

Police officer retention in England and Wales

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Executive Summary

Police force numbers are driven by changing entry rates, not exit rates

Police officers are not employees, as in other occupations.

The absence of a contract of employment implies, among other things, that police officers cannot be made redundant.

Changes in police officer numbers are largely driven by changes in the entry rate. Police officer numbers rose sharply between 2001 and 2005, and contracted between 2010 and 2013. Exit rates changed little over time.

Which officers leave, and what do they do next?

The primary exit route for police officers is through ordinary retirement via the police pension schemes.

Over the period 2004–05 to 2014–15, 62% of police officer exits from the force were ordinary retirements, while 7% were early retirements on the grounds of ill health. Less than one-third (27%) were voluntary resignations from the police force.

Most police retire from the labour force on leaving the police service; those who remain in the labour force choose a variety of occupations. Of the third that leave the police (either through retirement or for other reasons) and continue in employment, 15% continue in protective services or elementary security occupations. However, the majority go to occupations not directly related to policing, including administrative and secretarial (25%) and associate professional and technical (19%) occupations.

Leaving rates differ across police forces and this variation reflects the relative attractiveness of alternative occupations.

We show that better outside local labour market opportunities (higher wages and lower unemployment rates) are statistically significantly associated with higher resignation rates across police forces. Those forces geographically close to London also have higher rates of exit through transfers. We find no evidence that variation in crime rates and workload affect exit from the police service.

1. Introduction

The labour market in England and Wales for police officers is unusual in two respects.¹ First, unlike virtually all other occupations in the UK, police officers have security of tenure. Police officers are not employees, but officers under the Crown, and there are no provisions for making police officers redundant. Hence, fluctuations in the size of the police officer workforce are largely driven by changes in entry rates rather than exit rates over time. Second, the requirement that an active police officer should be 'fully deployable' over a whole range of activities has underpinned a relatively young 'normal age of retirement' in police pension schemes relative to most other occupations.

These two characteristics of the police labour market imply that standard analyses of employee retirement in other occupations are less pertinent to police officers. Exit rates are not very sensitive to aggregate fluctuations in public spending or the aggregate business cycle.² In addition, many police officers do not retire from the labour force on leaving the police. Nevertheless, local conditions may be an important factor in considering retention and exit strategies of police officers. This briefing note therefore considers retention in the police force: who leaves the police, what they go on to do, and how retention differs across the individual police forces of England and Wales.

To set the scene, Figure 1 illustrates the size of the total police officer workforce across England and Wales between 1989 and 2015. During the 1990s, the number of police

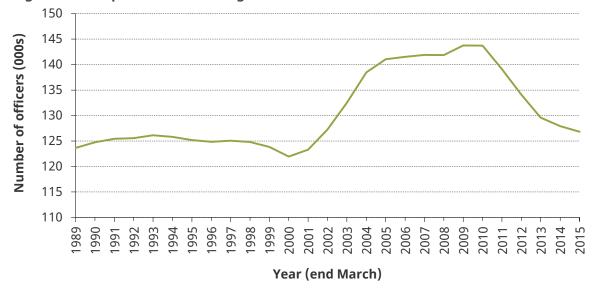


Figure 1. Total police officer strength

Note: Full-time equivalents as at 31 March. Excludes secondments outside the police service in England and Wales.

Source: Home Office, *Police Service Personnel*, 1998–2000; Home Office, *Police Service Strength*, 2000–12; Home Office, *Police Workforce*, 2013–15.

¹ Some of what follows applies also to Scotland and Northern Ireland. However, these countries have unified police forces.

² However, early retirements of police officers on the grounds of ill health are affected by changing central government funding constraints on local forces, as shown by R. Crawford and R. Disney, 'Reform of police pensions in England and Wales', *Journal of Public Economics*, 2014, 16, 62–72.

officers was relatively steady at around 125,000, though on a gradual decline from 1993 onwards. However, from 2001, the number of police officers increased markedly, reaching around 141,000 in 2005. This expansion was an explicit decision by the Labour government, who were re-elected in 2001 on the basis of a manifesto that included a pledge to increase police spending significantly and to thereby increase police numbers to record levels.³ Between 2005 and 2010, officer numbers were again relatively stable (increasing slightly in 2009). From 2010 onwards, as a consequence of the coalition government's cuts to public spending in the wake of the financial crisis, the number of police officers has fallen to roughly the level in 2002.

Figure 2 shows that these changes in police officer numbers are largely driven by changes in the rate at which officers join the police force; the leaving rate is relatively stable over this period by comparison. This is unsurprising given, as we have suggested, that police forces have little direct control over leaving rates.

