



MANAGE PRISONER FINANCE		
This instruction applies to: -		Reference: -
Prisons		PSI 01/2012 (updated)
Re-Issue Date	Effective Date	Expiry Date
<b>Reissued 1 September 2022</b>	1 January 2012	
Issued on the authority of	Operational Policy Sub-board	
For action by (Who is this Instruction for)	All staff responsible for the development and publication of policy and instructions <input checked="" type="checkbox"/> HMPPS HQ <input checked="" type="checkbox"/> All prisons <input checked="" type="checkbox"/> Contracted Prisons* <input checked="" type="checkbox"/> Governors  * If this box is marked, then in this document the term Governor also applies to Directors of Contracted Prisons	
Instruction type	Service Specification Support	
For information	All staff in prison establishments	

<p>Provide a summary of the policy aim and the reason for its development / revision</p>	<p><b>September 2022:</b> Private cash levels have been increased by 10%. The new rates (See paragraph 2.1.3.) take effect from 1 September 2022.</p> <p><b>2 November 2020:</b></p> <p>This instruction has been revised to reflect changes to prisoner monies procedures. Changes have been made to improve the security of related processes and controls. Changes include:</p> <ul style="list-style-type: none"> <li>(i) a presumption that external payments to prisoners should be made online</li> <li>(ii) a cap on the amount of funds a prisoner can hold at any one time</li> <li>(iii) restrictions on prisoner disbursements</li> <li>(iv) procedures relating to decisions made by the Financial Investigations Unit on whether monies are to be withheld from a prisoner on their release from custody</li> </ul> <p>In addition, contact details for the New Futures Network and the Offender Banking Programme are set out at paragraph 3.2.</p> <p><b>January 2020:</b> This instruction has been revised at paragraph 2.4 to reflect the updated private cash allowances as indicated in the <a href="#">Incentives Policy Framework</a> (IPF). The IPF replaces and cancels PSI 30/2013 Incentives and Earned Privileges and PSI 11/2011 Incentives and Earned Privileges Scheme on 13 January 2020.</p>
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	<p><b>September 2019:</b> This instruction has been revised to incorporate the following changes:</p> <ul style="list-style-type: none"> <li>(i) Monies can now be sent to prisoners in public sector prisons by way of debit card and/or electronic payments (contracted prisons already have arrangements in place);</li> <li>(ii) To incorporate guidance previously issued in a Senior Leaders' Bulletin regarding spending of "compensation payments" for loss or damage to prisoner property;</li> <li>(iii) To reflect the implications of the introduction of the Care Act 2014 and the (Social Services and Well-being (Wales) Act 2014);</li> <li>(iv) To incorporate correct procedures for dealing with anonymous monies sent to prisoners and postage costs of postal orders, in line with HMPPS's Finance Manual Policy Framework.</li> <li>(v) To align policy with revised guidance in the Finance Manual Policy Framework on the correct format to be used for cheques and postal orders.</li> <li>(vi) To align policy with revised guidance in the Finance Manual Policy Framework on the length of time taken for Mercury Intelligence Reports (MIR).</li> <li>(vii) To advise that prisoners can be permitted to access their bank by phone to be able to cancel direct debits or to arrange for cheques to be sent it.</li> </ul>
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Contact	Prison Safety, Security and Operational Policy  Operational Policy Enquiries functional mailbox: <a href="mailto:Operational_policy1@justice.gov.uk">Operational_policy1@justice.gov.uk</a>
Associated documents	PSO 2300 Resettlement PSO 4460 Prisoners' Pay <a href="#">Incentives Policy Framework</a> PSI 44/2011 Identity for Bank Account for Prisoners PSI 64/2011 Safer Custody: Managing the Risk of Self Harm to Self and O PSI 07/2015 Early Days PSI 03/2016 Adult Social Care PSI 05/2018: Prisoner Discipline Procedures, Annex C: Recovery of Monies for Damage to Prisons and Prison Property Finance Manual Policy Framework, Chapter 13, Prisoners' Monies

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Annex A	<a href="#">Spending permitted from private cash</a>	Directors, Governors, Finance Business Partners, Business Hub Managers, Cashiers, Prisoners' Monies Clerks and all staff involved in the finance process
Annex B	<a href="#">Prisoner's Monies Guidance</a>	Directors, Governors, Finance Business Partners, Business Hub Managers, Cashiers, Prisoners' Monies Clerks and all staff involved in the finance process



## 1. Executive Summary

### Private cash Uplift - 01/09/2022

- 1.1 Private cash levels have been increased by 10%. The new rates (See paragraph 2.1.3) take effect from 1 September 2022.

### Presumption that external payments to prisoners should be made online

- 1.3 Online debit card payments to prisoners' accounts are made via the Money to Prisoner (MTP) portal. Payments by bank transfer and pre-paid card are not accepted. Where senders are unable to use the MTP portal they can apply to the Governor for permission for cash, postal orders or cheques to be credited to a prisoner's account, however this permission should only be granted in exceptional circumstances, where the sender has exhausted all reasonable options to use the MTP portal.

### Cap on prisoner funds in prison accounts

- 1.4 HMPPS will reject external payments made to prisoners that would result in their total prison account balance (the sum of private, spend and saving accounts) going above £900 except in very exceptional circumstances (further details at paragraph 2.2.16 – 2.2.20). Money will only be held in Prison-NOMIS / private prison accounts if prisoners have a reasonable prospect of spending that money in prison, or soon after release.

### Prisoner disbursements

- 1.5 Disbursements from prisoners to family and friends is limited to a total of no more than £250 each week. Prisoners may not send over £50 a week to an individual.
- 1.6 For a single disbursement of an amount greater than £50, a prisoner can apply to the Governor who may grant permission in exceptional circumstances. Similarly, if a prisoner wishes to disburse more than £250 in total each week, they may apply to the Governor who may grant permission in exceptional circumstances.

### Background

- 1.7 This instruction was updated in September 2019 to reflect the following changes:
- After the successful pilot, in four public sector prisons, of the Money to Prisoners project which enables prisoners' friends and family to send money to prisoners electronically using Faster Payments via online banking and debit cards, this service is now available to all prisons (see paragraph 2.2.11);
  - To align the policy with earlier guidance (issued in the form of a Senior Leaders' Bulletin) issued to establishments on allowing private cash credits and purchases following compensation awards to prisoners for lost or damaged personal property (see Annex A);
  - Implications on prisoners of the introduction of the Care Act 2014 and the Social Services and Well-being (Wales) Act 2014 and the Direct Payments Scheme, UK

Government initiative that gives users money directly to pay for their own care (see paragraph 3.34) Amendments made to align the policy with the existing procedures in the Finance Manual Policy Framework on anonymous monies sent in (see paragraph 2.2.20)

- Amendment made to align policy with revised guidance in the Finance Manual Policy Framework on the correct format to be used for cheques and postal orders (see paragraphs 2.2.12 and 2.2.9).
- Amendment made to align policy with revised guidance in the Finance Manual Policy Framework on security processes (see paragraph 2.1.2).
- Amendment made to advise that prisoners can be permitted to access their bank by phone to be able to cancel direct debits or to arrange for cheques to be sent it (see paragraph 2.3.11).

1.8 This Instruction should be read in tandem with the Finance Manual Policy Framework, Chapters 12 and 13, which describe the processes involved in the effective recording and management of monies brought in by prisoners upon initial reception, monies sent in/out by post and the day-to-day expenditure undertaken by prisoners. This now also includes details of sending monies in to prisoners via debit card and Online Banking (Faster Payments).

### **Desired Outcomes**

- 1.9 All transactions are accounted for, managed and reconciled.
- 1.10 Prisoners' financial transactions are conducted in line with IPF national limits.
- 1.11 Money earned within the prison by prisoners is credited to their Prison-NOMIS spending account.
- 1.12 Prisoners are able to send money out subject to certain limits.
- 1.13 Prisoners are able to conduct such personal financial affairs as are necessary and permitted in order to meet their resettlement needs.
- 1.14 Prisoners designated by HM Treasury as subject to asset freezing regulations have their funds managed accordingly.
- 1.15 Information about a prisoner's Prison-NOMIS account is available and can be provided to them upon request.
- 1.16 Money that is believed, on the balance of probability, to be suspicious i.e. from an illegitimate source (proceeds of crime) or for an illegitimate purpose (a criminal offence) is managed accordingly.

