



HMPPS Submission to the Prison Service Pay Review Body

HMPPS (England & Wales) Evidence

2020/21

Introduction

- a. This document sets out the evidence from Her Majesty's Prison and Probation Service (HMPPS) to the Prison Service Pay Review Body (Review Body) to inform the 2020/21 pay round. HMPPS is the Agency responsible for Prisons and Probation in England and Wales. HMPPS is an Executive Agency of the Ministry of Justice (MoJ).
- b. Our evidence outlines a range of pay proposals for the Review Body's consideration which are aligned to departmental affordability. We believe that this package of proposals offers value for money. They balance our ability to attract and retain new staff whilst maintaining existing experienced staff, with a need to meet other demands in the justice system and to make other investments which improve working conditions for staff.
- c. Our proposals for 2020/21 ensure that Prison Officer pay remains competitive and that all staff receive a pay award - either a consolidated increase or non-consolidated payment. Progression pay continues to remain a feature of our proposals.
- d. Fair & Sustainable (F&S), as a market facing and modern set of terms and conditions, remains the preferred pay model for staff working in the Prison Service, and this is reflected in our proposals. A key aim of our proposals is to make progress on closing the gap between F&S and Closed Grades pay where a differential exists. In addition to the organisational and morale issues this 'two-tier' workforce creates, we are becoming increasingly concerned about the impact on equal pay risks if action is not taken to address this.
- e. The document provides a range of wider information to assist with the Review Body's work, including context on public sector pay policy, details of operational and policy changes and the financial position and strategic priorities of the MoJ and HMPPS.

- f. The document also contains information on key areas raised by the Review Body in its 2019/20 report. In some cases where policies and projects are in development we have committed to providing further information at the oral evidence.
- g. Following on from last year's evidence, our core workforce challenges remain the same: attracting and retaining high performing staff into the Prison Service to work in challenging operational environments.
- h. To address these challenges, we continue to develop and improve our training offer to new Prison Officers, experienced officers and our management team providing them with the knowledge and skills to transform our Prison Service to meet the rehabilitation needs of offenders whilst protecting all staff members' health and resilience. The wellbeing of our staff is a priority and we offer a range of services include post-incident support, structured professional support and mental health advice.
- i. Safety and security is also receiving significant investment. In addition to the roll out of PAVA incapacitant spray, we are investing £100 million, as part of a wider £2.75 billion package, to fund enhanced gate security and x-ray body scanners that will clamp down on the illicit items which fuel violence and hinder rehabilitation. The £156 million investment announced in October 2019 to tackle the most pressing maintenance issues will improve conditions for those working and living in prisons.
- j. In November 2019 the Review Body published a Prison Pay Comparability Study. This valuable research has increased our understanding of Prison Service pay within the market. This, coupled with our own recruitment and retention data has shaped the proposals contained in this document and will form part of our considerations in future years. Undertaking research such as this should not be a one-off exercise and we would welcome working with the Review Body to consider mutual data needs to inform the future commissioning of research and analysis.

- k. The MoJ and HMPPS strongly value the work of the Review Body. We look forward to discussing the proposals and wider evidence included in this document at the oral evidence session and receiving the Review Body's recommendations later in the year.

1 Summary of Proposals

- 1.1 Proposed pay arrangements for Fair and Sustainable (F&S) Bands 2 to 5 and 7 to 11 including Operational Graduates and Accelerated Development Scheme (ADS) Staff:
- Headline increase for staff of 2%.
 - Additional pay progression (consolidated) for eligible staff as per the detailed proposals set out below.
 - Additional non-consolidated awards for eligible staff receiving an “Outstanding” performance assessment as per the detailed proposals set out below.
- 1.2 Proposals for Uniformed Closed Grades and G4S Equivalents and Phase One Operational Managerial grades:
- Non-consolidated payment of £500 for all staff who would not benefit financially from opting into F&S.
 - Opportunities for staff to opt into F&S, where they would benefit financially from doing so, as set out in the detailed proposals below.
 - Additional non-consolidated awards for eligible staff receiving an “Outstanding” performance assessment as per the detailed proposals set out below.
 - Continued payment of any contractual payments as set out in the detailed proposals below.
- 1.3 Our proposals would mean a pay increase, depending on position within the pay range, of between c. 2% and 7% for Bands 2 to 5; and an increase of between c. 2% and 6% for managerial grades. Under our progression and pay point uplift proposals, the average F&S Officer in Band 3 will receive an above inflation pay increase of 3.8%.

2 Affordability

- 2.1 As set out in the remit letter for the 2020/21 pay round, the Government's pay policy has three central principles which must be considered when determining final pay awards. These are:
- Current and future affordability to the taxpayer.
 - Targeting awards to ensure we can recruit and retain the best public servants.
 - Accompanying workforce reform and improvements in productivity, which can then be reinvested into higher pay.
- 2.2 The MoJ must balance the need to ensure fair pay for prison staff and managers with the need to ensure value for money for taxpayers and meet increasing demands on the justice system.
- 2.3 Whilst the Department's settlement has increased following the 2019 Spending Round, the financial position in 2020/21 is set to be challenging and the Department will need to work hard to live within its budget.
- 2.4 Furthermore, as the recruitment of 20,000 additional police officers has commenced, we will need to utilise additional funding to ensure that the Criminal Justice System can respond to the expected increase in demand.
- 2.5 For those reasons, affordability within the Department is a critical part of your consideration when determining final awards. We ask that you are mindful of the wider context, including other pressures on the Department's budget, and consider the justifying evidence base for each recommendation, as well as overall value for money.
- 2.6 The estimated cost of our proposals for 2020/21 is c. £46 million (including employer National Insurance and pension costs (on-costs)). This includes the headline award for F&S staff as well as increases to pay points and non-consolidated awards for 'closed grades' staff. Additionally, we also include progression pay and other significant costs associated with pay progression for those staff below their pay band maxima.

- 2.7 Costs associated with pay award for non-remit group staff in HMPPS who benefit from the Review Body's recommendations due to common terms & conditions and equal pay read across are also included.
- 2.8 The Department has funding in place to support the proposals outlined.
- 2.9 Any recommendations above this level would be unaffordable and create significant additional pressure on the departmental budget. This would require challenging decisions to be taken to re-prioritise resources from elsewhere in the justice system, and would bear associated risks.
- 2.10 Given our affordability constraints, we also ask that recommendations should have due regard to the policy commitment to prioritise investment in the F&S pay and grading structure and the principle of F&S being a market facing approach to pay, as outlined in this evidence. The intent of closing the gap between F&S and the 'closed grade' terms and conditions was established at the introduction of F&S as part of a long-term plan. Whilst during the period of pay restraint there were limited options to make targeted investments to support this, recent years' pay flexibilities present an opportunity for HMPPS to make progress in this area.
- 2.11 Other investments across prisons are being made and prioritised. The Department continues to invest in improvements in safety and security across the prison estate and in the rehabilitation of offenders – all of which contributes to a more effective and efficient prison system and better working conditions for staff including boosting staff's health, wellbeing and morale.
- 2.12 Specifically, as announced in October 2019, prisons across England and Wales will receive a £156 million investment to tackle the most pressing maintenance issues. This new and significant investment will update critical infrastructure such as fire systems and boilers, refurbish cells and showers and improve conditions for those living and working in prisons requiring the most urgent attention. A further £100 million will also bolster prison security, clamping down on the weapons, drugs and mobile phones that fuel violence, self-harm and crime behind bars.

- 2.13 To aid the day-to-day work of prison staff, we are have begun investing £76 million over three years in the replacement of the Quantum IT system to improve the speed with which prison staff can complete essential tasks.
- 2.14 Recognising the importance of development and to enable our people to be their best, we are launching apprenticeship programmes for Prison Officers in 2020/21 and we will continue to expand leadership and capability programmes which will give staff confidence to deliver within a challenging environment. We will also be rolling out the new Prison Officer Guide developed with insights from officers involved in the 10 Prisons Project. In the same way as pay proposals, these departmental decisions to prioritise and invest in such measures are taken in the wider context of departmental and governmental affordability.

3 The Remit Group

- 3.1 The Review Body remit group comprises all Prison Governors, Operational Managers, Prison Officers and Operational Support Grades (OSGs) (in closed grades and F&S). However, the clear majority (c. 95%) of non-operational / semi-operational staff (who are not within the National Probation Service (NPS) delivery arm of HMPPS) have their pay indirectly determined by the Review Body as a result of either:
- An historical equal pay settlement that links pay awards for closed grade Prison Officers to those for non-operational colleagues with similarly weighted roles, or
 - Common pay and grading structures (F&S or the closed managerial structures).
- 3.2 The remit group also includes staff at HMP Birmingham who transferred from G4S to HMPPS on 1 July 2019 following the transfer of the establishment to the public sector.
- 3.3 Costs presented in this evidence submission are for HMPPS. HMPPS is responsible for adult offender management services in the community and custody, and for youth custody across England and Wales, within the framework set by the Government. HMPPS is an Executive Agency of the MOJ.
- 3.4 The Agency currently manages Her Majesty's Prison Service (HMP), Youth Custody Service (YCS) and the National Probation Service (NPS). In addition, it oversees private sector provision for offenders, managing contracts for privately run prisons and youth custody facilities, prisoner escort services, Community Rehabilitation Companies (CRCs) and electronic monitoring services.
- 3.5 HMP works to protect the public and reduce reoffending by delivering the sentences and orders of the courts by supporting rehabilitation and helping offenders to reform their lives, whilst ensuring best value for money from public resources

- 3.6 Table 1 below contains information on the remit group. This table contains information on the proportion of staff on F&S and closed grades and shows that staff on F&S terms continues to grow and this cohort is becoming an increasing majority.

Table 1: Headcount of operational staff in post by grade and grade type as at 30 September 2019

Staff Group	Number in Closed Grade	Number in F&S	Total Number of Staff	% of Staff in F&S
OSG	734	4,244	4,978	85%
Prison Officer	6,794	12,831	19,625	65%
Senior Officer	676	1,399	2,075	67%
Principal Officer / Custodial Manager	111	1,589	1,700	93%
Governors / Operational Managers ¹	58	896	954	94%
Total	8,373	20,959	29,332	71%

¹ Operational Manager G to A and operational Band 6 to 11

4 Current Prison Environment

Addressing the Security Threats in Prisons

- 4.1 As part of a crackdown on crime behind bars, in August 2019 we announced prison security will be boosted by a further £100 million investment. This investment will target all types of crime in prison; from drug smugglers fuelling a rise in violence and self-harm, to gangs continuing to run their operations from jail, to offenders seeking to contact their victims in the outside world. Tough airport-style security, including X-ray scanners and metal detectors, will be used in more prisons across the estate to clamp down on drugs, weapons and mobile phones that increase risk to our officers and hinder rehabilitation. This will be instrumental in preventing illicit economies in prisons, which are known to drive increasing violence, with debts being enforced, discharged or avoided through assaults on other prisoners or our staff and this behaviour can also lead to increased incidents of self-harm.
- 4.2 We can prevent criminal behaviour and activity by actively pursuing the individuals and groups responsible for this criminal action that aims to undermine the safety of officers and offenders and which inhibits offender rehabilitation. In practice this involves a diverse range of activities for staff e.g. stopping contraband such as drugs entering prisons through the gate and perimeter security, working with law enforcement to identify and disrupt criminal networks and building our staff's resilience to corruption.
- 4.3 The availability of drugs and mobile phones in prisons remains high:
- In the 12 months ending in March 2019, of the 54,242 number of random mandatory drug tests (RMDT) performed on prisoners, 17.7% were positive. This has increased yearly since March 2015, due in part to the widening scope of drugs testing and the inclusion of psychoactive substances (such as Spice), which commenced in October 2016.

- In the 12 months to March 2019, there were 11,448 incidents where mobile phones were found in prisons and 5,377 incidents where SIM cards were found. This is an increase of 8% and 14% respectively, compared with the previous 12-month period.
- 4.4 Our Drugs Strategy and Delivery Team is working with law enforcement and health partners across government to restrict supply, reduce demand and build recovery. In April 2019 a national Prison Drugs Strategy was published which required each prison to have a local drug strategy in place, tailored to the establishment and was fully implemented. Additionally, under the strategy the Department is in the process of refreshing the substance misuse and mental health training provided to new Prison Officers and ensuring updated training is available for existing staff. The strategy is accompanied by guidance for prisons and examples of best practice to support staff in tackling drugs.
- 4.5 We are strengthening our gate and perimeter security by equipping staff with the latest technology and putting in place specialist teams. Following the 2016 Prison Safety and Reform White Paper, we previously invested £70 million to improve safety, security and decency in prisons which allowed us to fund new security scanners, improved searching techniques, phone-blocking technology and a financial crime unit to target criminal groups operating in prisons.
- 4.6 Additionally, we have extended the use of X-ray body scanners more widely across the prison estate to detect prisoners with internally concealed contraband, such as drugs or mobile phones. We use body, property, cell and area searches across the estate, this is aided by dedicated search teams, metal-detecting scanners, phone detection technology and drug detection dogs. We have also created new intelligence, serious and organised crime teams who work closely with the Home Office, NCA and Police forces to target organised crime in prisons.
- 4.7 The clear majority of prison staff are honest, hardworking and dedicated. However, a corrupt few threaten the delivery of a safe and secure prison and probation service, putting our honest staff at risk. We have responded to this

threat by creating a clear internal strategy for tackling corruption and a plan which will continually improve our approach over time. We have introduced a new Counter Corruption Unit in April 2019 which is proactively working to identify and address possible cases of corruption.

