Nacro
Justice ExChange

The Better Futures Project

Briefing 1: Work and Wages in Prison

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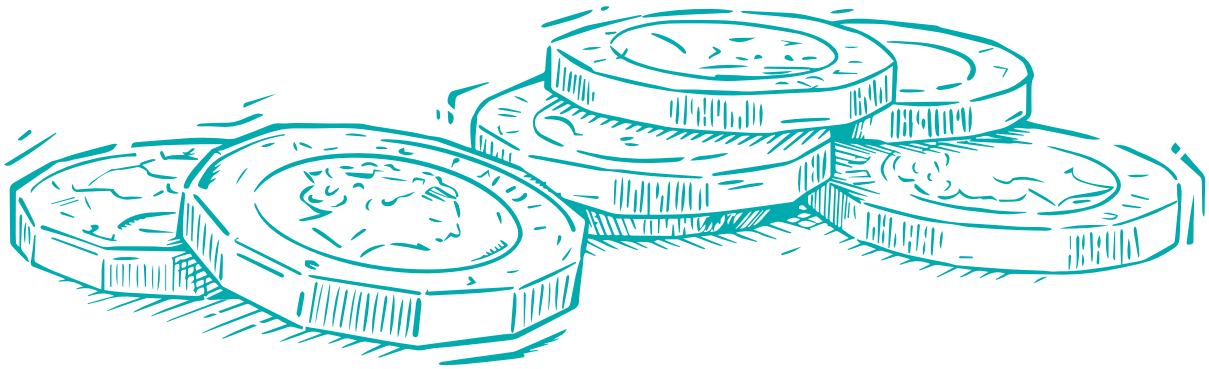
About the Nacro Justice ExChange

The Nacro Justice ExChange is a network of people who have been in contact with the criminal justice system and received support from Nacro with their resettlement journey, including people who are currently in prison, or have previously served a prison sentence.

We share the same goal: Using our experiences to inform those in power of what the issues are, and to influence the development of criminal justice policy to ensure that it works better for society, communities, families, and the individuals caught up in the system.

We propose practical solutions based on lived experience of the system.



About the Better Futures Project Briefing: Work and Wages in Prison

This is the first in a series of briefings that will examine the practical steps that can be taken to support people in contact with the criminal justice system to create better futures. The series will include practical and cost-effective steps to help prisons better prepare people for release, and provide them with the skills, training, knowledge and support they'll need to thrive and create better lives on the outside.

This briefing looks at work and wages in prison and the impact those can have on people's ability to turn their lives around on release. It's particularly important right now because of the cost of living crisis.

We know that, for many, prison wages are all they have to get by on in prison. Wages are used to buy phone credit to keep in touch with friends and family, to buy the basic things they need, and to save for release.

We want to propose a better, fairer, system that ensures that everyone can work to support themselves both during their time in prison, and on release. We believe it is a false economy to create what is for many an environment of poverty in prison, as it can lead to bullying and violence, and ultimately means that Government has to spend more on the basics for people in prison and on release as they are unable to provide them for themselves.

Our solutions are set out in full below, but we believe that the main things to focus on are:

- **Developing skills and earning qualifications:** Making sure that work and education opportunities are available to everyone in prison, focusing on ensuring that people can develop the skills and qualifications that they will need on release. Jobs should be linked to qualifications and skills and based on a comprehensive understanding of the local job market so that training is preparing people for work in industries where there are employment shortages.

- **Improved use of ROTL:** It needs to become the norm that all people in prison who are eligible have genuine opportunities to be released during the day to enable them to work in the community and earn a real wage.