**Mandatory actions**

- 1.17 All instructions in this PSI are mandatory unless specified otherwise.
- 1.18 Directors, Governors, Finance Business Partners, Business Hub Managers, Cashiers and all other relevant staff are aware of the contents of this PSI.

**Resource Impact**

- 1.19 There will be no direct resource impact on staff in prison establishments as there are few changes to the instructions previously contained in this PSI. The electronic payment system described in this Instruction reduces costs because of reduced processing and transactional requirements.

(signed)

Digby Griffith  
Director of National Operational Services, NOMS

## 2. Specification Outcomes

### 2.1. SERVICE ELEMENT: EFFECTIVE FINANCIAL CONTROLS

#### Outcome 1: All transactions are accounted for, managed and reconciled

2.1.1. Transactions must be promptly and accurately recorded within the Prison-NOMIS accounts to aid the reconciliation with Oracle, which should occur daily (Chapter 13, Finance Manual Policy Framework refers).

#### Outcome 2: All transactions are managed to ensure the maintenance of safety, security and good order

2.1.2. Whilst completing daily tasks, finance staff should follow the appropriate procedures in Chapters 12 and 13 of the HMPPS Finance Manual to make sure that any cash, cheques or postal orders that are believed to be from an illegitimate source (proceeds of crime) or intended for an illegitimate purpose (a criminal offence) are not banked and the funds are not made available to the prisoner.

#### Outcome 3: Financial transactions are conducted in line with IPF limits

2.1.3. The incentives scheme allows prisoners to have limited access to their private cash. This is determined by the incentives level they are on and the security controls set out in this PSI. The table below sets out the Incentives' weekly spending limits, which are mandatory and determined centrally.

Incentives Level	UNCONVICTED	CONVICTED
BASIC	£27.50	£5.50
STANDARD	£60.50	£19.80
ENHANCED	£66	£33

2.1.4. The private cash allowance for a prisoner usually only changes in three circumstances:

- a change in incentive level in response to an incentive review;
- as a result of an adjudication i.e.; access to private cash;
- when a prisoner's status changes from un-convicted to convicted.

2.1.5. All prisoner expenditure on items for personal use must be debited from the spending account save in exceptional circumstances (which are listed at Annex A). The maximum amount that can be spent at any one time is limited to ten times the private cash allowance, according to the prisoner's incentive level. Once the spending account balance reaches this limit, or is higher, the transfer of private cash to the spending account ceases. Earnings will continue to be credited.

2.1.6. The weekly transfer of private cash must not be increased to speed up the accrual of funds; neither can a purchase be made with a combination of money from the spending account and a lump sum from the private cash account.



2.1.7. Large purchases such as, for example, stereo systems are permitted at the discretion of the Governor. Consideration must be given to the following before applications are approved:

- the wider issues of security and control within the establishment;
- the impact of the purchase if the prisoner is transferred to another prison; • the need to demonstrate consistency with other like decisions.

2.1.8. Governors may wish to restrict the weekly amount that can be spent on prison shop retail goods to ensure security and good order are maintained.

2.1.9. Un-convicted prisoners are included in the scheme to control spending levels within the establishment. The controls provide an incentive for un-convicted prisoners to behave in a manner that will maintain their privileges at the required standard. Restricting their spending also reduces their vulnerability to intimidation and “taxing” from other prisoners. The limits for un-convicted prisoners are deliberately set at a higher level than for convicted prisoners, as they are not obliged to take part in paid activities.

## **2.2. SERVICE ELEMENT: RECEIPTS**

### **Outcome 4: Approved funds, sent to a prisoner are credited to their account.**

2.2.1. Prisoners must not be allowed to retain cash whilst in prison. Prison Rule 43 (3) requires that any cash which a prisoner has at a prison shall be paid into an account under the control of the Governor and the prisoner shall be credited with the amount in the books of the prison. This account is known as the “private cash account”.

2.2.2. Money can be sent in to prisoners from friends, relatives, government departments / agencies, local authorities and charities. Payments can be made online via the Money to Prisoner (MTP) portal (as outlined at paragraph 2.2.13). Payments by bank transfer and by pre-paid card via the MTP portal will not be accepted.

2.2.3. Where senders are unable to use the MTP portal they can apply to the Governor for permission via the money to prisoners’ exemption process for cash, postal orders or cheques to be credited to a prisoner’s account. The application can be made at the same time as the first payment to the prisoner. However, this permission should only be granted in exceptional circumstances, where the sender has exhausted all reasonable options to use the MTP portal.

2.2.4. Cheques or postal orders from government departments, government agencies and local authorities will not be required to apply for a money to prisoners’ exemption application.

2.2.5. Senders will be informed of the decision reached and can write to the Governor to request a review by a more senior decision maker if their request is refused. For further guidance on the money to prisoners’ exemption process, please refer to Annex B – Prisoners’ Monies Guidance.

2.2.6. The Governor should consider the following criteria when granting permission to send cash, postal orders or cheques on the impact of each approval on the maintenance of safety, security and good order in prisons and the risk of money laundering:

**Criteria A: sender has no access to a debit card or cheque**

2.2.7. The Governor can grant permission for cash or postal orders to be credited to the prisoner's account only if all of the following conditions are met.

1. The sender provides their name and address;
2. The sender provides the name and prisoner number of the person to whom they want to send money to;
3. The sender is on the prisoner's Prison-NOMIS contact list; and
4. The sender provides satisfactory evidence that they cannot access a debit card or payment by cheque. This evidence should be one of the following:
  - An account refusal from one of the following institutions (these are the 9 largest personal current account providers in the UK and are required by Payment Accounts Regulations 2015 to offer basic bank accounts):
    - Barclays
    - Clydesdale and Yorkshire Bank
    - Co-operative Bank
    - HSBC
    - Lloyds Banking Group (including Halifax and Bank of Scotland brands)
    - Nationwide
    - Royal Bank of Scotland (including NatWest and Ulster Bank brands)
    - Santander
    - TSB
  - Or: Proof that the bank account they hold does not enable them to have access to debit card or cheque book; or
  - If the sender resides overseas, an account refusal from a bank in the country they reside.

2.2.8. If a prison has any concerns about the legitimacy of any documentation provided as part of a Money to Prisoners Exemption Application, they can consult with the Police Intelligence Officer (PIO) or the Financial Investigation Unit (FIU) for advice.

2.2.9. Where a Governor approves a request for postal orders to be credited to a prisoner, they should be made payable to HMPPS, where any other 'pay to' name is used, the Cashier must stamp the reverse of the postal order, in the top left-hand corner, with 'HM Prison and Probation Service', annotating this with 'Payable to'. Credits of postal orders with an issue date of 18 days or more from the date of receipt and all cheques must be placed on hold for 10 working days for clearance purposes.

**Criteria B: sender cannot use the MTP portal**

2.2.10. Senders may apply to the Governor for permission for cheques (but not cash or postal orders) to be credited to a prisoner's account if they cannot use the MTP portal. Senders must complete a money to prisoners' exemption application before making a payment or at the same time as the first payment. The Governor can grant permission for a cheque to be credited to the prisoner's account only if all of the following conditions are met:

1. The sender provides their name and address

2. The sender provides a letter explaining the reasons that they cannot use the MTP portal
3. The sender is on the prisoner's NOMIS contact list.

2.2.11. The Governor can exercise discretion over whether the explanation is reasonable and retains the right to review and withdraw such permission. The Governor must not approve the exemption application where the sender is unable to use the MTP portal because the Money to Prisoner Compliance Team (MTPC Team) has rejected that individual's payments on suspicion that the funds are from an illegitimate source (proceeds of crime) or intended for an illegitimate purpose (a criminal offence).

2.2.12. Where the Governor approves an application under criteria B, cheques from the all major UK banks must be made payable to 'HM Prison and Probation Service (HMPPS)', although other variations will be accepted by the bank where the 'payable to' name contains 'HMPPS'.

2.2.13. For debit card transactions, the following should be observed:

- The sender goes to [www.gov.uk/send-prisoner-money](http://www.gov.uk/send-prisoner-money);
- Requested information must be populated.

Further details on the process can be found in Chapter 13, Finance Manual Policy Framework.

