

National Probation Pay Claim 2017

The following sets out Napo's argument for substantial pay increases and structural pay reform across the probation sector. It also sets out the five key principles upon which these reforms need to be tested and measured:

Transparency Fairness Competitiveness Sustainability Professional credibility

Under each principle, the claim explains the problems with the current model and presents proposals for negotiation. Taken collectively Napo believes these changes could address the pay and reward crisis across probation. By doing so, it would provide a critical signpost that the next set of changes could be positive and that probation is being taken seriously this time. Without addressing the broken probation pay system further changes will yet again fail – without the level of staff engagement and support required they'll be sunk before their formal launch.

Further Change Ahead

Recent HM Inspectorate reports continue to praise probation staff for their dedication, professionalism and determination to keep delivering the best they can for clients and the public, despite their challenging operating environments. Material recognition of this professional commitment is long overdue. It is essential that the opportunity to introduce a new credible reward system is not missed.

The creation of a new HM Prison and Probation Service (HMPPS) to replace NOMS promises to be a turning point for probation in England, Wales and Northern Ireland – one that places rehabilitation at the heart of the justice sector. Supported by the imminent outcome of the Probation Operating Review this presents a chance for a new beginning – a counter-revolution to rebuild and rebalance support to clients and the public after the failed implementation of Grayling's TR revolution.

This timing dictates that positive pay reform happens quickly. It also requires any reform to be closely aligned to developing a professional framework that recognises, protects and promotes the professional status and standing of dedicated staff protecting the public by managing complex and often dangerous clients.

One Profession: One Claim

Our claim reflects that whilst our negotiating environment has already fractured, the problems inherent in the still common pay model remain consistent across all employers. It is therefore rational that common solutions are sought and, as we enter a period of further organisational change and reform across all parts of probation, a common pay and grading framework is maintained and built into the core foundations of revised organisational structures and operating contracts.

Napo has and is participating in a comprehensive Pay Review, started under the auspices of the NNC and now continuing under the direction of the NPS. We believe good progress is being made and common agreement has been reached about why and how the current pay model is failing probation. The ideas in this claim reflect our contributions to these negotiations. We have positively engaged throughout the review and will continue to do so for as long as we believe that a positive outcome is attainable, whilst recognising that the inherent unfairness in the current pay model, including evident risks of age discrimination, cannot continue.

This unfairness and risk has transferred to CRCs. Whilst understanding that this Pay Review, which formed part of the probation wide 2014-15 settlement, is now being conducted exclusively with NPS, we recognise that any outcomes will inevitably impact upon CRCs. CRC's are competing with the NPS for staff whilst constrained by contracts that have failed to deliver promised financial returns. We believe with such inherent contractual instability, neither the NPS nor CRCs should be seeking unique solutions that further complicate and fracture the operating environment.

A Legacy of Mistrust and Miss-selling

Since the coalition imposed the public sector pay freeze in 2010 our probation members have witnessed change on an unprecedented scale. This is always challenging but reports (e.g. from HM Inspectorate reports or the NAO) confirm that reforms are not yet delivering what Minister's promised. The status and professional standing of probation has taken a battering. Morale has fallen as fast as sickness absence levels have risen. Confidence in their employers' has fallen and staff feel less confident and secure when taking decisions. Managers are over-stretched and workloads are unsustainable. The NPS is having to operate recruitment and retention incentives in some areas whilst CRCs are being challenged by HM Inspectorate over unsustainable workloads and weakened, over-stretched management systems. ICT systems add to staff problems rather than help, with particular problems for Assisted Technology users in the NPS. Processing failures in the NPS around payroll, pensions, PAYE and maternity leave have further undermined confidence in the employers' capacity to address reward effectively.

