



Prison Service
Pay Review Body

Prison Service Pay Review Body

Twenty First Report on
England and Wales 2022

Chair: Tim Flesher CB



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**Presented to Parliament by the
Prime Minister and the Lord Chancellor and Secretary of State for Justice
by Command of Her Majesty
July 2022**



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Prison Service Pay Review Body

Standing terms of reference

The role of the Prison Service Pay Review Body is to provide independent advice on the remuneration of governing governors and operational managers, prison officers and support grades in the England and Wales Prison Service. The Review Body will also provide independent advice on the remuneration of prison governors, prison officers and support grades in the Northern Ireland Prison Service.

In reaching its recommendations the Review Body is to take into account the following:

- The need to recruit, retain and motivate suitably able and qualified staff taking into account the specific needs of the Prison Service in England and Wales and the Northern Ireland Prison Service;
- Regional/local variations in labour markets and their effects on the recruitment and retention of staff;
- Relevant legal obligations on the Prison Service in England and Wales and the Northern Ireland Prison Service, including anti-discrimination legislation regarding age, gender, race, sexual orientation, religion and belief and disability;
- Government policies for improving the public services, including the requirement to meet Prison Service output targets for the delivery of services;
- The funds available to the Prison Service in England and Wales and the Northern Ireland Prison Service as set out in the Government's departmental expenditure limits; and
- The Government's inflation target.

The Review Body shall also take account of the competitiveness of the Prison Service in England and Wales with the private sector, and any differences in terms and conditions of employment between the public and private sectors taking account of the broad employment package including relative job security.

The Review Body may also be asked to consider other specific issues.

The Review Body is also required to take careful account of the economic and other evidence submitted by the Government, staff and professional representatives and others.

Reports and recommendations for the Prison Service in England and Wales should be submitted to the Prime Minister and the Lord Chancellor and Secretary of State for Justice. Reports and recommendations for the Northern Ireland Prison Service will be submitted to the Minister of Justice, Northern Ireland.

The members of the Review Body are:

Tim Flesher CB (*Chair*)
Mary Carter
Luke Corkill
Judith Gillespie CBE
Leslie Manasseh MBE
Paul West QPM DL

The secretariat is provided by the Office of Manpower Economics.

The International Labour Organization 336th Report of the Committee on Freedom of Association

The POAⁱ took a complaint to the International Labour Organization (ILO) in August 2004, alleging that legislation deprived prison officers of the right to take industrial action and that they did not enjoy adequate compensation guarantees to protect their interests in the absence of the right to strike. In its 336th Report of the Committee on Freedom of Association (March 2005) the ILO noted that the POA saw the Prison Service Pay Review Body (PSPRB) as an inadequate compensatory mechanism because it had no powers to make binding recommendations, only to report and recommend, and there was no duty on the Minister to implement the award promptly or at all.

The Government stated that the establishment of the PSPRB in England and Wales, and Northern Ireland was inextricably linked to the introduction of voluntary agreements in that the Prison Service gave up the right to set pay increases in exchange for the POA's agreement not to organise industrial action. The Government stated that recommendations of the PSPRB are not binding in law, but in practice they would only be departed from in exceptional circumstances and are complied with in practice.

The Committee recommended that the Government continued to ensure that the awards of the PSPRB are binding on the parties and may be departed from only in exceptional circumstances.

ⁱ The professional trades union for prison, correctional and secure psychiatric workers.

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Glossary of Terms

| | |
|----------|---|
| ACH | Additional Committed Hours |
| ACHP | Pensionable Additional Committed Hours |
| ASHE | Annual Survey of Hours and Earnings |
| BAME | Black, Asian and Minority Ethnic |
| Covid-19 | Coronavirus |
| C&R | Control and Restraint |
| FTE | Full-time equivalents |
| GDP | Gross Domestic Product |
| HMIP | Her Majesty's Inspectorate of Prisons |
| HMP | Her Majesty's Prison |
| HMPS | Her Majesty's Prison Service |
| HMPPS | Her Majesty's Prison and Probation Service (or the Prison Service) |
| HMT | Her Majesty's Treasury |
| IDR | Incomes Data Research |
| ILO | International Labour Organization |
| LPA | Locality Pay Allowance |
| MoJ | Ministry of Justice |
| NHS | National Health Service |
| NLW | National Living Wage |
| OBR | Office for Budget Responsibility |
| OME | Office of Manpower Economics |
| OMiC | Offender Management in Custody |
| ONS | Office for National Statistics |
| OSG | Operational Support Grade |
| OSP | Operational Stability Payment |
| PCS | Public and Commercial Services Union |
| PGA | Prison Governors' Association |
| POA | The professional trades union for prison, correctional and secure psychiatric workers |
| PSPRB | Prison Service Pay Review Body |
| RHA | Required Hours Addition/Allowance |
| RPI | Retail Price Index |
| SR21 | Spending Review 2021 |
| TOIL | Time off in lieu |
| TUPE | Transfer of Undertakings (Protection of Employment) Regulations 2006 |
| UWH | Unsocial Working Hours |
| YCS | Youth Custody Service |
| YOI | Young Offender Institution |

Her Majesty’s Prison and Probation Service in England and Wales and our remit group

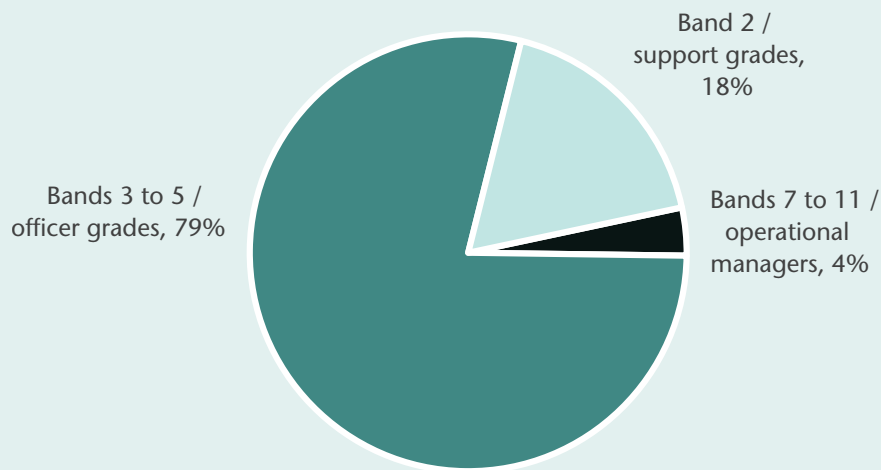
Her Majesty’s Prison and Probation Service (HMPPS) is responsible for adult and young offender management services for England and Wales within the framework set by the Government. It is an Executive Agency of the Ministry of Justice. The agency currently manages Her Majesty’s Prison Service and the Probation Service. In addition, it oversees privately run prisons and services such as the prisoner escort service and electronic tagging. Its role is to commission and provide offender management services in the community and in custody, ensuring best value for money from public resources. It works to protect the public and reduce reoffending by delivering the punishments and orders of the courts and supporting rehabilitation by helping offenders to reform their lives.

On 31 December 2021, the prison population across the public and private sector was 79,100, a 1.7% increase from the year before.ⁱⁱ

HMPPS’s paybill costs relating to the remit group were approximately £1.3 billion in 2020-21 (including employer National Insurance and other pension costs).

At the end of December 2021 there were 28,155 full-time equivalent staff (FTE) in our remit, a 2.6% increase from the previous year. The composition is below.

Our remit group (FTE staff) in England and Wales, at 31 December 2021ⁱⁱⁱ



| Grade | FTE staff |
|--------------------------------------|-----------|
| Bands 7 to 11 / operational managers | 998 |
| Bands 3 to 5 / officer grades | 22,156 |
| Band 2 / support grades | 5,002 |

ⁱⁱ GOV.uk, (2021). *Prison population figures: 2021, Population bulletin: weekly: 31 December 2021*. (online) Available at: <https://www.gov.uk/government/statistics/prison-population-figures-2021> [accessed on 10 June 2022].

ⁱⁱⁱ OME analysis of HMPPS workforce data. HMPPS, (2021). *Her Majesty’s Prison and Probation Service workforce quarterly: December 2021*. (online) Available at: <https://www.gov.uk/government/statistics/her-majestys-prison-and-probation-service-workforce-quarterly-december-2021> [accessed on 10 June 2022].

Prison Service Pay Review Body 2022 report on England and Wales

Executive Summary

This report sets out our recommendations on pay and allowances for operational prison staff. Our recommendations for 2022 are:

Recommendation 1: We recommend that from 1 April 2022, the *Fair and Sustainable* National Band 3 to 5 base pay points, the Band 7 to 11 base pay minima and maxima, and all closed grade spot rates and base pay points be increased by 4% (including the closed grade Required Hours Addition/Allowance cash element), as set out in Appendix D. This award to be consolidated and pensionable for all staff.

Recommendation 2: From 1 April 2022, we recommend that the consolidated, pensionable salary for Prison Auxiliary and Night Patrol staff be increased to the National Living Wage or by 4%, whichever gives the greater amount.

Recommendation 3: We recommend that from 1 April 2022 the *Fair and Sustainable* National Band 2 spot rate be increased by £1,500. This award to be consolidated and pensionable for all staff. On 1 April 2022, this fully erodes the market supplements for those Band 2 staff who currently receive them.

Recommendation 4: We recommend that from 1 April 2022, the *Fair and Sustainable* Band 12 spot rate be increased by 5%, as set out in Appendix D.

Recommendation 5: We recommend that from 1 September 2022, the *Fair and Sustainable* National Band 3 base pay points increase by £2,500 giving a total consolidated and pensionable award of £3,000 when the 20% unsocial hours payment is included. On 1 September 2022, this erodes the 'amber' market supplement and £3,000 of the 'red' and 'red plus' market supplements for those Band 3 staff who currently receive them.

Recommendation 6: We recommend that from 1 April 2022, the *Fair and Sustainable* Bands 3 and 5 be shortened from five to three pay points as per HMPPS's proposals.

Recommendation 7: We recommend that from 1 April 2022, *Fair and Sustainable* Band 4 become a spot rate by removing all pay points below the maximum.

Recommendation 8: We recommend that all staff (except those subject to formal poor performance procedures) on *Fair and Sustainable* Bands 3 and 5 who are in post on 31 March 2022 and do not automatically receive an uplift as a result of pay band restructuring should progress by one point, effective from 1 April 2022.

Recommendation 9: We recommend that all staff (except those subject to formal poor performance procedures) on *Fair and Sustainable* Bands 7 to 11 who are in post on 31 March 2022 receive a consolidated and pensionable progression increase of 4%, capped at the 2022 band maximum.

Recommendation 10: We recommend that from 1 April 2022, the fixed cash pay differentials for the *Fair and Sustainable* Outer and Inner London zones be increased by 4% and continue to be applied consistently across all bands, positioning maxima at £2,836 and £4,314 respectively above the base 37 hour National zone pay. We also recommend adjusting minima and intermediate points so that progression steps are the same percentage as on the National bands. The increase to be consolidated and pensionable.

Recommendation 11: We recommend that from 1 April 2022, the percentage uplift on base pay for the Unsocial Working Hours allowance be increased to 20% for Bands 2 to 5 and is applied to all contracted hours worked.

Recommendation 12: We recommend that from 1 April 2022, the percentage uplift on base pay for the Required Hours Addition/Allowance be increased to 20% for Bands 7 to 11.

Recommendation 13: We recommend that from 1 April 2022, the Care and Maintenance of Dogs allowance be increased to £2,434 per annum for those with responsibility for a single dog. We further recommend that the rate for multiple dogs is set at 25% above the single dog allowance.

Introduction

- i. While writing our report this year, restrictions put in place during the coronavirus (Covid-19) pandemic were starting to be cautiously lifted in prisons. Her Majesty's Prison and Probation Service (HMPPS) has been widely praised for its response to the pandemic but as the Prison Service tries to return to a normal operating state we are left with a very troubling picture. Despite a temporary reprieve due to increased economic uncertainty and limited opportunities in the labour market during the pandemic, staff leaving rates have resumed their upward trajectory and have now not only returned to but have exceeded pre-2020 levels. When finalising our decisions at the beginning of June 2022, additional statistics published by HMPPS covering the year to March 2022 were released. This data indicated a further worsening of leaving rates for all groups of operational staff and in particular Band 2 Operational Support Grades (OSG) and Band 3 to 4 Prison Officers.
- ii. The strong conclusion we drew from the evidence this year is that HMPPS is facing a crisis in the recruitment and retention of Band 2 and 3 staff and that pay, in particular take home pay, is a significant contributory factor to this. The lack of action in recent years to improve the market position of these staff has led to increasing numbers leaving the Service year on year. This is having a major impact on our remit group and the stability of public sector prisons.
- iii. We are not alone in our concerns. This year HMPPS took the unusual step of making changes to the market supplements during the middle of the pay round due to serious concerns about several prisons where the number of leavers were exceeding joiners. However, it is evident to us that market supplements not only fail to address but in fact reinforce more serious structural issues in the pay system. Moreover, in the past two years,

HMPPS has become over reliant on an increasing number of complex allowances and payments that have further exacerbated the fundamental problems with the current pay structure.

iv. We ask that the Government carefully consider the recommendations we make this year, and the clear and substantial evidence on which they are based. It is crucial that HMPPS invests in its pay structures now, not only to recruit, retain and train the staff it needs in front-line operational roles, but also to deliver on its commitments in the Prison Strategy White Paper and to ensure a stable and effective Prison Service.

v. Our priorities this year are to give all staff a meaningful consolidated base pay increase and to target additional investment at the lowest paid operational grades. Taken together, our recommendations will provide investment where it is most critically needed, whilst ensuring that all our remit group receive a fair and affordable pay award.

Role of the Prison Service Pay Review Body

vi. The Prison Service Pay Review Body (PSPRB) was established under statute in 2001 to examine and report on matters relating to the rates of pay and allowances to be applied in the public sector prison services in England and Wales, and in Northern Ireland. The PSPRB was set up by the Government as a compensatory mechanism for the remit group's loss of the right to take industrial action of any form. This was reinforced in the 336th report of the International Labour Organization in 2005, in which the Government gave a clear and unequivocal commitment to depart from the PSPRB's recommendations only in "exceptional circumstances" and agreed that such recommendations would be complied with in practice. Despite having rejected a number of significant recommendations over the past four years, the Government continues to reaffirm this commitment.

Our remit and approach this year

vii. On 2 December 2021, the Minister of State for Prisons, Victoria Atkins MP, wrote to us asking us to commence our work for the 2022-23 pay round. The Minister asked that affordability be a critical part of our considerations and that we should be mindful of the evidence from Her Majesty's Treasury (HMT) setting out the economic, labour market and financial context within which the Pay Review Bodies have been asked to consider their recommendations. Within this evidence, HMT noted that public sector earnings growth over the next three years should retain broad parity with the private sector. The Minister's activation letter further drew our attention to the Prison Service's need to recruit and retain the best public servants.

viii. We received written submissions from the POA, the Prison Governors' Association (PGA), the Public and Commercial Services Union and HMPPS. Unfortunately, our visits this year were again restricted by Covid-19 but in late 2021 and early 2022 we held virtual discussion groups with prison staff via telephone and video conferencing. These virtual visits allowed us to meet and hear evidence from remit group staff at all levels on a wide range of issues.

2022 pay award

ix. In determining the headline increase for staff this year, we are mindful of the difficult economic backdrop against which we are making our recommendations. We recognise the impact both of the rate of inflation and the resulting increases in the cost of living on our remit group, particularly those on the lowest incomes. However, in determining the quantum of the headline award, our principal focus has been on the workforce data, particularly trends in recruitment and retention, as well as the relative market position of operational Prison Service pay. We have also considered data on average earnings growth and median pay settlements across the whole economy that were available to us at the time of making our decisions.

x. From the outset this year, we recognised that all staff should receive a consolidated uplift to base pay. We therefore recommend a consolidated, pensionable increase of 4% for all staff in Bands 3 to 11, along with all closed grade staff (including closed grade OSGs). This will deliver the same headline award to staff irrespective of whether they are on *Fair and Sustainable* or closed grades.

xi. This year HMPPS proposed a cash award of £1,500 for staff in *Fair and Sustainable* Band 2. We welcome the proposal by HMPPS to provide a substantial increase to the Band 2 spot rate to improve the market position for these staff. We support this proposal and therefore recommend that the *Fair and Sustainable* National Band 2 spot rate be increased by £1,500. This increase will be used to fully erode the market supplements, where paid to *Fair and Sustainable* Band 2 staff.

xii. This is the first year we have made recommendations for the newly created *Fair and Sustainable* Band 12. HMPPS proposed a headline award for Band 12 that was 1% higher than that for Bands 3 to 11. HMPPS informed us that this was because there is no separate Required Hours Addition/Allowance (RHA) payment for Band 12 staff and a slightly higher increase was required to keep their pay ahead of Band 11 pay. We recognise the need to keep a reasonable differential between the two bands to maintain a coherent pay structure and have applied this rationale to our headline pay award as a result. We therefore recommend that the *Fair and Sustainable* Band 12 spot rate be increased by 5%.

***Fair and Sustainable* Band 3**

xiii. In analysing the evidence available to us, we concluded that it was even stronger this year in supporting the need for significant additional investment in Band 3 Prison Officer pay. The extent of the issue the Service is grappling with in regard to recruiting and retaining Prison Officers is clear in all the evidence we have reviewed and it all points to a deterioration year after year. We believe that the number of leavers at Band 3 will continue to get worse unless action is taken to address the insufficiently competitive levels of pay at this grade. Our own analysis of the relative position of Band 3 pay shows that it continues to lag behind a number of comparable occupations.

xiv. The lack of an effective pay strategy for Band 3 pay has become more apparent this year due to the contradictory approach to market supplements. Although we welcome the commitment from HMPPS to start eroding the market supplements we do not believe this is compatible with the supplements being increased and extended to more prisons. These

measures may help to reduce the flow of officers out of the Service in the very short term, but it is clear to us that their continued and repeated extension is evidence of its limited effectiveness. We believe staff need certainty and confidence in their pay and the Service must act now to provide a competitive base salary. We accept the aspiration of HMPPS not to rely on market supplements, as it has demonstrated in its approach to Band 2. However, we believe the Service must, given the scale of the recruitment and retention issues it faces, move further and faster to do so.

xv. Our own aspiration remains that all Prison Officers in closed and *Fair and Sustainable* grades should be paid a single rate for the job, set at an appropriate position against the relevant market comparators. This is consistent with the overarching principle of the HMPPS *Fair and Sustainable* framework. Our recommendation this year takes a substantial step to close the gap between the maxima of the two pay structures. However, we recognise that our recommendations alone may not bring Band 3 Prison Officer pay up to a competitive relative market position or completely resolve equal pay risks at this grade. It may take several years to achieve this.

xvi. We therefore recommend that from 1 September 2022, the 'amber' market supplement is consolidated into pay, resulting in a £3,000 increase in pensionable pay for all Band 3 staff on the National *Fair and Sustainable* Band 3 pay scale. This £3,000 increase should be paid to all staff in Band 3, including those working at 'red' and 'red plus' market supplement sites. We further recommend that HMPPS continue to pay an amended non-consolidated 'red' market supplement of £2,000 (reduced from £5,000) and a 'red plus' market supplement of £3,500 (reduced from £6,500) a year to those Band 3 Prison Officers who are currently eligible to receive them. We will review these payments in the future in line with our longer-term aspirations for Band 3 Prison Officer pay.

Pay band restructuring

xvii. HMPPS informed us that one of its key priorities this year was to achieve a complete structural reform across the *Fair and Sustainable* pay structure to incentivise progression through the pay scale and remove the "leap frogging" of newly promoted staff over experienced colleagues. It provided us with a number of proposals to reduce pay ranges and move some bands to spot rates.

xviii. We were pleased to see HMPPS make a serious attempt to start addressing some of the structural problems in the pay framework. However, we were not convinced that in every case its proposals were the best approach. We believe that the changes are designed to fix an immediate recruitment and promotion problem facing the Service, by incentivising staff to move through the grades, but that this could have a number of unintended and adverse longer-term consequences, such as a reduction in progression through the range that could adversely affect retention.

xix. We were disappointed that HMPPS did not discuss these proposals with the unions in advance of submitting them to us. When we sought views from the unions on the proposals during oral evidence, they were mixed. Although the unions largely favoured the proposed changes for the officer grades there were concerns raised by the PGA about the consistency in approach for the operational manager grades.

xx. We have always been wary about unpicking proposals which both HMPPS and the unions support, and we therefore endorse the structural proposals for Bands 3 to 5. Our concerns were more profound for operational manager grades, particularly as we struggled to see any compelling rationale for introducing spot rates for these grades, when it takes time for individuals to become fully competent in the role. We understand however, that this is a real concern for HMPPS particularly at Band 7 and therefore encourage HMPPS to work with the PGA to agree on and implement a solution for these grades outside of the pay round and as soon as possible.

Performance management and pay progression

xxi. This year HMPPS introduced a new performance management system that effectively ends the link between end of year markings and progression through the pay ranges. While we welcome the move towards a new system, we have considerable concerns about how the new system will function in an operational service such as HMPPS. It is crucial for HMPPS to consider how it will build staff and trade union confidence in the new system and ensure that there is adequate time for staff to administer it.

xxii. This year we will not make recommendations on pay progression for Band 2 or Band 4 as they are, or have been recommended to move to, a spot rate. In line with the approach taken in previous years, we recommend that staff on *Fair and Sustainable* Bands 3 and 5, who do not automatically receive an uplift as a result of pay band restructuring, progress to the next pay point following the pay uplift unless they are subject to formal poor performance procedures.

xxiii. In the absence of a performance link and clear information from HMPPS about our role in recommending pay progression under the new performance management system, it has been difficult to determine appropriate pay progression for *Fair and Sustainable* Bands 7 to 11 this year. We continue to believe however that operational managers should still be able to progress through their respective pay ranges from minima to maxima within five years. We therefore recommend that staff in Bands 7 to 11 receive a consolidated and pensionable progression increase of 4%, capped at the 2022 band maximum. This should be adjusted to reflect any shortening of the pay range that is agreed between HMPPS and the PGA to remain consistent with managers progressing through the pay range within five years.

Allowances

xxiv. In our 2021 report we set out our concerns that many allowances had not been considered or changed for some considerable time. We recommended that all allowances should be reviewed in depth via a fixed rolling review over a five-year period, and that any allowance that had a fixed cash value that compensated staff for undertaking a particular duty throughout the year should be updated each year in line with the headline rate. Despite the Government's decision not to respond to this recommendation in 2021, our position has not changed this year. We do not think it is right to let the value of an allowance be eroded over time leaving staff insufficiently remunerated.

xxv. In accordance with the timetable for our five year rolling review, this year we conducted a review of the Care and Maintenance of Dogs allowance and both the Unsocial

Working Hours (UWH) allowance and RHA. We asked the parties to provide us with a wide range of information on the allowances, as well as their views on the appropriateness of the current allowance levels and clear rationale for any proposed changes.

xxvi. We received proposals from HMPPS, the POA and PGA on UWH and RHA. However, from the evidence presented to us we cannot be certain about the extent of unsocial hours worked by staff. The proposals from the parties demonstrated to us the fragility of the basis on which UWH and RHA are paid, largely relying on a historical equal pay settlement from 18 years ago to determine what percentage of salary could legitimately be attributed to operational staff working unsocial hours. While we endorse the proposal to increase both UWH and RHA to 20%, we would encourage the parties to look again in more detail at the payment of these allowances to ensure that they are set at appropriate levels.

xxvii. The second allowance we reviewed this year was the Care and Maintenance of Dogs allowance, for which we received proposals from HMPPS and the POA. We decided that there was a strong case to match the current Police dog handlers' allowance as we considered that both roles are broadly comparable. We therefore recommend that from 1 April 2022 the Care and Maintenance of Dogs allowance for those with responsibility for a single dog be increased to £2,434 a year. This value aligns the allowance with the 2021 Police dog handlers' allowance of £2,340 a year, uprated by the headline pay award of 4% (in line with our intention to uprate allowances of a compensatory nature with a fixed cash value by the headline award each year). We recommend that the multiple dog rate remains set at 25% above the single dog allowance.

xxviii. We received many other proposals for increases to allowances and payments this year and although we were sympathetic to some of them, we ultimately had to prioritise the funds available this year and recommend investing them where we felt they were most needed and would make the most difference. We therefore recommend no further changes to other allowances and payments this year.

xxix. As part of our five year rolling review of allowances, we will review Payment Plus and OSG overtime next year. However, we wish to remind all parties that we remain willing to consider any allowance outside of the review period should they think it is required.

Cost of our recommendations

xxx. We estimate that our recommendations will result in an increase of approximately 8.5% (£111 million) to the total paybill for our remit group, excluding pay progression^{iv}. This equates to 2% of HMPPS's £5.6 billion annual budget for operational expenditure^v as of 2020-21. We estimate that HMPPS's proposals cost £66 million, excluding pay progression. As we have set out in previous reports, we do not include the cost of pay progression or contractual performance awards when calculating the cost of the annual pay award.

^{iv} This percentage takes account of both our recommended increase to pay scales, restructuring and those elements of the paybill that are not subject to any increase. It also takes account of the non-payment of market supplements, given that the £3,000 increase will be used to erode existing market supplements for Band 3 staff currently receiving them.

^v HMPPS, (2021). *HMPPS Annual Reports and Accounts 2020-21*. (online) Available at: <https://www.gov.uk/government/publications/hmppps-annual-report-and-accounts-2020-21> [accessed on 10 June 2022].

xxxi. We consider that our recommendations this year offer value for money and will deliver long-term productivity savings to the Prison Service through increased retention and lower recruitment and training costs that will offset some of the cost of this award.

Looking ahead

xxxii. Looking ahead to the next pay round, we have asked the parties to address several issues in evidence for our 2023 report so that we may consider them more fully. These cover a range of data requests as well as evidence about recruitment and retention, motivation and morale, performance management, equality and diversity and HMPPS's short- and medium-term strategies for moving towards a coherent and cohesive pay structure.

xxxiii. We also ask HMPPS and Government to consider the position in relation to non-operational staff who are not in our remit group but who HMPPS maintain are affected by our pay recommendations. In recent years this read across has become more prominent as it has played a part in HMPPS's deliberations on whether our recommendations are affordable, despite the non-remit group not being part of our terms of reference or considerations. We are therefore put in a difficult position each year whereby the Government's approval of our recommendations is influenced by a group of staff who are not in our remit. We do not think this is a sensible or logical situation and we ask the parties to bring forward proposals on how this can be resolved in the future.

Conclusion

xxxiv. The evidence we received this year demonstrated that uncompetitive pay levels and serious long-running recruitment and retention problems are putting the Prison Service in an unsustainable position that risks the stability of prisons due to inadequate staffing levels and experience. Although we recognise the financial pressures that HMPPS faces within its current budget, we believe it cannot afford to continue with the current approach of short term, time limited measures. The crisis the Service is facing will only worsen unless there is significant and immediate investment in pay to improve the competitiveness of the Prison Service's employment package.

xxxv. We believe that our recommendations this year offer a fair and meaningful pay award to staff and, importantly, target investment where it is needed most. Our recommendations provide a significant step towards establishing one single market facing rate for each grade. However, we must stress that we have taken a proportionate approach, considering carefully what is affordable this year, and that it may take some time to fully resolve the fundamental issues in the pay structure. We look forward to continuing to work collaboratively with all the parties to achieve this in the future.

Tim Flesher CB (*Chair*)
Mary Carter
Luke Corkill
Judith Gillespie CBE
Leslie Manasseh MBE
Paul West QPM DL

Chapter 1: Introduction

Our role

1.1 The Prison Service Pay Review Body (PSPRB) was established in 2001 under statute¹ to examine and report on matters relating to the rates of pay and allowances to be applied in the public sector prison services in England and Wales and in Northern Ireland.

1.2 The PSPRB was created as a compensatory mechanism for our remit group's loss of the right to take industrial action of any form. This was outlined in the 336th report² (2005) by the International Labour Organization (ILO), in which the Government gave a clear and unequivocal commitment only to depart from our recommendations in "exceptional circumstances" and agreed that such recommendations would be complied with in practice. This pledge by the Government has not been rescinded, as noted by the former Prisons Minister, Alex Chalk MP, in oral evidence to us last year. This therefore places a particular responsibility on us, and it is one that we take very seriously when formulating our recommendations. Given this context, we consider that, if, once again, the Government rejects any of our recommendations, the remit group should receive a full explanation of the "exceptional circumstances" that have led to that decision.

1.3 We also have standing terms of reference. They emphasise that we should provide independent advice based on the range of evidence available to us. There are several elements in our terms of reference which we are asked to take account of when making our recommendations to Government, these are:

- Recruitment and retention factors. For example, whether the Service can recruit and retain the numbers of suitably able staff that it requires;
- Remit group morale;
- Labour market issues, including regional and local data, and the effects on recruitment and retention;
- The legal obligations placed on the Prison Service;
- Affordability of our proposals, which includes the Government's inflation target, and the funds available to the Prison Service;
- The competitiveness of the Prison Service with the private sector, along with any differences in terms and conditions and taking account of the broad employment package; and

¹ The Prison Service (Pay Review Body) Regulations 2001 (SI 2001 No. 1161). (online) Available at: http://www.legislation.gov.uk/ukxi/2001/1161/pdfs/ukxi_20011161_en.pdf [accessed on 10 June 2022]. The PSPRB covers England and Wales, and Northern Ireland; the Scottish Prison Service is outside our remit.

² The ILO, (2005). *336th Report of the Committee on Freedom of Association*. (online) Available at: [https://www.ilo.org/public/libdoc/ilo/P/09604/09604\(2005-88-series-B\).pdf](https://www.ilo.org/public/libdoc/ilo/P/09604/09604(2005-88-series-B).pdf) [accessed on 10 June 2022].

- The economic and other evidence submitted by the Government, trade unions, staff, professional associations and others.

Outcome of our last report

1.4 Last year we received a restricted remit from the Government in respect of our England and Wales 2021 report, requiring us to limit our recommendations to a pay increase of £250 for those earning under £24,000 in base pay. In that remit letter, the Government did not restrict us from making recommendations relating to allowances, pay progression and pay strategy. In accordance with the restricted remit we, as required, confirmed that all eligible staff should receive the Government's £250 pay uplift, or, if greater, an award to remain compliant with the National Living Wage. We further recommended that Her Majesty's Prison and Probation Service (HMPPS) should provide to us a comprehensive pay strategy that addressed the structural issues in the pay system, incorporating Recommendation three from our 2020 report. We also made other recommendations relating to the review of allowances and pay progression.

1.5 The Government responded by accepting three of our 2021 report recommendations. It did not formally respond to the two other recommendations we made concerning a comprehensive pay strategy and the review of allowances. The Secretary of State for Justice announced³ in Parliament that the Government considered these two recommendations fell outside our remit for the 2021-22 pay round and were applicable to future financial years. Our Chair wrote (at Appendix A) to the Secretary of State for Justice following this decision to state our position that we did not accept that Recommendations one and five fell outside our remit, nor that we were restricted in making recommendations that were applicable to future financial years, as indeed many of our recommendations are. This was the third time our recommendations have been rejected or not formally responded to within the last four years, despite the pledge from the Government that our recommendations would only be rejected in "exceptional circumstances".

1.6 Recommendations two, three and four were implemented in autumn 2021 and backdated to 1 April 2021.

Our remit this year

1.7 In the Autumn Budget and Spending Review 2021⁴, the Chancellor of the Exchequer confirmed a move away from the pay pause for those public sector workers earning over £24,000 base pay a year. As part of the Spending Review 2021, the Government said public sector workers would see pay rises over the next three years as the recovery in the economy and labour market allows a return to a normal pay setting process.

1.8 The Minister of State for Prisons, Victoria Atkins MP, wrote to our Chair on 2 December 2021 asking us to commence our work for the 2022-23 pay round. The letter (see Appendix B) did not seek to restrict our remit as it did last year, allowing us to make recommendations

³ UK Parliament, (2021). *Prisons Update. Statement made on 19 October 2021*. (online) Available at: <https://questions-statements.parliament.uk/written-statements/detail/2021-10-19/hcws331> [accessed on 10 June 2022].

⁴ HMT, (2021). *Autumn Budget and Spending Review 2021 (HTML)*. (online) Available at: <https://www.gov.uk/government/publications/autumn-budget-and-spending-review-2021-documents/autumn-budget-and-spending-review-2021-html> [accessed on 10 June 2022].

on the entirety of our remit, which we welcome. The Minister's activation letter drew our attention to the Prison Service's need to recruit and retain the best public servants. The Minister also asked us to take into consideration affordability and the uncertainty of the labour market when we made our recommendations.

Our timetable

1.9 Prior to 2016, our timetable saw our report delivered to the Government in February for publication in March. This allowed staff in our remit group to receive their pay award in time for the 1 April implementation date. However, in recent years there have been delays in receiving both the activation letter and Government's written evidence. Our reports have therefore been submitted to the Government in late spring with publication generally being between July and October. Our 2021 report last year was submitted to the Government on 22 July but not published until October 2021. These delays have meant that staff in our remit group have consistently received their pay award months after the implementation date, something we continue to find unacceptable. We are aware that this has caused issues for staff, particularly those on temporary cover, who end up receiving overpayments through no fault of their own and which they are then obliged to pay back once the pay award has been calculated. We welcome the commitment from the Minister in her activation letter for this year that the Department will do all it can to meet the timescales necessary for an April implementation in the future.

Our evidence base

1.10 Our secretariat invited all the parties who represent our remit group to submit written evidence. We were pleased to receive evidence from all the parties again this year, including the POA for the second year running. We heard representations in oral evidence from:

- Minister of State for the Ministry of Justice, Victoria Atkins MP, and HMPPS officials led by its Director General for Prisons, Phil Copple.
- The POA, represented by Mark Fairhurst, National Chair, Steve Gillan, General Secretary, and Dave Todd, Vice National Chair.
- The Prison Governors' Association (PGA), led by Andrea Albutt, PGA President, and three members of the PGA National Executive Committee.
- The Public and Commercial Services (PCS) Union, represented by Kev Newton, PCS HMPPS Branch Chair, Susan Webb, PCS HMPPS Branch Vice Chair and Adam Verinder, PCS Full-Time Officer.

1.11 We base our recommendations in this report on evidence from a range of sources. These include:

- Written and oral evidence from the parties (as above);
- Economic data from a number of sources, including the Office for National Statistics and the Office for Budget Responsibility;

- Statistical data provided by HMPPS on the composition of our remit group and its pay, which we shared with all the parties, along with publicly available data published on its website;
- The Incomes Data Research 2020 report on prison staff pay comparability;
- The 2021 Civil Service People Survey results for HMPPS as a whole and separately for the Prison Service;
- Information gathered during our 2022 virtual prison visits (see below); and
- Her Majesty's Inspectorate of Prisons' (HMIP) inspection reports and the HMIP 2020-21 annual report.

Visits

1.12 Unfortunately, our visits this year were again restricted by Covid-19, which resulted in them being held virtually with prison staff via telephone and video conferencing. Prior to the increase in Covid-19 cases in December 2021 and January 2022, we had made contact with five establishments in the hope of being able to undertake face-to-face visits, but these were unable to go ahead due to the restriction on visitors. We would like to thank the Governors of Birmingham, Cardiff, Long Lartin, Onley and Pentonville prisons for offering to facilitate these face-to-face visits. We hope to return to our full programme of in-person visits for our next report.

