



Prison Service Pay Review Body

Ninth Report
on
England and Wales
2010

Chair: Jerry Cope



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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
March 2010

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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, prison auxiliaries, night patrol officers, night custody officers, prisoner custody officers and operational 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 Prime Minister and to the Secretary of State for Northern Ireland.

Glossary of Terms

GDP	gross domestic product
KPI	key performance indicator
LP	Locality Pay
NOMS	National Offender Management Service (also referred to as "the Service")
OSG	operational support grade
PCS	Public and Commercial Services Union
PGA	Prison Governors Association
PO	principal officer
PO1	new prison officer grade 1
PO2	new prison officer grade 2
POA	The Professional Trades Union for Prison, Correctional and Secure Psychiatric Workers
PP	Payment Plus
PSPRB	Prison Service Pay Review Body
RHA	Required Hours Addition
RPI	retail prices index
SO	senior officer
TOIL	time off in lieu

The Prison Service¹ in England and Wales and our remit group

The aim of the Prison Service is to serve the public by keeping in custody those committed by the courts, looking after them with humanity and helping them to lead law-abiding and useful lives in custody and after release. In support of this, it has four objectives:

- To hold prisoners securely;
- To reduce the risk of prisoners re-offending;
- To provide safe and well ordered establishments in which to treat prisoners humanely, decently and lawfully; and
- To provide an effective custody and escort service to the criminal courts.

On 22 January 2010, the prisoner population was 83,151, 1.3 per cent higher than a year earlier.

NOMS² staff costs related to the remit group in 2008-09 were £1 billion (including social security and other pension costs).

At the end of December 2009, there were 51,705 Prison Service staff, of whom 35,250 are in our remit. The composition is shown below.

Our remit group in England and Wales, as at 31 December 2009



Headcount

Operational managers	1,595
Prison officer grades	25,780
Support grades	7,875

Source: Prison Service Personnel Corporate Database

¹ Data are the latest available

² NOMS includes the Prison and Probation Services

Prison Service Pay Review Body 2010 Report on England and Wales

Summary

Key recommendations to apply from 1 April 2010:

- a 1 per cent consolidated increase to the maximum of all pay scales for the remit group, with the exception of senior officers;
- a 1.5 per cent consolidated increase for senior officers, as a step towards an adequate differential on promotion from the maximum of the prison officer scale;
- a 1 per cent uplift to the Required Hours Addition (RHA), where payable, to senior managers D, and managers E-G;
- no change to other allowances;
- no change to the rates of Locality Pay;
- endorsement of proposals to ensure probationers recruited from 1 April 2009 are eligible for their first increment after no more than 15 months, as set out by the Service.

We are a statutory, independent pay review body charged with making recommendations on the pay levels required to enable the Prison Service to recruit, retain and motivate staff within our remit. It is particularly important that we provide such an independent view because it is unlawful for prison service staff to take industrial action. We make our recommendations based on detailed evidence from the parties made in written submissions, and in oral evidence sessions which enable us to probe the issues and better understand the parties' different perspectives.

We also visit Prison Service establishments to meet and talk to members of the remit group. These visits significantly enhance our understanding of the roles of different grades, the particular pressures they face and the wider issues which impact on motivation and retention.

In the light of this evidence we seek to reach considered judgements which balance our obligation to take account of affordability constraints on the Service and the short and medium term pressures on the Government's finances, with the need to provide adequate reward and motivation for the staff delivering an important public service.

Chapter 2 of our report sets out our detailed assessment of the evidence presented to us on the economic context, affordability, staffing (including recruitment and retention data) and on morale and motivation. We heard a consistent message from the unions that our priority, given limited funds, should be to make an award which would be perceived as fairly rewarding staff across the remit group and which would sustain morale and motivation in delivering challenging targets for the Service. NOMS asked us to pay particular regard to the tight constraints on affordability and to target pay recommendations on measures which support reform, such as further scale compression.

On balance we concluded that the overriding priority this round was to make recommendations which seek to sustain the commitment of staff across the remit group. We did not therefore want staff to be unduly disadvantaged as compared to the generality of public sector groups receiving pay awards this year, although we recognised the evidence does not justify an award at the level of those multi-year deals agreed some time ago.

Many staff in the Service will continue to benefit from incremental progression, which has been enhanced in recent years by scale compression for prison officers and managers. So we decided to give priority to an increase for those at the top of their scales. We considered that an increase of below 1 per cent on the maximum risked having a negative impact on morale and motivation. However, the affordability constraints on the Service, and the wider labour market context, made it difficult to justify more than 1 per cent in the absence of supporting evidence on recruitment and retention. Accordingly, we recommend a 1 per cent consolidated increase to the maximum of all pay scales, except for senior officers for whom we recommend a 1.5 per cent increase.

We considered this higher increase for SOs was needed to move towards an adequate pay differential over the maximum of the prison officer grade which would provide a greater incentive to seek promotion to SO. We had heard evidence on our visits that many experienced prison officers were disinclined to seek promotion, given the relatively small pay lead and their perception that SOs face an increasingly heavy workload, which is likely to increase further with the closure of the principal officer grade, and consequential restructuring. We recommend that this modest additional recognition in 2010 should be a first step towards a pay level for the SO grade which fully recognises their key leadership role within the uniformed grades, and which will encourage able prison officers to aspire to promotion.

Chapter 3 of our report covers proposals put to us both by the Service and by the unions on detailed aspects of pay and allowances. We considered each of the proposals carefully but make very limited recommendations this year on targeted measures, having decided to give priority to the motivational benefits of an increase to the maximum for all grades. Against this background, we recommend an uplift to RHA of 1 per cent, but otherwise no increase to allowances. We also make recommendations on the particular position of managers D on the pre-22 July 2009 scale. Last year we endorsed the proposal to show RHA separately for new managers D having been assured there would be no financial detriment. We recommend the Service ensure this by applying the 1 per cent increase to the maximum of the pre-22 July scale and by paying a cash equivalent to the uplift of RHA for those below the maximum of the old scale.

In the light of concerns which had been expressed to us previously about the impact of the move to a single incremental date, we considered very carefully both the Service's proposals to ensure probationers are eligible for their first increment after no more than 15 months, and the POA's alternative approach of reverting to individual anniversary increments. Given the relatively high cost of the proposal to revert, and the priority we attach to ensuring our recommendations this year deliver benefits to staff across the remit group through the increase to each scale maximum, we endorse the changes recommended by the Service on probationers.

Our specific recommendations will cost £9 million and, when combined with the impact of incremental progression, will result in average earnings growth for those in post of 3.3 per cent, and paybill growth of £32 million (2.6 per cent).

Looking ahead to the 2011 round, we await detailed proposals from the Service on some of the issues we identified in our 2009 report as needing attention, notably Locality Pay and the pay of senior managers A and B. We also signal in Chapter 4 some of the broader issues which have caused us concern this round. In particular, we remain concerned about the absence of an agreed way forward between the parties on workforce reform, which will be needed to enable the Service to meet its challenging efficiency targets. We urge the parties to work together to develop detailed proposals for our consideration in the next pay round. We also ask the Government to consider whether, notwithstanding the difficult climate on public finances, pump-priming funding can be found, subject to it being satisfied that such funding would bring clear benefit to the Service. It will in our view be difficult without this to ensure that staff are fully engaged with and support the further changes needed.

Chapter 1: Introduction

Our remit 1.1 The Prison Service Pay Review Body (PSPRB) is a statutory pay review body³ set up to examine and report on matters relating to the rates of pay and allowances to be applied in the prison services in England and Wales and Northern Ireland. The Regulations under which we were set up provide that the Secretary of State may direct us as to the considerations to which we should have regard and the timing of our report. We have standing terms of reference (reproduced at page viii) which complement our statutory remit; these emphasise that we should provide *independent* advice based on the range of evidence available to us.

- Outcome of our last report** 1.2 In our 2009 report, we recommended:
- a 1.8 per cent consolidated increase to the maximum of the operational support grade (OSG) and prison officer scales; to the senior officer (SO) salary; the principal officer maximum; and to the maximum of the pay scales for the night patrol, storeman and assistant storeman and prison auxiliary grades;
 - a 1.5 per cent increase to the maximum of operational manager pay ranges A to G, and compression of these pay ranges;
 - no change to the level of Required Hours Addition (RHA). We endorsed NOMS' proposal to separate out the RHA element of pay for all new managers D and to show it as an allowance;
 - no change to the rates for Payment Plus, Operation Tornado payments and specialist and other allowances;
 - no change to the rates of Locality Pay; and
 - no change to notional rents.

1.3 The Government accepted our recommendations and implemented them in full from 1 April 2009. We welcomed this decision.

Activation letter 1.4 The Minister of State, Maria Eagle, wrote to the Chair of the Review Body on 22 September 2009, asking us to initiate the 2010-11 pay round and to make recommendations by 22 February 2010. The letter, included at Appendix A, outlined the considerations to which we should have regard, including NOMS' commitment to an incremental approach to introducing new pay and grading structures which would comply with statutory obligations under employment law. The letter also emphasised the importance of NOMS being able to deliver efficiency targets, remaining competitive and providing best value.

³ The Prison Service (Pay Review Body) Regulations 2001 (SI 2001 No. 1161). PSPRB operates in England and Wales and Northern Ireland; the Scottish Prison Service is outside our remit.

