a reduction in senior police officer posts (Inspector to Chief Superintendent) to fund the growth of an extra 200 Police Constables in Surrey Police. To help achieve this target, realise the required savings and the broader aims set out in the Policy Log, Surrey Police Authority agreed to the implementation of Regulation A19 for senior police officers coming up to 30 years' pensionable service or who had over 30 years' service.
- 2.2 Between November 2010 and September 2011, 17 senior police officers were given notice to retire from Surrey Police under regulation A19; the majority of these commenced the retirement process voluntarily with regulation A19 being used for just 6 officers. It is, however, fair to say that some may not have opted to retire had A19 not been in place.

3 Position Against Target Establishment

- 3.1 A breakdown of senior officers against establishment in Surrey Police as at the end of October 2011 is provided below.

Table 1

	Establishment	Actual FTE	Variance	Secondments
Chief Superintendent	4.00	4.00	0.00	3.00
Superintendent	17.00	14.00	-3.00	3.00
Chief Inspector	17.00	22.85	+5.85	2.00
Inspector	86.00	86.15	+0.15	8.00

- 3.2 Table 1 is merely a snapshot of the actual position. The figure will fluctuate between now and March 2015 once the projected movement generated by factors such as retirements, transfers and senior officers who are on career break or external secondments are taken into account.

4 A19 Analysis

- 4.1 The tables attached at **Appendix B** are designed to demonstrate the annual variance against establishment for each senior rank (inspector to chief superintendent) through the application of a number of alternative scenarios.
- 4.2 The first table describes the impact of no retirements (with no A19 in place), while the second table describes the impact of applying A19 until March 2015 with no other assumptions taken into account.
- 4.3 Tables 3 and 4 represent more realistic representations of the first two tables, having applied the additional assumptions.

5 Observations

- 5.1 This report, and the associated data, was used by the Chief Officer Group (COG) on 18th October 2011 to review the justification for the continued use of A19 for 2012/13.
- 5.2 The COG concluded that the use of A19 was appropriate for a further 12 months.
- 5.3 The rationale for this decision took into account a number of assumptions that are listed on **Appendix B**.
- 5.4 The first two tables do not represent realistic scenarios, as other movements at the senior rank level will occur. They can therefore be discounted from further consideration but are important to illustrate 'worse case' scenarios in both instances.
- 5.5 More in-depth consideration was given to the remaining tables. Table three applies the aforementioned assumptions and profiles the impact if A19 is not applied. It shows that that the force would likely continue to remain above or at its establishment levels for all senior ranks (although we may drop to establishment level or below at various times during the review period).
- 5.6 The final table shows the year on year impact if A19 continued up to March 2015 with all other assumptions applied. This would result in a reduction to below establishment in all ranks bar Chief Inspector.

- 5.7 Dropping below the targeted establishment level would be a legitimate way to support one of the principles laid out in the Policy Log note at 2c, which states:

"There is an operational imperative to bring on talent arising from the new ways of working required as a result of the new leadership structure. It is important to appoint future leaders that have the ability to operate in the new environment at the earliest opportunity"

This factor was a major consideration for the COG in concluding that A19 should remain in place for all senior ranks from inspector to chief superintendent for a further 12 months.

- 5.8 It was acknowledged that the picture may change by the time of the next review and this may possibly result in a need to differentiate between the various ranks. For the purpose of the review, however, the decision is believed to be fully aligned to the justification for the use A19 set out in the original business case.

6. Recommendation

- 6.1 The Police Authority is asked to:

- Endorse the COG recommendation and agree that the application of Regulation A19 should remain in place for all senior ranks (inspector to chief superintendent) until December 2012.
- The use of Regulation A19 continues to be subject to annual review.

Extract from Original Business Case re A19 Justification

Taking cognisance of all the legal advice obtained, the Chief Officer Group is confident that the use of Regulation A19 in the manner described can be justified on the following grounds (the terminology used below is an extract from the policy log that will be used to justify any decision).

- *It is fairer to compulsorily retire officers with 30 years' service who have qualified for a 2/3 pension because: -*
- *The financial disadvantage of compulsory retirement for those with over 30 years services is considerably less than the cost for those with less than 30 years' service.*
- *Officers have approached their careers (and retirement planning) on the basis that they have a guaranteed 30 years in the force but may be compulsory retired after that.*
- *It enables all officers to enjoy a full 30 year career especially as the police service is a career long vocation in the way that working for a private company is not.*
- *It will also help force morale and have employee relations benefits.*

The operational considerations supporting the compulsory retirement route for the target group are: -

- *To target those officers who are younger in service (which itself would be problematic) could create a potentially damaging experience gap. This would*

arise as longer serving officers chose to retire voluntary once they reached 30 years service. As a consequence the force could be left with very few experienced senior officers. This is the principle operational reason for not considering the retirement of officers with less than 30 years service.

- *It will create development opportunities for remaining officers to progress vertically and laterally at an earlier stage. This fits with the force's ambition to greatly improve succession planning and talent management.*
- *There is an operational imperative to bring on talent arising from the new ways of working required as a result of the leadership structure. It is important to appoint future leaders that have the ability to operate in the new environment at the earliest opportunity.*

Appendix B

Table 1

Regulation A19 not applied and no other assumptions taken into account.

	Establishment	2011/12	2012/13	2013/14	2014/15
Chief Superintendent	4.00	4.00	4.00	4.00	4.00
Superintendent	17.00	14.00	14.00	14.00	14.00
Chief Inspector	17.00	22.85	22.85	22.85	22.85
Inspector	86.00	86.15	86.15	86.15	86.15

Table 2

Regulation A19 applied, but no other assumptions taken into account.

	Establishment	2011/12	2012/13	2013/14	2014/15
Chief Superintendent	4.00	4.00	4.00	3.00	3.00
Superintendent	17.00	14.00	14.00	12.00	12.00
Chief Inspector	17.00	18.90	17.90	16.90	15.90
Inspector	86.00	84.20	75.20	73.20	64.20

Table 3

Regulation A19 not applied, but other assumptions taken into account.

	Establishment	2011/12	2012/13	2013/14	2014/15
Chief Superintendent	4.00	4.00	4.00	4.00	3.00
Superintendent	17.00	14.00	16.00	16.00	15.00
Chief Inspector	17.00	23.90	25.90	25.90	24.90
Inspector	86.00	87.20	87.20	88.20	87.20

Table 4

Regulation A19 applied and other assumptions taken into account.

	Establishment	2011/12	2012/13	2013/14	2014/15
Chief Superintendent	4.00	4.00	4.00	3.00	2.00
Superintendent	17.00	14.00	16.00	14.00	13.00
Chief Inspector	17.00	18.90	19.90	18.90	16.90
Inspector	86.00	88.20	78.20	77.20	67.20

Assumptions

All senior police officers on career break will return to Surrey Police at the end of the agreed period unless they are subject to regulation A19.

All senior police officers on an external secondment will return to Surrey Police at the end of their secondment period unless there is business intelligence to the contrary.

Regulation A19 will not be applied to police officers reaching 30 years' pensionable service whilst on secondment, although if an officer is due to return to Surrey Police at the end of their secondment and reached 30 years' pensionable service whilst on secondment then regulation A19 will be applied and it is assumed that the officer will not return to force.

There will be no transferees into Surrey Police at a senior rank.

There will be minimal transfers out of Surrey Police at senior ranks (based on a combination of historical data and the current economic climate).

The number of senior officers commencing external secondments will be low (reflecting the lack of opportunities available).

The vacancies highlighted by the various scenarios will be filled through the use of promotion boards.