Violence and self-harm in prisons

4.8 The operational context in which our prison staff work remains highly challenging. Levels of violence in our prisons, both against other prisoners and against staff, remain high, however there are some signs of improvement:

- There were 33,222 assault incidents in the 12 months to September 2019, down 2% from the previous year. Of these, 24,139 were prisoner-on-prisoner assaults, up 3% from the previous year.
- There were 10,059 assaults on staff in the 12 months to September 2019, equivalent to the previous year. Of these, 966 were serious assaults on staff, down 3% from the previous year.

4.9 Further to this, the level of self-harm within our prisons continues to rise, and the number of self-inflicted deaths has increased when compared to the number from the previous year:

- In the 12 months to September 2019, there were record high 61,461 incidents of self-harm, up 16% from the previous year.
- In the 12 months to September 2019, there were 84 self-inflicted deaths, down from 92 in the previous year.

4.10 We are under no illusion about the challenges faced by everyone working in prisons and we have a programme of initiatives underway to improve safety and security for those living and working in prisons.

4.11 We have introduced the Challenge, Support and Intervention Plan (CSIP), which provides a basic case management model to challenge prisoners who are violent, or are at a raised risk of being violent - supporting them to change their behaviour. CSIP has, since November 2018, been mandated for use in all prison establishments.

- 4.12 Following a successful pilot, we are rolling out TRiM (Trauma Risk Management), a trauma-focused peer support programme designed to support staff who have experienced a traumatic or potentially traumatic event, and we are currently considering other ways in which we can better support victims of violence in our prisons, including staff.
- 4.13 Violence against staff will never be tolerated. Independent Adjudicators may already impose consecutive additional days and there are clear guidelines in place to make sure this happens. We are also working closely with the Police and the CPS to ensure offenders face swift justice and that courts have full evidence of the harm caused, to impose the strongest possible punishment.
- 4.14 We are strengthening the protection of Prison Officers, completing in 2017 the roll-out of nearly 6,000 body worn video cameras, alongside ongoing staff training in rehabilitative conversations with the rollout of Five Minute Intervention (FMI) training. This provides staff with skills and equipment to deal with challenging situations in a fair and just way. In addition, the cameras also provide high-quality evidence to support prosecutions.
- 4.15 We have begun implementation of a national rollout of PAVA, a synthetic pepper spray, which provides Prison Officers with additional safety equipment to reduce the risk of serious injury. Staff can use the PAVA spray where there is serious violence or an imminent or perceived risk of it and where there is an immediate necessity to create a safe and protective environment. Only prisons that have rolled out the key worker scheme – which is vital in building relationships between offenders and staff – will receive PAVA.
- 4.16 In addition, the recent 10 Prisons Project was set up to turn around some of our most difficult prisons through enhanced security, strong leadership and improved living standards. In the 10 prisons, this project saw a 16% reduction in the rate of assaults, between the 3 months to August 2018 and the 3 months to June 2019. Lessons learned from this project are being used to inform how we invest the £100 million we have announced for security measures. This investment will help stop mobile phones and drugs which are known to fuel crime and disorder in prisons.

- 4.17 As an example of lessons learned, placing a focus on the Prison Officers' Guide (a 'checklist' approach as a way of supporting core tasks) and the Standards Coaching Team (trained officers going onto the wings) provided a focus on people and skills which has built confidence and standardised the delivery of core tasks.
- 4.18 Safety and security in prisons are central priorities for the department and, as seen through our planned investment of £100m in safety and security, we recognise the issues we face and are providing funding to address them. This investment will contribute to an improvement in working conditions.

Prison Performance

- 4.19 Prison performance is monitored and supported through the introduction of the prison performance framework, as introduced in last year's evidence. The current framework comprises 32 measures across six domains: Security, Organisational Effectiveness, and four which are aligned to Her Majesty's Inspectorate of Prisons' (HMIP) healthy prison tests, namely Safety, Respect, Purposeful Activity, and Rehabilitation and Release Planning.
- 4.20 The framework evolves over time to ensure measures reflect changing priorities and are based on robust evidence. New measures for 2019/20 include accommodation and employment on release and staff retention, building the outcome-based focus of the framework. Measures under development for the future continue to focus on outcomes and include education attainment, family relationships, time spent out of cell, disproportionality in outcomes (Lammy, equalities), Offender Management in Custody key worker, and release on temporary licence.

Staff Wellbeing

Occupational Health and Staff Wellbeing

- 4.20 We are acutely aware of the need to prioritise building staff morale and motivation in these challenging circumstances. It is imperative that a safe, decent and secure environment for our staff and prisoners is delivered, and this

remains our overarching priority. Our focus on staff wellbeing continues and we are starting to see positive results from the change in our Occupational Health delivery model.

4.21 There are three core services that support staff health when needed:

- Firstly, on-site Care Teams, internally trained staff who deliver independent support, signposting prison staff to availability of health services. These teams provide, care and assistance for staff in significant distress or who have been traumatised by events in the workplace. Additionally, this response, care and support includes ongoing observations of colleagues' mood and behaviours.
- Secondly the Employee Assistance Programme (EAP) offers confidential 24-hour 365-day support for prison staff with access to a wide range of services including Fast Track Trauma on-site support.
- Thirdly clinically qualified interventions are available from HMPPS' occupational health with advice, guidance and recommendations to support and rehabilitate staff members back into work following absence. If work related post-traumatic stress is identified, staff will be referred to the appropriate post-trauma therapy, either Cognitive Behavioural Therapy (CBT) or Eye Movement De-Sensitisation Reprocessing (EMDR).

4.22 Additionally, TRiM is a peer to peer risk management process designed to identify the prolonged effects of trauma on an individual and to signpost them to appropriate support services. TRiM has been used in the Police, Ambulance and Fire Service for some years.

4.23 TRiM was introduced in 2019 and our programme to deliver training to up to sixteen TRiM Practitioners in each establishment is progressing well. Following a traumatic event, a TRiM Practitioner will speak to the person involved and, through a series of questions, assess their immediate needs. TRiM Practitioners meet with the individual a month later to reassess.

- 4.24 TRiM, and the improvements that have been made in 'Hot Debriefs' and support for Prison Care Teams, has led to a significant improvement in the way we manage trauma, particularly post incident trauma. Staff are reporting that they feel better supported following incidents and understand the effects that a traumatic event can have on them.
- 4.25 We have started to move away from the traditional occupational health nurse model to a mixed delivery provision that now includes local mental health advisors working in prisons. Access to the model is open to all staff. Work to raise awareness of staff psychological wellbeing particularly in relation to self-harm and suicide amongst staff is also being taken forward with support from the Samaritans.
- 4.26 The investment in additional Prison Officers announced in the 2016 White Paper has supported the introduction of Key workers, as part of the new Offender Management in Custody (OMiC) model which has been developed and is being implemented across the estate. Key workers will support a caseload of approximately 6 prisoners. The scheme aims to build constructive relationships between prisoners and staff with a view to reducing violence and supporting rehabilitation. By bringing down violence and improving prisoner/officer relations we aim to create a safer and more constructive workplace for staff.
- 4.27 Key work implementation has been introduced in ninety prisons and over 30,000 prisoners now have a key worker assigned to them. The Offender Management in Custody (OMiC) Model also introduces a new role of Prison Offender Manager, (POM). POMs will be trained appropriately to deliver their

role effectively and will also be supported and line managed by a Senior Probation Officer.

- 4.28 We are continuing to improve Assessment Care in Custody and Teamwork (ACCT) process, the case-management system used to support prisoners at risk of suicide and self-harm. During the summer of 2018, we consulted on proposed changes to ACCT documentation intended to promote greater focus on individuals' needs and multi-disciplinary working. The revised documentation is now being piloted, in conjunction with other improvements to the system, before full roll-out can commence.

5 Strategy

HMPPS Strategy

5.1 Our pay proposals build on the recently published HMPPS Strategy; considering both wider departmental objectives and goals.

5.2 The HMPPS strategy is centred on the following principles:

Enabling people to be their best by:

- Recruiting a more diverse group of staff to achieve an inclusive culture that supports everyone to reach their potential
- Better demonstrating care for the wellbeing of people
- Attracting new talent and provide existing staff with opportunities to improve skills, knowledge and experience, and develop their careers

Building an open, learning culture by:

- Continually looking for ways to improve performance and delivering services efficiently and effectively
- Increasing the use of evidence insight and data to improve understanding of, what works, looking at good practice inside and outside of HMPPS
- Learning from our successes and what has not worked well, and sharing that learning across HMPPS and its partners

Transforming through partnerships by:

- Improving collaboration across HMPPS to make best use of collective expertise and experience
- Expanding and strengthening partnerships, coordinating services so that those we manage, can access the right interventions at the right time
- Enhancing how we work with our partners to better use our collective resources

Modernising our estates and technology:

- Working with MoJ to develop a long-term plan to invest in our estate
- Balancing improvements through investing in existing buildings with building new modern facilities
- Investing in key elements of our technology to improve the speed and functionality of IT provision for staff
- Improving technology and infrastructure to find cost-effective ways of working and innovative approaches to rehabilitation

5.3 Through this we plan to address the MoJ/HMPPS objectives of public protection, reduced reoffending and decent and safe prisons. This is in addition to the HMPPS specific outcomes of a diverse, skilled and valued workforce, and high-quality sentence management.

5.4 In addition to its overarching strategy, HMPPS has developed an internal People Plan, to help support staff and be seen as an organisation that's a great place to work in. Rolled out across the prison estate, this will shape future programming to better support and develop our staff.

5.5 The five strategic aims in the People Plan are:

- Fostering confident leaders who inspire and empower others
- Creating a more diverse workforce where everyone feels included
- Attracting and retaining talented people
- Supporting and developing people to be their best
- Promoting wellbeing for everyone

Pay objectives

5.6 A key enabler of the HMPPS strategy is our approach on pay and reward, underpinned by our continued and firm belief in our policy to continue investing more into F&S. HMPPS is continuing to refine our pay and reward model for the long-term.

5.7 Our departmental strategy is reflected in our pay proposals, based on this we are seeking to meet the following objectives through our award.

- Designing a settlement that is affordable whilst providing decent pay awards for staff, including a cost of living increase for staff in F&S.
- An award that promotes productivity through a settlement that supports continued improvement in workforce productivity and efficiency, delivering value for money and better offender outcomes. In particular, maintaining progression pay to the maximum of each pay band in a reasonable time.
- Through our pay award, improving employee and industrial relations, reducing the impact of annual pay round tensions.
- Resolve the two-tier workforce structure, maintaining the F&S terms & conditions.
- Enable professionalisation, career progression and a modern empowered workforce.
- Improving integration between prison and probation workforce, supporting continued improvement in organisational efficiency.
- Improving Black, Asian and Minority Ethnic (BAME) representation, so that the current workforce is more reflective of the offender population and wider society.
- Utilising market supplements to take a targeted approach to recruitment and retention.

Workforce reform

Two-Tier Workforce

5.8 HMPPS delivered a programme of workforce reform in 2012 through the introduction of F&S, with three main elements:

- A modernised grading and pay band structure, reducing 43 different grades and pay scales and multiple separate allowances across different staff groups into a common, 11-Band structure.

- A single Job Evaluation System to determine the relative job weight of all roles across the 11-Band structure, mitigating a significant equal pay risk of £680million.
 - Significant pay reform for Prison Officers, introducing market-facing pay scales for new entrants with existing officers able to protect their pay within closed grades. This would reduce long-term pay costs, whilst also enabling the public sector to remain competitive with the private sector.
- 5.9 F&S, as a market facing and modern set of terms and conditions, is the preferred pay model for staff working in the Prison Service, and this continues to be reflected in our evidence submissions.
- 5.10 At the time of introduction of F&S, the long-term strategy was to target investment for F&S staff in annual pay rounds over a 15-year period until the point that salaries in F&S are equivalent to closed grades. Public sector pay restraint has had the effect of lengthening the time this has taken and increased the challenges to staff morale and our position on equal pay.

Equal pay considerations

- 5.11 The two-tier workforce creates an equal pay risk as those staff who were recruited into F&S could compare themselves with those staff who are on higher, (closed grade) pay, particularly where both groups of staff are doing equivalent jobs in the Prison Service and this risk remains as long as there is a disparity in gender between groups.
- 5.12 HMPPS is committed to eliminating the pay differential overtime. With the delays in addressing the differential caused by pay restraint and in the context of that 1% pay restraint no longer applying, the need to address this issue has increased and it is therefore crucial that our pay awards invest in F&S and make progress in closing the gap.
- 5.13 A pay award that incentivises F&S and closes the pay gap therefore remains a key part of our strategy and this is reflected in our proposals.