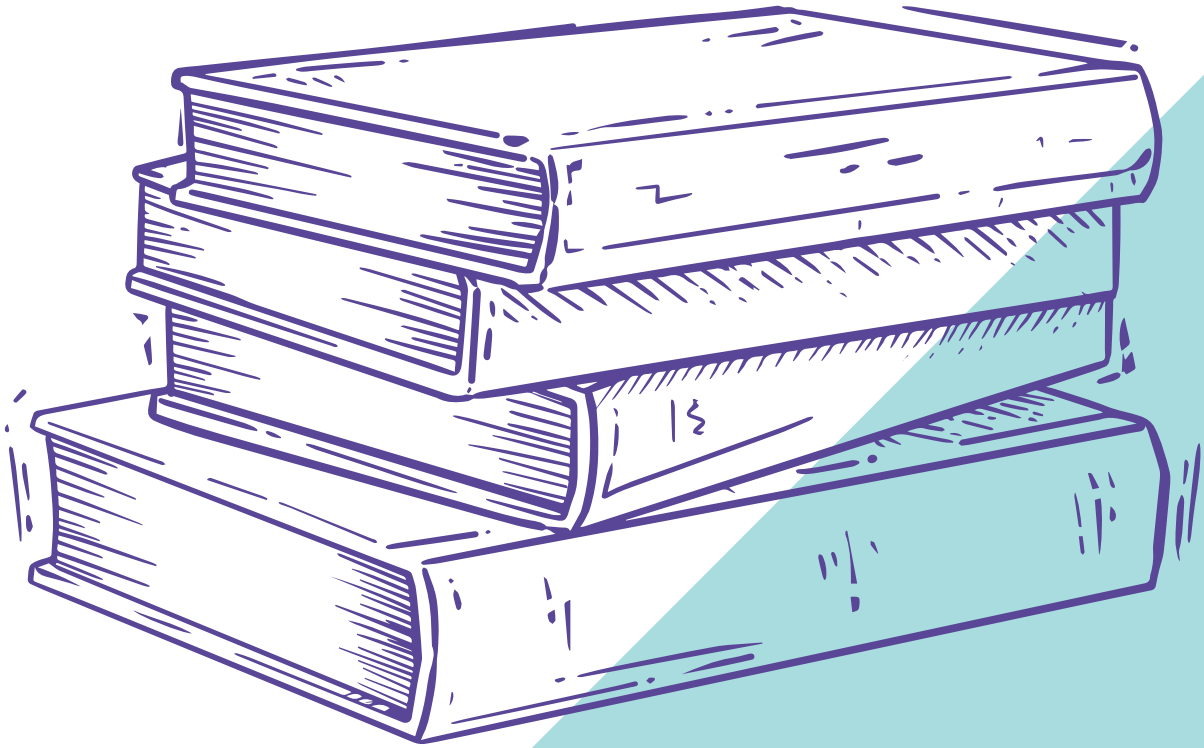
- **A real working day:** People should be provided with a working pattern that, as far as is possible, mimics the working day on the outside, and prison regimes and staffing profiles should prioritise this. This provides people, who are able to, in prison with the experience of working full time. It would also make setting up workshops etc in prison a more attractive proposition for outside employers who would then see that their investment would be returned in the productivity of their workforce, rather than trying to make contracts work where there is limited productive time in the working day.

- **Fair pay so people can pay for the things they need:** Establish a national pay scale for people in prison, reviewing current wages to ensure that people in prison have sufficient funds to buy the things that they need, keep in touch with friends and family and save for release.

- **Fair prices so people can pay for the things they need:** In addition to establishing a national pay scale for people in prison, we must also ensure that the items that they can buy, and the phone calls that they make, are priced fairly and in line with prices in the community.

- **Saving for release:** With a national payscale and increased wages, a portion of prison wages should be saved in a ringfenced Resettlement Fund. Needs-based and administered independently, this fund would be available to people in the run up to release and post-release to support with their transition to the community. It should be flexible to be able to support with things such as a rent deposit or to fund the completion of a qualification started in prison. This fund should be considered when reviewing prison wages to ensure people are able to buy the things they need and contribute to the Fund.

- **Priority for the best jobs in preparation for release:** Introduce a system so that towards the end of an individual's prison term they have priority for the higher paid roles with automatic saving of a portion of that wage in the resettlement fund referred to above. People should have a fair chance of getting the better paid jobs by ensuring they have every opportunity to gain enhanced status. This would help to prepare people for work once released as the higher paid jobs in prison are often the ones with more responsibility and accountability.



Introduction: How money works in prison

People in prison may be fortunate enough to have their own money earned prior to entering custody and may receive money sent in by their family or friends, in addition to what they earn in prison. But others will rely solely on their prison earnings

Money can be spent in prison up to approved weekly limits depending on whether someone has been convicted or if they are held on remand. The amount that can be spent is also dependant on 'behaviour' as assessed under the incentives and earned privileges scheme.