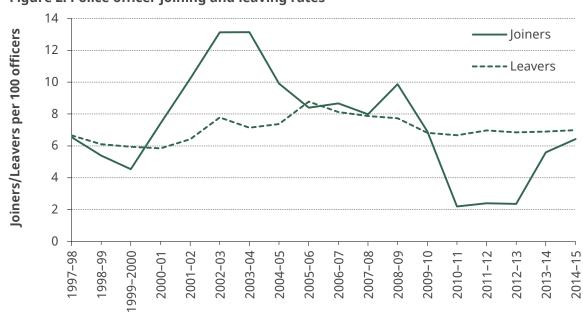


Figure 2. Police officer joining and leaving rates

Note: Joining/leaving rates are calculated as the number of police officers joining/leaving the police during a financial year, divided by the total number of police officers (full-time equivalents) at the end of the financial year. Figures include transfers (i.e. officers who transfer between forces will count as both a joiner and a leaver).

Source: Home Office, *Police Service Personnel*, 1998–2000; Home Office, *Police Service Strength*, 2000–12; Home Office, *Police Workforce*, 2013–15.

In this briefing note, we examine police officer retention in more detail. We start in Section 2 by describing the institutional context – the ways by which police officers can leave the force voluntarily or involuntarily and the incentives created by the police pension schemes. In Section 3, we examine how common different types of exit are across England and Wales as a whole, how this has changed over time and what police officers do when they leave the police force. Then in Section 4 we explore differences across individual police forces in exit rates and reasons. Section 5 concludes.

Section 4 of 'Ambitions for Britain: Labour's manifesto 2001'.

2. Institutional Context

There are four main ways through which police officers can leave the police force: voluntary resignation, dismissal on grounds of misconduct or capability, retirement, and early retirement on grounds of ill health.

2.1 Retirement incentives

Until 2015, police officers were members of the Police Pension Scheme (PPS or 1987 scheme) or the New Police Pension Scheme (NPPS or 2006 scheme) depending on whether they joined the police before or after April 2006. Both schemes are final salary defined benefit pension schemes.

Officers in the PPS accrued pension entitlements equal to 1/60th of final salary for each of the first 20 years of service and entitlements equal to 1/30th of final salary for the next 10 years of service – accruing a maximum pension entitlement of two-thirds final salary after 30 years. Individuals with 30 years' service can retire immediately, while those with 25 years' service can retire on reaching age 50. Those with fewer than 25 years' service have a retirement age that depends on rank: prior to 2006, this was 55 for ranks of sergeant or below and 60 for higher-ranked officers (except for in the Metropolitan Police, where there were lower retirement ages); since 2006, retirement age is 60 for ranks up to chief inspector and 65 for higher ranks (in all police forces).

Officers in the NPPS accrued pension entitlements equal to $1/70^{th}$ of final salary for each year of service – accruing a maximum pension entitlement of half final salary after 35 years' service. The NPPS also included a lump-sum payment, to which entitlement is accrued at a rate of $4/70^{th}$ per year of service. Officers in the NPPS can retire from the age of 55.

As with all final salary pensions, the PPS and NPPS provide police officers with a financial incentive to stay in the police force until they have reached full pensionable service (at 30 or 35 years), but little incentive to stay beyond that. Long tenures are also particularly encouraged by the higher accrual rate in the PPS for those with between 20 and 30 years' service.

Both the PPS and NPPS contain provisions for those who become permanently unable to work as police officers to retire on ill-health grounds. Officers with more than two years' pensionable service start to receive their pension immediately. Under the PPS, eligible officers may receive an enhanced pension to compensate for loss of future service (for example, officers with 5–10 years' service have their service doubled, and so receive substantially greater pension income than their entitlement would be if based on their actual service). Under the NPPS, officers only receive an enhanced pension if they are permanently unable to undertake *any* employment; those able to undertake employment outside of the police would have an unenhanced pension based on their accrued entitlement.

From 2015, new police officer recruits and 'unprotected' members of the PPS and NPPS (essentially younger officers who are further from retirement) have been moved onto a new police pension scheme for future accruals.

2.2 Security of tenure

It is difficult for police forces to end the employment of a police officer against their will other than for misconduct or capability reasons. There is, for example, no provision for making police officers redundant.⁵

Prior to 2011, it was possible to require a police officer to retire on the grounds of age: until 2006, forced retirement when an officer reached the normal retirement age in the pension scheme was permitted, while between 2006 and 2011, compulsory retirement at age 60 (for officers ranked constable to chief inspector) or 65 (for higher-ranked officers) was permitted. However, since 2011, forced retirement solely on the basis of age has been unlawful due to age discrimination legislation.

Officers with full pensionable service (30 years of tenure under the PPS or 35 years of tenure under the NPPS), however, may be required to resign on the grounds of efficiency under Regulation A19 of the Police Pension Regulations. This regulation has been used by 15 police forces since 2010 to dismiss groups of older officers as a way of reducing their workforce sizes in response to cuts to their budgets. However, this resulted in claims of age discrimination and thousands of officers seeking compensation from their police forces.⁶

In 2013, the government introduced the right for individual police forces to run voluntary exit schemes if they wished, as an alternative way to reduce police officer numbers.⁷ This created provision for those with less than full pensionable service (30 years under the PPS and 35 years under the NPPS) to receive a lump-sum compensation payment in exchange for mutually-agreed departure from the police force.