The context for this report *The economic context*

1.5 The wider economic context, which formed the backdrop to our recommendations, has been difficult. In 2009 the country continued to be in recession with unemployment increasing for most of the year and pay freezes affecting many private sector employees, and with severe constraints on public expenditure unlikely to ease in the medium term. The Chief Secretary to the Treasury set out in a letter of 5 October the Government's approach to the 2009-10 pay round. He emphasised that for groups covered by Review Bodies (other than those in multi-year deals) the Government was seeking awards of up to 1 per cent, with no increase for senior groups. This was reflected in the Government's detailed evidence, submitted to us by NOMS in November 2009. We assess in Chapter 2 the parties' evidence on the economic and labour market context, along with other issues central to our remit: recruitment, retention, morale and motivation, and affordability.

Workforce reform in the Prison Service

1.6 As the Minister's letter made clear, NOMS is seeking to introduce change incrementally, following the rejection of the package of proposals on workforce modernisation earlier in 2009. Prior to the start of this round, the Service had announced the ending of recruitment to the former prison officer grade, and the closure of the principal officer grade, and had just concluded a period of consultation between the parties on proposals for the introduction of new prison officer grades (PO2 and PO1). As we started our deliberations, work was still underway on the arrangements for introduction of these new grades and, contrary to the expectation signalled in our last report, NOMS has not asked us to make recommendations this year on the new uniformed scale, but has said it will return to us with proposals in time for next year's round.

1.7 The Service regards this as a year of transition. Establishments are in the process of wider managerial restructuring, intended both to secure efficiency savings and to ensure appropriate structures when the principal officer role is withdrawn. Ahead of completion of this work and associated job evaluation, the Service has not been able to complete the proposed review of the pay for senior managers A and B, on which we had anticipated proposals this round. Whilst it has made some progress developing proposals for a new system of locality pay, these too will not be ready for us until later in 2010.

1.8 As we said in our last report, it is our view that the parties will need to agree a way forward on modernisation of the pay and grading structures which will enable the workforce to engage with and support reform in delivery of this important public service, thereby enabling NOMS to continue to meet its financial and operational objectives. We return to this in Chapter 4 of this report.

Our work programme and evidence base

1.9 We base our recommendations on evidence from a number of sources:

- written and oral evidence from the parties;
- statistical data provided by NOMS in the autumn of 2009, subsequently updated, and shared with all the parties;
- information gathered during our visits to prison establishments; and
- independent research carried out by our secretariat or commissioned by them on our behalf.

1.10 We received written submissions from the parties in November 2009 and held oral evidence sessions in December 2009 with the Minister of State for Justice, Maria Eagle, together with NOMS led by the Director General, Phil Wheatley, and accompanied by representatives from HM Treasury; with the POA led by the Chairman, Colin Moses, and General Secretary, Brian Caton; with the PGA led by Paul Tidball, Chairman, and Paddy Scriven, General Secretary; and with PCS led by Mike Nolan, NOMS Group President with colleagues from other member unions of the NOMS Trade Union Side. These sessions allow us to probe the parties on their written submissions and the evidence that underpins them. We also used these sessions to test the evidence from our visits.

Our ways of working

1.11 We are remitted to make independent, evidence-based recommendations. Our process is very different from a negotiation where the parties expect to work towards a solution from opposing opening positions. We require submissions from the parties that are based on hard evidence on staffing, recruitment and retention and the indicators for morale and motivation. We are conscious that we need also to consider qualitative evidence on morale and motivation, factors which are hard to measure with certainty, but that evidence must be credible when set alongside the hard data. We recognise that the other parties are substantially reliant on the Service for key data, and accordingly we asked our secretariat to circulate key statistical material from the Service ahead of the round. This enabled the parties to check the accuracy of the data provided and to raise any concerns with us through our secretariat.

1.12 As usual the Chair had informal pre-round discussions with all of the parties before the formal submission of evidence. These were invaluable in helping us to understand the broader context within which the parties would be submitting detailed evidence, and to ensure we had a genuine dialogue in the oral evidence sessions. In future rounds we will consider whether we can build on these informal contacts ahead of the formal evidence sessions to foster mutual understanding of the parties' main concerns.

Visits

1.13 In 2009 we visited 12 establishments (listed at Appendix B) plus the NOMS Wales Area Office and the NOMS National Tactical Response Group training centre in Hatfield Woodhouse. These visits gave us a unique opportunity to hear directly from the staff about their views on pay and wider issues in the workplace which impact on morale, motivation and retention. They included discussions with staff in the uniformed grades and with managers; a briefing with the governing governor and his/her management team; a meeting with local union and staff association representatives and a tour of the establishment during which we could talk informally to staff. In addition to these visits, one of our members also spent a day in an establishment 'shadowing' members of staff to gain a deeper understanding of their roles and the challenges they face.

1.14 We are aware that our visits require considerable organisation and interrupt the working day. We were very grateful for the efforts made by staff at all levels to ensure that our visits in 2009 added to our understanding of our remit group and their work. We particularly value these opportunities to meet members of our remit group and we invite as many as possible to join in discussion groups and/or speak to us as we walk around the establishments.

1.15 We value other evidence which contributes to our broader understanding of the work of the remit group and the wider pressures and changes in society which add complexity to the work of Prison Service staff. We were pleased therefore to have the opportunity to consider the House of Commons Justice Committee report *The Role of the Prison Officer*, which the POA submitted as part of their evidence this year, and we return to this in Chapter 2.

Our 2010 report

1.16 We set out in Chapter 2 the main evidence from the parties which we considered in reaching our overall pay recommendation, and also took account of in making detailed recommendations in Chapter 3. This evidence includes the economic and affordability context, Service staffing levels, recruitment and retention, external pay comparisons, morale and motivation and evidence on improving public services. In Chapter 3 we assess detailed proposals from the parties on pay for particular grades and for allowances, and set out our recommendations. We have sought to propose a balanced package which gives adequate weight to the importance of fairly rewarding groups contributing to delivery right across the Service, whilst having regard to the need to target limited resources where they can have most value.

1.17 In Chapter 4 we look at some issues which will bear on our future work.

Chapter 2: Evidence and overall pay recommendation

- Introduction** 2.1 In this chapter we assess the main evidence from the parties on the economic context, staffing, recruitment and retention, pay comparisons with private prisons, affordability for the Service, morale and motivation and improving public services. These issues inform our overall consideration of pay recommendations to apply from 1 April 2010, including any increase to base pay for the remit group as a whole.
- Economic context** 2.2 NOMS evidence included the Government's assessment of the general economic context and the outlook for the economy in 2010-11. It emphasised that the impact of the global financial crisis on economic activity had been more severe than expected and that public finances had been profoundly affected with an unexpectedly large public sector borrowing requirement. The Government expected 2010-11 to be a challenging period for the global economy; the impact on confidence and activity from the financial crisis had led to high levels of uncertainty over economic prospects. UK GDP growth was forecast at 1¼ per cent in 2010⁴ with a progressive pick up in growth through 2010 and 2011. Pay Review Body decisions for 2010-11 would, the Government stressed, have medium-term implications for both employment and public finances.
- 2.3 The Government evidence also set out the implications of wider economic developments for public sector pay decisions. It predicted recruitment and retention would remain healthy across the public sector in 2010-11, aided by an increase in the perceived value of defined benefit pensions and greater job security. Given the tighter environment for spending, it considered pay restraint to be a key factor in protecting public service quality, and was seeking pay awards in the range 0 to 1 per cent, with no increase for senior groups.
- 2.4 In deciding on pay recommendations for 2010-11, the Government asked pay review bodies to:
- consider the implications of decisions on pay in 2010-11 for workforces and the Government's finances in the medium term;
 - recognise that there are competing priorities for spending on pay which may contribute more to public servants' ability to do their jobs and outcomes for the taxpayer;
 - note the significant investment in frontline workforces made by the Government both in terms of pay and workforce numbers;
 - note the healthy recruitment and retention position; and
 - recommend a targeted approach within workforces where possible to deliver best value for money.
- 2.5 In the Government's view, wider labour market indicators also supported pay restraint. Unemployment stood at 2.46 million or 7.8 per cent in the three months to November 2009, over half a million higher than twelve months previous. Latest independent forecasts were that unemployment would continue to grow for some time to come. Employment levels were at 28.9 million or 72.4 per cent, 1.8 percentage points lower than twelve months previously.

⁴ Budget 2009 and Pre-Budget Report 2009, HM Treasury

Inflation, settlements and earnings

2.6 Average earnings (including bonuses) across the whole economy in the three months to November 2009, increased by 1.6 per cent compared with the same period a year earlier. Private sector earnings rose by 1.3 per cent compared with a 2.5 per cent increase in the public sector. The median independent forecast⁵ is for whole economy average earnings growth of 1.3 per cent in Q4 2009 and 2.2 per cent in Q4 2010. Median settlements in the three months to December 2009 varied according to commentators from between zero to 2.0 per cent. Incomes Data Services data indicated that around a third of pay settlements were pay freezes.

2.7 Inflation levels continued to fall during the summer and autumn months of 2009 since our last report was published before increasing in the last two months of 2009. The consumer prices index fell below target to 1.1 per cent in September before increasing to 2.9 per cent in December 2009. The retail prices index remained negative until October 2009, reaching a low of -1.6 per cent in June, but increased in each of the last two months of 2009 to stand at 2.4 per cent in December.