### Unapproved Funds

2.2.14. Any cash, cheque or postal order sent to prisoners must only be accepted if the sender has been granted an exemption using a money to prisoners' exemption application. The application can be made at the same time as the first payment.

2.2.15. If approval has not been given, the following actions must be taken:

- **Cash** - return to sender via Special Delivery if sender's details are known. If sender's details are not known, funds must be paid to the National Association for the Care and Resettlement of Offenders (NACRO) in accordance with Prison Rule 44(2).
- **Cheque** – placed in the prisoner's valuable property.
- **Postal order** – placed in the prisoner's valuable property.

### Cap on prisoner funds in prison accounts

2.2.16. External payments made to prisoners from 2 November 2020, that would result in their total prison account balance (the sum of private, spend and saving accounts) going above £900 will be rejected by the online MTP portal and must be rejected by the receiving prison if made by cheque, postal order or cash. In Contracted Out establishments that do not use the MTP portal, prisoners should be informed if their internal accounts reach £900 (in total) and further funds cannot be received. Any related or subsequent payments must be placed on hold and referred to the FIU for advice where security concerns have been raised. This cap still applies when payments

by cheque, postal order or cash have been approved under the money to prisoners' exemption application process.

- 2.2.17. Where a prisoner's internal accounts have reached £900, the prisoner should be informed that funds have been received and the money should be dealt with in accordance with paragraph 2.2.16. The prisoner should not be told who the sender is.
- 2.2.18. Prisoner pay and internal payments from HMPPS will continue to be paid into prisoners' accounts regardless of their account balance.
- 2.2.19. Governors are able to grant permission for individual payments which would exceed the cap on account balances to be made by exception, only if the serving prisoner has exhausted all reasonable options for accessing banking outside of the prison. For example, money received from house sales or inheritances should be held by a solicitor or executor until the prisoner sets up a personal bank account outside prison.
- 2.2.20. Where prisoners already have an excess of £900 in their prison accounts at 2 November 2020, they will not be able to receive further funds in their private cash account until the total (of their three accounts (private, spends and savings) has gone below the £900 cap. However, they are not required to send money out to reduce the balance to £900.

**Outcome 5: Staff and Prisoners are aware of and adhere to the establishment's policy of dealing with money that arrives at the prison anonymously**

- 2.2.21. Any monies received must be accompanied by the sender's name, address and the name and prisoner number of the recipient. Any monies received anonymously must be dealt with in accordance with the procedures laid down in Chapter 13 of the Finance Manual Policy Framework and Prison Rule 44.

**Outcome 6: Money in a prisoner's possession on reception is credited to their account**

- 2.2.22. Prisoners must not be allowed to retain cash whilst in prison. Any cash belonging to a prisoner must be removed and the amount recorded onto the reception day sheet (F377A) as soon as possible after arrival. The prisoner must sign the record, even when the cash entry is a nil balance (Chapter 13, Finance Manual Policy Framework, provides further instructions).
- 2.2.23. Any cash in possession of a prisoner on their arrival that is believed to be suspicious (i.e. on the balance of probability is likely to be from an illegitimate source (proceeds of crime) or is intended to be used for an illegitimate purpose (a criminal offence) must not be banked.
- 2.2.24. Prisons must complete local intelligence checks to determine whether cash is suspicious and can be banked. Prisons may contact the PIO or the Money to Prisoner Compliance Team (MTPC) in the Financial Investigations Unit (FIU) for advice if required. Any suspicions relating to cash received must be reported to Security via an

Intelligence Report. If the PIO makes a referral to law enforcement for investigation, the FIU must be informed.

### **Outcome 7: Money earned in the prison is credited to their account**

- 2.2.25. Earnings must be paid in line with PSO 4460 Prisoners' Pay and the local pay policy. Prisoners' earnings must be credited via the Activities package on Prison-NOMIS. Only earnings that are not part of the activities package should be manually credited by Finance.

### **Outcome 8: Money received from official external sources is credited to their account**

- 2.2.26. Cheques or postal orders from government departments, government agencies and local authorities will not require permission to be credited to prisoners' accounts (but remain subject to the £900 cap). Money will be credited to a prisoner's private cash account. The relevant prisoner should be notified of the amounts received.

## **2.3. SERVICE ELEMENT: PAYMENTS**

### **Outcome 9: Prisoners are able to send money out**

- 2.3.1. Prisoners must be able to send money out to family, friends or approved suppliers subject to the following limits.
- 2.3.2. Prisoners must apply for funds to be sent out to family and friends on Form PHX160. **Each prisoner can send a maximum of £50 per recipient and £250 in total for all recipients per week. Any amounts requested above this limit must only be processed subject to approval by the Governor.** Approved disbursements should be processed as a cheque or BACS transfer unless cash is specifically requested. Prisoners should be advised that sending cash out is at their own risk and will only be processed with the approval of the Governor.
- 2.3.3. Extraordinary approval must be sought from the Governor for disbursements greater than £50 per recipient and £250 in total in a week. Exceptional circumstances include (this is not an exhaustive list):
- meeting legitimate debt obligations outside of prison in the event the prisoner does not have an external bank account;
  - meeting familial obligations and providing support to family (this may for example include maintenance payments, support of education, gifts for birthdays or religious occasions);
  - paying for services directly to the service provider (including legitimate services such as legal fees, dentistry work, etc.);
  - operating a business as an un-convicted prisoner; and
  - transferring their HMPPS-held money to a bank account they operate/open with a commercial banking institution.

- 2.3.4. It is important for the Governor to consider the circumstances surrounding each prisoner's application. The Governor has discretion to prevent a payment being sent out if they believe the payment to be against the interests of security and good order or discipline; they must also be satisfied that the money being disbursed is available to the prisoner (i.e. it has not been placed on hold).
- 2.3.5. Prisoners may appeal if a decision has been taken to refuse a disbursement request and should follow the process set out in the Prisoner Complaints Policy Framework.
- 2.3.6. Prisoners are permitted to send cheques out from their **external** bank account (where applicable) in appropriate circumstances. The Governor has discretion to prevent a cheque being sent out if they believe the payment to be against the interests of security and good order or discipline.

#### **Outcome 10: Payment for PIN phone credits is facilitated**

- 2.3.7. Prisoners must be able to purchase PIN phone credits at least once a week through the retail contract. Prisoners may buy telephone credits in multiples of £1.00 and have them credited to their PIN phone account. Foreign national prisoners, those prisoners with close family abroad and appellants also have entitlement to pay for PIN phone credits from their private cash (PSI 49/2011 Prisoner Communication Services Annex B refers and Annex A of this psi).

#### **Outcome 11: Recurring prisoner account deductions will be facilitated**

- 2.3.8. Schedule payments may be set up locally for weekly TV payments, repayment of advances and damage obligations on Prison-NOMIS. Once activated a schedule will collect the same amount of money from a prisoner each week, until it is end dated.

#### **Outcome 12: Prisoners' can conduct such personal financial affairs as are necessary and permitted in order to meet their resettlement needs**

- 2.3.9. Prisoners should be allowed to carry out transactions using their external bank accounts where necessary in order for them to maintain their financial affairs in an appropriate order, so that on discharge they may resume a regular lifestyle.
- 2.3.10. Prisoners in the older age bracket, and those with physical disabilities e.g. mobility, speech, hearing, eyesight and those with cognitive disabilities including those with communication, language or literacy difficulties, and/or those in need of assistive technology should be identified and assisted to manage their finances effectively.
- 2.3.11. When an application is received from a prisoner wishing to carry out a personal financial transaction, staff must ensure that the transaction is solely to maintain his or her personal affairs whilst in prison or is a transaction, which will assist him or her to resume a regular lifestyle on discharge. Generally, while telephone banking is not permitted in prison (see paragraph 3.5 below), Governors should consider applications by prisoners who wish to access their bank by telephone in order to cancel a direct debit or to arrange for cheques to be sent in.

2.3.12. Prisoners should be given assistance with rent arrears. This can be achieved by setting up a regular payment transaction on Prison-NOMIS or by a lump sum payment.