It is important to realise that redundancy provision is not the same as having the ability to dismiss officers on the grounds of conduct or capability. As described in the Winsor Review, 'Redundancy, in employment law, means that the role in question no longer exists. If there were a power to make officers redundant, the police force would first have to show the fact that the requirements of the police force for officers to carry out work of a particular kind generally or in the place where the officer is employed by the police force have ceased or diminished or are expected to do so' (paragraph 6.1.58 of *Independent Review of Police Officer and Staff Remuneration and Conditions: Part 1 Report*, Cm 8024, 2011, https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/229006/8024.pdf).

⁶ In February 2014, the London Central Employment Tribunal ruled that officers made to retire using the A19 regulation had suffered age discrimination. This decision was overturned by the Employment Appeal Tribunal in July 2015. In August 2015, an appeal was lodged against this decision (Chief Constable of West Midlands Police and others v Harrod and others), and this is expected to be heard by the Court of Appeal early in 2017.

⁷ Home Office, 'Circular 002/2013: amendments to police pension scheme', 2013, https://www.gov.uk/government/publications/amendments-to-police-pension-scheme.

3. Officer Retention across England and Wales as a Whole

3.1 Types of exit

The composition of exits from police forces over the period 2004–05 to 2014–15 is shown in Figure 3. Transfers between police forces account for 13% of police officer 'exits' over this period. Excluding these, nearly two-thirds (62%) of exits from the police are through ordinary retirement and a further 7% are through early retirement on medical grounds; 27% of exits are voluntary resignations, while only 3% are involuntary dismissals.

Including transfers between forces Excluding transfers between forces 1%_0% 1% 1% 3%. 13% 1% 2% 27% 54% 23% 62% 7% 6% ■ Voluntary resignation ■ Dismissal ■ Ordinary retirement ■ Medical retirement ■ Death ■ Internal transfer Other transfer

Figure 3. Police officer leaving rates, 2004–05 to 2014–15

Note: Leaving rates are calculated as the number of police officers leaving the police during a financial year, divided by the total number of police officers (full-time equivalents) at the end of the financial year.

Source: Authors' calculations using data from the Home Office (data received from police forces via the Annual Data Requirement).

The leaving rates for these various types of exit over time are shown in Figure 4. The changes in leaving rates over time that can be seen – in particular, the reductions in voluntary resignations and in the level of internal transfers between police forces – are likely to be the result of the recession in 2008 and 2009 and of the subsequent cuts to public spending on the police.⁸

The decline in voluntary resignations between 2007 and 2012 coincided with a worsening of labour market opportunities outside the police. The UK employment rate fell from

Discussed in more detail in R. Crawford, R. Disney and D. Innes, 'Funding the English and Welsh police service: from boom to bust?', IFS Briefing Note BN179, 2015, https://www.ifs.org.uk/uploads/publications/bns/BN179.pdf.

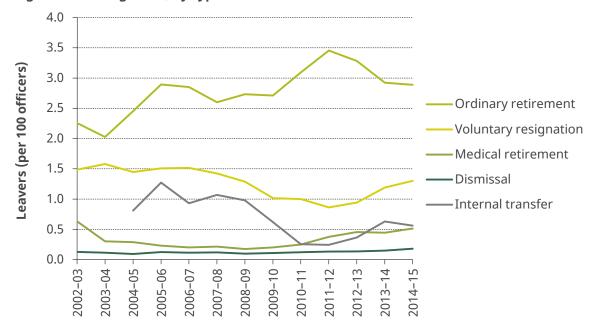


Figure 4. Leaving rates, by type of exit

Note: Leaving rates are calculated as the number of police officers leaving the police during a financial year, divided by the total number of police officers (full-time equivalents) at the end of the financial year.

Source: Authors' calculations using data from the Home Office (data received from police forces via the Annual Data Requirement).

around 73% in early 2008 to around 70% in 2010 – the lowest level seen since around 1997. Furthermore, the estimated gap between public and private sector pay increased by around 3 percentage points between 2008–09 and 2010–11. Given this environment, it is not surprising that the proportion of those voluntarily leaving the police for reasons other than retirement fell.

Many of the other changes in leaving rates are likely to be the result of the decline in government spending from 2010–11 reducing police forces' budgets and putting downward pressure on their preferred workforce size. The peak in retirement rates in 2011–13 is due to forces' use of the A19 regulation to force officers to retire. The decline in the transfer rate is likely to have been a result of reductions in recruitment in the face of budget cuts. The increase in medical retirements reflects the fact that this is one of the few ways (prior to 2013) that forces could, in effect, financially incentivise individuals to leave the police voluntarily. The rate of dismissals also increased post-2010: over the period 2002–03 to 2009–10, on average 1.1 officers per 1,000 were dismissed, but this increased steadily to reach 1.8 officers per 1,000 by 2014–15. This may be due to police forces imposing stricter punishment on those found to be guilty of misconduct as a way of reducing the size of their workforce. However, interestingly, this increase is similar on

Figure 2 of Office for National Statistics, 'UK labour market: June 2016', https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/uklabourmarket/june2016.