1.13 This year the number of staff who volunteered to take part in virtual discussion groups with us was lower than in previous years. However, we were still able to hear feedback on a range of issues that were important to staff. These included: Covid-19 and working conditions plus their impact on morale; motivation; recruitment and retention; remuneration; and the 2021 pay pause, including the decision of the Government not to respond to Recommendations one and five; progression; performance management; and other matters that were important to staff. We were also able to meet Band 12 *Fair and Sustainable* staff virtually who are new to our remit group this year. A summary of the main points from our discussion groups with staff can be found in Chapter two.

1.14 It continues to be our view that visits are an integral part of our process and enable us to engage directly with our remit group to gain a valuable insight into their experiences of working in a prison, and to understand their current concerns. The visits provide us with an evidence base against which to test the written and oral evidence we receive from the parties, along with providing direct evidence on other matters. We are grateful for those staff who took the time and volunteered to speak to us.

Our 2022 report

1.15 This report follows the usual format from past reports. Chapter two sets out the current economic, financial and environmental context, and summarises the evidence we received. In Chapter three we set out detailed information on our remit group, including data on its composition, and report on issues covered by our terms of reference. Chapter four sets out our analysis of the evidence and our recommendations for 2022. Finally, in Chapter five we comment on several important areas that we believe the parties should be giving further attention to in advance of our 2023 report.

Chapter 2: Context and the parties' proposals

Introduction

2.1 This chapter sets out the context for our recommendations. It provides information on the economic situation and describes both the financial and environmental context in which Her Majesty's Prison and Probation Service (HMPPS) made its proposals and how these informed the recommendations we have made. The chapter concludes with a summary of the main points that arose from our virtual staff discussion groups that took place from November 2021 to February 2022 and the parties' proposals to us this year.

Economic context

2.2 Each year in our reports, we consider economic evidence from a range of sources. Since the start of the coronavirus (Covid-19) pandemic over two years ago there has been rapid change and uncertainty across the economy. This has been compounded in recent months by the war in Ukraine, which has caused further economic and financial shocks. The resulting increases in fuel prices and household energy bills have pushed up rates of inflation, eroding household disposable incomes. In its March 2022 Economic and Fiscal Outlook, the Office for Budget Responsibility (OBR) reported that real household disposable income will reduce by 2.2% in 2022-23, causing living standards to fall⁵. This is the largest financial year fall on record, driven by increases to inflation and net tax rises.

Economic growth

2.3 The OBR noted that United Kingdom Gross Domestic Product (GDP) had returned to its pre-pandemic level in the first quarter of 2022 despite the impact of the Omicron variant of Covid-19 in the final months of 2021. The economy is estimated to have grown by 7.4% in 2021, following a -9.3% contraction in 2020⁶. The OBR forecasted 3.8% real growth for GDP in 2022, slowly returning to 1.8% year-on-year growth by 2025⁷.

Inflation

2.4 Inflation, as measured by the Consumer Prices Index, rose to 9.0% in the 12 months to April 2022, up from 7.0% in March 2022⁸. This is the highest 12-month rate in the National Statistics series, which began in January 1997, driven by rising prices for energy and goods as a result of supply-chain issues arising as economies around the world have started to unlock, and as a result of the Russia/Ukraine conflict. Following the increase in the energy price cap from October 2021 (to reflect changes in the cost of supply), the 12-month

⁵ This is on a per-person basis. OBR, (2022). *Economic and fiscal outlook – March 2022*. (online) Available at: <https://obr.uk/efo/economic-and-fiscal-outlook-march-2022/> [accessed on 10 June 2022].

⁶ ONS, (2022). *Gross Domestic Product: Year on Year growth: CVM SA %*. (online) Available at: <https://www.ons.gov.uk/economy/grossdomesticproductgdp/timeseries/ihyp/pn2?referrer=search&searchTerm=ihyp> [accessed on 10 June 2022].

⁷ OBR, (2022). *Economic and fiscal outlook – March 2022*. (online) Available at: <https://obr.uk/efo/economic-and-fiscal-outlook-march-2022/> [accessed on 10 June 2022].

⁸ ONS, (2022). *Consumer price inflation, UK: April 2022*. (online) Available at: <https://www.ons.gov.uk/economy/inflationandpriceindices/bulletins/consumerpriceinflation/april2022> [accessed on 10 June 2022].

inflation rate for electricity increased by 53.5% and gas by 95.5%. Average petrol prices stood at 161.8 pence per litre in April 2022, compared with 125.5 pence per litre a year earlier. The April 2022 price was the highest recorded⁹.

Labour market

2.5 Pay As You Earn Real Time Information data indicates that the number of employees on payrolls in March 2022 was 29.4 million, higher than the pre-pandemic peak of 29.0 million in February 2020¹⁰. The number of payrolled employees has increased sharply over the last year, well above any previously seen rate of employment growth. This is most likely to have been caused by the number of people returning from furlough¹¹ after the Covid-19 restrictions were lifted.

2.6 The Office for National Statistics reported a record high 1.3 million job vacancies in the three months to April 2022¹². The largest number of job vacancies were in health and social work, accommodation and food services, and retail and wholesale. Total job-to-job moves also increased to a record high of 994,000 during the January to March 2022 period, largely driven by resignations rather than dismissals¹³. The level of redundancies fell to below normal levels at the end of 2021, despite the ending of the furlough scheme.

Earnings growth

2.7 According to the average weekly earnings series, twelve-month growth in average total pay was 7.0% for the whole economy in January to March 2022. This increase was driven by high bonus payments across several sectors, as well as strong growth in regular pay (of 4.2%), suggesting upward pressure on wages, although when adjusted for inflation, in real terms, growth in total pay was 1.4% and regular pay fell on the year by -1.2%.

2.8 Growth in public sector earnings was below the rate of change for the private sector, with total pay for the private sector growing by 8.2% in the three months to March 2022, compared to just 1.6% for the public sector¹⁴.

2.9 According to XpertHR, which collects data on pay settlements in the public and private sectors, the median pay award in the first four months of 2022 was 3.5%, with the median

⁹ ONS, (2021). *Consumer price inflation, UK: April 2022*. (online) Available at: <https://www.ons.gov.uk/economy/inflationandpriceindices/bulletins/consumerpriceinflation/latest> [accessed on 10 June 2022].

¹⁰ ONS, (2022). *Earnings and employment from Pay As You Earn Real Time Information, UK: May 2022*. (online) Available at: <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/bulletins/earningsandemploymentfrompayasyouearnrealtimetypeinformationuk/may2022> [accessed on 10 June 2022].

¹¹ During the Covid-19 pandemic, employers could agree to put some or all of their staff on temporary leave called furlough. When an employee was put on furlough, they could use the Coronavirus Job Retention Scheme to claim a percentage of their usual wage.

¹² ONS, (2022). *Vacancies and jobs in the UK: May 2022*. (online) Available at: <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/jobsandvacanciesintheuk/may2022> [accessed on 10 June 2022].

¹³ ONS, (2022). *Labour market overview, UK: May 2022*. (online) Available at: <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/uklabourmarket/may2022> [accessed on 10 June 2022].

¹⁴ ONS, (2022). *Average weekly earnings in Great Britain: May 2022*. (online) Available at: <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/averageweeklyearningsingreatbritain/may2022> [accessed on 10 June 2022].

for the three months to April at 4.0%. This is the highest level since 1992 but remains below the headline rate of inflation.

National Living Wage

2.10 The National Living Wage (NLW) is based on recommendations made to Government by the Low Pay Commission. The NLW applies to workers aged 23 and over, with separate rates for younger workers. From 1 April, the minimum wage for workers aged 23 and over increased by 6.6% to £9.50 an hour¹⁵. The Government's target is, economic conditions permitting, for the NLW to reach two-thirds of median earnings by 2024.

Financial context

2.11 The Spending Review 2021 (SR21), setting out departmental budgets up to 2024-25, was presented to Parliament by the Chancellor of the Exchequer in October 2021¹⁶. It stated that every departments' overall spending would increase in real terms as a result of SR21, with total departmental spending set to grow at 3.8% a year on average over the Parliament. The Ministry of Justice's (MoJ) settlement included:

- A £3.2 billion cash increase over the Parliament to £11.5 billion in 2024-25, equivalent at that point to a real-terms growth rate of 3.3% per year on average over the SR21 period;
- An additional £644 million a year by 2024-25 across courts, prisons and probation services to meet the increased demand resulting from the recruitment of 20,000 extra Police Officers as more offenders are brought to justice;
- Over £1 billion across the period to increase capacity and efficiency across the court estate and to recover from the impacts of Covid-19;
- £3.8 billion of investment across England and Wales over three years to deliver 20,000 additional prison places by the mid-2020s;
- Additional funding both to increase the thresholds for means-tested legal aid and for victim support services to expand access to justice and the support available for users; and
- Continued investment in probation services and significant wider investment in new initiatives to reduce reoffending and beat crime.

2.12 SR21 also committed an extra £540 million by 2024-25 to complete the recruitment of the final 8,000 Police Officers to fulfil the Government's commitment to recruit 20,000 additional officers by 2023. This will take the total to 148,000 officers by 2023, a 16% increase compared to 2019. We note this additional funding for the Home Office in our report because Police Officers are considered comparator jobs for Prison Officers.

¹⁵ GOV.UK, (2022). *National Minimum Wage and National Living Wage rates*. (online) Available at: <https://www.gov.uk/national-minimum-wage-rates> [accessed on 10 June 2022].

¹⁶ GOV.UK, (2021). *Autumn Budget and Spending Review 2021: documents*. (online) Available at: <https://www.gov.uk/government/publications/autumn-budget-and-spending-review-2021-documents> [accessed on 10 June 2022].

2.13 HMPPS informed us in its written evidence that SR21 was a positive settlement for the MoJ, and that it provided the Department with greater certainty to plan for the longer term. However, it warned that the financial position continued to remain challenging because SR21 came against the backdrop of increased activity due to rising demand across the system and the impact of Covid-19.

Prisons Strategy White Paper

2.14 The Prisons Strategy White Paper was laid before Parliament in December 2021, setting out the Government's 10 year vision for a modern prison estate that protects the public and cuts crime by rehabilitating offenders¹⁷. The White Paper sets out the £3.8 billion of investment for the prison building programme allocated in SR21 and over £500 million to tackle reoffending. Much of the White Paper does not impact on our remit, although we note that in the first two years of the 10 year vision HMPPS has committed to:

- A large-scale recruitment campaign for up to 5,000 additional Prison Officers in private and public prisons, to deliver up to an additional 20,000 places by the mid-2020s; and
- The introduction of a retention framework to support prison Governors to identify and tackle local issues and enable targeted national support.

Pay and Workforce Strategy

2.15 In its written evidence, HMPPS stated that the Department needed to undergo and respond to changes in working cultures and environment as a result of the pandemic and technological advances. It informed us that it would implement a new departmental operating model to deliver the commitments in the White Paper and transform and modernise its service and people. A key priority of this new model is the development of a workforce and reward strategy.

2.16 The HMPPS workforce and reward strategy plans for a better deployed and high-performance workforce with an emphasis on engagement and wellbeing, underpinned by appropriate reward incentives. HMPPS informed us that as part of its strategy, it planned to start offering more flexible contracts and career opportunities across the Service, the lack of which HMPPS acknowledged has previously been a barrier to retaining and attracting staff.

2.17 We welcome the creation of a workforce and reward strategy and look forward to seeing the action plan with agreed and monitored targets next year.

Affordability

2.18 In its evidence to us, HMPPS stated that the main rationale behind its recommendations this year was to provide a significant increase in salary for operational prison staff and to achieve a complete structural reform across the *Fair and Sustainable* pay structure, incentivising progression through the pay scale. It noted that it had listened to our concerns from previous reports about Band 3 pay and market supplements, and that these

¹⁷ GOV.uk, (2021). *Prisons Strategy White Paper*. (online) Available at: <https://www.gov.uk/government/publications/prisons-strategy-white-paper> [accessed on 10 June 2022].

had shaped its proposals this year to provide the best possible pay offer to address the immediate challenges.

2.19 HMPPS asked that affordability be a critical part of the Prison Service Pay Review Body's (PSPRB) considerations and that we should be mindful of the evidence from Her Majesty's Treasury (HMT) setting out the economic, labour market and financial context within which the Pay Review Bodies have been asked to consider their recommendations. Within this evidence HMT noted that public sector earnings growth over the next three years should retain broad parity with the private sector and continue to be affordable.

2.20 HMPPS costed its proposals for 2022-23 for our remit group at approximately £62.4 million excluding progression. This figure includes revalorisation, restructuring and on-costs. HMPPS stated if we were to recommend an award above this figure, it would be unaffordable without reallocating funds from elsewhere. It noted that there was limited scope to reprioritise funding and resources, and that this could be to the detriment of the safety, maintenance, and capacity of the prison estate.

Environmental context

2.21 During the past two years, we have made our recommendations against the backdrop of the Covid-19 pandemic. For staff in our remit group this has presented an extraordinary challenge as regimes were temporarily paused¹⁸, prison visits were stopped, and most in-person hearings and trials were suspended. Operational prison staff did not have the option to work from home during the pandemic. Notwithstanding the risks involved to themselves and their close families, they continued to attend establishments to maintain order and the safety of the prisoners in their care, and the public. We heard from all the parties this year in oral evidence and from staff on our virtual visits of the toll this took both on the physical and mental health of staff.

2.22 As we write our report this year, we are conscious that the Service is still recovering from Covid-19 and many establishments continue to face outbreaks. We remain very impressed by the dedication and professionalism of staff in our remit group who continue to work in these difficult conditions, behind prison walls and out of sight of the public. As Covid-19 restrictions begin to ease within prisons, we also note the challenges and concerns this brings. Some staff who have less than two years' experience in the Prison Service may never have experienced working in a prison when regimes were not restricted. During oral evidence the Prisons Minister informed us that this presented a chance to look at how things can be done differently post Covid-19 and of the Service's desire to learn lessons from some of the positive changes which had taken place during the pandemic, such as the decrease in serious assaults.

¹⁸ During lockdown, HMPPS quarantined new entrants to prison, isolated people who were sick and shielded the most vulnerable. The Service asked establishments to reduce mixing between different areas of the prison, implement social distancing and reduced non-essential activities during high-risk periods. A National Framework was developed which defined five 'Regime Stages' of different levels of restrictions.

Prison population

2.23 The prison population as at 31 December 2021, across the public and private sector was 79,092, 1.7% higher than a year before¹⁹. The useable operational capacity²⁰ across the estate in England and Wales as of December 2021 was 81,195.

2.24 The long-term prison population is expected to rise to 98,500 by March 2026, an increase of around 19,000²¹. This projected increase is due to the recruitment of 23,400 additional Police Officers and Her Majesty's Courts and Tribunals Service continuing to work through the backlog of court cases caused by Covid-19, which is likely to increase charge volumes and therefore the prison population. In the short term, the total prison population is projected to reach pre-Covid-19 levels by around July 2022.

Her Majesty's Inspectorate of Prisons annual report

2.25 Her Majesty's Inspectorate of Prisons (HMIP) is an Arm's Length Body of the MoJ, whose purpose is to "ensure the independent inspection of places of detention, report on conditions and treatment and promote positive outcomes for those detained and in the public". In 2020-21, HMIP published 69 inspections, scrutiny visits and thematic reports.

2.26 In 2020, Charlie Taylor was appointed as the Chief Inspector of Prisons. In his first annual report²² published in July 2021 he comments on the unprecedented restrictions many places of detention in England and Wales were still under and the impact this has on the daily life of those held in prison. He notes that many of the problems observed by the Inspectorate over recent years such as violence, poor outcomes in purposeful activity, failures in rehabilitation and release planning, and the failure to learn from better performing establishments, may have been suppressed by the pandemic but the underlying causes had not gone away.

2.27 The Chief Inspector notes that the decrease in violence due to increased cell time during the pandemic was felt by prisoners to be temporary. Prisoners commented that violence also took place out of sight of staff, in shower areas or in cells. With regard to staff-prisoner interactions, he comments that the limited time out of cell for each prisoner meant there was insufficient scope for staff to develop meaningful relationships to support prisoners or identify possible vulnerability.

2.28 Looking to the year ahead, the Chief Inspector states it will be challenging but now is the time to learn positive lessons and innovate. He notes positive examples of good leaders at every grade across the prison estate who are improving prisons and assisting the speedy progress to return to full regimes.

¹⁹ GOV.uk, (2021). *Prison population figures: 2021, Population bulletin: weekly: 31 December 2021*. (online) Available at: <https://www.gov.uk/government/statistics/prison-population-figures-2021> [accessed on 10 June 2022].

²⁰ Useable Operational Capacity of the estate is the sum of all establishments' operational capacity less 3,000 places.

²¹ GOV.uk, (2021). *Prison Population Projections: 2021 to 2026*. (online) Available at: <https://www.gov.uk/government/statistics/prison-population-projections-2021-to-2026> [accessed on 10 June 2022].

²² HMIP, (2021). *Annual report 2020-21*. (online) Available at: <https://www.justiceinspectors.gov.uk/hmiprisons/inspections/annual-report-2020-21/> [accessed on 10 June 2022].

Safety in custody

2.29 Data provided by HMPPS for the year to March 2021 showed a decrease in both assaults and serious assaults on staff. This is likely to be due to the restricted regimes implemented in prisons during the Covid-19 pandemic. In the year to December 2021, assaults on staff were broadly unchanged from the previous 12 month period. In the year to December 2021, there were 7,957 assaults on staff and 740 serious assaults on staff recorded²³.

2.30 There were 54,027 self-harm incidents reported across all establishments in the year to December 2021, a 2.8% decrease from the previous 12 months. The number of self-harm incidents decreased in both male and female establishments, by 3.1% and 1.9% respectively. The rate of self-harm incidents per 1,000 prisoners, which takes account of changes to the prison population, decreased by 0.9% in male establishments, but increased by 3.6% in female establishments²⁴.

2.31 In its written evidence this year, HMPPS acknowledged that, due to Covid-19 related absences, many of the Prison Safety programmes were paused as staff were redeployed to cover shortfalls elsewhere. It informed us that as of autumn 2021 these programmes had been restarted and the priority was to ensure key safety programmes are used effectively, such as: Key Work; Challenge, Support and Intervention Plan; and Assessment, Care in Custody and Teamwork. HMPPS stated that evidence shows positive relationships between prisoners and staff, along with frequent structured meetings built through Offender Management in Custody (OMiC) are key drivers to reduce violence and improve resettlement outcomes. However, HMPPS's own modelling indicated that, in the first quarter of 2022-23, the resourcing pipeline would not be large enough to fill all the scheduled Prison Officer training courses as vacancies began to increase. It stated this would have an impact on strands of work such as OMiC.

2.32 In both written and oral evidence, we heard from the unions that the environmental context staff are working in remains challenging, despite the levels of violence decreasing due to the pandemic. We were informed that levels of assaults are still a big factor in why staff leave the Service and there was a real concern among staff and prisoners about incidents of violence and bullying increasing as restrictions are eased and regimes are opened.

Evidence from visits

2.33 As discussed in Chapter one, we were not able to undertake in-person visits due to Covid-19 restrictions this year. We therefore continued with our programme of virtual prison visits as we have done for the last two years.

2.34 We offered a range of grade specific discussion groups for staff to volunteer for, made available to prison staff across the entire estate through November 2021 and February 2022. This year we saw a smaller number of volunteers but still held nine discussion groups with Band 2 to 12 staff. Due to the smaller turnout this year, we were not able to draw very firm

²³ GOV.UK, (2021). *Safety in custody: quarterly update to December 2021*. (online) Available at: <https://www.gov.uk/government/statistics/safety-in-custody-quarterly-update-to-december-2021> [accessed on 10 June 2022].

²⁴ Ibid.

conclusions on the anecdotal evidence we received, although much of it was similar to what we have heard in recent years. We were pleased that more staff were able to join via video conferencing rather than on the telephone and see this as a positive technological step for the Service. We look forward to resuming our usual visit programme to public sector establishments and one private sector establishment for our 2023 report, along with meeting staff in person once again.

2.35 The main themes raised surrounding Covid-19 were:

- Covid-19 had placed substantial demands on staff and the Service. Staff said the additional pressures had been felt from Band 2 right up to Band 12 and the resilience of staff had been significantly tested.
- The Service had been operating with many staff absences due to Covid-19 and this had placed additional demands on all staff.
- Staff said the levels of drug misuse, violence and assaults on staff had reduced during Covid-19. However, there was a concern amongst staff that this was temporary and would increase once regimes began to reopen.
- There was a general concern that significant numbers of staff had joined since the start of the pandemic and these staff did not have an accurate picture of what it was like to work in a prison under a normal, unrestricted regime.

2.36 The main pay and allowances issues raised with us were:

- Last year's award had been derisory, but staff said it was what they were expecting from Government, and some said they were resigned to it.
- Pay was not reflective of the work that staff undertook, nor the level of responsibility required for working in a prison.
- Band 3 pay was just too low and pay had not kept pace with external factors, such as inflation and pay in the wider labour market.
- The closed grades²⁵ said they felt they were on pay scales where investment was minimal.
- Some staff were living off Payment Plus²⁶.
- Staff told us that Band 5 Custodial Managers could earn more undertaking Payment Plus rather than through a substantive promotion to Band 7.
- Operational Support Grades (OSGs) told us that the Service for them was a minimum wage employer.

²⁵ The term closed grades refers to those grades that are no longer recruited to and are closed to new entrants. The *Fair and Sustainable* grading structure is currently recruited to.

²⁶ Payment Plus is a method of payment for additional hours worked over and above an individual's normal conditioned hours for very specific set of tasks and circumstances.

- It was reported that OSGs routinely worked 30% to 60% of their contracted hours unsocially, therefore the Unsocial Working Hours (UWH) element should be increased to reflect this.
- Some reported that private sector prisons were now paying the same as, or more than, the Prison Service.
- The cost of living, inflation, pension, along with historic and future National Insurance Contribution increases were eroding the value of pay.
- We heard that some prisoners were being released on temporary licence to work placements that paid more than the salaries for Band 2 and 3. This was demoralising for prison staff.

2.37 The main concerns raised around recruitment and retention were as follows:

- As in previous years, a common theme was the high turnover of Band 3 Prison Officers leaving the Service to find more competitive pay, particularly in the first few years of service.
- Again, we were told that Band 3 Prison Officers were leaving the Service for the Police and Border Force. However, more private sector employers and sectors were also being noted, either because of higher pay or because they offered a similar or slightly lower level of pay but a better and safer working environment.
- It was reported that there were closed grade Prison Officers along with Band 4 and 5 staff leaving the Service for other jobs, and this was considered very unusual.
- Staff continued to note what they saw as a poor recruitment system which was selecting staff many of whom were not particularly well suited for the Service, resulting in them leaving soon after completion of their training. We heard some anecdotal evidence of new recruits not being told they were required to work unsocial hours, such as evenings and weekends. We also heard that some new recruits felt that they would be working in an office environment with prisoners rather than operationally on prison landings.
- Some prisons were described as having very difficult staffing levels with some significant vacancies at Band 3; one told us that it was around 40% at their prison.
- Retention had become more challenging and was affecting prisons that previously normally only had vacancies when staff retired. It was felt that the Service should not be having struggles in those geographic areas.
- There was a concern about Band 2 recruitment and retention, given many could earn more working in a supermarket or factory.

2.38 The main themes raised around motivation and morale were:

- Staff generally felt a sense of loyalty to their colleagues and the prison they worked at, but this was limited when speaking about the Prison Service as a whole.

- As in previous years there was a sense that Prison Service staff continued to feel undervalued by politicians and the public. We continued to hear that the staff feel like the forgotten service, "hidden behind a large wall" and were out of sight, out of mind.
- Covid-19 had dented morale further, with fewer staff and a greater sense of burnout.
- Some closed grades told us that they particularly felt demotivated and were not wanted by the Service.
- OSGs continued to tell us that they felt like the "left behind" staff group and their role was not fully appreciated by other prison staff.
- Governors wanted to make a difference inside their prisons and make improvements, but Covid-19 had made this particularly difficult.

2.39 Other issues raised were:

- The independence of the Review Body was questioned. Staff were unhappy that the Government could place restrictions on the remit and reject recommendations.
- Governors and in particular Band 12 Prison Group Directors said those long in service at their grades had hit pension thresholds and had started to receive some significant tax demands. Some told us that they had left the pension scheme, sometimes years before retirement, to reduce the impact of annual and lifetime pension allowance thresholds. They told us that this meant their total reward package was missing a significant benefit.
- Staff said there were issues accessing training and some reported that training in some areas had been significantly delayed. Some staff felt that undertaking additional training should be financially rewarded.
- OSGs told us that they felt there should be a senior OSG grade for those that did not want promotion to Prison Officer and to improve line management of this group of staff.

The parties' proposals

2.40 As noted in Chapter 1, we received an activation letter from the Minister of State for Prisons in December 2021, asking us to commence our work for the 2022-23 pay round. We received all written evidence from the parties by late-February 2022.

2.41 In our two previous reports we have had to express our disappointment that several of our requests for evidence were not fulfilled and the impact this had on our deliberations as an evidence-based body. We were therefore pleased this year that our call for evidence was taken seriously, and we were impressed at the general quality of written evidence we received. The only exception to this was the lateness of the pay distribution data which we did not receive until late February 2022, after the deadline for written evidence. We do not consider this an acceptable position given that the 2021 pay award was paid to staff in late autumn 2021. The pay data provides particularly important context for all the parties, and we ask that next year HMPPS send this information either before or at the point we request written evidence.

2.42 We again ask that all parties carefully consider Chapter five of our report this year and ensure that these requests for further information, alongside the elements in our terms of reference, form the basis of written evidence submissions for our 2023 report.

2.43 The key points in the written evidence we received are summarised below.

2.44 HMPPS made the following proposals in its evidence to us:

Headline award

- *Fair and Sustainable* Band 2 National spot rate to increase by £1,500.
- A 2% consolidated award for all staff in *Fair and Sustainable* Bands 3 to 5 and Bands 7 to 11.
- A 3% consolidated award for staff in *Fair and Sustainable* Band 12.
- A 2% consolidated award for all closed grade uniformed staff and operational managers at the scale maximum.

Pay band restructuring

- Shorten the *Fair and Sustainable* Band 3 pay scale from 5 points to 3, removing the minimum and pay point 3 (thus increasing the existing starting salary by 4.8%).
- Move *Fair and Sustainable* Band 4 to a spot rate by removing all pay points below the maximum.
- Shorten the *Fair and Sustainable* Band 5 pay scale from 5 pay points to 3 by removing the minimum and pay point 2.
- Shorten the pay range for *Fair and Sustainable* Band 6²⁷, Band 8, Band 9 and Band 10 to 10% in length (from 20% previously).
- Move *Fair and Sustainable* Band 7 and Band 11 to spot rates.

Performance Pay

- Under the new performance management system end of year markings, guided distribution and moderation meetings had been removed and replaced with regular conversations between line managers and staff and more on the spot recognition in the form of vouchers, small bonuses or gifts.
- Staff in *Fair and Sustainable* Bands 3 to 5, who do not automatically receive an uplift as a result of the pay band restructuring, to progress to the next pay point following uplifts.
- Staff in *Fair and Sustainable* Bands 8 to 10 to progress by 2%.
- No progression for staff in *Fair and Sustainable* Bands 2, 4, 7, 11 or 12 as these bands are already or are proposed to move to spot rates.

²⁷ Band 6 is not within the remit of the PSPRB.

Locality pay

- The current locality pay zone structure to remain unchanged.
- The differential between National and Outer/Inner London maxima rates at *Fair and Sustainable* Bands 2 to 11 to increase by 2%.

Allowances and payments

- Increase the UWH allowance from 17% to 20% paid at *Fair and Sustainable* Bands 2 to 5.
- Apply UWH allowance to all hours that are contractually required of Prison Officers at *Fair and Sustainable* Bands 2 to 5 (currently restricted to 37 hours per week).
- Increase the Required Hours Addition/Allowance (RHA) from 17% to 20% paid at *Fair and Sustainable* Bands 7 to 11.
- The Care and Maintenance of Dogs allowance to increase by £674 per annum for one dog, or by £842 for more than one dog.
- The 'amber' and 'red' market supplements to be extended by another year to 31 March 2023, although the value of the supplements to start to be eroded by the headline pay increase of 2% for *Fair and Sustainable* Band 3 staff²⁸.
- The 'red' site market supplement paid to OSGs to be fully eroded by the headline increase of £1,500.
- No increase to any other allowances.

2.45 The POA made the following proposals in its written evidence:

Pay

- All staff to receive a consolidated pay increase of 7.5%, equivalent to the Retail Price Index (RPI), plus 3.0% totalling 10.5%.
- PSPRB Recommendation three from the 2020 report to be resubmitted.
- OSG pay to be removed from the PSPRB remit and returned to collective bargaining.

Allowances

- All allowances to be increased in line with the headline pay request of RPI plus 3.0%. Each allowance to increase in line with headline awards in future years.
- The UWH allowance to be increased from 17% to 25% and all closed grades to receive an equivalent amount to recognise their continued commitment to working unsocial hours.

²⁸ At the end of March 2022, HMPPS informed us that the number of establishments who receive the existing 'amber' and 'red' market supplements would be increased and a new 'red plus' tier would be introduced from April 2022.

- The Care and Maintenance of Dogs allowance to increase to £7,000, with an additional £500 for each additional dog.
- Payment Plus to be made pensionable and updated to £30 per hour.
- Uniformed staff who volunteer to train in a specialism to be paid a consolidated, annual allowance of £500 per specialism.
- Tornado and Dirty Conditions payments to be made pensionable. For Dirty Condition payments, the rate for up to 4 hours to increase from £10.00 per period to £15.00 per period, and for more than 4 hours the rate to increase from £20.00 per period to £30.00 per period. For Tornado payments, the rate for officers to be updated from £24.86 to £35.00 per hour, and for OSGs updated from £19.00 per hour to £30.00 per hour.
- The current national Time Off in Lieu balance to be immediately repaid to staff at the current Payment Plus rate.
- Staff who are temporarily promoted to be remunerated fully by receiving consolidated annual pay progression in line with those carrying out the substantive role.
- Market supplements to be extended to all establishments recording an attrition rate of 10% or more and paid to all uniform grades in receiving sites.
- All uniformed frontline staff with more than five years' service to receive a retention bonus payment of £5,000 every five years.

Other

- The *Fair and Sustainable* model to be scrapped and a new fit for purpose, uncomplicated pay structure to be negotiated.
- A pension age of 60 to be implemented across the board.

2.46 The Prison Governors' Association made the following proposals in its written evidence:

- *Fair and Sustainable* Band 7 to 11 pay ranges to be increased by 15% to match the "mean average" pay levels of the Incomes Data Research (IDR) comparators, phased in over three years.
- A reduction in the time it takes to progress from the *Fair and Sustainable* Band 7 minimum to maximum from five to four years, ultimately leading to a three year progression timeframe. Pay progression through the pay range of 10% a year.
- The work of Duty Governor to be rewarded by a separate allowance, or an increase in the RHA allowance to 25%.
- An additional payment for *Fair and Sustainable* Band 8 Deputy Governors in recognition of the additional qualification required to undertake this role.
- The PSPRB to commission research to evaluate total reward for all pay bands.

2.47 The Public and Commercial Services Union HMPPS branch made the following proposals in its written evidence:

- A cost of living pay increase of 10%.
- A living wage of £15 an hour.
- *Fair and Sustainable* Band 3 minimum to be increased to £25,164 and maximum increased to £28,938, plus a reduction from a five to three point pay scale.
- *Fair and Sustainable* Band 4 minimum to be increased to £31,831 and maximum increased to £36,606, plus a reduction from a five to a four point pay scale.
- All bands to have a 10% differential between band maxima and minima.
- A London weighting payment of £5,000 per year.
- PSPRB Recommendation three from the 2020 report to be re-recommended in full.
- A special circumstances payment of £150 a month for all staff who have worked inside a prison during the Covid-19 pandemic.
- Staff who volunteer to train in a specialism to be paid a consolidated, annual allowance of £500 per specialism.
- A return to national Civil Service pay bargaining.
- A cut in pension contributions of 2% backdated to 2019.

Chapter 3: Our Remit Group

Introduction

3.1 This chapter sets out the evidence we have received on the staff in our remit group. It presents background information and data on the composition of the remit group and reports on the issues covered by our terms of reference: recruitment and retention; motivation and morale; equality and diversity; and the competitiveness of the Prison Service employment package in England and Wales.

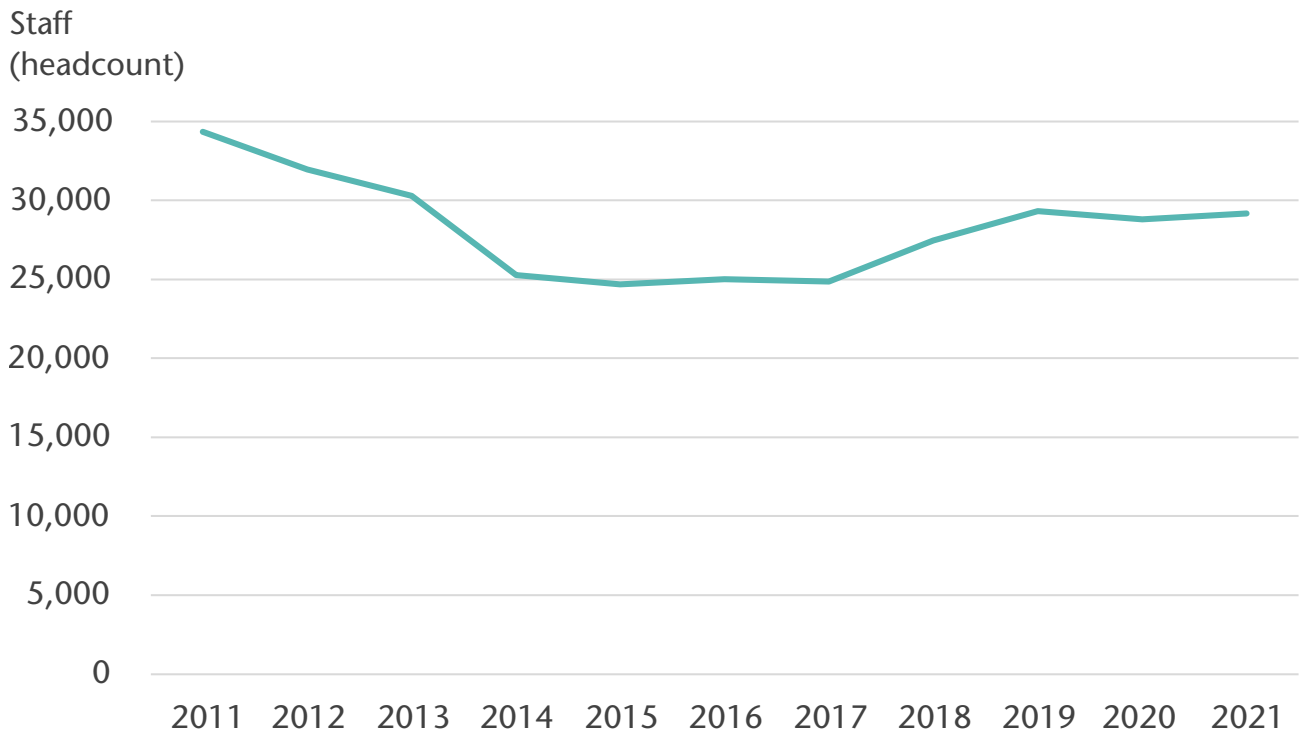
3.2 We receive staffing data from Her Majesty's Prison and Probation Service (HMPPS) annually and use these figures when formulating our recommendations. The data generally refers to the 12 month period to 31 March 2021. Where we have used more up-to-date figures, the time period has been referenced.

