NATIONAL PROBATION SERVICE PAY CLAIM

2020 & 2021

1. Introduction

This claim is submitted by Napo, UNISON and GMB/SCOOP on behalf of members working for the National Probation Service (NPS).

Whilst we acknowledge the benefits provided to many NPS staff in the two year pay modernisation award over the last two pay years, the three probation unions note:

- For most employees, the pay and allowances of NPS staff have risen by only 1% in real terms since 2009. By 'real terms' we mean increases in the value of pay points, discounting the movement of staff through the pay bands, and increases in allowances

- The top pay point of NPS Pay Band 1 now lags behind the 2019/20 Living Wage Foundation real living wage hourly rate of £9.30/hour for employees outside of London

- Most Community Rehabilitation Companies have phased out Pay Band 1 in its entirety, by upskilling roles

- Between the start of 2010 and the end of 2019, the cost of living, as measured by the Retail Prices Index, has risen by a total of 31.1%.

- NPS staff face the prospect of the incremental pay progression which was guaranteed in the 2018 two year pay modernisation award being delayed beyond 1 April 2020

- The HMIP report on its 'Inspection of NPS Central Functions', published in January 2020, identified a catalogue of grave problems with the way in which NPS is managing its workforce, particularly in relation to staffing shortages, unreasonable and unsustainable workloads and questions over the level of pay for certain posts

- The failure of the NPS to revalorise its pay points over the last five years has slashed the value of probation pay to a level where it is no longer competitive

- The retail prices index (RPI) of inflation was 2.7% in January 2020.

These troublesome facts open the unions’ pay claim for NPS members for 2020 and 2021.

2. Synopsis

Our claim is split into the following sections:

- Summary Claim
- Background
- Detailed Pay Claim
- Conclusion

3. Summary Claim

We seek:

1. **A two-year award to cover the 2020 and 2021 pay years**

2. **An increase in the value of all pay points above the Retail Prices Index (RPI) of inflation on 1 April 2020 and 1 April 2021**

3. **An increase in the value of all NPS allowances above the Retail Prices Index (RPI) of inflation on 1 April 2020 and 1 April 2021**

4. **Automatic Pay Progression (in both years of the claim) in line with 2 year pay modernisation award**

5. **Deletion of Pay Band 1**

6. **Removal of Pay Band Overlaps**

4. Background to the Claim: The Legacy of Transforming Rehabilitation

The damage caused to Probation by Transforming Rehabilitation is deep seated and profound. It will take many years of concerted investment by the Government to put right the mistakes of the past.

Paying NPS staff decently is one of the easier ways in which the Government can show that it cares about the probation workforce and that it understands that valuing employees is vital to future performance. Failure to reward staff properly sends the opposite message.

The recently published HMIP report into its 'Inspection of NPS Central Functions' (January 2020) paints a sorry picture of the impact of Transforming Rehabilitation on the NPS workforce. The criticisms of the Inspectorate reflect very badly on the way in which the NPS has been managed over the last 5 years.

Our members have come to work every day to deliver their best in the most trying circumstances possible; they are not to blame for the state in which the NPS now finds itself. The unions have made direct representations to the Director General for Probation and to the Prisons and Probation Minister that the action plan set out for NPS in the HMIP report will require serious and sustained funding over the course of the next Comprehensive Spending Review. This includes serious investment in the NPS workforce and its pay and conditions. We cannot go on like this.

The organisational failings of the NPS need to be confronted head on and not hidden away from view. Some of the key findings of the Inspectorate, which are pertinent to this pay claim are set out below:

- None of the NPS Divisions rates as outstanding
- Two Divisions require improvement
- Six Divisions require improvement in relation to:
    - Staffing
    - Information
    - Facilities
- Workloads are too high, especially for POs, VLOs and court staff
- NPS has no management information on the workloads of non-practitioners
- Workloads prevent staff from accessing training
- There are 600 Probation Officer vacancies
- SPO spans of control are too big
- There is a lack of investment in training
- Offices are unfit for purpose and the facilities management contract is failing
- NPS has failed to recruit a sufficiently diverse workforce

In relation to staffing, HMIP reported that in addition to the severe staffing shortages, the current NPS Market Forces Payments are inadequate to attract sufficient staff to work at locations in the South East and South West, and that the NPS must review the pay of victim liaison officers in relation to the work this role carries out.

