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ASSOCIATION OF CHIEF POLICE OFFICERS
OF ENGLAND, WALES AND NORTHERN IRELAND

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PAPER FOR ACPO CABINET

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ITEM: REVIEW OF THE 30+ RETENTION SCHEME

1. PURPOSE

- 1.1 The purpose of this report is three-fold: to present the current position of the scheme, to reflect on how it has served its intended purpose, and to inform decisions regarding the 30+ scheme prior to the agreed closure date in 2010 (and any subsequent management tools to assist forces retain skills and experience in the service). The recommendations will also need to go before the PNB.

2 BACKGROUND

- 2.1 In 2002 the PNB identified the need for arrangements to give managers in the police service the scope to retain officers and valuable skills to help ensure an effective continuation of policing in the face of potential shortfalls in police numbers. The 30+ scheme, which enables forces to retain officers who are seeking to retire with maximum pension benefits, was given approval by Ministers and HM Treasury to run until 31 March 2010 subject to review. The review was scheduled to take place at this time and is not a result of any other ongoing issues, most notably the recent test case.
- 2.2 Developments since the national roll-out of the 30+ scheme have potentially reduced the need and effectiveness of the scheme in delivering against the above objectives. Recent factors include Workforce Modernisation, an increasing number of late joiners to the police service, the higher compulsory retirement ages introduced in October 2006 and the growing membership of the 2006 New Police Pension Scheme that must now accrue 35 years service before receiving a maximum pension.

3 THE REVIEW

- 3.1 **The review broadly endorses the original scheme termination date of 31st March 2010.** This balances the evidence supporting the scheme objectives outlined by the PNB with the need for forces to successfully manage their workforce. Alongside this decision recommendations are made concerning the management of officers with particular emphasis on communication of the status of the 30+ scheme at both local and national level, the expectations of police officers approaching retirement age and those serving on the scheme, and the legal implications of terminating the posts.

4. METHODOLOGY

- 4.1 A survey questionnaire was circulated to establish the current condition of the scheme and determine its effectiveness. It was circulated to all 43 forces in England and Wales in February 2008. Questionnaires were also sent to the eight Scottish forces. Due to a lack of response Scotland was thus not included in this review. **It has not been possible to use a formal feedback procedure to verify the quality of the data provided by forces for this review.** Thus, the data should be considered provisional and not verified to the standards employed by the Home Office for public statistics.

5. CURRENT POSITION

- 5.1 All forces in England and Wales (except Warwickshire) have officers on the scheme and at the time of the survey, the majority (36 of 43) were still accepting new entrants. Those forces that had closed the scheme to new entrants had largely done so on a temporary basis pending the outcome of an internal review or the High Court test case.
- 5.2 **Applications:** Most forces were aware of the importance of a robust application procedure. Processes generally involved several steps of approval, often as high as the Director of HR or even the Chief Constable. The level of approval did not appear to be linked to the number of officers or applications received within a force but as a result of local needs, structures and preferences. However, the number of stages involved does appear to be linked to the number of overall officers. Larger forces tend to have more complex processes in place. Where smaller forces may only involve the applicant's line manager and perhaps a central HR contact, bigger forces may also involve Heads of Divisional/BCU Commanders, dedicated panels and ACPO-level officers.
- 5.3 Some forces have made their application process more robust in previous months due in most cases to a desire to decrease the number of officers on the scheme and also to ensure that only suitable officers were accepted where there had locally been the feeling that this had not been the case before.
- 5.4 **Diversity and Equality Impact (EIA):** No formal EIA was undertaken for the 30+ scheme prior to its introduction. Any future policies on skills retention should be developed in light of a full EIA. British-white is the prevailing ethnic group (at approximately 98%). This figure has stayed constant over the last year, although this may be accounted to the fact that the diversity profile of the officers eligible for the scheme has not noticeably changed. 7 officers in total, 2 of which joined last year, identified themselves as disabled under the Disability Discrimination Act 1995.
- 5.5 **Early Terminations of 30+ Service:** 90% of appointments that came to an early close were due to the officer's resignation. Only 29 appointments were terminated early at review, the majority of these being tied into the test case and subject to ongoing review and appeal. There have been a negligible number of early terminations due to misconduct, ill-health or efficiency.
6. **CURRENT RETENTION ISSUES**
- 6.1 Policing has changed over the last six years and the 30+ scheme, developed to meet the needs of the service in 2002, may now no longer be the best tool to address current and future recruitment and retention issues. The introduction of the New Police Pension Scheme in 2006 had little impact on the 30+ scheme. Other factors, including changes to workforce modernisation, compulsory retirement ages and police pension commutation rates, however, saw the desire to retire upon reaching maximum police pension benefits rise despite the 30+ scheme.
- 6.2 Many forces claimed to have seen some benefit in the 30+ scheme and expressed that it was a useful tool to have. Forces facing recruitment difficulties into areas such as CID or firearms were among those most grateful for the scheme and believed they may face serious operational implications in its absence.
- 6.3 An almost equal number of forces expressed concerns that the scheme was overly 'bureaucratic' and 'an administrative burden'. There were concerns about the difficulties of managing expectations among officers as the scheme was increasingly perceived as an 'automatic right'. Many forces admitted that they had not selected officers as rigorously as the central guidance recommends and retained many generalist officers who had no intention of retiring.
- 6.4 Several misconceptions surrounding the 30+ scheme appear to have become widespread, such as 30+ being the only option for officers who want to serve beyond 30 years. Officers also appear to increasingly misunderstand the scheme as providing 'early' access to their pension lump sum.
- 6.7 Future pressures on policing may lead to consideration to keep the 30+ scheme beyond its proposed deadline of 2010. However, the scheme as it is in operation at the moment is not aimed at retaining generalist officers or to simply address numbers. The 30+ scheme in its present form may not be suited to the task and should still be closed. A replacement scheme could be developed to address the policing needs of future operations including the Olympics in a specific and thus more effective way.
7. **CONCLUSION**