Any money that is sent in from outside is stored by the prison in their 'private cash account' and then transferred electronically to the 'spends account' on a weekly basis depending on the weekly spending limit. Money that is earned in prison is also added to the spends account.

People in prison buy phone credit so that they can call friends and family and pay rent for a TV at the rate of 50p per week.

People in prison can also purchase a range of everyday items (including food) from the prison shop, known as 'canteen'. In each prison there is a list of items, available for purchase, chosen to meet the needs of individual prison populations from a national product list of approved items. The list should be regularly reviewed by each prison, in consultation with the men or women held in the establishment.

Items such as clothing, books and other items can be bought from approved retail catalogues and prisons charge an administration fee on these purchases.

The maximum a convicted person can spend from their private cash per week was increased by 10% on the 1st September 2022 to £33.00. However, in practice most people are limited to being able to spend £19.80, as the number of people in prison on the enhanced IEP level is often small.

In our experience, it can be very difficult to get enhanced status, as the focus tends to be on poor behaviour rather than highlighting the good. People tell us they don't really know what they need to do to get enhanced status, and we think that everyone should be supplied with a list of what they need to do to become enhanced.

"Most prisoners are never going to get enhanced as it's too difficult to achieve and the officers don't want to give it to you."

"Increasing the amount of money you can transfer from privates to spends only makes a difference to people who have someone on the outside to send money in. If you haven't got anyone then you've only got what you earn in prison to survive on, and most of the time it isn't enough."

Maximum transfer limits from private to spends accounts		
IEP level	**Unconvicted**	**Convicted**
Basic	£27.50	£5.50
Standard	£60.50	£19.80
Enhanced	£66.00	£33.00

Prison Wages

> **"It is Prison Service Policy that prisoners receive payment if they participate constructively in the regime of the establishment. The pay schemes and rates of pay which operate within establishments, are a matter for local management."**
>
> Prison Service Order 4460 (PSO 4460)[1]

Prison wages are low, partly because people in prison do not have to pay for their bed and board: accommodation, meals, and basic toiletries are provided. However, we believe that prison wages are too low for people to be able to buy the basics, keep in touch with people on the outside and save for release.

PSO 4460 sets out the minimum rates of pay as follows:

- Unemployment pay for those who are willing to work but suitable employment is not available: £2.50 per week
- Minimum employed rate for all people in prison who are employed in work, induction, education, training or offender behaviour programmes: £4.00 per week
- Short term sickness: £2.50 per week
- Long-term sickness or of retirement age: £3.25 per week
- Higher rates of pay schemes must only be available to people who are on enhanced or standard levels of the Incentives and Earned Privileges Scheme

1 Prison Service Orders (PSOs) are policy documents that relate to all aspects of prison life and management.

Pay rates vary within prisons, depending on the type of job or IEP status: for example HMP Pentonville's pay is £13.70, as of September 2022, for standard level IEP and £18.60 for enhanced. At HMP Send the average weekly wage for prisoners in full-time employment in July 2022 was £13.93, an increase from £12.40 in January 2022. At HMP Berwyn, mentors earn £18.40 per week (for 9 sessions) and kitchen workers are paid £23.50 for 14 sessions (7 days per week).

