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**PROBATION SERVICE**

**THREE-YEAR PAY OFFER 2022/23/24**

**MEMBERS’ GUIDE**

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# Introduction

Following the submission of a joint union pay claim in the spring of this year and pay talks over the months of June and July, the Probation Service has made a full and final pay offer covering the following three pay years: 2022, 2023 & 2024.

UNISON is now consulting all Probation Service members on whether they wish to vote to accept or reject the pay offer. For the reasons given below, UNISON is unable to recommend how members should vote in the ballot. This member guide sets out the pros and cons of the offer and leaves it up to members to make their own decision over whether to accept or reject.

# Background

On 5 May 2022, the three probation unions submitted the following pay claim on behalf of members in the Probation Service:

* A three-year award to cover the 2022, 2023 and 2024 pay years
* An increase in the value of all pay points of 3% above the Retail Prices Index (RPI) of inflation on 1 April 2022, 1 April 2023, and 1 April 2024
* An increase in the value of all Probation Service cash-allowances of 3% above the Retail Prices Index (RPI) of inflation on 1 April 2022, 1 April 2023 and 1 April 2024
* Shorter pay bands to allow staff to reach the top of their pay band in a shorter time
* Removal of pay band overlaps
* An increase in the HMRC Fixed Profit Car Allowance

The claim was submitted against the background of static probation wages over the last 12 years and rapidly rising inflation and living costs. Since the claim was submitted, the RPI index of inflation has risen to 12.3% in July 2022 and is forecast to continue rising for at least the next 6 months and probably much longer. The probation unions have campaigned for better pay for our members under the banner of ‘Probation Needs a Pay Rise’.

# Summary of the Pay Offer

Following intensive pay talks over June, July and August this year, the Probation Service has made a full and final three year pay offer to staff which is set out in the summary Offer Document attached.

UNISON’s Guide for members sets out the key features of the pay offer as follows:

1. **A variable cost of living increase in the value of the pay points in each pay band**. We call this a cost-of-living rise, so as not to confuse it with pay progression. The cost-of-living increases are consolidated, so each pay point is permanently increased from the date of each rise. Pay progression is where staff move up to the next pay point in their pay band each April.

The average increase in the value of pay points is 3.2% each year across all pay bands. However, this 3.2% average masks a wide variation in the actual increase in each pay point in each pay band in each year of the offer.

The average increase in the value of the pay points in each pay band in each year of the three-year offer is as follows:

* + **Pay Band 2** 3.2%
  + **Pay Band 3** 3.2%
  + **Pay Band 4** 3.6%
  + **Pay Band 5** 4.3%
  + **Pay Band 6** 2.4%
  + **Pay Band A**  4.3%
  + **Pay Band B** 3%
  + **Pay Band C** 3.4%
  + **Pay Band D** 1.6%

Please consult the tables at Attachment 3 to see what cost of living increase will apply to each pay point in your pay band for each year of the offer. It is not possible to give a meaningful average cash increase for all pay points in a pay band, because they vary so much. The top pay points of pay band 2 and pay band 6 receive no cost-of-living increase in the third year of the offer.

Please note that the cost-of-living increase is awarded from 1 April in year 1 of the offer, but in years 2 and 3 of the offer the cost-of-living increase is not awarded until 1 October. This means that staff will have to wait an extra 6 months before they get their pay increase in years 2 and 3. As a result, the in-year cash in your pocket from the increase is half what it would be if it were awarded from 1 April. Pay progression, by contrast, takes place on 1 April in every year of the offer.

The reason for the cost-of-living increase being delayed in years 2 and 3 of the offer is that saves money for the employer in year but allows a bigger consolidated % increase in the value of the pay point going forward.

1. **The deletion of the bottom pay-points in the following pay bands in the following years of the offer**:
   * **Pay Band 2**: year 2 and year 3
   * **Pay Band 3**: year 3
   * **Pay Band 4**: year 3
   * **Pay Band 5:** year 3
   * **Pay Band 6**: year 2 and year 3

The effect of deleting the bottom pay points is to raise the starting salary of each pay band. The Probation Service hopes this will attract more recruits. This will mainly benefit new recruits, rather than existing staff.

Please see Attachment 1 for full details of the deletion of pay points. Deleted pay points are shown in red.

1. **The addition of new pay points on the top of pay bands 2, 3, 4, 5 & 6 in the third year of the offer.** This creates more headroom in each of these pay bands for staff previously at the top of their pay band. Staff at the top of their pay band will be required to participate in the Competency Based Framework to qualify for progression to the new top pay point in year 3 of the offer.