The HMIP recommendation on VLO pay ties in with the unions' demand over 12 months ago that the NPS reviews all the disputed E3 down-gradings. Under the previous government, the NPS was under pressure to save money and delivered this, in part, by down grading a large number of highly populated jobs, including VLOs, Business Managers, Approved Premises Residential Workers, Enforcement Officers and more. This money saving initiative has only served to create resentment in the NPS workforce and has created acute staffing shortages in Approved Premises in particular.

The NPS has now agreed to review the disputed E3 down-gradings at the same time as the unions are recommending that members who were subject to down-grading should lodge representation to extend pay protection on account of the NPS breaching the E3 Implementation Agreement. We believe that the NPS failed to provide staff on pay protection with the development and training opportunities required under the Agreement.

In summary, the legacy of Transforming Rehabilitation runs deep and it will take significant investment in the NPS workforce to put right the problems identified by HMIP. A positive response to this pay claim would not only be a good start; it is essential.

5. Detailed Pay Claim

- **A two-year award to cover the 2020 and 2021 pay years**
- **An increase in the value of all pay points above the Retail Prices Index (RPI) of inflation on 1 April 2020 and 1 April 2021**
- **An increase in the value of all NPS allowances above the Retail Prices Index (RPI) of inflation on 1 April 2020 and 1 April 2021**
- **Automatic Pay Progression (in both years of the claim) in line with 2 year pay modernisation award**
- **Deletion of Pay Band 1**
- **Removal of Pay Band Overlaps**

5.1 A two-year award to cover the 2020 and 2021 pay years

The unions submit this claim for a two-year award covering the 2020 and 2021 pay years. We do this for the following reasons:

- A two-year award would provide both employees and employer with certainty during a period in which the NPS will be going through further major upheaval with the delivery of the 'Unified Model'.

- The unions wish to create some space in 2021 to deal with all the many issues which will arise from delivery of the 'Unified Model' in June 2021. We do not believe that separate pay negotiations will be helpful in this respect this time next year.

- A two-year award creates certainty over the delivery of pay progression in the second year of the award, as this will not require separate sign off if agreed in advance.

5.2 An increase in the value of all pay points above the Retail Prices Index (RPI) of inflation on 1 April 2020 and 1 April 2021

Most of the value of the 2 year pay modernisation deal for members came from the shortening of the NPS pay bands and the resulting increase in the rate of pay progression.

By contrast, there has been only a 1% revalorisation of the probation pay points over the last 10 years. This has resulted in the erosion of the purchasing power of probation salaries across the board. The NPS risks becoming uncompetitive in a tight job market for key skills if another pay round passes off with no revalorisation of pay points.

With the exception of the lowest pay points in each pay band (except the lowest pay point of pay band 4) and the top pay points in each pay band, most of the NPS salary points did not actually increase in value at all over the two years of the modernisation award.

This means that there has not actually been an increase in the value of most of the NPS pay points since the 1% revalorisation of probation pay points back in 2013.

5.2.1 The unions are using RPI Inflation as the benchmark for this pay claim.

The most widely reported measure of inflation in the UK is the Consumer Prices Index (CPI). However, the most accurate indicator of changes in the cost of living facing workers is the Retail Prices Index (RPI)

Inflation rose markedly over 2016 and 2017, pushing the RPI rate to over 4%. During 2018 and into 2019, rates have generally fallen back and by November 2019 RPI stood at 2.2% while CPI was 1.5%.

Between the start of 2010 and the end of 2018, the cost of living, as measured by the Retail Prices Index, rose by a total of 31.1%.

The ability of the NPS to attract and retain staff in the long term will be damaged if the pay of its employees falls behind the going rate in the labour market.

The table below shows that pay settlements over the last year across the economy have been running at 2.5%, which stands in contrast to the most recent NPS settlement of 0% revalorisation.