2.3.13. Convicted prisoners are not permitted to carry out transaction listed below; however, the list is not exhaustive:

- any transaction to run a business
- any stock or share purchase or unauthorised sale
- entering into any loan or credit agreements
- gambling or the making of payments for other games of chance
- Prisoners must not enter competitions which will enable them to profit either monetarily or by any other significant inappropriate prize unless the competition is run by the Prison Service or by a body or organisation sanctioned by the Prison Service

## **2.4. SERVICE ELEMENT: DISCHARGES**

### **Outcome 13: Prisoners who have been discharged receive all monies and valuables to which they are entitled**

2.4.1. Prisoners at the end of their sentence will take all their money, stored and valuable property with them on leaving the establishment subject to the following paragraphs.

2.4.2. Prisons must ensure that a prisoner's cash is prepared for discharge, after deduction of any outstanding advances and spends **unless** the conditions of paragraph 2.4.3 are met. Prisoners must sign to confirm receipt of the payment (Chapter 13, Finance Manual Policy Framework refers).

2.4.3. If a prisoner has funds on hold under the transaction type "Withhold Funds" these must be paid to the prisoner, **unless** instructions have been sent by the Financial Investigation Unit (FIU) to continue to withhold the funds after release. If the FIU instructs that money should not be released to a prisoner at the end of their sentence, a record of the amount withheld should be kept on Prison-NOMIS. Where prisoners are subject to asset freezing regulations, staff should follow the procedures set out in paragraph 2.8.2.

2.4.4. If any valuable items are found in stored property that appear prima facie not to be the prisoner's property – for example bank cards or identity documents in names other than that of the prisoner – this must be reported to the Police Intelligence Officer unless this has already occurred on a previous occasion. However, it is not prisons' responsibility to investigate the matter and the documents should be released to the prisoner if the police choose not to take possession of them.

### **Outcome 14: Prisoners who are away from the prison on external movement or who have been temporarily released receive any money and valuables to which they are entitled**

2.4.5. Cash and valuable property should only be prepared for prisoners' attending court (subject to the checks at 2.4.3.) where it is known, or likely, that they will be released, or



the prisoner has specifically requested the items are prepared to take with them to court.

- 2.4.6. The Governor must specify, and publish, a limit for the total amount of cash that prisoners are allowed to take with them when released on temporary licence. This can be made up of private cash and money from their spend account. The restrictions placed on prisoners in paragraphs 3.3 – 3.13 apply to prisoners who are released on temporary licence. The temporary release licence must include a condition to this effect.
- 2.4.7. A prisoner can request to take out money already accrued in their spending account. On return, up to this amount, can be paid back into the spend account. However, as the cash will be entered onto the reception day sheet (F377A) the money will be automatically placed into the prisoner's private cash account. A sub account transfer will need to be carried out to move the money into the spending account to restore it to the original balance.
- 2.4.8. Prisoners may take private cash with them provided that it does not exceed their weekly incentives allowance and they have the sum requested in their private cash account. This sum counts towards the amount of private cash transferred to the spend account in that week. If the visit takes place at the end of the week, the cash adjustment can be made to the following week's allowance.
- 2.4.9. The Governor has the discretion, in individual cases, to over-ride the private cash limits to cover exceptional circumstances.

## **2.5. SERVICE ELEMENT: ADVANCES**

### **Outcome 15: Provision exists for prisoner to receive advance of funds**

- 2.5.1. Prisoners must only be credited with an advance to cover their first night canteen purchases at initial reception. If a prisoner has sufficient funds to cover the cost then an advance must not be issued. If a prisoner has funds to cover part of the cost then only the difference may be advanced. It may be necessary to advance a prisoner additional funds during custody. The advance should only be given where the repayment is guaranteed and collected in full immediately when earnings are received (Chapter 13, Finance Manual Policy Framework refers).
- 2.5.2. Advice on "First night packs" can be found in PSI 07/2015 Early Days.

## **2.6. SERVICE ELEMENT: TRANSFERS**

### **Outcome 16: Prisoners who have been transferred are credited with all monies to which they are entitled within published timescales**

2.6.1. The account balances of prisoners are transferred via Prison-NOMIS as soon as the prisoners are received at their new prison. The physical transfer of funds must be completed the next day; for public sector prisons this is actioned via an Inter Unit Charge. Where the transfer is to a Contracted-Out prison, funds must be sent via a manual cheque.

Any amounts held under the "Withhold Funds" transaction on Prison-NOMIS must remain at the original prison unless informed otherwise by the Financial Intelligence Unit.

## **2.7. SERVICE ELEMENT: PRISONER DISCIPLINE PROCEDURES**

### **Outcome 17: Stoppages and non-punitive repayments awarded under the prison discipline procedures are actioned**

2.7.1. Prisoners found guilty of disciplinary offences may be punished in accordance with Prison Rule 55 or YOI Rule 60. Under Prison Rule 55 (1)(d) a prisoner's earnings for work done while in custody, excluding sums paid into a private bank account to which the prisoner does not have access, may be stopped up to a maximum amount equivalent to 84 days full pay, at a rate up to 100% of pay (less the cost of phone calls or postage, so that the prisoner may maintain family contact). Under YOI Rule 60 (1)(e) a young offender's pay may be similarly stopped for up to 42 days. The earnings to be stopped relate to those earned during the period of punishment, exclusive of bonuses for exceptional or extra work, but inclusive of performance related or piece rate earnings.

2.7.2. Under Prison Rule 55 (1)(b) or YOI Rule 60 (1)(b) prisoners may be punished for up to 42 or 21 days with forfeiture of privileges, which may include eligibility to earn higher rates of pay or access to private cash.

2.7.3. However, following the introduction of the policy of Recovery of Monies for Damage to Prisons and Prisons Property (Annex C, of PSI 05/2018 Prisoner Discipline Procedures (Adjudications) refers) procedures have now been introduced that require Adjudicators to impose a requirement for prisoners to pay for destroying any part of a prison or any other property belonging to a prison (see Prison Discipline Procedures for details). This is compliant with Prison Rules 51 (17) & 51 (17A) and Young Offender Institute Rules 55 (18) & 55 (19).

2.7.4. An adjudication at which a financial penalty has been given must be notified immediately to the Business Hub to ensure timely action (Chapter 13, Finance Manual Policy Framework refers).

## **2.8. SERVICE ELEMENT: PRISONER ACCOUNT MANAGEMENT**

### **Outcome 18: Prisoners can have money received as Foreign currency exchanged and credited to their account**

2.8.1. Foreign currency brought in at reception must be treated as valuable property and held securely. A prisoner can request to exchange their foreign currency to sterling if they wish to (subject to the controls outlined in Chapter 12 of the Finance Manual Policy Framework) by completing PHX 156. Any associated commission charge is borne by the prisoner (Chapter 13, Finance Manual Policy Framework refers).

**Outcome 19: Prisoners designated by HM Treasury as subject to asset freezing regulations have their funds managed accordingly**

2.8.2. Prisoners who have been designated by HM Treasury as subject to asset freezing regulations are able to receive and use money sent into them in addition to that earned while in prison custody. However, they are only permitted to spend that money within the prison i.e. via the canteen etc. A prisoner may not send any money out of the prison unless written authorisation from the HM Treasury Asset Freezing Unit has been obtained. In the event of a designated person being discharged, money held by the prison cannot be paid to them (other than a discharge grant). Instead money belonging to the person held by the prison has to be paid into a frozen bank account, assuming such an account exists. In the event that a frozen account does not exist, then any money belonging to the prisoner must be kept in a suspense account until instructions for its disposal are received.

2.8.3. It is essential, where any designated prisoner is transferred between establishments, that the sending prison notifies the receiving prison of these financial restrictions. This is to avoid the possibility of the restrictions being overlooked. As a safeguard the prisoner's record should be marked to the effect that they are subject to financial restrictions.

**Outcome 20: The movement of funds as a result of prisoners' retail activities is facilitated**

2.8.4. All eligible prisoners must be given the opportunity to purchase items on an approved range of products at least once a week and the value of expenditure deducted from their spending account (Chapter 13, Finance Manual Policy Framework refers).

**Outcome 21: Unclaimed prisoners' monies or valuable property will be retained, disposed of correctly and the proceeds paid to the nominated charity**

2.8.5. Prisoners may be released or abscond and leave behind an amount of money in their account. Where the discharge address is known the money should be forwarded on. Where an address is unknown, establishments must retain this money for reclaim by the prisoner for 1 year following their date of discharge.