Our most experienced members have not had any pay increase since 2010. This is insulting and unsustainable. These band maxima's are meant to reflect a rate for the job, but these are increasingly uncompetitive, especially we believe for management positions. However, the broken probation pay structure exaggerates the problems. It is absurd that in most grades it takes 27 years for someone to progress to the rate for the job. The majority of staff in all but the SPO range are at or below the mid-point of their pay range – including members close to qualifying for long-service medals in the NPS. The business case for adequate funding to reform the system need not extend much beyond a costed risk analysis of potential age discrimination claims.

Pay reform in 2008 was horribly miss-sold. Staff were promised progression at up to 5% a year. The leave trade-off for experienced staff to help fund the deal now feels like contractual robbery. If a bank had misled customers in this way, any Government would be imposing fines and compensation. Now is the time for Government to step-up and accept responsibility for past mistakes and broken promises - by funding probation pay reform, including meeting legacy costs.

Pension Mistakes

For clarity the claim excludes settlement of all and any pay miscalculations arising from failures to meet pension obligations since 1st April 2014. We feel these need to be met separately and that the NPS should pay the CRCs as well as meeting all individual contributions in lieu of any compensation. A separate claim to this effect is being prepared.

Napo has consistently warned the employers that under the new CARE principles, all pay should be pensionable for members of the LGPS. This required making and taking contributions on all payments at source as part of PAYE. Employers have failed to engage in these requests. GMPF have now confirmed our assertion and a backlog of non-payment of pension contributions has built up. The problem is amplified by failure to apply pro-rata increases on non-consolidated and consolidated payments to staff (including those who have retired) who have left the service mid-year, in line with pay increases since 1st April 2014.

In recognising these mistakes need to be addressed separately from the claim, we would re-iterate our belief that they should be met urgently by utilising the Secretary of State's underwritten guarantee on pension payments as part of the TR process.

MEETING KEY PRINCIPLES

TRANSPARENCY

It is important that people understand their pay system and know why they earn what they do and how this compares to others. This is no longer the case when comparing probation jobs and is increasingly less clear as probation staff begin to work more closely with colleagues in the civil service, prisons, police, local authorities, education and/or the not-for-profit-sector.

When the 2008 deal was introduced the pay scales were even longer. Therefore, understandable efforts to shorten the ranges has combined with a failure to progress other staff, meaning many feel resentful about colleagues with less experience having actually or almost caught them up. It is ludicrous that staff with many years' service are still at or below their bands' mid-point and makes a mockery of the concept of progression.

This is further amplified by the contractual nature of the alleged progression. This means all staff have a "right" to reach a maxima which is currently beyond reach.

Further, Napo recognise the numerous problems that have occurred due to the NPS and SSCL failing to manage the different softer terms and conditions in the NPS. This has been especially acute in relation to family leave policies which are more favourable in the civil service and have been misapplied. Maternity leave and wider family friendly policies are especially important in a majority female profession like probation. We also recognise that it is government policy to promote flexible working and high standards of maternity, paternity and family friendly policies. Any two tier workforce saps morale and makes reward less transparent. Napo therefore favours harmonisation where possible with other NPS/NOMS terms and contract adjustments that afford CRC's the chance to maintain a competitive market position.

The exception to this relates to pensions, where all NPS staff must be offered membership of the LGPS, alongside staff who transferred to CRC's who must be able to remain in the LGPS. Napo is especially weary of any moves that could purposefully or otherwise, 'incentivise' staff to opt-out of the LGPS. To assist we believe that all employers should be expected to publish LGPS membership density annually.

Therefore, Napo's claim is:

- For a minimum increase for 2017-18 for all staff below their band maxima of up to £2500 or the current contractual maxima if this is less – recognising and contributing towards 'buying-out' the existing contractual guarantee to reach the existing band maxima.
- For a new progression mechanism to be established across all grades which guarantees movement to the agreed rate for the job in no more than 5 years. To recognise the existing historic failures this period should be measured from 1st April 2015 – otherwise existing staff could potentially challenge established legal timeframes relating to Equal Pay legislation.
- For all pay to be recognised as pensionable with appropriate deductions and employers' contributions being taken at source.
- For a review of all allowances, testing them to make sure they are paid consistently, fairly and transparently.
- Specifically, harmonisation of all family friendly policies to civil service standards, including contractual adjustments to support CRC's remaining competitive in this area.
- Annual publication by all employers of LGPS membership density amongst their probation staff.