Staffing levels

2.8 At 31 March 2009 there were 35,988 staff in our remit, an increase of 2.3 per cent from the previous year. The number of operational managers increased by 8.3 per cent over the period, and the number of officers increased by 3.0 per cent, while the number of OSGs fell by 1.0 per cent. It is not clear how these apparent changes in staffing sit alongside the Service's planned restructuring which aims to reduce the management overhead. We will be interested to see how this develops in the coming year. Twenty-seven per cent of the remit group were female (up from 26 per cent the previous year) compared to 36 per cent in the Service overall. Figure 2.1 shows the number of remit staff in post at 31 March each year from 2005 to 2009.

Figure 2.1: Headcount of remit group staff in post, at 31 March 2009

Staff group	Headcount of staff in post at 31 March					Change between 2008 and 2009	
	2005	2006	2007	2008	2009	No	%
Operational manager grades	1,428	1,418	1,465	1,518	1,644	126	8.3
Prison officer grades:							
Principal officers	1,316	1,283	1,306	1,327	1,358	31	2.3
Senior officers	3,901	3,946	3,964	4,094	4,216	122	3.0
Prison officers	19,223	19,499	19,711	20,082	20,692	610	3.0
Total prison officer grades	24,440	24,728	24,981	25,503	26,266	763	3.0
Operational support grades	7,314	7,461	7,663	8,158	8,078	-80	-1.0
Total (remit groups)	33,182	33,607	34,109	35,179	35,988	809	2.3

Note: Figures are on a headcount basis (i.e. part-time staff count as one)

Source: Prison Service Personnel Corporate Database

⁵ Forecast for the UK Economy 20/01/10, HM Treasury

Payment Plus

2.9 From July 2008 NOMS and the POA negotiated an agreement resulting in the introduction of Payment Plus (PP) which replaced Contracted Supplementary Hours payments. At the end of July 2009 the numbers in receipt of PP for staffing reasons equated to 566 whole-time equivalents. In addition payments were made to staff covering bedwatch and constant watch equivalent to a further 543 whole-time equivalents.

2.10 At 31 July 2009, there was a deficit of officers of 509, or 2.0 per cent, against an operational staffing requirement (OSR) of 25,656. However, after accounting for the additional 566 whole-time equivalents made available through Payment Plus for staffing reasons, in overall terms this allowed the deficit against OSR to be covered.

TOIL and additional hours

2.11 The outstanding TOIL (time off in lieu) balance for officers at 31 March 2009 was 357,000 hours, or an average of just over 14 hours per officer. This was little changed from the same point a year earlier when the outstanding balance was 354,000 hours. Later data, at 30 June 2009, showed a reduced balance of 331,000 hours (just over 13 hours per officer) although data for some individual establishments showed surprisingly large changes from the position three months earlier. It will be interesting to see if a similar picture emerges at the end of March 2010.

2.12 In its evidence to us, the POA stated that in addition to TOIL the cost of extra hours worked⁶ was over £42 million and that overall the levels of additional hours worked by staff were at an all-time-high and were unsustainable in terms of the health and safety of the staff involved. The POA was particularly concerned that the outstanding number of TOIL hours was at such a level that the Service was unable to allow staff to take the time they were owed within a maximum of five weeks, as set out in Bulletin 8. We comment in paragraph 3.52 on these concerns.

Recruitment and retention

2.13 In the year to March 2009, 2,240 new officers joined the Service, the highest number since 2003-04. In the first half of 2009-10 the number of new officers recruited fell sharply, to just 140. The Service advised that this was a planned reduction as it was seeking to recruit prison officers on new terms and conditions with effect from 1 October 2009. In the three months from October, 115 new officers were recruited.

2.14 In the year to March 2009 turnover rates fell for all grades, with 1,110 staff leaving from the officer and managerial grades combined. The proportion of officers leaving the Service continued to fall, to 4.1 per cent, while the leaving rate across the remit group as a whole fell back to 6.4 per cent. For comparison purposes, data from the Chartered Institute of Personnel and Development (CIPD)⁷ for 2009 show turnover rates in the economy as a whole at 15.7 per cent and in the public sector at 12.6 per cent.

⁶ Includes Payment Plus, Contracted Supplementary Hours, Constant Watch, Bedwatch and Tornado.

⁷ Employee Turnover and Retention: CIPD, July 2009

Figure 2.2: Recruits, conversions and leavers from the unified grades, April 2005 to December 2009



Comparisons between public and private sector prisons

2.15 Our terms of reference require us to take account of any differences in terms and conditions of employment between the public and private sectors. Each year from 2002 to 2006 our secretariat commissioned on our behalf independent research comparing pay and benefits in the public and private prison sectors⁸, which indicated a consistent pattern of relativities between the two sectors over the period. That research showed that uniformed staff in the public sector establishments had a pay lead over their private sector counterparts up to and including senior officers. For principal officers those in the public sector were behind their private sector counterparts on basic pay, but once the value of benefits were taken into account the position was reversed. For operational managers those in the public sector were behind their private sector counterparts on base pay and after taking account of benefits. In 2007 and 2008 our secretariat contacted the private sector providers directly for updated information on pay and conditions. That exercise also suggested that the pattern of relativities remained substantially unchanged.

2.16 We had intended to commission independent, consultant-led research into pay and benefits in the private sector for our 2010 report. However, this was delayed because of the later timetable of work required for the 2009 pay round. Preparatory work, including consultation with the parties on our approach, is now underway and the main work will be commissioned to report by late summer 2010, and so inform our next round. It is important to note, however, that the private sector operates 11 establishments, all of which are outside central London, and none of which is part of the high security estate. We remain cautious, therefore, about the extent to which the research can compare like for like.

⁸ MCG Consulting 2002-2006

Affordability 2.17 The Government's evidence emphasised the acute financial pressures facing NOMS, and public services more generally, as a result of the tighter public spending environment caused by the global financial crisis. The Service told us that its funding requirement, when compared to its indicative baseline, implied a funding gap of £246 million (5.9 per cent) and it would be required to make further significant headcount reductions and efficiency savings in the coming year. It emphasised that it would seek to protect front-line services as far as possible, requiring larger proportionate savings in headquarters, and seek significant savings through, for example, better use of IT expenditure and smarter procurement decisions. It also indicated the need to look for better ways of delivering the service with fewer staff. Its evidence said that final decisions on staffing would be heavily influenced by paybill growth, and in NOMS' view there would now be an inverse correlation between pay growth and staffing numbers. To illustrate this the Service said that each additional 0.25 per cent increase on the maximum of pay scales would cost £2 million, with associated increases arising from scale compression, and that every £1 million of additional expenditure on paybill would result in a need to reduce 30 posts across the organisation.

2.18 Other parties' evidence recognised the affordability position, but commented forcefully on the important contribution prison service staff had already made to securing efficiency savings in the Service, and the increasingly challenging environment in which they now worked. We noted that one indicator of the commitment of staff was that, despite the pressures on the Service, it met or exceeded all twelve of its delivery targets set for 2008-09. Data for the first half of the year suggest that the Service is well placed again to meet or exceed almost all of its targets in 2009-10.

2.19 The POA emphasised its commitment to working with the Service to bring about the necessary changes and savings, but argued that its pay claim was justified and affordable given the changes that employees have had, and will have, to manage year on year. In oral evidence the Union stressed that there remained scope for finding economies from elsewhere in the Service, e.g. IT and travel, rather than reducing staff numbers. The PGA emphasised the need to reward the significant leadership role its members played in delivering the impressive performance of the Service, whilst securing efficiency gains, e.g. from the standardised core day.

2.20 NOMS also referred in oral evidence to the affordability consequences of the 'read across' of our recommendations to non-remit groups in the Service. This arises because of an agreement between the employer and the PCS who represent these groups. However, our focus must be on making recommendations for our remit group, the only one for which we have full evidence to consider. We return to the question of our remit in Chapter 4.

Morale and motivation 2.21 During the course of our visits this year, we became concerned about the levels of morale and motivation in the Service. Whilst we heard much encouraging comment from staff about their commitment to their work, we were also struck by widespread concerns at all grades about the way workforce modernisation proposals had been communicated. The uncertainty and confusion which this had created for many staff had undoubtedly had an impact on morale and motivation.

2.22 In its oral evidence to us NOMS was unable to present new evidence from the annual staff survey as that was only just taking place (to a timetable common across Whitehall departments). The Service said it was not aware of any significant change in morale or motivation since submitting evidence to us in May 2009 for the last pay round. It did however recognise that there might be higher levels of uncertainty among employees given that the Service was facing such significant change, and that this had the potential adversely to influence morale or motivation. NOMS subsequently sent us a summary of high-level results from the autumn 2009 survey. The particularly low scores on how well change was managed tended to reinforce the concerns we had heard on visits about communication and understanding of changes.

2.23 Sickness absence can be an indicator of morale and motivation. In 2008-09 across the Service as a whole, on average, 10.8 working days were lost to sickness against a key performance indicator (KPI) target of 11.5 days. For the economy as a whole, published data⁹ showed that the average level of employee absence in 2008 was 7.4 days (down from 8.0 in 2007). This comprised of 9.7 days in the public sector (up from 8.5) and 6.4 days in the private sector (down from 7.2). Around two-thirds of sickness in the Service is classed as long term (more than 28 days), an average of 0.8 days are lost as a result of assault and injury at work and 0.9 days for mental and behavioural reasons, including stress. The figures for our remit group showed a reduction in the average number of days lost, from 12.6 days in 2007-08 to 11.7 days in 2008-09, with a reduction recorded for all remit group grades. Data for the first half of 2009-10 for the Service as a whole showed the average number of days lost had reduced slightly to 10.6, albeit against a new target of 10.5 days. In oral evidence NOMS said that reducing sickness absence and lack of retention problems suggested morale was not a major problem for the Service.

