

Summary

In 2005, the Irish Prison Service introduced an annualised hours system to replace overtime. Historically, overtime ran at very high levels in the Prison Service, peaking at a cost of €59 million a year in 2002 and 2003. The Prison Service estimated that the new system would provide annual savings of €31 million.

This examination looked at the impact of the annualised hours system on the total hours required to operate the Prison Service, on sick leave, on overall costs and on individual prison officer's pay.

Annualised hours system

Prison officers' standard working week is 39 rostered hours. Under the annualised hours system, prison officers contract to work a fixed number of additional hours annually, based on one of four specific bands. Additional hours are paid at 1.8 times the basic salary rate. A related pensionable allowance of 8% is also paid to each prison officer. This payment is made irrespective of what band the prison officer is contracted on.

Resourcing and Operating the Prison Service

In 2001, a Staffing and Operations Review Team carried out a prison-by-prison review of the staffing required annually to operate the Prison Service.

Under the annualised hours system as proposed in 2005, a total of 7 million hours were to be provided, comprising just over 6 million standard rostered hours from some 3,072 prison officers, and 946,000 additional 'contract' hours. In order to deliver the agreed additional hours, prison officers were required to work an average of 308 additional contract hours a year.

Following the introduction of the annualised hours system, there has been a reduction of 49% in the average number of hours worked by prison officers over and above their basic work week. Officers worked an average of 459 paid overtime hours in 2005, compared to an average of 222 additional hours in 2014.

Prison officers may not be required to work all the contract hours for which they are paid. Such unworked hours are referred to as 'write-off hours'. The average level of write-off hours across the Prison Service is 15%. However, there is significant variation in the level of write-off hours across the 14 prison institutions.

Relative to prison services in other states, the Prison Service has a comparatively low ratio of prison officers to prisoners. This suggests that some efficiency gains may be possible. Joint task reviews were carried out under the Public Service Agreements, 2010 – 2014 and 2013 – 2016, which resulted in changes to staffing configurations. However, no in-depth review of the tasks carried out in prisons and the resources required for these has been carried out since 2001. In particular, there has been no formal process for the identification of potential efficiencies which may have arisen from prison infrastructure expenditure, which totalled €223 million since 2001.

Sick Leave

Prior to the introduction of the annualised hours system, it was estimated that 15% of all overtime arose to cover for colleagues' sick leave. The Prison Service anticipated a reduction of around one third in sick leave relative to 2001 levels, following the introduction of the annualised system. However, there was a sharp increase in the level of sick leave taken between 2001 and 2005. As a result, even though the incidence of sick leave fell after the rolling out of the annualised system in 2005, the reduction in sick leave levels anticipated by the Prison Service has not been achieved.

Cost of the Annualised Hours System

The annualised hours system has led to savings for the Prison Service in providing operational cover when compared with the cost of overtime in the preceding years. While the savings are significant, they are substantially less than the Prison Service anticipated.

The average annual net cost saving since the introduction of the annualised hours system is an estimated €5.5 million a year. This is significantly less than the savings of €31 million a year estimated by the Prison Service before its introduction. However, the estimated annual savings were partially offset by once-off lump sum payments, totalling €41 million, made to prison officers for adopting the annualised hours system. As a result, the net saving over the period 2006 to 2014 was around €8 million.

The main benefit from the introduction of the annualised hours system is that it has provided the Prison Service with a level of certainty around the availability of staff to work additional hours as required by circumstances.

Impact on the Earnings of Individual Prison Officers

Average earnings have not changed significantly in cash terms for individual prison officers since the introduction of the new system. This is despite a significant reduction in the amount of hours in excess of core hours being worked.

There is also now a more even distribution of earnings from additional hours. The cap on the number of additional hours that a prison officer may contract to work (360 hours a year) has ended the practice of individuals working extremely high numbers of hours.