Sector	**Average pay settlements**
Whole economy	2.5%
Private sector	2.7%
Public sector	2.5%
Not for profit	2.3%
Source: Labour Research Department, settlements year to December 2019	

5.2.2 How Probation Pay Awards Compare with Competitor Organisation Awards

The following table helps explain why NPS staff may be tempted to take their skills elsewhere. Here is a short history of probation pay point revalorisation since 2010 compared with the pay point revalorisation received by police staff, local government and health workers:

Table 1

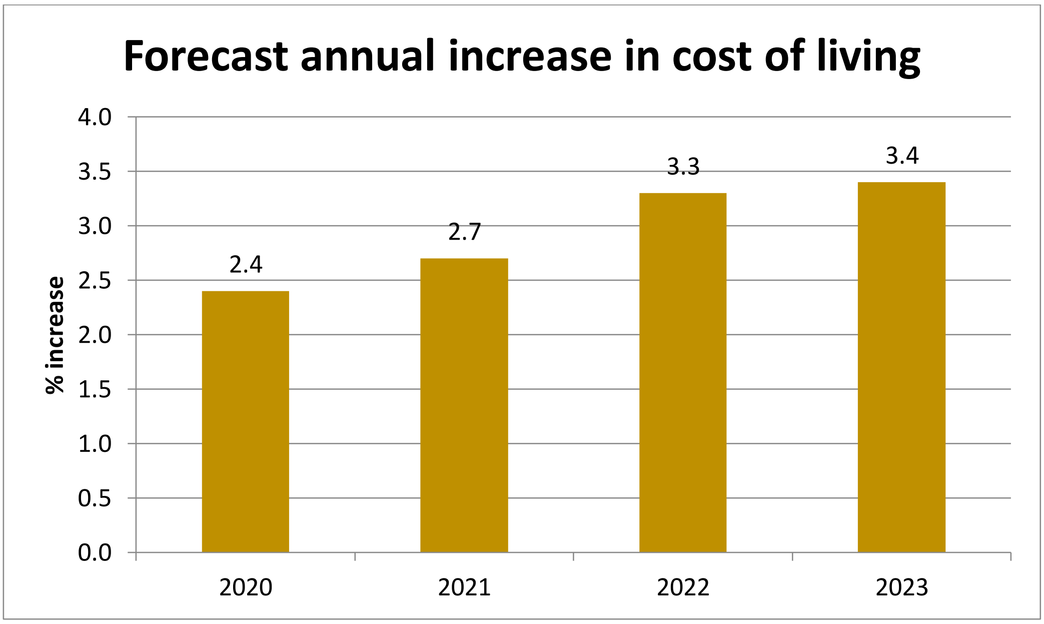
	Probation	Police Staff	Local Government	Health
2010	0%	2.58%	0%	0%
2011[i]	0%	0%	0%	0%
2012	0%	0%	0%	0%
2013	1%	1%	1%	1%
2014	0%	1.1%	1.1%	0%
2015	0%	1.1%	1.1%[ii]	1%
2016	0%	1%	1%	1%
2017	0%	1%	1%	1%
2018	0%	2%	2%[iii]	3%[iv]
2019	0%	2.5%	2%	1.7%
TOTAL	1%	12.28%	9.2%	8.7%

So, over the last seven years, probation pay, in relation to the value of pay points, has gone up only 1%. When compared with police, local government and health workers, it is clear that probation staff have been particularly badly treated.

Yes, probation employees have had their increment each year, and yes the rate of progression has increased since the two year pay modernisation award, but pay progression is not an increase in the value of pay. Police staff, local government staff and health staff (for most years) have received their increments in addition to the pay rises set out above.

So, we have to ask why have probation staff been treated so badly? The answer is simple; they have been paying the cost of Transforming Rehabilitation.

For the value of NPS staff wages not to fall back even further, they must at least keep pace with predicted rises in the cost of living, which Treasury forecasts put at 2.4% in 2020, rising to 3.4% by 2023, in line with the graph below.



The lack of pay increases for probation is now beginning to bite, as the NPS is beginning to find it increasingly difficult to get staff to work in certain jobs in certain parts of England and Wales. The result of this uncompetitiveness is twofold. Firstly, NPS has nearly 1,000 agency workers on its books, which is the direct result of pay becoming uncompetitive. Secondly, NPS has got itself mired in controversy by having to pay market forces supplements to staff in so-called 'red-sites', but at the same time reneging on a previous agreement with the unions to pay the supplements to existing staff in these locations to ensure that they were not leap-frogged in pay by new starters.