2.24 The POA emphasised to us in written and oral evidence the low level of morale in the Service, and the Union's view that the professional approach, dedication and goodwill of front line staff continued to be undervalued, a point which it considered was underlined in the recent House of Commons Justice Committee report¹⁰ on the role of the prison officer. The POA illustrated this with a comment made by the Howard League for penal reform in a memorandum to the Justice Committee:

"In recent years Prison Officers have been asked to undertake increasingly complex and varied tasks, but have not benefited from commensurate remuneration, respect or support."

We also noted the Committee's own comments in their report on the demands of the prison officer role, for example:

"a significant proportion of prison officers join the service out of a real sense of vocation and have a genuine commitment to developing constructive relationships with prisoners..... We are not convinced that the positive motivation of prison officers is being fully harnessed as a force for good." (paragraph 14)

"the work of the prison officer demands extensive life skills which allow him or her to build appropriate and positive relationships with the prisoners in his or her care." (paragraph 73)

This accords with the evidence of the commitment and skills of officers across the Service which we saw on our own visits.

2.25 The POA also expressed the view that continued employee shortages, a significant rise in violence in the workplace, and the increased need to work additional hours, all impact on staff. In oral evidence the Union reinforced the arguments about the pressures of the work, drawing attention for example to the work of Professor Cary Cooper of the University of Manchester, whose 1997 study had, it said, placed the job of prison officer at the top of a list of the most stressful jobs in Britain. The POA also emphasised the potentially negative impact on staff of aspects of pay, such as the changes to timing of probationers' first increments, and the wider comparison observed with other public sector groups who had consistently secured higher increases in recent years.

⁹ Chartered Institute of Personnel and Development Absence Management, Annual Survey Report 2009

¹⁰ House of Commons Justice Committee, Twelfth Report of Session 2008-09, Role of the Prison Officer, HC 361

2.26 The PGA emphasised in evidence its view that morale had "taken a very serious knock" in the past two years, and in oral evidence pointed to the unequal impact of recent pay awards on different groups such as the lower increase to the maximum of scales for operational managers compared to the uniformed grades' award. It also cited the pressures on operational managers to carry out additional work made necessary by reductions in posts and restructuring; and the feeling of members that neither the Service nor ministers valued the work and loyalty of the governor grades. The PGA also drew attention to the inadequate recognition implied by comparisons with recent, higher pay awards to other public sector managers, and to the overall package for managers of private prisons.

2.27 The PCS underlined in oral evidence the potential for pay decisions to have a negative impact on morale of particular groups, particularly if, as NOMS evidence proposed, there was no increase to scale maxima which would mean many staff receiving no increase. It also emphasised the merits of proposing a minimum cash increase to address what the Union considered to be unacceptably low levels of basic pay for some groups.

Overall approach of the parties

2.28 As we noted in Chapter 1, NOMS is seeking to make progress on workforce reform by introducing changes incrementally. Its evidence emphasised plans to continue to reform pay and reward structures; to introduce flatter management structures; and to encourage greater flexibility in staff deployment. The Service emphasised in oral evidence that such reform would be required to ensure delivery of an efficient prison service given the tighter constraints on public expenditure, and therefore Service budgets, in the coming years. It asked us to target our recommendations on proposals which would support planned reform, and proposed no specific headline increase pointing instead to the evidence for pay restraint. We consider the case for a headline increase below, and detailed proposals, and the other parties' evidence on them, in Chapter 3.

2.29 On the Service's overall approach to reform, we were clear from the evidence set out above in relation to morale and motivation that each of the unions has substantial concerns about the way the Service is proceeding. When asked about priorities in oral evidence sessions, we heard a consistent message from those representing staff that this year we should focus whatever money was available for pay on a package which would be perceived as fair across the remit group and motivate all staff by signalling that their contribution was valued. This was in preference to measures in support of targeted reform.

2.30 The unions set out clearly in their evidence the case for an increase to basic pay. The POA sought a 2.5 per cent increase for all in the remit group, based on the increases in average earnings for other groups of workers and because year-on-year earnings for employees in the remit group had not kept pace with inflation. The PGA asked for a 1.5 per cent revalorisation of all spine points and an additional uplift of 0.3 per cent at the top of scales to make up the difference between the 2009 awards of 1.5 per cent for operational managers and 1.8 per cent for other grades. The Association emphasised that its members should not be disadvantaged compared with other public sector groups. The PCS asked for a consolidated increase of 6 per cent and a minimum cash increase of £1,000 to benefit the low paid.

2.31 In making their case for a headline increase, the unions all acknowledged the wider context of the economic climate and they emphasised the importance of morale and motivation to our consideration this round, as set out earlier in this chapter. They also pointed out that recent basic pay awards for prison service staff had not kept pace with wider earnings increases in the economy, nor with inflation, and had been lower than for many other public sector groups.

Analysis 2.32 The evidence set out in paragraphs 2.13-14 suggests there is no significant problem with recruitment and retention in the short-term which requires a pay response. That is reinforced by wider economic indicators, which for most of 2009 showed inflation low and unemployment increasing. Towards the end of the year inflation picked up, and unemployment showed signs of levelling out, but there remained considerable uncertainty about the timing and pace of any economic upturn. Whilst we must take account of the Government's inflation target, as we have made clear before, it is not part of our remit directly to link our recommendations to inflation prospects, or future earnings growth in the wider economy. We do however need to take account of the impact of wider economic factors on recruitment and retention.

2.33 We have noted in past reports the difficulty of reaching firm conclusions on morale and motivation, and the importance of looking at trends shown by evidence such as sickness and retention data and staff survey results. We make a careful assessment of such evidence alongside other anecdotal material. In this context it is disappointing not to have had an opportunity to probe up-to-date staff survey evidence with all the parties during our oral evidence sessions, and we hope to have more timely evidence in future rounds.

2.34 Both sickness absence and staff turnover have been on a downward trend over recent years. As we have noted, in the year to March 2009 sickness levels for the remit group were down from 12.6 days to 11.7, and turnover rates fell from 7.3 per cent to 6.4 per cent, with turnover of prison officers at 4.4 per cent. These figures alone do not suggest significant problems with morale and motivation.

2.35 However, on the basis of the overwhelming evidence from our visits, we probed the issue of morale and motivation closely in oral evidence, including the question of how far it is susceptible to being addressed by pay. We heard convincing evidence from the unions that pay levels can be one of a number of important factors in influencing morale and motivation in the Service, alongside other issues, because of the importance of pay in signalling how the Service values its staff. They emphasised that no increase would do serious damage to morale and motivation.

Improving public services 2.36 We are also conscious that our terms of reference require us to take account of the Government's policies to improve public services. We recognise that progress on workforce reform has an essential contribution to make, and firmly believe that the parties need to work together to develop proposals which will gain the support of the workforce. We saw good examples on our visits of managers gaining the trust and commitment of staff to work together on changes at local level, but this will be needed right across the Service to sustain delivery and secure the improvements needed. We heard compelling evidence on our visits, and in oral evidence, that at national level much remains to be done to gain the commitment of staff, at all levels, to the next stages of workforce reform. We urge the parties to work together to develop reform proposals which will enable staff and managers across the Service to ensure efficient delivery of this important public service. This is an issue to which we return in Chapter 4.

Recommendation 2.37 Against this background we have sought carefully to balance the Government's overall policy on public sector pay, and the Service's judgement on the need to avoid an overall pay increase and focus resource on targeted measures which support reform, against our wider assessment that it is important to give a clear signal to prison service staff of the value of their work if they are to be motivated to work effectively with the Service on the next stages of reform. This assessment was underpinned by evidence from the unions and our own visits. Our considered judgement is that this requires a modest increase to the maximum of all scales to ensure that all staff see some pay uplift, either from that increase or from incremental progression. Conscious of affordability constraints, we decided to give priority to an increase for those at the top of their scales, and not to recommend revalorisation of points below, because many staff in the Service will continue to benefit from incremental progression, which has been enhanced in recent years by scale compression for prison officers and operational managers.

2.38 We considered carefully what level of increase would be appropriate. Whilst there are no current recruitment or retention problems, we did not want prison service staff to be unduly disadvantaged as compared to the generality of public sector groups receiving pay awards this year. We recognised however that the evidence does not support an increase at the level of those three-year deals agreed some time ago in a very different climate. We judged that an increase of less than a full percentage point risked damaging, rather than sustaining, morale and motivation. But the affordability constraints on the Service, and the wider labour market context, make it difficult to justify an increase higher than 1 per cent, particularly when the case is based only on morale and motivation, without evidence on recruitment and retention difficulties.

2.39 Accordingly, we recommend an increase to scale maxima of 1 per cent for all grades, except senior officers for whom we recommend a 1.5 per cent increase. Our reasons for treating them differently are set out in Chapter 3.

Recommendation 1: We recommend that scale maxima generally should be increased by 1 per cent, and for senior officers by 1.5 per cent.

The resulting pay scales are set out at Appendix C.