¹⁰ J. Cribb, C. Emmerson and L. Sibieta, *Public Sector Pay in the UK*, IFS Report R97, 2014, http://www.ifs.org.uk/uploads/publications/comms/r97.pdf.

Freedom of Information requests by Alex Homer revealed that over 1,300 officers from 15 forces were retired using the A19 regulation between 2010 and 2013. Reported by the BBC, 15 March 2015, http://www.bbc.co.uk/news/uk-england-31659006.

average among the third of forces with the largest budget cuts over the period 2010–11 to 2014–15 (from 1.1 to 1.6 per 1,000 officers) to the average among the third of forces with the smallest budget cuts over this period (from 1.1 to 2.0 per 1,000 officers).

3.2 Who leaves the police force?

The tenure composition of police officer leavers over the period 2002–03 to 2009–10 is described in Figure 5. Taking all leavers together, two-thirds of leavers have more than 10 years of service, while only 11% have fewer than 2 years' service (3% have fewer than 6 months' service). However, the tenure composition of leavers differs markedly by route of exit from the police. Those resigning from the police force typically do so relatively early in their careers: 11% of voluntary resignations are by those with less than 6 months' service, 28% by those with 6 months' to 2 years' experience, 18% by those with 2–5 years' experience and 16% by those with 5–10 years' experience. Transfers rarely happen for officers with fewer than 2 years' experience, but over half of those transferring have between 2 and 10 years' experience.

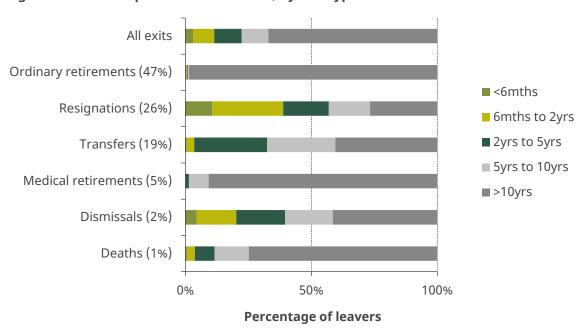


Figure 5. Tenure of police officer leavers, by exit type

Note: Pooled 2002–03 to 2009–10. Percentages in parentheses give the percentage of exits accounted for by each type over this period.

Source: Authors' calculations using data from the Home Office (data received from police forces via the Annual Data Requirement).

In contrast, retirees virtually all have more than 10 years of service, since they can retire only after age 55 at the earliest (with fewer than 25 years of service) and it is rare for police officers to join the force in middle age. In fact, only 8% of ordinary retirees have fewer than 26½ years' service; 15% retire with 26½–30 years' service, 53% retire with between 30 and 30½ years' service and 24% retire with more than 30½ years' service. The high proportion of individuals retiring with 30 years' service arises because this provides a full pension under the (pre-2006) Police Pension Scheme and entitles individuals to retire immediately irrespective of their age.

3.3 What do leavers go on to do?

The previous subsection suggested that those leaving the police force tend to do so either at a relatively young age (the majority of those leaving the police for reasons other than retirement have fewer than 10 years of service) or through retirement. But even those leaving through retirement are younger than the average retiree (since those with 30 years' service can retire at any age – in effect as young as 48½). An interesting question is therefore what those who leave the police do – and whether retirees leave the labour market entirely or whether they leave the police force but engage in alternative employment.

We investigate this question using data from the Annual Survey of Hours and Earnings (ASHE). This is an annual survey of around 1% of employees (who are selected based on the last two digits of their National Insurance number) that is run by the Office for National Statistics and is completed by employers. Since the same employees are in the sample each year, we can observe changes in employment over time (though we cannot distinguish between an employee leaving the labour market and an employee moving to work for an employer who does not respond to the survey when asked).

Over the period 1997–2009, there are on average around 1,500 police officers observed in ASHE each year. ¹² We define police officer leavers as those who are either (i) observed in the ASHE data in a different occupation in either of the next two years and never subsequently observed as a police officer or (ii) missing from the ASHE data in both of the next two years and never subsequently observed as a police officer. On this definition, there are on average 67 police officer leavers observed each year, or a total of 871 over the period considered. ¹³

The age distribution of these police officer leavers is illustrated in Figure 6. Half of leavers are aged between 48 and 54 – as would be expected given that the majority of exits from the police are through retirement and that over three-quarters of retirements are officers with more than 30 years' service.