- 7.1 Closing the scheme as proposed by its original agreement in 2010 would give forces more time to prepare for the implications of losing this management tool and potentially the skills retained through the scheme, if the decision is taken separately to retire all 30+ officers.
- 7.2 Seeking to close the scheme prior to this date could result in significant operational challenges and potential impact on the handling of the issue.
- 7.3 Keeping the scheme open beyond 2010 could help address the large number of officers that will be required to police the Olympics. Although this could save time and money that may potentially be otherwise spent on developing a replacement scheme, the requirements of the service are not best met by the scheme. In the absence of the 30+ scheme it would be likely that some forces and other stakeholders may wish for an alternative scheme to be delivered to ensure retention of appropriate staff for the benefit of Chief Constables. As the key incentives of any proposed scheme would most likely be related to officers' pension provisions and pay and conditions we believe that the Home Office and HM Treasury should be leading on the development of any replacement scheme.

8. **CLOSING PROCEDURES**

- 8.1 If the decision is made to close the 30+ scheme to new participants on the date specified. The two main options for officers on the scheme at that point are:
- to terminate their services on the closing date, or
 - to allow them to serve their terms.
- 8.2 A blanket termination of 30+ posts may have an adverse effect in placing a strain on forces who may struggle to cope to fill the posts with suitable individuals, and force performance may suffer as a consequence. While force HR departments should not be expecting the 30+ scheme to run indefinitely, forces may find it difficult dealing with the termination of these posts to this deadline.
- 8.3 Regardless of operational implications, the test case the High Court found it to be unlawful to terminate an officer's 30+ appointment without taking the individual business case for retention into consideration. Thus, a central recommendation to terminate all 30+ appointments at the same time would be equally unlawful and likely to result in a successful judicial review against the source of the recommendation.
- 8.4 Allow officers already on the scheme to continue serving according to currently issued guidance. The process would involve strict annual reviews to ensure that no officer stays longer than the individual business case requires. This approach would phase out officers through 'natural wastage' as they retire and thus create a 'shelf-life' for the scheme which could be monitored and should enable forces to manage transition.
- 8.5 Phasing the scheme out is furthermore in line with what the scheme was introduced to address, namely giving the force enough time for succession planning or seeing projects through to a successful close, which would not be possible if all officers were terminated at once on 31 March 2010.
- 8.6 Depriving officers of the chance to join the scheme while others continue on it may lead to potential problems, especially considering the high levels of expectations and misconceptions about the scheme being an 'automatic right' amongst officers. This problem that has existed since the introduction of the scheme but has worsened over recent years. The NPIA will support forces in communicating relating to the closure of the 30+ scheme to help manage these expectations; however forces will need to give consideration of local handling of this issue.
- 8.7 Whilst most forces indicated their intention to honour 30+ contracts and phase out the scheme through natural wastage, it should be noted that some forces expressed intentions of terminating all their 30+ officers now or when the scheme is closed centrally, despite guidance issued centrally following the test case judgement that such steps are most likely to be found unlawful.

9. **DECISION REQUIRED**

- 9.1 Cabinet is invited to endorse the approach being taken before the report and recommendation is presented to PNB.

NPIA – Workforce strategy Section.