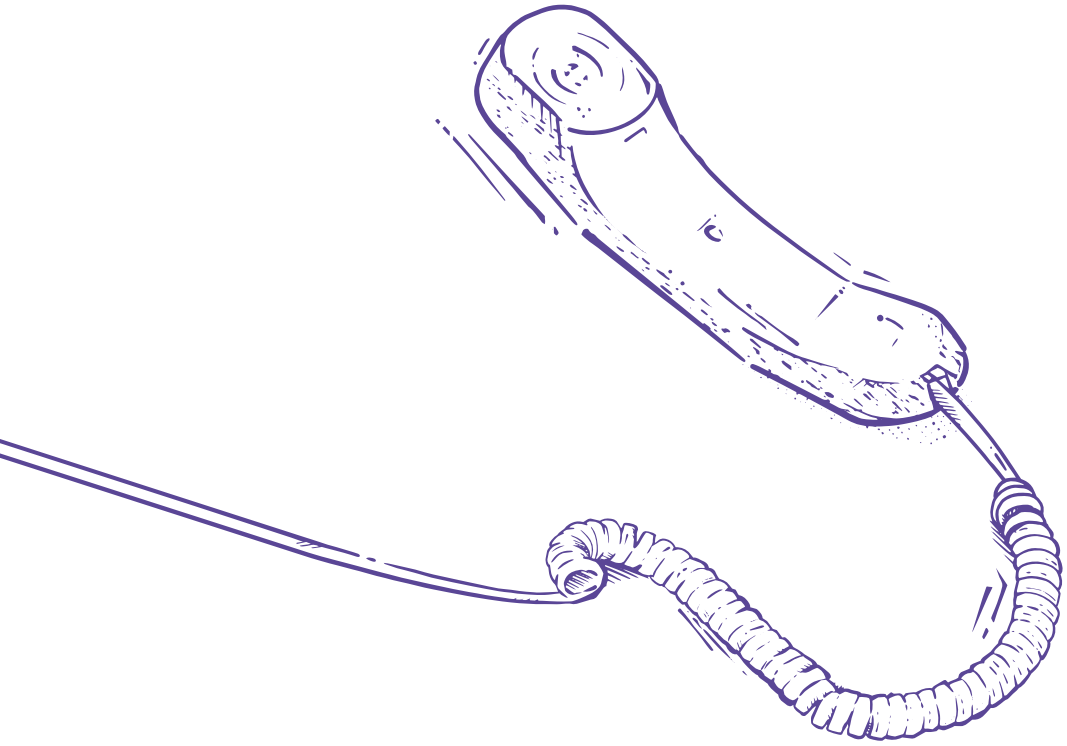
Pay rates also differ from prison to prison. We know that pay rates in private prisons tend to be higher than those run by HMPPS, but the cost of phone calls tends to be higher in private prisons. We know that pay rates of between £7.50 and £15 per week are not unusual for cleaners or servery workers, with higher rates of pay for work in the workshops, biocleaners and other higher skilled jobs.

The availability of work also varies across the prison estate. HMP Berwyn was inspected by HM Inspectorate of Prisons (HMIP) in May 2022 when there were 584 unemployed men out of a total prison population of 1,835. When HMP Onley was inspected in June 2022, HMIP noted that more than half of all of the people held were unemployed.

"I've been in here for 15 months and I've never had a job. I keep applying but don't get anything. Other people that have come in after me have been given jobs. I've had to survive on £2.50 per week for all this time."

"I earned £15 a week in the woodworking shop, making tables that they could then sell for hundreds."

"There is a hidden hierarchy for jobs in prison – the officer's favourites get the best jobs. It makes you feel worthless."



What people spend their money on

1. The cost of calling home

People in prison buy telephone credit in order to keep in touch with friends and family, which they can purchase in £1 increments from their spends account. We know that maintaining contact with friends and family on the outside is important because it can help to reduce reoffending, but the cost of making a telephone call from prison can be expensive.

> **"In this prison it costs £14.00 for 1½ hours of calls to a landline but spending that much means you can only speak to friends and family for less than 15 minutes a day. It's not enough to keep in touch and means you can't even buy the basics that you need from canteen."**

> **"When you're in prison you might put £1 a day on your PIN credit, so about £30 per month. For that you get to speak to your friends and family for maybe 10 minutes a day. On the outside you'd get unlimited calls, Wi-Fi and data for that much money. It's really unfair."**

2. Canteen

People in prison rely on ordering goods from the prison canteen for all but the absolute basics. This includes things like extra clothing, toiletries and food items. There is a limited range of items available from canteen, and there can be a lack of healthy foods. Previous surveys have shown that far fewer Black and Muslim people in prison felt their needs were met by what is available, with many basic culturally appropriate toiletries and foodstuffs being unavailable.[2] Additionally, our experience is that canteen items are often more expensive than they would be in supermarkets in the community, and prices have increased substantially as a result of the cost of living crisis (whilst prison wages have stayed the same).