The composition of our remit group

Staff numbers

3.3 There were 29,171 staff (on a headcount basis) in our remit group at the end of March 2021, a 1.2% increase since March 2020. Figure 3.1 shows the remit group size from 2011 to 2021. Staff headcount declined over the period from 2011 to 2014 due to staff exiting through Voluntary Early Departure Schemes. From 2014 to 2017, the headcount of the remit group remained at around 25,000, the lowest it had been since the Prison Service Pay Review Body (PSPRB) was established in 2001. Since 2017 the remit group size has risen to around 29,000, due to the increased recruitment of Band 3 Prison Officers in particular, although numbers have levelled off in the last two years.

Figure 3.1: Remit group size, March 2011 to 2021²⁹.



3.4 Table 3.1 shows the number of remit group staff in post each year from 2016 to 2021. By grade, the largest percentage increase in staff from March 2020 to 2021 was 5.3% for Band 2 Operational Support Grades (OSG). Staff numbers also increased for Band 4 Supervising Officers/Specialists by just under 4%. Staff numbers for Band 3 Prison Officers decreased slightly over the period for a second year, with a decrease in the number of closed grades officers outweighing an increase in *Fair and Sustainable* grades. Staff numbers for Band 5 remained relatively stable between 2020 and 2021, following a 13% increase to this grade group between 2019 and 2020.

²⁹ OME analysis of unpublished HMPPS workforce data.

Table 3.1: Remit group headcount of staff in post, by grade, at 31 March 2016 to 2021³⁰.

| Broad staff group | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | Change 2020 to 2021 | Change 2020 to 2021 (%) |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------------------|----------------------------------|
| Band 7 to 11/Operational manager grades | 964 | 934 | 903 | 945 | 984 | 1,004 | 20 | 2.0% |
| Band 5s/Principal Officers | 1,368 | 1,407 | 1,428 | 1,560 | 1,770 | 1,767 | -3 | -0.2% |
| Band 4s/Supervising Officers/Specialists | 2,735 | 2,737 | 2,922 | 3,057 | 3,116 | 3,232 | 116 | 3.7% |
| Band 3s/Prison Officers | 14,986 | 15,030 | 17,471 | 18,841 | 17,915 | 17,878 | -37 | -0.2% |
| Band 2s/Operational Support Grades | 4,950 | 4,760 | 4,736 | 4,937 | 5,026 | 5,290 | 264 | 5.3% |
| Total Band 3 to 5 prison officer grades | 19,089 | 19,174 | 21,821 | 23,458 | 22,801 | 22,877 | 76 | 0.3% |
| Total (remit group) | 25,003 | 24,868 | 27,460 | 29,340 | 28,811 | 29,171 | 360 | 1.2% |

3.5 More recent full-time equivalent (FTE) data to December 2021 point to an increase in the number of Band 3 to 5 officers between March 2021 and December 2021, from 21,926 to 22,156 (1.0%)³¹. This was driven by an increase in Band 3 to 4 Prison Officers (including Specialists) of 1.2% and Band 5 staff of 6.1%. Band 2 staff numbers also increased slightly from March 2021 to December 2021³².

3.6 The Prison Governors' Association (PGA) again raised concerns to us this year about the accuracy of data provided to the PSPRB. It informed us that it had made numerous requests to HMPPS to gain accurate data for operational manager grades, but this has not been forthcoming.

Staff characteristics

3.7 As a public body we have a public sector equality duty and are required by our terms of reference to consider, as a minimum, the relevant legal obligations on the Prison Service with regard to equality and diversity. Although we regularly receive data from HMPPS on the diversity of our remit group, last year we asked for additional data, such as breakdowns by protected characteristics, to ensure we have the right granularity and up-to-date equality and

³⁰ OME analysis of unpublished HMPPS workforce data.

³¹ FTE equivalent data is not directly comparable to that in the table above, which is on a headcount basis. FTE staff numbers account for part-time hours and are therefore typically lower than those on a headcount basis.

³² HMPPS, (2021). *Her Majesty's Prison and Probation Service workforce quarterly: December 2021*. (online) Available at: <https://www.gov.uk/government/statistics/her-majestys-prison-and-probation-service-workforce-quarterly-december-2021> [accessed on 10 June 2022].

diversity data on all areas of our remit. We have been informed that HMPPS is gathering this data, but that it will not be ready in time for our report this year. We encourage HMPPS not only to gather this data but also to analyse it carefully in order to identify any emerging equality, diversity and inclusion challenges at the earliest possible stage.

3.8 The Ministry of Justice (MoJ) publish annual gender pay gap statistics, in accordance with the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017. The gender pay gap shows the difference in the average (mean or median) pay between all male and female staff in a workforce. For the MoJ overall, the mean pay gap was 5.9% at 31 March 2021, a slight increase from 5.8% in 2020. The median pay gap was 13.6%, a decrease from 15.6% in 2020³³. The MoJ notes that around 34% of men were employed in HMPPS as Prison Officers in 2021, a role that includes allowance for shift work. The median male is situated within the Prison Officer category, whereas the median female is situated in an administrative role that does not involve shift work. This difference in the workforce distribution helps to explain the median gender pay gap. The mean pay gap for HMPPS was 3.7% in 2021, a slight decrease from 3.8% in 2020. The median gender pay gap was 8.8% in 2021, unchanged from 2020. Across the Civil Service as a whole, the mean gender pay gap was 7.8% at 31 March 2021 and the median was 8.1% in the same period³⁴.

3.9 At 31 March 2021, around 50% of OSGs were aged 50 or over. This grade group has the largest proportion of staff aged over 60, compared to other grade groups, at 18% in March 2021. The age profile of Band 3 to 5 staff has been decreasing over time, with 26% of Band 3 to 5 officers aged under 30 in March 2021, compared to just 12% in 2010. Most of this growth has come from staff aged 25-29. The proportion of operational managers aged over 50 has continued to increase since 2010, with 57% of this grade group being aged 50 or over in March 2021.

3.10 At 31 March 2021, 33% of the remit group were female, up one percentage point from 2020. There have been increases in the proportions of female staff in all grades over the period since 2006, however the proportion does not reach half in any of the *Fair and Sustainable* grades. The gender split by grade group is as follows³⁵:

- 48% of OSGs were female, up 2 percentage points from 2020.
- 29% of officers were female, up 1 percentage point from 2020.
- 38% of operational managers were female, up 2 percentage points from 2020.

3.11 With regard to ethnicity statistics, the various sources used in this report take differing approaches to terminology and classification of ethnic groups. Whilst the Government recommends using the term 'ethnic minorities' over 'Black, Asian, and Minority Ethnic (BAME)'³⁶, we have used the specific term that each source refers to within this report.

³³ MoJ, (2021). *Ministry of Justice gender pay gap report: 2021*. (online) Available at: <https://www.gov.uk/government/publications/ministry-of-justice-gender-pay-gap-report-2021> [accessed on 10 June 2022].

³⁴ Cabinet Office, (2021). *Civil Service statistics: 2021*. (online) Available at: <https://www.gov.uk/government/statistics/civil-service-statistics-2021> [accessed on 10 June 2022].

³⁵ OME analysis of unpublished HMPPS workforce data.

³⁶ GOV.uk, (2021). *Writing about ethnicity*. (online) Available at: <https://www.ethnicity-facts-figures.service.gov.uk/style-guide/writing-about-ethnicity> [accessed on 10 June 2022].

3.12 At 31 March 2021 8.5% of the remit group were from a BAME background³⁷. This is an increase of 0.4 percentage points from March 2020 and 2.1 percentage points from 2017. The corresponding proportion in the wider England and Wales population, as reported in 2019 Office for National Statistics (ONS) experimental statistics was 15.2%³⁸. The proportion of HMPPS staff from a BAME background overall is also higher, at 10.9%. We again note this year that the percentage of staff from a BAME background appears to decrease as seniority increases. In March 2021³⁹:

- 10.1% of OSGs were from a BAME background, no change from 2020.
- 8.3% of officers were from a BAME background, up 0.5 percentage points from 2020.
- 6.0% of operational managers were from a BAME background, up 0.1 percentage points from 2020.

3.13 In its written evidence, HMPPS reconfirmed its commitment to recommendation 28 of the 2017 Lammy Review⁴⁰, to ensure it recruited 14% of staff from a BAME background by December 2020. It noted that the HMPPS Race Action Programme will build on the ambitions of the Lammy recommendations 28 and 29 to enhance regional recruitment activity by engaging third sector ethnic minority organisations, outreach and community engagement to increase representation of ethnic minority staff in under-represented areas. We return to this matter later in the chapter.

Two-tier pay structure

3.14 Staff in our remit group have occupied both the *Fair and Sustainable* and the closed grade pay structure since the former was introduced in 2012. The modernised *Fair and Sustainable* terms and conditions were introduced for Prison Service staff as a result of a programme of reform, with the original business case stating it would take 15 years to close the gap between the two structures. HMPPS has in previous years acknowledged that it will not meet this target to close the gap due to the period of public sector pay restraint. All staff, regardless of whether they would financially benefit or not, are given the opportunity to opt in to *Fair and Sustainable* on an annual basis.

3.15 As at 30 November 2021, 18% of our remit group were in the closed grades. This proportion has decreased from 22% in September 2020⁴¹. The majority of existing closed grade staff are Prison Officers, equivalent to *Fair and Sustainable* Band 3. There are many staff

³⁷ This is calculated as the headcount of BAME staff divided by the headcount of all staff, excluding staff who did not wish to declare their ethnicity. BAME includes the following groups: Arab, Other Ethnic Background, Asian – Bangladeshi, Asian – Indian, Asian – Pakistani, Black – African, Black – Caribbean, Chinese, Mixed Asian and White, Mixed Black African and White, Mixed Black Caribbean and White, Other Asian Background, Other Black Background, Other Mixed Ethnic Background. It excludes the following category: White British.

³⁸ As experimental statistics, these estimates will be subject to further testing in terms of quality and ability to meet user needs. ONS, (2021). *Population estimates by ethnic group and religion, England and Wales: 2019*. (online) Available at: <https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/articles/populationestimatesbyethnicgroupandreligionenglandandwales/2019> [accessed on 10 June 2022].

³⁹ OME analysis of unpublished HMPPS workforce data.

⁴⁰ GOV.uk (2017). *Lammy Review: Final Report*. (online) Available at: <https://www.gov.uk/government/publications/lammy-review-final-report> [accessed on 10 June 2022].

⁴¹ OME analysis of unpublished HMPPS workforce data.

(mainly closed grade Prison Officers) who remain unwilling to opt in to *Fair and Sustainable* because the pay differential with Band 3 remains substantial. However, there are also a number of staff, predominantly OSGs, who have chosen not to opt in despite it being financially beneficial for them to do so. We have heard from staff in the past on our visits that this is due to a general level of mistrust towards HMPPS and, in particular, a concern that certain elements of their pay, pension entitlement or allowances might be taken away from them.

3.16 We note that there are still several closed grade staff who do not wish to opt in because they are in receipt of legacy Locality Pay Allowances (LPAs) which are not paid under the *Fair and Sustainable* pay arrangements. As at 31 March 2022 there were 1,304 FTE closed grade staff in receipt of a legacy LPA. The financial position for closed grades in receipt of a legacy LPA has remained unchanged for some time now and is not likely to change considerably in the future unless there are large increases to the *Fair and Sustainable* pay rates sufficient to remove the financial disincentive of opting-in.

3.17 This year, unlike in previous years, HMPPS has proposed base pay awards for both closed grade staff and those within *Fair and Sustainable* following the public sector pay pause in 2021. HMPPS informed us in oral evidence that it was necessary for the Service to retain experienced staff and it therefore recognised that the closed grades needed to have a consolidated pay increase this year. However, it has targeted additional increases for *Fair and Sustainable* operational staff through an uplift to the Unsocial Working Hours (UWH) allowance. HMPPS has also proposed a number of changes to the *Fair and Sustainable* pay ranges and scales which it hopes will bring total pay for this cohort of staff closer to their closed grade colleagues.

Allowances

3.18 The Prison Service continues to place a heavy reliance on the use of allowances. Total expenditure on allowances increased by 11% (£21.9 million) from 2019-20 to 2020-21, to £221.9 million⁴². In 2020-21 there was a decrease in expenditure on allowances for closed grade staff by 7% (probably driven by the decrease in the number of closed grade staff) but an increase for *Fair and Sustainable* staff of 14%, which more than offset the decrease for closed grade staff. Across both staffing groups, the largest increases in expenditure were for Payment Plus (69%) and Overtime (32%).

3.19 Total expenditure on Payment Plus increased from £33 million in 2019-20 to a peak of £55 million in 2020-21, largely driven by an increase in *Fair and Sustainable* Payment Plus expenditure of 84%. It is likely that this substantial rise is due to the impact of the coronavirus (Covid-19) pandemic and staffing shortages at local level. In its written evidence, HMPPS proposed an increase to UWH in order to recognise the value of the significant number of unsocial hours worked by operational staff and reduce the need for the more expensive Payment Plus hourly rate.

3.20 Total overtime expenditure for *Fair and Sustainable* and closed grade staff increased from £9 million in 2019-20 to £12 million in 2020-21. This increase was driven by an

⁴² OME analysis of unpublished HMPPS workforce data.

increase in *Fair and Sustainable* overtime expenditure which is at its highest level since 2013-14.

3.21 Time off in lieu (TOIL) is a debt HMPPS accrues of time owed to staff who have carried out additional, unpaid hours of work. This needs to be repaid in future by allowing the relevant staff time off. The outstanding TOIL balance at 31 March 2021 for staff in Band 2 to 5/support grades and officers was reported to be 312,120 hours across all establishments, a decrease of 53,965 hours since last year. From 2014, Band 5 staff have consistently had more TOIL hours owed per officer compared to other grades.

3.22 At 31 March 2021, there were 1,601 staff in receipt of a temporary cover payment, an increase of 11% from the previous year. The grades with the greatest number of staff on temporary cover are Band 3 to 4 Prison Officers (including Specialists), with 889 staff receiving a temporary cover payment. The number of staff receiving temporary cover payments has increased across all grades from 2014-2021.

3.23 We continued to hear from the unions this year that temporary cover levels remained high and there were still members of staff who had been on temporary cover for longer than two years. The PGA informed us in oral evidence that many operational manager vacancies were being filled by temporary cover arrangements. The POA highlighted to us that staff who had been on temporary cover for longer than a year were not being rewarded properly for the work being done because they do not receive consolidated annual pay progression in line with those carrying out the substantive role.

3.24 When we requested further information on temporary cover payments from HMPPS it sent us data showing that there were indeed still a number of staff who had been on temporary promotion for more than two years, particularly in *Fair and Sustainable* Bands 7 and 8. It informed us that its proposals this year to restructure the *Fair and Sustainable* pay structure would incentivise career progression and would allow for the Service to achieve a more robust supply of operational managers. We remain concerned about the number of staff on lengthy temporary promotions which appears to have increased since our last report. Where permanent promotion opportunities are not available in the short term, we encourage HMPPS to redouble its efforts to ensure fair and inclusive processes to select personnel for temporary promotion and to regularly review temporary promotion arrangements to prevent them extending excessively.

3.25 This year, HMPPS also introduced an Operational Stability Payment (OSP) to replace all previous enhanced bonus schemes attached to working additional hours for Payment Plus and OSG overtime. The scheme is designed to support prisons with chronic medium-term staffing pressures or those establishments that experience acute resourcing or operational pressures. To receive the payment, staff have to commit to work a set number of overtime hours a week. HMPPS informed us the scheme may be as short as 72 hours in some cases, but no longer than 12 weeks. The payments range from £60 to £1,500 for Bands 3 to 5, and from £75 to £900 for Band 2 OSGs. At the time of writing our report there were 32 establishments offering the OSP.

3.26 In recent years we have raised our concern that there were several allowances that had not been considered or changed for some considerable time. There is a complex arrangement of allowances in place across the Prison Service, many of which have not been reviewed despite notable increases and decreases in allowance expenditure. We believe it is wrong that an allowance should simply be left unchanged in cash terms for many years while it declines in real value. We proposed last year that any allowances with a cash value should be increased by the headline pay award each year and subsequently set a five year rolling review for all allowances to be considered in more depth. Our intention in doing so was to ensure a default position in which all allowances would be subject to some level of review every five years. However, this was not to prevent flexibility to consider specific allowances as changing operational need and context required.

3.27 The Government rejected our 2021 Recommendation five on allowances, noting that it considered these matters to fall outside of our remit for the 2021-22 pay round and they were not applicable to the current financial year. However, in its written evidence this year HMPPS acknowledged that allowances needed to be reviewed and modernised in an affordable and feasible way.

3.28 As set by our rolling review programme, we decided that we would consider two allowances this year in depth: the UWH allowance in *Fair and Sustainable* (including the Required Hours Addition/Allowance (RHA)) and the Care and Maintenance of Dogs allowance. We are grateful to the parties for providing us with information on these allowances.

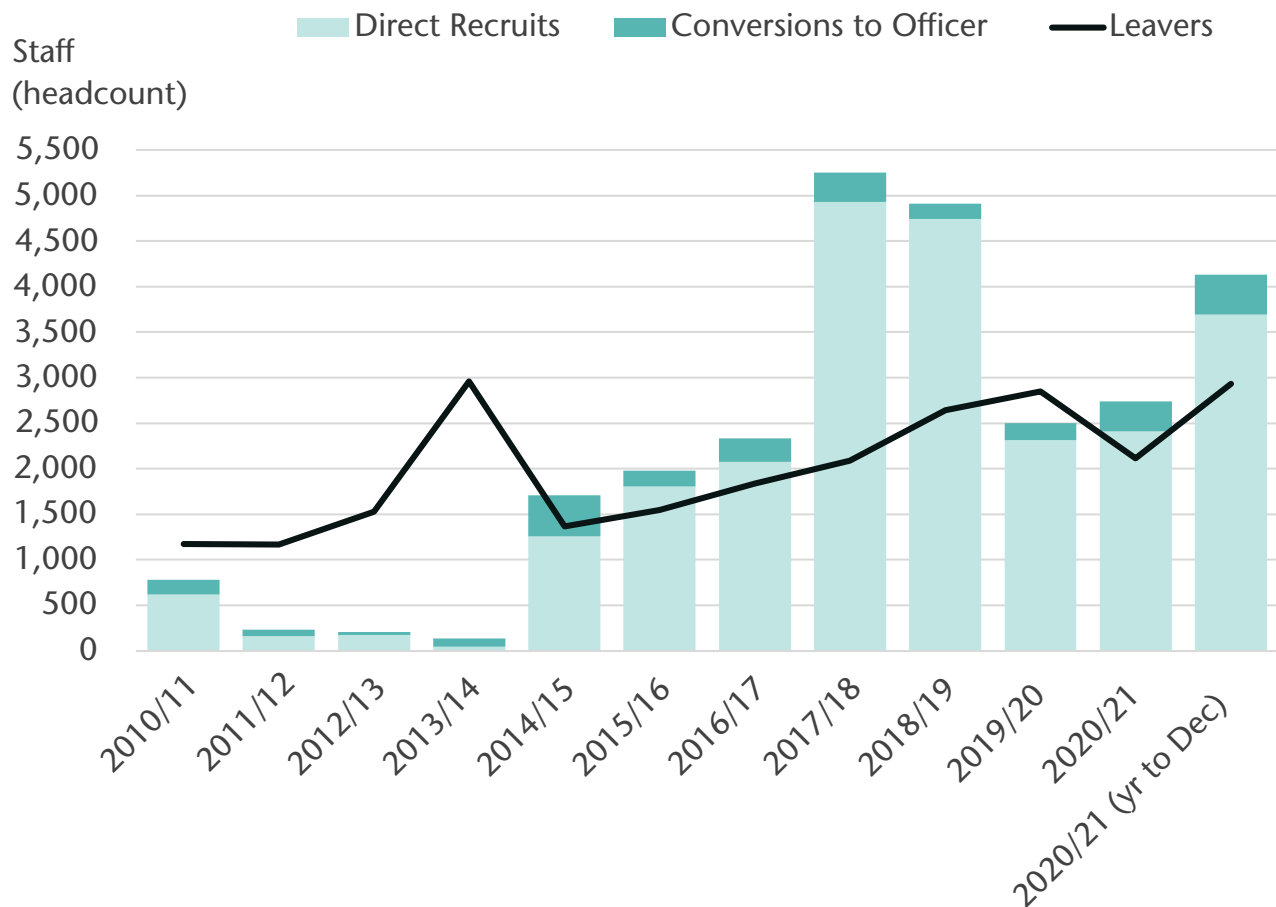
Recruitment and retention

3.29 As set out in our terms of reference, the ability of HMPPS to recruit, retain and motivate suitably able and qualified staff is a key factor that we must consider when reaching our recommendations. HMPPS informed us in written evidence this year that both recruitment and retention have become increasingly challenging.

Recruits and conversions to officer

3.30 Since 2015, HMPPS has been recruiting significant numbers of Band 3 Prison Officers, the main recruited-to grade in the Service. Over 10,000 Band 3 Prison Officers were recruited between 2018 and 2021. In the year to December 2021 there were 4,132 new officers, of which 3,693 were new recruits and 439 were conversions from other Prison Service roles. See Figure 3.2 for the headcount of Band 3 conversions and recruits and Band 3 to 5 leavers.

Figure 3.2: Staff headcount of direct recruits into Band 3, conversions to Band 3 officers from existing staff, and Band 3 to 5 officer leavers, year to March 2011 to December 2021⁴³.



3.31 HMPPS informed us that the delivery of 20,000 new prison places will require large-scale recruitment of up to 5,000 additional Prison Officers across both the public and private sector. HMPPS acknowledged in its written evidence that attracting new recruits into the Prison Service was a problem this year because local establishments are feeling the effect of continuous recruitment in a supply-constrained labour market. HMPPS warned that recruitment drives from competitors such as the Border Force, Police and a range of private sector employers, such as online retailers and supermarkets, who can offer comparatively safer working conditions, more flexible working, and upfront financial incentives, were providing a further challenge to recruitment. HMPPS noted that it was expediting recruitment campaigns to try and drive up the number of recruits, using virtual assessment centres and increasing training capacity. It stated that attraction to the Prison Service was a core part of ensuring a stable and sustainable recruitment pipeline.

⁴³ OME analysis of HMPPS workforce data and HMPPS, (2021). *Her Majesty's Prison and Probation Service workforce quarterly: December 2021* (online) Available at: <https://www.gov.uk/government/statistics/her-majestys-prison-and-probation-service-workforce-quarterly-december-2021> [accessed on 10 June 2022].

3.32 In terms of recruitment diversity, HMPPS's experimental statistics provide a measure of the proportion of new recruits who are from ethnic minority backgrounds⁴⁴. These statistics are based on self-declared ethnicity and declaration rates are typically above 98%. Between January 2020 and December 2021, ethnic minority candidates made up 21.3% of all Prison Officer applicants, and 13.9% of formal offers accepted. Over the same period, ethnic minority candidates⁴⁵ made up 19.3% of OSG applicants and 14.0% of formal offers accepted. For HMPPS overall, the proportion of HMPPS applicants accepting a final offer from ethnic minority backgrounds was 13.5% (between January 2020 and December 2021). This is close to HMPPS's target of 14%.

3.33 Within Prison Officer and OSG applicants, there is evidence of a disparity in outcomes when comparing ethnic minority candidates to white candidates, meaning that ethnic minority candidates have a disproportionately lower success rate. This was mainly driven by a large proportion of ethnic minority candidates not reaching the assessment stage. There is also evidence of a disparity in outcomes when comparing female applicants to male applicants, for Prison Officer but not OSG candidates (noting that there are proportionally more female OSGs compared to Prison Officers). Lastly, there is evidence of a disparity in outcomes when comparing disabled applicants to non-disabled applicants for OSG candidates and Prison Officers. For disabled candidates, the stage that causes the largest disparity is between being made a provisional offer and accepting a final offer. This may be influenced by the fitness test which takes place between the provisional and final offer.

3.34 HMPPS informed us in written evidence that it regularly reviewed and evaluated candidate performance during the Prison Officer recruitment process for fairness and it found no adverse impact against any group, including ethnic minority candidates, at any stage in the recruitment process. HMPPS attributed the disproportionately low success rate for ethnic minority candidates to the large proportion that did not reach the assessment stage and said it should be expected that the percentage of ethnic minority applicants will fluctuate over time.

3.35 HMPPS informed us about a number of initiatives it had implemented across the recruitment process to improve diversity and inclusion, including: targeting prisons where there is disparity between the ethnic minority workforce population and the regional working population; adopting a specific focus on attracting and engaging Asian candidates; and enhancing regional recruitment activity by engaging third sector ethnic minority organisations, outreach and community engagement. We once again urge HMPPS to subject their recruitment data to further expert analysis to ensure there is no conscious or unconscious bias at any stage of the recruitment process.

Leaving rates

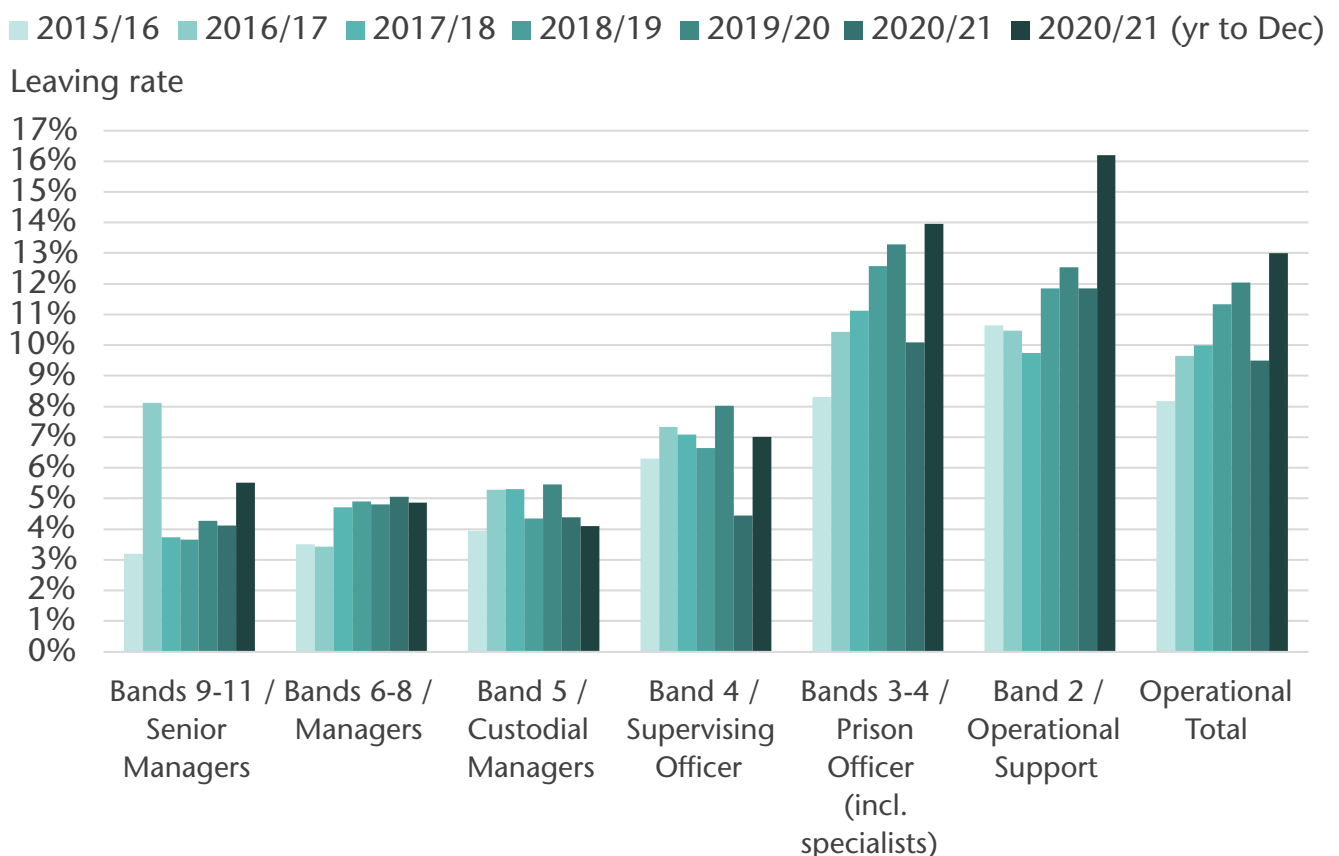
3.36 Figure 3.3 shows percentage leaving rates by grade from the year ending March 2016 to 2021. More recent data covering the year to December 2021 is also shown. The leaving rate across all operational grades increased each year from 2016 to reach a peak of 12.0% in

⁴⁴ HMPPS, (2021). *Recruitment diversity statistics December 21*. (online) Available at: <https://www.gov.uk/government/statistics/her-majestys-prison-and-probation-service-workforce-quarterly-december-2021/recruitment-diversity-statistics-december-21--3> [accessed on 10 June 2022].

⁴⁵ The term ethnic minority has been used here to maintain consistency with the statistics that have been referenced.

the year to 31 March 2020. Although the rate decreased during the year to March 2021 to 9.5%, more recent data to December 2021 shows that the leaving rate has increased sharply to 13.0% which is above 2019 levels. Band 3 to 4 Prison Officers (including Specialists) and Band 2/OSGs typically have the highest leaving rates. The data suggest that the decreases in leaving rates in the year to March 2021 were due to the short-term effects of the pandemic, particularly for Band 2 to 4 staff. In the year to December 2021, despite the number of joiners and leavers both increasing, the number of joiners continues to exceed the number of leavers.

Figure 3.3: Underlying leaving rate of permanent operational staff by grade, year to March 2016 to 2021 and year to December 2021⁴⁶.

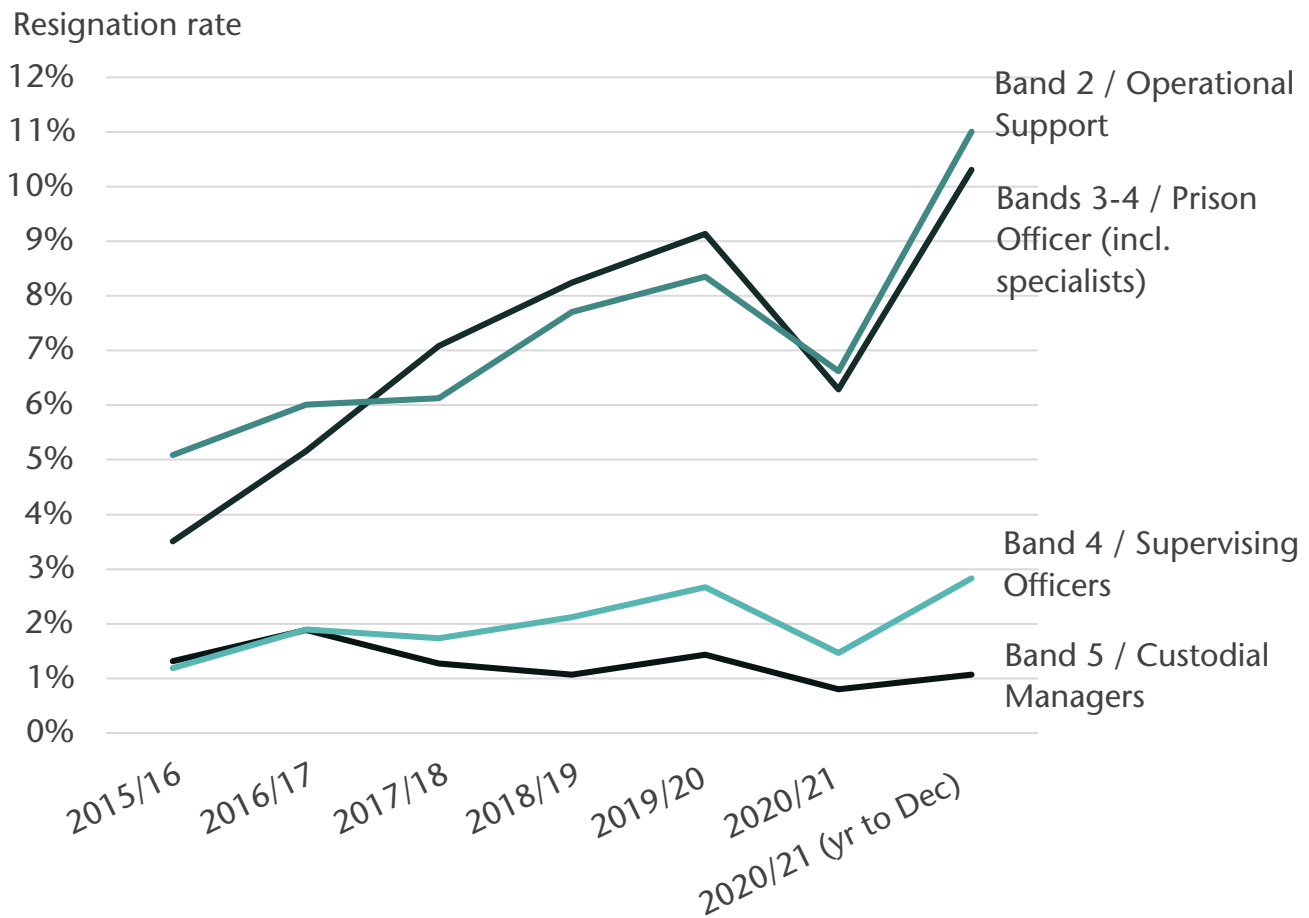


Reasons for leaving

3.37 Across all grades in Prison Service establishments the main reason for leaving is resignation. In the year to December 2021, resignations accounted for 70% of all leavers. Following resignation, dismissal was the next most likely reason for leaving, followed by retirements and transfers. In the year to December 2021, resignation rates for Band 2 to 4 staff increased to their highest level since the start of the data series in 2015/16 (see Figure 3.4). Resignation rates for operational managers were between 0.6% and 1.4% in the year to December 2021, representing only minor changes from March 2021.

⁴⁶ OME analysis of HMPPS workforce data and HMPPS, (2021). *Her Majesty's Prison and Probation Service workforce quarterly: December 2021*. (online) Available at: <https://www.gov.uk/government/statistics/her-majestys-prison-and-probation-service-workforce-quarterly-december-2021> [accessed on 10 June 2022].

Figure 3.4: Underlying resignation rate of permanent operational staff by grade, year to March 2016 to 2021 and year to December 2021⁴⁷.



Leavers by length of service

3.38 Figures 3.5 and 3.6 show Band 3 to 5 and Band 2 leavers by length of service. We can see that, for Band 3 to 5 officers, the number of leavers has increased most sharply for those with 0-1 and 2-4 years of service in the year to December 2021 compared to the year to March 2021. In general, from 2015/16, there have been more leavers with less experience. For example, in 2015-16, 3% of leavers had 2-4 years’ experience. In the year to December 2021, this proportion was 35%.

3.39 For Band 2, the number of leavers has risen in the year to December 2021, compared to the year to March 2021, across all experience levels. From 2015-16 the number of leavers with 0-1 and 2-4 years’ experience has been increasing, except for a plateau during the Covid-19 pandemic.