2.40 In making this recommendation we are conscious that we have in our previous three reports also recommended an increase to scale maxima without revalorisation of intermediate points below. In the longer-term this is not a sustainable position because of the way it creates an artificially large gap between the penultimate point and the maximum of the scales. This is an issue we will wish to address in future rounds.

2.41 In Chapter 3 we assess detailed proposals from the parties on the pay of particular groups, and on various payments and allowances. In reaching conclusions on these, and the overall increase to the maximum of scales, we have sought to achieve a balanced package which will help motivate all staff in our remit group who are delivering this important public service, whilst also taking account of the Service's wish to see some targeted measures which support workforce reform, and for an overall package which is affordable.

Chapter 3: Detailed pay and allowances recommendations

Introduction

3.1 The Service's evidence to us this year placed particular emphasis on the need for targeted proposals which supported the general direction of travel of workforce reform, in preference to any increase in pay scales or their maxima for all staff. We consider these proposals below, but in reaching our conclusions we had to take into account the cost of our recommendation of a general increase to scale maxima, given the strong evidence put to us by the Government and Service on the public expenditure climate and affordability. This left little margin for spending on targeted measures.

3.2 A further consideration is our view that the Service needs to engage the unions and staff in the next stages of reform. This may require fresh thinking about the overall package of proposals needed to deliver reform, and means the argument for targeting scarce funds on specific elements of the current proposals is less compelling.

3.3 We also consider below proposals submitted in evidence by other parties, and make recommendations where we believe it is both appropriate and within our remit to do so.

Senior managers A and B

3.4 We noted in our 2009 report NOMS' intention to review the pay of senior managers A and B, something we considered was long overdue. We also asked our secretariat to undertake research on pay for comparable leadership groups in the wider public sector. Against this background we were disappointed not to receive proposals from the Service for this round.

3.5 However, NOMS' evidence explained that their intention was to develop a new pay range structure for governing governors as part of the overall pay design that is planned in the light of job evaluation, and to ensure their work is also informed by public sector comparators and matched roles in private sector prisons. It asked us to make no specific additional changes to remuneration at this level until the review was complete and could be presented to us as part of overall plans for introducing new pay and grading structures.

3.6 Evidence from the PGA emphasised the considerable pay lead enjoyed by private sector governors in charge of prisons, and the higher headline pay increases received by others in the public sector in recent years. It will be important for the NOMS review to take proper account of these comparator groups. The PGA did not however ask us to make specific recommendations targeting senior managers in this pay round.

3.7 Our secretariat conducted a review of the pay for senior managers in prison services elsewhere in the UK, including the privately managed prison sector and some other senior managers in leadership roles across the wider public sector. Whilst it is difficult to assess the relative job weight across organisations and sectors, the levels of pay available to the most senior operational managers in the Service in England and Wales are higher than those for their counterparts in Northern Ireland and in Scotland, but lower than those for Directors in the privately managed prison sector. The other data suggest that higher salaries may be available to those working in some leadership roles in other parts of the public sector. Figure 3.1 sets out some examples.

Figure 3.1: Pay of some other senior managers

Post	Pay range (£) rounded to nearest £100	Further information
England and Wales Prison Service – senior managers A-B	£58,200 – £82,100	From April 2009
Northern Ireland Prison Service – governor 1-2	£67,300 – £79,800	From April 2009
Privately managed prisons – directors	£91,100 pay average in 2006	Comparison in 2006 showed a gap of 26-36 per cent after taking account of wider benefits
Two most senior grades in Scottish Prison Service	£43,200 – £67,800	From October 2009
Police – Assistant Chief Constables	£88,500 – £103,200	From September 2009
Headteachers (outside London)	£41,400 – £102,700	Median for secondary schools £76,700 (from September 2008), but some posts recently advertised in range £110 – 120,000
Armed Forces – Colonel	£79,700 – £87,700	From April 2009. This includes X-Factor (worth £7,000 to this group) which is paid to reflect the relative disadvantages of military life

3.8 In considering our recommendations this year, we were also conscious of the Government's overall policy which seeks restraint in the pay of senior managers in the public sector, although the Minister confirmed that our judgement on pay for senior operational managers in the Service was not directly constrained by the Government's guidance on a Senior Civil Service pay freeze.

3.9 Against this background, we make no additional recommendations on the pay scales for senior managers this year, but again urge NOMS to bring forward proposals as soon as possible on completion of their review.

Senior officers 3.10 In recent years we have consistently heard on our visits evidence that the senior officer (SO) role bears an increasingly heavy workload, and that the incentive to promotion from prison officer to senior officer is insufficient. SO pay is only some 7.2 per cent higher than the prison officer maximum, and there is no incremental scale offering progression. In addition, the prison officer scale is structured such that the increase in pay available from incremental progression, at 10.5 per cent, for an officer moving from the penultimate point on the prison officer scale to the maximum is greater than that for an officer on the scale maximum getting promotion to SO. These are concerns we have heard from prison officers, from SOs themselves, and from principal officers. We are not yet clear on the full implications for the SO role of the abolition of the principal officer grade, and the introduction of the new prison officer 2 and 1 roles. Restructuring will almost certainly place some additional demands on the SO role, as well as reinforcing its key leadership role within the uniformed grades.

3.11 The Service will need to attract and retain in the SO role good quality people with the skills and experience to lead the uniformed grades. We believe that there is a strong case for looking again at the appropriate pay for this group, once the full implications of restructuring are clear and once the pay scale of the new prison officer 1 grade is fixed, as this group will over time provide the pool from which SOs are recruited. We considered whether, in the short-term, a higher increase than 1 per cent was justified to ensure a pay differential which offered a greater incentive to promotion. We recommend a modest additional increase for SOs giving a 1.5 per cent increase in total. This should be seen as a first step towards pay for the grade which recognises the developing SO role, and which encourages able prison officers to aspire to promotion.

Recommendation 2: We recommend that the pay of senior officers should be increased by 1.5 per cent.

The resulting pay rate is set out at Appendix C.

Probationers

3.12 Prior to April 2007 all uniformed grade staff who were eligible for an increment received it from their anniversary in the grade. From April 2007, as part of restructuring of the prison officer scale, the incremental date was changed to 1 April for all prison officers. This meant that some existing officers received two increments within a short period. Similar changes were made from April 2008 for OSGs. These changes, although advantageous to some, meant new staff waited between 12 and 23 months for their first increment, depending on their start date. They did however then progress more rapidly up a shorter scale than under the old arrangements and so achieved higher lifetime earnings.

3.13 In our 2009 report we acknowledged the POA's argument that this change had disadvantaged some individuals whose start date meant a long wait for their first increment. We also noted NOMS' commitment to adjust the system so as to retain a common incremental date of 1 April whilst ensuring in future no one had to wait more than 15 months for their first increment. We asked the Service to ensure that probationers currently in the system were treated no less favourably.

3.14 In evidence this round, NOMS proposed that new OSG and prison officers who joined on or after 1 April 2009 would be eligible to move one point up the pay scale after 12-15 months (rather than 12-23 at present) and receive their second increment after 15-27 months (24-35 at present).

3.15 The POA commented in its evidence that the move to a common incremental date still angered staff and it asked us to reject the NOMS proposal. The Union proposed instead that we should recommend reverting to anniversary incremental dates.

Analysis and recommendation

3.16 We have given this issue very careful consideration and we probed the parties carefully on their respective proposals to try to identify a satisfactory resolution. We also asked our secretariat to assess the cost of different options.

3.17 As far as the POA proposal is concerned, we recognise the strength of feeling which has led it to consider a return to anniversary increments is the better approach, but we have serious concerns about the cost of making such a change for staff now on the 1 April date. In effect this would give those below the scale maximum an extra increment on their anniversary, in addition to the one they had received on 1 April. The average increase would be half an increment which we estimate would cost some £2 million, a figure NOMS confirmed in their oral evidence.

3.18 We also have outstanding concerns about the NOMS proposal. Whilst in our view it is an acceptable way forward for staff joining the Service from 1 April 2009, it remains the case that some staff who joined between April 2007 and March 2009 will have been initially disadvantaged by having to wait longer than 15 months for their first increment, so it does not fully meet our expectation that probationers already in the system be treated no less favourably. We therefore considered whether to recommend some form of recompense.

3.19 However, such an approach would also have a significant cost, and would benefit a limited group who are already set to see significant progression increases from now on. At a time when there is limited money available, and the unions have emphasised the importance of fairness across the remit group, we concluded on balance that we should not propose measures to recompense those previously disadvantaged, or recommend a return to anniversary increments, given the costs involved. We therefore, with some reluctance, endorse the NOMS proposal, as this ensures a maximum wait of 15 months for those prison officers and OSGs joining from 1 April 2009.

Recommendation 3: We endorse proposals to ensure prison officer and OSG probationers are eligible for a first increment after no more than 15 months, as set out by the Service.

New prison officers 3.20 The Service included in its evidence, and has promulgated, "transitional pay points" for the new prison officer 2 role to which it is now recruiting. It also intends to introduce a prison officer 1 role which would require additional skills, knowledge and experience. However, the Service argued that it is not in a position to propose full pay ranges for the new prison officer roles ahead of concluding job evaluation and a market analysis. We regard it as unsatisfactory for staff being recruited to the role that they cannot be given information about a full scale, and that the arrangements for their transition to the final scale are unclear. Until the proposals are fully worked out we do not feel able to comment on the transitional points. **To fulfil our remit properly, we require the Service to submit its proposals to us before the full scale is introduced, and we look forward to receiving them.**

Scale compression *Operational managers*

3.21 NOMS' written evidence proposed further compression of the pay ranges for managers, following our endorsement in the 2009 round of the first step in its five-year plan of compression for this group. The Service argued that directing funds toward compression was desirable as it targeted scarce funds at modernisation of the pay and grading system.