> **"The things you buy on canteen might be thought of as 'luxuries' but really they are just the things a man should have, but they can't even afford to buy them. Like ketchup or shower stuff."**

> **"A tin of mackerel on canteen would be £1.65 but on the outside you could buy four tins from Lidl or Aldi for a pound."**

2 Life in Prison: Earning & Spending Money, HMI Prisons 2016 https://www.justiceinspectorates.gov.uk/hmiprisons/wp-content/uploads/sites/4/2016/01/Earning-and-spending-money-findings-paper-final-draft.pdf

The effect of the cost of living crisis

With inflation currently at over 10%, everyone is feeling the impact of the cost of living crisis, and we know it is the most vulnerable families who already struggling that will face the biggest challenges, and that many more families will fall into poverty in the coming months. With energy prices and the cost of staple food items soaring, many more households are struggling just to get by.

People in prison are also feeling the impact. In 2019/20 prisons spent an average of £2.29 per day feeding each person within their care.[3] During the pandemic when people were spending additional time locked in their cells (often over 23 hours per day) additional funding was provided for 'comfort packs' including chocolate bars and/or crisps, and this increased spending to an average of £2.96 until the Autumn of 2021. In 2021/22 the average daily spend is estimated at £2.54.

We understand that because rising prices are impacting on prison food budgets, prisons are having to find ways to reduce spending in order to keep within current budgets. Without additional funding, an already inadequate budget will seem impossible to stretch. This will inevitably mean that people in prison will have an even greater need to supplement their prison food with additional items from canteen, but with low wages and rising prices of items on canteen it is becoming more and more difficult for them to do so. Additionally, many people in prison who rely on the money sent in by friends and family will find that their loved ones are less and less able to afford to send money to them.

"Basic stuff on canteen has got a lot more expensive. A bag of rice used to be 89p but now it's £1.20. It's a really big change when the unemployment rate of 50p a day hasn't changed for years and years."

3 Revealed: the cost of living in prison – inside time & inside information

The impact

All this means that many people in prison are struggling to buy the basics for themselves, stay in touch with friends and family, and save for their release.

We know that maintaining family ties is one of the key things that helps to ensure that people do not go on to commit further offences on release, and so it is important that people in prison are given every opportunity to keep in touch. The cost of calls and low levels of prison wages mean that this is difficult for many. In addition, if people in prison were able to earn enough so that they could send even moderate sums of money home this would help to ensure that their family ties as sons, daughters, fathers, mothers, or partners are sustained so that, for example, a father in prison could still contribute to the purchase of school shoes, or so that a child could know that their mother was sending money home to them for toys or books. In order to minimise security risks, this could be facilitated by allowing ordering from a retailer such as Argos or Amazon to send to pre-approved addresses. Alternatively, prison wages could be loaded onto gift cards which could then be sent out to be spent on the high street for things like school shoes or uniform.

We know from our own experience that poverty in prison leads to increased tension, violence and bullying, which puts people in prison, and staff, at risk. When people don't have money to buy the things they need it increases the temptation to take from others which then causes tension and violence on the wings. It is a particular problem for more vulnerable people who may unwittingly get themselves into debt and are then vulnerable to being exploited by other people. It is, however, important to acknowledge that increasing prison wages (and so increasing the amount of money available to people in prison) creates the risk that there is then more money available to spend on illicit items and could lead to increased risk of bullying. Strategies need to be in place to ensure that this is tackled, including reducing the flow of illegal items in prison reducing demand through more focus on purposeful activity, and working with vulnerable people in prison to build their resilience to bullying and exploitation.

Many people face an uncertain future when they are released from prison, with nowhere to live or only temporary and unstable accommodation. Many people leave prison with only the subsistence payment (previously called the discharge grant) of £82.39. Having somewhere to live is key to ensuring that people have the best chance of turning their lives around when they leave prison, but if you are unable to earn enough to be able to save whilst in prison then people have no chance to get together enough money for a rent deposit or their first month's rent. Having somewhere to live can be transformative for someone being released from prison as two thirds of people who slept rough or were otherwise homeless after leaving prison go on to commit another crime within a year.[4]

Under the Prisoners' Earnings Act up to 40 per cent of the wages earned by people released from prison on temporary licence to work in the community in preparation for release go to national charity Victim Support. This money is used to provide support such as professional counselling and enhancing home security - helping victims to recover from the trauma of crime. This means that people are making a direct contribution to services that support people that have been the victim of crime. However, this is only available to people working outside prison, people who work within the prison walls are unable to contribute to the scheme.

