



Jerry Cope
Chair, Prison Service Pay Review Body
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MOJ ref: 64334

21 November 2018

Dear Jerry

THE PRISON SERVICE PAY REVIEW BODY (PSPRB) 2019/20

I should first of all like to offer my thanks for the PSPRB's work over the past year on the 17th report and your recommendations for 2018-19. The Government continues to appreciate the independent expert advice and contribution that the PSPRB makes.

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 in higher pay.

Public sector wages account for one quarter of total public spending. The Government must balance the need to ensure fair pay for public sector workers with protecting funding for frontline services and ensuring affordability for taxpayers, including public sector workers. For those reasons, I expect affordability to be a critical part of your consideration when determining final awards. This year, I also request that you describe in your final report what steps you have taken to ensure affordability has been given due consideration when reaching your recommendations.

With a more flexible policy it is of even greater importance that recommendations on annual pay awards are based on independent advice and underpinned by robust evidence, submitted by departments, that considers the wider economic circumstances, private sector comparators, and overall remuneration of public sector workers (including progression pay and pension entitlements). The role of the Pay Review Bodies is therefore more important than ever.

For this pay round, the PSPRB will continue to play a key role in determining the pay for our Prison Officers and associated grades within the remit group. The Pay Review Body have an ongoing responsibility for providing recommendations that support the remuneration of the remit group. However, the Government would like the Pay Review Body to ensure that its deliberations and recommendations have due regard to the following factors:

1. The Government's Public Sector Pay Policy, as detailed in the Government's evidence, and as set out in the principles above, particularly focussing on current and future affordability to the taxpayer.
2. The HMPPS policy commitment to the Fair and Sustainable pay and grading structure. We would like to continue to see recommendations from the Pay Review Body which provide greater investment in F&S than in our closed grades.
3. HMPPS as a Department remains responsible for those elements of HR policy which sit outside of the remit of the Pay Review Body.

Only by properly targeting pay awards can we ensure we recruit and retain the best public sector workers where they are needed most. I would therefore ask for the PSPRB's views on the optimal allocation of additional investment in pay to ensure that recruitment and retention pressures are addressed, and ask that you outline what consideration you have given to targeting in your final report..

The Government is committed to providing you with evidence on a timely basis, to facilitate the PSPRB process that enables staff in your remit group to be paid their awards as early as possible. As ever, we are committed to providing proposals supported by high-quality evidence to inform your work and recommendations. Thank you for your continued hard work in this important area and I look forward to receiving your recommendations in the week commencing 6th May 2019.

I am copying this letter to Michael Spurr in HMPPS, the Chief Secretary to the Treasury and to representatives of the POA, Prison Governors Association (PGA) and Public and Commercial Services Union (PCS).

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