5.3 An increase in the value of all NPS allowances above the Retail Prices Index (RPI) of inflation on 1 April 2020 and 1 April 2021

Probation staff allowances used to go up in line with each pay rise when unions and employers negotiated pay awards under the auspices of the National Negotiating Council. However, since the NPS was created in 2014, there has been no increase in the value of any of the NPS allowances. This has a negative impact on the competitiveness of the NPS offer to new and existing staff.

This means that the following allowances have all been frozen since 2013:

- Prison Supplement: £675
- Sleep-In Allowance: £39.63
- Standby Allowance: £42.16
- London Weighting: £3889
- Market Forces Supplements: £3,016/£1771/£1,101

These allowances have all suffered a significant loss in relative value since 2010, so an increase above inflation in the value of all the above allowances in each year of a two-year award would begin to redress this.

To demonstrate just how far these allowances have declined relative to RPI inflation, here is what they would be worth now if they had been increased by the 31.1% inflation rate between 2010 and 2018:

- Prison Supplement: £885
- Sleep-In Allowance: £51.95
- Standby Allowance: £55.27
- London Weighting: £5098
- Market Forces Supplements: £3954/£2322/£1443

It is not acceptable that these allowances have been frozen in value over the last 10 years; they should be keeping pace with inflation.

5.4 Automatic Pay Progression (in both years of the claim) in line with 2 year pay modernisation award

The NPS two year pay modernisation offer sets out that:

'On 1 April 2020 eligible NPS staff below the maximum that have met the required timeframes to progress will … progress by one pay point in their revised pay band with no link to the CBPPF'

In October 2019 the NPS accepted that the work to build the CBPPF was going to take longer than first anticipated and, as a result, the following message was provided to staff to confirm that there would also be automatic pay progression in 2021:

'All parties have also recognised that since the pay modernisation agreement, significant decisions have been taken that will impact on the future shape and size of the NPS. We are conscious that the scale and timeframes for the transition to the Unified Model affects both our ability to develop the competency-based framework, and to test it and implement the new approach.

Given this challenge, we have agreed at this point with the Trade Unions that it makes sense to delay the implementation of competency-based pay progression for a further 12-month period, allowing it to roll-out after the transition to the new Unified Model. This means the national test period is now planned to start on 1 April 2021, with the new approach now being linked to pay from 1 April 2022. Annual pay for eligible staff will therefore automatically progress for an additional year (i.e. pay year 2021 to 2022).'

In line with these statements from NPS, there is a clear expectation on the part of NPS employees that they will benefit from automatic pay progression on both 1 April 2020 and 1 April 2021. Notwithstanding these guarantees, the unions wish to make explicit in this claim that automatic pay progression is expected as part of any eventual two year pay award on the 1 April in both years.

We are concerned to find out that, notwithstanding the commitment made to staff as part of the two year pay modernisation award, the NPS may not be able to deliver the automatic pay progression which staff are expecting on 1 April 2020. This is apparently the result of the Treasury sign off process for the NPS pay remit this year. The unions point out that we were given undertakings as part of the negotiations for the two year pay modernisation award that the NPS had accounted for the cost of pay progression in the new pay and grading system going forward beyond the term of the original two-year award.

The unions have raised our disquiet over the potential for the terms of the NPS pay modernisation award to be breached if staff do not get their increment paid on time in April this year. We approached the Prisons and Probation Minister on this issue directly at our meeting with her on 4 February.

5.5 Deletion of Pay Band 1

The Government has announced that the National Minimum Wage will increase to £8.72 on 1 April 2020. This announcement means that the current hourly rate for the bottom NPS pay point in pay band 1 (£8.79) will be only 7p/hour more than the new National Minimum Wage.

This is hardly a position to recommend the NPS as a caring organisation seeking to become an employer of choice. But seeking to put distance between the NPS and Minimum Wage employers is not the only reason for the unions seeking to delete pay band 1 from the NPS in its entirety.

The other reasons for our seeking this change are as follows:

- **From November 2019 the Living Wage Foundation real living wage hourly rate is £9.30/hour.** The top pay point of NPS pay band 1 is currently £17,764 which equates to only £9.20/hour. The unions do not believe that it is credible for the NPS to pay staff under the real living wage hourly rate. No employer which values its staff would want to be in such bad company.