FAIR & COMPETITIVE

(Also see above re CRC contract adjustment's to ensure competitiveness)

When the 2008 deal was implemented it was on an expectation that annual increases up to the maxima for each band would be in the region of 3 - 5%, to allow for progression in a credible period of around 5 to 7 years. The model also confirmed clear grade boundaries between roles, based upon an established probation job evaluation scheme which assessed primarily against management of risk and public accountability. The rates-for-the-jobs were market tested against a range of relevant public sector professions and justice sector roles.

Since 2010 implementation has failed to meet these expectations or sustain the external pay relativities. As a result, a number of examples of tangible and perceived unfairness have emerged which undermine the pay and reward system, contributing to lower trust and morale between employees and employers, and potentially undermining future change. These urgently need to be recognised and addressed.

As well as the failures to sustain progression (see above) a side effect of restricted Treasury pay remits and the insistence in the civil service that this covers contractual progression, has been no consolidated increases since 2010 for anyone who has reached their 'rate-for-the-job', aka their band maxima. This means the relative value of people's salaries has been falling. Whilst this has been the case to some extent across the economy (contributing to particularly acute challenges in London and more expensive areas) it is even greater in probation. This is unfair. It also makes probation roles uncompetitive.

This is amplified by the increasingly common situation where staff are quitting permanent roles and choosing to work through an agency. These roles often afford them greater flexibility and a perceived reduced level of accountability and pressure. However, as agencies can charge up to the rate-for-the-job the probation employee can earn more than they had previously earned, even after the agency has taken a slice. This borders on perverse.

Further, the lack of flexibility in the pay system, arising from the rigid grade boundaries means comparative salaries are not always consistent and /or perceived to be fair. There are many examples where PSO roles and PO roles overlap but PSO's receive no additional recognition for doing more complex work. Similar unfairness are revealed when probation staff work alongside colleagues in the civil service, prisons, police, and wider social sector and see their salaries looking uncompetitive (see below). This is especially acute in any manager role (where there can seem to be a missing grade of 1st line manager).

Pay levels must be comprehensively re-assessed against comparable roles and those requiring similar levels of accountability, responsibility, professional expertise, knowledge and skills. This applies at all levels of probation – for example:

- A Specialist Prison Officer earns up to £29513 outside London, more than the current starting salary of a Probation Officer who could be mentoring them in a prison; over £2000 more than the comparator PSO maxima; and over £5000 more than the weighted average PSO salary across the NPS.
- Any Band 4 Probation Officer with a post-graduate specialist qualification now earns less than a police constable with seven years' experience – the PC earning at least £37254 p/a or almost £6000 more than current weighted average PO salary.
- A similarly qualified social worker with five years' experience would, on average expect to earn more than the PO maxima and over £5000 more than the current PO weighted average salary.
- SPO's have on average at least double the number of 1st line management reports than a 1st line manager in the civil service.
- The PC maxima is also £2000 more than the SPO starting salary. SPO's were once routinely measured against police Inspectors. However, an Inspector's minimum is now more than the

maximum for a Probation Band 6 and more than £5000 above the weighted average for a Probation Band 6.

- The starting salary for an SPO is also about £2500 less than an Assistant Team Manager would earn in social work (£37676 v £35024) with a social work Team Manager earning around £42919 – over £4000 more than an SPO.
- A Prison Service Head of Function also sitting on a prison's SMT would currently earn at least £6000 more than the SPO maxima (£46211 v £39818)

Therefore, Napo submits a claim that:

- Gives a minimum award for all staff, including those at their band maxima of at least £1500, fully consolidated.
- Jointly develops and implements a new pay system where progression is based upon clearly demonstrable skills, experience and responsibilities; and which incorporates greater flexibility with reduced emphasis on grade boundaries and an assumption that all roles within a band are the same.
- Calls for a full and comprehensive review of comparable and competitor salaries at all levels with further pay adjustments to improve the competitiveness of probation pay.
- Joint assessment of the probation job evaluation scheme with consideration of how best to evaluate jobs fairly and equitably, especially when individuals can be working closely together (even in the same team) but on different pay systems.
- Contract adjustments to support CRC's remaining competitive without putting undue pressure on jobs or the quality of provision.
- Additionally, Napo recognise the increased pension contributions payable at £34,401 (+.3%) and at £43501 (+1.3%). We believe that any awards must additionally compensate those impacted by crossing these thresholds, to avoid any perceived unfairness and/or incentive to withdraw from the LGPS.

SUSTAINABLE

TR changed the employment climate across probation with increased competition for staff. At the same time continued funding pressures, greater workloads, additional public profile and scrutiny create the perception that probation is getting harder, as does closer working with other services with conflicting cultures (such as the creation of HMPPS). However, closer working with other agencies and greater competition also makes probation staff more aware of their relative strengths and prospects in the wider job market – putting extra pressure upon recruitment and retention.

Napo recognises that different employers will want to adjust pay, reward and wider working practices to compete for staff and see potential for this to generate positive creative solutions to entrenched problems (e.g. better performance management, workload measurement and management, staff welfare programmes, CPD opportunities, etc). However, for the service to be sustainable a pay and reward free-for-all needs to be avoided.

This is why we are stressing the urgent need to support CRC's in being able to remain competitive by funding contracts to at least nationally benchmarked levels. This should be aligned to common professional standards and assessment across all probation services (see below).

Napo also recognise that the wider pay and reward climate has changed. The Government's pay freeze has lasted so long that it has become an Ice Age. Across the economy, this is now (according to the Resolution Foundation) the lowest period of sustained earnings growth across the economy since the

introduction of income tax to fund the Napoleonic Wars! Such tectonic shifts need to be recognised and adapted to if the Pay Ice Age thaw is to sustain a safe and sustainable environment.

One area of obvious and acute difficulty is sustaining service quality and provision in London and the South East. More research is needed to identify where London and the South-East's caring professionals come from but anecdotal evidence and research by Napo suggests they are typically younger, UK migrants into the capital and therefore less experienced and not sure if they will stay long term.

Normal economic models no longer apply to the London economy. Key costs such as housing, transport and child care have increased far faster than inflation across London and the South-East since 2008 and far more than other parts of the UK. For example, the cost of an average house in London is now approaching 10 times the combined average salary of a full-time professional couple so buying is a distant dream for most probation staff. Deposits are accordingly higher than they would typically have been before 2008 (e.g. 15% rather than a more normal 5%). Combined this means a deposit for an average home in London would be close to £100,000. Rents are astronomical and more than mortgage payments meaning any change of circumstance (e.g. reduced working after having a child) could literally render someone homeless. Combined with typical increases to personal debt and new pressures such as graduate loans, disposable income after stoppages and fixed costs in London can be less than unskilled manual workers in their hometowns. At present a career as a probation professional in London isn't attractive.

London has always been more expensive and this has traditionally been recognised by payment of the London Allowance. This can be varied and/or graduated to recognise the relative additional costs of central London v Outer London v the wider South-East for example. This has increasingly been strained as London weighting has either been capped completely or only risen alongside the 1% Treasury cap.

A significant increase to the London weighting figure is therefore long overdue and Napo would expect this to rise to at least £5000.

However, ***consideration should also be given to a wider South-East allowance of at least £2500.*** This will minimise the risk of just transferring recruitment and retention difficulties in other expensive towns and cities in the region as people choose to use the higher allowance to commute into London.

However, in arguing for an increase to the London allowance, Napo is not naïve enough to think this would come even close to solving the problem. Therefore, as part of the claim we ask for jointly supported, independent research into the financial pressures and challenges for probation staff in and around London and the South East with a view to suggesting longer term structural changes to pay, reward and tax policy, to incentivise probation staff (and other public service professionals) to commit to working in London and more expensive cities.