3.22 The PGA did not directly address the issue of further scale compression in its written evidence, and in its oral evidence to us, emphasised that NOMS' proposal to compress pay scales was not a priority if it meant a reduction in money available for an award which increased base pay. The Association emphasised in particular the importance of recognition in pay terms for the majority of the staff who were on the top of their scales, and whose experience was key to service delivery.

3.23 Last year we endorsed the proposals on compression, though we noted that it might be difficult to see through the five-year plan given affordability pressures, and that we would look at revalorisation of the structure each year on its merits. As already indicated, our particular priority this year is to direct funds toward an increase to the maximum. Given restrictions on affordability, we do not consider that it is the right time to proceed with compression as well.

Recommendation 4: We recommend no change to the range of managerial pay scales other than the scale maxima.

Operational support grades (OSG)

3.24 NOMS also proposed to begin compression of the pay scales for OSGs. It argued that, unlike prison officers, OSGs had not benefited from the restructuring in 2007 and 2008 which enabled more rapid progression. However the Service also indicated that it would in the longer-term need to propose a new OSG scale, and in oral evidence acknowledged that compression for this group and for managers might not be a priority this year if we were to recommend an increase to the maximum.

3.25 The POA proposed shortening both the prison officer and the OSG scale to five years, which they argued was necessary to comply with legislation on age discrimination. In oral evidence the Union also acknowledged that the proposal to reduce the OSG scale was a move forward, and said that it would help avoid wastage and the associated need to use agencies to recruit OSGs.

3.26 During oral evidence the PCS stated that it supported scale shortening but emphasised its view that funds should not be diverted from the baseline award to provide for compression.

3.27 We recognise that NOMS' proposal to compress this scale offers this group similar benefits to those already secured by prison officers and in principle this is welcome, although we also note that this is an interim solution ahead of proposals on a new scale. Whilst the other parties are broadly agreed on the desirability of compression for this group, they have signalled clearly that fairness across the remit group is a priority this year. We also note the interim nature of the compression proposals presented by NOMS. We therefore recommend no change is made to this scale this year.

Recommendation 5: We recommend no change to the range of OSG pay scale other than the scale maximum.

3.28 We considered separately the POA proposal that OSG compression should be implemented by removing the bottom two points on the scale, and more widely that all pay scales should be five points. We see some merit in further scale shortening as proposed, although the key issue is in our view that the length of scales should be capable of objective justification in relation to the demands of the job, and five is not necessarily the right number of points on a scale.

3.29 However, given the associated costs, the difficult affordability climate, and that there is not a strong case on recruitment and retention grounds, we do not believe that it should be a priority for action this year. We recommend the Service considers carefully the length of scale which can be justified, and brings forward new proposals on OSG scales as soon as possible, as part of a future reform package.

Allowances and ex-gratia payments

Temporary cover allowance

3.30 We note that NOMS has simply informed us that it intends to introduce this allowance rather than requesting that we make a recommendation on it. We were also concerned to hear from some of the parties that they did not feel they had been adequately consulted on the arrangements.

3.31 The introduction of this allowance is one of a number of instances in this round which has highlighted the lack of clarity and potential differences of views between the parties on what should and should not be a matter for the Review Body. We return to the question of our remit in Chapter 4.

Deputy governors' allowance

3.32 In our report for 2009 we said we saw some merit in the proposal for an allowance (which had been made by PGA, but previously suggested by NOMS in the context of negotiations on workforce modernisation). This year, PGA again made the case, arguing that there were responsibilities specific to the role when the governing governor was away which distinguished the deputy governor role from other circumstances which would be met by the new cover allowance. It proposed a level set at 3 per cent of salary, and argued it would be cost neutral as a result of savings in substitution/cover payments and associated administration. The PGA also argued it should be pensionable. NOMS argued that pay for deputy governors already includes an element for the deputising inherent in the job because this is reflected in job evaluation.

3.33 We recognise that there may be an argument in principle for such a deputy governor allowance, although we did not hear strong calls for this on our visits. There is also a rationale, as the Service proposes, for recognising the particular responsibilities of the job through appropriate job design which is properly taken account of in job evaluation and therefore reflected in grading. On balance, we did not hear a sufficiently convincing case put for a new allowance at a time when the Service proposals on temporary cover and on job evaluation should, taken together, enable managers to be appropriately rewarded when the absence of a governing governor leads to significant additional responsibilities. We therefore make no recommendation.

Dirty protest allowance

3.34 In its evidence, the POA raised its concern that the level of pay for dirty protest allowance is inadequate and requested that we recommend a review by the Service. The POA explained in oral evidence that it has requested that the Review Body intervene in making the recommendation due to the poor state of industrial relations. NOMS however told us it was willing to discuss the issue.

3.35 Whilst the level of allowance is clearly within our remit, we are disappointed that this request for a review has had to be made through us. On the evidence we heard, we consider that a review involving the parties would be appropriate, and if a change in the level of allowance is proposed we will consider it.

Tornado

3.36 On our visits we heard some dissatisfaction surrounding this allowance. We were informed that staff were not compensated for standby duty and there were resulting difficulties in retention, though not in recruitment. There was also concern that operational managers were not eligible for payment. In oral evidence the POA confirmed there were concerns about standby duty. As far as operational managers are concerned, NOMS said that on-call allowance is built into their terms and conditions as it is a requirement for receipt of the Required Hours Addition (RHA). None of the parties requested an uprating.

Required Hours Addition

3.37 RHA is a taxable and pensionable addition which has been payable, since its introduction, to operational managers E, F and G where the role requires unpredictable and unsocial working hours. In our 2009 report we endorsed a proposal from NOMS to separate out the RHA element of pay for all new managers D, treating it in the same way as was done for E, F and G. As our 2009 report made clear, we did this on the basis of an assurance that there would be no financial detriment to remit group staff associated with the change. We also recommended, for 2009, no increase to the level of RHA, given the tight affordability constraints and the investment in managers' pay through scale compression.

3.38 In its evidence to us this year, PGA set out its concerns on both recommendations. First, it was concerned about the failure to uplift RHA in line with the overall pay award, and asked us both to recommend a 1.5 per cent uplift for 2010 and a further 1.5 per cent to compensate for failure to uplift in 2009. The PGA made clear it regarded revalorisation as a condition of service, and had taken up the issue with NOMS. The Service has however responded to the PGA, and in evidence to us, that it believes there is no contractual entitlement to a revalorisation, and that any such increase is a matter for the Review Body to consider on its merits, in the light of evidence from the parties in each pay round. We consider that our recommendations last year need to be viewed as a package, and do not think it would be appropriate to consider compensation for failure to uprate unless the PGA secures a resolution of the complaint in its favour. However, we consider the case for uplift in 2010 on its merits below.

3.39 Secondly, the PGA was unhappy that we had endorsed the NOMS proposal separately to identify the RHA element of manager D grades on the grounds that their pay has not historically had a separate RHA element. The PGA argued that newly appointed managers D who took up non-operational jobs which did not attract RHA would earn less than their predecessors, and that it would be detrimental to career development if those who move from one non-operational job to another for lateral development lose the RHA element of their pay. The PGA also referred in evidence to its challenge to the Service over application of reserved rights for operational managers who joined before 1987, but confirmed in oral evidence that it did not believe the Review Body had a role on this issue.

3.40 Whilst we recognise the Service's rationale for wishing to pay RHA only to those manager Ds who are genuinely in operational jobs, we were concerned to understand the implications of the proposal (paragraph 6.39 of NOMS' evidence this round) to show RHA separately for all manager Ds from 1 April 2010. In our view it is difficult to sustain the argument that there will be no financial detriment unless we ensure through our recommendations that those manager Ds in the remit group on the old (RHA inclusive) scale remain no worse off than equivalent manager Ds on the new scale. Our conclusions below seek to do this.

3.41 On the case for an uplift, we look first at the position of those who have become manager Ds since the Service implemented the change endorsed in our 2009 report, and are therefore on the scale which does not include RHA. Our conclusions here also apply to operational managers E-G for whom the addition has always been shown separately. We consider it is appropriate to uplift RHA in line with the increase to the maximum of the scale. Our judgement that it should be frozen last year was against the background of substantial investment made in operational managers' pay through compression, and we did not see an RHA increase as a priority. But this year we are not recommending further compression, and have concluded that it is undesirable to freeze RHA repeatedly, as it is paid in recognition of the obligations inherent in operational manager roles. Accordingly we recommend that RHA is increased by 1 per cent in line with the increase to the scale maximum for manager grades.

3.42 We are not persuaded that NOMS' proposal to move pre-22 July 2009 manager Ds from the old, RHA-inclusive scale, to the new scale is compatible with ensuring there is no financial detriment, which is a principle we established in our 2009 report. If they did move, those on the scale maximum would receive a pay increase equivalent only to 1 per cent of that lower scale maximum, and would, if in non-operational jobs, have their RHA frozen at the old rate. Those below the maximum would receive no increase other than progression to the next scale point.