Of those who leave the police between 1997–98 and 2009–10, a third appear in the ASHE data in the next two years employed in another occupation, while two-thirds are either retired or working for non-responding employers for both of the next two years. (Among leavers aged 50 and over, 31% appear to be employed in another occupation.) For the third of police officer leavers who are observed working in another occupation after leaving the police, Table 1 describes what occupations they are in. The most common occupations ex police officers move into are administrative occupations (particularly in local government, which accounts for 9% of subsequent occupations). Around 4% go into

¹² We focus on using the ASHE data from 1997 to 2011, since for this period a consistent definition of occupational classification (used to identify police officers) is available.

¹³ The implied leaving rate is similar to that suggested by police force returns to the Home Office over the period for which comparable data are available (for 2004–05 to 2009–10, the implied average police officer leaving rate in the ASHE data is 5.1%, while the Home Office data suggest that it was 4.5% excluding internal transfers).

Unfortunately, we cannot distinguish between retirement and employer non-response. We believe this to be a concern because the age distribution of police officer leavers shown in Figure 6 is not appreciably different between our two types of leavers – those observed in a different occupation next year and those missing from the ASHE data for the next two years – despite the fact that those aged under 45 would not be able to take ordinary retirement from the police force.

protective services outside policing (for example, prison service officers), while 11% go into elementary security occupations (such as private security guards). For comparison, the second column of Table 1 describes the employment mix of the entire population of employees (excluding police officers). Across this population, 17% work in administrative and secretarial occupations, while less than 2% work in protective services or elementary security occupations.

Percentage of police of po

Figure 6. Age of police officer leavers

Age in last April observed as police officer

Source: Authors' calculations using the Annual Survey of Hours and Earnings, 1997–2011.

Table 1. Occupational composition of police officer leavers and all employees (excluding police officers)

Occupation	Police leavers who appear in another occupation	All employees (excluding police officers)
Protective services	3.6%	0.3%
Elementary security	11.2%	1.4%
Managers and senior officials	9.1%	12.4%
Professional occupations (including teaching)	8.0%	11.2%
Associate professional and technical occupations	19.2%	12.0%
Administrative and secretarial occupations	25.4%	17.2%
Skilled trades & Process, plant and machine operatives	8.7%	16.0%
Personal service occupations	5.1%	7.3%
Sales and customer service occupations	4.3%	9.4%
Elementary occupations (excluding security)	5.4%	12.9%

Source: Authors' calculations using the Annual Survey of Hours and Earnings, 1997–2011.

4. Differences in Retention between Police Forces

We now turn to consider how police officer exit rates, and reasons for leaving, differ between the independent police forces in England and Wales. For reference, a map of these police forces is provided in Figure A in the appendix. Figure 7 illustrates how the mean leaving rate over the years 2002–03 to 2014–15 (inclusive) varied across forces. There is a distinct geographical pattern: those forces close to London have higher leaving rates than other forces – particularly so in the case of Surrey and Bedfordshire – while London, most of Wales and a few other forces have lower leaving rates than most other forces.

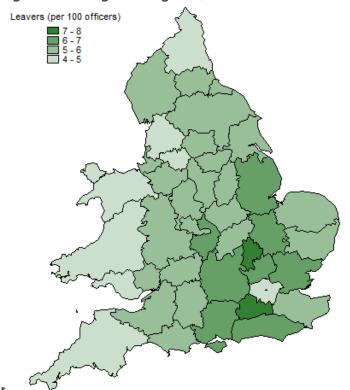


Figure 7. Average leaving rate, 2002–03 to 2014–15

Source: Authors' calculations using data from the Home Office (data received from police forces via the Annual Data Requirement).

There are many factors that could be driving these differences in leaving rates between police forces, including the composition of the force's workforce, local labour market opportunities outside the police, and the relative attractiveness of being a police officer for a particular force. We use multivariate regression analysis to examine whether and how these factors affect forces' officer leaving rates overall and leaving rates through different routes. The results are shown in Table 2.

The demographic composition of the police officer workforce does have a small impact on leaving rates. For example, forces with a 1 percentage point greater proportion of officers aged 55 or over have (all else equal) 0.3 fewer leavers per 100 officers. Looking at the