4 https://www.theguardian.com/society/2019/aug/12/two-thirds-of-homeless-ex-prisoners-reoffend-within-a-year

"Vulnerable guys without contacts in the prison find it really hard. They get into debt and then there's a hold over them. They get forced into doing other people's dirty work."

The solution

Prisons should be places of learning, earning and true rehabilitation. To achieve this, we make the following recommendations:

- **Developing skills and earning qualifications:** Making sure that work and education opportunities are available to everyone in prison, focusing on ensuring that people can develop the skills and qualifications that they will need on release. Jobs should be linked to qualifications and skills and based on a comprehensive understanding of the local job market so that training is preparing people for work in industries where there are employment shortages.

- **Improved use of ROTL:** it needs to become the norm that all people in prison who are eligible have genuine opportunities to be released during the day to enable them to work in the community and earn a real wage.

- **A real working day:** People should be provided with a working pattern that, as far as is possible, mimics the working day on the outside, and prison regimes and staffing profiles should prioritise this. This provides people in prison, who are able to, with the experience of working full time. It would also make setting up workshops etc in prison a much more attractive proposition for outside employers who would then see that their investment would be returned in the productivity of their workforce, rather than trying to make contracts work where there is limited productive time in the working day.

- **Budgeting and life skills:** Everyone in prison should have access to budgeting and life skills courses to ensure that they are best equipped to successfully transition back into the community.

- **Fair pay so people can pay for the things they need:** Establish a national pay scale for people in prison, reviewing current wages in order to ensure that people in prison have sufficient funds to buy the things that they need, keep in touch with friends and family and save for release.

- **Fair prices so people can pay for the things they need:** In addition to establishing a national pay scale for people in prison, we must also ensure that the items that they can buy, and the phone calls that they make, are priced fairly and in line with prices in the community

- **Saving for release:** With a national payscale and increased wages, a portion of prison wages should be saved in a ringfenced Resettlement Fund. Needs-based and administered independently, this fund would be available to people in the run up to release and post-release to support with their transition to the community. It should be flexible to be able to support with things such as a rent deposit or to fund the

completion of a qualification started in prison. This fund should be considered when reviewing prison wages to ensure people are able to buy the things they need and contribute to the Fund.

- **Helping victims:** Profit from the goods produced by people in prison in the workshops should contribute funds to Victim Support.

- **Fairly allocating jobs:** Ensure that jobs are distributed fairly with equal opportunity for all to progress to the higher paid roles.

- **Parity of pay:**
  - Ensure that there is parity of pay across all prisons, including private prisons (and that there is parity of costs to people in terms of things like phone calls)

  - Ensure that there is parity between prison wages and payment for attending education so that there is no disincentive for people to engage in education, gaining the qualifications that will help them to find paid employment on release.

- **Priority for the best jobs in preparation for release:** Introduce a system so that towards the end of an individual's prison term they have priority for the higher paid roles with automatic saving of a portion of that wage in the resettlement fund referred to above. People should have a fair chance of getting the better paid jobs by ensuring they have every opportunity to gain enhanced status. This would help to prepare people for work once released as the higher paid jobs in prison are often the ones with more responsibility and accountability.

Conclusion

We believe that the solutions we have suggested are a step towards creating a more effective justice system. Our prison system should ensure that people are given the best chance of turning their lives around. This means ensuring that time spent in prison best prepares people for release, in terms of skills, experience and the right financial foundations.

About Nacro

At Nacro we see people's future whatever the past. That's why our housing, education, justice and health and wellbeing services work alongside people to give them the support and skills they need to succeed. It's also why we fight for their voices to be heard and campaign together to create lasting change.

We deliver services across each part of the criminal justice system – from liaison and diversion services at police custody and court to prison resettlement services. We deliver the national Community Accommodation Service Tier 2 on behalf of the Ministry of Justice, housing prison leavers on Home Detention Curfew and those bailed from court in need of an address.

Nacro's campaigning work is built from the real-life experiences of the people we support and our frontline staff. From this, we use our research experience and our knowledge of what works to help shape our own services, and to inform policy and shape best practice. We work closely with Government, public and private sector partners to ensure that our knowledge and research creates change and has impact.

We work alongside the people we support to provide solutions to the barriers and challenges they face.

We are grateful to all members of the Justice ExChange for giving their time, energy and ideas to help focus our campaigning work.

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