Proposals for 2020/21

- 5.14 For 2020/21 our strategy has been slightly revised compared to previous years where we have advocated applying a consolidated award worth half of that for F&S to closed grade staff.
- 5.15 Instead, our proposal of applying a non-consolidated cash award to closed grade staff seeks to make significant but affordable progress in closing the gap whilst still recognising the hard work and commitment shown by our closed grade staff by awarding a non-consolidated cash payment.

Wider work

- 5.16 The Review Body has previously cited concerns about the lack of trust and confidence amongst OSGs in terms of being forced to change to what are perceived to be less beneficial overall terms and conditions. We recognise this issue and will continue to develop the opt-in approach through increased engagement with the Prison Officers Association, staff, and the HR Business Partner community to prevent miscommunication.
- 5.17 Furthermore, we have implemented a range of supportive policies to improve the attraction of F&S to staff on closed grades and the overall proportion of F&S in the workforce and we continue to develop these offers. Recently implemented policies include:
- Our new pay on promotion policy from October 2018 to encourage our most experienced closed grade staff to take the increased promotion opportunities and develop their careers (which in turn will provide more operational stability by reducing the number of roles backfilled through temporary cover).
 - Achieving our recruitment target of a net increase of 2,500 Prison Officers by December 2018 in line with the 2016 White Paper commitment, and improve retention and diversity through the new recruitment and attraction service. Having met our recruitment target ahead of schedule we will continue to recruit to fill vacancies in prisons and maintain appropriate staffing levels.

Promoting effective leadership

- 5.18 The First Line Manager Core Programme is a 4-month blended programme that is aimed at HMPPS staff working in a First Line Manager capacity, and provides them with an introduction to line management. Through this we are developing effective management capacity across HMPPS and the Department's ability to implement meaningful performance management measures.
- 5.19 In March 2019 the programme was evaluated showing that 298 people had completed the programme since being introduced in 2018. Feedback is very positive, with 97% of respondents stating they now have a better understanding of what is involved in being a line manager. Our Senior Leaders Direct Entry Programme is designed to attract individuals with transferrable skills from other sectors, to join the Prison Service as senior managers to improve, increase and develop a more diverse senior leadership cadre. Delegates follow a structured immersion scheme, preparing to take on the role of Deputy Governor and beyond on completion of the programme. The first cohort that started in 2018 and attracted 21 talented individuals from a wide range of careers are moving into substantive Head of Function roles and preparing for the Deputy Governor Assessment Centre. To attend this training, they have completed Prison Officer Entry Level Training (POELT). The second cohort started in October 2019 graduating in 2022.
- 5.20 The recruitment campaign won five industry awards and has been commended for an honest and transparent approach regarding who we need in the service and why.
- 5.21 Additionally, following our recent leadership review across HMPPS, we are implementing a variety of new high potential development programmes which are providing routes for our most promising staff to progress into leadership positions:
- The first major addition to the leadership offer following the Leadership Review is the Strategic Leadership Programme, which prepares some of our most promising Deputy Governors, Senior Probation Officers, and HQ equivalent leaders for the next level of senior leadership over an 18-week period. These

delegates will be exposed to a wide range of leadership styles through placements in other organisations and participation in modules provided by the Ministry of Defence's Defence Academy in Shrivenham.

- Replacements to the talent development programmes are currently in development and, pending approval, a new programme (working title 'Spark') will replace the ADS. Existing delegates on cohorts 2 and 3 of the ADS will continue on the scheme until completion. Our aim is to launch a first cohort of Spark in the 2020/21 financial year. The Accelerated Development Scheme (ADS) is an 18-month high potential programme developing talented Band 3 - 4 Prison Officers into Band 7 Heads of Function. It includes a Level 5 Apprenticeship qualification in Operational Management. The first cohort started in September 2017 with 18 participants and is coming to an end in December 2019. The induction week for the 3rd cohort of ADS began in October 2019.
- Leadership Empowerment Accountability Programme (LEAP) is an 18-month programme, launched in September 2017, to develop 26 talented Heads of Function to become Deputy Governors and the first cohort finished in March 2019.

5.22 The Aspiring Leader Programme is split into two parts: 1. The Aspiring Leader Workshops where we are aiming to run two HMPPS pilots before the end of March 2020 (20 per cohort) to be held in the North West and South West / Central areas which will consist of three workshops; and 2. The Aspiring Leader Toolkit – a self-led learning kit accessible to all which is being converted into a fully accessible interactive document. This programme aims to support staff moving into leadership and management roles and develop their confidence and capability in preparation for career.

5.23 In addition to our dedicated leadership scheme, we continue to promote effective leadership in HMPPS, through our Unlocked Graduates scheme. Unlocked has been in prisons for just over two years. The first cohort of 37 graduated in July 2019 with Masters Degrees in Leadership and Custodial Environments. From three cohorts, 234 Officers have now been placed in 14

prisons across London and the South East. From September 2019 the scheme expanded to the North West.

- 5.24 Demand for the programme is growing every year: Unlocked received over 1,500 applications for the 2019 entry, representing 15 applications per place on the programme an increase of over 30% from last year. Over half of these applications came from Unlocked's top target universities - including 34 Oxbridge graduates.
- 5.25 Before Unlocked began recruiting on campus, only 6% of students at top universities thought that a career in the Prison Service is 'for the very best graduates' – this figure has tripled to 22%. Of the 100 new Officers starting the Unlocked programme last year, we have had strong feedback that they would not have considered becoming a Prison Officer were it not for Unlocked.
- 5.26 The Unlocked Graduate Scheme was named Graduate Scheme of the Year in 2018 at the prestigious Personnel Today Awards, and led the Prison Service to be ranked at number 49 on the Times Top 100 Graduate Employers in 2019.

A Professional and Skilled Workforce

- 5.27 In addition to leadership focussed initiatives, we remain focussed on supporting the development of senior grades through initiatives to build a strong talent pipeline across the prison workforce. A key focus of our reform programme has been on improving the recruitment and training for operational grades.
- 5.28 In 2017 we underwent a review of the Prison Officer Entry Level Training (POELT) programme leading to two revised POELT six-month training pilots which launched in April 2018. These pilots extended training from the existing 10 to 12 weeks to between 17 or 20 weeks, and combined classroom and experiential learning.
- 5.29 Following this review in October 2019 the Early Adopters scheme was introduced whereby POELT training was offered to newly recruited Prison Officers through a 12- month apprenticeship, which on successful completion will see these new Prison Officers achieve a Level 3 Custody and Detention apprenticeship. During this same time frame all Officers on the apprenticeship

will be required to demonstrate competence in Level 2 Functional skills in English and Maths. New Prison Officers who do not wish to participate in the apprenticeship will complete the training as a foundation course without the apprenticeship certification on completion.

- 5.30 By spreading the learning over a 12- month period the new apprenticeship/foundation course provides a real chance to build and increase new Prison Officers' confidence and resilience whilst embedding their learning experience and we hope this will lead to a best practise approach being adopted at the very start of a new Officer's prison career. Through professionalising new staff training from the out-set we believe this will lead to an improvement in the attraction and retention of our new Prison Officers, which an addition to an improved skill set across the estate will allow HMPPS to increase its pool of experienced Officers.
- 5.31 The move to an apprenticeship programme for all new Prison Officers we believe will help to underpin the importance of each individual learning element of the training, whether operational or softer people skills, and by expanding the training over a 12-month period it enables full and accurate learning to occur.
- 5.32 This extended and controlled approach will aid new Prison Officers in building their resilience whilst protecting their mental health and wellbeing by sharing experiences and outcomes throughout the training year with their peers working at other prison establishments.
- 5.33 The Early Adopters Apprenticeship scheme will be launched nationally in May 2020 and we believe this will heighten the Prison Officer recruitment profile of being a professional career option for prospective candidates seeking a career in the Criminal Justice System.
- 5.34 As part of this extended training and with the increased challenge of drug and psychoactive drugs in prisons we have rolled out substance misuse and mental health training to all new and existing Prison Officers.

Specialist Prison Officers

- 5.35 One of the ambitions set out in the Prison Safety & Reform White Paper is the professionalisation of the Prison Officer role. We are planning to create c. 2,700 new opportunities for existing staff to progress into new Band 4 Prison Officer roles that focus on enhanced skills including covering Advanced Control and Restraint, mentoring and negotiation.
- 5.36 This proposal is currently in the process of negotiation with the Prison Officer Association (POA), who have taken a keen interest.

Permanent Contract Hours

- 5.37 In addition to the promotions policy, we are also proposing new arrangements for permanent contracted hours which will allow Prison Officers and Support staff who are in F&S to vary their working hours over and above 37 per week. This will be applied to both existing staff and new starters who are automatically contracted to F&S and our initial proposal is to offer a standard 39-hour working week. This aligns to standard shift patterns and should help us to reduce our reliance on Payment Plus (overtime).
- 5.38 As outlined in the previous year's evidence, Payment Plus generates additional costs for the organisation. Reducing reliance on these higher more expensive rates will therefore generate savings for HMPPS. Savings will also be made where recruitment costs are reduced as the number of vacancies fall.

Youth Justice

- 5.39 Since 2007/8 we have successfully reduced the number of children in custody by over 70%. However, this has left us with a concentrated cohort of children who demonstrate very complex needs and challenging behaviour.
- The proportion of children in custody for violent offences, robbery and sexual offences increased from 59% in 2012/13 to 70% in 2017/18.
 - Children in custody are significantly more likely to have special educational needs and/or disabilities (SEND) (45% of new entrants between April 2014 and

March 2016 were diagnosed as having SEND (without a statement, and 25% with a statement) and most have records of persistent absence from school.

- Many of them have been through the care system - between April 2014 and March 2016, 33% were recorded as currently being a 'looked-after child' (LAC), with a further 16% having previously been a LAC.
- In 2018/19, 34% of children self-reported as having health problems, including mental health, 24% reported problems with drugs, and 7% with alcohol.
- In 2017/18, 17% of children self-reported as having gang-related problems.

5.40 Recognising these challenges, we have invested in advanced training for our workforce to ensure they have both the requisite knowledge of these causes and contexts of youth offending, and the effective practice skills to be able to address and manage these needs in a secure setting.

5.41 The Youth Custody Service was established in September 2017 and at the end of September 2019, the Youth Custody Service had 289 more frontline officers (operational Bands 3 to 5) than at the start of the reform programme in January 2017 an increase of 33%. This increase in staff has enabled the Prison Service to develop a more specialised and individualised model of care for children in custody in public- sector Youth Offender Institutes. We have introduced a new Band 4 Youth Justice Specialist role in youth custody. This role is designed to address the root causes of children's offending behaviour, develop strong positive relationships, effectively managing behaviour, and co-ordinating progress through rehabilitative programmes.

5.42 We are providing funding for every Band 3 Prison Officer in the YCS to undertake up to a foundation degree (Level 5) in youth justice and, for those that take it up, transition to this new role on promotion and at a higher pay-grade. The foundation degree takes 26 months in total, with promotion after 13. The qualification covers the latest theories about the causes and contexts of youth offending, and the "best practice" skills for working with vulnerable children. We are also providing funding for every Band 4 Supervising Officer to train and transition to the role on level transfer.

- 5.43 Our ambition is to have all Prison Officers and Supervising Officers in the YCS trained, or in training, to be a specialist by 2023 or be supported to redeploy into a role outside of the primary care of children.
- 5.44 Training started in April 2017 and approx. 50 specialists are now confirmed in post. Although the numbers for this first cohort – a pilot – have been small, we have already enrolled over 300 staff on the training and 125 more will register in April 2020 and every 6 months after that.
- 5.45 All new Band 3 recruitment is updated to a Band 3 Youth Justice Worker job specification, which emphasises the skills and duties required to work with children in custody. It also states the expectation that these Youth Justice Workers will complete the qualification and become specialists in line with the transition of existing staff once they have passed probation.
- 5.46 The POA have fully endorsed these reforms and we are working together to provide the necessary support for staff during this transition.
- 5.47 We have invested in advanced training for our workforce to ensure they have both the requisite knowledge of these causes and contexts of youth offending, and the effective practice skills to be able to address and manage these needs in a secure setting.