2.8.6. After the above period of time this money must be sent to NACRO. Chapter 13, Finance Manual Policy Framework sets out the procedure for dealing with unclaimed money.

2.8.7. For information on how to manage deceased prisoners' cash and property please refer to: PSI 64/2011 Safer Custody, Managing the Risk of Self Harm to Self and Others.

**Outcome 22: Processing of PIN phone credits onto a prisoner's PIN phone account is facilitated**

- 2.8.8. Prisoners must have no more than £50 in telephone credits in their telephone account at any time, except for foreign national prisoners and those prisoners with close family abroad where no limit will apply. This may also apply to prisoners identified as appellants and for this purpose a prisoner is an appellant if they are seeking legal advice or wishes to instigate or is party to legal proceedings, either civil or criminal. Where foreign national prisoners or those prisoners with close family abroad request PIN phone credits to be paid for from their private cash account, these should be credited to a separate PIN phone account annotated with the letters FN after the number.
- 2.8.9. For all prisoners identified as appellants and if requested by the prisoner, establishments may open a second PIN phone account annotated with the letters LG after the number. Prisoners who are identified as appellants may purchase additional PIN phone credits from their private cash account in order to consult with their legal advisers. However, the prison must be satisfied that the prisoner has used the private cash for the purposes of speaking to his/her legal team before approving further purchases of PIN phone credits from private cash for this purpose.
- 2.8.10. Governors must only set lower limits for PIN phone account balances as part of their incentives scheme.

**Outcome 23: Information about a prisoner's account is available and can be provided to them**

- 2.8.11. Staff should assist prisoners in obtaining information about their prison account. One option is via prisoner account statements which are available within the MIS reporting function of Prison-NOMIS. Prisoners may request to have details of transactions that have been processed through their accounts on a weekly basis.
- 2.8.12. Residential staff can also assist prisoners by viewing account details on Prison-NOMIS and providing up-to-date information.

**3. Additional Guidance**

**External Bank Accounts**

- 3.1 It is best practice that establishments ascertain at Reception or Induction whether a prisoner has access to an external bank account. This information should be passed to the Resettlement (or equivalent) and Business Hubs as appropriate within individual establishments.
- 3.2 If a prisoner already possesses an external banking account and during the course of his or her sentence, acquires cash exceeding £500, they should be advised that it is in their interest to transfer the excess to the external account. Prison Banking Leads (either prison or probation staff) responsible for administering the Offender Banking Programme, can assist prisoners with opening an external bank account, if they are within the last 6 months of a custodial sentence. Not all prisons operate an Offending Banking Programme. For further information email [NewFuturesNetwork@justice.gov.uk](mailto:NewFuturesNetwork@justice.gov.uk). PSI 44/2011 Identity (ID) for Bank Account

Applications for all Prisoners advises how to provide prisoners with the identification required to open a bank account. Moving personal funds from an internal account to an external bank account is an allowable exemption from the £250 disbursement cap, outlined in paragraphs 2.2.16 – 2.2.21.

### **Private Cash**

#### **Credit Cards and other Charge Cards**

3.3 Prisoners are not permitted to use credit cards or enter into any form of credit agreement whilst in prison. A prisoner is permitted to make payments to reduce an outstanding balance or any other debt re-payment. Existing and replacement cards must be stored in Valuable Property and the prisoner must sign the property record accordingly.

#### **Cheque books, Debit Cards**

3.4 Prisoners' access to personal cheque books and all bank cards must be controlled; these items must be held in Valuable Property. Access must only be allowed through appropriate application. The Governor must be satisfied that there are no security implications to the prisoner issuing a personal cheque. Existing and replacement cards must be stored in Valuable Property and the prisoner must sign the property record accordingly.

#### **Telephone and Internet Banking**

3.5 At the beginning of their sentence, a prisoner should make arrangements with their financial services provider, to enable them to use postal facilities to continue basic banking functions. *Telephone and internet banking are not permitted whilst in prison (but see paragraph 2.24 above).*

#### **Buying Shares**

3.6 Convicted prisoners are not permitted to make an application to buy any stocks or shares, whilst in prison. An application to sell stocks or shares must be at the discretion of the Governor.

3.7 For example: A sale of shares when the proceeds will be utilised to repay debts, would be permitted. Prisoners who request transactions for this purpose, should be encouraged to make regular contributions to a suitable savings plan. If a Prisoner receives a dividend as a result of shares purchased prior to their imprisonment then this money can be paid into their private cash account.

#### **Business**

3.8 Convicted prisoners must not conduct business transactions. For the purposes of this PSI, a business transaction is one which is liable to take place more than once, or on a regular basis. Individual financial transactions must be assessed and authorised at the discretion of the Governor. Reasonable time should be allowed for the winding up of a business, or making provision for it to be run by others. An un-convicted prisoner may continue to correspond without restriction, including correspondence relating to running a business but

no special facilities need be provided. If an un-convicted prisoner wishes to make a substantial cash or property transaction, the governor may choose to consult the police.

3.9 The Governor must consider consulting with the Police Intelligence Officer and the FIU if a convicted prisoner wishes to conduct any transaction of significant value involving money or property, whilst in prison.

3.10 If a convicted prisoner needs to make arrangements to rent out their property in order to cover the costs of maintaining it while in custody, then this would be considered acceptable as it is not part of the sentence of the court that the offender should be deprived of their property. Having a place to live on release, is a significant factor in reducing reoffending.

### **Loans**

3.11 *Prisoners are not permitted to apply for loans or credit facilities whilst in prison.* A prisoner's family for whom s/he may wish to supply aid should apply for the appropriate benefits or a loan themselves. A prisoner's wages are insufficient to meet most loan repayments. Prisoners may send money out to family at the Governor's discretion; provided they have sufficient funds. This does not apply to prisoners who are taking part in Open University, Higher Education or Distant Learning (PSI 32/2012 Open University, Higher Education and Distance Learning refers).

### **Hire Purchase**

3.12 As with other loans and credit facilities, mail order catalogues offering credit facilities must not be used by prisoners themselves. A single instalment or one-off payment may be issued on behalf of the prisoner to purchase a large item, at the discretion of the governor.

### **Gambling, sweepstakes and other games of chance played for potential financial gain**

3.13 Prisoners are not permitted to take part in any of the above, or similar, activities. Typical examples being: Lottery, Pools, Betting,

### **Settling Financial Affairs**

3.14 All prisoners may sell, transfer and dispose of personal property, shares, transfer personal funds, sign cheques, make and sign a will and other documents. Remand prisoners are permitted to make transactions necessary to maintain their affairs; including those to manage a business.

### **Cash ISAs and other Savings Accounts**

3.15 Serving Prisoners are permitted to open suitable savings accounts which can be maintained via postal transactions. Access to these accounts must be controlled as with other banking procedures.

**Savings Account within the Prison-NOMIS System (or equivalent)**

- 3.16 If the Savings option within Prison-NOMIS is utilised, prisoners should be made aware that no interest is payable on sums held by HMPPS and that it is in prisoners' best interests that large amounts of money should be held in external bank accounts. The savings option forms a part of the prisoner's £900 allowance; the cap applies to all funds in their totality.
- 3.17 The purpose of Prison-NOMIS savings accounts is primarily to accumulate money so that it is available when a prisoner is released however requests for deductions from this account can be considered locally on a 'case by case' basis and can be approved if it is considered that the funds will contribute toward rehabilitation. Money should only be transferred to savings from the prisoner's spending account, not from private cash. Savings accounts must not be used for any other reason e.g. to accrue funds to purchase goods.

**Premium Bonds**

- 3.18 Premium bonds are seen as an investment and therefore at the Governor's discretion a prisoner may purchase bonds from either their Spend or Private Cash. They can also send money out to a family member / friend to purchase bonds on their behalf.

**Inheritance**

- 3.19 If a prisoner receives a large inheritance that will take them above the £900 threshold, the money either has to be put into a solicitor's account or an external bank account, it is advisable to recommend that the monies are held in a suitable personal bank account outside the prison. However, where this is not possible, the Governor can consider granting permission to credit the money to the prisoner account in excess of the £900 cap.
- 3.20 Any inheritance payment that is believed to be suspicious (i.e. on the balance of probability is likely to be from an illegitimate source (proceeds of crime) or is intended to be used for an illegitimate purpose (a criminal offence) must not be accepted. The PIO or FIU can be approached for advice.