Table 2. Factors associated with police officer leaving rates

	Leaving rate	Leaving rate through:				
	(all exits)	retirement	resignation	ill-health retirement	transfer	
% of officers aged:						
26-40	-0.078**	-0.004	-0.052***	-0.001	-0.024	
	(0.032)	(0.020)	(0.013)	(0.008)	(0.017)	
41–55	-0.023	0.009	-0.040***	-0.001	0.008	
	(0.035)	(0.022)	(0.015)	(0.009)	(0.018)	
Over 55	-0.278***	-0.028	-0.118***	-0.034	-0.082	
	(0.104)	(0.066)	(0.043)	(0.027)	(0.054)	
Local unemployment %	-0.037	0.060	-0.097***	-0.043**	0.036	
	(0.078)	(0.050)	(0.033)	(0.020)	(0.040)	
Local log(wage) FE	3.960**	0.384	1.850**	0.974**	0.654	
	(1.811)	(1.152)	(0.758)	(0.466)	(0.938)	
Crimes per 1,000 pop.	0.038	-0.027	-0.010	0.008	0.073**	
	(0.068)	(0.043)	(0.028)	(0.017)	(0.035)	
% of crime that is:						
Theft	0.131**	0.053	-0.007	0.027*	0.059**	
	(0.056)	(0.036)	(0.024)	(0.014)	(0.029)	
Criminal damage	0.039	0.025	-0.004	-0.006	0.033	
	(0.057)	(0.036)	(0.024)	(0.015)	(0.029)	
Domestic burglary	-0.093	-0.026	-0.010	-0.002	-0.050	
	(0.088)	(0.056)	(0.037)	(0.023)	(0.045)	
Drugs offence	-0.004	-0.008	0.019	-0.019	0.005	
	(0.060)	(0.038)	(0.025)	(0.015)	(0.031)	
Non-domestic burglary	0.046	0.022	-0.061	0.043	0.033	
	(0.101)	(0.065)	(0.042)	(0.026)	(0.053)	
Public order offence	0.045	0.094	-0.034	0.027	-0.035	
	(0.091)	(0.058)	(0.038)	(0.023)	(0.047)	
Shoplifting	-0.060	-0.077	-0.042	-0.017	0.063	
	(0.094)	(0.060)	(0.039)	(0.024)	(0.048)	
Vehicle crime	0.013	0.016	-0.016	-0.009	0.030	
	(0.055)	(0.035)	(0.023)	(0.014)	(0.029)	
Violence without injury	0.045	0.005	0.016	0.008	0.022	
	(0.054)	(0.035)	(0.023)	(0.014)	(0.028)	
Violence with injury	0.100	0.049	0.039	0.044	-0.041	
	(0.344)	(0.219)	(0.144)	(0.089)	(0.178)	
Crimes per officer	0.000	-0.001	0.002	0.000	-0.001	
	(0.004)	(0.002)	(0.002)	(0.001)	(0.002)	
Support staff per officer	-0.976	-0.025	0.185	0.252	-1.401***	
	(0.641)	(0.408)	(0.268)	(0.165)	(0.332)	
R-squared	0.514	0.433	0.608	0.506	0.694	

Note and Source appear on the next page.

Note and Source to Table 2

Note: Results are from linear regressions of the number of leavers per 100 officers on the factors presented in the table, time dummies (estimated coefficients not reported) and police force fixed effects (estimated coefficients illustrated in Figures 8–12). Standard errors are given in parentheses. *, ** and *** indicate significance at the 10%, 5% and 1% levels respectively. Summary statistics on the levels of the explanatory factors in the table are provided in Table A in the appendix. Sample = 501. The City of London police are excluded. 'Local log(wage) FE' is a measure of how local wages differ across police force areas after controlling for the sex, age, education and ethnic composition of the population. It is estimated by regressing log(wages) on sex, a quadratic in age interacted with education, ethnicity and time dummies, and force-level fixed effects, using Labour Force Survey data on those aged 25–60.

Source: Authors' calculations using data from the Home Office, the Labour Force Survey and the Chartered Institute of Public Finance and Accountancy.

types of exits, the strongest association is between the age structure of the workforce and exits through voluntary resignation. This suggests that older workers are less likely to resign from the police – as would be expected given that those still in the police at older ages are a selected sample of police entrants who have not already left.

Local labour market conditions are also associated with the rates of officers leaving through some routes – in particular those routes that might suggest officers going on to work in another occupation. A 1 percentage point higher local unemployment rate is associated with 0.1 fewer resignations per 100 officers and 0.04 fewer ill-health retirements per 100 officers. Similarly, in areas where local wages are higher (after controlling for the sex, age, education and ethnic composition of the population), resignation and ill-health retirement rates are higher. For example, comparing the force with the highest local wages (the London Metropolitan Police) with the force with the lowest local wages (Dyfed-Powys Police) in 2002, the differences between their local wages would imply 0.8 more resignations per 100 officers, 0.4 more ill-health retirements per 100 officers and 1.6 more exits overall per 100 officers in the London Metropolitan Police than in Dyfed-Powys Police. This is to be expected because police wages are set nationally, so that a local police force cannot use higher wages as a retention incentive. Hence, a higher local wage in one area implies that the relative wage from working in the police as opposed to another occupation in that area is lower.¹⁵

In terms of the relative 'attractiveness' of policing in different forces, we examine whether the crime rate, the number of crimes per officer and the number of support staff per officer are associated with leaving rates, as these could all be indicators of officer workload. We also explore whether the composition of crime matters, since some types of crime might be more or less appealing to deal with than other types. In general, we find little association between these factors and leaving rates. The exceptions are the overall crime rate and the proportion of reported crime that is theft – which are both positively associated with exit rates through transfers – and the level of support staff per officer, which is negatively associated with exits through transfers.