Napo also recognises the creation of HMPPS will see more probation staff asked to work inside prisons. Whilst we support the principle of rehabilitation and probation being at the heart of all parts of the justice sector, we also recognise that this will be a hard sell to many of our members – sceptical and untrusting of their employer after other recent failed change programmes; worried by the reputation of prisons as increasingly dangerous and unstable; and more conscious of their relative value of their transferable skills, knowledge and experience in the new, more competitive market place.

Unless there is a tangible incentive it is unlikely that staff will voluntarily move to a prison setting and existing allowances and incentives are not adequate either. However, we also recognise that the NPS plan under E3 is for staff to then move out of a prison setting. As with prisoners, the financial advantages of being inside compared to the challenges of sustaining life outside cannot encourage "institutionalisation". Accordingly, Napo's claim is for:

- Harmonisation and an increase in the total reward package for staff working in a custodial setting.
- An on-going review of the impact of any such incentives on recruitment and retention in custodial settings and upon staff being posted back into community settings - with scope to make additional adjustments during the staged implementation of pay reforms.

PROFESSIONAL ALIGNMENT

Pay and reward are only a part of the psychological contract between probation professionals and their employers. In the increasingly competitive and challenging operating environment all staff at all levels are expected to adapt to constant change, increased pressure and maintain levels of high quality provision. All employers should be committed to supporting organisational structures and systems that sustain high quality provision.

Currently, the structures and systems to support and sustain professionalism across probation are weak. They have been historically vulnerable to a crisis which, in Napo's view, has been realised since TR. One key part of this is the perceived gap in professional status between unqualified PSO's and qualified PO – the reality being that both do complex roles and need to show relative levels of professional knowledge, judgement and accountability. Another evident gap is the lack of probation specific programmes for managers now commonplace in other public service professions.

Further, appraisal systems do not achieve positive outcomes. The relative appraisal and assessment in the NPS is bureaucratic and demotivating. Its reputation is tarnished by its link to discredited PRP and allegations of inequitable outcomes in NOMS and the MoJ.

Workloads are increasingly unmanageable. This is worsened by the unworkable number of 1st line reports most SPO's have, even before the additional HR workload and responsibilities post TR are taken into account. No system of performance management can operate effectively if it is structured upon too few managers to support too many individuals across too many tasks and responsibilities.

CPD and professional training has, according to our research, become random in most of probation. This is unsustainable and dangerous in any organisation where change is constant and where time for reflection's so critical to outcomes.

Accordingly, Napo want all aspects of our claim to be aligned with a parallel programme of Professionalising Probation. This should include:

- Joint development of a graduated, rehabilitation wide Probation License to Practice. To be effective this should cover all work whether it is delivered via CRC's or the NPS, in custody or in the community.
- A commitment to assimilate the skills, knowledge and practice needed for pay progression to a consistent professional competency framework to be applied across probation.
- Development of credible workload management tools with monitoring and reporting via HMIP and contracts.
- Recognition that CPD is a keystone of collective and individual commitment to professionalism, with HMIP tasked with assessing and reporting upon organisations' performance in ensuring CPD for their staff.
- Specific caps on the number of 1st line management reports for any manager with an initial maximum of 8.

Further, Napo is conscious that in the NHS and other parts of the public sector whistleblowing has become an increasingly concern for staff – many reporting a lack of confidence in reporting concerns about professional practice inside their organisations. The rising number of critical HMIP reports since TR and

rising pressures outlined above suggests to Napo that this will also increasingly be the case across probation unless it is jointly and proactively challenged.

Accordingly, Napo request:

- A joint review of all organisational whistleblowing policies and procedures during 2017-18, with a view to identifying and promoting best practice via HMIP and contracts.

For further information or clarification please contact Napo's link National Officer or National Official in your area.

DEAN ROGERS
Assistant General Secretary, Napo
April 2017