

**To: The Chair of the Probation Board/Probation Trust  
The Chief Executive of the Probation Trust  
Chief Officer of the Probation Board  
(Copy enclosed for the Head of HR)  
The Secretary of the Probation Board/Trust  
Members of the Standing Committee for Chief Officer Grades**

15 October 2009

**SCCOG CIRCULAR NO.3/2009**

Dear Madam/Sir

**STANDING COMMITTEE FOR CHIEF OFFICER GRADES JOB EVALUATION UPDATE**

At its meeting on 29th September 2009, the Standing Committee for Chief Officer Grades (SCCOG) agreed the attached report of the Joint Working Group.

Please arrange for this report to be circulated to all relevant members of the management team.

Should you wish to make any comment on the report, please contact Chas Dowden at the Probation Association 020 3008 7930 or, by email, [cdowden@probationassociation.co.uk](mailto:cdowden@probationassociation.co.uk).

Yours faithfully

**Christine Lawrie  
David Walton**

**Joint Secretaries**

**Report of the SCCOG Joint Working Group**

**1. Introduction**

- 1.1. As part of the 2008 pay settlement with GMB/ SCOOP in respect of Chief Officer Grades in the Probation Service, it was agreed to form a Joint Working Group to review a number of outstanding issues that existed in relation to the employment of people in Chief Officer Grades. In this report, ACO is used as shorthand for Chief Officer Grades. The Joint Working Group was comprised of representatives from the Probation Employers, NOMS and Trade Unions. The Probation Association provided secretarial and facilitatory resources including any research requested by the Joint Working Group. All parties recognised that there may be issues on which agreement may not be possible but undertook to express their differences as part of the report. The Joint Working Group had their initial meeting on 17<sup>th</sup> March 2009, followed by 5 further meetings.
- 1.2. It was agreed at the outset that a report would be produced for presentation to SCCOG on 29<sup>th</sup> September 2009. It was also agreed that SCCOG would decide how best to progress these issues with the aim of implementing changes on and from 1 April 2010.
- 1.3. The subject areas for discussion were identified as:-
  - Pay Progression including PRP
  - Pay Structure
  - Harmonisation of working hours
  - Flexibility
  - Equality Impact and proofing
  - Consistency
- 1.4. The Joint Working Group did not address specific pay scales as this was not part of its remit.

**2. Recommendations**

**2.1. Pay Progression including PRP**

- 2.1.1. The Joint Working Group recommends that a transparent performance related pay progression scheme is required to facilitate the shortening of scales and which recognises good performance.
- 2.1.2. The Joint Working Group identified that the best way, in its opinion, of linking pay progression to performance was to base progression on performance as measured by the annual appraisal.
- 2.1.3. Consideration also be given to negotiate a bonus system which reflects team and corporate, as well as individual, objectives.

2.2. Pay Structure

- 2.2.1. The current 4 Band structure remains unchanged unless there is a demonstrable need brought about by fundamental increase/ decrease in the size of Areas.
- 2.2.2. Discussions to commence to set a ceiling for Band 6 roles and a minimum job evaluation score for ACO Band A roles to ensure transparency in this matter.

2.3. Harmonisation of working hours

SCCOG to consider suitable remuneration to recognise the distinction between an ACO being contactable and actually on-call on a duty cover rota.

2.4. Flexibility

To provide a comprehensive guide to the recommended employment policies for these grades.

2.5. Equality Impact and Proofing

The method of conducting an Equal Pay Audit for the employees in question will be discussed. The interface between ACO and Chief Officer/ Chief Executive would need to be considered

2.6. Consistency

The use of the Hay JE system, which is applied across many different sectors and employers, is an enabler to demonstrating that the jobs are evaluated consistently. Members of the Hay JE panel are all fully trained and well aware of their responsibilities in this matter.