The City of London police are excluded from this analysis. These results are also robust to the exclusion of the Metropolitan Police – in other words, the effects found are not just a 'London effect'.

When examining the association of leaving rates with these force and local-area characteristics, we also include police force 'fixed effects' to capture whether leaving rates are systematically higher or lower for particular police forces (after controlling for the other characteristics). These are illustrated in Figures 8–12. After controlling for other factors, there are no forces that have significantly higher or lower retirement rates than the average across forces, and Sussex Police is the only force with a significantly different voluntary resignation rate from the average (with a 0.8 percentage point higher than average rate). However, there are more systematic differences across forces in ill-health retirement rates. Over this period, Cleveland, Merseyside and Staffordshire had (statistically significantly) higher than average ill-health retirement rates (by 0.6, 0.6 and 0.5 percentage points respectively), while Surrey, Thames Valley, Hertfordshire and Northamptonshire had lower than average ill-health retirement rates (by 0.4, 0.4, 0.3 and 0.3 percentage points respectively).

Transfer rates also differ systematically across forces. Even after controlling for the other factors set out in Table 2, Surrey has a 2.2 percentage point higher leaving rate through transfers than the average across all forces. The rate of exits through transfers is also statistically significantly higher for other London-adjacent forces: Hertfordshire, Essex and Thames Valley, as well as Northamptonshire. This is likely due to the attractiveness of working for the neighbouring Metropolitan Police, where there are more opportunities for working in specialist areas and additional wage allowances.

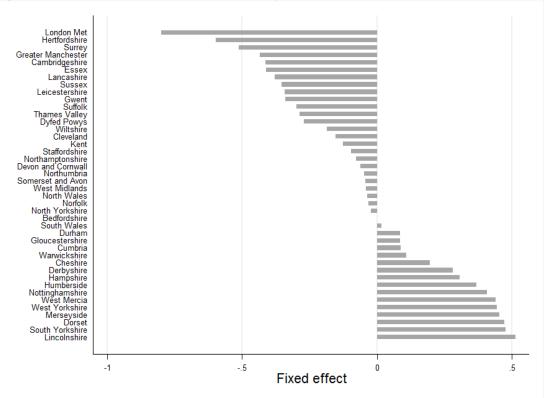


Figure 8. Police force fixed effects: ordinary retirement rate

Note and source: As Table 2. Green indicates statistically significant difference from average.

¹⁶ Where statistical significance is measured at the 5% level.

¹⁷ This is discussed further in R. Crawford and R. Disney, 'Reform of police pensions in England and Wales', *Journal of Public Economics*, 2014, 16, 62–72.

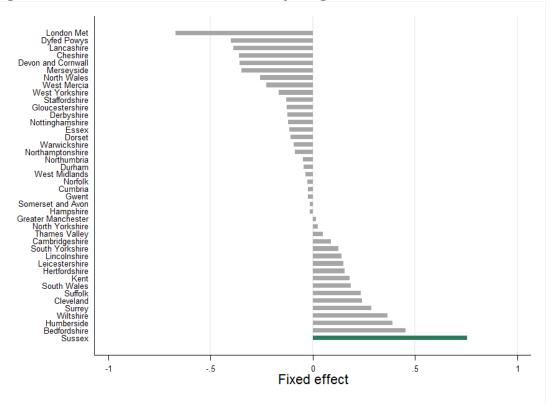


Figure 9. Police force fixed effects: voluntary resignation rate

Note and source: As Table 2. Green indicates statistically significant difference from average.

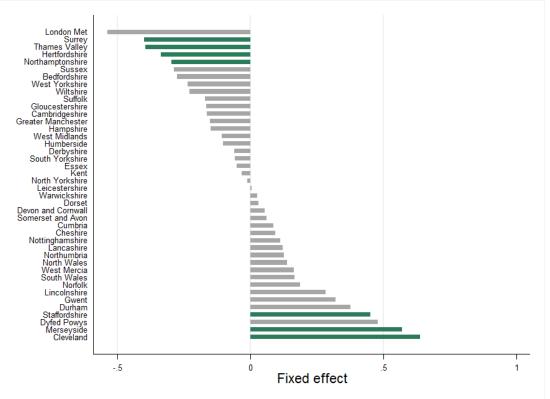


Figure 10. Police force fixed effects: ill-health retirement rate

Note and source: As Table 2. Green indicates statistically significant difference from average.

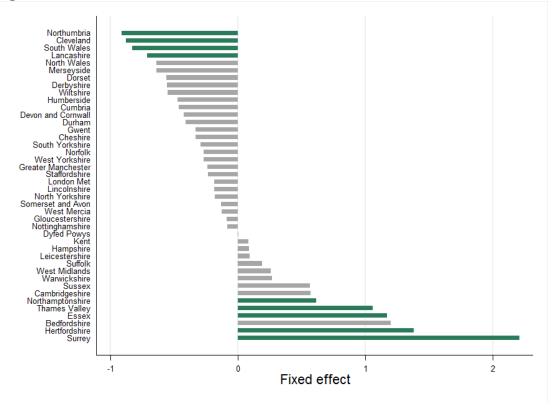


Figure 11. Police force fixed effects: transfer rate

Note and source: As Table 2. Green indicates statistically significant difference from average.