⁴⁷ OME analysis of HMPPS workforce data and HMPPS, (2021). *Her Majesty’s Prison and Probation Service workforce quarterly: December 2021*. (online) Available at: <https://www.gov.uk/government/statistics/her-majestys-prison-and-probation-service-workforce-quarterly-december-2021> [accessed on 10 June 2022].

Figure 3.5: Band 3 to 5 leavers by length of service, year to March 2016 to 2021 and year to December 2021⁴⁸.

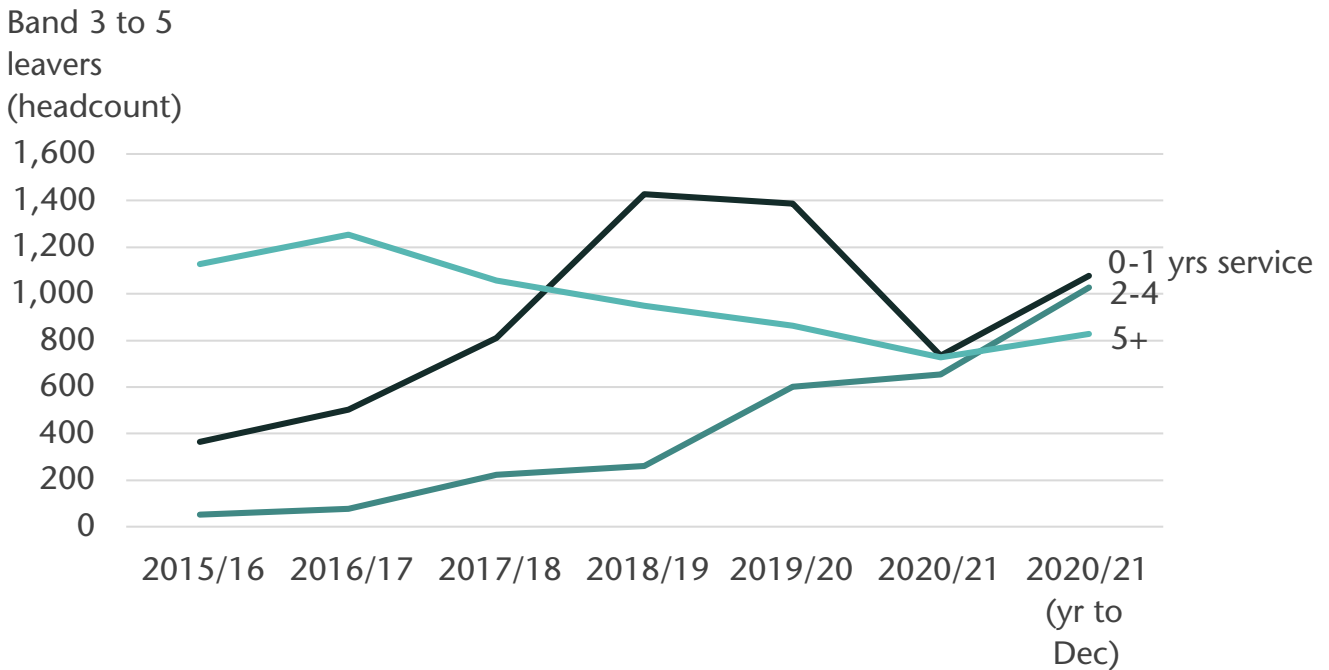
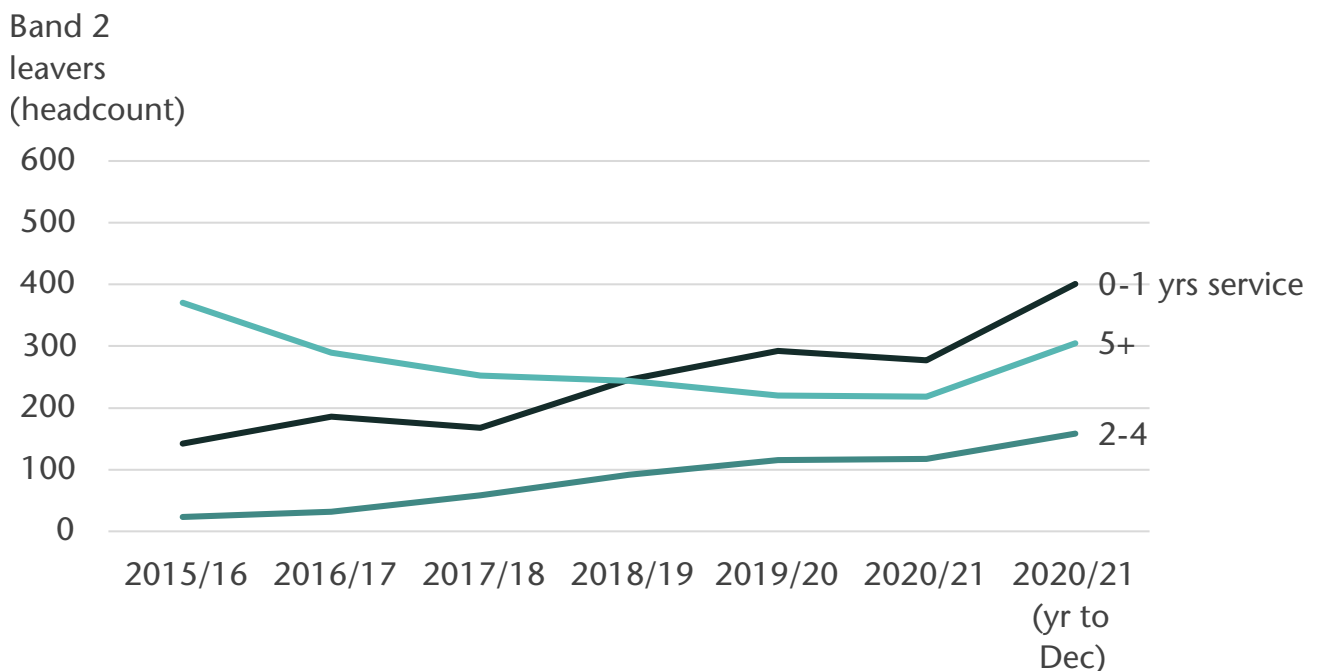


Figure 3.6: Band 2 leavers by length of service, year to March 2016 to 2021 and year to December 2021⁴⁹.



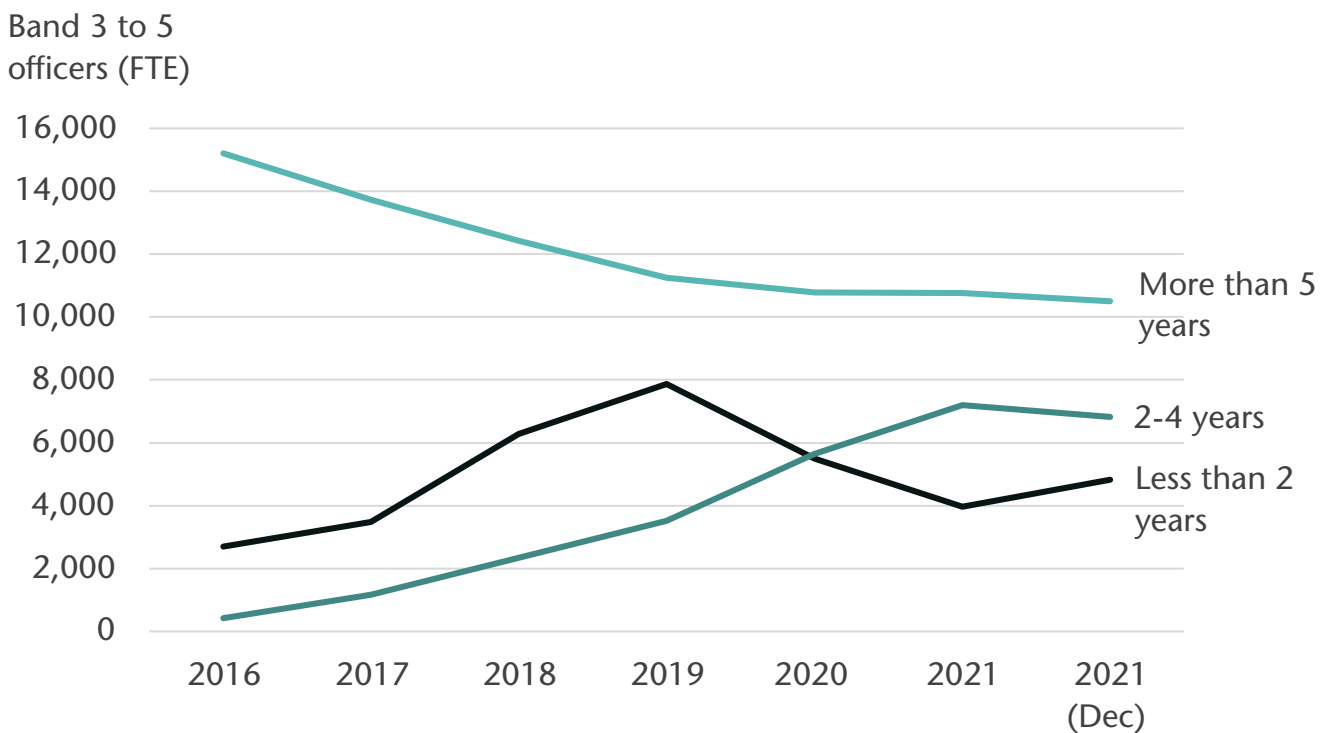
⁴⁸ OME analysis of HMPPS workforce data and HMPPS, (2021). *Her Majesty's Prison and Probation Service workforce quarterly: December 2021*. (online) Available at: <https://www.gov.uk/government/statistics/her-majestys-prison-and-probation-service-workforce-quarterly-december-2021> [accessed on 10 June 2022].

⁴⁹ OME analysis of HMPPS workforce data and HMPPS, (2021). *Her Majesty's Prison and Probation Service workforce quarterly: December 2021*. (online) Available at: <https://www.gov.uk/government/statistics/her-majestys-prison-and-probation-service-workforce-quarterly-december-2021> [accessed on 10 June 2022].

Staff by length of service

3.40 The composition of our remit group in terms of experience has also changed. The number of Band 3 to 5 staff with more than 5 years’ service has been decreasing since 2016 (see Figure 3.7). At December 2021, 47% of Bands 3 to 5 had more than five years’ service, a decrease of 36 percentage points from 83% in March 2016. As Figure 3.7 shows, the proportion of less experienced staff has been increasing; particularly those with 2-4 years’ service.

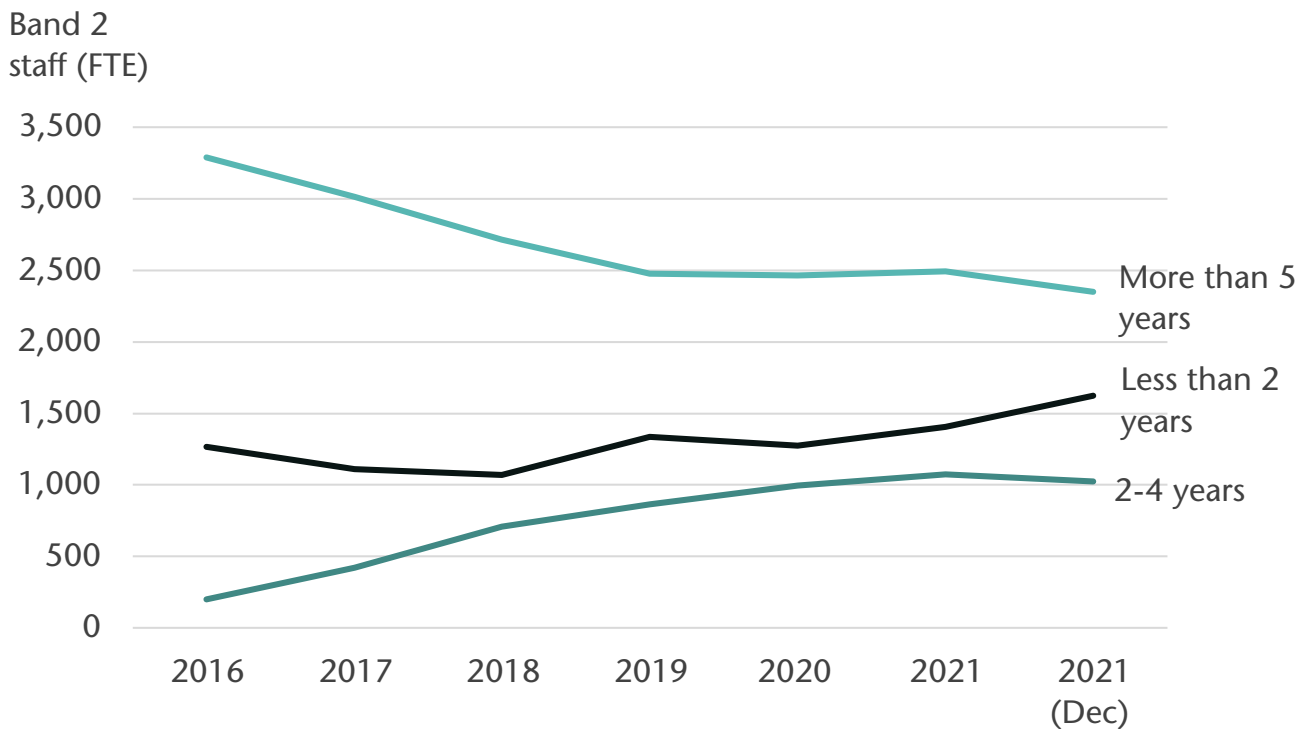
Figure 3.7: Band 3 to 5 officers in post by length of service, March 2016 to 2021 and December 2021⁵⁰.



3.41 There is a similar trend for Band 2 staff, whereby there are fewer staff with more than five years’ experience in 2021, compared with previous years. This is highlighted in Figure 3.8. In March 2016, 69% of Band 2 staff had more than five years’ service and in December 2021 the equivalent figure was 47%, a decrease of 22 percentage points.

⁵⁰ OME analysis of HMPPS workforce data and HMPPS, (2021). *Her Majesty’s Prison and Probation Service workforce quarterly: December 2021*. (online) Available at: <https://www.gov.uk/government/statistics/her-majestys-prison-and-probation-service-workforce-quarterly-december-2021> [accessed on 10 June 2022].

Figure 3.8: Band 2 staff in post by length of service, March 2016 to 2021 and December 2021⁵¹.



Evidence from the parties

3.42 In its written evidence, HMPPS noted the rise in leaving rates and raised a concern that it expected a challenging level of vacancies to be felt at a time when there was a need to increase staffing to meet the commitments in the Prison Strategy White Paper. HMPPS informed us in oral evidence that around 40% of the additional 5,000 Prison Officers would be needed to staff new public sector prison places. HMPPS anticipate further pressures in retaining experienced staff as a result of the 2015 Public Sector Pension Remedy⁵² which it said could result in up to 2,000 operational staff opting to take retirement or partial retirement from 2023 onwards.

3.43 HMPPS shared a number of initiatives in its written evidence that it had launched to tackle the rising leaving rates, these include: a retention strategy and interactive toolkit; a people risk taskforce; an acceptable behaviour collaboration; and structured staff supervision for Band 3 Prison Officers. We note that HMPPS has also introduced exit interviews, something which we have called for in our previous reports, to allow for the introduction of targeted local interventions to reduce staff turnover. We encourage HMPPS to ensure these exit interviews happen consistently across all sites and look forward to receiving information on the main themes and analysis as a result.

⁵¹ OME analysis of HMPPS workforce data and HMPPS, (2021). *Her Majesty's Prison and Probation Service workforce quarterly: December 2021*. (online) Available at: <https://www.gov.uk/government/statistics/her-majestys-prison-and-probation-service-workforce-quarterly-december-2021> [accessed on 10 June 2022].

⁵² In 2015 the government introduced reforms to public service pensions. Most public sector workers were moved into a new pension scheme called 'alpha'. In 2018, the Court of Appeal found that some of the rules put in place back in 2015 to protect older workers by allowing them to remain in their original scheme, were discriminatory on the basis of age. As a result, steps are being taken to remedy those 2015 reforms, making the scheme fair to all affected members.

3.44 In its written evidence HMPPS state that attracting, recruiting and retaining prison staff is not solely about pay and that it hoped to introduce flexible and more family friendly working patterns to allow staff to achieve a better work life balance. This change will see the introduction of a new rostering tool to remove rigid shift patterns. We welcome this move and strongly encourage HMPPS to monitor and share data on the type and volume of staff on flexible working arrangements. We look forward to hearing about the impact this has on our remit group over the coming year.

3.45 The PGA informed us in its written evidence that the Prison Service was “gripped by a crisis of recruitment” with low numbers of applicants, prison expansion, court backlogs and the increase of 20,000 Police Officers causing staffing pressures. It raised a concern about experienced staff leaving the service, particularly on the back of the 2015 Public Sector Pension Remedy which it believed could see a big loss of corporate memory and knowledge. In oral evidence, the PGA stated that there were not enough staff to open regimes and return to “business as usual” and that the prison system was collapsing because it could not recruit the number of Prison Officers needed to staff establishments safely. It further told us about a trend of operational prison staff moving to headquarters roles as they were considered safer and less challenging jobs which had better working conditions.

3.46 The POA noted in its evidence that recruitment and retention problems were no longer specific to London and the South East, with prisons across the country experiencing problems. Staff no longer saw the job as a career for life and it believed this was having a detrimental impact on the Service and on the rehabilitation of prisoners. The POA stated that the Service could not staff the existing demand, let alone the planned expansion of additional prison places. It added that the “ever shrinking” pool of experienced staff resulted in less support for new entrants leading to increasing turnover of recently recruited staff. In oral evidence the POA cited examples of local attrition rates that were close to or above 30%, noting this was being masked by the national rate.

3.47 The Public and Commercial Services (PCS) Union stated in its written evidence that it welcomed the retention framework produced by HMPPS, but this would only be effective if there was a meaningful pay award. The union told us that an enhancement to professional skills through improved training would lead to better staff morale and therefore retention. It believed that retention was strongly impacted by management techniques and how staff were treated.

Locality pay and market supplements

3.48 Two different sets of LPAs apply to staff in our remit group. Staff in the closed grades at certain establishments continue to qualify for one of six rates of LPA ranging from £250 to £4,250 per year (see Appendix E). Under these old arrangements, the same LPA was paid to all staff at these locations, irrespective of the extent of recruitment and retention difficulties for their particular grade. With the introduction of *Fair and Sustainable* in 2012, LPAs were replaced with three pay zones: a basic ‘National’ pay range and enhanced ranges for those working in ‘Outer London’ and ‘Inner London’ establishments and headquarters.

3.49 In February 2017, HMPPS introduced market supplements for 31 sites across England and Wales for a period of four years, adding further complexity to the *Fair and Sustainable*

pay structure. As at 30 September 2021 there were 2,142 Band 3 Prison Officers in receipt of the £3,000 'amber' market supplement and 2,504 Band 3 Prison Officers in receipt of the £5,000 'red' market supplement. An additional 613 Band 2 staff were in receipt of a 'red' site market supplement⁵³. In total, this is an increase of around 460 more staff eligible for receiving market supplements than in September 2020⁵⁴. Market supplements do not form part of pensionable pay.

3.50 The establishments eligible for a market supplement are those that HMPPS consider have, or have had, recruitment and retention issues – 'amber' sites where recruitment is still possible but difficult, and 'red' sites where the Service is unable to recruit the staff it requires despite significant efforts. In 2019 HMP & YOI Winchester was added as a 'red' market supplement site. The following year Medway Secure Training Centre, a 'red' market supplement site, closed.

3.51 Between August and December 2019, HMPPS conducted a review of market supplements, testing how effective it had been in the recruitment and retention of Prison Officers. The review found that market supplements had been effective at slowing resignation rates between March 2017-18 but that these rates had started to rise again from March 2018 due to increased competition from comparable roles, such as the Police. Pay emerged as a "constant and consistent" reason for why staff were leaving, with the retention of experienced staff becoming increasingly challenging. The HMPPS review concluded that market supplements should remain in place after April 2021, and potentially be expanded, because removing them would work against the need to retain staff in an increasingly competitive labour market.

3.52 We had serious concerns, not only about the ripple effect that market supplements were having at other prisons, but about the possibility of yet more tiers being added to an already complex and unequal pay system by expanding their use. Our own data showed that there was an insufficiently competitive level of pay for Band 3 Prison Officers and that retention was a wider problem across the whole prison estate. In our 2020 report we therefore recommended (Recommendation three) that the 'amber' market supplement amount be consolidated into base pay and UWH for all Band 3 Prison Officers resulting in their total pensionable pay increasing by £3,000. The Government rejected our Recommendation three claiming it was unaffordable.

3.53 Last year our remit was restricted as pay awards were temporarily paused for the majority of the public sector while the Government assessed the impact of Covid-19 on the wider economy and labour market. Despite this, we felt strongly that the evidence continued to point to the conclusions we reached in our 2020 report and also in our 2018 report that additional investment was needed to target *Fair and Sustainable* Band 3 pay, which ranked poorly against comparator occupations, in order to improve recruitment and retention. Although we were precluded by the Secretary of State from making such a recommendation in our 2021 report, we recommended that HMPPS present to us a comprehensive pay strategy that incorporated Recommendation three.

⁵³ £875 for an Outer London 'red' site or £900 for a National 'red' site.

⁵⁴ These figures are on a headcount basis. OME analysis of unpublished HMPPS workforce data.

3.54 In its written evidence this year HMPPS confirmed its continued commitment to the market supplements, stating that Her Majesty's Treasury had approved an extension of the supplements to be paid until 31 March 2023. It informed us that it did not believe large scale increases to base pay at Band 3 was an effective or cost-effective method to remove the supplements. HMPPS did however, recognise our concerns about market supplements and stated that it would start the process of eroding them this year.

3.55 In March this year, after written evidence had been submitted and exchanged with all the parties, we were informed by HMPPS that it planned to expand the use of the market supplements and introduce a new £6,500 'red plus' tier for Band 3 staff. The changes included:

- The 'red plus' market supplement to be introduced at Bullingdon, Woodhill and Aylesbury. The establishments eligible for the 'red plus' market supplement were those that had projected target staffing levels falling below 80% at or before September 2022.
- 'Amber' market supplements to be introduced at Berwyn, Eastwood Park, Norwich, and Wayland.
- The OSG 'red' market supplement to increase by 30% at Bullingdon, Woodhill and Aylesbury.
- Seven sites added to a Band 3 'watch list' – Foston Hall, Isle of Wight, Lindholme, Stocken, Swinfen Hall and Warren Hill (on the watch list for the 'amber' market supplement) and The Mount (on the watch list for a 'red plus' market supplement).

3.56 We were disappointed that these changes were not included in the written evidence submitted by HMPPS and that neither the unions nor the Review Body were consulted before they were implemented in April 2022. These additional market supplements add further complexity into the system and will potentially result in eligible staff at 41 sites out of 104 public sector prisons receiving a market supplement.

3.57 In oral evidence HMPPS shared with us its serious concerns about staffing projections, particularly running into the summer months. It stated that it could not wait until the Government made a decision on the PSPRB's 2022 recommendations and that some prisons would be in severe difficulties if the changes to market supplements were not brought in immediately. HMPPS told us that it still planned to erode the market supplements and it hoped that they would be fully eroded by 2027.

3.58 We asked all the parties for their views on the changes to market supplements in our oral evidence sessions. The PCS informed us that the extension of the market supplements showed that there were issues across the Service. It commented that it would be better to pay a fair rate for the job that met staff pay aspirations. The union believed that the market supplements had caused a ripple effect and it would be difficult to stop paying them because staff would simply leave if they were taken away.

3.59 The POA informed us that the Service was over relying on market supplements and that recruitment and retention issues were widespread across England and Wales. It felt that adding more sites would make the issues at prisons close to market supplement sites worse,

and that there was a deep sense of unfairness between staff about who received them. The POA cited examples of Band 3 staff who were now earning more than Band 4s because of the supplements.

3.60 The PGA stated in oral evidence that HMPPS's approach to pay and allowances was reactive and not strategic, and that it believed the Service was collapsing because it could not recruit Prison Officers.

Fair and Sustainable analysis

3.61 This year, we have drawn on a range of data to examine the state of the labour market for *Fair and Sustainable* grades. We have placed a particular emphasis within our analysis on Band 3 Prison Officers, the most populous grade within the Prison Service. In the context of relative pay we used ONS's Annual Survey of Hours and Earnings (ASHE) data to assess the relative position of Prison Officer Pay. We have also included additional comparator analysis based on Incomes Data Research's (IDR) 2019 Prison Pay Comparability Study⁵⁵.

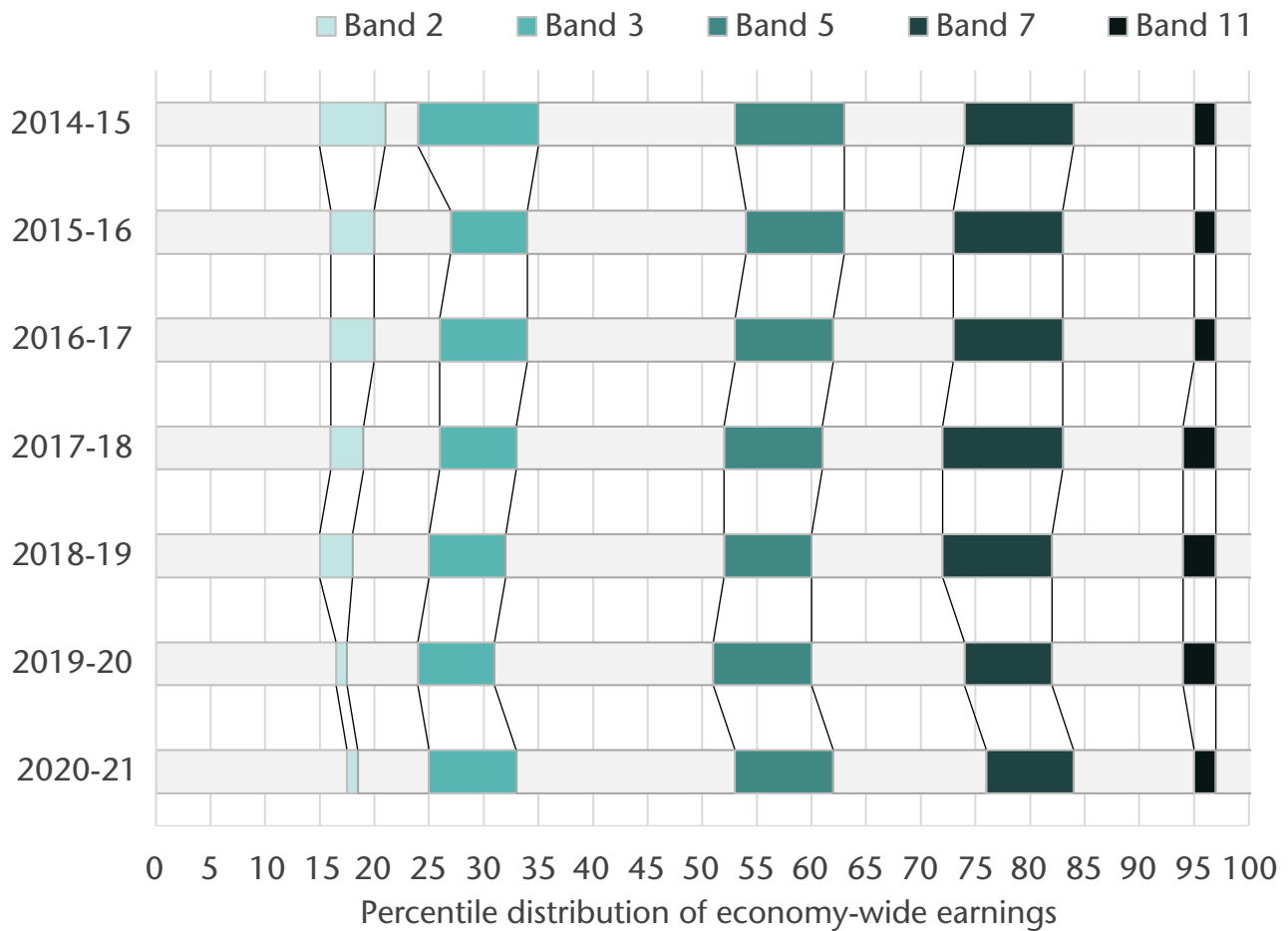
ASHE analysis

3.62 Our ASHE analysis is based on comparing *Fair and Sustainable* pay bands with gross annual earnings across the economy, recorded in the ONS ASHE data. We have treated the latest ASHE data with some caution as the earnings estimates are for the financial year 2020 to 2021 and therefore relate to the first year of the Covid-19 pandemic.

3.63 Figure 3.9 shows where selected *Fair and Sustainable* pay bands fall in the economy-wide distribution of earnings over time, from 2014-15 to 2020-21 (April to March). Over this period the relative position of the range maxima fell for Bands 2 to 7. The relative position of Bands 2 to 7 pay improved in 2020-21, although this effect may be temporary and due to the impact of the pandemic on economy-wide earnings and trends. For Band 11, the relative position of the maxima has remained broadly stable.

⁵⁵ IDR, (2019). *Prison Pay Comparability Study*. (online) Available at: <https://www.gov.uk/government/publications/prison-pay-comparability-study> [accessed on 10 June 2022].

Figure 3.9: Position of National *Fair and Sustainable* Bands 2, 3, 5, 7 and 11 in the percentile distribution of economy-wide earnings, England and Wales, financial years, 2014-15 to 2020-21⁵⁶.



3.64 Figure 3.10 compares the *Fair and Sustainable* Band 3 pay range (minimum and maximum) to the 25th, 50th (median) and 75th percentiles of gross regional earnings. It shows:

- The Band 3 maximum falls below median earnings in all regions, as was the case in the preceding three years. The largest gaps are in London and the South East.
- Compared to 2019-20, in absolute terms, the gap between the Band 3 maximum and median pay has decreased for all regions. However, this is likely due to the effect of the Covid-19 pandemic on economy-wide earnings within the 2020-21 ASHE data.
- The closed grade Prison Officer maximum of £31,649 shown by the dashed line in the chart, matches or exceeds the comparator median earnings in all regions, except the London and South East. Closed grade locality rates could increase the maximum by £250 to £4,250 depending on the region.

⁵⁶ OME analysis of unpublished ASHE data. Bands 4, 8, 9 and 10 are excluded from the chart as they overlap with other grades.

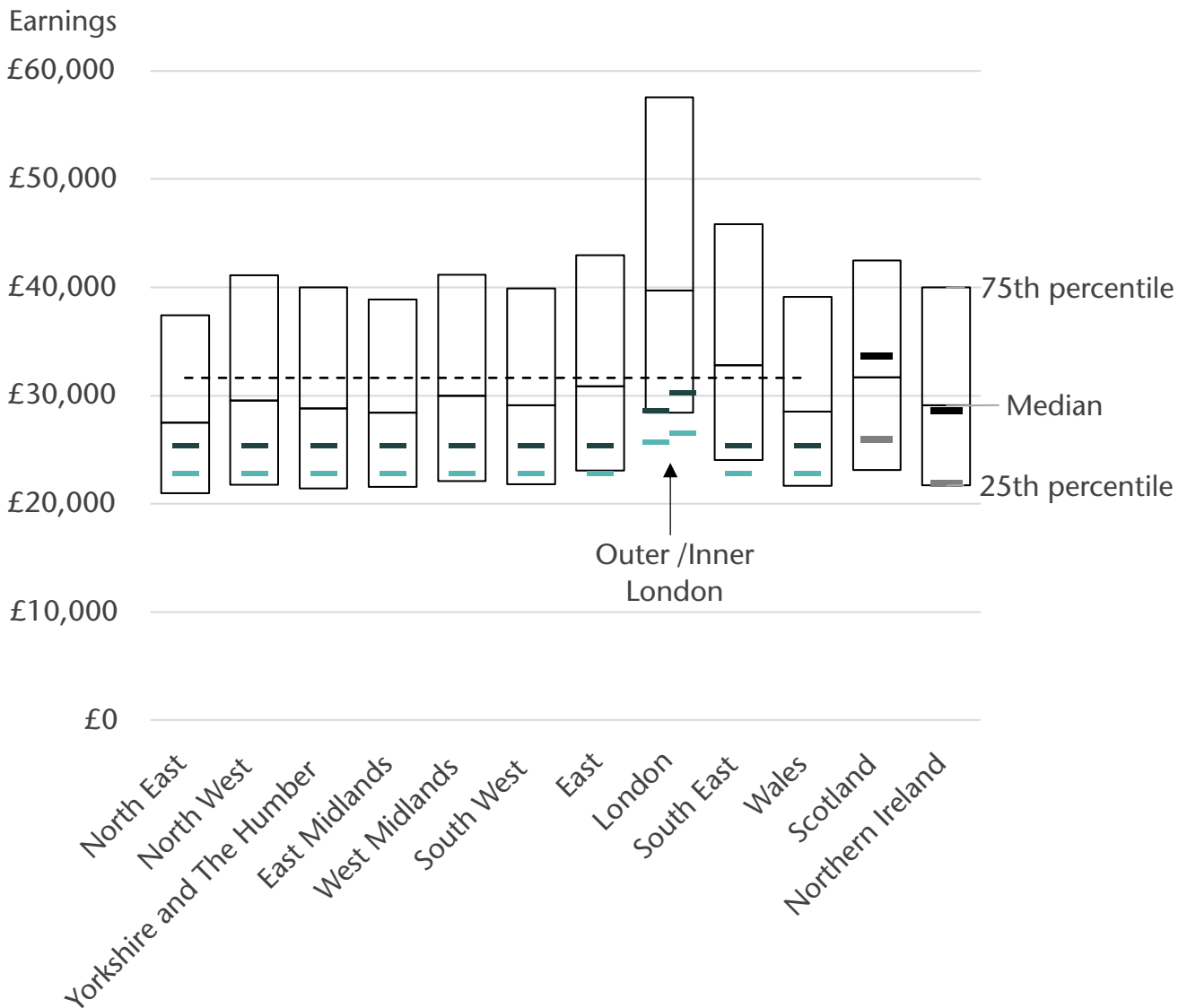
- When the 'amber' and 'red' market supplements are factored in for the regions they markedly improve the relative position of Band 3 pay. However, the enhanced maxima still fall below median earnings.

3.65 Figure 3.10 also includes the Scottish and Northern Irish Band 3 Prison Officer equivalent posts in the chart and compares these pay ranges with respective earnings for Scotland and Northern Ireland. It shows:

- Both Scotland and Northern Ireland have wider pay ranges for their respective grades. In absolute terms, the difference between the National Band 3 maximum and minimum for England and Wales was £2,553 in 2020-21. For Scotland the difference was £7,673 and for Northern Ireland, £6,671.
- In Scotland, the minimum of the pay scales was well above the 25th percentile of earnings and the maximum also exceeded median earnings in Scotland. This is in contrast to the Band 3 pay scale maximum in England and Wales, which did not exceed median earnings in any region.
- In Northern Ireland, the Custody Prison Officer minimum was just above the 25th percentile of earnings and the pay scale maximum fell just below median earnings in Northern Ireland. We note that Custody Prison Officers in Northern Ireland receive a Supplementary Risk Allowance which was £3,456 from 1 September 2020. When this allowance is included, the position of the pay scales are improved and the pay scale maximum in Northern Ireland is above median earnings.

Figure 3.10: Comparison of the Band 3 pay range (37 hours plus 17% unsocial) with regional earnings. The closed grade Prison Officer (39 hour week excluding locality pay) max, Scottish Band D Residential Officer and Northern Ireland Custody Prison Officer rates are also shown, financial year, 2020-21⁵⁷.