- **Most of the Community Rehabilitation Companies have already deleted pay band 1.** This means that staff in the CRCs now on pay band 2 are concerned that their job might be mapped/matched to the NPS pay band 1 in June 2021. This is not a prospect that the unions would be prepared to see happen.

- **Pay band 1 in the CRCs has been largely abolished on the basis that staff previously in this band have been enabled to develop skills that have lifted them to pay band 2 work.** This is good for the staff and good for the CRCs.

- **Pay band 1 in the NHS is being phased out as part of a national agreement between the unions and employers to transfer band 1 staff onto band 2.** The unions believe that the NHS model provides a framework for adoption by the NPS and some initial discussions have already taken place on this proposal at the NPS Pay and Reward sub-committee.

The real Living Wage has become a standard benchmark for the minimum needed for low-paid staff to have a “basic but acceptable” standard of living.

NPS is now competing in a labour market where the Living Wage of £9.30 an hour outside London and £10.75 an hour in London has become an increasingly common minimum point in the pay scale.

Studies supported by Barclays Bank have shown that Living Wage employers report an increase in productivity, a reduction in staff turnover / absenteeism rates and improvements in their public reputation.

Consequently, there are now over 5,000 employers accredited as Living Wage employers by the Living Wage Foundation, including some of the largest private companies in the UK, such as Barclays, HSBC, IKEA and Lidl. The fact that the lowest paid staff at IKEA and Lidl are paid more than the lowest paid NPS staff is surely not something which HMPPS leaders can be proud.

Across the public sector, minimum rates at or above the Living Wage have been established for all staff covered by NJC Local Government, NHS Agenda for Change in Britain, all Scotland's public sector organisations, Further Education colleges in Wales and all UK universities (for staff on a 35-hour week). Support staff in more than 12,000 schools across the UK are also set to be paid the Living Wage as a result of national agreements.

5.6 Removal of Pay Band Overlaps

One of the commitments in the pay modernisation award was to: *'...work towards significantly minimising and, over time, eliminating the overlap between pay bands.'*

There are currently overlaps between the following pay bands:

4 & 5

5 & 6

6 & A

A & B

B & C

C & D

This claim sets out the unions' proposal for a structured programme of removing all these pay band overlaps starting with significant progress to be made as part of a two year pay award.

The unions remind the NPS that these pay band overlaps carry with them the risk of equal pay challenge if it is found that there is any detrimental impact of the overlaps in relation to gender.

6. Conclusion

The NPS stands on an important threshold. After having suffered five years of damage from Transforming Rehabilitation, the NPS can now perhaps look forward to a more positive future. However, the recent HMIP report on its inspection of NPS shows that there is much to do to create this brighter tomorrow.

Staff morale is low, workloads are unsustainable, elements of the E3 model have been shown to be unworkable and NPS is still struggling with its privatised payroll provider to pay staff accurately, or on time.

In order to give the NPS a fighting chance of delivering the 'Unified Model' in little more than 12 months' time, the organisation needs to step up and show staff that it genuinely values them.

Settling our claim for a two year award, with both pay progression and revalorisation of pay points, and an inflation increase for allowances, is one of the most effective ways that the NPS can show it cares for staff and that it is serious about mending the damage so clearly identified in the recent HMIP report. Deleting pay band 1 is simply about being a decent employer.

The unions look forward to working collaboratively with the NPS to deliver a significant pay award for our members this year and next. Much depends on the success of our negotiations.

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[i] In 2011 and 2012, the Government froze the pay increases of most public sector workers, but proposed a £250 increase in each year to workers earning up to £21,000. The majority of public sector workers, including the majority of probation staff, got nothing, and in Local Government the £250 was discretionary, so many local government staff under £21,000 also got nothing

[ii] In 2015 and 2016, Local Government workers in the lowest pay points on the NJC pay scale received major uplifts of between 1.2% and 8.6%.

[iii] The 2018 Local Government NJC settlement also included increases for staff on the lowest pay points ranging from 3.7% to 9.2%.

[iv] The 2018 NHS Agenda for Change figures shown are for the current offer, which is yet to be settled. If settled on the basis of the offer, bottom loaded increases would also raise the wages of the lowest paid staff by 13.3% and bring the lowest wage above the Living Wage, as defined by the Living Wage Foundation.