6 Performance Management

2020/21 Proposals

- 6.1 We are committed to recognising and rewarding achievements and positive behaviour from staff.
- 6.2 We recognise that there are issues in performance management across the prison system, in particular for officer grades - as identified by the Review Body - and the system is being reviewed to ensure it is effective and robust enough to be linked to pay. Therefore, within our 2020/21 proposals we are not proposing to link end of year SDPR ratings to progression for officer grades. This is a time-limited measure for one year only ahead of the development and implementation of a more robust performance management system for staff. For manager grades, whilst improvement is still required, we believe the processes to be sufficiently robust to maintain both withholding progression for those who do not receive at least a “good” rating and for additional non-consolidated payments for those rated as “outstanding”.
- 6.3 We are in the process of planning significant reform for the performance management process, across HMPPS, and are looking at both the effectiveness of the system at all grades, as well as how we will seek to link it to pay in the future. At the time of preparing this report, this remains in development and new approaches have not been communicated to staff. We cannot therefore provide the full details of the reform – however we can commit to provide a further update at the oral evidence session.

Review of and improvements to performance management

- 6.4 To support the development of new performance management policies, we have undertaken a review of staff performance within HMPPS, focussing on meaningful conversations.
- 6.5 HMPPS is considering a pilot of a new performance management system which will align with the wider MOJ direction of travel and will focus on growth and learning. In recognising that engaging staff within the workplace and supporting

them in their performance and aspirations will help drive and improve wider organisational performance, we aim to move away from the currently held perception of performance being driven by data and bi-annual reporting. Instead, piloted approaches will focus on ensuring quality conversations are taking place between line managers and staff. This pilot will target both new and existing line managers.

- 6.6 To improve delivery of performance management, HMPPS have implemented a First Line Manager programme which is aimed at new line managers. This programme provides a modular approach with additional sessions on follow-up discussions to include influencing, providing feedback, conducting high quality conversations, developing people, and Prison Officer induction. This method sets out the roles and responsibilities of managers and staff members as part of the performance management process.

Performance management and diversity and inclusion

- 6.7 Our assessments indicate the performance management system is inadequate in assessing women, BAME and disabled staff. To mitigate this, HMPPS introduced equality objectives for all staff as part of the appraisal discussions in May 2017 where staff are expected to demonstrate achievement in this area. To assist this process, guidance documents are available on the intranet for managers and equality objectives are embedded in the SPDR form.
- 6.8 All performance management related communications and guidance contain a specific reference to equality issues for staff and managers to consider and managers are also encouraged to undertake Unconscious Bias training. In addition to these developments, work is being undertaken by HMPPS to explore how we can reduce bias in the SPDR process.
- 6.9 Work is ongoing to reduce the disparity of SPDR markings for BAME and disabled staff which also looks at reducing the bias in the SPDR process.

7 Productivity

7.1 Government pay policy is clear that additional investment in public sector workforces requires clear productivity improvements to be made in return.

Improving recruitment and retention

7.2 For Band 3 to 5 Officers, the resignation rate was, 7.6% in the year ending 30 September 2019, which is an increase of 1.1% from the previous year. Improving our retention rate of prison staff will build our pool of experience and increase productivity and improved outcomes overall. Additionally, it boosts confidence and morale through reduced turnover, and decreases the reliance on more expensive overtime across the estate.

7.3 It is clear that retention of experienced Officers (measured by the proportion of staff with at least two years' experience) saves on recruitment costs. It is also important for developing a strong pipeline of future leadership talent. Additionally, our internal evidence shows that experienced Officers have a positive effect on reducing violence in prisons. Our plans to improve our L&D offer and the POELT Apprenticeship model, are a significant step in developing our talent pipeline. However, in order to maximise the effectiveness of these schemes, experienced Prison Officers working alongside new recruits will be essential.

7.4 Our pay proposals for 20/21 seek to support the wider strategy on recruitment and retention (as set out further in the recruitment and retention chapter) by providing a meaningful pay offer to staff – including progression pay to those below the maximum. As identified by our evidence this will benefit productivity through greater cumulative experience in the workforce.

Development training for Prison Officers

7.5 In Autumn 2019 Prison Officer Entry Level Training (POELT) was extended to a 12-month programme, offered with two learning options of either joining as an apprenticeship or as a foundation training programme. This change ensures that new Officers will begin their role, better prepared, and with a greater

understanding of the Prison Officer role. We anticipate this will boost effectiveness and productivity in teams with high levels of new staff, and improve retention through reducing early dropouts following POELT. Further detail is provided in the strategy chapter of this report.

- 7.6 The Key Worker role within the new OMiC model has rolled-out across prisons. This has been enabled by the investment in additional Band 3 Officers, and supports us to focus Officers at this grade more effectively on improving outcomes on safety and rehabilitation. Early indications suggest that good progress is being made in improved staff-prisoner relationships, enabled by additional one-to-one time with staff profiled into the Key Worker role. This will support both reduced violence and self-harm and desistance from offending. We are in the process of undertaking a statistical analysis into the effectiveness of OMiC.

Drugs and Offender health

- 7.7 We are rolling out an improved training package for Officers to better tackle the increasingly complex prisoner health requirements. We have committed to working closely with our health and justice partners (Department for Health and Social Care, NHS England, MoJ, HMPPS & Public Health England) to deliver safe, decent, effective healthcare for offenders through the National Partnership Agreement, published in April 2018.
- 7.8 We are testing and evaluating innovative approaches through our £9 million Drug Recovery Prison pilot at HMP Holme House. This is a joint project between MoJ/HMPPS and DHSC/NHS England to tackle drugs in prison and help prisoners improve their chance of recovery. This will help to curb drug use in prisons and allow Prison Officers to dedicate the necessary time and resource to tackle these situations, without compromising other aspects of the role.
- 7.9 Additionally, staff receive training in key areas such as mental health and substance misuse – over 25,000 new and existing prison staff have completed at least one module of revised suicide and self-harm prevention training. Over

14,000 staff have received training in all six modules, ensuring support for inmates is not dependent on only a small number of staff.

Workload assessment

- 7.10 As referenced in the Review Body's 2019/20 recommendations, HMPPS is in the process of developing a workload assessment for Operational Managers ('WLAP'), to ensure that we can be confident about aligning the number and type of posts to the work demands.
- 7.11 The project looks at work carried out by Managers (Bands 7 to 11) in prisons and will seek to understand whether there is sufficient capacity, at the right grades, to deliver work effectively in prisons.
- 7.12 The initial phase of the project has gathered evidence, through prison visits and staff surveys, to understand and assess how effectively and efficiently the current allocation approach works and identify alternative ways allocations could be made and evaluate their benefits.
- 7.13 The project has reported initial findings to the Implementation Working Group and subsequently to the Prison Director-General and his senior management team. HMPPS is now considering the initial findings of the project and the relationship with the current Job Evaluation Scheme Review (described below) before determining next steps. These are expected to be formally agreed in early 2020 and will set the timetable for future work. A further update can be provided at the oral evidence session.

Job Evaluation Scheme Review

- 7.14 The Prison Service, alongside the relevant headquarters functions, introduced a bespoke job evaluation scheme (JES) in 2012. HMPPS remains committed to having job evaluation schemes for the critical work that staff do, reflecting the operational demands of that work, as we continue to believe that it is the fairest way to monitor and evaluate weighting of activities and reward.
- 7.15 HMPPS remains firmly of the view that the JES remains a fit for purpose tool, however we have decided that, given the changes within the Agency since our

bespoke JES system was first introduced in 2012, the timing is right to undertake a focussed review of JES for prison and headquarters roles.

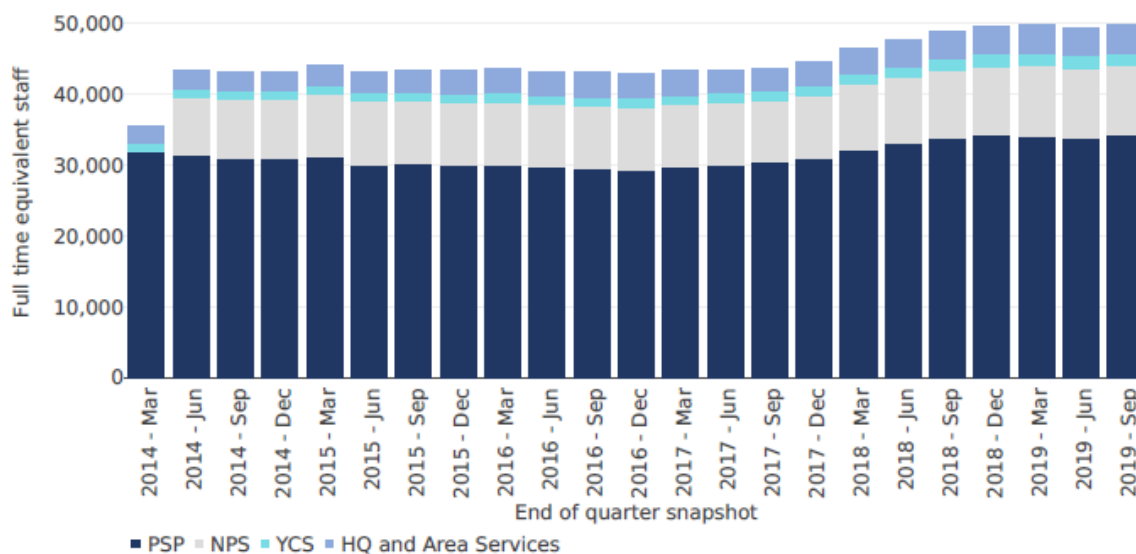
- 7.16 JES is a robust system but needs a refresh to keep it current in language and aligned to the changing nature of the organisation. The review will focus on some specific objectives that will help us to continue to ensure the Agency is compliant with all its - responsibilities, whilst reflecting the changes we have made within the Agency since 2012. Recent changes to reflect our continuing focus on improving the diversity of our workforce, including the introduction of success profiles, provide further impetus and accelerate the need for a review.
- 7.17 We want to future-proof the JES, update the associated guidance and use an independent advisor to make sure we remain legislatively compliant and not exposed to future challenge.
- 7.18 The project will also review the compliance and assurance aspects of the scheme so that we continue to maintain a defensible position that protects the Agency against litigation and equal pay claims. The project will look again at some specific objectives, including factor nine (emotional demands and risk) reflecting the emotional demands of the work done by offender-facing staff and the role of a Duty Governor, and work collaboratively with our trade unions in a transparent manner.
- 7.19 The current wider work on prison reconfiguration presents an opportunity to revisit not only the complexity levels of prisons, but also to test our JES design principles and structures. Governor empowerment and the 10 Prisons Project are pushing the boundaries of what a senior structure needs to look like in 2020 and the review will need a strong focus on this, especially as it links to the impact on Governing Governor roles.
- 7.20 The JES review project is currently making good progress gathering data across the estate. The project will report in Summer 2020.

8 Recruitment, Retention and Market Supplements

Overview

- 8.1 Prison Officers are some of our finest public servants and we are committed to making sure their working environment is safe and that Officers are empowered to do their jobs. To achieve this, we need to ensure the prison establishment has an inclusive and diverse talent pool and we are creating various entry routes to make the workforce more representative of the UK and working population.
- 8.2 Recruitment and retention of sufficient numbers of Prison Officers to deliver the safe decent and secure regimes we require in all our prison establishments requires our prison staff to feel supported, safe, confident and motivated to carry out their duties. We continue to be committed to ensuring that each prison has the right staffing levels to meet each prison's capacity and experience requirements.
- 8.3 We recognise the need to recruit and retain staff to keep our prisons safe and secure and to achieve this we have invested significantly in increased staff numbers, recruiting an additional 4,581 FTE Prison Officers between October 2016 and September 2019.
- 8.4 As at 30 September 2019, there were **22,536** FTE Band 3 to 5 Officers, which is a slight increase of **218** (1.0%) compared to 30 September 2018 and a slight increase of 215 (1.0%) FTE Prison Officers since the previous quarter. Chart 1 below shows the number of FTE staff in post between March 2014 and September 2019

Chart 1: Number of HMPPS staff in post on a FTE basis, 31 March 2014 to 30 September 2019 (Source: Table 1)



Source: HMPPS - Oracle HRMS and Single Operating Platform.

- 8.5 The number of Band 2 Operational Support Grade (OSG) FTE staff has not changed substantially against the previous year and has achieved a small increase of 33 (0.7%) compared to the previous quarter, to stand at 4,700 for 30 September 2019.

Recruitment

- 8.6 We continue to invest in our recruitment strategy and we have improved the quality of our advertising to ensure that job adverts give a true reflection of the role promoted the total reward package, and are prominent on social media. Current rates of pay are competitive – and market supplements are applied in areas where the local labour market requires it.
- 8.7 The Local Recruitment Advisor role introduced in 2018 continues to support candidates applying to join the Prison Service and contributes to our recruitment campaigns, looking at ways to promote the positive work of the Prison Service while improving the candidate experience.
- 8.8 The launch of the amended Prison Officer recruitment process in October 2018 where recruitment of new Officers is based on the newly introduced Civil Service ‘Success Profiles’. By focussing on candidate strengths and behaviours this is aiding our assessment of the suitability of candidates for the role. This

fresh style of recruitment and assessment aims to attract candidates from a wide and diverse range of backgrounds.