3. **Discussion**

3.1. Pay Progression including PRP

3.1.1. **Length of scales**

It was agreed that current scales were too long in both the distance between Minimum and Maximum and the length of time taken to travel from Minimum to Maximum. However, it was recognised that any changes to pay scales and/ or progression has cost implications. There are 25 points on Band B where an ACO (appointed prior to 2006/7) has been able to progress a possible maximum 5 points pa with PRP; although this is reduced at the Development Point. Discussion disclosed that there is no "magic" figure for scale shortening.

3.1.2. **Spot Salaries**

The introduction of spot salaries was discussed and a number of views were expressed. A particular problem might be if they were static and gave no recognition of acquired experience or performance. It was suggested that there might need to be several "spots" within a Band; and this could become unduly complex. Discussion suggested that spot salaries might create inconsistencies whereas unified progression does ameliorate this. A solution might be to create a small number of spots with associated criteria. All members agreed that spot salaries may cause problems with flexibility between roles. The existing 4 Band structure was seen as robust and allowed for flexible deployment of ACO's to various jobs within Area management structures. Nevertheless it was also agreed

that the existing 4 Band structure must be kept under review by SCCOG in the light of changing organisational requirements.

**3.1.3. Increments and experience**

There is a view that incremental scales are useful in Probation as time-served [which has been used as a proxy for experience] is reflected by increments. It was suggested that the accumulation of experience does not necessarily directly improve performance at some, unspecified, stage. It was agreed that currently progression was automatic up to the Development Point, unless there were Capability or Disciplinary issues. It was also recognised that the Development Point contributed to a long scale and that a more explicit link with performance would support changes for enhanced progression. This would need to recognise the relationship between time served and performance in common with the current system. It was important to separate the person from the job i.e. recognise the market value, and strategic significance for the organisation, of the role; alongside the performance of the person filling that role. The 4 Band structure prevents confusion as each job is properly evaluated and this is robust and sensitive to the jobs that need to be done. 64% of current senior managers are in Band B. Potential solutions might include making the Development Point a more stretching threshold.

**3.1.4. Performance Related Pay Progression**

The trade unions reaffirmed their opposition to performance related pay, regarding properly evaluated market comparable pay levels as the norm to be achieved; but also recognised that various forms of PRP had nevertheless become a commonplace feature of senior public sector management. There was a recognition that they might re-appraise this view. In the union's view appraisal and PRP assessment should be seen as distinct processes; although in reality there will also be linkages. It was pointed out that there was currently no money available to fund any changes. It was felt that a scheme based on performance related progression might be feasible but considerable work would be needed to identify costs and practicalities. It was thought that there could be differential levels of progression dependent on performance i.e. an excellent performer might progress more quickly than an average performer. Also, it was thought that objectives should not just be based on "hard" targets but should also reflect people exhibiting the "right" behaviours. It was also thought that progression on the basis of performance might provide an option to speed people through the scales if their performance warranted this.

**3.1.5. Performance Related Bonus**

Discussion centred on whether to produce a bonus scheme which genuinely reflected performance and actually incentivised people beyond what they were trying to achieve anyway. It was said that salaries (spot or incremental) must be very well set with a worthwhile bonus that reflected concerns about (non)pensionability. As already stated, It was felt that Band B was robust enough to cope with most problems but is stretched at the margins. It was also thought that it should take a person no more than 5 years to achieve the salary for fully acceptable performance. It was also thought to be important to separate out the two issues of Performance Related Pay which was defined, for the purpose of this debate, as a bonus dependent on performance for the appraisal year as distinct from Performance Related Progression which was progress up the scale

dependent on performance. It was pointed out that there was, at present, no money available to fund any changes. It was generally believed that any bonus scheme would need to reflect corporate as well as individual targets. Of particular importance was the need for a budgetary threshold so bonus would not be paid where a Trust had failed its financial targets. In terms of formulating plans for a bonus scheme, care would need to be taken to get the balance of non-consolidated pay right.