- Band 3 max (2020-21)
- Band 3 min (2020-21)
- - - - Closed grade Prison Officer (2020-21)
- Band D residential officer (Scotland)/Custody Prison officer (NI) max (2020-21)
- Band D residential officer (Scotland)/Custody Prison officer (NI) min (2020-21)



⁵⁷ OME analysis of unpublished ASHE data.

Comparator analysis

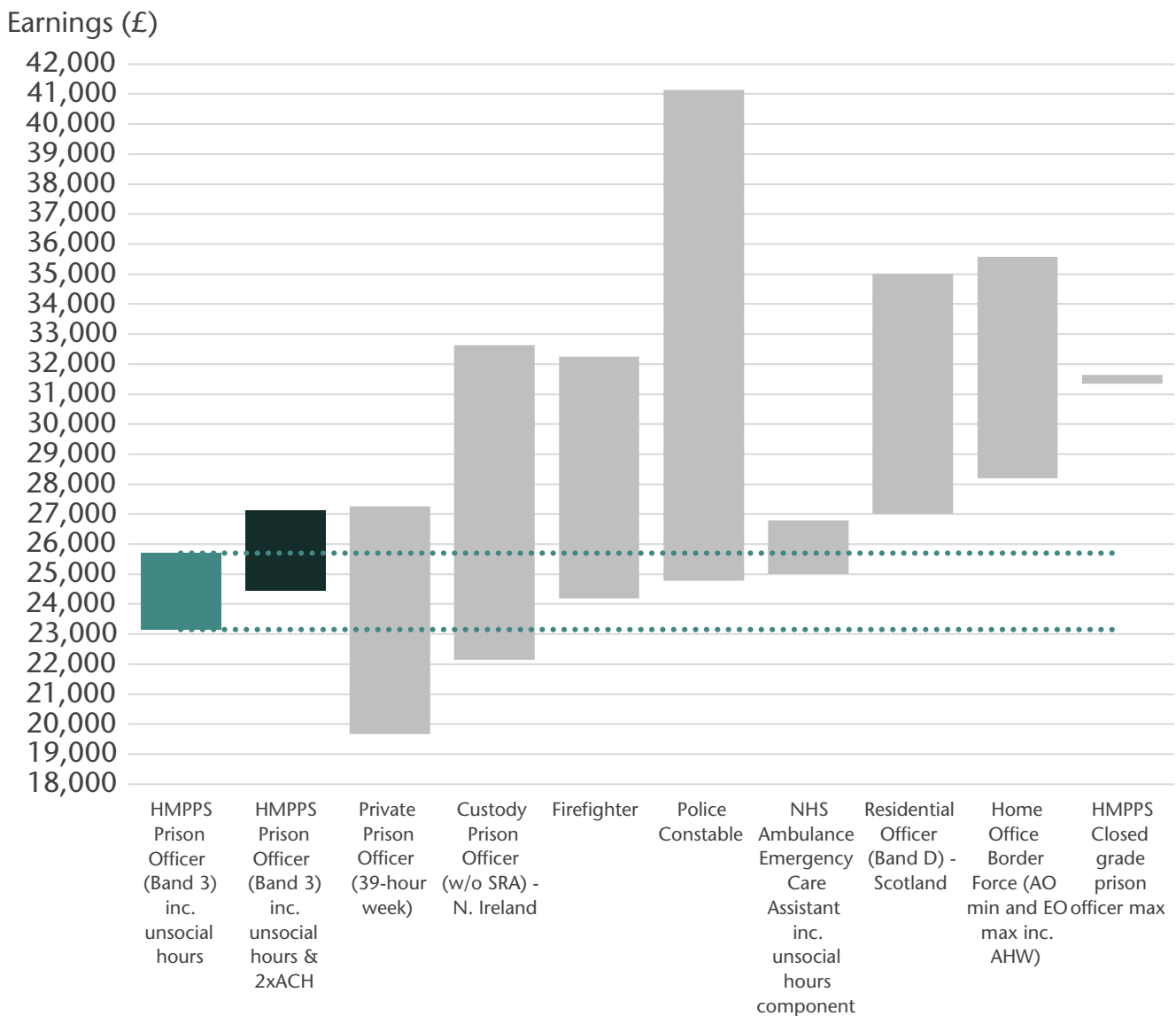
3.66 The 2019 IDR study provided detailed pay comparisons for operational Prison Service staff against other occupations judged by IDR as being suitable comparators. Figure 3.11 below sets out, for Band 3s outside London, the 2020-21 values for base pay including unsocial hours against the pay of selected comparators. The chart seeks to demonstrate the range of pay available in similar roles, compared to a Band 3 Prison Officer. We note that it was not possible to obtain pay data for all of the original comparators, and we therefore include a sample of the identified comparators. The data was retrieved in April 2022 and used the latest available salaries.

3.67 The Band 3 salary including unsocial hours and 2 x Additional Committed Hours (ACH) has also been included. This darker green bar is most comparable with the private sector prison officer salary figures. We note that the majority of Band 3 staff (53%) work a 37 hour week, with 30% working 2 x ACH (or a 39 hour week)⁵⁸. Figure 3.11 shows:

- The Band 3 pay range including unsocial hours overlaps with all but three of the seven comparators. However, where it does overlap it tends to be at the lower end of the comparator ranges. It is entirely beneath the Residential Officer in Scotland and Border Force Administrative Officer min to Executive Officer max.
- Compared to the sample of private prison sector roles, the Band 3 maximum including unsocial hours and 2 x ACH were similar. However, the minimum of the private sector prison role was lower than the Band 3 minimum.
- Compared to other (non-private prison) roles, the Band 3 range minimum including unsocial hours exceeds only one of the comparator minima in the chart and lies below the remaining five. The maximum falls below the maxima of all comparators in the chart, and considerably so in a number of cases, reflecting the broader pay ranges in most of the comparator groups.
- We note that the application of market supplements markedly improve the position of Band 3 pay relative to comparators. At November 2021, market supplements were paid to around 40% of Band 3 staff.

⁵⁸ OME analysis of unpublished HMPPS payroll data, at November 2021.

Figure 3.11: National Band 3 pay from 1 April 2021 compared to selected IDR-based comparators^{59,60,61}.



⁵⁹ Adapted from IDR (2019), *Prison Pay Comparability Study*. (online) Available at:

<https://www.gov.uk/government/publications/prison-pay-comparability-study> [accessed on 10 June 2022].

⁶⁰ Data from multiple sources. Band 3 pay values – unpublished HMPPS payroll data from 1 April 2021. Private prison officer – OME analysis of publicly advertised private prison sector roles, sourced between December 2021 and February 2022. NHS Ambulance Emergency care assistant – NHS, *Agenda for change – pay rates from 1 April 2021*. (online) Available at: <https://www.healthcareers.nhs.uk/working-health/working-nhs/nhs-pay-and-benefits/agenda-change-pay-rates/agenda-change-pay-rates> [accessed on 10 June 2022]. Firefighter – Fire Brigades Union, National Careers Service, *Pay settlement from 1 July 2021*. (online) Available at: <https://www.fbu.org.uk/pay-rates/pay-settlement-2021> [accessed on 10 June 2022]. Police constable – Police Federation, *Constable pay scale from 1 September 2020*. (online) Available at: <https://www.polfed.org/resources/pay-and-morale/pay-scales/constable-pay-scales/> [accessed on 10 June 2022]. Northern Ireland Custody Prison Officer – Gov.uk, *Northern Ireland Prison Service pay award from 1 April 2021 to 31 March 2022*. (online) Available at: <https://www.gov.uk/government/publications/northern-ireland-prison-service-1-april-2021-to-31-march-2022-pay-award> [accessed on 10 June 2022]. Scottish Residential Officer – based on unpublished Scottish Prison Service payroll data from 1 April 2021. Home Office Border Force – unpublished Home Office payroll data from 1 July 2021.

⁶¹ The salary points for NHS Ambulance Emergency Care Assistant and Border Force both include an estimate of unsocial hours. These estimates were based on IDR’s calculations in the 2019 report.

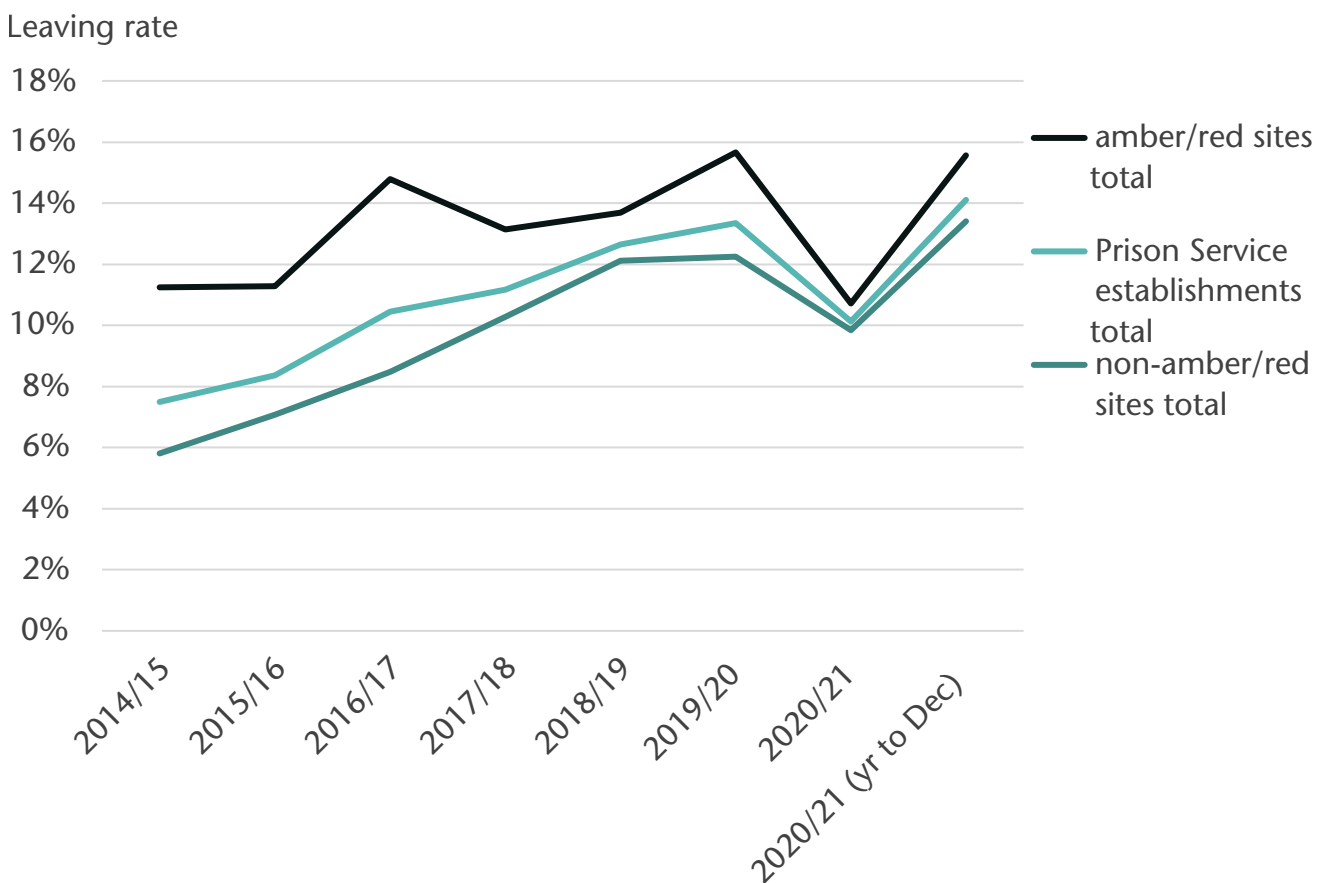
Band 3 recruitment and retention

3.68 In addition to the data provided above, we also drew on the latest HMPPS workforce data to examine recent trends across a number of indicators, specific to Band 3 staff.

3.69 Figure 3.12 shows Band 3 to 4 leaving rates split by ‘amber’/‘red’/non-‘amber’/‘red’ sites. We note that market supplements were introduced in 2017, therefore our charts show data which pre-date the introduction of market supplements, as well as the period after they were introduced. In the year to March 2015, the leaving rate for ‘amber’/‘red’ sites was 5.5 percentage points higher than for non-‘amber’/‘red’ sites. The gap has closed gradually and reduced to 2.2 percentage points in the year to December 2021. In the year to December 2021, leaving rates for all groups increased sharply. From the year to March 2015 to the year to December 2021, the leaving rates have increased the most in percentage terms for the non-‘amber’/‘red’ sites, from 5.8% to 13.4%. For ‘amber’/‘red’ sites, the leaving rate increased from 11.3% to 15.6%.

3.70 We note that many prisons, which do not have a market supplement, have higher leaving rates than ‘amber’/‘red’ sites. This indicates that there continues to be variability in leaving rates and that some non-market supplement sites may face similar retention issues compared to those which pay a supplement.

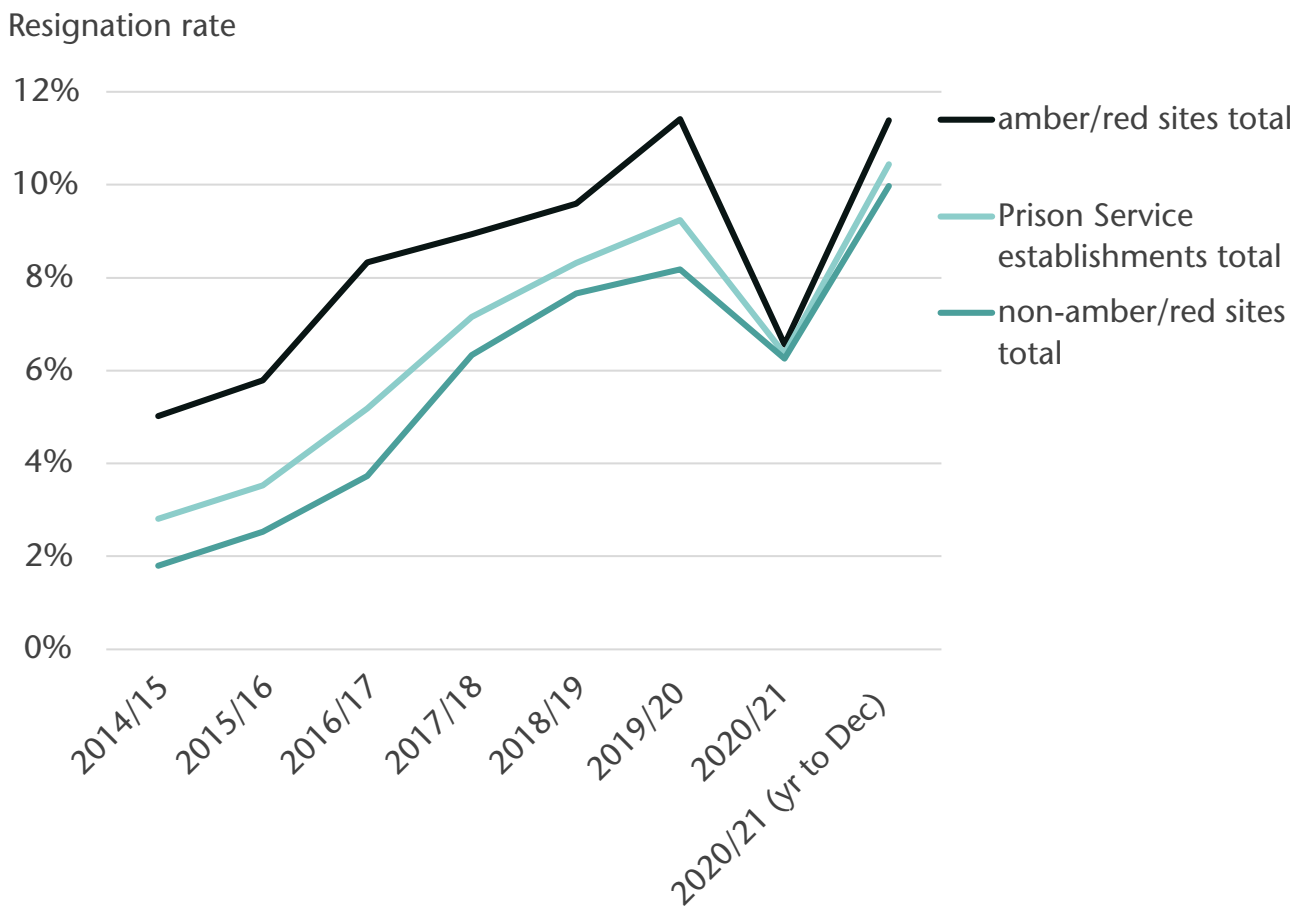
Figure 3.12: Band 3 to 4 (including Specialists) leaving rates split by prison type, year to March 2015 to 2021 and year to December 2021⁶².



⁶² OME analysis of unpublished HMPPS data.

3.71 Figure 3.13 below shows Band 3 to 4 resignation rates split by ‘amber’/‘red’/ non-‘amber’/‘red’ sites and all Prison Service establishments. The figure shows that resignation rates for all three types of sites increased from the year to March 2015 to the year to March 2020. In the year to March 2021 resignation rates dropped sharply, coinciding with the Covid-19 pandemic. However, recent data from the year to December 2021 shows a sharp increase in resignation rates to pre-pandemic levels and above. As with the leaving rate data, the gap between the resignation rate for ‘amber’/‘red’ prisons compared to non-‘amber’/‘red’ prison has converged from 2015 to 2021.

Figure 3.13: Band 3 to 4 (including Specialists) resignation rates split by prison type, year to March 2015 to 2021 and year to December 2021⁶³.



Summary

3.72 Overall, the key points which we drew from this analysis were:

- Analysis of ASHE data show that the Band 3 maximum salary (including unsocial hours) falls below median economy-wide earnings in all regions, as was the case in the previous three years. The relative position of the Band 3 pay range maximum has deteriorated over the periods 2014-15 to 2020-21 compared to economy-wide earnings.

⁶³ OME analysis of unpublished HMPPS data.

- Comparator analysis shows that while the Band 3 pay range overlaps with the pay of selected comparator roles, this was typically at the lower end of the comparator range, and the Band 3 maximum in particular compared poorly against the maxima of the comparator ranges.
- Leaving rates and resignation rates for Band 3 to 4 staff have both increased sharply in the year to December 2021. These increases reflect some of the highest rates since 2014-15.
- Whilst 'amber'/'red' sites have collectively higher leaving and resignation rates than non-'amber'/'red' sites, this gap has converged in the year to December 2021 compared to previous years. This may indicate that many non-'amber'/'red' sites may be facing similar retention issues compared to 'amber'/'red' sites.

3.73 We note that, prior to finalising our written report, additional published statistics were released, covering the year to March 2022⁶⁴. This data indicates that there has been a worsening of the trends described above. In the year to March 2022, leaving rates for the majority of operational staff increased from the year to December 2021. The leaving rates for Band 2 and Band 3 to 4 staff increased the most, in comparison to other grades. Data on resignation rates in the year to March 2022 show that rates have increased from the year to December 2021 for all groups of staff, except for Band 7 to 8 managers. Similarly with the leaving rate data, the largest increases in resignation rates were for Band 2 and Band 3 to 4 staff. Overall, following the fall in leaving rates during the Covid-19 pandemic, leaving rates have now increased to above pre-pandemic levels and are continuing the upward trend seen from March 2016 to 2020.

3.74 We comment further on our findings in Chapter 4.

Evidence from the parties

3.75 HMPPS informed us in oral evidence that the main competitors for the Service had widened to include retail, hospitality, the care sector and transportation. It acknowledged that even compared to traditional competitors, such as the Police and private prison providers, staff could earn more elsewhere. HMPPS recognised that pay within the operational Prison Service was not competitive and there was a case this year for higher pay to support recruitment and retention. It told us that the Band 3 pay scale should potentially be brought up to the closed grade salary levels over time in order to retain staff. HMPPS hoped that its proposals would improve the competitiveness of the pay scales.

3.76 The PCS stated in its written evidence this year that, if a meaningful market facing pay rate was put in place, it would incentivise staff to join and remain in the Service. It said that staff would need to see suitable remuneration otherwise they would continue to leave for higher paid jobs in the Police Service, Border Force and elsewhere. In oral evidence the union called for HMPPS to invest in Prison Service staff, paying them more at a base level than they could earn working for online retailers, supermarkets or coffee shops. It warned however,

⁶⁴ HMPPS, (2022). *Her Majesty's Prison and Probation Service workforce quarterly: March 2022*. (online) Available at: <https://www.gov.uk/government/statistics/her-majestys-prison-and-probation-service-workforce-quarterly-march-2022> [accessed on 10 June 2022].

that staff were not always leaving for more pay but sometimes for slightly less because of better and/or safer working conditions.

3.77 The POA informed us that there was a link between low pay and leaving rates, with the lowest paid having the highest leaving rate. It commented that staff were not only leaving for traditional competitors such as the Police and Border Force but that private prison contractor G4S was now paying higher rates of pay to new entrant Prison Officer equivalents at the newly built Five Wells prison. In oral evidence the POA acknowledged that it could take years to get to the pay structure the union wanted but it was clear that the direction of travel was higher starting pay. It said that that the closed grade rate of pay should be the starting point for this transition. The POA further noted that if the Service paid a decent wage, then expenditure on Payment Plus and associated recruitment costs would decrease.

3.78 In its written evidence, the PGA told us that pay in the Prison Service was no longer market facing. It cited examples of Prison Officers leaving the Service to join online retailers for higher pay, joining bonuses and safer working environments. In oral evidence the union stated that the HMPPS strategy to pay and allowances was reactive, not strategic.

Performance management

3.79 HMPPS introduced a new performance management system in April 2022. Under the new system, end of year markings, guided distribution and moderation meetings have all been removed. The new system will focus instead on regular (every eight weeks where possible) conversations between line managers and staff. More on the spot recognition will be used in the form of vouchers, small bonuses, or gifts. HMPPS informed us that senior managers would review performance in each area every quarter to ensure appropriate oversight and identify any biases which would be reported to the Ministry of Justice.

3.80 HMPPS noted in its written evidence that progression through the ranges will now depend on the required capability in the role. It stated that the new system will be bespoke for the Prison Service and will link progression requirements for individual roles to prison outcomes and priorities.

3.81 In oral evidence HMPPS told us that the new performance management system had been piloted in seven prisons over the past 12 months and feedback from staff was positive with many reporting that they saw their managers more often. HMPPS said that staff welcomed the immediate recognition in the system, rather than having to wait 12 months for end of year assessments.

3.82 In both written and oral evidence, we heard from all the unions that they had had very limited engagement with the new system. Concerns were raised about the increase in frequency of conversations between staff and managers which the POA felt in particular would be impossible due to shift patterns, staffing levels, large spans of control and high workloads for Band 5 managers. The PGA questioned the results of the performance management scheme pilots which had run during the Covid-19 pandemic. The union claimed that this was not a realistic environment in which to test the system. The PCS commented on the extra bureaucracy and governance meetings that would be required and how it believed it would be hard to monitor the in-year distribution of monetary or voucher awards. It felt this would perpetuate the feeling of mistrust.

Motivation and morale

Civil Service People Survey

3.83 The annual Civil Service People Survey began in 2009 and is run across the Civil Service to gauge attitudes and experiences of those working in government departments. The People Survey is conducted in October each year.

3.84 The 2021 survey received 22,700 responses from HMPPS and 9,000 responses from Her Majesty's Prison Service (HMPS), an approximate response rate of 37% and 24% respectively⁶⁵. Due to the low response rates and the factors affecting selection bias, including the motion passed at the POA 2010 Conference instructing its members not to participate in the survey, as well as the Covid-19 pandemic, it is important to treat results from this survey with caution. HMPPS informed us that it recognised the practical challenges for some staff to complete the survey (for example, not having regular access to a computer at work) and were considering this as part of its efforts to increase engagement.

3.85 The percentage of positive responses to organisational-related questions (for example, '[my organisation] inspires me to do the best in my job'), had been increasing for HMPPS and HMPS from 2015 to 2020. However, in 2021, the percentage of positive responses decreased for all questions. A similar pattern was seen for pay-related questions. For example, the question 'I am satisfied with my total benefits package', received a 21% positive response rate, a nine percentage point decrease from 2020, which was statistically significant. It is worth noting that the Government was still considering our 2021 report recommendations when the survey was live and this lack of clarity around pay may have had an impact on the responses. From 2020 to 2021, the percentage of positive responses also decreased for work-related questions (for example, 'my work gives me a sense of personal accomplishment') for both HMPPS and HMPS.

3.86 The 2021 survey also contained a question specific to HMPPS/HMPS on safety: 'I feel safe in my working environment'. For HMPS, this question received a 65% positive response rate, a six percentage point decrease from 2020, which was statistically significant. The percentage of positive responses to the question 'I can balance my home life with my shift patterns' also decreased, from 64% in 2020 to 58% in 2021.

Sickness absence

3.87 It is important that we consider sickness absence in our report as it can significantly affect staffing levels. In addition, high levels of sickness absence are often an indicator of low motivation and morale.

3.88 In the year to 31 March 2021, the overall rate of sickness absence⁶⁶ (including Covid-19-related sickness) for the remit group was 13.4 days per person, an increase from 11.1 days per person in the year to March 2020. More recent data covering the year to December

⁶⁵ OME analysis of unpublished HMPPS data.

⁶⁶ Recorded as average working days lost per member of staff. Calculated as number of working days lost to sickness divided by the average number of full-time equivalent staff for a year.

2021 shows that working days lost due to sickness has again increased, from 13.4 in March to 15.2 in December 2021⁶⁷.

3.89 Sickness absence rates are typically lower for management grades. In the year to December 2021, the Band 3 to 5 officer grade rate ranged between 11.3 and 16.5 days per year. The corresponding range for managers was between 3.8 and 8.7 days per year.

3.90 In the 12 months to December 2021, the main reason for sickness amongst Band 3 to 5 officers was 'Epidemic/Pandemic', accounting for 28% of known sickness reasons. This is slightly lower than in the year to March 2021, where 'Epidemic/Pandemic' accounted for 41% of all known sickness reasons. Prior to the Covid-19 pandemic, 'Mental and Behavioural Disorders' accounted for the largest share of all known sickness reasons.

3.91 HMPPS also publishes experimental statistics on Covid-19, which include information about staff absence due to suspected Covid-19 on given days. Staff sickness is reported by the managers and the reliability of this data depends on this information being reported accurately. On 31 January 2022, 1,190 Prison and Youth Custody Service (YCS) staff were absent due to Covid-19 sickness⁶⁸. This figure is a decrease from 2,193 in December 2021.

3.92 Overall, since the start of the pandemic to 31 January 2022, 21,546 prison and YCS staff have tested positive for Covid-19 in England and Wales. From 31 July 2020 to 31 January 2022, there have been 22 staff deaths suspected or confirmed as due to Covid-19 in the prison and YCS estate. We also note that, from March 2020 to March 2022, 38,395 prisoners or children in custody have tested positive for Covid-19⁶⁹. Over the same period, there were 157 prisoner deaths suspected or confirmed to be caused by Covid-19. Once again, as we highlighted in our last report, we recognise the profound impact of these deaths on the wider prison staff complement and prison community and applaud the courageous efforts of the Service at all levels during the past two years to maintain a safe prison environment for both prisoners and prison staff.

3.93 In its written evidence HMPPS shared a number of new initiatives with us on staff wellbeing, including: preventative psychological services to improve access to preventative mental health care for senior leaders; the establishment of Covid-19-safe immunisation clinics for flu and Hepatitis B; post Covid-19 syndrome management referrals for employees with symptoms of Covid-19 for over 12 weeks for an 8 week Functional Rehabilitation Programme; and a staff suicide and self-harm prevention campaign including Zero Suicide Alliance training.

⁶⁷ OME analysis of HMPPS workforce data and HMPPS, (2021). *Her Majesty's Prison and Probation Service workforce quarterly: December 2021*. (online) Available at: <https://www.gov.uk/government/statistics/her-majestys-prison-and-probation-service-workforce-quarterly-december-2021> [accessed on 10 June 2022].

⁶⁸ This does not necessarily reflect the number of symptomatic staff members. If a symptomatic staff member was able to work from home, they would not be captured in these figures. January 2022 data is provisional. OME analysis of HMPPS, (2021). *Her Majesty's Prison and Probation Service workforce quarterly: December 2021*. (online) Available at: <https://www.gov.uk/government/statistics/her-majestys-prison-and-probation-service-workforce-quarterly-december-2021> [accessed on 10 June 2022].

⁶⁹ March 2022 data is provisional. OME analysis of HMPPS, (2022). *HMPPS COVID-19 statistics : March 2022*. (online) Available at: <https://www.gov.uk/government/statistics/hmppps-covid-19-statistics-march-2022> [accessed on 10 June 2022].

Evidence from the parties

3.94 HMPPS acknowledged in its written evidence this year that the way the current pay structure is designed causes dissatisfaction and low morale among affected staff and is one of the reasons staff are leaving the Service. It noted that the way the pay ranges are designed, particularly at the lower end of scale, leads to insufficient financial incentives and unintended consequences such as overlaps and leapfrogging. HMPPS also highlighted the perception of unfairness between the closed grades and staff on *Fair and Sustainable* due to the pay differential. It told us that its proposals, including those on UWH and RHA, were geared towards improving motivation and morale during a time of exceptional challenge in the custodial setting. HMPPS stated in oral evidence that it hoped its proposals would impact positively on motivation and morale.

3.95 The POA informed us in oral evidence that morale among staff was at “rock bottom”, particularly in the closed grades. It stated that it was proving hard, if not impossible, for staff to take annual leave and there was a real sense of staff burnout. The POA cited examples of staff who had been so fearful of passing Covid-19 onto their families during the worst of the pandemic that they had lived in tents and caravans to avoid going home.

3.96 The PCS said in its written evidence that higher levels of staff leaving rather than joining the Service indicated that staff felt demotivated and disenfranchised. The union said that the lack of a pay award for some staff and low pay award for others last year meant that morale remained low and that the “goodwill pot” was empty. In oral evidence, PCS told us that morale had not improved among staff and in some areas, it had deteriorated even further. It told us that the effects of the pandemic were still being felt by staff and many felt burnout.

3.97 In its written evidence, the PGA stated that its membership was tired, worn-out, exhausted and frustrated. It said that staff had performed heroically throughout the Covid-19 pandemic, at great risk to their family life, health and wellbeing. High churn at the lower grades was also impacting adversely on the well being of management grades. The PGA commented that the deterioration in positive responses in all areas of the People Survey demonstrated a decrease in morale and motivation across the Service.

3.98 All of the evidence we have seen and heard regarding relative pay, recruitment and retention, performance management, sickness levels, and motivation and morale paint a picture of even more significant challenges than last year. We will turn to our analysis of the evidence and our resulting recommendations in the next chapter.

Chapter 4: Our recommendations on pay

Introduction

4.1 This chapter summarises our analysis of the evidence and sets out our recommendations on pay for 2022-23.

Summary of recommendations

4.2 Each year when making our recommendations we look afresh at all the relevant evidence available to us. This year we have taken account of the evidence provided by Her Majesty's Prison and Probation Service (HMPPS) along with evidence provided by Her Majesty's Treasury on the economic, labour market and financial context. We have considered evidence from the POA, Prison Governors' Association (PGA), the Public and Commercial Services (PCS) Union, and the evidence we heard from staff in our remit group during our virtual visits. In accordance with our terms of reference we have also analysed evidence on recruitment and retention, motivation and morale, equality and diversity and the competitiveness of the Prison Service's employment package in England and Wales using data from a range of sources, including the Office for National Statistics Annual Survey of Hours and Earnings.

4.3 We are mindful that we are making our recommendations this year against a difficult economic backdrop. The Bank of England has forecast a rise in inflation to around 10% in the second half of the year, the highest rate that the Prison Service Pay Review Body (PSPRB) has seen since it was established in 2001. We recognise the impact this, and the resulting increases in the cost of living, will be having on our remit group, particularly those on the lowest incomes who are the hardest hit by rises in energy and food prices. Nevertheless, as our previous reports indicate, we have to look at a wide range of factors each year of which inflation is only one. We also need to take the other relevant factors into account, including the latest official statistics on average earnings growth and pay settlements, and latest trends in recruitment and retention.

4.4 Our priorities this year are to give all staff a meaningful consolidated base pay increase and to target additional investment where we believe it is most needed – at the lowest paid operational grades where long-standing recruitment and retention problems have become even more significant over the last year. It is evident to us that not doing so is likely to seriously affect the stability of the Prison Service. However, we recognise the financial constraints that HMPPS needs to operate within and have therefore had to make difficult decisions this year to arrive at a suitable package of recommendations that goes some way to addressing the difficult issues the Service is facing and also gives due consideration to affordability.

4.5 We are therefore proposing to target additional investment in *Fair and Sustainable* Band 2 and Band 3 specifically, while setting a headline rate for prison staff which broadly keeps pace with current pay settlements in the rest of the economy. Our recommendations as a whole will provide investment where it is most critically needed, whilst ensuring that all those in our remit group get a fair and affordable award.

Analysis

4.6 In March 2020 severe restrictions were put in place in prisons across England and Wales to control the spread of coronavirus (Covid-19). These restrictions were largely effective at slowing and, in some cases, stopping outbreaks at establishments. Many stakeholders praised HMPPS for its swift, decisive, and collaborative response to the pandemic, without which the outcome for staff and prisoners could have been much worse. The pandemic also gave HMPPS a temporary reprieve from the previous trend of increasing violence across the prison estate because prisoners spent longer locked in their cells. It also temporarily stemmed the scale of staff leavers, particularly support and officer grades, as the pandemic led to increased economic uncertainty and limited opportunities in the labour market.

4.7 From the beginning of this year, restrictions started to be cautiously lifted in prisons as the Government ended all Covid-19 related constraints. However, as the Service tries to return to a normal operating state we are left with a very troubling picture. Leaving rates have now not only returned to but exceeded pre pandemic levels. The substantial demands placed on staff during the pandemic have led them to tell us that morale has been adversely affected. We also find that there has been an expansion and overreliance on an ever more complex patchwork of allowances and payments in the past two years which has further exacerbated the fundamental issues within the current pay structure.

4.8 Looking to the next 12 months, HMPPS has a challenging task ahead to deliver and safely staff the opening of an additional 20,000 prison places. HMPPS informed us that it would need an extra 2,000 staff for the new accommodation in the public sector alone, notwithstanding the increasing number of vacancies across the current prison estate generated by rising staff leaving rates. HMPPS has told us that it does not underestimate the scale of this challenge. It acknowledges it will have to compete in a labour market against traditional competitors such as the Border Force and Police, who offer a higher salary range, as well as non-traditional competitors such as online retailers, delivery drivers and supermarkets, offering safer working conditions and, in some cases, upfront recruitment bonuses. For staff in our remit group, from whom we often hear how important take home pay is, the immediate rewards which can be gained elsewhere are becoming increasingly attractive when compared to the Civil Service pension that once helped to entice some to the Prison Service and to remain there for the entirety of their career.

4.9 The three year 2021 Spending Review settlement provided HMPPS with a fresh opportunity to create a long term pay strategy whilst taking meaningful steps towards a single, unified pay structure that is clear and coherent across all grades, with rates of pay aligned to the labour market the Service is operating in. We saw some positive signs of progress in the HMPPS written evidence this year, including: the first year of a workforce and reward strategy; the recognition of the need to target substantial investment at *Fair and Sustainable Band 2*; and the ambition to start eroding market supplements. However, we do not consider that these initiatives go far or fast enough given the significant challenges the Service faces, some of which have been building up over several years.