- 8.9 The Prison Pay Comparability Study, commissioned by the Review Body, has increased our understanding of Prison Service pay within the market. This valuable study provides us with an increased understanding of the prison pay market sector and has been used in this year's proposals which will assist and help guide our future decision-making process when coupled with our own recruitment and retention data and future research and analysis.
- 8.10 Pay is only one factor in recruitment and retention, and investing in the development and training of our prison staff and the infrastructure of our prisons will empower the Prison Service to meet recruitment and retention challenges whilst continuing to reform the service, to provide a strong rehabilitation structure for offenders in our care.
- 8.11 These changes and developments will take time to embed and even with our successes in recruitment since 2016 we remain cognisant of the future challenges in this area and we will analyse the impact and continue to work on our pay offer in particular:
- Staffing the 10,000 prison places announced in August 2019 which are in addition to the already announced new prisons at Wellingborough and Glen Parva which between them will provide 3,360 places by 2023. It is yet to be decided whether these prisons will be operated privately or be within the HMP Estate
 - Recent government commitment to increase the police force recruiting an additional 20,000 officers and these challenges will require a continued and ongoing drive to maintain our recruitment success.
- 8.12 We will continue to work with cross government colleagues to understand and plan for the impact of police recruitment on both supply and demand in the prison estate – including for workforce. Similarly, expansion of the Border Force will impact on specific sites and we are monitoring the effect of this closely.

Market Supplements

- 8.13 Market Supplements remain a key aspect of our strategy to support establishments where there are the greatest recruitment challenges. For 2020/21 we are proposing that market supplements remain in place. Current approvals to implement market supplements take us up to the end of the 2020/21 financial year and securing market supplements beyond this point will require careful consideration of the effectiveness, value for money and ongoing need for market supplements followed by the standard government challenge and reassurance for an investment of this size. A market supplement review is being carried out to support this and an update on the initial findings can be provided at oral evidence.
- 8.14 For our proposals for 2020/21 we believe do not require any further targeted investment in specific pay bands or regions and our pay proposals reflect this. This is due to addressing our core areas of recruitment and retention of Band 3 Officers and the research demonstrates that a competitive salary is offered. The availability of pay flexibilities such as market supplements which are currently being paid in 32 prisons in London and the South East, remains our preferred strategy to address local pay issues by linking these to specific roles.
- 8.15 Table 2 below sets out the location of the current market supplement sites:

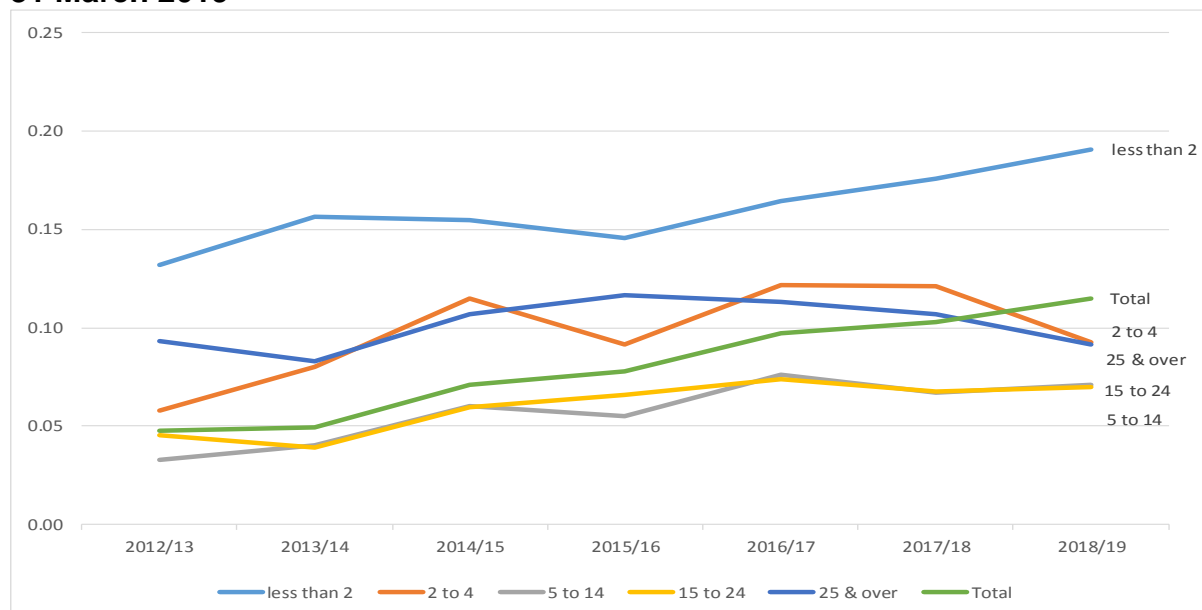
Table 2: Red and Amber Market supplement sites

Market Supplements	
Red Sites	Amber site
Aylesbury (HMYOI)	Belmarsh (HMP)
Bedford (HMP) (Eff 01-Feb-17)	Brixton (HMP)
Bullington (HMP)	Chelmsford
Coldingley (HMP)	Erlestoke
Cookham Wood (HMYOI)	Guys Marsh
Downview (HMP & YOI)	Isis (HMP & YOI)
Elmley (HMP)	Lewes
Feltham (HMYOI)	Littlehey
Grendon & Springhill (HMP)	Pentonville (HMP)
High Down (HMP)	Rochester (HMYOI)
Highpoint (HMP)	Wandsworth (HMP)
Huntercombe (HMP)	Whitemoor
Medway Secure Training Centre	Wormwood Scrubs (HMP)
Send (HMP)	
Stanford Hill (HMP)	
Swaleside (HMP)	
The Mount (HMP)	
Winchester from April 2019	
Woodhill (HMP)	

Retention

- 8.16 Once we have attracted and trained the right caliber of new Prison Officers, our focus turns to how to retain this hard-won pool of Prison Officers and ensure that their motivation and personal resilience is maintained by showing them that a career in the Prison Service, whilst challenging, can be very rewarding and can meet their career aspirations.
- 8.17 Generally, the picture is positive on Prison Officer recruitment for the majority of the country. However, retention of Prison Officers especially in London and South East remains challenging with the leaving rate of Band 3 to 5 Prison Officers as at 30th June 2019 at 11.5%, an increase from the 10.3% for the previous year. Chart 2 below provides an indication of the leaving rates of permanent Band 3 to 5 Prison Officers over the last six years.

Chart 2: Leaving rates of permanent Band 3 to 5 Prison Officers by length of service (in years), 12 months to 31 March 2013 to 12 months to 31 March 2019



- 8.18 As already discussed in this report the announcement in September 2019 that the Police Force will recruit 20,000 new police officers with up to 6,000 officers planned to be recruited by the end of 2020/21, cannot be overlooked. We must be mindful that, with the introduction of the new Level 3 Custody and Detention apprenticeship and additional Level 2 apprenticeships in Maths and English, Prison Officers will increase their potential to be pursued by competitor recruitment campaigns from both the public and private sector.
- 8.19 We are looking to address these attrition concerns by developing long term incentives and support through the apprenticeship induction training package which incorporates classroom training with prison estate on-site experience carried out over a 12-month time frame. We believe these improved career development opportunities will aid in helping to reduce the number of early leavers from the Prison Service.
- 8.20 Professionalising the Prison Officer role and the addition of increased formal learning and achievement through apprenticeships will offer greater career opportunities to new Prison Officers, and help in maintaining existing staff whilst attracting new Prison Officers into the Service.

- 8.21 Our leadership development offer aims to ensure that newly recruited and existing managers have the skills and resources to support all our prison staff, offenders and the prison estate they work in – and offer career paths that support retention. To do this we have introduced a range of leadership training and development courses again mention earlier in this report and which include The Strategic Leadership Programme (SLP), Accelerated Development Scheme (ADS) and Leadership Empowerment Accountability Programme (LEAP).
- 8.22 Retention of experienced Prison Officers is essential for managing a stable regime and we have improved our promotions policy and in doing so expect more staff to apply for permanent promotion. This improvement will act as an incentive for staff to further their careers whilst allowing the Prison Service to promote talented staff and improve capability across the Prison Officer cadre.
- 8.23 Staff promoted between Bands 2 to 11 will receive the full base pay percentage increase (capped at the pay range maxima) of 10% for a promotion of one Band and 15% for a promotion of two Bands or more. Since 2014/15 promotions to Band 4 have increased by 140%.
- 8.24 Further challenges we continue to face are with prisons in high employment areas such as major towns and cities. These prison establishments generally have the added challenge of competitor careers in the police or security services which can be perceived to be offering enhanced salaries, working hours and terms and conditions.
- 8.25 To address this concern, we are targeting prisons where the loss of experienced staff is the highest to understand the underlying causes of why staff are leaving and look at the actions the prison estate must take in order to stem this loss and address this situation long term.
- 8.26 Incentives are offered at sites where it is hard to recruit and retain staff, and we are tackling recruitment issues using market supplements and a tailored approach to our recruitment marketing. As discussed earlier in this chapter, our proposals for 2020/21 are that market supplements remain in place and we are

undertaking work to review their effectiveness and agree future approaches after March 2021.

Diversity & Inclusion

- 8.27 The Lammy Review on the treatment of, and outcomes for, BAME individuals in the Criminal Justice System (published in September 2017) made two recommendations that specifically relate to increasing the proportion of new BAME Prison Officer recruits; and improving representation of BAME leaders in the prison workforce. Both recommendations were accepted in the Government's response to the Lammy Review in December.
- 8.28 We recognise the benefits of having a diverse workforce that reflects our offender population and The Lammy review of 2017 recommended the Prison Service increased the recruitment of BAME staff and we have made a public commitment that 14% of all new recruits across HMPPS will be from BAME backgrounds by December 2020.
- 8.29 To achieve our BAME commitment, we are tailoring attraction and marketing recruitment campaigns to focus on increasing BAME representation, race and additional protected characteristics.
- 8.30 We are strengthening our data systems for capturing protected characteristics to ensure that we can analyse the success of our campaign to recruit BAME staff into the Prison Service ensuring that this valuable information is gathered and transposed into new starter staff records. As part of this information gathering we are also developing measures to increase the diversity of our senior leader cadre.
- 8.31 Our active BAME recruitment has been particularly successful in the Unlocked Graduate Programme with 19% of Prison Officers recruited through this programme being BAME; this result is well above the rate seen in historical recruitment campaigns and this scheme is helping us to create a more diverse workforce by recruiting individuals from a wide range of backgrounds.
- 8.32 Through volume recruitment campaigns, such as Prison Officers, we have received feedback from BAME staff recruits that indicates that the potential

staff, from BAME backgrounds are not as attracted (as white applicants) through mass-market and wider media campaigns. Feedback suggests that potential BAME applicants are much more likely to respond to more localised and audience centred Marketing and attraction. Whilst the wider campaigns are much more cost effective, we know that this type of recruitment activity will be insufficient if we are to reach out to the BAME workforce that we need to recruit.

- 8.33 HMPPS recruits to over 100 geographically dispersed locations across England and Wales, much of which are rural and not as diverse. It is this location perspective that will also determine whether HMPPS is able to meet the recommendations. The lack of working BAME population in areas where prisons are located means that those in areas with high density would need to over-index if the target is to be met. We are working with analysts and Politico to better understand where the primary areas of challenge are in the national recruitment perspective and where additional marketing funding would best be targeted.

Training

- 8.34 To ensure that the Prison Service can meet the challenges presented by the changing demands and needs of the offender population we are continuing to develop and improve the training offered to new and existing staff, paying attention to their mental health, wellbeing and resilience. These developments include replacing the previous 10-12 week Prison Officer Entry Level Induction Programme (POELT) with a 12-month certified Level 3 apprenticeship in Custody and Detention, as mentioned earlier in this report
- 8.35 By introducing an Apprenticeship training package, we aim to increase the appeal of working in the Prison Service, elevating the personal development and career opportunities available to new recruits considering a career in the Prison Service by showcasing how we are professionalising Prison Officers' skills. These changes to welcoming and inducting new Prison Officers we believe will help us to attract new staff from a wide range of backgrounds and experiences.

- 8.36 We also hope that by offering new Prison Officers an apprenticeship induction package that it will contribute to social mobility through enabling less academic Prison Officers the opportunity to develop their skills and careers via a vocational training method. This in turn will help to meet our aspirations to develop a more diverse workforce.
- 8.37 Another key aim of updating the new Prison Officer induction training to a Level 3 Apprenticeship is to reduce early drop-out rates of staff, and we hope to secure and build on new Officers' confidence and resilience from the outset of their careers, through the increased and ongoing support and guidance that this new induction will offer. This increased induction period we believe will lead to an empowered, supported and supportive workforce.

