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**NPS PAY MODERNISATION PAY OFFER 2018**

**UNISON MEMBER BRIEFING**

1. **Introduction**

Following negotiation with UNISON, Napo and GMB/SCOOP, the NPS has made an offer to modernise the pay and grading system for all staff. The offer is the NPS response to the joint pay claim for 2018 submitted by UNISON and Napo back in May 2018. The offer also proposes to change some contractual terms and conditions and to review others in the future. UNISON is now consulting NPS members on whether they wish to accept the pay modernisation offer.

The offer is significant and far reaching and, if accepted by trade union members, would:

* Give staff pay awards of between 6 – 14% over two years, plus a one-off payment of £300
* Reduce the number of pay points in each pay band from an average of 23 to just 6
* See the majority of existing staff move significantly towards the top of their pay band over this year and next
* Link to a third year of pay progression, subject to Treasury funding
* Increase the value of pay at the top of each pay band by 3% over two years
* Increase the value of pay at the bottom of pay bands 1, 2, 3 and 5
* Replace the current contractual entitlement to pay progression with a Competency Based Pay Progression Framework (CBPPF) to take effect from 2021, where pay progression is dependent on an assessment of staff competence and is not automatic.

The offer provides significant financial gain over the next 2 years for existing staff, with the possibility of gain in a third year, but carries with it some significant risks for pay in the future. These risks are that: either the proposed CBPPF will not be agreed in the time to take effect from 2021, or that the CBPPF will be imposed on staff without trade union agreement, or that the money to fund the third year of pay progression and/or the CBPPF will not be available from the Treasury in the future.

Please read this briefing and the detailed information available from NPS, on what the offer would mean for you, before voting. UNISON hopes to run pay presentations on the offer in some locations during the ballot period, so please try to get along to one of these events if you can.

1. **UNISON Recommendation**

**The offer has some major financial benefits for existing NPS staff over the next 2 years, and possibly for a third year, but also some significant risks for pay in the years ahead. It is for this reason that UNISON is putting the offer to you without any recommendation on how you should vote. Instead, we are pointing out the pros and cons of the offer for you to consider before making your decision.**

1. **Summary of the Pay Offer**

This is a 2 year pay modernisation offer covering two pay years: 2018/19 (Year 1) and 2019/20 (Year 2). It is linked to a third pay year2020/21 (Year 3) for which the NPS does not yet have any funding.

If the pay offer is accepted by a majority of members in each of the three Probation trade unions, the following changes would take place to the NPS pay and grading structure and also to some specific contractual terms and conditions referred to below:

* **In Year 1, the number of pay points in most pay bands will reduce from an average of 23 to 12** and, as the pay points are deleted, staff will automatically move from the pay point that they are on currently to the next highest available pay point in their pay band, as shown in Annex A.
* **In Year 1, pay band 1 will reduce from 18 pay points to 4** and staff will move up the pay band as shown in Annex A; process as above.
* **In Year 2, the number of pay points in each pay band will reduce from 12 to 6** and, as the pay points are deleted, staff will automatically move from the pay point to which they moved in Year 1 to the next highest available pay point in their pay band as shown in Annex A. In pay band 1, the number of pay points will reduce from 4 to 2 and staff move up as shown in Annex A; process as above.
* **In Year 3, no pay points are deleted, but subject to the NPS getting the necessary funding from the Treasury, staff will automatically move from the pay point to which they moved in Year 2 to the next highest available pay point in their pay band as shown in Annex A.**
* **The % and cash value of staff moves up the revised pay bands varies depending on which pay point the member of staff is currently on in their pay band.** These moves up the pay points will give you a consolidated pay increase – i.e. the moves will increase your salary permanently.
* **The moves up the pay points will be supplemented, for some staff, by a top-up payment (non-consolidated) to ensure that all staff get at least a 3% award in Year 1 and a 3% award in Year 2.** For example if the value of your move up your pay band is 2% then you will get a top up payment of 1%. This 1% payment will be non-consolidated which means that it is a one-off payment which will **not** go onto your salary permanently. Where a top up payment is made it will be a minimum of £250.
* **Taking into account both the moves up the pay bands, and the top up payments where applicable, staff will get between a 6% and 14% pay award over Year 1 and Year 2, depending on which pay point they are currently on in their pay band.** These values are set out in Annex B which you can access by visiting [www.unison.org.uk/npspay18](http://www.unison.org.uk/npspay18)
* **The NPS has also created a pay calculator to allow staff to input their current pay point and get a ‘quote’ of what the offer is worth to them personally.** Please refer to the NPS to access this calculator.
* **In Year 1 of the offer, all staff will also receive an additional £300 ‘transitional payment’ as a one off, non-consolidated payment; pro-rata for part time staff.** This payment will **not** go onto your salary permanently.
* **Over Year 1 and Year 2 of the offer the top of all pay bands, except pay band 6, will be increased by a consolidated 3%** (1% in Year 1, and 2% in Year 2). This means a permanent 3% increase in the value of salaries at the top of each pay band. Staff on the top of their pay band will also get the top up payment to ensure that they get at least a 6% award over the two years of the pay offer.
* **Over Year 1 and Year 2 of the offer the top of pay band 6 will be increased by a consolidated 4%** (3% in Year 1, and 1% in Year 2).
* **On 1 April 2019 (Year 2) the bottom pay points in pay bands 1, 2, 3, & 5 will increase as follows:**
  + The pay band 1 minimum will increase to £16,584 on 1 April 2019.
  + The pay band 2 minimum will increase to £17,934 on 1 April 2019
  + The pay band 3 minimum will increase to £22,261 on 1 April 2019
  + The pay band 5 minimum will increase to £36,084 on 1 April 2019.
* **There will be an increase in the pay on promotion salary uplift from the existing 3 pay points to a minimum of a 5% pay increase.** This is to ensure that promotion is worth at least a 5% increase in basic pay.
* **All elements of the offer are pensionable**, i.e. they will have pension contributions deducted from them.
* **A Competency Based Pay Progression Framework (CBPPF) will be designed with the unions to govern incremental pay progression in the future.** This will:
  + Replace the current contractual entitlement to automatic in incremental pay progression on 1 April every year
  + Link pay progression to an assessment of staff competence over Year 3 (2020/21) with competency based pay progression starting in Year 4 (2021/22)
  + Be aligned to the creation of national professional standards for probation, the development of a Probation Professional Register and Civil Service Success Profiles
  + Likely be delivered via your annual appraisal with your line manager
* **An NPS Detached Duty Scheme will be introduced.** This scheme will be a new contractual term and condition which will offer financial incentives (£500 - £2,000) to mainly Band 4 Probation Officers and Band 5 Senior Probation Officers to undertake detached duty placements in areas of NPS staff shortages. In the first instance volunteers will be sought, but the scheme makes clear that if there are not sufficient volunteers, then NPS will compel staff to undertake detached duties. Full details can be found at Annex E, which you can access at: [www.unison.org.uk/npspay18](http://www.unison.org.uk/npspay18)
* **An NPS First Deployment Scheme will be introduced.** This scheme will be a new contractual term and condition which will apply to Probation Services Officers on completion of the PQF. It will offer these PSOs a substantive promotion to an NPS pay band 4 Probation Officer post on the back of a temporary ‘first deployment’ to an LDU where the NPS has staff shortages. The scheme will be entirely voluntary, but the catch is that the NPS will not pay the Band 4 salary to staff on the scheme, but instead will give a one-off £3,000 payment to staff, payable in two equal instalments. This proposal is therefore completely counter to the job evaluation scheme agreed with the NPS Trade Unions and UNISON finds it completely unacceptable as a result. Full details can be found at Annex F, which you can access at: [www.unison.org.uk/npspay18](http://www.unison.org.uk/npspay18)

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* **NPS and the Unions will Review NPS Allowances**. The offer will lead to a review of ‘...a limited and defined number of current NPS allowances.’ This is no more than a proposal that the NPS and the Trade Unions will review existing allowances. UNISON would bring any proposals to come out of the review to members for agreement if they involved potential changes to contractual terms and conditions.