### **3.2. Pay Structure**

- 3.2.1. The 4 Band structure prevents confusion as each job is properly evaluated and this is robust and sensitive to the jobs that need to be done. 64%% of senior managers are in Band B.
- 3.2.2. The general principle was agreed that the right number of pay bands is in place and this allows the provision of robust structures. However, this needed to be kept under review in the light of future organisational developments as they occurred. There is some tension between Bands A and B but the majority of people are in Band B. There is also an issue about movement from Band B to Band C.

#### **3.2.3. Band 6 and Band A**

It was also recognised that there has always been tension between NNC Band 6 and SCCOG Band A in terms of being able to identify key differences between the different hierarchies and the perception that NNC Band 6 is an ACO "on the cheap". Pressure was coming into the system as direct reports' jobs to ACO e.g. District Managers were being cut. The matter arose following a debate about how a person had their job evaluated as an ACO, this matter is currently determined by the Board or Trust. It was pointed out that there was no minimum job score for a Band A, ACO. Similarly, there was not a maximum to the Band 6 in the NNC scheme. It was not felt that the boundaries had been pressed to a ridiculous extent. There was a suggestion that jobs that were thought to be on the margin [Band A/ Band 6] could be double evaluated to get the right result. The use of a common-sense approach was essential. It was agreed that guidance on how to construct an ACO job, eg through the HAY based specification, needed to be reissued; and this was actioned through SCCOG Circular 2/2009. The key was to manage any risk in an appropriate fashion. The position of Board Secretaries was noted where it was felt that Hay job evaluation in some instances did not reflect their previous status and strategic importance for the organisation. It was recognised that job evaluation was not an exact science; and Boards should be able to exercise judgement in determining their priorities.

### **3.3. Harmonisation of working hours**

#### **3.3.1. Working Hours**

ACO's are required to work 150 hours over 4 weeks. These contractual working hours are not, in themselves, thought to be an issue for these grades but will need to be kept in view in the light of other, potential, developments. There is evidence to suggest ACO's are working, in effect, the equivalent of a six day week. ACO's do not have a clause in their contracts to work extra and/or exceptional hours, (as applies to CO/CEO's) but do so to meet the needs of the service.

#### **3.3.2. Out of Hours**

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A current issue relates to out of hours cover by ACO and it was recognised that all Areas need to have contact arrangements for evenings and weekends, particularly in respect of public protection responsibilities. It was important to recognise the distinction between contact and being on-call. Contact is a normal function of being a senior manager where one would expect to be contactable by the team. On-call is a different requirement and means that a person would need to be ready and able to attend to urgent business. Payment for on-call varied across the service, it was thought that senior managers would be expected to be available for consultation at no extra cost unless there was a specific requirement to be ready to attend work as part of a duty cover rota. Although the Job Description is key to this it was thought that local people best understand local needs. Where people are scheduled to be available for work on a rota, as compared to where senior managers are contacted on an ad-hoc basis outside of normal working hours, was a matter of varying practice between Boards and Trusts; some paid and some didn't. It was felt that there should be a National view to facilitate a consistent approach. A specific issue discussed related to "recalls" for persons on licence. Boards and Trusts seem to either have ACO or NNC Band 6 fulfilling this function. There is a concern that Band 6 are paid for being on-call, whereas there is no National formal arrangement for ACO.

### 3.4. Flexibility

Concerns were expressed about encroachment on Flexible Working Hours and issues around Work/ Life balance. The specific issues raised in this connection, were as referred to in 3.3.1. and 3.3.2 and it was thought that Boards and Trusts and individuals were well aware of their responsibilities in this matter. It was recognised that the NNC policies were used in many of these issues e.g. adoptive leave as there was no Handbook available for SCCOG that covered the full range of matters.