Staff Health Wellbeing and Resilience

- 8.38 Recruitment and retention pressures are not driven solely by pay and there are other factors that contribute to staff leaving such as their working environment, protecting their personal mental health, wellbeing and resilience.
- 8.39 OMiC mentioned earlier in the report aims to address the on-going concern of safety in prisons, with Prison Officers working as key worker to manage a small caseload of around six offenders that they meet with regularly to provide supportive challenge to motivate these offenders to use their time in custody to the best effect.
- 8.40 Early qualitative findings from the OMiC key work scheme highlight that both Prison Officers and offenders are responding positively to this new important initiative.
- 8.41 State of the art technology is also being employed alongside holistic interventions to help prison establishments improve safety and we have embedded the use of Body Worn Cameras (BWC) and implemented the Five - Minute Intervention (FMI) strategy which provides practical verbal approaches to help to de-escalate and prevent incidents on the prison wings.
- 8.42 With the additional help of the training, personal development and empowerment initiatives mentioned above our challenge is firmly centred on

recruiting and retaining prison staff and their valuable skills and experience, in particular in the 32 prison establishments where we pay a market supplement. Retention of these experienced Officers is crucial for productivity, regime stability and achieving better outcomes.

9 Regional Pay

- 9.1 HMPPS seeks to ensure that F&S pay within each of the three pay zones is competitive with external labour markets. The prisons in which recruitment and retention pressures are most pronounced are concentrated mainly in London and the South East. However, evidence suggests these challenges arise due to establishment specific problems and are often in relation to either accessibility issues or the presence of a major competing employer in the immediate locality rather than the broader geographical area.
- 9.2 In most cases, pay for similar work within the labour market and the demands of the role of a Prison Officer mean that prisons are unlikely to be able to compete with less demanding jobs that pay comparable salaries.
- 9.3 It should, however, be noted that these levels of pay exclude the recurring allowances that are paid in recognition of additional committed and unsocial working hours. These allowances comprise a significant proportion of the total pay received by those in operational Prison Officer and support roles, as well as the required hours addition (RHA) payment which comprises 17% of pay for Operational Managers. As evidenced above, the total cash analysis (including additional committed and unsocial hours payments) for Bands 2 to 4 compares more favourably to external comparators.
- 9.4 There is currently no compelling evidence of widespread recruitment and retention issues specific to managers (either operational or otherwise) or to the clear majority of non-operational roles.
- 9.5 Our view is unchanged from previous evidence submissions, and we believe that targeted interventions and our pay proposals remain the most appropriate way to address recruitment and retention pressures specific to HMPPS and moreover, to specific establishments within the estate and the limited number of roles within these establishments.
- 9.6 More permanent and all-encompassing solutions, such as amendments to the F&S zonal pay model (or the re-introduction of universal local pay additions)

would be a permanent and costly approach to address recruitment and retention pressures.

- 9.7 Regional pay is contrary to government public sector policy. Pay cannot be as easily targeted to when and where interventions may be necessary, nor can it be discontinued as and when recruitment and retention pressures dissipate.
- 9.8 Regional Pay may also create more permanent and blanket divisions within the workforce compared to the use of market supplements.
- 9.9 **For these reasons, we ask the Review Body to endorse our position and not recommend changes to the zonal pay model.**

10 Pay Proposals 2020/2021

- 10.1 Our pay proposals for 2020/21 are set out below and detailed pay tables Annexed.
- 10.2 MOJ has received a single year settlement for 2020/21 following the 2019 Spending Review. The proposals set out below seek to deliver against our workforce and pay strategy within the affordability constraints of our overall settlement.
- 10.3 The main rationale and drivers for our proposals this year are to:
- provide all staff with a pay award (either a consolidated increase or non-consolidated payment);
 - support recruitment and retention to enable HMPPS to attract the right calibre of Prison Officers and retain experienced staff in order to provide operational stability;
 - mitigate increasing equal pay risks as a result of the two tier workforce and continued pay differentials between closed grades and F&S; and reflect current public sector pay policy and affordability.

Proposal 1: F&S zonal pay

- 10.4 We propose:
- the current locality pay zone structure is not changed;
 - the differential between National and Outer / Inner London maxima rates will increase by 2.0% (i.e. awards for London based staff will keep pace with those for nationally based staff) ; and
 - the differentials at pay range maxima continue to be applied consistently across all Bands.

10.5 Additional rationale and key drivers:

- Ensuring our offer applies available pay flexibilities (e.g. market supplements being paid in 32 red and amber sites) to address local pay issues linked to specific roles rather than extending the zone structure to other geographical areas;
- is within budgetary constraints remains competitive with public and private sectors, and
- ensures that the same maxima London/National differentials apply to all Bands in line with our F&S zonal design.
- The base pay cash value of Outer London and Inner London maxima for all Bands will be increased by 2.0% in line with the National Bands by adding the 37-hour base pay values on Table 3 below to the proposed National Band maxima base rates. This maintains the appropriate zonal differentials.

10.6 The proposed cash values are higher when comparing like for like working patterns that include any Additional Committed Hours (ACH)/Additional Committed Hours Pensionable (AHP), unsocial hours working (UHW) or Required Hours Addition (RHA). All operational working patterns exceed the closed maximum Local Pay Addition (LPA) inner London rate of £4,250 and will be just over the £3,100 Outer London rate. Table 3 below shows the 2019 and proposed 2020 differentials.

Table 3: Additional pay for inner and outer London zones at maxima

Available Band	Like for Like Weekly Hours Work Pattern	Differential on Maxima National / Inner London ¹	
		2019	2020
3	41 hours Inc. ACH & 17% UHW	£5,259	£5,365
3	40 hours Inc. ACH & 17% UHW	£5,128	£5,231
3	39 hours Inc. ACH & 17% UHW	£4,996	£5,096
2 to 5	39 hours Inc. ACHP & 17% UHW	£4,953	£5,053
3	38 hours Inc. ACH & 17% UHW	£4,865	£4,963
2 to 5 & 7 to 11	37 hours Inc. 17% UHW / RHA	£4,734	£4,829
2 to 5 & 7 to 11	37 hours base pay	£4,046	£4,127
		National / Outer London	
3	41 hours Inc. ACH & 17% UHW	£3,456	£3,526
3	40 hours Inc. ACH & 17% UHW	£3,370	£3,438
3	39 hours Inc. ACH & 17% UHW	£3,284	£3,350
2 to 5	39 hours Inc. ACHP & 17% UHW	£3,225	£3,321
3	38 hours Inc. ACH & 17% UHW	£3,197	£3,261
2 to 5 & 7 to 11	37 hours Inc. 17% UHW / RHA	£3,111	£3,174
2 to 5 & 7 to 11	37 hours base pay	£2,659	£2,713

¹ Inner London: Brixton, HQ Westminster, Pentonville, Wandsworth, and Wormwood Scrubs

Proposal 2: F&S Band 2

10.7 We propose:

- Increasing the Band 2 National spot rate by 2.0%;
- that the base pay cash value of Outer London and Inner London spot rates will be increased by adding the 37 hour base pay values shown in Table 3 to the proposed new National Band maxima values to maintain the appropriate zonal differentials; and
- ensuring that all staff continue to be paid at or above the Government's National Living Wage (NLW).

10.8 Additional rationale and key drivers:

- encourage closed grade OSG staff to join F&S pay arrangements by continuing to offer a significant and improved pay advantage;
- ensure the base pay of Band 2 remains meaningfully above the increase to the Government's National Living Wage (NLW) for 2020/21.

Proposal 3: F&S Bands 3 to 5

10.9 We propose:

- Increasing all National pay points in Bands 3 to 5 by 2%
- that the base pay cash value of Outer London and Inner London maxima will be increased by adding the 37 hour base pay values shown in Table 3 to the proposed new National Band maxima values to maintain the appropriate zonal differentials.

10.10 We propose that all pay points in F&S Bands 3 to 5 National are increased by 2.0%. For reasons set out in more detail later in this section (under proposal 8), this year we are proposing only a non-consolidated pay award in closed equivalent grades This approach is consistent with our strategy to close pay

differentials between higher paid closed Senior Prison Officer and Officer grades and F&S while taking account of market comparators.

10.11 The IDR research commissioned by the Review Body indicates that F&S Band 3 rates of pay are generally competitive. The proposed 2% increase will enable us to maintain this position. The IDR research also concluded that HMPPS were paying less than comparators at Bands 2, 4 and 5. While this does suggest an argument for investment at these Bands we do not have sufficient evidence to justify not increasing all Bands by the same value.

10.12 These proposals will continue to deliver pay ranges that appropriately reflect the length of time (typically 4 to 5 years) it takes to become fully competent in a role and supports a key aim of F&S to mitigate equal pay risk.

10.13 As a result of uplifting all base pay points by 2.0%, and depending on working patterns and zone, the increase to pay on each point will range between the values as shown on table 4 below.

Table 4: Lowest and highest pay point uplifts - all zones & operational working patterns

	Band 3	Band 4	Band 5
Highest	£657	£754	£845
Lowest	£468	£565	£634

Proposal 4: F&S Bands 7-11

10.14 We propose:

- increasing all National Bands 7 to 11 pay range maxima values by 2.0%, in line with Bands 3 to 5;
- increasing all National Bands 7 to 11 pay range minima to maintain the length of each pay range for Bands 7-11.

- applying a 2% increase on Bands 7 to 11 pay at their relative position on this pay range (essentially a 2.0% pay uplift) before applying any progression.
- that the base pay cash value of Outer London and Inner London maxima will be increased by adding the 37 hour base pay values shown in Table 3 to the proposed new National Band maxima values to maintain the appropriate zonal differentials.

Additional rationale and key drivers:

- continue to encourage the remaining closed managerial grades (c.7% of manager grade staff in the remit group) to opt into F&S by making F&S more attractive; and
- give staff more headroom for future pay progression following opt in.

10.15 The Pay Comparator research commissioned by the PSPRB provides important additional context and data to consider in deciding pay awards. Applying comparators for manager roles in prisons is challenging and while there are some concerns around some of the comparators used within the IDR research it is important to recognise that research did present evidence of HMPPS paying less than the market at managerial level. The traditional civil service Whitehall comparators paint a slightly different picture with F&S managers generally being with the median to upper quartile. However, we accept that the civil service and Prison Service operational managers mostly draw from different labour markets. Considering wider factors – such as recruitment and retention data for operational managers and affordability we have concluded that no additional investment in specific management grade pay is required in 2020/21. Pay for F&S managers is sufficient to ensure that we do not lose significant numbers to our competitors and that Prison Officer grades are encouraged to seek career progression opportunities and move into management. We do, however, need to ensure that we maintain this position.

10.16 We are therefore proposing increase the pay band minima and maxima and all staff will maintain their relative position. For example, an individual on a pay rate that is half way between the minimum and maximum of their pay range,

will continue to be at the mid-point after the minimum and maximum are increased. This will essentially provide a 2.0% uplift in line with staff on pay points in Bands 3 to 5 before any progression.

10.17 In the same way as the lower Bands, the 37-hour differential values shown in Table 3 will be added to the proposed new National Band maxima rates to maintain the appropriate zonal differentials. The Outer and Inner London minima will be increased to maintain the current pay range lengths. Table 6 compares the closed 2019 managerial grades and National Bands 7 to 11 rates with the proposed 2020 minima and maxima vales. All figures are for a 37-hour week inclusive of RHA.

Table 6: Comparison of closed managerial grades and equivalent F&S Bands

Grade Scale	Year	Values Inc. RHA		Band	Year	Values Inc. RHA	
		Min ²	Max			Min	Max
Manager F	2019	N/A	£46,927	Band 7	2019	£43,545	£50,076
	2020	N/A	£46,927		2020	£44,417	£51,078
Manager E	2019	N/A	£54,280	Band 8	2019	£48,656	£58,390
	2020	N/A	£54,280		2020	£49,630	£59,558
Senior Manager D	2019	N/A	£70,087	Band 9	2019	£62,322	£74,786
	2020	N/A	£70,087		2020	£63,569	£76,282
Senior Manager C	2019	N/A	£76,290	Band 10	2019	£68,064	£82,329
	2020	N/A	£76,290		2020	£69,977	£83,976
Senior Manager B	2019	N/A	£84,712	Band 11	2019	£77,604	£93,125
	2020	N/A	£84,712		2020	£79,157	£94,988
Senior Manager A	2019	N/A	£87,274				
	2020	N/A	£87,274				

² There are no longer any staff at the minimum of the closed manager pay scales

Proposal 5: pay progression in F&S

10.18 We propose:

- eligible staff in Bands 3 to 5 who are not subject to formal poor performance measures will progress to the next pay point following pay point uplifts.effective 1 April 2020.
- eligible staff in Bands 7 to 11 who are rated good or outstanding will progress by increasing pay by a further 4.0% (subject to maxima) following relative position uplifts.

10.19 Rationale and key drivers:

- support our aim for staff to reach the maxima within a reasonable time that reflects full competence within a role and which mitigates any equal pay risk attached to paying staff below the maximum 'rate for the job';
- improve rates of retention by progressing staff towards pay range maxima (rate for the job).

10.20 Under F&S pay arrangements, there is no automatic entitlement to annual progression increases and this can be subject to performance, affordability, public sector pay policy and Review Body recommendations. There are also eligibility criteria relating to the date a new employee joins HMPPS.