4.10 The inescapable conclusion we drew from the evidence received this year is that HMPPS is now facing a crisis in the recruitment and retention of Band 2 and 3 and that pay,

and in particular take home pay, is a clear factor behind this. Our analysis of a range of pay and workforce data, summarised in Chapter three, showed:

- While the Band 3 pay range overlaps with many comparator occupations selected by Incomes Data Research, this continues to be an overlap with the lower end of the comparator range. It is entirely beneath a Residential Officer in Scotland and the Border Force Administrative Officer spot rate – key competitors for the Prison Service.
- The Band 3 maximum continues to fall below median earnings in all regions, as was the case in the previous three years.
- The proportion of Band 3 to 5 officers with more than five years' service has continued to decrease, from 83% at March 2016 to 47% at December 2021.
- The proportion of Band 2 staff with more than five years' service has also continued to decrease, from 69% at March 2016 to 47% at December 2021.
- The Service is continuing to lose a high number of Band 3 to 5 officers in their initial years of service.
- The leaving rate for Band 2 staff increased from 12% in the year to March 2021 to 16% in the year to December 2021. The resignation rate also increased, from 7% in the year to March 2021, to 11% in the year to December 2021. These rates were higher than pre-pandemic levels.
- The leaving rate for Band 3 to 4 Prison Officers (including Specialists) increased sharply in the year to December 2021, to 14%. The resignation rate also increased substantially in the year to December 2021 to 10%. Both of these rates were higher than pre-pandemic levels.
- Recently published data to March 2022 shows a continuation of these trends, with leaving and resignation rates continuing to rise post-pandemic.

4.11 Despite previous recommendations from the PSPRB (see para 4.15) the lack of action in recent years to improve the market position of Band 3 Prison Officers in particular has led to increasing numbers leaving the service year on year, with the most recent data showing a continuation of this trend following a brief improvement during the pandemic. The increasing leaving rates at Band 3 are having a major impact on our remit group and the management of prisons. As more experienced staff leave the Service the ability of HMPPS to train and mentor an increasingly inexperienced workforce, some of whom have never worked in a prison under pre Covid-19 unrestricted regimes, is being hampered. It is widely acknowledged that experienced staff are essential to the stability and effective running of prisons.

4.12 This year HMPPS told us that it was so concerned about Band 2 and 3 recruitment and retention rates, that it took the unusual step of making changes to the market supplements during the middle of the pay round. It informed us in oral evidence that the Service had hit a "tipping point" and that in some areas there were now more leavers than joiners which had left a number of prisons in severe difficulties. HMPPS further stated that it was now having some difficulties recruiting in areas where it had exhausted local labour markets. Despite providing us with written evidence in February this year setting out the Service's ambitions to

start eroding the market supplements, we were subsequently informed a month later that the supplements would be expanded to more prisons and a new 'red plus' tier of £6,500 a year would be introduced.

4.13 Although we understand the difficult position that HMPPS is in, this expansion of market supplements adds to our concerns about ineffective measures that are being used as a sticking plaster to deal with immediate problems. It is our view that market supplements add to the complexity of the pay system, exacerbating the more serious, structural issues and making them harder to solve. HMPPS acknowledged in oral evidence that staff become accustomed to and dependent on allowances, such as the market supplements and Payment Plus, expenditure on which has increased substantially in the year to March 2021. It would be very difficult simply to remove these payments without seeing further substantial numbers of Band 2 and 3 staff leaving the Service. These measures might have helped reduce the flow of officers out of the Service in the interim, but it is clear to us that the continuation and repeated extension of such measures point to their limited effectiveness, and targeted action is needed in relation to base pay levels.

4.14 In its written evidence HMPPS informed us about the non-pay measures it had implemented to help improve retention rates. We were pleased to hear about the introduction of exit interviews, the creation and investment in a retention toolkit and plans to start flexible working arrangements for operational staff. However, having considered the evidence we do not believe these are sufficient on their own to address the situation HMPPS face, and there remains a need for action on pay. We still consistently hear that pay levels are a very significant factor in the decision to leave the Service. This year we heard from all the parties, including HMPPS itself, that pay at Band 3 was no longer in a competitive position in the market and that improved remuneration was needed to address recruitment and retention issues.

4.15 The Review Body first asked HMPPS for a strategy to deal with the structural issues of its two-tier pay structure in 2014. We have consistently reminded the Service in subsequent reports of the need to address both this and the competitiveness of the pay structure, particularly for Band 3 Prison Officers. In recent years, we have also targeted higher pay awards at *Fair and Sustainable* Band 3 to improve the market position for Prison Officers. These targeted awards included:

- In 2018: a 2.75% headline award for all officer and support grades and an increase of 3.5% to the *Fair and Sustainable* Band 4 and 5.25% to the Band 3 maxima.
- In 2019: a 2.2% headline award for all officer and support grades and 3.0% for *Fair and Sustainable* Band 3.
- In 2020: 2.5% for all staff in our remit group and an additional consolidated award of £3,000 for all *Fair and Sustainable* Band 3 Prison Officers (Recommendation three) by consolidating the 'amber' market supplement into base pay and UWH.

4.16 The Government rejected the recommendations we made for *Fair and Sustainable* Band 3 in 2018 and 2020. Last year, the Government also declined to respond to our recommendation for HMPPS to provide us with a comprehensive pay strategy to address the

structural issues in the pay system, incorporating Recommendation three (modified, if necessary, by the evidence) from our 2020 report.

4.17 We ask the Government to carefully consider the recommendations we make this year, and the clear and substantial evidence on which they are based. It is crucial that the Prison Service invests in its pay structures now to recruit, retain and train the staff it needs in front-line operational roles to ensure a stable and effective Service and to deliver its ambitions, as set out in the Prison Strategy White Paper⁷⁰. Our recommendations this year not only take a significant step to improve the competitiveness of pay for staff at Band 3, they also substantially reduce one of the largest gaps that remain between Prison Officers on *Fair and Sustainable* Band 3 and their closed grade equivalents, which is in line with HMPPS's ambition to close the gap between the two pay structures.

Headline pay award

Fair and Sustainable Bands 3 to 11 and all closed grades

4.18 In determining the headline increase for staff this year we considered two important questions: what the value of the increase should be; and whether there should be a differentiated award for staff in *Fair and Sustainable* and the closed grades. All the parties, including HMPPS, proposed that the same headline base pay increase should be applied to the majority of staff on each pay structure this year.

4.19 From the outset this year, we recognised that all staff should receive a consolidated uplift to base pay. Although we were keen to keep the momentum in aligning the two pay scales, we concluded this could be achieved through other targeted measures and that it was important for all staff to receive a headline award of equal value. All staff in our remit group, regardless of pay structure, grade or experience have had to work in difficult conditions again this year and are increasingly feeling the strain of staffing shortages across the prison estate. We believe that differentiating between the two structures could risk worsening both morale and retention rates at a time when the Service is placing a heavy reliance on its most experienced staff, many of whom occupy the closed grades.

4.20 In determining the quantum of the headline award, our principal focus has been on the workforce data, particularly trends in recruitment and retention, as well as the relative market position of operational Prison Service pay. We have also considered the wider economic context including current and forecast rates of inflation, and data on average earnings growth and pay settlements across the whole economy that were available to us at the time of making our decisions. The decision was not an easy one and we modelled a range of options, looking at what offered sustainable value for money, was affordable when considering the total package of recommendations, and offered our remit group the pay increases needed to start addressing the challenges HMPPS faces. We concluded that HMPPS's proposal for a 2% headline award did not go far enough to achieve this.

4.21 We therefore recommend a consolidated, pensionable increase of 4% for all staff in Bands 3 to 11, along with all closed grade staff (including closed grade Operational Support

⁷⁰ GOV.uk, (2021). *Prisons Strategy White Paper*. (online) Available at: <https://www.gov.uk/government/publications/prisons-strategy-white-paper> [accessed on 10 June 2022].

Grades (OSG)). This will deliver the same headline award to staff irrespective of whether they are on *Fair and Sustainable* or the closed grades.

Recommendation 1: We recommend that from 1 April 2022, the *Fair and Sustainable* National Band 3 to 5 base pay points, the Band 7 to 11 base pay minima and maxima, and all closed grade spot rates and base pay points be increased by 4% (including the closed grade Required Hours Addition/Allowance cash element), as set out in Appendix D. This award to be consolidated and pensionable for all staff.

Recommendation 2: From 1 April 2022, we recommend that the consolidated, pensionable salary for Prison Auxiliary and Night Patrol staff be increased to the National Living Wage or by 4%, whichever gives the greater amount.

Fair and Sustainable Band 2

4.22 This year HMPPS proposed a cash award of £1,500 for staff in *Fair and Sustainable* Band 2. It stated that this increase should be used to fully erode market supplements where paid to *Fair and Sustainable* Band 2 staff. At April 2022, Band 2 staff can receive three types of market supplements: the 'red outer London'; 'red'; and 'red plus' supplements. HMPPS told us in its written evidence that the drivers for this proposal were: to encourage closed grade OSGs to opt in to *Fair and Sustainable*; to improve the reward offer with OSG recruitment now recognised as an important gateway route into the Prison Officer role; and to ensure the base pay of Band 2 remains meaningfully above the Government's National Living Wage. In oral evidence the PCS told us that it supported the HMPPS proposal of £1,500. The POA informed us that it would not reject the proposal but that it did not feel it went far enough.

4.23 In our analysis of the data this year, and in previous years, we have been concerned about both the level of pay and leaving rates of Band 2. Leaving rates for Band 2 have been steadily increasing and, in the year to December 2021, were even higher than the leaving rates for Band 3. We therefore welcome the proposal by HMPPS this year to provide a substantial increase to the Band 2 spot rate to improve the market position for these staff. As proposed by HMPPS, we further recommend that the £1,500 increase fully erodes the market supplements for Band 2 staff. We recognise that staff who already receive a supplement will not see as large an increase in their total pay as their Band 2 colleagues in non-market supplement sites and will also pay additional pension contributions. However, they will still benefit from the £1,500 headline award and the increase in the Unsocial Working Hours (UWH) allowance from 17% to 20% (see para 4.69) as well as higher pension benefits and more stable and certain base pay. We look to HMPPS to manage any transitional issues that may arise from this approach. We expect this award to have a positive impact both on staff morale and retention rates.

Recommendation 3: We recommend that from 1 April 2022 the *Fair and Sustainable* National Band 2 spot rate be increased by £1,500. This award to be consolidated and pensionable for all staff. On 1 April 2022, this fully erodes the market supplements for those Band 2 staff who currently receive them.

Fair and Sustainable Band 12

4.24 This is the first year we make recommendations for the newly created *Fair and Sustainable* Band 12. Band 12 was introduced by HMPPS to accommodate Prison Group Directors (often still referred to as Area Managers) and a small number of other senior operationally facing HMPPS staff. The spot rate for Band 12 was set at £103,000 in 2021⁷¹, just above the Band 11 maximum in inner London⁷². The Band 12 spot rate is considered by HMPPS to be inclusive of unsocial hours and therefore staff at this grade do not receive the Required Hours Addition/Allowance (RHA).

4.25 In its written evidence this year, HMPPS proposed a higher headline award of 3% for Band 12s, 1% higher than for Bands 3 to 11. HMPPS informed us that this was because there was no separate RHA payment for Band 12s and therefore a slightly higher increase was required to keep ahead of Band 11 base pay and the proposed RHA increases for Band 11 (see paragraph 4.69).

4.26 We recognise the need to keep a reasonable differential between Bands 11 and 12 to maintain a coherent pay structure and have therefore applied the same rationale when setting the headline award for Band 12 staff.

Recommendation 4: We recommend that from 1 April 2022, the *Fair and Sustainable* Band 12 spot rate be increased by 5%, as set out in Appendix D.

Fair and Sustainable Band 3

4.27 As discussed earlier in this chapter, this year we have revisited a range of pay and workforce data to assess the market position of Band 3 Prison Officer pay. We have concluded that the evidence is even stronger this year in supporting the need for significant additional investment in *Fair and Sustainable* Band 3. Put simply, we believe HMPPS is facing a crisis that will only get worse unless action is taken to address the insufficiently competitive levels of pay at this grade.

4.28 The extent of the issue the Service is grappling with in regard to recruiting and retaining Prison Officers, the main operational recruitment grade into the Service, is clear in all the evidence we have reviewed. This ranges from the data showing increasing leaving rates, to comments made about the morale of staff by all parties in oral evidence and by staff during our visits, and finally by the urgent action taken by HMPPS in April to increase both the value and spread of the market supplements. All point to a situation that continues to deteriorate year after year and demonstrates to us that Band 3 pay is insufficient and needs additional, sustainable investment beyond that proposed by HMPPS.

4.29 The lack of an effective pay strategy for Band 3 pay and the market supplements has become more apparent this year in HMPPS's contradictory approach to market supplements. We strongly believe it is simply neither credible nor consistent for HMPPS to propose erosion of market supplements at the same time it is increasing them and extending them to more

⁷¹ Band 12 staff who work in London receive a £5,000 annual non-consolidated, non-pensionable payment.

⁷² The 2021 maximum for a Band 11 in Inner London was £100,306 inclusive of RHA.

prisons. HMPPS has consistently stated that its aim is to remove the market supplements, but it is our view that the longer they are in place, the harder it will be to remove them in the future without severe staffing consequences. Moreover, the practice of reviewing them annually leads to wholly avoidable uncertainty with no corresponding benefit. The Service needs to provide a competitive base salary and address the gap with the closed grades in order to establish a stable basis for the future.

4.30 Our approach in determining our recommendation for Band 3 has been threefold: using the data available to us we looked to determine an appropriate market rate for Band 3 pay; we then discussed what we could realistically achieve this year and in what time frame; finally, we considered HMPPS's financial position and what would be appropriate for us to recommend this year alongside our other package of recommendations. We take each of these items in turn below.

4.31 For many years the Review Body has heard in evidence from the trade unions that represent our remit group and from staff on our visits that the salary of a closed grade Prison Officer is regarded as the rate for the job. In oral evidence HMPPS acknowledged there was a case for bringing the Band 3 pay scale up to the closed grade salary level in order for the Service to retain more staff. The POA informed us in oral evidence this year that it considered that closed grade pay was too low, and that we should consider this only as the starting point.

4.32 As discussed above, our own analysis of the relative position of Band 3 pay shows that it lags behind a number of comparable occupations which we are regularly told compete with HMPPS on recruitment. What we conclude from this is that substantial investment is needed for Band 3 pay to place it into a competitive position in the market. Our aspiration still remains that all Prison Officers in both the closed and *Fair and Sustainable* grades should be paid a single rate for the job, set at an appropriate position against the relevant market comparators. This is consistent with the overarching principle of the *Fair and Sustainable* framework.

4.33 After deliberating what could be achieved this year, we again concluded that there should be an ambition to remove the reliance on market supplements completely. We welcomed the acceptance by HMPPS this year of the need to begin this process and the commitment to remove them completely at Band 2 through resetting base pay and this is reflected in our recommendations. However, we believe there is a need to act further and faster at Band 3 in order to give staff certainty and confidence in their pay and raise their base salary to competitive levels. Eroding the market supplements for Band 3 staff by the HMPPS proposed headline award of 2% would take many years and leave the current fragmented pay structure in place for far too long. Given the increasingly alarming workforce situation that HMPPS face, we believe this is the time for decisive action.

4.34 We have stated in previous years that our view is that small incremental changes at Band 3 are not sufficient to address the scale of the problem. The Government has so far rejected this view and our related recommendations intended to start addressing these issues. Small incremental changes do not resolve the distortions and problems created by the market supplements, such as the ripple effect they can have on nearby prisons, the uncertainty for staff who receive them, and the adverse impact they can have on staff morale

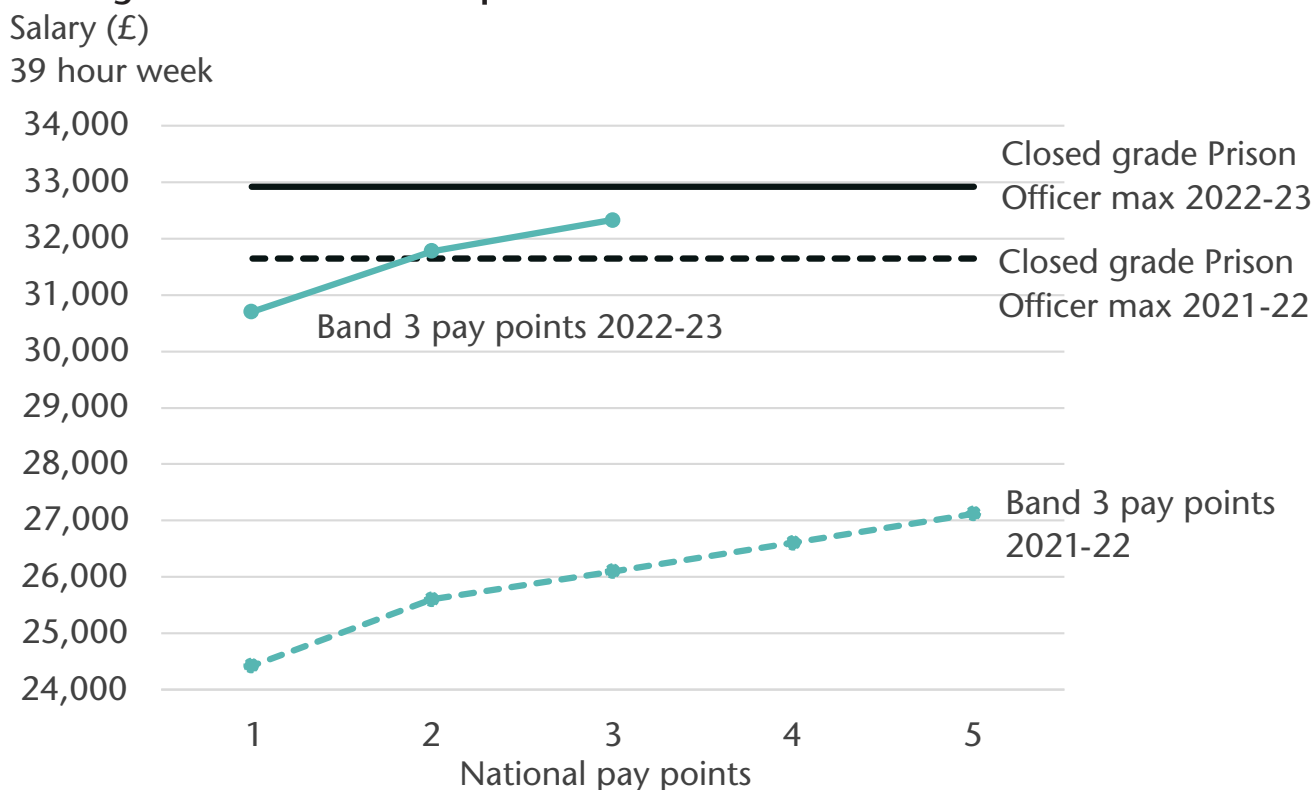
within non-supplement sites. We therefore believe that consolidating an amount equal to the value of the 'amber' market supplement into pensionable pay is the most appropriate first step to enhance Band 3 pay this year. We note that, alongside HMPPS's proposal to move Band 4 to a spot rate, this should still provide sufficient headroom to incentivise Band 3 staff to seek promotion to Band 4.

4.35 We recognise that this approach, as for Band 2, will have differential outcomes for Band 3 staff. Firstly, staff who already receive the supplements will not see as large an increase in take home pay as their other Band 3 colleagues, although they will still benefit from the headline award and the increase in the UWH from 17% to 20% (see para 4.69). Secondly, staff will also pay additional pension contributions through this approach. We believe however, that these outcomes are considerably outweighed by the long-term gains from the resulting enhanced pension benefits accruing from higher pensionable pay and the more stable and certain nature of base pay.

4.36 We are also conscious that we are making our recommendation after the 1 April implementation date. Staff have been receiving the monthly payment of the non-consolidated market supplements since April and it would cause complications for the Service therefore to implement our recommendation retrospectively. We therefore propose that the value of the 'amber' market supplement is consolidated as described in para 4.39 from 1 September 2022. We believe this should give HMPPS adequate time within which to make the procedural and system changes that are required to implement our recommendation.

4.37 We wish to stress again that this alone may not bring Band 3 Prison Officer pay up to a competitive relative market position or completely resolve equal pay risks at this grade. However, we must be mindful of the total cost of our recommendations in a given year. By increasing pensionable pay for all Band 3 Prison Officers by £3,000 we are making a substantial move to close the gap between the maxima of the two pay structures. Our calculations show that the gap between the National Band 3 maximum and the closed grade Prison Officer maximum will reduce from around £4,500 to £600 (see Figure 4.1). We believe this award is consistent with the HMPPS policy commitment to invest in *Fair and Sustainable* and takes a significant step forward towards achieving HMPPS's aspiration to have a single market-facing rate for staff at Band 3. Furthermore, our recommendation will make considerable progress in improving the position of Band 3 Prison Officer pay relative to other comparable occupations, and we consider this is necessary to address the workforce challenges that HMPPS face.

Figure 4.1: Impact of our recommendations on the gap between the *Fair and Sustainable* National Band 3 scale (including unsocial hours and 2 x ACH) and the closed grade Prison Officer equivalent⁷³.



4.38 We are aware that our recommendation will have a read across to non-operational staff at Band 3 who are not in our remit group. HMPPS continued to highlight in its evidence this year that the majority of non-operational staff (excluding Probation staff) have their pay indirectly determined by the PSPRB recommendations and stated there were no recruitment or retention issues for non-operational Band 3 staff to warrant a substantial increase. Since our 2011 report we have raised our concerns about this matter, even recommending in our 2013 report that HMPPS bring forward proposals with the other parties on the issue of representation and the scope of our remit. This issue is even more pertinent now than in the past because, despite a common pay and grading system under *Fair and Sustainable*, the pandemic has illustrated the divide between staff who are required to attend prisons and those who can work more safely in offices or possibly from home. Although we are conscious of this issue when making our recommendations each year, we cannot allow this to influence our evidence-based approach, or effectively to penalise operational staff in our remit group. In doing so we would be failing to address the issues set out in our terms of reference by not directing investment where it is most needed. It would, moreover, be perverse to allow the impact on another group of staff as a reason to fail to take the action necessary to ensure that prisons can operate safely, effectively and efficiently. The particular importance of our role in making independent pay recommendations derives from the fact that operational prison staff in our remit group are unable to take industrial action of any form in contrast to their non-operational counterparts.

⁷³ The Band 3 pay points 2022-23 include changes due to restructuring, whereby pay points 1 and 3 have been removed from the scale.

4.39 We therefore recommend that from 1 September 2022 the ‘amber’ market supplement is consolidated into pay, resulting in a £3,000 increase in pensionable pay for Band 3 staff on the National *Fair and Sustainable* pay scale. This £3,000 increase should be paid to all staff in Band 3, including those working at ‘red’ and ‘red plus’ market supplement sites. We ask that HMPPS implement this recommendation by increasing National Band 3 base pay points by £2,500, giving a total consolidated and pensionable award of £3,000 when the 20% unsocial hours payment is included. For clarity we recommend that HMPPS firstly increases base pay by the headline 4% from 1 April 2022 before it consolidates the ‘amber’ market supplement from 1 September 2022.

Recommendation 5: We recommend that from 1 September 2022, the *Fair and Sustainable* National Band 3 base pay points increase by £2,500 giving a total consolidated and pensionable award of £3,000 when the 20% unsocial hours payment is included. On 1 September 2022, this erodes the ‘amber’ market supplement and £3,000 of the ‘red’ and ‘red plus’ market supplements for those Band 3 staff who currently receive them.

4.40 We note that the cost of this option is reduced by the fact the Service is already paying the £3,000 supplement to around 2,900 Band 3 staff and the £5,000 and £6,500 supplement to a further 2,000 and 500 Band 3 staff respectively; this equates to around 40% of *Fair and Sustainable* Band 3 staff⁷⁴.

4.41 We further recommend that HMPPS continues to pay an amended non-consolidated ‘red’ market supplement of £2,000 (reduced from £5,000) and a ‘red plus’ market supplement of £3,500 (reduced from £6,500) a year to those Band 3 Prison Officers who are currently eligible to receive them. We will review these supplements next year, in line with our long-term aspirations for Band 3 Prison Officer pay.

***Fair and Sustainable* restructuring**

4.42 In its written evidence this year, HMPPS informed us that one of its key priorities this year was to achieve a complete structural reform across the *Fair and Sustainable* pay structure, incentivising progression through the pay scale and removing the “leap frogging” of newly promoted staff over experienced staff. It told us that a key driver for this was to achieve a more robust supply of operational managers, in turn reducing the number of staff on temporary cover arrangements. The HMPPS proposals included: the shortening of Bands 3 and 5 from five pay points to three; moving Band 4, 7 and 11 to a spot rate; and shortening the pay range for Bands 8 to 10 from 20% to 10% in length.

4.43 HMPPS did not seek agreement with the unions on these proposals before it submitted written evidence to us in February this year and as such, they are not referenced in the unions’ written submissions. In oral evidence, we sought the views of the POA, PGA and PCS about the HMPPS pay band restructuring proposals. The response was mixed, and although the unions largely favoured the proposed changes for the officer grades there were concerns raised by the PGA about the consistency in approach for the operational manager grades. The PGA informed us that it felt that it was unfair for some operational manager grades still

⁷⁴ Data as at November 2021. These numbers include staff at the additional market supplement sites, post-April 2022.

to take five to six years to reach the maxima despite HMPPS proposing compression of those ranges. Whilst the unions generally welcomed the shortening of the pay scales and the resulting higher starting salaries, all expressed doubts that in the long term these proposals would help aid retention.

4.44 We are pleased to see that HMPPS has made a serious attempt at starting to address some of the problems with the existing pay structure but share the concerns raised by the unions about these proposals. As such we have sought further clarity from HMPPS to understand the rationale for some of these changes. To us they demonstrate that the pay ranges are not appropriate, and we repeat again that there needs to be a thorough review of all pay bands/grades. We are concerned that although HMPPS's changes are designed to fix the immediate recruitment and promotion problems facing the Service, by incentivising staff to move through the grades, they could, unintentionally, cause longer-term retention problems. We take each of the HMPPS proposals in turn below.

4.45 HMPPS proposed to shorten both Bands 3 and 5 from five pay points to three. For Band 3 it proposed to remove the minimum (pay point one) and pay point three, whilst for Band 5 it proposed removing the minimum (pay point one) and pay point two. HMPPS informed us that this would improve the starting salary for new recruits and allow for progression from the minimum to the maximum in a shorter period of time, to aid retention and incentivise promotion. The POA did not express any opposition to these proposals in oral evidence, having recommended a shortening of the Band 3 pay scales to three points itself last year. Although the union informed us that this would make a difference for new recruits and for those staff who wanted promotion, it warned that it did not think it would aid retention. The PCS also requested in its written evidence that Band 3 be moved to a three point scale.

4.46 The Review Body have always been wary about unpicking proposals which both HMPPS and the unions support, and we therefore endorse shortening both Band 3 and Band 5 to three points. However, we remain concerned about the longer-term consequences of such an approach. Although in the short term this may aid with recruitment and pull less experienced staff through the pay scale, we believe there is a risk that longer serving staff might, due to the reduced scope for pay progression, leave the Service sooner when they reach the top of the shortened pay scale.

Recommendation 6: We recommend that from 1 April 2022, the *Fair and Sustainable* Bands 3 and 5 be shortened from five to three pay points as per HMPPS's proposals.

4.47 HMPPS's second proposal for the officer grades was to move *Fair and Sustainable* Band 4 to a spot rate by removing all pay points below the maximum. HMPPS informed us that it saw Band 4 as a specialist role for Prison Officers and a higher spot rate would encourage promotion from Band 3 and address 'leapfrogging' issues. The POA did not express any opposition to moving Band 4 to a spot rate but told us in oral evidence that the rate of pay was not high enough to aid retention. The PCS informed us in oral evidence that spot rates could be more beneficial for staff but only if there were adequate headline pay awards each year.

4.48 In the evidence we received from HMPPS, we noted that there are more Supervising Officers than Specialists at Band 4 and we were therefore not wholly convinced by HMPPS's argument that Band 4 is a specialist role for Prison Officers. We again debated the possibility of unintended consequences in the medium to longer term regarding the lack of progression for longer serving Band 4s. However, we recognise the benefits of this proposal to address the immediate challenges around promotion and leapfrogging and concluded that it would not be appropriate for us not to support a proposal that is supported by both HMPPS and the unions. We therefore agreed to endorse moving Band 4 to a spot rate.

Recommendation 7: We recommend that from 1 April 2022, *Fair and Sustainable Band 4* become a spot rate by removing all pay points below the maximum.

4.49 For operational manager grades, HMPPS proposed that Bands 7 and 11 become a spot rate and the pay ranges at Bands 8 to 10 be shortened to 10% in length. It was clear from both the written and oral evidence from HMPPS that the main driver for these proposals was to create headroom in the pay structure to incentivise promotion. HMPPS also informed us that the reduction in pay ranges at Bands 8 to 10 would further help the Service control the paybill against large progression increases that the PSPRB have recommended in previous years. It requested that annual progression be reduced to 2% for these grades to allow them to progress through the revised ranges in five years.

4.50 Our concerns are more profound for these grades, and we struggled to see any compelling rationale for introducing spot rates for operational managers. Although we understand that Band 5 staff working Payment Plus could potentially earn more than their colleagues at Band 7, we do not feel comfortable with removing a pay range for the first operational manager grade in the Service. We believe when staff move out of uniform into managerial positions, it takes time to become fully competent. At Band 11, one of the most senior manager grades in the Service, we feel that a move to a spot rate would be out of step with how the wider Civil Service approach pay at this level. We further agree with the PGA on the inconsistency of the approach for Bands 8 to 10 and believe this demonstrates the shortcomings of a piecemeal attempt to address a fundamentally broken pay system rather than build one that is fit for purpose.

4.51 We therefore concluded that we were not able to endorse the proposals for Bands 7 to 11. As an alternative way forward, we would encourage HMPPS to work with the PGA to agree on and implement a solution for these grades that addresses the issue of incentivising promotion and retention but does not inadvertently introduce further problems and complexity into the pay structure. We propose that these discussions are held outside of the pay round and as soon as possible.

Performance management and pay progression

4.52 As outlined in Chapter three, this year HMPPS introduced a new performance management system which effectively ends the link between end of year markings and progression through the pay ranges. In our past reports we have raised our concerns about the previous performance management system being insufficiently robust, credible and fair, and we therefore welcome the move towards a new system. We do, however, have

considerable concerns about how the new system will function in an operational service such as the Prison Service. We consider that there is a significant risk that staff will not engage with or trust any system unless they can see its value and relevance and have the necessary time and skill to administer it. The move to more on-the-spot recognition in particular could increase the risk of favouritism and bias within the system and HMPPS must ensure an effective structure is put in place to monitor the distribution of in year rewards. It is crucial for HMPPS to consider how it will build staff and trade union confidence in the new system for it to be a success. We return to this matter in Chapter five.

Support and officer grades

4.53 We make annual recommendations on progression for staff in *Fair and Sustainable* Bands 3 to 5 as they do not have contractual pay progression. This year however, we will not make recommendations on Band 2 or Band 4 as they are, or have been recommended to move to, a spot rate. As discussed, HMPPS has removed the link between performance management and progression for all staff this year. It therefore proposed that any Band 3 and 5 staff who do not automatically receive an uplift as a result of pay band restructuring, should progress to the next pay point, following the pay uplift, unless on formal poor performance procedures.

4.54 We note that this position is consistent with the approach taken in previous years and therefore recommend that all staff not already on the maxima progress to the next pay point unless they are subject to formal poor performance procedures.

Recommendation 8: We recommend that all staff (except those subject to formal poor performance procedures) on Fair and Sustainable Bands 3 and 5 who are in post on 31 March 2022 and do not automatically receive an uplift as a result of pay band restructuring should progress by one point, effective from 1 April 2022.

4.55 Support and officer grades on the closed pay scales are all on pay scale maxima and are therefore not entitled to any further contractual pay progression. Some support and officer grades on G4S terms may be entitled to contractual pay progression.

Operational managers

4.56 This year HMPPS proposed pay progression of 2% for all Bands 8 to 10, excluding those on formal poor performance procedures. HMPPS informed us that this was consistent with its aim for staff to reach the maxima within a reasonable time frame to reflect full competence within a role. HMPPS did not propose pay progression for Bands 7 and 11 following the request for these grades to move to spot rates. Band 12 has already been set at a spot rate and staff at this grade would therefore not receive pay progression.

4.57 In the absence of a performance link and clear information from HMPPS about our role in recommending pay progression under the new performance management system, it has been difficult to determine appropriate pay progression for Bands 7 to 11 this year. There was a consensus across the Review Body that operational managers should still be able to progress through their respective pay ranges from minima to maxima within five years. Having not recommended the HMPPS proposal to shorten the pay ranges at Bands 8 to 11

and move Bands 7 and 11 to a spot rate, we therefore recommend a 4% progression increase for *Fair and Sustainable* Band 7 to 11 operational managers. This should be adjusted to reflect any shortening of the pay range that is agreed between HMPPS and PGA, to remain consistent with managers progressing through the pay range within five years.

Recommendation 9: We recommend that all staff (except those subject to formal poor performance procedures) on *Fair and Sustainable* Bands 7 to 11 who are in post on 31 March 2022 receive a consolidated and pensionable progression increase of 4%, capped at the 2022 band maximum.

4.58 All closed grade operational managers are at pay scale maxima and are not entitled to further contractual pay progression.

Locality pay

4.59 As set out in our terms of reference, we must consider 'regional/local variations in labour markets and their effects on the recruitment and retention of staff'. There are a wide range of locality payments currently available to staff in our remit group, including: the legacy Locality Pay Allowance rates, *Fair and Sustainable* Outer and Inner London differentials; and the 'amber', 'red' and 'red plus' market supplements. The last we have discussed and made recommendations on earlier in this chapter.

4.60 In its written evidence to us this year, HMPPS proposed no change to the current locality pay zone structure and that the differential between National and Outer and Inner London maxima rates at Bands 2 to 11 increase by the proposed headline award of 2%. HMPPS requested that the differentials at pay range maxima continue to be applied consistently across all bands. The POA informed us in oral evidence that, although it had not proposed any changes to the locality pay zones, it believed that HMPPS's proposal did not accurately reflect cost of living increases, for example, in London where the Congestion Charge and Ultra Low Emission Zone had recently been increased⁷⁵.

4.61 We concluded that, in the absence of any counter proposals or a body of evidence to suggest a different approach, this year we would endorse the HMPPS proposal to continue with the current application of the locality pay zonal structure and therefore recommend that the fixed cash pay differentials for the *Fair and Sustainable* Outer and Inner London zones be increased by the same as the 4% headline award. This results in the maxima now being placed at £2,836 and £4,314 above the National maxima for Outer and Inner London zones respectively. As in previous years, we recommend that the other points on the London scales are adjusted so that progression steps between the pay points have the same percentage value as on the National bands, as per the *Fair and Sustainable* pay design. The resulting scales and ranges are set out in Appendix D.