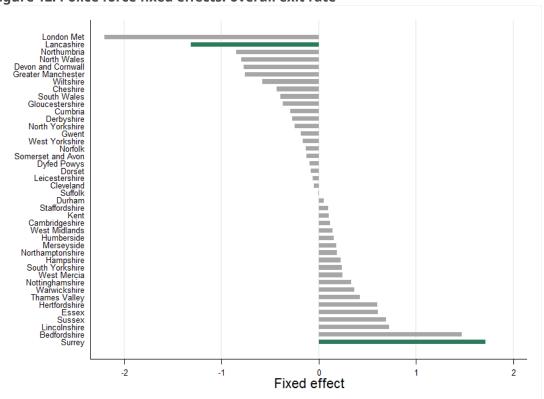


Figure 12. Police force fixed effects: overall exit rate

Note and source: As Table 2. Green indicates statistically significant difference from average.

5. Conclusions

The police labour market is unusual in that there is no provision for making police officers redundant. Partly because of this security of tenure, partly because of the incentives created by the police pension schemes and partly because policing may just be seen as a 'job for life', the majority of exits from the police are through retirement. However, 31% of those who leave the police at age 50 or older appear to be employed in other occupations in the subsequent two years – indicating that retirement from the police force does not necessarily imply leaving the labour market. Going forwards, retirements from the police are likely to happen at later ages, and are more likely to be associated with withdrawal from the labour market, as the minimum pension age in the police pension schemes increases (it increased to 55 under the NPPS and to 60 under the 2015 reforms).

Different police forces face different officer retention pressures. Forces in areas with better outside labour market opportunities (higher wages and lower unemployment rates) find it harder to retain officers, as do forces close to the draw of the London Metropolitan Police which lose more officers through transfers. This suggests that the higher wages paid to officers in the south-east are justified. However, differences in retention still arise across forces, suggesting that forces in the south-east of England likely incur higher turnover and training costs than other forces.

Forces in the south-east of England are able to pay police officers an additional (non-pensionable) allowance. In 2011, this allowance was up to £3,000 per year in the forces adjacent to London (Essex, Hertfordshire, Kent, Surrey and Thames Valley) and up to £2,000 per year in the other south-east England forces (Bedfordshire, Hampshire and Sussex). However, this is a much smaller area pay differential than would be found in private sector occupations paying comparable average wages: see the discussion in section 7.6 and appendix 3 of T. P. Winsor, *Independent Review of Police Officer and Staff Remuneration and Conditions: Final Report – Volume 2*, Cm 8325-II, 2012,

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/250816/8325_ii.pdf.

Appendix

Figure A. Map of police forces in England and Wales



Note: GMP is Greater Manchester Police.

Table A. Descriptive statistics on local-area and force characteristics

	Mean	Std	Min.	25 th	Median	75 th	Max.
		dev.		percentile		percentile	
% of officers aged:							
Under 26	6.1	3.5	0.0	3.5	6.0	8.2	23.5
26-40	51.5	4.3	17.6	49.2	52.2	54.4	61.7
41-55	41.7	6.2	29.3	37.0	40.9	45.8	64.6
Over 55	0.7	0.5	0.0	0.3	0.6	0.9	7.2
Local unemployment (%)	3.4	1.3	1.0	2.4	3.2	4.1	10.0
Local log(wage) FE	-0.1	0.1	-0.3	-0.2	-0.1	-0.1	0.2
Crimes per 1,000 pop.	5.0	3.3	0.0	0.0	5.7	7.2	12.1
% of crime that is:							
Theft	17.7	2.7	11.5	15.9	17.5	19.4	26.1
Criminal damage	20.8	3.9	7.6	18.1	21.0	23.3	32.6
Domestic burglary	5.5	1.6	2.2	4.5	5.4	6.4	11.7
Drugs offence	4.1	2.2	1.1	2.6	3.7	4.8	18.2
Non-domestic burglary	7.1	1.2	3.5	6.3	7.0	8.0	11.2
Public order offence	3.8	1.3	0.9	2.8	3.7	4.5	8.2
Shoplifting	7.2	1.9	3.8	5.6	6.8	8.6	13.8
Vehicle crime	12.5	3.5	5.1	9.9	12.1	14.6	24.0
Violence without injury	9.8	1.9	3.4	8.7	9.8	10.9	14.9
Violence with injury	1.0	0.8	0.1	0.6	0.8	1.2	5.0
Crimes per officer	37.2	16.8	10.7	29.3	35.0	41.2	289.7
Support staff per officer	0.6	0.2	0.0	0.6	0.7	0.7	1.1