* **NPS and the Unions will negotiate the alignment of the NPS Redundancy Terms with the Civil Service Compensation Scheme.** UNISON would bring any proposals that the NPS brings forward in this respect to members for agreement if they involved potential changes to contractual terms and conditions.
* **NPS will seek to align NPS Occupational Sick Pay with Civil Service Sick Pay, for new staff employed after the implementation of the pay offer.** Civil Service sick pay is less generous than current NPS sick pay. The offer only talks about the NPS consulting with the trade unions on this proposal, which means that the NPS will take agreement to the pay offer as permission to make this change without trade union agreement. Note: this will not affect any existing staff, only new staff joining after the implementation date.
* **NPS and the Unions will continue to work towards significantly minimising and, over time, eliminating the overlap between pay bands.** This is a positive commitment in the offer. It is not good practice to have pay bands which overlap, as do NPS pay bands 4 and 5, because it means that staff who are at the bottom of pay band 5 are paid considerably less than staff at the top of pay band 4. This is one of the reasons that the NPS is proposing a 5% pay increase on promotion, to incentivise Probation Officers to apply for Senior Probation Officer roles. UNISON is committed to working with NPS to eventually eliminate all pay band overlaps in the NPS.

All the above elements of the NPS pay modernisation offer are contained within a draft Collective Agreement which you can access at: [www.unison.org.uk/npspay18](http://www.unison.org.uk/npspay18)

If members of the three Probation unions vote to accept the pay offer, this collective agreement will provide the contractual basis with which NPS will change the pay and grading structure, as set out above, as well as change those terms and conditions which are also set out above.

1. **Pros and Cons of the Pay Offer**

**Pros**

* Staff would receive an individual pay award of between 6 and 14% over Year 1 and Year 2 of the offer
* All staff would get a one-off payment of £300 in Year 1
* All pay bands would be shortened
* In Year 1, staff would move automatically to the next highest pay point on their shortened pay band. This pay increase will be backdated to 1 April 2018 and will count for the calculation of unsocial hours allowance and overtime.
* In Year 2, staff move automatically to the next highest pay point on their shortened pay band.
* The majority of existing staff would therefore move significantly towards the top of their shortened pay band by Year 2 of the offer.
* In Year 3, (2020/21) staff would automatically move to the next highest pay point in their pay band, subject to having been in post for the required period, and subject to the NPS getting the necessary Treasury funding (See Cons below)
* Subject to the Competency Based Pay Progression Framework (CBPPF), staff could expect in future to progress to the top of their pay band in no more than 5 years, subject to the NPS getting the necessary Treasury funding (See Cons below)
* All pay bands have a 3% consolidated increase in the value of the top pay point, with pay band 6 getting a 4% increase.
* Pay bands 1, 2, 3 & 5 all see an increase in their bottom pay point

**Cons**

* **The offer would remove the entitlement of NPS staff to automatic time-served pay progression and replace it with a Competency Based Pay Progression Framework (CBPPF).** The terms of the CBPPF are yet to be negotiated, so this represents an element of risk which has to be offset against the financial gains for members over the 2 Year offer. The intention of the NPS is to base pay progression in the future on the results of staff annual appraisal and an assessment by line managers at these appraisals as to whether a member of staff has acquired the relevant competencies to carry out their role. The competencies have yet to be agreed.
* **If the CBPPF is not agreed between NPS and the unions by 31 March 2020, the pay offer says that NPS can implement the CBPPF from 1 April 2020 without trade union agreement.** This is a major risk and one which members need to be aware of when deciding whether to accept the pay offer. It could mean that an NPS pay progression scheme is imposed on NPS staff without union agreement. From UNISON’s point of view this would be unacceptable, and we would seek to avoid this outcome at all costs.
* **Another risk is that NPS fails to secure sufficient funding from the Treasury to fund the automatic pay progression for all staff in Year 3.** The draft collective agreement which would implement the pay offer, if accepted by members, makes clear that: *‘This agreement[Year 1 and Year 2] has already received Treasury approval and any subsequent agreement will also need to be compliant with Civil Service pay policy guidance as issued by HM Treasury’.* In other words, the money to pay for Year 3 has yet to be obtained and is not guaranteed.
* **The NPS might also fail to secure sufficient funding from the Treasury to fund the CBPPF going forward from 2021.** This is also a major risk, given that the cost of pay progression for the shortened pay bands is much greater than the current cost of pay progression in the present pay system. If the Treasury refuse to make enough funding available for the new pay progression system, staff may find themselves unable to move up their pay band. This would particularly impact on new staff if they join NPS after the implementation of the pay offer.
* **The NPS Detached Duty Scheme will provide NPS with the ability to ‘...instruct staff to take up a detached duty posting when there are overriding business needs and all avenues have been exhausted.’**
* **The NPS First Deployment Scheme is voluntary, but will allow the NPS to pay PSO salaries to newly qualified Probation Officers who agree to take a PO post under this scheme.** This would be unacceptable from the point of view of the integrity of the NPS pay and grading system and the job evaluation system.
* **The offer does not address London Weighting, or South East Weighting, and NPS is unwilling to deal with the dispute over Market Forces Payments (MFS) in the South East Division**