⁷⁵ In October 2021 the Mayor of London, Sadiq Khan, announced that the Ultra Low Emission Zone (ULEZ) would be expanded from the Congestion Charge Zone to the North and South Circular roads. In March 2022 it was announced that the ULEZ would be expanded to cover the entire city by the end of 2023. Transport for London permanently raised the Congestion Charge from £11.50 to £15 in December 2021, increasing the operating hours to include evenings and weekends.

Recommendation 10: We recommend that from 1 April 2022, the fixed cash pay differentials for the *Fair and Sustainable* Outer and Inner London zones be increased by 4% and continue to be applied consistently across all bands, positioning maxima at £2,836 and £4,314 respectively above the base 37 hour National zone pay. We also recommend adjusting minima and intermediate points so that progression steps are the same percentage as on the National bands. The increase to be consolidated and pensionable.

4.62 Despite endorsing the HMPPS proposal, we wish to flag that we have taken on board the concerns raised about the cost of living increases and therefore plan to review the value of the differentials for the Outer and Inner London zones next year. It is our understanding that there has not been a fundamental review of differentials since their inception in 2012. It is important that measures such as these are regularly reviewed to ensure HMPPS is offering a competitive pay package in local labour markets. We return to this matter in Chapter five.

Allowances and payments

4.63 In our report last year, we set out our concerns that many allowances had not been considered or changed for some considerable time. We determined that there were two types of allowances: those that had a fixed cash value that compensate staff for undertaking a particular duty throughout the year, or for a specific time-bound task; and those that are calculated as a percentage of base pay and change in cash value following an uplift to base pay, although the percentage value remains the same. We stated that allowances that have a cash value should not be simply left unchanged while declining in real value and therefore recommended that such allowances should be increased by the headline pay award each year. We further recommended that all allowances be considered in depth via a fixed rolling review over a five year period.

4.64 We received a range of views on our proposals for a rolling review. The POA in particular informed us that it did not agree with a five year rolling review, not only because this may leave some allowances unvisited for an unacceptably long period but also because it believed that, without stability in the economy, a rolling review would not work.

4.65 Given the length of time that some allowances have been left unchanged, we continue to maintain that there is a clear need for a systematic and regular review of all allowances. It is our belief that every allowance should, as a minimum, be reviewed every five years. However, this does not preclude considering an allowance in a shorter time frame if one of the parties considers there has been a material change and brings it to our attention. In the absence of an agreement between the parties, our intention therefore is to continue with a five-year rolling review. Our timetable for consideration of the allowances can be found at Appendix G and sets out that next year we will review Payment Plus and OSG overtime. We return to this matter in Chapter five.

4.66 We also considered our position on uprating any allowance that has a cash value by the headline award each year following the Government's decision not to respond to Recommendation five in our 2021 report. Our conclusion has not changed. We do not think it is right to let the value of an allowance be eroded over time and leave staff insufficiently remunerated.

4.67 This year, we conducted a review of the Care and Maintenance of Dogs allowance and, as a result, have made separate proposals to set this allowance at a rate that we consider appropriate (see section 4.74).

4.68 In this report we have expressed our concerns at the various allowances and payments that are in place and believe there is a longer-term issue that needs to be addressed about the purpose and effectiveness of each. We therefore encourage HMPPS to review all allowances and payments currently in place as part of a longer term strategy that moves towards a clear and coherent pay structure.

Unsocial Working Hours

4.69 Under the first year of our five year rolling review of allowances, we informed the parties that we would be reviewing the UWH allowance, including RHA. We asked for all the parties to provide us with a wide range of information on the allowance as well as views on the appropriateness of the current allowance level and clear rationale for any proposed changes.

4.70 HMPPS proposed in its written evidence to uprate both UWH and RHA to 20%. It informed us that the historic equal pay settlement (the Bailey case) assessed that around 20% of the higher salary earned by Prison Officers could legitimately be attributed to the requirement for them to work unsocial hours which was not required of their non-operational colleagues. HMPPS warned us that increasing UWH and RHA beyond 20% would risk breaching the equal pay threshold. Both the PGA and POA proposed increasing the two allowances to 25%, noting this would bring the value up to a comparable rate with the NHS and would reflect the considerably more disruptive working hours and challenging working environment faced by operational staff.

4.71 We found neither argument entirely persuasive. We had concerns about setting rates for both allowances based on a case that was conducted over 18 years ago as it was evident to us that jobs have changed significantly since this time. We felt this was particularly the case at Band 2 where we heard anecdotally through our virtual visits that some staff at this grade are working up to 60% of their contracted hours unsocially. However, we also saw no basis for recommending a specific number higher than 20%, due to insufficient evidence about the extent to which staff within our remit work unsocial hours. Both proposals demonstrated to us the fragility of the basis on which UWH and RHA is paid. We would encourage the parties to look again in more detail at the payment of these allowances and the extent to which different grades work unsocial hours to ensure that they are indeed set at appropriate levels.

4.72 For this year, given that all parties have recommended an increase in these allowances to at least 20%, and in light of the Bailey case assessing that 20% of a Prison Officers higher salary could be legitimately attributed to the requirement for them to work unsocial hours, we recommend an uplift of both allowances to 20%.

4.73 HMPPS further proposed that UWH be applied to all contractual hours worked in order to maximise the value of the unsocial hours commitment made by staff. It hoped that in time this would reduce the reliance on the more expensive Payment Plus hourly rate. The POA agreed with the proposal to apply UWH to all contracted hours and we therefore see no reason to depart from it.

Recommendation 11: We recommend that from 1 April 2022, the percentage uplift on base pay for the Unsocial Working Hours allowance be increased to 20% for Bands 2 to 5 and is applied to all contracted hours worked.

Recommendation 12: We recommend that from 1 April 2022, the percentage uplift on base pay for the Required Hours Addition/Allowance be increased to 20% for Bands 7 to 11.

Care and Maintenance of Dogs

4.74 The second allowance we committed to review this year under the five-year rolling review was the Care and Maintenance of Dogs allowance. This allowance was considered a priority for us because the single dog rate (rate 1) had remained unchanged since 2006. A multiple dog rate (rate 2) was introduced in 2016, set at 25% of rate 1, and has also not been reviewed since.

4.75 HMPPS proposed in its written evidence that the allowance for a single dog be increased by £674 per annum to £2,200 and the rate for multiple dogs be increased by £842 to £2,750. It informed us that there were no recruitment and retention issues to warrant bigger increases and that this proposal would bring staff in line with other workforces who employ dog handlers, such as the Border Force and the Police. The POA proposed that we increase the rate for a single dog to £7,000 to bring it in line with the hourly rate for Payment Plus. It also proposed £500 per annum for each additional dog which it said would bring parity with the Police.

4.76 The Review Body spent some time during the course of our discussions talking to the parties to understand what aspects of dog related care was covered by the allowance and what costs, in addition to this, were met by HMPPS. We also looked at the Police's dog handlers' allowance to see what this was designed to cover and how much the associated costs had risen since the allowance was last reviewed. We came to the conclusion that there was a strong case to match the Care and Maintenance of Dogs allowance to the current Police dog handlers' allowance as the roles are broadly comparable.

4.77 We therefore recommend that from 1 April 2022, the Care and Maintenance of Dogs allowance for those with responsibility for a single dog be increased to £2,434. This is equivalent to the 2021⁷⁶ Police dog handlers' allowance of £2,340, uprated by our recommended headline pay award of 4%. We further recommend that the multiple dog rate remains set at 25% above the single dog allowance.

Recommendation 13: We recommend that from 1 April 2022, the Care and Maintenance of Dogs allowance be increased to £2,434 per annum for those with responsibility for a single dog. We further recommend that the rate for multiple dogs is set at 25% above the single dog allowance.

4.78 As set out in paragraph 4.66, we do not intend to leave this allowance to decline in real value in future years and therefore signal to HMPPS that, unless we receive compelling evidence otherwise, we intend to increase the Care and Maintenance of Dogs allowance by the headline award each year. This is a similar process followed for the Police allowance which is uprated each year by the headline award.

Voluntary Specialisms

4.79 We received proposals this year from both the POA and PCS on individuals who volunteer to carry out additional specialist roles⁷⁷ over and above those set out in their job description. Both unions asked that we recommend an annual allowance of £500 per specialism be paid. The PCS informed us in oral evidence that these tasks often needed to be undertaken at the end of a shift or outside normal working hours. Staff could only claim Time Off in Lieu and otherwise were not rewarded for them.

4.80 In the course of our discussions with the parties at oral evidence, we did not hear any evidence to suggest that there was a lack of volunteers to undertake these roles and therefore we do not see a compelling case to introduce a payment for these tasks and consider it reasonable within any grading framework for some additional duties to be undertaken. We believe that staff who undertake these additional roles are attracted to do so for personal development in their current and future roles.

⁷⁶ The Police dog handlers' allowance is set by the independent Police Remuneration Review Body (PRRB) effective 1 September. At the time of reaching our recommendations the PRRB had not made its recommendations for 1 September 2022, and we have therefore used the published 2021 rate.

⁷⁷ Roles include but are not limited to: Negotiator, ACCT Assessor, Control and Restraint (C&R) Instructor, C&R Tornado, First Aid, Mentor, Local Response Team, Care Team, Mental Health Allies, OSG Drivers (includes Tornado and Cat A/High Security), ECR/Control Room Operators, Separation Centres, Discreet HSE units and Family Liaison Officers.

Duty Governor

4.81 For the past five years, the PGA has raised concerns with us about the lack of recognition for the additional responsibilities borne by operational managers, particularly when performing the role of Duty Governor. We have continued to voice our concern about the introduction of such an allowance due to the varied nature of Duty Governor roles between prisons. We have heard first-hand on our visits in the past that some staff feel they are able to manage these additional responsibilities alongside their normal duties. We do however, recognise this is real priority for the PGA and its membership and we have therefore consistently asked that the PGA and HMPPS work together to resolve this long standing issue.

4.82 HMPPS informed us in its written evidence this year that, following the outcome of last year's Job Evaluation Review, it had expanded the current prison complexity types with a new level (Standard Plus) being introduced and applied to 30 establishments. The new level set the minimum number of operational managers in the establishment, with HMPPS agreeing a two-year transition period for all prisons to implement the required changes. HMPPS committed to reviewing all establishments on an annual basis going forwards. It told us that the impact of this review has enabled Governors to ensure that Duty Governor duties are covered and that operational managers have enough time to deliver their job description in addition to fulfilling the requirements of the Duty Governor roster. HMPPS believed that the change had been positively received by staff and it therefore considered the matter of a Duty Governor allowance closed.

4.83 The PGA told us in its written evidence that the re-scoring of the Duty Governor role under the Job Evaluation Scheme did not see a change in pay bands which the union strongly disagreed with. It said that the work was assessed by HMPPS and found to be complex, exceeding the 20% of time guide at many sites. Despite acknowledging that HMPPS had decided to tackle this by increasing the number of operational managers at some prisons, the PGA did not consider this matter closed and asked us to recommend that the task of the Duty Governor be rewarded either by a separate allowance or an increase in the rate of RHA to 25%.

4.84 We welcome the move by HMPPS to increase the number of operational managers as we believe it is preferable to tackle workload and work-life balance rather than simply compensating staff for a heavy workload. However, we also recognise that the PGA do not believe this issue has been resolved. Once again, we encourage both parties to work collaboratively to find a way forward that is acceptable to all.

Other allowances and payments

4.85 We received many other proposals for increases to allowances and payments this year including: Payment Plus; Tornado; Dirty Condition; National Tactical Response Group; and temporary cover. Although we were sympathetic to some of these requests, we ultimately had to prioritise the available funds this year and invest them where we felt they were most needed and would make the most difference. Although we recommend no changes to any other allowances and payments this year, we remind all parties that we remain willing to consider any allowance outside of the five-year rolling review should they think it is required and evidence-based input is provided.

Cost of our recommendations

4.86 We estimate that our recommendations will result in an increase of approximately 8.5% (£111 million) to the total paybill for our remit group, excluding pay progression⁷⁸. This equates to 2% of HMPPS's £5.6 billion annual budget for operational expenditure⁷⁹ as of 2020-21. We estimate that HMPPS's proposals cost £66 million, excluding pay progression. As we have stated in previous reports, we do not include the cost of pay progression or contractual performance awards when calculating the cost of the annual pay award.

4.87 We believe our recommendations will increase the competitiveness of the Prison Service's employment package, going a considerable way this year in addressing the serious and long-running recruitment and retention problems faced by HMPPS. We further consider that our recommendations will improve staff morale by providing all staff with a meaningful consolidated base pay increase, recognising the challenging circumstances in which they have had to work. This should assist the Service to deliver productivity savings, thus enabling the award to be sustainable in terms of affordability. These savings include:

- Recruitment and training costs: we consider that increasing the starting salary of new Band 3 recruits will assist the Service in attracting sufficient numbers of competent and capable candidates despite increased competition from comparator roles.
- Improved retention rates: we have calculated that the cost of turnover for new Band 3 Prison Officers leaving the service within the first two years is over £24 million per annum; if leaving rates continue to increase, we would expect this figure to be higher⁸⁰. We believe our recommendation to significantly increase all Band 3 base pay points will encourage Band 3 Prison Officers to stay in the job longer, thereby reducing the cost of turnover and delivering immediate savings for the Service.
- Increasing the effectiveness and productivity of Prison Officers: HMPPS informed us that it was necessary for the Service to retain experienced staff as it is widely acknowledged that they are essential to the stability and effective running of prisons. Through improving retention rates of prison staff, we believe the Service can also reduce its reliance on Payment Plus and overtime and develop a stronger pipeline of future leadership talent. This will allow experienced staff to achieve a better balance between delivering their core roles and supporting and supervising inexperienced colleagues.

⁷⁸ This percentage takes account of both our recommended increase to pay scales, restructuring and those elements of the paybill that are not subject to any increase. It also takes account of anticipated savings from the recommended changes to the market supplements.

⁷⁹ HMPPS, (2021). *HMPPS Annual Reports and Accounts 2020-21*. (online) Available at: <https://www.gov.uk/government/publications/hmpps-annual-report-and-accounts-2020-21> [accessed on 10 June 2022].

⁸⁰ This calculation is based on the number of Band 3 to 5 leavers, with less than two years completed service, in the year to March 2022. We have used 2021-22 National Band 3 salary figures including base pay and unsocial hours payments. HMPPS has informed us that the cost of training each new recruit was £13,000.

4.88 We believe our recommendations this year offer value for money and deliver long-term productivity savings to the Prison Service that can help offset the cost of the award. Whilst we recognise the affordability constraints of HMPPS, we believe the Service is facing a crisis and there needs to be immediate investment in pay to bring down the unsustainable level and cost of turnover. Failure to solve the recruitment and retention crisis will jeopardise all other policy ambitions and pay must therefore be a priority. This is vital to ensure the Service remains operationally stable and can deliver the commitments set out in the Prison Strategy White Paper.

Chapter 5: Looking ahead

Introduction

5.1 In this final chapter we offer our thoughts and comments on a range of issues along with highlighting several areas, including data requests, that we ask the parties to address for our report next year.

Our timetable

5.2 We are once again submitting our report long after the 1 April pay effective date for our remit group. We note the Minister's intention to get the pay round back on to its usual timetable and support this. However, achieving a return to an appropriate timetable of submitting our report in mid-February each year cannot come through shortcutting our process. We take our role seriously and have an established timetable that we follow once the remit letter has been received. This ensures that all the parties have sufficient time to provide evidence to us and that we have the time fully to consider all the information before us to make our evidence-based decisions and submit our report in time for implementation on the 1 April pay date. Condensing this timetable would undermine our ability to provide evidence-based recommendations and would be to the detriment of our remit group and the effective operation of the Prison Service. Furthermore, it is reasonable to expect a predictable timetable which allows for forward planning on everyone's part.

5.3 In order for us to submit a report in time for a 1 April implementation date, we would need to receive written evidence from all the parties by, at the latest, the beginning of October of the previous year. We recognise that this is some way from the timetable we have had to work to in recent years, and it may require incremental steps to get back to this, but we look forward to continuing to work with all parties to achieve this and build on the progress made this year.

Our remit and its scope

5.4 We have previously raised the issue of those non-operational staff not in our remit group, who are also affected by our pay recommendations because these non-operational staff are either on the *Fair and Sustainable* pay structure or are linked by an Employment Tribunal equal pay ruling (the latter is more commonly known as the Bailey case). Evidence on the staff in these non-operational roles is not provided to us despite HMPPS asking us to factor the cost of our recommendations for this non-operational group into our considerations each year. In our 2013 report we asked the parties to bring forward proposals to resolve this illogical and unhelpful situation, whereby pay awards are automatically applied without that group being afforded the opportunity to submit evidence to us. Subsequently the PGA told us that it believed moving non-operational staff into our remit group would compromise our position as a compensatory mechanism and the union would, if it were to take place, seek an alternative compensatory mechanism. The POA have shared similar objections to that of the PGA, although the Public and Commercial Service Union were in favour. To date this issue has not been resolved.

5.5 In recent years, the issue of the read-across to these non-operational staff has become more prominent. In the last three years it has become critically apparent that there needs to be significant targeted pay increases to operational Band 3 Prison Officer base pay in particular. However, any award for operational staff in Band 3 is currently automatically applied to the equivalent non-operational staff because they inhabit the same pay structure. This then feeds into HMPPS's affordability constraints and plays a part in its deliberations on whether our recommendations are acceptable. We are therefore put in a difficult position whereby Government's approval of our recommendations, made in line with our terms of reference and the remit it sets, is influenced by a group of non-operational staff who are not in our remit.

5.6 We ask HMPPS to consider again how this issue can be resolved. Whilst we understand there are historical and current equal pay considerations, the read across was made in 2006 and latterly in 2011 and 2012 with the introduction of *Fair and Sustainable*. Arguably the role of a Prison Officer has changed since the read across was first established. There are now fewer operational staff having to cope with more challenging problems: for example, the increased level of drug use and violence in prisons; prisons being less safe places to work; and, in most cases, a less pleasant place to work than the majority of offices and other places of work. Moreover, Covid-19 has shown that operational staff are unable to enjoy the flexibilities of working from home that non-operational staff may benefit from. We would therefore encourage HMPPS to revisit this link between the two groups of staff in time for our next report.

Pay Strategy

5.7 Since our 2014 report we have made regular requests for HMPPS to provide us with its pay strategy. We have in previous reports been critical of the ad-hoc and patchwork nature of some decisions surrounding pay, such as the market supplements, which have caused some significant distortions in the pay system and had unintended consequences. This year we were pleased to receive a significant set of proposals from HMPPS along with many of its longer-term aspirations. However, we were not convinced by the rationale for some of the changes, such as operational manager pay scale adjustments, and did not see how they fitted into a longer-term coherent and cohesive pay strategy.

5.8 We are clear, however, that the structural issues currently found in the pay system cannot be remedied in one year. A longer process is needed. We would therefore ask HMPPS to provide us and other key stakeholder groups with its short and medium-term strategy for the pay system, including allowances and other payments, in order that we can fully understand the direction of travel and how the Service intends to reach its ultimate end point and how we can fit into and aid this direction of travel.

Recruitment and retention payments

5.9 As part of our discussion around market supplements and the issues relating to recruitment and retention, we also considered whether the application of a recruitment and/or retention bonus approach might be worth exploring. The POA in its evidence also provided us with proposals for retention payments, although for all staff. We also understand that as part of HMPPS's National Start on First Deployment (Prison Officer) scheme, HMPPS is

providing a range of benefits, one of which is a £1,500 recruitment and retention payment at the end of each year of Service, up to a maximum of 3 years' worth of payments (maximum of £4,500 payable) for staying at particular prisons identified as having recruitment and retention issues. There are a number of different ways to structure retention bonuses and how and when they become payable. One potential advantage of these types of payment is that they could be clearly time limited and payable only if the previous agreed target period of service is achieved. Unlike market supplements, these payments could be more flexible, easier to focus on particular groups of staff and easier to stop. However, we are clear that HMPPS should not arbitrarily introduce payments or market supplements on an ad-hoc basis, but instead these should be part of a fully coherent pay strategy and with a clear and logical rationale behind why these are being introduced.

5.10 We would therefore like to receive evidence from HMPPS on the success of the National Start on First Deployment (Prison Officer) scheme and whether it is considered that there has been a material improvement in recruitment and retention rates at these sites. We also ask HMPPS to provide any evidence on the effectiveness and value for money when using these payments previously in 2015 at the then 14 hard-to-recruit-to establishments, before they were replaced by the current market supplement structure in 2017. We would further welcome comment and evidence from the parties on these types of recruitment and retention payments.

Rolling review of allowances

5.11 This year we have confirmed our commitment to a five-year rolling review of allowances. As set out in the timetable at Appendix G, next year we will consider Payment Plus and Operational Support Grade overtime rates. Therefore, we ask HMPPS to provide the following information: what the purpose of these two allowances is; information on any recruitment and retention difficulties, such as any issues with the numbers of volunteers; and any external comparator information on similar allowances paid in other organisations. We note that data can be heavily skewed by those working significant or no additional hours, therefore we would find it useful if data could be provided that identifies outliers in the data, both those working zero additional hours and those working significant amounts of additional hours. We would also find this information useful broken down by grade. In addition, we would like to hear evidence from all parties on the appropriateness of the level of these two current allowances along with a clear rationale for and against any proposed changes. Finally, we would like to hear how HMPPS expects to reduce the Service's reliance on Payment Plus.

Unsocial working hours payments

5.12 As part of our rolling review of allowances this year, we considered and made recommendations on the Unsocial Working Hours allowance. However, as discussed in Chapter four we had concerns about the basis on which the allowance is set. We believe that the issue of how much time is worked unsocially has not been considered in depth since 2006, despite the nature of support and officer grade roles changing in this time. We therefore ask HMPPS to provide for our next report data broken down by grade (including operational managers), similar to that which it produced as part of the Bailey equal pay case in order to ascertain whether prison staff are working more or fewer unsocial hours, including

whether there is a case for differentiated rates for different grades. We would like this information to also be broken down by protected characteristics. We would also welcome evidence on this from all other parties.

Fair and Sustainable London differentials

5.13 Since the implementation of *Fair and Sustainable* over a decade ago, we have consistently uprated the *Fair and Sustainable* London differentials (Outer and Inner zones) by the headline pay award. This has meant that in the early years of the *Fair and Sustainable* system the differential in pay for the Outer and Inner London zones has either been frozen or uprated by 1%, although in recent years it has been uprated by at least 2%. The value of this allowance has arguably not kept pace when considering the increased costs associated with living in London and its surroundings.

5.14 For our next report, we therefore request that the parties provide us with evidence on whether there needs to be a readjustment to the London differentials or whether these should simply continue to be uprated by the headline pay award. We would like to receive the rationale for any proposed change, along with evidence from comparator organisations. In previous reports we have asked whether the zones are appropriately drawn and whether there was any benefit to moving the zones beyond the M25, especially given the prolific use of market supplements surrounding London. Comments from the parties on this would also be welcome.

Request for evidence

5.15 For our 2023 report we wish also to receive the following information from the parties:

- From HMPPS on the performance management system:
 - What does it consider our role to be, if any, in this new system where pay progression is now no longer linked to performance.
 - Details of the new performance management system, including how it is operating, its effectiveness and staff reaction to the new system.
 - Information on any performance marking distributions, including those on official poor performance procedures, broken down by grade and protected characteristics.
 - Data on reward and recognition payments (in-year awards) over the 2022-23 performance year by grade, including by protected characteristics.

We would also welcome comments and evidence from the unions on the new performance management system.

- Evidence from HMPPS on the implementation of exit interviews, specifically any early data and emerging themes that can be shared, including by protected characteristics.
- Workforce statistics to include Band 12 staff on all datasets.

- Evidence from HMPPS on its plans for flexible working in operational roles and how this can be achieved and monitored. Again, we would also welcome feedback from the unions.
- An update from HMPPS on the work being undertaken to reduce the number of average working days lost each year through sickness absence.
- Accurate data for those on temporary cover, including whether these are establishment or headquarters based. This data should also include details of the length of time individuals spend on temporary cover and by protected characteristics.
- We ask the parties to provide us with evidence next year on the levels of motivation and morale in the Prison Service, along with plans to improve this.
- HMPPS's plans to address incidences of bullying, harassment and discrimination particularly given the history of staff reporting this in the Civil Service People Survey.
- Evidence on the gender pay gap for Her Majesty's Prison Service, covering similar information to that published for the Ministry of Justice as a whole.

Equality and diversity

5.16 In recent years we have asked HMPPS for more data to cover equality and diversity considerations. We are pleased to note that the amount of data from HMPPS covering equality and diversity has increased and improved. However, there is still variability in the data that we receive. As we noted in Chapter three, HMPPS has committed to providing us with additional data around diversity in time for our next report and we look forward to receiving this. HMPPS also informed us that it had introduced a variety of initiatives to improve diversity and inclusion, and we ask that the outcomes of these form part of its evidence to us for our next report.

Conclusion

5.17 We consider that our recommendations this year offer a fair and meaningful pay award to staff, recognising the challenging circumstances in which they continue to work and the reality of the financial context in which they are living. We believe that they offer value for money by making much needed changes to the pay structure that we hope will deliver long-term productivity savings to the Prison Service through better retention rates and consequent lower recruitment and training costs.

5.18 We see our recommendations this year as providing a significant step towards setting one single market facing rate for each grade. However, we are clear that this step is only part of the journey on pay in the Prison Service and we look forward to working with Government, HMPPS and the trade unions in future years to fully meet our shared ultimate objectives.

Appendix A: Letter from PSPRB Chair to Secretary of State for Justice regarding 2021 report recommendations



Office of Manpower
Economics

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22 October 2021

Dear Secretary of State,

PRISON SERVICE PAY REVIEW BODY 2021 ENGLAND AND WALES REPORT

Thank you for your letter dated 19 October, regarding the Government's decision concerning the recommendations contained in the Prison Service Pay Review Body's (PSPRB) 2021 England and Wales report.

We were, I am afraid, disheartened by both the content and tone of your letter. This year the Government restricted our remit and precluded us from making a recommendation on a headline pay award. Although we felt strongly that this restriction was incompatible with the role of an independent Pay Review Body and a compensatory mechanism, we adhered to the legal advice received by our secretariat and reluctantly recommended the award prescribed by the Government's pay policy. Given this, it is a matter of great concern to us that we have been doubly constrained, not only in our ability to make recommendations about pay in the current year, but now also retrospectively about recommendations in future years.

The remit letter contained no restrictions on making recommendations on allowances or on the financial year to which recommendations could apply and we therefore made two recommendations intended to shape the way Prison Service pay should, in our view, develop. At the very least, we hoped that Her Majesty's Prison and Probation Service (HMPPS) would engage with the PSPRB over these recommendations. We are dismayed to learn that the Government is not even prepared to consider them.

In your letter you claim that recommendations 1 and 5 concern matters which fall outside of the PSPRB's remit. As far as we are aware, this has not previously been asserted and we do not accept it. The PSPRB was established under statute in 2001 to examine and report on

matters relating to the rates of pay and allowances to be applied in the public sector prison services in England and Wales and Northern Ireland. This statute reads that the PSPRB may report and make recommendations on matters 'as it thinks fit'. There is no reference in either the statute or our Terms of Reference that prohibits us from making recommendations that concern future financial years. In 2017, the PSPRB made a recommendation in its sixteenth report asking HMPPS to present in evidence for our 2019 report its revised arrangements that would integrate the various different pay structures, allowances and supplements currently in operation across the country. This recommendation was accepted in full by the Government despite it not being applicable to the financial year at that time. The PSPRB is not alone in making such forward looking recommendations, as also evidenced by the NHS three year pay and contract reform deal and the Review Body for Senior Salaries recommending the introduction of pay progression for Senior Civil Servants.

It is the PSPRB's view that restricting us from making forward looking recommendations is not only another constraint on our independence but is inconsistent with a rational approach to pay. The majority of our recommendations in any year have implications beyond the current year, as do recommendations made by other Pay Review Bodies. Indeed, by their very nature, consolidated pay increases have an impact on all future years.

We are particularly concerned at the implication this has for our request for HMPPS to produce a comprehensive pay strategy to deal with the structural issues across all grades and pay structures. The PSPRB first asked HMPPS for a strategy to deal with the structural issues of a two-tier pay structure in 2014 and have consistently reminded the Department in subsequent reports of the need to address both this and the competitiveness of the pay structure, particularly at Band 3. We do not believe these issues can be addressed unless both the Department and the PSPRB take a forward looking approach to pay.

I further wish to remind you of the Government's commitment to the International Labour Organization that it would only depart from the PSPRB's recommendations in "exceptional circumstances" and to comply with those recommendations in practice. We received confirmation again this year in oral evidence from the then Prisons Minister that the Government continued to stand by this commitment, and this had not been rescinded. Despite repeated assurances from the Government on this matter, it is extremely disappointing that this is the third time that independent recommendations from the PSPRB have not been implemented since 2018.

It is the PSPRB's intention, guided by the evidence, to return to and address both the structural issues in the pay system and our proposed review of allowances for the next pay round.

I am copying this letter to HMPPS and to the organisations that represent our remit group – the POA, Prison Governors' Association and Public and Commercial Services Union.

Yours sincerely

Tim Flesher
Chair, Prison Service Pay Review Body

Appendix B: Minister's activation letter



Ministry
of Justice

Victoria Atkins MP

Minister of State for Justice and Minister for
Afghan resettlement

Tim Flesher
Prison Service Pay Review Body
8th Floor
Fleetbank House
2-6 Salisbury Square
London
EC4Y 8JX

2 December 2021

Dear Tim,

THE PRISON SERVICE PAY REVIEW BODY (PSPRB) REMIT 2022/23

I would firstly like to reiterate my thanks to the Prison Service Pay Review Body (PSPRB) for their continued hard work and dedication to Prison Service pay. As you know, the Government is committed to working with the PSPRB, and while the circumstances of recent years have meant that not all recommendations have been accepted by Government, we value the independence and expertise of the body immensely.

I am now writing to formally commence the 2022/23 pay round, and to set out how the Government proposes to work with the PSPRB throughout this pay round.

As you will be aware, 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. We must ensure that the affordability of a pay award is taken into consideration to ensure that the Prison Service are able to ensure we can recruit and retain the best public servants.

As a department, the Ministry of Justice is also investing to improve safety and security across the prison estate and in the rehabilitation of offenders – all of which contributes to better outcomes and better working conditions for staff.

For those reasons, I expect affordability to be a critical part of your consideration when determining final awards. Officials will set out the department's affordability position and planned investments that impact employee conditions in our written evidence. As per previous years, I request in your final report that you set out what steps have been taken to ensure that affordability has been given due consideration when reaching your recommendations, and in doing so consider the totality of the pay bill.

We also ask that the Pay Review Body is mindful of the current fluctuating and uncertain labour market, and the implications this will have for recruitment and retention trends, and similarly for trends in wider prison workforce issues.

I recently wrote to you regarding the importance of an affordable effective future pay strategy and look forward to working with you through this process to achieve that.

As usual, we would welcome the opportunity to discuss further at an oral evidence session. I ask that you submit your report by May 2022, subject to further discussion with the secretariat in the Office for Manpower Economics (OME) to determine the most appropriate timetable.

I acknowledge that there were significant delays to the conclusion of the previous year's pay round, and I recognise the frustration that will have caused to both the Review Body members and to staff. Inevitably, delays in recent years will have a knock-on impact to the timing of this year's pay round. However, I want to assure you that I will do all I can to improve timeliness of this and future year's pay round process. Officials will work closely with OME to ensure that there is a clear and joint understanding of the timetable and that you are kept informed of any delays should they occur.

Thank you, again, for your continued hard work and contribution to prison service pay. I look forward to working with you going forward.

Yours ever,

VICTORIA ATKINS MP

Appendix C: Discussion groups held in 2021-22

Our 2020-21 visit programme was conducted with staff via telephone and video conferencing and as such no establishments were visited due to Covid-19 restrictions on visiting prisons. We proposed the following discussion groups⁸¹ with staff who volunteered from across most regions of the Prison Service with staff in both the *Fair and Sustainable* and the closed grades⁸².

Prison Group Directors (Band 12)

Two discussion groups

Governors (Bands 10 and 11)

One discussion group

Deputy Governors and Heads of Function (Bands 7 to 9)

Two discussion groups

Custodial Managers and Supervising/Specialist Officers (Bands 4 and 5)

Two discussion groups

Prison Officers (Band 3)

Four discussion groups

Operational Support Grades (Band 2)

Two discussion groups

Dog Handlers

One discussion group

Local POA representatives

One discussion group

⁸¹ Total number of discussion groups arranged, however, due to lack of volunteers some sessions did not take place.

⁸² We have used the *Fair and Sustainable* job titles for each operational grade, however these groups also included closed grade equivalents. For example, Custodial Manager will have also included closed grade Principal Officer.

Appendix D: Current and recommended pay levels

Current and recommended pay levels for *Fair and Sustainable* grades

Fair and Sustainable ranges – National

Band 7 to 12 – National

Current and recommended pay (£ per annum) from 1 April 2022

The pay ranges for Bands 7 to 11 shown below are based on the existing pay structures, and do not include any restructuring. The values from the 1 April 2022 represent the current pay ranges, uplifted by the headline award (Recommendations 1 and 4) and are subject to further change based on discussions between HMPPS and the unions.

| Grade/Pay Band | Current pay ranges | | From 1 April 2022 | |
|---|--------------------|---------------------|-------------------|---------------------|
| | 37 hour base pay | 37 hour inc 17% RHA | 37 hour base pay | 37 hour inc 20% RHA |
| Prison Group Director (Band 12) (spot rate) | 103,000 | – | 108,150 | – |
| Governor (Band 11) Max | 81,584 | 95,453 | 84,848 | 101,818 |
| Governor (Band 11) Min | 67,987 | 79,545 | 70,707 | 84,848 |
| Governor (Band 10) Max | 72,127 | 84,389 | 75,013 | 90,016 |
| Governor (Band 10) Min | 60,102 | 70,319 | 62,507 | 75,008 |
| Deputy Governor (Band 9) Max | 65,518 | 76,656 | 68,139 | 81,767 |
| Deputy Governor (Band 9) Min | 54,599 | 63,881 | 56,783 | 68,140 |
| Deputy Governor/Head of Function (Band 8) Max | 51,154 | 59,850 | 53,201 | 63,841 |
| Deputy Governor/Head of Function (Band 8) Min | 42,626 | 49,872 | 44,332 | 53,198 |
| Head of Function (Band 7) Max | 43,870 | 51,328 | 45,625 | 54,750 |
| Head of Function (Band 7) Min | 38,148 | 44,633 | 39,674 | 47,609 |

Notes:

1. The Band 7 to 11 ranges do not have fixed incremental pay points.
2. Base pay ranges are calculated by rounding up to the nearest £ after the uplift is applied. Pay with Required Hours Addition (RHA) is presented as rounded to the nearest £.
3. The 37 hour base pay salaries are the basis from which other rates are calculated.
4. RHA is pensionable and is calculated as 20% of base pay (previously 17% prior to 1 April 2022).
5. The Band 7 to 11 pay ranges may be subject to future change following discussions on HMPPS's proposed changes with the Prison Governors' Association (PGA).