10.21 In the 2019/20 report, the Review Body raised a number of concerns in relation to the performance management system in prisons – especially for officer grade staff. We recognise that there are issues in the performance management system and it is being reviewed and reformed to ensure it is effective and robust enough to be linked in future years. Further detail on this is set out in the performance management chapter.

10.22 For 2020/21 we are proposing to temporarily remove the link between performance management and progression for officer grades, meaning end of year ratings will not be factored into the progression pay for this year. This is a time-limited measure for one year in order to allow us to implement a more robust performance management system for all staff.

- 10.23 Therefore for 2020/21 we propose that all staff in Bands 3 to 5 who satisfy new entrant length of service criteria, and are not under formal poor performance measures, will progress. Length of service criteria is that external new recruits must have been employed by HMPPS by no later than 31 December 2019. All staff must also be in the Band in which progression will apply on both 31 March 2020 and 1 April 2020. Pay progression for April is applied retrospectively for Bands 7 to 11 once the SPDR process is closed.
- 10.24 Our approach remains to progress operational managers towards the maximum 'rate for the job' within 5-6 years. Over half of this remit group are at, or close to, the maximum of the Bands 7 to 11 pay ranges and will not be awarded the full 4% progression. As with headline increases, progression pay represents a pressure on prison budgets and therefore needs to be both affordable and compliant with public sector pay policy. In this respect the Review Body is respectfully reminded that the cost of pay progression must be included within the overall affordability.
- 10.25 We are therefore proposing staff in Bands 7 to 11 who rated as good or outstanding below their Band maxima see a progression increase worth 4.0% in 2020, calculated on their base pay after the relative position uplift and will be subject to Band maxima.
- 10.26 As the 4.0% progression will be in addition to pay uplifts from maintaining the relative position, there is the potential for a total pay increase of up to just over 6.0%. A full increase of 6% will, however, only apply to the c.40% of managers in the remit group who have sufficient headroom within the pay range before being capped at maximum. This cap represents a tapering approach with the greatest increases being received by those lower down the pay range.
- 10.27 Bands 3 to 5 pay ranges currently contain 5 pay points with the intention that staff can progress from minima to maxima over 4 years and our proposal for 2020/21 is that eligible staff can progress in their Band to the next available higher pay point.
- 10.28 We will progress eligible staff in Bands 3 to 5 to the next available higher pay point effective from 1 April 2020 and progression pay, after pay points have

been increased, will provide an award of between 4.0% and 7.0% within Bands 3 to 5.

10.29 Table 7 below shows the impact of both uplifting pay point values and progressing to the next pay point for Bands 3 to 5. The combined percentage increases are similar within the Outer and Inner London pay ranges.

Table 7: Progression with new pay point values Bands 3 to 5 National³

Band 5 - National Uplift & Progress		Total Uplift	
2019	2020	£	%
£35,586	£36,298	£712	2.0%
£34,761	£35,457	£1,537	4.4%
£33,956	£34,636	£1,501	4.4%
£33,168	£33,833	£1,468	4.4%
£31,615	£32,249	£2,218	7.0%
		£634	2.0%

Band 4 - National Uplift & Progress		Total Uplift	
2019	2020	£	%
£31,254	£31,880	£626	2.0%
£30,650	£31,264	£1,230	4.0%
£30,058	£30,661	£1,206	4.0%
£29,479	£30,071	£1,182	4.0%
£28,101	£28,666	£1,970	7.0%
		£565	2.0%

Band 3 - National Uplift & Progress		Total Uplift	
2019	2020	£	%
£26,158	£26,682	£524	2.0%
£25,657	£26,171	£1,025	4.0%
£25,163	£25,688	£1,008	4.0%
£24,681	£25,177	£1,007	4.1%
£23,529	£24,002	£1,648	7.0%
		£473	2.0%

³ Note: Pay values for Bands 5, 4 and 2 are for a 37-hour week with 17% unsocial hours working. Band 3 values are for a 39-hour week (including 2 hours ACH) with 17% unsocial hours working and all values are rounded.

Proposal 6: Rewarding 'Outstanding' performance markings for Phase One managerial staff on closed terms and staff in Bands 5-11

10.30 We propose:

- staff in F&S pay arrangements at Bands 5-11 who receive an 'Outstanding' performance marking will receive an additional non-consolidated payment on base pay as of 31 March 2020 of 1% in Bands 5 and 2% in Bands 7 to 11;
- In accordance with existing contractual obligations, Operational Phase One Managers and Senior Managers on closed terms will receive an additional non-consolidated payment on base pay as of 1 April 2020 of 1% for an 'Outstanding' performance marking; and
- uniformed closed grades will not receive any form of performance recognition payment as the POA have previously opted out of these arrangements.

Rationale and key drivers:

- support Cabinet Office and Civil Service Employee Policy principles to incentivise and drive forward continuous improvement, ultimately leading to better provision of services to the public;
- ability to reward high performing staff
- reflect the value of last year's Review Body recommendations as a non-consolidated payment for Bands 7 to 11. We do not propose the additional awards to be consolidated so that the pay bill expenditure is not increased further.
- strengthen the link between reward and performance, where performance can be adequately measured.

10.31 For closed grade staff, the percentage is based on the 1 April pay rate. The 'Outstanding' non-consolidated performance awards are available to Operational Phase One Managers on closed terms, but not closed grade Officers and Support staff due to the POA opting out of the historic performance-related pay arrangements.

10.32 For staff in F&S pay arrangements percentage is calculated on the 31 March rate. This relates directly to their F&S pay during the performance period, reflects arrangements under pre-F&S terms and conditions.

10.33 We are, however, also firmly of the view that these additional outstanding performance awards should be non-consolidated (including at Bands 7-11 where the Review Body has tended to recommend an additional consolidated progression). Additional consolidated awards represent higher cost to the Department due to the employer's pension contributions and the fact that the pay bill is then permanently increased. Furthermore, we do not consider that it is appropriate for staff to be able to gain a permanent pay lead as a result of a single year's outstanding performance. Non-consolidated awards, on the other hand, are the commonly used most cost effective cross-government approach to recognising high performance with departments able to establish 'non-consolidated performance pots' (which is a separate funding pot separate from the consolidated IRC) for this purpose.

10.34 Our proposal for non-consolidated 'Outstanding' performance awards for the 2019/20 performance year are:

- F&S Bands 2 to 4 = N/A
- F&S Band 5 = 1%
- F&S Bands 7-11 = 2%
- Closed phase one Operational Managers = 1%

Proposal 7: Allowances

10.35 We propose:

- No increases to any allowances other than those for which cash values are calculated as a percentage or hourly rate of 37 hour base pay, and where that 37 base pay will increase under these proposals.

10.36 There is no evidence that other allowances need to be increased or introduced.

F&S Market Supplements at Red and Amber sites

10.37 HMPPS wish to consider the policy and the values of the Market Supplements in consultation with HMT a necessary outside of this year's annual pay round. We do, however, recognise that this is a matter of interest to the Review Body and that it may help to shape other recommendations. We are conducting a review of market supplements and are currently considering the approach to market supplements beyond March 2021. For 20/21 we propose that all extant market supplements remain in place.

10.38 Following the Review Body recommendations in 2018, we stopped eroding the OSG red site Market Supplement when pay is increased either through revalorisation or annual progression. Accepting this recommendation has had the unintended consequence for staff who were at maximum on 31 March 2018 receiving a lower rate of market supplement than staff who progressed to the maximum effective 1 April 2018. Addressing the disparity between Market Supplement values is something that we have signalled a desire to address but is not within our affordability envelope to address within this round.

RHA and other allowances

10.39 Because we are proposing non-consolidated awards for staff in closed grades, we propose that the Required Hours Addition (RHA) for closed operational manager grades remains at current values.

Duty Governor Payment

10.40 The Review Body asked the department and the PGA to discuss and preferably submit a joint proposal regarding the best way to reward the additional responsibilities and workload linked to the role of Duty Governor. Following "without prejudice" discussions with the PGA we will not be progressing the allowance, instead using the workload management tool to determine the correct resourcing requirements.

Proposal 8: Uniformed Staff and Phase One Operational Managers on closed (pre-F&S) pay arrangements

10.41 We propose (in addition to those contained in proposals 5 & 6):

- that all closed grade staff, who would not benefit financially from opting into F&S, receive a non-consolidated award of £500
- that there will be no consolidated increases to closed grade scale pay or single pay points except where this may be required to ensure that all staff continue to be paid at or above the Government's National Living Wage (NLW).
- that operational managers currently at scale maximum receive a 2% non consolidated progression payment for a 'Good' or better performance marking in accordance with existing contractual commitments. Because there is no consolidated increase for closed grades the value of these contractual payments is no more than for 2019/20.

10.42 Rationale and key drivers:

- progress our strategy to close the pay differentials between Fair and Sustainable bands and closed grades where they exist, this supports our objectives to;
 - target more consolidated pay investment in F&S where market evidence of a need to do so is greatest;
 - ensure that fairness is experienced with any equal pay risk by reducing the pay differential that exists between F&S and closed grades, and;
 - to create incentives for staff to opt into F&S from the closed grades where we are able to;
 - continue to invest in our F&S pay structures to help with staff retention.
- recognise the need to award staff in the closed grades, and enable us to do so with a fixed cash value payment which enables us to reward the lower paid by proportionately more in percentage terms than the higher paid, while still achieving the above objectives

- help to maintain operational and employee relations stability;
- compliance with the Government's NLW; and
- honour contractual pay progression, including non-consolidated payments at the maxima for eligible Operational Managers.

10.43 In line with our long-term intention to continue to invest in F&S pay structures, it is our firm position that any member of staff who would benefit financially from opting into F&S and chooses not to, **should not** receive a pay rise, either consolidated or non-consolidated. An equal pay risk exists as a result of the current two tier pay structure. The materialisation of this risk increases the longer that the differential remains in existence and now that the 1% pay cap has been removed we can no longer as easily defend not seeking to address the issue.

10.44 The disparity in pay creates an equal pay risk as those staff who were recruited into F&S would be able to compare themselves with those staff who are on higher pay because they have retained legacy pay, particularly where both groups of staff are doing equivalent jobs in the prison service and this risk remains as long as there is a disparity in gender between groups.

10.45 We must therefore now begin to make strides to both close the differential and to encourage staff to opt into F&S. This means not only investing in non-consolidated awards rather than consolidated increases for closed grade staff, but also prioritising pay awards for F&S and ensuring that those staff who stand to benefit from opting in are properly incentivised to do so, we would ask the Review Body to support this position.

10.46 Additionally, analysis of the labour market, both independently commissioned by the Review Body Secretariat and carried out internally by HMPPS clearly indicates that the greatest evidence for pay inflation is within F&S. Particularly for our most populous prison officer role, the research tells us that the F&S Band 3 maximum pay is competitive. This by inference alone tells us that the closed grade (paid c. £5k per annum more) is paid above the market. It is important that HMPPS is able to target our greatest investment, from limited

resources, where the market evidence is greatest and that we can retain our competitiveness with the external market.

10.47 The Government's NLW is due to increase to £8.72 per hour with effect from 1st April 2020 for staff aged 25 and over. Where the scale or spot rate pay for any member of staff falls below this new rate, we will adjust their pay accordingly to ensure we meet our obligations. This will occur in April 2020 and be offset against any subsequent pay awards recommended by PSPRB.

Proposal 9: Opt-in to F&S

10.48 We propose:

- to enable Principal Officer Specialists who opt in to move directly to F&S Band 5 maximum:
- to enable Prison Officer Specialists, working to Band 4, who opt in to join F&S at the maximum: and
- normal opt-in policy to apply for all other grades.

10.49 Rationale and key drivers:

- to provide Operational Managers, Principal Officer Specialists and Prison Officer Specialists working to Band 4 with the necessary financial benefit to opt into F&S pay arrangements – whilst contributing to a reduction in the number of staff on closed grade T&Cs;
- under our pay award proposals effective 1 April 2020, Operational Managers, Operational Support Grades (OSGs), Prison Officer 2s (PO2s), G4S Prison Custody Officers (PCOs) and Principal Officers can benefit from normal opt in policy;
- enables longer term reforms by ensuring opt in to F&S is financially beneficial; and
- closed terms Prison Officers cannot benefit from opting in due to the continuing pay gap.

2018/19 Opt-in

10.50 We identified a total of 796 operational staff who could opt in after the April 2018 award and a summary of those that accepted is on the following table:

Table 8: Operational grades who were sent opt in offer letters in February 2019 and accepted

Operational Grades	Volume	Total opt ins with %	
OSGs	669	147	22%
Principle Officer – Standard	54	19	35%
Senior Officer – Standard	23	~	~
G4S PCO	16	~	~
G4S PSC	7	3	43%
Prison Officer 2	4	~	~
Phase One Staff	23	10	43%
All Operational Grades	796	183	23%

~ denotes suppressed values of 2 or fewer or other values which would allow values of 2 or fewer to be derived by subtraction. Low numbers are suppressed to prevent disclosure in accordance with the Data Protection Act, 1998

2019/20 Opt-in

10.51 Due to the delayed implementation of the 2019/20 pay award we anticipate running the 2019/20 opt-in exercise during February for payment in the March 2020 payroll. We will update the Review Body with the summary position in due course.