Please see Attachment 1 for full details of the addition of new pay points on the top of pay bands. Added pay points are shown in green.

The impact of deleting pay points at the bottom of pay bands and the addition of a new pay points on the top of pay bands means that most pay bands keep the same number of pay points over the course of the 3-year pay offer. Overall, there has not been much shortening of the pay bands.

It will therefore take the same number of years to get from the bottom of most pay bands to the top as is currently the case. The only exceptions to this are pay bands 2 and 6 which start with 5 pay points in year 1 and end up with 4 pay points at the end of the 3-year pay offer.

1. **The smoothing out of the gaps between each pay point in each pay band to create more equal steps.** At present, there are big differences in the gaps between pay points in each pay band, which are the result of historic circumstances, and which cost the Probation Service a lot of money to implement. By smoothing out these gaps, the employer will save money going forward.

The smoothing out of the value of the gap between pay points in each pay band is one of the reasons that there is a variable increase in the cost-of-living rise in the pay points in each pay band over the course of the three-year offer.

By year 3 of the offer, the gaps between the pay points in each pay band are on average:

* + **Pay band 2**: 4.2%
  + **Pay band 3**: 4.6%
  + **Pay band 4**: 4.6%
  + **Pay band 5:** 1.4%
  + **Pay band 6**: 3.1%
  + **Pay band A:** 2.6%
  + **Pay band B:** 3.8%
  + **Pay band C:** 2.5%
  + **Pay band D:** 4.9%

Please see Attachment 1 for the actual % gaps between pay points in each pay band in year 3 of the offer.

1. **The removal of any overlaps between pay bands.** Currently, there are overlaps between the pay points at the top of pay band 4 and the bottom of pay band 5, the top of pay band 6 and the bottom of pay band A, the top of band B and the bottom of pay band C and the top of pay band C and the bottom of pay band D. The employer and unions have shared a long-term goal of removing these pay band overlaps, and this offer would achieve this by the end of the third year.
2. **The creation of at least 5% gaps between the pay bands by the end of the 3-year offer.** As well as removing the historic overlaps between pay bands, the pay offer establishes at least 5% gaps between the top of one pay band the lowest pay point of the next highest pay band. The only exception to this is pay band 6 which by the end of the offer period has only a 2% gap between its top pay point and the bottom of pay band A.

The creation of 5% gaps between most pay bands creates incentive and value for staff to seek promotion, although this is delivered under the current pay on promotion policy which guarantees at least a 5% increase in salary on promotion, which was necessary because of the problem of overlapping pay bands.

Unfortunately, the gap between the top of pay band 3 and the bottom of pay band 4 is widened under the terms of this pay offer. Currently there is a 7.1% gap between the top of pay band 3 and the bottom of pay band 4, but the pay offer widens this to 11%. UNISON wanted to narrow the gap between pay band 3 and 4 to 5%, but the Probation Service was not able to increase the top of pay band 3 by enough to close the gap to 5%.

1. **Probation Service Allowances increase by 3% each year under the terms of the offer, as follows:**

**Current 2022 2023 2024**

**London Weighting** £3889 £4005 £4126 £4249

**Prison Supplement** £675 £696 £717 £737

**Standby Allowance** £42.16 £43.42 £44.73 £46.07

**Geographical Supp 1** £3850 £3927 £4045 £4207

**Geographical Supp 2** £1800 £1854 £1910 £1967

**Geographical Supp 3** £900 £927 £955 £983

Please note that the Probation Service does not currently pay any geographical supplements to any staff in any areas, preferring to use market forces supplements instead.

Eligibility for London Weighting will be extended from all workplaces in Greater London to all staff who are contracted to work at locations inside the boundary of the M25. Eligibility will therefore be extended to the Probation Service offices at Watford, Staines and Swanley and potentially others to be confirmed.

1. **Staff on the top of pay bands 2, 3, 4, 5 & 6 on 31 March 2023 (ie at the end of the first year of the offer) will receive a non-consolidated £300 lump sum payment on 1 April 2023 as part of year 2 of the offer.** This is to compensate them for the fact that they are not eligible for pay progression on 1 April 2023. The £300 will be paid in one lump sum in pay packets in April 2023. On 1 April 2024 these staff will be eligible for pay progression as a result of the addition of a new pay point on the top of their pay band on that date, so the non-consolidated award is only made to eligible staff in the second year of the offer. The £300 lump sum payment is subject to tax, NI and superannuation contributions.