3.43 To ensure pre-22 July 2009 manager Ds are treated fairly, we recommend both that the maximum of the old manager D scale is increased (just as we recommend an increase to the maximum of the old principal officer scale), and that all other points on that old scale be increased by the cash equivalent of a 1 per cent increase in RHA (£55). We acknowledge the Service will wish to avoid having two separate scales for manager Ds for a long period, and we invite it to seek to negotiate with the PGA arrangements for securing the objective of a single scale, and which takes proper account of the interests of those who became manager Ds when the scale was inclusive of RHA. However, whilst the two scales remain, pre-22 July 2009 manager Ds should have the option of staying on that scale.

Recommendation 6: We recommend that RHA should be increased by 1 per cent, in line with the increase to the maximum of manager pay scales, and that a cash uplift equivalent to this increase be applied to the points below the maximum of the pre-22 July 2009 manager D scale.

Specialist allowances, other allowances and payments

3.44 NOMS proposed that specialist allowances, other allowances and payments be frozen. The other parties did not make specific proposals to the Review Body to increase rates this year, although as discussed in paragraphs 3.34–35 the POA did ask for a review of the dirty protest allowance. On the grounds of affordability we recommend that all specialist allowances, other allowances and payments are frozen.

Recommendation 7: We recommend no change to the rates of specialist allowances, other allowances and payments.

The rates are set out in Appendix E.

Locality Pay 3.45 NOMS proposed no uprating to Locality Pay (LP) and no changes to the banding of individual establishments. It confirmed its plans to design a new system during the coming year and explained how it will build on the conclusions of the 2008 review. In oral evidence the Service used the strong recruitment and retention figures to support the freeze and said it did not foresee problems in the next 12 months. It did not support the PCS' proposal (paragraph 3.46) and argued that the scheme as a whole needed reform.

3.46 The initial written evidence provided by the PCS proposed a minimum of £4,500 London pay. The Union acknowledged that this submission repeated evidence from the previous round, reflecting the delayed timescales of that round, and that the proposal essentially represented a cost of living allowance rather than a recruitment and retention tool. In supplementary evidence, following receipt of NOMS evidence, PCS proposed that LP be uplifted in line with the main award.

3.47 The POA did not address LP in its written evidence but during oral evidence it recognised that the system needed overhauling.

3.48 In oral evidence the PGA said that as affordability had to be considered, it would prefer that there be no change to LP. It did not support a specific increase to London pay, but recognised there was a case for the LP system to be replaced by a more flexible approach.

3.49 Although we are pleased that the Service is now formulating proposals on a new system for LP, it is our view that this new scheme needs to be developed in consultation with the trade unions. As we have stated in previous rounds, we consider the existing scheme to be unsatisfactory. A replacement scheme is required that is better targeted and more responsive to changing circumstances. All the parties, including the Service, acknowledge the inadequacy of the existing system and we look forward to seeing finalised proposals for the next round.

3.50 The only grounds for an increase under the current system are problems with recruitment and retention. There is no widespread problem currently in this area and we therefore recommend that LP is not increased.

Recommendation 8: We recommend no change to the rates of Locality Pay.

The rates are set out in Appendix D.

Notional rents

3.51 Since the 2005 report we have employed the principle of uprating notional rents in line with the movement in market rents as indicated by the rental component of RPI in the October before the award is due. This pattern was broken last year when we recommended rent be frozen. This was due to the volatility of the market and the lateness of the round. NOMS proposal for this round requests that again rents be frozen. As the market has stabilised we consider it appropriate to resume the link with accommodation costs. We remain of the view that accommodation costs are a more appropriate link than relating it to the pay award. We therefore recommend that notional rents be uprated by 1.2 per cent, in line with the rental component of the October 2009 RPI.

Recommendation 9: We recommend a 1.2 per cent increase to notional rents.

The resulting rents are set out in Appendix F.

Other issues TOIL

3.52 The POA raised concerns that managers were not operating properly the agreement with the Service that TOIL should be repaid within 5 weeks, and that individuals have in practice to raise formal cases to ensure their TOIL is repaid. This is not an issue on which a recommendation from us is appropriate, but we urge NOMS to confirm the agreed system is being operated fairly.

37 hour week

3.53 The POA requested a recommendation to reduce working hours to 37 per week to bring them into line with other public service workers, and to take account of developments in the European Union and the wider workforce. It argued in addition that the lengthy hours worked had a direct impact on sickness absence. According to the POA the reduction could be implemented with no additional cost to the Service by improving efficiency at a local level and reducing numbers that leave in the first year.

3.54 The PGA did not support the reduction, suggesting that existing difficulties achieving adequate cover would only be deepened. NOMS claimed that the reduction would involve a cost of £50 million.

3.55 There is some evidence that prison staff do work comparatively long hours relative to other public sector groups. A number of large public sector groups have undergone harmonisation processes in the last decade, with some major groups of public sector workers having secured deals to reduce hours during this period. This has brought the average weekly basic hours of manual employees closer to those of non-manual staff. Across the NHS, working hours were harmonised at 37.5 for all staff under Agenda for Change (down from over 41 for some groups, but up from 35 for others). In local government, hours were harmonised at 37 a week, bringing together a number of previous arrangements, with a reduction from 39 hours a week for many manual workers, but an increase for clerical staff.

3.56 This suggests that a reduction in hours of prison staff might be desirable as a longer-term objective, and this is an issue the Service may wish to consider with the parties as part of a wider package of reform. We are not clear that working hours are part of our remit, but would in any case need to see fully worked up proposals before commenting further on the merits of such a change.

Cost of our proposals

3.57 Our specific recommendations will cost £9 million. When combined with the impact of incremental progression, they will result in average earnings growth for those in post of 3.3 per cent. The total package will result in paybill growth of £32 million or 2.6 per cent (including on-costs).

Chapter 4: Forward look

- Introduction** 4.1 We set out in this chapter a number of issues which have arisen in our deliberations this year which we think merit further consideration. We hope the parties will find it helpful to have this indication of our concerns and we will welcome their views on the issues set out, ahead of the 2011 round. We also look ahead to some of the detailed pay issues on which we expect fully developed proposals from the Service next year.
- Workforce reform** 4.2 There is still work to be done to ensure a coherent package of proposals which will gain the confidence of staff in the remit group. We signalled earlier in this report our concerns that the Service has not yet been able to give us clear proposals on key elements of the pay and grading system such as the new prison officer 2 and 1 scales, senior managers A and B, and Locality Pay. We also emphasised the importance of the Service developing detailed proposals on specific elements of reform in full consultation with the unions. On our visits we were concerned about the extent of confusion and uncertainty of staff about the main elements of the reform package. It should be a priority for the Service, alongside the trade unions, in the coming year to ensure more effective communication of the package of changes proposed.
- 4.3 More generally, we reiterate our view that the parties will need to agree a way forward on modernisation of the pay and grading structures which will enable the workforce to engage with and support reform in delivery of this important public service, and so enable NOMS to continue to meet its financial and operational objectives. In the context of the last package of proposals on workforce modernisation, which were ultimately rejected by staff and their unions, we were pleased the Government had recognised that investment was needed to secure reform, and it remains our view that it will be difficult to achieve substantial progress without pump-priming funding. We note too that the Prison Service has not so far benefited from the type of investment that has enabled other key public services to make significant workforce reforms. We ask the Government to consider again, notwithstanding the difficult climate on public finances, what investment might be possible, subject to it being satisfied that such funding would bring clear benefit to the Service.
- Our scope and remit** 4.4 Our work this round has highlighted two issues about our remit which currently cause us some concern. The first is the question of *read-across from our recommendations to non-remit staff in the Service*. In evidence to us this year, NOMS made much of the affordability constraints which in its view were accentuated by the need to apply our recommendations to non-remit groups in the Service. We acknowledge that the Service has agreed an approach to the pay of these staff with the unions concerned which entails automatic read-across from our recommendations, and that part of the rationale for this was to avoid equal pay challenges. However, as we made clear in paragraph 2.20, our focus must be on making recommendations for the remit group, in relation to whom we consider the full range of evidence.
- 4.5 It is not clear what future role, if any, we should play in relation to these non-remit staff. The particular importance of our independent role in making pay recommendations derives from the fact that it is unlawful for prison service staff in our remit group to take industrial action. Other staff in the Service are not under the same constraints. But we can see that both the Service, and the unions who represent these groups, might regard it as unsatisfactory that our recommendations appear to have a significant influence over the pay settlement for non-remit staff in the Service, without our having considered substantive evidence in relation to the group concerned.

4.6 The second question which has arisen is one of *interpretation of the scope of our remit*. Our statutory remit is to “examine and report on such matters relating to pay and allowances.....as may from time to time be referred to them by the Secretary of State”¹¹. This is a potentially wide-ranging remit, although since establishment of the Review Body the parties have generally sought to focus our recommendations on levels of pay rather than broader terms and conditions. They regard the latter as matters for negotiation between themselves.

4.7 The evidence submitted to us this round has covered a number of areas on which we were unclear whether it was appropriate for us to make recommendations. These included a POA proposal on a reduction in the working week, which has a clear pay dimension as the Union’s proposals implied an increase in the hourly rate for all staff, though issues of hours and leave have in the past generally been seen as terms and conditions outside our remit. Another example was the proposal from NOMS on a new temporary cover allowance. Although this was referred to in its evidence, the Service did not seek our endorsement and intended to implement it ahead of receiving our report.