1. **Equality Proofing**

The NPS has stated that*: ‘HMPPS has undertaken a thorough quantitative and qualitative equality analysis. Staff data has been assessed to ensure that this pay award is not discriminatory to any group of staff.’*

UNISON has also conducted our own independent equality analysis on the pay modernisation proposals. Our analysis indicates that the NPS pay modernisation offer would result in a more equitable pay and grading structure with an overall narrowing of the gender pay gap. The offer, if accepted, would also mean that the NPS pay and grading structure would comply with ACAS guidance on age discrimination and service related benefits.

1. **Eligibility Criteria**

**Year 1**

* All staff in post on 31 March 2018 will move onto the next highest pay point on their shortened pay band
* All staff in post during the month when the Year 1 top up payment is made (the relevant payment date) will get the top up.
* All staff on maternity, paternity or shared parental leave will qualify for all elements of the offer whilst they are on maternity, paternity, or shared parental leave
* New starters who join after 1 April 2018 will get the top up payment as long as they are in post in the month when the top up payment is made (the relevant payment date)
* Staff who resign after 1 April 2018 and before the month when the top up payment is made will not get the top up.
* Staff on career breaks will go onto the shortened pay bands when they return to work, but will not get the top up if they are on their career break at the date this payment is made

**Year 2**

* All staff in post on 31 March 2019 will move onto the next highest pay point of their shortened pay band
* But new staff who join NPS after the date of any agreement to the pay offer will have to remain in post until at least 30 September 2019 to move onto the next highest pay point of their shortened pay band
* All staff in post when the Year 2 top up payment is made will get the top up.
* All staff on maternity, paternity or shared parental leave will qualify for all elements of the offer whilst they are on maternity, paternity, or shared parental leave
* Staff who resign in the interim will not get the top up
* New staff who join after the date of any agreement to this pay offer and who are in post on 31 March 2019 and who stay in post until at least 30 September 2019 will get the consolidated award.

1. **Staff on E3 Pay Protection**

There are many UNISON members who are on 3 years pay protection as a result of the implementation of E3. If you are part of this group you will want to know how the pay offer, if implemented, will impact on your pay protection. Here is what the NPS has confirmed will happen to you:

For staff on pay protection, in Year 1 and Year 2 of the offer, NPS will apply the pay awards to the top pay point of the lower pay band. This is the pay point to which the member of staff will revert at the end of his/her period of pay protection. If the consolidated increase on this pay point in either Year 1 or Year 2 is less than 3%, NPS will offer staff on pay protection the top up payment relating to the top pay point in the lower pay band. Staff on pay protection will also qualify for the £300 transition payment in Year 1.

**Example 1**

The current pay protected salary is £36,084 which the top pay point for Band 4 and the member of staff is marking time against the Band 3 top pay point of £27,373. The difference of the two is being paid as a Mark Time Allowance. The Band 3 pay top pay point will increase to £27,647 in April 2018 and to £28,200 in April 2019. While the member of staff will not see any benefit of a pay increase, their Mark Time Allowance will reduce. However they will receive the non-consolidated, but pensionable, top up of £547 in 2018/19 and £273 in 2019/20 which are due on the maximum pay point of Pay Band 3, because the consolidated increases on this pay point are less than 3%.

**Example 2**

The current pay protected salary is £27,372 which the top pay point for Band 3 and they are marking time against the Band 2 top pay point of £21,605. The difference of the two is being paid as a Mark Time Allowance. The Band 2 top pay point will increase to £21,821 in April 2018 and to £22,257 in April 2019. While the member of staff will not see any benefit of a pay increase, their Mark Time Allowance will reduce. However they will receive the non-consolidated, but pensionable, top up of £432 in 2018/19 and £250 in 2019/20 which are due on the maximum pay point of pay band 2, because the consolidated increases on this pay point are less than 3%.