**Money sent in from or out to abroad**

- 3.21 A prisoner may send money abroad in the same circumstances as other monies being sent out to family and friends. The prisoner is responsible for any charges incurred in currency exchange. Any related charges will not be subject to the cap on the amount of funds a prisoner can hold or the limits on prisoner disbursements.

**Bankruptcy**

- 3.22 Prisons need to report a list of any cash and property, of which the prison is aware, held by any prisoner against whom there is an outstanding Receiving Order or Adjudication of Bankruptcy (Court Order).

**Bailiffs**

- 3.23 A bailiff may enter a prison at the discretion of the Governor. A request to the Governor should be verified to ensure validity of the company's claim on any assets held by the prisoner.

Deductions may be made from a prisoner's private cash where the appropriate court authority exists, but no deductions may be taken from a prisoner's earnings.

## **Land**

3.24 The Police Liaison Officer should be consulted if an un-convicted prisoner wishes to dispose of land or buildings.

## **Deceased prisoners' monies**

3.25 Guidance on deceased prisoners' monies can be found in PSI 64/2011 Safer Custody: Managing the Risk of Self Harm to Self and Others.

## **Will and Testament**

3.26 A prisoner is permitted access to write such a document and have it witnessed.

3.27 The identifying and recording of next of kin is a mandatory action in PSI 07/2015 Early Days in Custody. However, in nominating next of kin it does not necessarily follow that a prisoner's effects will be distributed as they would wish. PSI 64/2011 Safer Custody: Managing the Risk of Self Harm to Self and Others, provides guidance on this.

## **Payment for Artwork or Written Material**

3.28 Prisoners are encouraged to keep in touch with their families and the outside world through regular letter writing. However, they are precluded from enclosing with their correspondence any material for publication or broadcast for which they will be paid.

3.29 They are entitled to receive payment for pieces of artwork, or work of literary merit only if channelled through appropriate, approved charitable organisations.

3.30 Any items used in the production of artwork or written material should not be paid for out of public funds. The production of such items should only be carried out in the prisoner's own time and not interfere with any sentence plan objectives. Money prizes or income received should be credited to the prisoner's private cash account and not to the spend account. Other prizes may be kept at Governors discretion, placed in a prisoner's stored property, or disposed of in any way that the Governor approves.

3.31 Prisoners are also prohibited from publishing material about their own crime or past offences, or those of others, except where it consists of serious representations about their conviction or serious comment about crime, the criminal justice process or the penal system. The guidelines set out in PSI 37/2010 Prisoners' Access to the Media (Para 2.2) and paragraph 11.3(j) (i) of PSI 49/2011 Prisoner Communications Services refer.

3.32 Prisoners who wish to enter public competitions to exhibit artwork or work of literary merit, for which a fee is required, may do so with approval from the Governor. These items may be sold or published for profit through any registered or legitimate charitable organisation (e.g. Koestler Trust). Payments resulting in these activities will not be subject to the £900 cap on prisoner funds. The PIO or FIU can investigate other charities if security concerns are raised and can decide if the cap can be exceeded.



## Competitions

3.33 Prisoners must not enter other competitions which will enable them to profit either monetarily or by any other significant inappropriate prize unless the competition is run by the Prison Service or ran by an authorised body or organisation.

## Adult Social Care

3.34 The Direct Payments scheme is a UK Government initiative that gives users money directly to pay for their own care, rather than the route of a Local Government Authority providing care for them. In accordance with section 76(5) of the Care Act 2014 and Section 187(2) of the Social Services and Wellbeing (Wales) Act 2014, direct payments cannot be given to convicted prisoners either detained in prison or residing in approved premises in England or Wales. Remand prisoners and those residing in approved premises before conviction can still get direct payments if, following review, the responsible local authority considers it appropriate to make these payments. Payments can be arranged from local authorities if consistent with the provisions of paragraphs 2.22 – 2.24 above. If such persons are then convicted, their direct payments would stop whether detained in prison or residing in approved premises (e.g. when the prisoner is on licence). PSI 03/2016 Adult Social Care provides further information. Any individual in custody who is eligible for care and support to meet their needs would receive that care and support by way of direct provision from the local authority.

## **ANNEX A - SPENDING PERMITTED FROM PRIVATE CASH**

### Prisoners in mother and baby units

Governors have discretion to permit prisoners to spend enough private cash outside of the private cash limits to ensure that a prisoner's babies' needs are met. IPF limits apply to the mother for items not associated with the baby. Governors also have the discretion to allow pregnancy related items to be purchased from outside Incentives limit restrictions.

**Overseas phone calls** are exempt from the private cash limits for:

- commonwealth citizens and foreign nationals;
- those with close family ties outside the United Kingdom; and
- prisoners ordinarily resident outside the United Kingdom.

### Legal proceedings

Where prisoners are party to legal proceedings they will normally be expected to meet any additional costs incurred from their spending accounts. Governors have the discretion to allow these costs to be met from outside the private cash allowance up to, and including, the amount of £250 a week. For amounts greater than £250, the Governor may grant permission in exceptional circumstances (as set out in paragraph 2.3.3).

## **Business activities**

Where an un-convicted prisoner is allowed to engage in business activities, the cost of these activities may be met from outside the private cash allowance up to, and including, the amount of £250 a week. For amounts greater than £250, the Governor may grant permission in exceptional circumstances (as set out in paragraph 2.3.3).

## **Items for un-convicted prisoners under Prison Rule 43(1)**

This allows un-convicted prisoners to have books, newspapers, writing materials and other means of occupation supplied at their own expense either through the Prison Shop or approved mail order arrangements. Prisoners will ordinarily be expected to meet the additional costs from their spending account. Governors have the discretion for these costs to be met from outside the private cash allowance where exceptional circumstances apply.

## **Dental/Optical Treatment**

Payments for dental and optical treatment can be taken directly from a prisoner's private cash account if the prisoner does not have sufficient funds in their spending account up to, and including, the amount of £250 a week. For amounts greater than £250, the Governor may grant permission in exceptional circumstances (as set out in paragraph 2.3.3).

## **Compensation payments for damaged or lost property**

In cases where a prisoner has been awarded monies by the prison for the damage or loss of property or personal items, this can be credited to their Private or Spends Cash account to enable prisoners to buy, where available, like-for-like replacement items. Payments from HMPPS are not subject to the £900 cap.

## **Annex B- Prisoner's Monies Guidance**

This guidance document/annex explains the processes relating to the prisoners' monies policies, specifically:

- 1) Money sent in by family, friends and other contacts
- 2) Money sent out on behalf of prisoners
- 3) Holding funds on behalf of prisoners
- 4) Exemptions 5) Reports

This must be used to support to the policies detailed in PSI 01/2012 Manage Prisoner Finance, Chapters 12 and 13 of the HMPPS Finance Manual and the Prisoner Finance Policy Guidance Pack (July 2020).

**Please Note:** All templates for the exemption applications and letters etc can be found in the Annexes of the Prisoner Finance Policy Guidance Pack (July 2020).