4.8 We were also concerned that on some very detailed points, such as the need for a review of the way entitlement to dirty protest allowance operates, the unions did not feel their concerns would be heard without a recommendation from us that a review be carried out. This seems to be symptomatic of the wider state of industrial relations in the Service.

4.9 We would welcome views from the parties on those areas they believe are firmly within our remit, and others on which they consider the Review Body’s involvement is a matter for judgement in the light of the particular circumstances of the round. This might provide a firmer basis for a shared understanding of where we should focus our efforts in future rounds.

The next round

4.10 As we indicated above, we await proposals from the Service on the new prison officer scales, on senior managers A and B, and on Locality Pay. We have in this report suggested that the Service gives further consideration to what is needed to ensure senior officers are paid at an appropriate level, given the developing demands on them following restructuring (see paragraphs 3.10-11). We also noted NOMS’ intention to bring forward proposals at some point on a new OSG scale. As indicated in paragraph 2.40, we also have concerns about the artificially large gap between the maximum and the penultimate points of scales which has resulted from awarding increases only to the maximum in recent pay rounds. We intend to review this as part of the next round, and would welcome proposals from the parties which seek to address it.

4.11 We are willing to consider specific proposals outside the main round, particularly on issues where it is important to ensure prison service staff have a clear view of future prospects: this may be the case for example with the new prison officer 2 and 1 scales. We recognise however that some of the issues raised with us this round, including significant changes such as a shorter working week, may need to be addressed over a longer period as part of a package of reform.

4.12 In relation to any proposals brought to us for the next round, we reiterate our view that it is desirable for the parties to work together to develop proposals before their submission to us. We recognise there is a need to invest effort in improving industrial relations after a difficult period for the parties. But such an effort could yield substantial benefits. In particular it could help secure a way forward on reform which would command wide support from Service staff, and enable many more detailed issues of concern to be resolved between the parties, without reference to us. Such an environment would offer a better platform for continued effective delivery of an important public service, by a motivated and committed workforce.

Jerry Cope (Chair)

Henrietta Campbell

Richard Childs

Bronwen Curtis

John Davies

David Lebrecht

Joe Magee

Peter Riach

Appendix A: Activation letter from the Minister of State on behalf of the Lord Chancellor and Secretary of State for Justice



Jerry Cope
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22 SEP 2009

Dear Mr Cope,

ACTIVATION OF THE PRISON SERVICE PAY REVIEW BODY PROCESS

I am writing to request that the Prison Service Pay Review Body (PSPRB) makes recommendations on pay for the 2010/11 in respect of the public sector Prison Service in England and Wales.

NOMS remains committed to an incremental approach to introducing new pay and grading structures which will comply with all aspects of statutory obligations under employment law as outlined in the Government's 2009 evidence. This approach is central to NOMS being able to deliver efficiency targets, remain competitive and provide best value in public sector custodial services provision.

The Review Body should report its recommendations as they think fit to the Prime Minister and to the Lord Chancellor and Secretary of State for Justice in time for the Government to take decisions on the report by 22 February 2010. Arrangements will then be made for the report to be published.

I look forward to receiving your recommendations in due course.

I am copying this letter to the PGA, POA and PCS.

Yours Sincerely,
Maria Eagle
MARIA EAGLE MP
MINISTER OF STATE

Appendix B: Prison Service establishments visited

The 2009 visit programme covered the following establishments and offices:

HMP & YOI Castington
HMP Isle of Wight (Camp Hill)
HMP Canterbury
HMP Cardiff
HMP & YOI Chelmsford*
HMP Dartmoor
HMYOI Deerbolt
HMP & YOI Holloway
HMP Kirkham
HMP Manchester
HMP Peterborough **
HMP Wormwood Scrubs
National Tactical Response Group Hatfield Woodhouse (Doncaster)
Office of the Director of Offender Management, Wales

* A member of the Review Body spent a day shadowing staff members at HMP Chelmsford

** Peterborough is a privately operated prison

Appendix C: Current and recommended pay levels

Current and recommended ranges for operational managers

Grade/payrange	<i>Current pay range</i> <i>£ per annum</i>	<i>Recommended pay range from 1 April 2010</i> <i>£ per annum</i>
Senior manager A	82,071 79,665 74,210 70,350 67,480 64,990 62,515	82,892 79,665 74,210 70,350 67,480 64,990 62,515
Senior manager B	79,661 74,210 70,350 67,480 64,990 62,515 58,165	80,458 74,210 70,350 67,480 64,990 62,515 58,165
Senior manager C	71,740 66,830 64,350 61,485 57,170 55,060	72,458 66,830 64,350 61,485 57,170 55,060
Senior manager D* (in the grade before 22 July 2009)	65,907 61,184 56,909 54,839 50,854 47,189	66,567 61,239 56,964 54,894 50,909 47,244
Senior manager D* (appointed from 22 July 2009)	60,433 55,710 51,435 49,365 45,380 41,715	61,038 55,710 51,435 49,365 45,380 41,715

<i>Grade/payrange</i>	<i>Current pay range £ per annum</i>	<i>Recommended pay range from 1 April 2010 £ per annum</i>
Manager E	45,568 40,495 38,400 34,525 32,635 31,210	46,024 40,495 38,400 34,525 32,635 31,210
Manager F	38,654 33,690 31,825 30,420 28,970 27,690	39,041 33,690 31,825 30,420 28,970 27,690
Manager G	31,822 29,525 28,100 26,850 25,555 24,235	32,140 29,525 28,100 26,850 25,555 24,235
Required Hours Addition (D*-G)	5,474	5,529

* Following publication of our 2009 report, for new entrants from 22 July 2009 and for promotees to Senior Manager D (accepting a post after 31 August 2009), the Required Hours Addition (RHA) is separately identified.

**Current and recommended pay levels for prison officer grades
and support grades**

Grade	Current pay scale	Recommended pay scale from 1 April 2010
	£ per annum	£ per annum
Principal officer	33,204 31,762	33,537 31,762
Senior officer	30,708	31,169
Prison officer	28,643 25,915 23,872 22,671 21,561 20,254 18,135	28,930 25,915 23,872 22,671 21,561 20,254 18,135
Operational support grade	18,074 17,188 16,638 16,106 15,591 15,092	18,255 17,188 16,638 16,106 15,591 15,092
Night patrol	14,654	14,801
Storeman	15,546	15,702
Assistant storeman	14,407	14,552
Prison auxiliary	13,856	13,995

Appendix D: Locality Pay

We recommend no change to Locality Pay so the rates remain as follows:

<i>Rating structure</i>	<i>£ per annum</i>
Rate 1	4,250
Rate 2	4,000
Rate 3	3,100
Rate 4	2,600
Rate 5	1,100
Rate 6	250

Establishments/sites covered:

Rate 1	Brixton, Holloway, Pentonville, Wandsworth, Wormwood Scrubs
Rate 2	Feltham, Huntercombe, Latchmere House, The Mount, Westminster Headquarters
Rate 3	Belmarsh, Bronzefield, Coldingley, Downview, High Down, Isis, Send, South East Area Office (Woking)
Rate 4	Aylesbury, Bedford, Bullingdon, Bullwood Hall, Chelmsford, Grendon, Croydon Headquarters, Reading, Woodhill, South East Area Office (Old Wardens House)
Rate 5	Lewes and Winchester
Rate 6	Birmingham, Bristol, Littlehey, Long Lartin, Onley

Appendix E: Allowances and payments

We recommend no change to allowances and payments which remain as set out below:

	<i>Current level</i>
<i>Allowances</i>	
Care and maintenance of dogs	£1,526 per annum
Specialist allowance	
Healthcare officers	£1,296 per annum
Caterers, dog handlers, librarians, physical education instructors, trade instructors and works officers	£1,200 per annum
<i>Payments</i>	
Operation Tornado payment	£18.40 per hour
Payment Plus	£17.00 per hour
<i>Allowances</i>	
Dirty protest allowance	
four hours or less per day	£5.75 per day
over four hours per day	£11.50 per day
On-call (radio pager)	
weekdays	£5.67 per period of more than 12 hours
weekends and privilege holidays	£16.13 per 24 hour period or proportionately for periods of less than 24 hours
public and bank holidays	£20.41 per 24 hour period or proportionately for periods of less than 24 hours

<i>Allowances</i>	<i>Current level</i>
On-call (home)	
weekdays	£7.09 per period of more than 12 hours
weekends and privilege holidays	£20.17 per 24 hour period or proportionately for periods of less than 24 hours
public and bank holidays	£25.47 per 24 hour period or proportionately for periods of less than 24 hours
Stand by (office)	
weekdays	£13.43 per period of more than 12 hours
weekends and privilege holidays	£38.46 per 24 hour period or proportionately for periods of less than 24 hours
public and bank holidays	£48.26 per 24 hour period or proportionately for periods of less than 24 hours

Appendix F: Notional rent

We recommend a 1.2 per cent increase in notional rent, the effect of which is shown in the table below:

<i>Notional rent for quarters</i>	<i>Current level</i>	<i>Recommended from 1 April 2010</i>
former governor I	£3,759 per annum	£3,804 per annum
former governor II	£3,717 per annum	£3,762 per annum
former governor III	£3,572 per annum	£3,615 per annum
former governors IV/V	£2,486 per annum	£2,516 per annum
prison officers/support grades	£1,655 per annum	£1,675 per annum

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