1. **Ex-Private Sector Enforcement Officers**

UNISON has been campaigning for many months to get the NPS to re-open negotiations over the proposals to assimilate ex-private sector enforcement officers onto the NPS pay and grading structure and pay and conditions.

UNISON wants this dispute to be resolved so that our enforcement officer members can vote on the NPS pay modernisation offer with the knowledge of how it will impact specifically on their particular circumstances. For UNISON it is essential that this group of members is able to take part in our ballot.

The NPS has responded to our approaches by agreeing to set out during the pay offer consultation period, a new offer to this group of enforcement officers which will:

* compensate them for the lack of pay progression since they transferred into the NPS; this ‘catch up’ award will cover the 2016/17 and 2017/18 pay years
* provide them with an option exercise to confirm they wish to assimilate to the new pay and grading structure, outlined in the pay modernisation proposals, if these are accepted by trade union members.

UNISON’ s advice to our enforcement officer members who are affected by the above, is to obtain a quote from the NPS as to the specific impact of the ‘catch up’ award for them, and then the impact of accepting the pay modernisation offer on top, and what that would mean for them personally.

1. **Consultation Process**

UNISON has been set an ambitious timetable for the consultation by the NPS, which would like to implement the pay offer in November, subject, of course, to a majority members in each of the three Probation unions voting to accept it.

To this end, we are organising a ballot for UNISON NPS members to vote on the pay modernisation offer.

**Our ballot runs from 18 October and will close on 8 November**.

It will be a fully postal ballot with voting papers sent direct to members’ home addresses with a pre-paid envelope for the return of completed voting papers by the closing date.

**Members who do not receive a ballot paper by Monday 22 October should ring UNISON Direct on 0800 0 857 857 to request a replacement be sent to them.** The last day on which you will be able to request a replacement ballot paper is Friday 2 November (mid-day).

**UNISON hopes to be able to run some pay offer presentations** for members to attend during the above ballot period. Speak to your UNISON branch, or local UNISON representative, to find out whether there is a presentation in your locality.

**NPS staff who are not in a trade union will not get a vote on the pay offer**. Non union members are therefore encouraged to join UNISON now so that they can take part in this important vote. Non-members can join by calling 0800 0 857 857, or by visiting [www.join.unison.org.uk](http://www.join.unison.org.uk)

The last date on which non-members can join UNISON in order to vote is Friday 26 October.

1. **What happens if the offer is rejected?**

If members of one, or more, of the probation trade unions vote to reject the offer, it will not be implemented, even if members of other unions have voted for it.

If this happens, none of the proposals in the pay modernisation offer would come into effect. Under these circumstances it is possible that the NPS would revert to the Civil Service pay guidance for 2018, which would be likely to lead to, at best, a 1.5% pay offer for NPS staff this year.

1. **Implications of the offer for CRC members?**

We appreciate that information about the offer will be of great interest to members working for the CRCs. UNISON’s policy is to maintain a broadly comparable pay and grading system across the NPS and the CRCs, so, if the NPS pay offer is accepted by NPS members, we will  want to deliver comparable benefits for our CRC members. UNISON’s aim is to see the Probation Service reunited, so we do not want to see big differences in pay and conditions across the NPS/CRC split.

1. **Any Other Questions**

If members have detailed questions on any aspect of how the NPS Pay Modernisation Offer affects them personally, they are advised to ask the NPS. This is because the NPS holds the necessary staffing records to be able to answer such questions in detail and with accuracy.

The NPS is offering all staff the opportunity to get a personal ‘quote’ of what the pay offer is worth for them, via the HMPPS intranet. UNISON is not able to provide this service.

If you have any questions on UNISON’s position on the offer, or anything which is set out in this Briefing, please ask your local UNISON rep, or UNISON branch, in the first instance.

1. **Non-Members Join UNISON to Vote**

UNISON is providing this briefing for UNISON members.

**NPS staff who are not in a trade union will not get a vote on the pay offer**. Non union members are therefore encouraged to join UNISON now so that they can take part in this important vote.

**Non members will need to join by no later than Friday 26 October in order to be able to vote**.

Non-members can join by calling 0800 0 857 857, or by visiting [www.join.unison.org.uk](http://www.join.unison.org.uk)