2020/21 Opt-in

10.52 As stated earlier, our firm position is that any member of staff who would benefit financially from opting into F&S and chooses not to, should not be in receipt of a pay rise, either consolidated or a non-consolidated payment.

10.53 Whilst most senior prison officers will not benefit from joining F&S, Senior Officers in Inner London will generally be able to gain by opting in.

10.54 In 2019, Operational Support Grades (OSGs) in F&S Band 2, moved to single spot rate pay. This now means that opting into F&S effective from 1 April 2020

will result in an increase of £858 p.a. for an OSG (without additional allowances) opting into the National F&S pay range.

10.55 Prison Officer 2s (PO2s), G4S Prison Custody Officers (PCOs) and Principal Officers will also benefit from the normal opt in policy and receive additional pay increases following our pay proposals as illustrated on Tables 9 below.

10.56 Under standard opt-in policy, Principal Officer Specialists and Prison Officer Specialists working to Band 4 remain in closed grades because they do not gain financially on opt in due to the loss of their specialist allowance. We are therefore proposing, that we allow both staff groups to move directly to the maximum of their F&S Band. Where LPA is not an issue, this will increase their pay effective from their 31 March 2020 rate by £302 and £621 respectively in the national Bands.

Table 9: 2019/20 award and opt-in gain

Principal Officer Specialist – Opt-In to Maximum Band 5 National						
	31/03/2020	01/04/2020		01/04/2020		
Opt-In Year	Closed Pay	Proposed Closed Pay	Pay Award Gain	Proposed F&S Pay	Gain from Opt-in	Total Gain
2020	£36,928	£36,928	N/A	£37,230	£302	£302

Principal Officer – Standard Opt-In to point 4 Band 5 National						
	31/03/2020	01/04/2020		01/04/2020		
Opt-In Year	Closed Pay	Proposed Closed Pay	Pay Award Gain	Proposed F&S Pay	Gain from Opt-in	Total Gain
2020	£35,728	£35,728	N/A	£36,367	£639	£639

Prison Officer Specialist –Opt-in to Maximum Band 4 National

	31/03/2020	01/04/2020		01/04/2020		
Opt-In Year	Closed Pay	Proposed Closed Pay	Pay Award Gain	Proposed F&S Pay	Gain from Opt-in	Total Gain
2020	£32,077	£32,077	N/A	£32,698	£621	£621

Senior Officer Inc. LPA – Standard Opt-in to Maximum Band 4 Inner London Only

	31/03/2020	01/04/2020		01/04/2020		
Opt-In Year	Closed Pay	Proposed Closed Pay	Pay Award Gain	Proposed F&S Pay	Gain from Opt-in	Total Gain
2020	£37,485	£37,485	N/A	£37,651	£166	£166

Prison Officer 2 (PO2) 39 hour – Standard Opt-in to Minimum Band 3 National

	31/03/2020	01/04/2020		01/04/2020		
Opt-In Year	Closed Pay	Proposed Closed Pay	Pay Award Gain	Proposed F&S Pay	Gain from Opt-in	Total Gain
2020	£22,619	£22,619	N/A	£23,529	£910	£910

G4S Prison Custody Officer – Standard Opt-in to Maximum Band 3 National

	31/03/2019	01/04/2019		01/04/2019		
Opt-In Year	Closed Pay	Proposed Closed Pay	Pay Award Gain	Proposed F&S Pay	Gain from Opt-in	Total Gain
2020	£25,726	£25,726	N/A	£26,158	£432	£432

OSG – Standard Opt-in to Single Pay Point Band 2 National

	31/03/2020	01/04/2020		01/04/2020		
Opt-In Year	Closed Pay	Proposed Closed Pay	Pay Award Gain	Proposed F&S Pay	Gain from Opt-in	Total Gain
2020	£20,165	£20,165	N/A	£21,023	£858	£858

10.57 Over 90% of Phase One Operational Managers (closed Band 7-11 equivalents) have already moved across to F&S pay arrangements. Nonetheless, we wish to continue incentivising those few remaining on closed terms to opt into F&S and in 2019 we incorporated the previously temporary 2% consolidated increase to base pay upon opt-in (to compensate the loss of the contractual annual non-consolidated closed grade payment) into the standard opt-in arrangements.

10.58 We will maintain the current pay calculation to establish the initial assimilation rate for Operational Phase One Managers i.e. those who opt-in will receive their contractual 2% non-consolidated award in the closed grade. This is not the same payment as the proposed £500 non-consolidated award this year for closed grade staff who would not benefit from opting into F&S. Staff will in addition receive a total annual pay increase on opting in ranging from 1.74% to 1.99%. These increases will also give staff with the lower rates of LPA the

opportunity to opt-in with a financial benefit. Following opt-in, our proposed higher rates to the F&S Band maxima will provide additional 'headroom' for future progression pay uplifts ranging from 4.88% to 8.05%. Table 10 below illustrates this in detail.

Table 10: Managers & Senior Managers opting into F&S national from scale maxima⁴

Proposed Scale	Manager		Senior Manager				
	F	E	D	D	C	B	A
Pre-F&S Scale Pay (2020)	£41,106	£48,459	£64,266	£70,087	£76,290	£84,712	£87,274
RHA	£5,821	£5,821	£5,821	N/A	N/A	N/A	N/A
2% Annual Non-Con	£822	£969	£1,285	£1,402	£1,526	£1,694	£1,745
Total Pay	£47,749	£55,249	£71,372	£71,489	£77,816	£86,406	£89,019
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Assimilation Band	Opt in to Band & Assimilation Pay						
Opt in Base Pay	7	8	9	9	10	11	11
2% Addition Applied	£40,806	£47,200	£60,945	£60,945	£66,339	£73,663	£75,890
RHA 17%	£41,622	£48,144	£62,164	£62,164	£67,666	£75,136	£77,408
Total Pay	£48,698	£56,328	£72,732	£72,732	£79,169	£87,909	£90,568
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Increase in Pay £	Increase in Pay from Opting in						
Increase in Pay %	£949	£1,079	£1,360	£1,243	£1,353	£1,503	£1,548
	1.99%	1.95%	1.91%	1.74%	1.74%	1.74%	1.74%
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Base Pay Maxima	Headroom for Future Progression						
RHA 17%	£43,656	£50,905	£65,199	£65,199	£71,775	£81,186	£81,186
Total Pay	£51,078	£59,559	£76,283	£76,283	£83,977	£94,988	£94,988
Headroom £	£2,380	£3,231	£3,551	£3,551	£4,808	£7,079	£4,420
Headroom %	4.89%	5.74%	4.88%	4.88%	6.07%	8.05%	4.88%

⁴ For example, the calculation for a Manager F opting in from pay maximum after any progression or non-consolidated pay will be:

Pre-F&S scale pay: £41,106 + £5,821 (RHA) + £822 (2% annual non- con) = £47,759
 Base pay on opt-in: £41,106 + £5,821 / 1.15 + 2% = £41,622
 Total pay on opt-in: £41,622 + £7,076 (17% RHA) = £48,698
 Headroom (available progression) £51,078 (Band maximum) - £48,698 (pay on opt-in) = £2,380

HMP Birmingham

10.59 Staff at HMP Birmingham moved from G4S to HMPPS on TUPE terms on 1 July 2019, following the transfer of the establishment to the public sector. Moving HMP Birmingham staff on to public sector pay is being handled as part of the annual HMPPS opt-in exercise. Bespoke letters will be sent to 469 staff detailing what the opt-in would mean for them individually. Our analysis shows that 112 staff will benefit from opting into the Fair and Sustainable pay structure. If they wish to opt-in, this will be back dated to the 1st July 2019. Those who do not choose to opt-in will become part of the closed system. Exceptionally we are giving staff who remain on closed terms the benefit of an award on 01 October 2019 to recognise the annual G4S cycle (and prevent them waiting over a year for their next award opportunity). After the opt in exercise all staff (F&S and former G4S closed grades) will be assimilated into the annual PRB round with awards either for the F&S operational grades or the Closed grade equivalent where staff have opted to remain on their former G4S terms.

Proposal 10: Notional Rents

10.60 We propose:

- Notional rents should cease with effect from 1 April 2020 and should be removed from the remit of consideration for the PSPRB from that date.
- Rents for any remaining Prison Service quarters should be managed in future by MoJ Estates and initially be set at a level consistent with the rent for social housing in the local authority area in which the quarters are located.

10.61 Before the implementation of Fresh Start in 1987, governor and prison officer grades were entitled to housing as a part of their remuneration and were allocated Prison Service quarters or, if no quarters were available, a rent allowance. The rent allowance was consolidated into pay as part of the Fresh Start settlement and those in quarters were charged a *notional rent*, set annually as part of pay negotiations and later taken into the ambit of the Prison Service Pay Review Body when that was established. Those staff occupying

quarters were given the opportunity to purchase at a discounted rate and this opportunity continued for some years afterwards.

10.62 The system of notional rents that was originally intended as a transitory arrangement has now continued for 32 years, far longer than originally intended. As the value of notional rents has not been raised in recent years, those occupying quarters now enjoy a significant and disproportionate benefit.

Additional Considerations

10.63 In formulating our proposals, we did consider, but eventually discount, two other options which are set out below. We are purposely setting these out in our evidence submission, alongside the rationale for not proceeding on this basis, so that the Review Body is aware that these are avenues that HMPPS requests the Review Body not to consider.

- ***Increasing the value of Unsocial Hours / RHA payments (from 17% to 18%) at the expense of lower base pay increases of 1% (rather than eventually proposed 2%).***

10.64 This was initially viewed as a way to award staff working in operational environments. This approach was explored at official level and was received with caution without an evidence base to support such an approach. Wider consideration of the context of F&S supports this view and concludes that in light of the 'Bailey' equal pay settlement and the common F&S Job Evaluation System there would be a significant risk attached to increasing the overall remuneration of one group over another without a robust evidence base that the operational requirements of that role had changed. We do not have at this time such an evidence base. Furthermore, at Band 2 a base pay increases of 2% are still likely to be required to ensure NLW compliance.

10.65 We therefore ask the Review Body to endorse our proposal that unsocial hours and RHA payments remain set at 17% and that base pay for all F&S staff should increase by 2%.

- ***Range shortening of Band 3 (higher pay range minimum and fewer pay points)***

10.66 This was considered as an option for supporting efforts to manage recruitment and retention issues, particularly considering the trailed increase in police recruitment and competition from the Border Force.

10.67 While this was considered as a viable future approach, it was concluded that any range shortening – if required – would be best considered as part of a wider package delivered over many years. Further evidence to support the business case to make this investment is required. For 20/21, Market Supplements continue to represent a valid tool with which to address emerging recruitment and retention pressures in the short term while we work up a more robust evidence base to inform longer term permanent solutions.

10.68 We are therefore not proposing any structural reform or shortening of the Band 3 pay ranges at this stage. We ask the Review Body to endorse this position.

Financial Considerations

10.69 The estimated cost of the above proposals for 2012/21 is c. £46.1m (including on-costs⁵). These costs are presented for HMPPS (excluding the National Probation Service which has a separate pay determination process) given the significant read across of PSPRB recommendations to non-remit group staff.

10.70 A breakdown of proposals is set out below:

⁵ Employer's Pension and NI contributions

Table 11:

PSPRB PROPOSALS 2020/21	
Manager F&S (Bands 6-11)	Cost (incl. on-costs)
Revalorisation 2%	£4.4
Progression 4%	£4.4
Officer & Support F&S (Bands 2-5)	
Revalorisation 2%	£19.8
Progression next pay point (fixed)	£11.9
Closed Grades	
Non-Consolidated award (£500)	£5.6
TOTAL COST	£46.1

Proposals also include the non-consolidated award for F&S Bands 5-11 with “Outstanding” performance assessment. This is not calculated due to the negligible cost (payments apply to only a small cadre).

10.71 Although the Government no longer has a pay cap in place, it is essential that public services remain affordable and sustainable in the long term. Therefore, higher pay awards must be justified by expected productivity improvements or links to particular areas of need which higher pay will resolve e.g. clear recruitment and retention issues. HMPPS also continues to operate under severe budgetary pressures. As such, any recommendations above those detailed in this submission would be unfunded and would create significant affordability issues for HMPPS and MoJ. As per our Activation letter, we would

ask that the Review Body makes recommendations that consider affordability and which are in accordance with Government pay policy.

Conclusion

10.72 The proposals as set out provide all staff with a pay award and will help to maintain a stable employee relations landscape as we develop more strategic proposals as part of a longer-term reward strategy as part of an anticipated multiyear Spending Review settlement for 2021 onwards.