**Responsibilities**

<b>Role</b>	<b>Responsibility</b>
Governor/Director	<ul style="list-style-type: none"> <li>○ Ensure policies are implemented and maintained</li> <li>○ Delegate Exemption Approver if appropriate</li> <li>○ Ensure approved exemptions are monitored via the P-NOMIS report</li> <li>○ Ensure rejected applications are monitored via the application refusal log</li> </ul>
Reception/Induction Officers	<ul style="list-style-type: none"> <li>○ Confirm whether a prisoner has a bank account or not.</li> <li>○ Encourage this information as it will be beneficial throughout their sentence</li> <li>○ Any concerns regarding funds brought in at Reception must be raised via an IR</li> </ul>

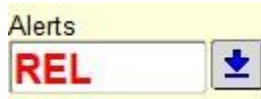
Exemption Application Reviewer (Band 5 or above)	<ul style="list-style-type: none"> <li>○ Review all Exemption Applications</li> <li>○ Notify applicants of decision and reason (if refused)</li> </ul>
Exemption Application Appeal (Band 8 or above and a higher grade than the reviewer)	<ul style="list-style-type: none"> <li>○ Review appeals submitted by senders</li> <li>○ Review appeals from prisoners submitted via the Complaints Process</li> </ul>
Cashier	<ul style="list-style-type: none"> <li>○ Receive and process cash, cheques &amp; postal orders where exemption has been approved</li> <li>○ Prepare cash disbursements where cash or cheque has been approved</li> <li>○ Returning cash to senders where exemption has not been approved</li> <li>○ Not banking any anonymous cash or funds under investigation</li> </ul>
Business Hub	<ul style="list-style-type: none"> <li>○ Adding approved exemptions to NOMIS as an Alert</li> <li>○ Completing the log of applications refused</li> <li>○ Monitoring cash disbursement requests</li> <li>○ Facilitating credits via the MTP Portal where a £900 cap exemption has been approved</li> <li>○ Monitoring exemption approvals via the Exemption Alert Reports</li> </ul>
Security/Intelligence Analysts	<ul style="list-style-type: none"> <li>○ Monitor transactions via the Prisoners Monies Intelligence Tool</li> <li>○ Investigate and respond to IR's received in relation to prisoners' monies</li> </ul>
Mail Room/Censors	<ul style="list-style-type: none"> <li>○ Check post for cash, cheques and postal orders</li> <li>○ Check if Exemption Application form is in the envelope</li> <li>○ Check P-NOMIS for Finance Exemption Alerts</li> <li>○ If Exemption Alert is not active, and the application form has not been included notify the prisoner that funds cannot be accepted</li> <li>○ Ensure approved cash, cheques and postal orders are kept separate from funds received without an approved exemption</li> </ul>
FIU	<ul style="list-style-type: none"> <li>○ Provide advice on queries raised by Prisons</li> </ul>
	<ul style="list-style-type: none"> <li>○ Review prisoners due for release with a "Withhold Funds" hold on their account, 13 weeks prior to their release</li> <li>○ Action delayed capture process</li> <li>○ Action referrals from prisoner for prisoners and their associates to be placed on delayed capture monitoring</li> <li>○ Develop intelligence around suspicious funds and bank accounts</li> </ul>

**Mail Room/Censors**

If cash, cheque or postal order has been received in the post, the following must be checked:

## 1) Is there an exemption alert on P-NOMIS?

- Log into P-NOMIS
- Offender Management
- Offender Personal Details - Booking Summary
- Enter the prisoner's number
- On the top right of the page click on the arrow next to Alerts



- If an exemption has been approved, this alert will be listed

Financial Exemption

## 2) There are 3 exemption types:

Exempt to Receive Cheques, Exempt to Receive Postal Orders, Exempt to Receive Cash

If the relevant exemption alert is listed, check the comments box to ensure the sender's details match.

<b>Alert History</b>		
Alert Type	Alert	Comment

- 3) If the sender information is correct, the money/funds can be logged and taken to the Cashier.

If there is no Exemption Alert and there is not an application included:

- Cash must be returned to the sender via Special Delivery. If the sender is unknown, funds must be paid to the National Association for the Care and Resettlement of Offenders (NACRO).
- Cheques and postal orders must be placed in the prisoner's valuable property.
- In all cases a letter must be sent to the prisoner informing them of the situation and action taken. Refer to Annex J of the Prisoner Finance Policy Guidance Pack (July 2020).

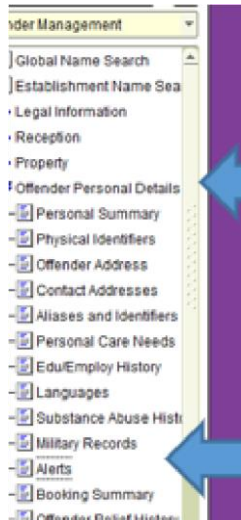
### **Business Hub**

#### **Exemption Alerts:**

If an application for a sender to post in cash, cheques or postal orders has been approved, this must be recorded on P-NOMIS. These alerts can then be checked by Mail Room/Censor colleagues when opening the post.

To create a Financial Exemption Alert:

- Log into P-NOMIS
- Offender Management
- Offender Personal Details
- Alerts



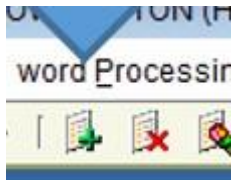
- Enter the name or NOMIS number of the prisoner
- Click the blue arrow next to the Alerts box



- A list of current alerts will be shown on the screen



- Click into the box where current alerts are listed
- Click on the insert new line button at the top of screen



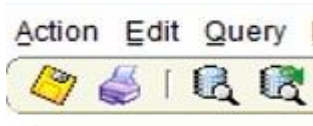
- A blank line will appear, click on the blue arrow in the Alert Type column and select "Financial Exemption"



- Click on the next blue arrow in the Alert column and select the relevant exemption (cash, cheque or postal order)
- In comment box of the Details section, enter the senders full name and address.



- Once completed, click on the Save button



- To end the Alert, follow the same instructions, until the box with the current alerts is opened
- Select the relevant line and enter the date in the Expiry Date column then click on Save.



**Manual Credit Transactions on P-NOMIS**

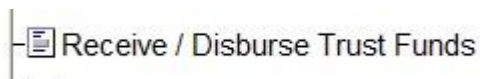
There are three manual credit transaction types to be used for approved exemptions:

Money Through Post – to be used for cash and postal orders

Cheque Receipt – to be used for cheques received

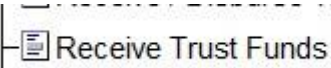
Receipt Review – to be used if a transaction requires further investigation

- Financials
- Expand Trust Accounts *To credit a single prisoner:*

Receive / Disburse Trust Funds

- Enter the prisoner's number
- Perform Query (F8)
- Select the relevant transaction type as listed above
- Enter a description and amount
- Click on Save

*To credit multiple prisoners:*

Receive Trust Funds

- Enter the total to be credited (control total) and relevant transaction type as listed above
- Enter the prisoner's number, amount and any comment
- Continue until all transactions have been entered - Click on Save

### Withhold Funds

If it has been decided by Security, Intelligence Analysts or FIU that certain funds must remain on hold for the entire time a prisoner is in custody; the funds must be allocated to the "Withhold Funds" transaction type:

- Log into P-NOMIS
- Financials
- Expand Trust Accounts
- Open Hold Trust Funds



- Enter the prisoner number in the NOMS Box
- Select Perform Query (F8)

Hold Type\*

Sub Account\* TransactionTypes (module=OTMTRANS)

Description\*

Hold Until Date Find%

Hold No.	Txn Type	Description
	HOA	Add Hold
	WHF	Withhold Funds

- Click on the arrow next to the Hold Type Box
- Select Withhold Funds
- Populate the Description box with any relevant information
- Click on Save

FIU will run a report on P-NOMIS that lists all prisoners with a “Withhold Funds” Hold on their account and are due for release within 13 weeks. If further action is required, FIU will notify the relevant establishment; if no communication is received from FIU, the Hold can be removed, and the funds included in the prisoner’s payment at discharge.

#### **£900 Cap and Approved Exemptions**

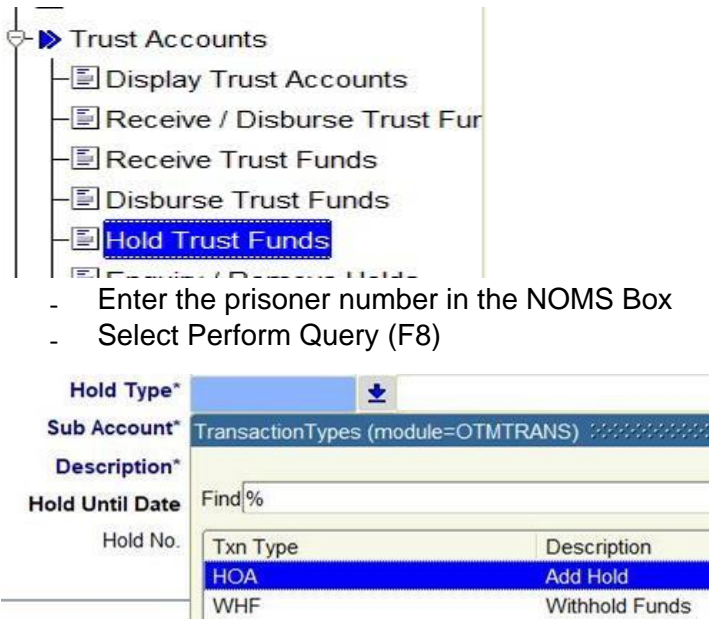
If a prisoner holds £900 or more in their P-NOMIS account (Savings, Private and Spends), or if an amount requested by a sender on the MTP Portal will exceed this cap, the MTP Portal will automatically reject the transaction.