**Please note** that staff at the top of their pay band on 31 March 2022 will not receive any non-consolidated payment in year 1 of the offer, even though they are not eligible for pay progression on 1 April 2022. The Probation Service was not able to fund this.

1. **Staff on the top of pay bands A, B, C & D on 31 March 2023 and 31 March 2024 (ie at the end of the first and second year of the offer) will receive a non-consolidated £300 lump sum on 1 April 2023** **and 1 April 2024 as part of year 2 and year 3 of the offer.** This isto compensate them for the fact that they are not eligible for pay progression on 1 April 2023 or 1 April 2024. This £300 will be paid out in one lump sum in pay packets in April 2023 and April 2024. Unlike the numerical pay bands, none of the alphabetical pay bands gets a new higher maximum pay point added in any year of the offer. This explains the award of the non-consolidated payment in both year 2 and year 3 of the offer. The £300 lump sum payment is subject to tax, NI and superannuation contributions.

**Please note** that staff at the top of their pay band on 31 March 2022 will not receive any non-consolidated payment in year 1 of the offer, even though they are not eligible for pay progression on 1 April 2022. The Probation Service was not able to fund this.

1. **Pay Progression**. In addition to the cost of living increases on pay points set out above, staff who are **not** at the top of their pay band will be entitled to pay progression on 1 April in each year of the offer, subject to participation in the Competency Based Framework (CBF) for years 2 and 3.

Pay progression is movement up the pay points in your pay band every year. It should not be confused with a cost-of-living pay rise, but it will add to your income each time you progress during the three-year pay offer.

In year 1 of the offer (with effect from 1 April 2022) pay progression will be automatic, but in years 2 and 3 of the offer, staff will need to comply with the rules of the Competency Based Framework (CBF) to be eligible to progress to the next highest pay point in their pay band. Staff pay progression journeys through their pay band can be found in Attachment 2.

From year 2 of the offer (with effect from 1 April 2023) staff are required to have successfully complied with the Competence Based Framework (CBF) over the previous 12 months to progress one point up their pay band each year. The eligibility rules for pay progression under the CBF are that staff must be:

* + In a role with Probation Service terms and conditions for a minimum of six months of the competence year (on or before 01 October)
  + Not already at the top of their pay band
  + Up to date with all statutory and mandatory training that has been made available to them
  + Not subject to formal poor performance processes as set out in the Probation Instruction PI 13-2017 Managing Poor Performance
  + Not subject to a penalty of loss of increment/pay increase outcome as set out in the Probation Instruction PI 34-2014 Conduct & Discipline**.**

The CBF is not performance related pay and does not measure performance in any way. UNISON is also very clear that the CBF should not be used to hold back staff from pay progression as long as they meet the above eligibility criteria. The Probation Service CBF Guide confirms that:

*‘We expect the vast majority of you to be able to provide examples of competence easily, to move up your pay band each year, and to move up your entire pay band within five years.*

*The CBF process does not measure or drive performance. Any performance issues will be dealt with separately through existing processes.’*

1. **Market Forces Supplements (MFS) are to be phased out.** The pay offer confirms the intention of the Probation Service to phase out the use of market forces supplements which are paid to staff in hard to recruit areas.

The Probation Service currently awards the following market forces supplements to a total of 350 staff at the locations shown below:

* + **£1,100 for Band 3 staff** in some locations in Kent, Norfolk and Suffolk, Berkshire, Hertfordshire, Dorset, Buckinghamshire and Oxfordshire
  + **£1711 for Band 4 staff** in some locations in Buckinghamshire, Oxfordshire, Berkshire and at HMP North Sea Camp
  + **£2882 for Band 5 staff** in some locations in Kent
  + **£3016 for Band 4 staff** in some locations in Kent

Market forces payments will be phased out as the salaries/allowances of those in receipt of them increase over the 3 years of the offer. So, staff in receipt of MFS will see this eroded with every increase in salary/allowances which they get over the 3 years of the pay offer, regardless of whether their salary increase is via a cost-of-living rise, or an increase in the value of allowances or via pay progression.

The extension of London Weighting to staff who are contracted to work at locations within the boundary of the M25 may compensate some staff who are currently in receipt of Market Forces Supplements. For such staff, receipt of London Weighting will cancel out their Market Forces Supplement with immediate effect.

