

## **Surrey Police Service - Chief Constable Compensation Policy**

**Draft: October 6, 2020**

### **Purpose**

The Surrey Police Service (“SPS”) Chief Constable Compensation Policy (the “Policy”) forms the basis of Chief Constable’s compensation structure and related pay practices.

### **SPS Compensation Philosophy**

SPS compensates its Chief Constable by balancing internal SPS equity and external market competitiveness with the relevant job markets. Its compensation strategies are designed to attract, retain, and motivate high-quality employees. The Surrey Police Board (the “Board”) through its Human Resources and Compensation Committee, develops and maintains appropriate pay practices to support achievement of this philosophy.

### **Principles**

The SPS Chief Constable Compensation Policy aligns with the Board’s commitment to achieve its goals and objectives, support its values, and ensures accountability. The Policy is designed to support the full range of human resources strategies; balance internal SPS equity with external competitiveness; maintain affordability; meet the needs of employees; and ensure effective governance and legislative compliance.

The Chief Constable compensation structure is designed to attract, engage, and retain high quality employees, who share SPS’s values and will contribute to its success. The compensation structure is appropriate, sustainable, and understandable. Compensation paid to an individual under this Policy is determined by the nature of the work performed, individual job performance, and time/experience in a role.

The Board is committed to communicating its compensation strategies and practices to the Chief Constable with clarity and in a supportive manner. Compensation information related to individual employees is confidential, other than information that must be disclosed by law.

### **Governance**

The Policy is approved by the Surrey Police Board and is periodically reviewed/updated by the Board to ensure it remains current and valid. It is compliant with the BC *Police Act*.

### **Compensation Components**

The total compensation offered to the Chief Constable has five fundamental components:

1. base pay
2. other paid time
3. base salary range progression
4. benefits
5. paid time off

Each component has monetary value to the employee and that will be considered by the employee and the Board in the determining the competitiveness of the total pay offer.

**Definitions**

**Base pay** is the annual salary earned by an employee for working the standard work week (40 hours).

**Other paid time** is the amount paid in lieu of overtime defined in the Chief Constable’s employment agreement, as well as other special adjustments as specifically approved by the Board.

**Base salary range progression** is considered for an employee until they reach the maximum of the pay range based on job performance. An employee’s base salary typically increases annually until it reaches the maximum of the pay band. Progression from the bottom of the salary range to the top of the salary range will typically occur over a five year period. The pace of progression will be determined by the Chief Constable’s job performance and the available funding.

**Benefits** support the health and long-term well-being of employees and their family (when applicable) and include pension, life insurance, medical/dental benefits, Short Term Disability/Long Term Disability (STD/LTD), etc.

**Paid time off** includes vacation, vacation premiums, and statutory holiday allocations.

**Relevant Market** is defined by three components: other BC police departments of comparable size (Vancouver), other Canadian police departments of comparable size, and the City of Surrey.

The relevant external market is the group of municipal and regional police departments whom the Board has determined perform similar work in a similarly sized organization and are typically competitors for the same people as SPS. This market is where SPS most frequently attracts talent and/or to which SPS loses talent. The relevant market may change over time.

BC Departments	Other Canadian Departments
Vancouver	Calgary Edmonton Saskatoon Regina Winnipeg Ottawa Waterloo (Kitchener) Peel (Brampton) York Regional

**City of Surrey Exempt Compensation Model**

Maintaining a compensation relationship between the City of Surrey and SPS serves the purposes of both organizations. When determining the compensation of the Chief Constable, the Board considers the City of Surrey’s exempt compensation structure.

### **Relevant Market Evaluation**

External market data is gathered through SPS-sponsored surveys, one off comparisons, and market surveys completed by compensation consultants. The data gathered is analyzed to reflect the comparability of roles, the comparability of organizations, and recruitment/retention experiences.

The three sources of compensation data (other BC Police Departments, other Canadian Police Departments, and the City of Surrey City Manager and Senior General Manager compensation) are evaluated to determine the maximum salary for the Chief Constable. The minimum of the pay band is set at 85 percent of the maximum. The Incumbent progresses through their pay band over time based on performance, funding, and Board approval.

Placement within the pay band for the Chief Constable, including starting salary, is determined by the Board and based on factors such as the candidate's experience, the candidate's current rate of pay, the overall value of the total compensation offer, the competitive reality, and other factors that are deemed appropriate by the Board.

### **Additional Compensation Practices**

1. To define how it wants to position itself as an employer and how it will compensate employees for their efforts, the Board has set a **pay target**. The **pay target** is the percentile at which SPS positions its salaries in comparison to the relevant market. The **pay target** for Chief Constable is the 65<sup>th</sup> percentile. By choosing to pay at the 65<sup>th</sup> percentile, SPS is positioning itself as a leading Canadian police department and demonstrating its commitment to attracting, motivating, and retaining high quality employees.
2. **External Salary Surveys** are periodically conducted by SPS (typically every three to five years) to ensure the pay opportunity for SPS's Chief Constable remains consistent with SPS's pay target.
3. The **Chief Constable pay structure** correlates with the relevant market surveys. Steps are taken to ensure equity with other executive and non-executive exempt SPS staff and unionized staff (sworn members and civilian staff) to avoid salary compression.
4. **Pay practices** and administrative guidelines may be developed from time to time to implement the policy as approved by the Human Resources and Compensation Committee.
5. **Flexibility** is a relevant consideration of the policy. Flexibility may be exercised by the Board as necessary.