If the above scenario applies and the sender has an approved exemption for cash, cheques or postal orders, due to these transactions being completed manually on P-NOMIS, the system cannot automatically reject the credits. Therefore, before any manual credits are applied to NOMIS, the account balance must be checked, if the credit will exceed the cap, it must not be applied to the prisoner's account. The funds must either be returned to the sender or cheques and postal orders can be stored in the prisoner's valuable property. For the latter two, the prisoner must be informed so they can tell the sender to cancel the payment.

It is possible for prisoners to request an exemption to this cap – see the section “Reviewing Exemption Applications” for more detail.

If an exemption to exceed the cap has been approved, P-NOMIS must be updated to allow the credits to be accepted via the MTP Portal. The system can override the cap if an unavailable balance is created within the prisoners account (also known as adding a hold).

- Financials
- Expand Trust Accounts
- Open Hold Trust Funds



- Enter the prisoner number in the NOMS Box
- Select Perform Query (F8)

Hold Type\*

Sub Account\* TransactionTypes (module=OTMTRANS)

Description\*

Hold Until Date Find %

Hold No.	Txn Type	Description
	HOA	Add Hold
	WHF	Withhold Funds

- Click on the arrow next to the Hold Type Box
- Select Add Hold
- Populate the Description box with the relevant information
- Click on Save




The amount to be exempted should be agreed at the point of approving the application. If this amount does sit in the Savings Account, a “sub account transfer” should be completed moving the amount from Savings to the Private account as this is where the “Hold” Transaction is linked.

### **Removing Holds**

If the exemption for the cap is no longer needed or the funds can be released from the Withhold transaction type, both hold types can be removed.

To remove a hold on P-NOMIS:

- Log into P-NOMIS
- Financials
- Expand Trust Accounts
- Double click to open Enquiry / Remove Holds

-  Hold Trust Funds
-  Enquiry / Remove Holds
-  Sub-Account Transfer

- Enter the prisoner number in the NOMS Box
- Select Perform Query (F8)

**Offender Transactions**

Type	Hold Type	Reference No.	Hold No.	Until Date	Description	Amount

- Once the hold transaction is populated, click on remove
- Click on Save

### **Reviewing Exemption Applications**

#### Exemption Requests for Cash, Cheques and Postal Orders:

There will be circumstances where the sender cannot use the MTP Portal therefore, subject to the correct evidence being provided to support the application; cash, cheques or postal orders can be approved as a payment method.

Exemption Applications must only be approved due to the following two reasons:

- Sender is unable to open a bank account and / or has no debit card (Refer to Chapter 2.2.7 of PSI 01/2012 for more detail on the exemption criteria)

- Sender has no access to Money to Prisoner Portal i.e. no access to the internet, 4g and other mobile internet connections (Refer to Chapter 2.2.10 of PSI 01/2012)

Exemption Criteria:

When reviewing the exemption applications, the sender must have provided: - 1.

Their name and address

2. The name and prisoner number of the intended recipient
3. The required evidence that they cannot own a debit card. This evidence should include one of the following:
  - An account refusal from one of the following institutions:
    - Barclays
    - Clydesdale and Yorkshire Bank
    - Co-operative Bank
    - HSBC
    - Lloyds Banking Group (including Halifax and Bank of Scotland)
    - Nationwide
    - Royal Bank of Scotland (including NatWest and Ulster Bank)
    - Santander
    - TSB
  - Proof that the bank account they hold does not allow them to have access to debit card.
  - If the sender resides overseas, an account refusal from a bank in the country they reside. If the letter arrives in foreign language the prison should use the translation contract to have the letter translated.

*(During the time required to have the letter translated to English thought should be given to any hardship to the prisoner and a small advance should be considered to enable the prisoner to purchase essential items)*

Exemption requests for cash disbursements:

Prisoners can send up to £50 to one person per week, with maximum disbursements of up to £250 per week. Any exemptions to this limit are subject to approval by the Governor/ Director.

Exemption Criteria:

The approver has discretion to prevent a payment being sent out if they believe the payment could affect security, good order or discipline within the prison.

Approvers must also be satisfied that the requested disbursement funds are not subject to investigation and/ or placed on hold.

Examples of appropriate exemptions may include:

- Meeting legitimate debt obligations outside of prison in the event the prisoner does not have an external bank account with sufficient funds
- Child maintenance payments
- Support for child education
- Gifts for birthdays or religious occasions
- Familial obligations

- Paying for services directly to a service provider, such as dentistry, legal fees, removal from the country flight, prisoner legal fees,
- Operating a business as a non-convicted prisoner
- Transferring money from a prison account to the prisoner's own external bank account
- Paying for prisoner's baby items in a mother and baby unit.
- Prisoners with disabilities with substantial savings who may be expected to pay for social care

#### Exemption requests for £900 cap:

If a prisoner has a balance that exceeds the £900 and would like to continue receiving funds, an application must be submitted for an exemption.

#### Exemption Criteria:

There is not a defined list of exemption criteria, however, the following list can be used to support the decision-making process. This list is not exhaustive, and advice must be sought from FIU if there are any concerns:

- Current account balance
- Saving patterns to date including saving earnings
- Where the money being sent in is coming from – how much and from whom
- Does the prisoner have a history of sending funds out rather than saving?
- Relevant intelligence from the MTP
- Sentence length
- Views from keyworker/conversation about what savings are for

#### Considerations in relation to Security:

- The number of senders the prisoner is receiving money from
- Is there any link to other prisoners?
- Is there intel relating to drugs, mobile phones or any other illicit economy?

### **Appeals**

Appeals for any refused exemptions for prisoners such as cash disbursements and the £900 cap must be dealt with through the prisoner complaints policy framework.

Appeals for refused exemptions applications from senders must be reviewed by a Band 8 Manger or above.

### **Money Received After Transfer**

Public Sector to Privately Managed Prisons - any funds received after a prisoner transfers from a public sector prison to a privately managed prison must be credited to the P-NOMIS account as usual and transferred to the new prison. P-NOMIS must be checked daily by privately managed prisons in order to accept the transferred funds.

Physical transfer of the funds must be arranged as soon as possible. Upon receipt of the information via P-NOMIS, the prisoners CMS account must be credited immediately.

Privately Managed Prisons to Public Sector Prisons – funds received after transfer must be credited to P-NOMIS and transferred to the new prison immediately. If this is not possible, an e-mail must be sent to the Business Hub Functional Mailbox with the prisoner's details and the amount.

Upon receipt of the information via P-NOMIS or e-mail the prisoner's account must be credited immediately. The physical transfer of funds must be completed as soon as possible and must match the balance information sent.

### **Reporting & Equalities Assessment**

The Financial Exemption Alerts report lists all exemptions approved for an establishment within the date range entered.



The second tab of the report includes the details of protected characteristics, to support the monitoring of approvals and rejections as recommended in the equalities assessment. This report must be used in conjunction with the rejected applications log.

- Log into P-NOMIS
- Offender Management
- Expand Reporting
- Open Management Information Reports
- Click on Document List
- Expand "Public Folders"
- Click on MIS – Finance
- Open MIS – Financial Exemption Alerts Report

### MIS - Financial Exemption Alerts Report

FIN0092 v1.0 Last Modified 14/10/2020

- Enter the required parameters
- NB: the exemption approval process began on 16/09/2020*
- Run Query

The Money to Prisoner Stats Report can be used to review the number of money through post, cheque and digital transactions in establishments. To run this report:

- Log into P-NOMIS
- Offender Management
- Expand Reporting
- Open Management Information Reports
- Click on Document List
- Expand "Public Folders"
- Click on MIS – Finance
- Open MIS – Money to Prisoner Stats

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### MIS - Money to Prisoner Stats

FIN0070 v00.00.03 This report lists POST,

- Enter the required parameters
- Run Query