UNISON believes that phasing out of Market Forces Supplements in favour of overall pay rises is likely to see renewed recruitment and retention problems in the existing hard to recruit areas.

# Equality Impact Analysis

On the 1 August 2022, in response to a request from the trade unions, the Probation Service provided a copy of a *‘work in progress’* equality impact assessment of the pay offer. The employer confirmed at the time that the EIA would be *‘…updated and added to.’* On 1 August the employer was therefore not able to provide an assurance to the unions that the pay offer was fully equality proofed.

On 15 August following a request from UNISON for a before-and-after gender pay gap comparison relating to the offer, the Probation Service stated that:

*‘HMPPS is able to confirm that the reform package and pay award is compliant with equality legislation. HMPPS has undertaken a thorough quantitative and qualitative equality analysis and has established that this reform package and pay award is not directly discriminatory to any group of staff.’*

Unfortunately, the Probation Service has not been able to provide the gender pay gap data to allow a comparison of the gender pay gap pre - and post - implementation of the offer.

The offer therefore comes with a health warning that we may yet find evidence that there is discrimination in the offer on the grounds of one or more protected characteristic. The unions have asked the employer to agree to work with us going forward to identify and address any equality issues which might arise as a result of implementation of the offer.

# UNISON’s Position on the Offer

UNISON would normally provide a recommendation to members as to how to vote in relation to a pay offer. However, on this occasion UNISON’s Probation Service Committee has not been able to arrive at such a recommendation.

The average 3.2% cost of living increase each year obviously falls well short of the current rate of inflation which stands at 12.3% (July 2022). Yes, eligible staff will get their pay progression in addition to their cost of living rises, but staff are expected to progress up their pay band each year in the Probation Service pay system and this should not be confused with an annual cost of living pay rise.

Taking the pros and cons of the offer into account, UNISON’s Committee decided that we should leave it up to individual members to decide for themselves how to vote on the offer. We are therefore taking a totally neutral position on the offer, but can point out the pros and cons of the offer as follows:

## **Pros**

* **All pay points (with two exceptions referred to above) in each pay band get a cost-of-living increase in each year of the 3-year offer**
* **New headroom is created in pay bands 2, 3, 4, 5 & 6 by the creation of a new higher maximum pay point in each of these pay bands in year 3 of the offer.** At the end of the three-year period of the offer, the pay points at the top of each of these pay bands will have risen to the following cash values, with the % increase on the cash values also shown:
  + **PB2** £25210 12%

* + **PB3** £31650 12.2%
  + **PB4** £42000 13%
  + **PB5** £46000 12.1%

* + **PB6** £52939 8%
* **The starting salaries of pay bands 2, 3, 4, 5 and 6 increase over the period of the offer as a result of the deletion of the lowest pay point in each of these pay bands.** At the end of the three-year period of the offer, the starting salaries for these pay bands will be as follows, with the % increase on the current starting salaries also shown:
  + **PB2**  £22320 19.2%
  + **PB3** £26475 14.2%
  + **PB4** £35130 16.3%

* + **PB5** £44100 18.7%
  + **PB6** £48305 17.8%

Please note that the % increases shown here are higher than the sum of the average % cost of living increases in the pay points in each pay band, because they are the result of pay points being deleted at the bottom of the pay band, as well as the impact of the cost of living increases.

* **Pay progression will be paid on time in years 2 and 3 of the offer** (on 1 April 2023 and 1 April 2024) rather than being delayed each year as a result of the need for Treasury approval
* **Staff at the top of their pay bands at the end of the first year of the offer, will receive a £300 non-consolidated lump sum payment** on 1 April 2023, and also 2024 for staff in pay bands A, B, C & D
* Allowances, such as London Weighting, Prison Supplement, Standby and Geographical Supplements all increase by 3% in each year of the offer
* London Weighting is extended to all staff who are contracted to work at locations within the boundary of the M25
* Overlaps between pay bands are removed by the end of the 3-year offer