Custodial Manager (Band 5) – National

Current and recommended pay (£ per annum) from 1 April 2022

| Current pay ranges | | | From 1 April 2022 | | |
|--------------------|--------------------------|-----------------------------------|-------------------|--------------------------|-----------------------------------|
| 37 hour base pay | 37 hour inc 17% unsocial | 39 hour inc 2xACHP & 17% unsocial | 37 hour base pay | 37 hour inc 20% unsocial | 39 hour inc 2xACHP & 20% unsocial |
| 31,176 | 36,476 | 38,161 | 32,424 | 38,909 | 41,012 |
| 30,453 | 35,630 | 37,276 | 31,672 | 38,006 | 40,061 |
| 29,748 | 34,805 | 36,413 | 30,938 | 37,126 | 39,132 |
| 29,058 | 33,998 | 35,569 | Removed | Removed | Removed |
| 27,697 | 32,405 | 33,902 | Removed | Removed | Removed |

Supervising/Specialist officers (Band 4) – National

Current and recommended pay (£ per annum) from 1 April 2022

| Current pay ranges | | | From 1 April 2022 | | |
|--------------------|--------------------------|-----------------------------------|-------------------|--------------------------|-----------------------------------|
| 37 hour base pay | 37 hour inc 17% unsocial | 39 hour inc 2xACHP & 17% unsocial | 37 hour base pay | 37 hour inc 20% unsocial | 39 hour inc 2xACHP & 20% unsocial |
| 27,381 | 32,036 | 33,516 | 28,477 | 34,172 | 36,020 |
| 26,852 | 31,417 | 32,868 | Removed | Removed | Removed |
| 26,334 | 30,811 | 32,234 | Removed | Removed | Removed |
| 25,826 | 30,216 | 31,612 | Removed | Removed | Removed |
| 24,619 | 28,804 | 30,135 | Removed | Removed | Removed |

Notes:

1. Base pay for Band 2 to 5 staff is based on a 37 hour week and is the basis from which other rates are calculated. These staff may qualify for an additional unsocial hours payment of 20% which is pensionable (previously 17% prior to 1 April 2022).
2. Base pay scales are rounded up to the nearest £. Those which include 17%/20% unsocial working hours and those including Pensionable Additional Committed Hours (ACHP) are rounded to the nearest £ at the end of the calculation.
3. From 1 April 2022 ACH and ACHP also attract unsocial hours payments of 20%, which are pensionable.

Prison Officer (Band 3) – National

Current and recommended pay (£ per annum)

| Current pay ranges | | | From 1 April 2022 | | |
|--------------------|--------------------------|----------------------------------|-------------------|--------------------------|----------------------------------|
| 37 hour base pay | 37 hour inc 17% unsocial | 39 hour inc 2xACH & 17% unsocial | 37 hour base pay | 37 hour inc 20% unsocial | 39 hour inc 2xACH & 20% unsocial |
| 21,963 | 25,697 | 27,122 | 22,842 | 27,410 | 29,139 |
| 21,547 | 25,210 | 26,608 | 22,409 | 26,891 | 28,587 |
| 21,137 | 24,730 | 26,101 | Removed | Removed | Removed |
| 20,737 | 24,262 | 25,607 | 21,567 | 25,880 | 27,512 |
| 19,781 | 23,144 | 24,427 | Removed | Removed | Removed |

Operational Support Grade (Band 2) – National

Current and recommended pay (£ per annum)

| Current pay ranges | | | From 1 April 2022 | | |
|--------------------|--------------------------|-----------------------------------|-------------------|--------------------------|-----------------------------------|
| 37 hour base pay | 37 hour inc 17% unsocial | 39 hour inc 2xACHP & 17% unsocial | 37 hour base pay | 37 hour inc 20% unsocial | 39 hour inc 2xACHP & 20% unsocial |
| 17,855 | 20,890 | 21,855 | 19,355 | 23,226 | 24,481 |

Notes:

1. Base pay for Band 2 to 5 staff is based on a 37 hour week and is the basis from which other rates are calculated. These staff may qualify for an additional unsocial hours payment of 20% which is pensionable (previously 17% prior to 1 April 2022).
2. Base pay scales are rounded up to the nearest £. Those which include 17%/20% unsocial working hours and those ACHP or Additional Committed Hours ((ACH) – not pensionable but has a 1.2 multiplier) are rounded to the nearest £ at the end of the calculation.
3. From 1 April 2022 ACH and ACHP also attract unsocial hours payments of 20%, which are pensionable.

Fair and Sustainable ranges – Outer London

Outer London covers – Belmarsh, Downview, Feltham, High Down, Isis and the controllers’ offices at Bronzefield and Thameside.

Band 7 to 12 – Outer London

Current and recommended pay (£ per annum) from 1 April 2022

The pay ranges for Bands 7 to 11 shown below are based on the existing pay structures, and do not include any restructuring. The values from the 1 April 2022 represent the current pay ranges, uplifted by the headline award (Recommendations 1 and 4) and are subject to further change based on discussions between HMPPS and the unions.

| Grade/Pay Band | Current pay ranges | | From 1 April 2022 | |
|---|--------------------|---------------------|-------------------|---------------------|
| | 37 hour base pay | 37 hour inc 17% RHA | 37 hour base pay | 37 hour inc 20% RHA |
| Prison Group Director (Band 12) (spot rate) | 103,000 | – | 108,150 | – |
| Governor (Band 11) Max | 84,310 | 98,643 | 87,684 | 105,221 |
| Governor (Band 11) Min | 70,258 | 82,202 | 73,071 | 87,685 |
| Governor (Band 10) Max | 74,853 | 87,578 | 77,849 | 93,419 |
| Governor (Band 10) Min | 62,374 | 72,978 | 64,871 | 77,845 |
| Deputy Governor (Band 9) Max | 68,244 | 79,845 | 70,975 | 85,170 |
| Deputy Governor (Band 9) Min | 56,871 | 66,539 | 59,147 | 70,976 |
| Deputy Governor/Head of Function (Band 8) Max | 53,880 | 63,040 | 56,037 | 67,244 |
| Deputy Governor/Head of Function (Band 8) Min | 44,898 | 52,531 | 46,696 | 56,035 |
| Head of Function (Band 7) Max | 46,596 | 54,517 | 48,461 | 58,153 |
| Head of Function (Band 7) Min | 40,520 | 47,408 | 42,141 | 50,569 |

Notes:

1. The Band 7 to 11 ranges do not have fixed incremental pay points. The ranges are calculated by setting the range maximum at a value equal to the equivalent National pay band maximum plus the Outer London differential – £2,836 from 1 April 2022 (previously £2,726 from 1 April 2021). Minima are then calculated so that they are the same proportion of the maximum as is the minimum of the equivalent National range.
2. Base pay ranges are calculated by rounding up to the nearest £ after the uplift is applied. Pay with RHA is presented as rounded to the nearest £.
3. The 37 hour base pay salaries are the basis from which other rates are calculated.
4. RHA is pensionable and is calculated as 20% of base pay (previously 17% prior to 1 April 2022).
5. The Band 7 to 11 pay ranges may be subject to future change following discussions on HMPPS’s proposed changes with the PGA.

Custodial Manager (Band 5) – Outer London

Current and recommended pay (£ per annum) from 1 April 2022

| Current pay ranges | | | From 1 April 2022 | | |
|--------------------|--------------------------|-----------------------------------|-------------------|--------------------------|-----------------------------------|
| 37 hour base pay | 37 hour inc 17% unsocial | 39 hour inc 2xACHP & 17% unsocial | 37 hour base pay | 37 hour inc 20% unsocial | 39 hour inc 2xACHP & 20% unsocial |
| 33,902 | 39,665 | 41,498 | 35,260 | 42,312 | 44,599 |
| 33,117 | 38,747 | 40,537 | 34,443 | 41,332 | 43,566 |
| 32,352 | 37,852 | 39,601 | 33,645 | 40,374 | 42,556 |
| 31,603 | 36,976 | 38,684 | Removed | Removed | Removed |
| 30,124 | 35,245 | 36,873 | Removed | Removed | Removed |

Supervising/Specialist officers (Band 4) – Outer London

Current and recommended pay (£ per annum) from 1 April 2022

| Current pay ranges | | | From 1 April 2022 | | |
|--------------------|--------------------------|-----------------------------------|-------------------|--------------------------|-----------------------------------|
| 37 hour base pay | 37 hour inc 17% unsocial | 39 hour inc 2xACHP & 17% unsocial | 37 hour base pay | 37 hour inc 20% unsocial | 39 hour inc 2xACHP & 20% unsocial |
| 30,107 | 35,225 | 36,852 | 31,313 | 37,576 | 39,607 |
| 29,526 | 34,545 | 36,141 | Removed | Removed | Removed |
| 28,957 | 33,880 | 35,445 | Removed | Removed | Removed |
| 28,399 | 33,227 | 34,762 | Removed | Removed | Removed |
| 27,072 | 31,674 | 33,137 | Removed | Removed | Removed |

Notes:

1. These scales are calculated by setting the scale maximum at a value equal to the equivalent National pay band maximum plus the Outer London differential – £2,836 from 1 April 2022 (previously £2,726 from 1 April 2021). Other points are then calculated so that they are the same proportion of the maximum as the equivalent point on the equivalent National scale.
2. Base pay for Band 2 to 5 staff is based on a 37 hour week and is the basis from which other rates are calculated. These staff may qualify for an additional unsocial hours payment of 20% which is pensionable (previously 17% prior to 1 April 2022).
3. Base pay scales are rounded up to the nearest £. Those which include 17%/20% unsocial working hours and those including ACHP (pensionable) or ACH (not pensionable but has a 1.2 multiplier) are rounded to the nearest £ at the end of the calculation.
4. From 1 April 2022 ACH and ACHP also attract unsocial hours payments of 20%, which are pensionable.

Prison officer (Band 3) – Outer London

Current and recommended pay (£ per annum)

| Current pay ranges | | | From 1 April 2022 | | |
|--------------------|--------------------------|----------------------------------|-------------------|--------------------------|----------------------------------|
| 37 hour base pay | 37 hour inc 17% unsocial | 39 hour inc 2xACH & 17% unsocial | 37 hour base pay | 37 hour inc 20% unsocial | 39 hour inc 2xACH & 20% unsocial |
| 24,689 | 28,886 | 30,487 | 25,678 | 30,814 | 32,757 |
| 24,222 | 28,340 | 29,911 | 25,192 | 30,230 | 32,137 |
| 23,762 | 27,802 | 29,343 | Removed | Removed | Removed |
| 23,312 | 27,275 | 28,787 | 24,247 | 29,096 | 30,931 |
| 22,238 | 26,018 | 27,460 | Removed | Removed | Removed |

Operational Support Grade (Band 2) – Outer London

Current and recommended pay (£ per annum)

| Current pay ranges | | | From 1 April 2022 | | |
|--------------------|--------------------------|-----------------------------------|-------------------|--------------------------|-----------------------------------|
| 37 hour base pay | 37 hour inc 17% unsocial | 39 hour inc 2xACHP & 17% unsocial | 37 hour base pay | 37 hour inc 20% unsocial | 39 hour inc 2xACHP & 20% unsocial |
| 20,581 | 24,080 | 25,192 | 22,191 | 26,629 | 28,069 |

Notes:

1. These scales are calculated by setting the scale maximum at a value equal to the equivalent National pay band maximum plus the Outer London differential – £2,836 from 1 April 2022 (previously £2,726 from 1 April 2021). Other points are then calculated so that they are the same proportion of the maximum as the equivalent point on the equivalent National scale.
2. Base pay for Band 2 to 5 staff is based on a 37 hour week and is the basis from which other rates are calculated. These staff may qualify for an additional unsocial hours payment of 20% which is pensionable (previously 17% prior to 1 April 2022).
3. Base pay scales are rounded up to the nearest £. Those which include 17%/20% unsocial working hours and those including ACHP (pensionable) are rounded to the nearest £ at the end of the calculation.
4. From 1 April 2022 ACH and ACHP also attract unsocial hours payments of 20%, which are pensionable.

Fair and Sustainable ranges – Inner London

Inner London covers – Brixton, Pentonville, Wandsworth, Westminster headquarters and Wormwood Scrubs.

Band 7 to 12 – Inner London

Current and recommended pay (£ per annum) from 1 April 2022

The pay ranges for Bands 7 to 11 shown below are based on the existing pay structures, and do not include any restructuring. The values from the 1 April 2022 represent the current pay ranges, uplifted by the headline award (Recommendations 1 and 4) and are subject to further change based on discussions between HMPPS and the unions.

| Grade/Pay Band | Current pay ranges | | From 1 April 2022 | |
|---|--------------------|---------------------|-------------------|---------------------|
| | 37 hour base pay | 37 hour inc 17% RHA | 37 hour base pay | 37 hour inc 20% RHA |
| Prison Group Director (Band 12) (spot rate) | 103,000 | – | 108,150 | – |
| Governor (Band 11) Max | 85,732 | 100,306 | 89,162 | 106,994 |
| Governor (Band 11) Min | 71,443 | 83,588 | 74,303 | 89,164 |
| Governor (Band 10) Max | 76,275 | 89,242 | 79,327 | 95,192 |
| Governor (Band 10) Min | 63,599 | 74,411 | 66,102 | 79,322 |
| Deputy Governor (Band 9) Max | 69,666 | 81,509 | 72,453 | 86,944 |
| Deputy Governor (Band 9) Min | 58,055 | 67,924 | 60,379 | 72,455 |
| Deputy Governor/Head of Function (Band 8) Max | 55,302 | 64,703 | 57,515 | 69,018 |
| Deputy Governor/Head of Function (Band 8) Min | 46,082 | 53,916 | 47,927 | 57,512 |
| Head of Function (Band 7) Max | 48,018 | 56,181 | 49,939 | 59,927 |
| Head of Function (Band 7) Min | 41,756 | 48,855 | 43,426 | 52,111 |

Notes:

1. The Band 7 to 11 ranges do not have fixed incremental pay points. The ranges are calculated by setting the range maximum at a value equal to the equivalent National pay band maximum plus the Inner London differential – £4,314 from 1 April 2022 (previously £4,148 from 1 April 2021). Minima are then calculated so that they are the same proportion of the maximum as is the minimum of the equivalent National range.
2. Base pay ranges are calculated by rounding up to the £ after the uplift is applied. Pay with RHA is presented as rounded to the nearest £.
3. The 37 hour base pay salaries are the basis from which other rates are calculated.
4. RHA is pensionable and is calculated as 20% of base pay (previously 17% prior to 1 April 2022).
5. The Band 7 to 11 pay ranges may be subject to future change following discussions on HMPPS's proposed changes with the PGA.

Custodial Manager (Band 5) – Inner London

Current and recommended pay (£ per annum) from 1 April 2022

| Current pay ranges | | | From 1 April 2022 | | |
|--------------------|--------------------------|-----------------------------------|-------------------|--------------------------|-----------------------------------|
| 37 hour base pay | 37 hour inc 17% unsocial | 39 hour inc 2xACHP & 17% unsocial | 37 hour base pay | 37 hour inc 20% unsocial | 39 hour inc 2xACHP & 20% unsocial |
| 35,324 | 41,329 | 43,238 | 36,738 | 44,086 | 46,469 |
| 34,506 | 40,372 | 42,237 | 35,886 | 43,063 | 45,391 |
| 33,708 | 39,438 | 41,260 | 35,055 | 42,066 | 44,340 |
| 32,927 | 38,525 | 40,305 | Removed | Removed | Removed |
| 31,385 | 36,720 | 38,416 | Removed | Removed | Removed |

Supervising/Specialist officers (Band 4) – Inner London

Current and recommended pay (£ per annum) from 1 April 2022

| Current pay ranges | | | From 1 April 2022 | | |
|--------------------|--------------------------|-----------------------------------|-------------------|--------------------------|-----------------------------------|
| 37 hour base pay | 37 hour inc 17% unsocial | 39 hour inc 2xACHP & 17% unsocial | 37 hour base pay | 37 hour inc 20% unsocial | 39 hour inc 2xACHP & 20% unsocial |
| 31,529 | 36,889 | 38,593 | 32,791 | 39,349 | 41,476 |
| 30,920 | 36,176 | 37,847 | Removed | Removed | Removed |
| 30,324 | 35,479 | 37,118 | Removed | Removed | Removed |
| 29,740 | 34,796 | 36,404 | Removed | Removed | Removed |
| 28,351 | 33,171 | 34,703 | Removed | Removed | Removed |

Notes:

1. These scales are calculated by setting the scale maximum at a value equal to the equivalent National pay band maximum plus the Inner London differential – £4,314 from 1 April 2022 (previously £4,148 from 1 April 2021). Other points are then calculated so that they are the same proportion of the maximum as the equivalent point on the equivalent National scale.
2. Base pay for Band 2 to 5 staff is based on a 37 hour week and is the basis from which other rates are calculated. These staff may qualify for an additional unsocial hours payment of 20% which is pensionable (previously 17% prior to 1 April 2022).
3. Base pay scales are rounded up to the nearest £. Those which include 17%/20% unsocial working hours and those including ACHP (pensionable) are rounded to the nearest £ at the end of the calculation.
4. From 1 April 2022 ACH and ACHP also attract unsocial hours payments of 20%, which are pensionable.

Prison officer (Band 3) – Inner London

Current and recommended pay (£ per annum)

| Current pay ranges | | | From 1 April 2022 | | |
|--------------------|--------------------------|----------------------------------|-------------------|--------------------------|----------------------------------|
| 37 hour base pay | 37 hour inc 17% unsocial | 39 hour inc 2xACH & 17% unsocial | 37 hour base pay | 37 hour inc 20% unsocial | 39 hour inc 2xACH & 20% unsocial |
| 26,111 | 30,550 | 32,244 | 27,156 | 32,587 | 34,642 |
| 25,618 | 29,973 | 31,635 | 26,642 | 31,970 | 33,987 |
| 25,131 | 29,403 | 31,033 | Removed | Removed | Removed |
| 24,656 | 28,848 | 30,447 | 25,642 | 30,770 | 32,711 |
| 23,520 | 27,518 | 29,044 | Removed | Removed | Removed |

Operational Support Grade (Band 2) – Inner London

Current and recommended pay (£ per annum)

| Current pay ranges | | | From 1 April 2022 | | |
|--------------------|--------------------------|-----------------------------------|-------------------|--------------------------|-----------------------------------|
| 37 hour base pay | 37 hour inc 17% unsocial | 39 hour inc 2xACHP & 17% unsocial | 37 hour base pay | 37 hour inc 20% unsocial | 39 hour inc 2xACHP & 20% unsocial |
| 22,003 | 25,744 | 26,933 | 23,669 | 28,403 | 29,938 |

Notes:

1. These scales are calculated by setting the scale maximum at a value equal to the equivalent National pay band maximum plus the Inner London differential – £4,314 from 1 April 2022 (previously £4,148 from 1 April 2021). Other points are then calculated so that they are the same proportion of the maximum as the equivalent point on the equivalent National scale.
2. Base pay for Band 2 to 5 staff is based on a 37 hour week and is the basis from which other rates are calculated. These staff may qualify for an additional unsocial hours payment of 20% which is pensionable (previously 17% prior to 1 April 2022).
3. Base pay scales are rounded up to the nearest £. Those which include 17%/20% unsocial working hours and those including ACHP (pensionable) or ACH (not pensionable but has a 1.2 multiplier) are rounded to the nearest £ at the end of the calculation.
4. From 1 April 2022 ACH and ACHP also attract unsocial hours payments of 20%, which are pensionable.

Pay levels for *Fair and Sustainable* Band 3 from 1 September 2022

Fair and Sustainable scale – National

| From 1 April 2022 | | | From 1 September 2022 | | |
|-------------------|--------------------------|----------------------------------|-----------------------|--------------------------|----------------------------------|
| 37 hour base pay | 37 hour inc 20% unsocial | 39 hour inc 2xACH & 20% unsocial | 37 hour base pay | 37 hour inc 20% unsocial | 39 hour inc 2xACH & 20% unsocial |
| 22,842 | 27,410 | 29,139 | 25,342 | 30,410 | 32,328 |
| 22,409 | 26,891 | 28,587 | 24,909 | 29,891 | 31,776 |
| Removed | Removed | Removed | Removed | Removed | Removed |
| 21,567 | 25,880 | 27,512 | 24,067 | 28,880 | 30,702 |
| Removed | Removed | Removed | Removed | Removed | Removed |

Notes:

1. Base pay for Band 2 to 5 staff is based on a 37 hour week and is the basis from which other rates are calculated. These staff may qualify for an additional unsocial hours payment of 20% which is pensionable (previously 17% prior to 1 April 2022).
2. Base pay scales are rounded up to the nearest £. Those which include 20% unsocial working hours and those ACHP or Additional Committed Hours ((ACH) – not pensionable but has a 1.2 multiplier) are rounded to the nearest £ at the end of the calculation.
3. From 1 April 2022 ACH and ACHP also attract unsocial hours payments of 20%, which are pensionable.

Fair and Sustainable scale – Outer London

Outer London covers – Belmarsh, Downview, Feltham, High Down, Isis and the controllers' offices at Bronzefield and Thameside.

| From 1 April 2022 | | | From 1 September 2022 | | |
|-------------------|--------------------------|----------------------------------|-----------------------|--------------------------|----------------------------------|
| 37 hour base pay | 37 hour inc 20% unsocial | 39 hour inc 2xACH & 20% unsocial | 37 hour base pay | 37 hour inc 20% unsocial | 39 hour inc 2xACH & 20% unsocial |
| 25,678 | 30,814 | 32,757 | 28,178 | 33,814 | 35,946 |
| 25,192 | 30,230 | 32,137 | 27,697 | 33,236 | 35,332 |
| Removed | Removed | Removed | Removed | Removed | Removed |
| 24,247 | 29,096 | 30,931 | 26,762 | 32,114 | 34,140 |
| Removed | Removed | Removed | Removed | Removed | Removed |

Notes:

1. These scales are calculated by setting the scale maximum at a value equal to the equivalent National pay band maximum plus the Outer London differential – £2,836 from 1 April 2022 (previously £2,726 from 1 April 2021). Other points are then calculated so that they are the same proportion of the maximum as the equivalent point on the equivalent National scale.
2. Base pay for Band 2 to 5 staff is based on a 37 hour week and is the basis from which other rates are calculated. These staff may qualify for an additional unsocial hours payment of 20% which is pensionable (previously 17% prior to 1 April 2022).
3. Base pay scales are rounded up to the nearest £. Those which include 20% unsocial working hours and those including ACHP (pensionable) are rounded to the nearest £ at the end of the calculation.
4. From 1 April 2022 ACH and ACHP also attract unsocial hours payments of 20%, which are pensionable.

Fair and Sustainable ranges – Inner London

Inner London covers – Brixton, Pentonville, Wandsworth, Westminster headquarters and Wormwood Scrubs.

| From 1 April 2022 | | | From 1 September 2022 | | |
|--------------------------|---------------------------------|---|------------------------------|---------------------------------|---|
| 37 hour base pay | 37 hour inc 20% unsocial | 39 hour inc 2xACH & 20% unsocial | 37 hour base pay | 37 hour inc 20% unsocial | 39 hour inc 2xACH & 20% unsocial |
| 27,156 | 32,587 | 34,642 | 29,656 | 35,587 | 37,831 |
| 26,642 | 31,970 | 33,987 | 29,150 | 34,980 | 37,186 |
| Removed | Removed | Removed | Removed | Removed | Removed |
| 25,642 | 30,770 | 32,711 | 28,166 | 33,799 | 35,931 |
| Removed | Removed | Removed | Removed | Removed | Removed |

Notes:

1. These scales are calculated by setting the scale maximum at a value equal to the equivalent National pay band maximum plus the Inner London differential – £4,314 from 1 April 2022 (previously £4,148 from 1 April 2021). Other points are then calculated so that they are the same proportion of the maximum as the equivalent point on the equivalent National scale.
2. Base pay for Band 2 to 5 staff is based on a 37 hour week and is the basis from which other rates are calculated. These staff may qualify for an additional unsocial hours payment of 20% which is pensionable (previously 17% prior to 1 April 2022).
3. Base pay scales are rounded up to the nearest £. Those which include 20% unsocial working hours and those including ACHP (pensionable) or ACH (not pensionable but has a 1.2 multiplier) are rounded to the nearest £ at the end of the calculation.
4. From 1 April 2022 ACH and ACHP also attract unsocial hours payments of 20%, which are pensionable.

Pay levels for non-Fair and Sustainable grades

We note that some pay points below are not occupied by our remit group staff (see footnotes below). We will remove these pay points in our next report.

Non-Fair and Sustainable operational manager scales

Current and recommended pay (£ per annum)⁸³

| Grade | Current pay | Pay From 1 April 2022 |
|---|-------------|--------------------------|
| Senior Manager A | 91,246 | 94,896 |
| Senior Manager B | 88,567 | 92,110 |
| Senior Manager C ⁸⁴ | 79,762 | 82,953 |
| Senior Manager D (pre-2009 scale) (RHA inclusive) ⁸⁵ | 73,277 | 76,209 |
| Senior Manager D (post-2009 scale) | 67,310 | 70,003 |
| Manager E | 50,664 | 52,691 |
| Manager F | 42,977 | 44,697 |
| Required Hours Addition (pensionable) ⁸⁶ | 5,967 | 6,206 |

⁸³ We understand that former HMPs Wolds and Birmingham, along with Medway Secure Training Centre (the latter is now closed), operational manager grades previously run by G4S are on individual salaries.

⁸⁴ No staff within our remit group occupy this pay scale, however HMPPS may still employ non-operational staff on this pay scale.

⁸⁵ No staff within our remit group occupy this pay scale, however HMPPS may still employ non-operational staff on this pay scale.

⁸⁶ This applies to the following grades: post-2009 Senior Manager D, Manager E, Manager F.

Non-Fair and Sustainable support and officer grades

Current and recommended pay (£ per annum)

| Grade ⁸⁷ | Current pay | Pay From 1 April 2022 |
|--|-------------|--------------------------|
| Principal Officer | 36,622 | 38,087 |
| Senior Officer | 34,066 | 35,429 |
| Prison Officer | 31,649 | 32,915 |
| Prison Officer 2 ⁸⁸ | 19,025 | 19,786 |
| G4S Prison Custody Officer ⁸⁹ | 26,370 | 27,425 |
| Operational Support Grade | 20,920 | 21,757 |
| Night Patrol ⁹⁰ | 20,465 | 21,820 |
| Prison Auxiliary ⁹¹ | 18,139 | 19,341 |
| G4S Security Officer ⁹² | 20,618 | 21,443 |

Non-Fair and Sustainable HMP Birmingham grades

Following the transfer of HMP Birmingham back to HMPPS, staff TUPE transferred on G4S pay and grading arrangements. Staff are therefore on several different pay scales and individually negotiated rates of pay, therefore no pay rates will be covered in this appendix. Staff will be treated as closed non-Fair and Sustainable grades and are entitled to any pay award applied to the non-Fair and Sustainable closed grades as recommended in this report. Those staff that have opted in to Fair and Sustainable will be covered under the National Fair and Sustainable rates of pay.

⁸⁷ The pay shown in this table is based on a 39 hour week, except for the Prison Officer 2 and Night Patrol grades. Only those pay points occupied are shown.

⁸⁸ 37 hour base pay shown. Those at this grade may also work and qualify for an additional unsocial hours payment of 17%.

⁸⁹ This grade was formerly part of HMP Wolds run by G4S.

⁹⁰ 44 hour base pay shown. Pay uplifted by the headline recommendation or by the National Living Wage, whichever gives the greater amount.

⁹¹ Pay uplifted by the headline recommendation or by the National Living Wage, whichever gives the greater amount.

⁹² This grade was formerly part of HMP Wolds run by G4S.

Appendix E: Locality Pay Allowance rates

We recommend no change to legacy Locality Pay Allowance (LPA) rates for the closed, pre-Fair and Sustainable grades so the rates remain as below. These rates are pensionable and are only payable to those staff in post at 31 March 2012.

| Rating structure | £ a year | Establishments/sites covered: |
|------------------|----------|--|
| Rate 1 | 4,250 | Brixton, Pentonville, Wandsworth and Wormwood Scrubs |
| Rate 2 | 4,000 | Feltham, Huntercombe, The Mount and Westminster headquarters |
| Rate 3 | 3,100 | Belmarsh, Bronzefield ⁹³ , Coldingley, Downview, High Down, Isis and Send |
| Rate 4 | 2,600 | Aylesbury, Bedford, Bullingdon, Chelmsford, Grendon/Springhill and Woodhill |
| Rate 5 | 1,100 | Lewes and Winchester |
| Rate 6 | 250 | Birmingham ⁹⁴ , Bristol, Littlehey, Long Lartin and Onley |

⁹³ Payable to eligible staff in the controller's office at this establishment.

⁹⁴ There may be a number of former HMPPS staff that were TUPE transferred to G4S at this establishment who have now TUPE transferred back to HMPPS, that may also be in receipt of this LPA rate.

Appendix F: Allowances and payments

We make one change to allowances, to both rates of the Care and Maintenance of Dogs allowance. Below are the continuing rates from 1 April 2022.

| Allowances and payments | Closed grades From 1 April 2022 | <i>Fair and Sustainable</i> grades From 1 April 2022 |
|---|---|---|
| Care and Maintenance of Dogs⁹⁵ Rate 1 – single dog | £2,434 a year | £2,434 a year |
| Care and Maintenance of Dogs Rate 2 – multiple dogs | £3,043 a year | £3,043 a year |
| Specialist allowance (pensionable): Healthcare Officers | £1,296 a year | Not applicable |
| Specialist allowance (pensionable): Caterers, Patrol and Search Dog Handlers, Librarians, Physical Education Instructors, Trade Instructors and Works Officers | £1,200 a year | Not applicable |
| National Tactical Response Group allowance | £6,670 a year | £6,670 a year |
| National Dog and Technical Support Group allowance | £6,670 a year | £6,670 a year |
| Operation Tornado payment (officers) | £24.86 per hour | £24.86 per hour |
| Operation Tornado payment (OSG) | £19.00 per hour | £19.00 per hour |
| Payment Plus | £22.00 per hour | £22.00 per hour |
| Dirty Protest allowance: four hours or less per day | £10.00 per day | £10.00 per day |
| Dirty Protest allowance: over four hours per day | £20.00 per day | £20.00 per day |
| On-call (radio pager): Weekdays | £5.67 per period of more than 12 hours | Not applicable |
| On-call (radio pager): weekends and privilege holidays | £16.13 per 24 hour period or proportionately for periods of less than 24 hours | Not applicable |

⁹⁵ We introduced a second rate for the Care and Maintenance of Dogs allowance in our 2016 report. This means there are now two rates – one for care of a single dog (amount is £2,434 a year) and one for care of multiple dogs (amount is 25% more than the single rate – £3,043 a year).

| Allowances and payments | Closed grades From 1 April 2022 | <i>Fair and Sustainable</i> grades From 1 April 2022 |
|---|--|--|
| On-call (radio pager): public and bank holidays | £20.41 per 24 hour period or proportionately for periods of less than 24 hours | Not applicable |
| On-call (home): weekdays | £7.09 per period of more than 12 hours | Not applicable |
| On-call (home): weekends and privilege holidays | £20.17 per 24 hour period or proportionately or periods of less than 24 hours | Not applicable |
| On-call (home): public and bank holidays | £25.47 per 24 hour period or proportionately for periods of less than 24 hours | Not applicable |
| On-call (home) ⁹⁶ : weekdays and privilege holidays | Not applicable | £9.00 per period of 12 hours or more |
| On-call (home) weekends and public holidays | Not applicable | £25.00 per period of 24 hours or more or proportionately for periods of less than 24 hours |
| On-call (home) (hourly rate) | Not applicable | (£1.04 per hour whilst on call outside of normal office hours) |
| Stand by (office): weekdays | £13.43 per period of more than 12 hours | Not applicable |
| Stand by (office): weekends and privilege holidays | £38.46 per 24 hour period or proportionately for periods of less than 24 hours | Not applicable |
| Stand by (office): public and bank holidays | £48.26 per 24 hour period or proportionately for periods of less than 24 hours | Not applicable |

⁹⁶ For staff on Fair and Sustainable grades the on-call payments are payable as two rates only: (a) work days and (b) rest days or weekends and bank or public holidays.

Appendix G: Rolling review programme for Prison Service staff allowances

The table below outlines our rolling review programme and which allowances will be considered in detail in which report and year.

| PSPRB Report | Allowances to be considered |
|----------------------|--|
| Twenty Second (2023) | Payment Plus OSG overtime |
| Twenty Third (2024) | Operation Tornado payments Dirty Protest payments |
| Twenty Fourth (2025) | National Tactical Response Group National Dog and Technical Support Group |
| Twenty Fifth (2026) | Closed grade specialist allowances On-call allowances (both pay structures) |
| Twenty Sixth (2027) | Unsocial hours payments in <i>Fair and Sustainable</i> Care and Maintenance of Dogs |

Appendix H: Recommendations from the 2021 England and Wales report

- Her Majesty's Prison and Probation Service provide to a comprehensive pay strategy, including short-, medium- and long-term objectives, for the next pay round to address the structural issues in the pay system. This should incorporate Recommendation 3 from the 2020 report, modified as necessary by the developing evidence.
- All those staff identified by Her Majesty's Prison and Probation Service as being eligible should receive the Government's £250 pay uplift, or an award to remain compliant with the National Living Wage from 1 April 2021.
- All staff (except those subject to formal poor performance procedures) on *Fair and Sustainable* Bands 3 to 5 who are in post on 31 March 2021 progress by one pay point, effective from 1 April 2021.
- All staff (except those subject to formal poor performance procedures) on *Fair and Sustainable* Bands 7 to 11 who are in post on 31 March 2021 receive a consolidated and pensionable progression increase of 4%, capped at the 2021 band maximum.
- All the allowances in Appendix F of the 2020 report (except closed grade specialism allowances) are increased in future years by the headline percentage pay award. In future years all allowances are considered as part of a fixed rolling review with individual allowances considered every five years (as per Appendix G of the 2020 report).

Appendix I: Summary of PSPRB headline pay award recommendations from 2014 to 2020

- **2020** – a consolidated 2.5% increase for all *Fair and Sustainable* and closed grades from 1 April 2020. From 1 September 2020 the *Fair and Sustainable* National Band 3 base pay points increase by £2,564 giving a total consolidated and pensionable award of £3,000 when the 17% unsocial hours payment is included.
- **2019** – a consolidated 2.2% increase for all *Fair and Sustainable* and closed grades, except *Fair and Sustainable* Band 3, which was recommended a 3.0% consolidated pay increase.
- **2018** – a consolidated 2.75% increase for all *Fair and Sustainable* and closed grades, except *Fair and Sustainable* Band 3 and 4, which were recommended increases of 5.25% and 3.5% respectively. Rejected by the Government and reduced to a 2.0% consolidated and 0.75% non-consolidated award for all *Fair and Sustainable* and closed grades.
- **2017** – a consolidated flat cash award of £400 to all uniformed grades (both those on *Fair and Sustainable* and closed grades) and an increase of 1% to the maxima of the *Fair and Sustainable* National Bands 7 to 11.
- **2016** – an increase of 1% to the maxima of the *Fair and Sustainable* National bands and non-consolidated awards of £300 for Prison Officers and support staff, £325 for Senior Officers and £350 for Principal Officers.
- **2015** – an increase of 1.8% to the maxima of the *Fair and Sustainable* National bands but no recommended pay awards for those on closed grades. The Government then provided non-consolidated retention bonus payments (£300 for Prison Officers and support staff, £325 for Senior Officers and £350 for Principal Officers) shortly after the publication of our 2015 report.
- **2014** – a 1% consolidated pay increase for all officers and support staff on all pay structures and changes to some *Fair and Sustainable* National Band 7 to 11 pay structures to provide 2% to staff who opted in.