### 3.5. Equality Impact and Proofing

Jonathan Wright had previously had all the data on salaries and roles so an EOC pay audit would be possible if this was kept up to date. Advice on this was available from the revised Equality and Human Rights Commission which provided a step by step approach to this matter. As already referred to in 3.2.3, new advice has been issued to all Areas regarding HAY job evaluation in the interests of consistency. It was also noted that any future developments in the construction of C/CEO's pay should be considered as to possible implications for the senior management Grades covered by SCCOG.

### 3.6. Consistency

It was generally agreed that the robust JE system supported this. However, there were concerns about the read across from Bands 5 and 6 in the NNC hierarchy and Bands A and B. There may need to be consideration to put a floor under the job score for Band A and a top to NNC Band 6 neither of which currently exist. Jonathan Wright presented a paper [copies available] called "Status Report on the Job Evaluation Scheme for Chief Officer and Related Grades within the National Probation Service".. The paper was well received and several key points were identified:-

- decisions as to inclusion in the scheme are dependent on Boards and Trusts

- there are no top or bottom limits
- there was concern that jobs are not re-evaluated to recognise changes and there was a clear need for consistency.
- around two thirds of roles were in Band B

As a result of this paper, a SCCOG Circular was issued that clarified for Boards and Trust the roles and responsibilities in job evaluation

## **4. Conclusions**

### **4.1. Pay Progression including PRP**

- 4.1.1. The current pay bands are too long when measured in the time taken to progress from Minimum to Maximum.
- 4.1.2. Whilst there may be benefits in introducing “spot salaries”, it is not thought by the Joint Working Group that this incentivises good performance more effectively than other solutions might achieve.
- 4.1.3. The Joint Working Group recognised that a good performance related pay progression scheme may be able to shorten the scale and incentivise good performance.
- 4.1.4. The Joint Working Group identified that the best way, in its opinion, of linking pay progression to performance was to base progression on performance as measured by the annual appraisal.
- 4.1.5. It was also identified that, should it be decided to introduce a performance bonus scheme for ACO, that there should be a fundamental requirement for a Board or Trust to meet its budgetary requirement [including any funding for the bonus itself] before a bonus could be paid.
- 4.1.6. It was also identified that the bonus, if implemented, could reflect team and corporate, as well as individual, targets.

### **4.2. Pay Structure**

- 4.2.1. It was identified that the current 4 Band structure provided a robust base for Boards and Trusts to design their organisation unless there is fundamental increase/ decrease in the size of Areas.
- 4.2.2. There is a need to set a ceiling for Band 6 roles and a minimum job evaluation score for ACO Band A roles to ensure transparency in this matter.

### **4.3. Harmonisation of working hours**

- 4.3.1. The Joint Working Group identified that working hours [i.e. 150 hours per 4 week period], both conditioned and flexibility required by the nature of the role, is not, in itself, a problem area that needed further work and/ or investigation.
- 4.3.2. As already referred to in 3.3.1. and 3.3.2., it was identified that there was a need for clarity to support Boards and Trusts identifying the distinction between an ACO being contactable and on-call. The aim would be to assist Boards and Trusts by clarifying whether, where a Board or Trust could compensate an ACO where they meet the same requirements of being on call as NNC grades. It was agreed that where an ACO was only contactable e.g. mobile telephone switched on, then no payment would be normally be made.

4.4. Flexibility

4.4.1. The absence of a full Handbook for SCCOG grades was an undoubted cause of confusion for Boards and Trusts and work had been put in place to provide a comprehensive guide to the recommended employment policies for these grades.

4.4.2. As a general principle it was recognised that ACO employees worked flexibly and had no contractual requirement to work exceptional hours unlike Chief Officers.

4.5. Equality Impact and Proofing

This matter could be dealt with by conducting an Equal Pay Audit for the employees in question.

4.6. Consistency

The use of the Hay JE system, which is applied across many different sectors and employers, is an enabler to demonstrating that the jobs are evaluated consistently. Members of the Hay JE panel are all fully trained and well aware of their responsibilities in this matter.

**5. Outstanding Issues**

5.1. Compilation of a Handbook for ACO grades.