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## **Cons**

* **The cost of living rises in the offer, which average 3.2% a year, fall very short of the current rate of inflation** which was 12.3% in July 2022 (retail prices index/RPI). The joint union pay claim was for a cost-of-living rise of 3% **plus** RPI inflation for each year of the award. So, the cost-of-living rises in the pay offer fall way below what is needed for probation pay to keep up with inflation.
* **There is a difference between the cost of living rises on each pay point in each pay band** – this is a lottery and a side-effect of the smoothing out of the gaps between the pay points in each pay band.
* **There are some differences in the average cost of living rises between different pay bands over the 3 years of the offer:** 
  + 4.3% for pay band 5 and pay band A
  + 3.6% for pay band 4
  + 3.2% for pay band 2 and pay band 3
  + 2.4% for pay band 6
* **The cost of living rises in years 2 and 3 of the offer are not paid until 1 October**, when they would normally be paid in April. These rises are therefore delayed by 6 months. As a result, staff will only receive half the value of the pay rise in their pockets in the pay year, although the value of the pay points themselves goes up by the full amount.
* **There is no non-consolidated lump sum payment for staff at the top of their pay bands in year 1 of the offer.** The unions asked for this, but the Probation Service was not able to fund it.
* **The gap between the top of pay band 3 and the bottom of pay band 4 will widen from 7.1% to 11%.** 11%is double the size of gap which will exist between most other pay bands at the end of the three-year offer. Given the similarities in some of the work carried out by PSOs and POs, this widening of the pay gap between the two roles is regrettable. There should be equal gaps between the pay bands, but the Probation Service was not able to increase the top of pay band 3 sufficiently to close the gap in the final offer.
* **Market forces supplements (MFS) are being phased out** and are likely to have disappeared for most staff currently in receipt of them by the end of the three-year pay offer. This will very probably see the re-emergence of recruitment and retention problems in the hard to recruit sites where the MFS is currently being paid.
* **There is no increase in car mileage allowances.** The cost of motoring has rocketed over the last year. Our pay claim sought to address this by asking the Probation Service to approach Her Majesty’s Revenue and Customs to increase the 45p/mile fixed profit car mileage allowance that applies across the civil service. At this point no such approach has been made.
* **There is a question over whether the pay offer has been fully equality proofed**. As set out above, the Probation Service has on the one hand indicated that the equality impact analysis of the offer is on-going and therefore incomplete, and on the other that it is now confident that the offer has been fully equality proofed. There is a risk that it may subsequently be discovered that the offer has some discriminatory effects.

UNISON has asked the Probation Service to agree to work with us to identify and deal with any such discriminatory effects which might arise from implementation of the three-year offer.

# How to Vote

UNISON is organising an electronic ballot for Probation Service members to cast their vote. You will receive an e-mail with a link which takes you directly to a voting page. **Our ballot opens on 1 September 2022 and closes at 12 noon on 23 September.**

**If you do not receive an email,** you can vote here: <https://unison.tfaforms.net/234>

Voting via this link is a two-step process. You will need your UNISON membership number or National Insurance number to first validate your UNISON membership. You will then be directed to the voting page.

You can find your membership number on your membership card or by contacting your local UNISON branch or calling UNISON Direct (Telephone 0800 0 857 857) who can provide your membership number.

Please note: You can only use your NI number for validation purposes if you registered your NI number with UNISON when you joined.

**Before you vote, you are strongly advised to read the UNISON Member Guide to the three-year pay offer in full.** UNISON will also be organising some opportunities for members to attend briefings on the offer during the ballot period, at which we will try to answer any questions you may have.

The Probation Service is also making information available on the offer on the Hub including a ready reckoner which staff can use to calculate their own individual outcome from the offer. This will show what staff can expect from the offer in relation to both cost-of-living rises and pay progression.

For the reasons given above, UNISON is unable to make a recommendation as to how members should vote in the ballot on the three year pay offer. We are therefore adopting a neutral position on the offer. This is the decision of UNISON’s Probation Committee taking the pros and cons of the offer into account. It is therefore up to individual members to make their own decision on whether to vote to accept or reject the offer in light of all the information provided.

Please note:

* **It is not possible at this stage to improve the offer via further negotiation.**
* **If members wish to reject the offer it has to be on the understanding that they will support serious and sustained industrial action, up to and including strike action, in order to seek to improve it.**

THIS IS NOT AN INDUSTRIAL ACTION BALLOT. YOU WILL NOT BE ASKED TO TAKE ANY INDUSTRIAL ACTION UNLESS YOU HAVE VOTED AGAIN IN A FORMAL INDUSTRIAL ACTION BALLOT WHICH UNISON MAY CALL IN THE FUTURE AS A RESULT OF THIS CONSULTATION.

**All UNISON Probation Service members are strongly encouraged to vote in the pay consultation ballot**. Your views are important, and we want to hear from you. Whether the three-year pay offer is accepted or rejected will depend on your vote, and the votes of other trade union members in the Probation Service.