

NCA Gender Pay Gap

2018 Report

Leading the UK's fight to cut serious and organised crime

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Introduction

In 2017, the Government introduced world-leading legislation that made it statutory for organisations with 250 or more employees to report annually on their gender pay gap. Government departments are covered by the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 which came into force on 31 March 2017. These regulations underpin the Public Sector Equality Duty and require relevant organisations to publish their gender pay gap by 30 March annually. This includes:

- the mean and median gender pay gaps
- the mean and median gender bonus gaps
- the proportion of men and women who received bonuses
- the proportions of male and female employees in each pay quartile

The **gender pay gap** shows the difference in the average pay between all men and women in a workforce. If a workforce has a particularly high gender pay gap, this can indicate there may be a number of issues to deal with, and the individual calculations may help to identify what those issues are.

The gender pay gap is different to equal pay. **Equal pay** deals with the pay differences between men and women who carry out the same jobs, similar jobs or work of equal value. It is unlawful to pay people unequally because they are a man or a woman.

Building a diverse and inclusive workforce that reflects the people we serve is one of the Civil Service's top workforce priorities. Our collective aim is to make the Civil Service the UK's most inclusive employer by 2020. Our Diversity & Inclusion Strategy outlines how we plan to achieve this. The Civil Service should create opportunities for all in a truly meritocratic way and reward all civil servants fairly, regardless of gender, ethnicity or any other personal characteristic.

The NCA supports the fair treatment and reward of all staff irrespective of gender.

This report sets out:

- our approach to Diversity and Inclusion
- the workforce gender balance
- our gender pay gap statistics and what it means for the NCA
- how we are working to close the gap

Approach to Diversity and Inclusion

The National Crime Agency is committed to increasing the diversity of our workforce. We see this as critical to being able to earn the trust and confidence of the public and reflect the communities we serve.

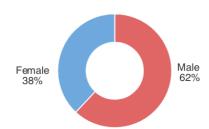
We have set ourselves the ambitious challenge to become truly representative of the communities we serve, underpinned by a comprehensive set of activities and outcomes. We believe that with strong leadership we can meet this ambition.

We have developed our strategy on three principles working on:

- Who we are addressing how we improve our representation
- **How we lead** addressing creating a more inclusive culture in the Agency
- **How we serve** addressing how we take our more inclusive approach out into the communities we serve and how we work with our partners.

Organisation Profile

Males and Females in the workforce



The overall proportion of male and female officers remains unchanged with males representing over $3/5^{ths}$ of the workforce. This is predominantly driven by recruitment challenges and a legacy tendency to recruit highly experienced and more tenured officers from a pool which has historically been more male dominated. This is compounded by the numbers of male officers who have joined the agency through TUPE arrangements.

As with the civil service as a whole, females tend to be over represented at the bottom end of the grade structure. Due to the nature of the work, the agency's workforce is concentrated in the lower grades.

NCA	Civil Service	Male	Officers	Fema	Female %	
Grade	Grade	Number	% at grade	Number	% at grade	of grade
SCS	SCS	17	1%	6	0%	29%
1	G6	61	2%	22	1%	27%
2	G7	151	6%	65	4%	30%
3	SEO	432	16%	158	9%	27%
4	HEO	733	28%	399	24%	35%
5	EO	1140	43%	809	49%	42%
6	AO	124	5%	204	12%	62%

Over the last 12 months, 43% of all new starters have been female, and those joining the agency on a secondment basis were also similarly split by gender. This is indicative of the agency's increasing ability to attract females. We have changed the way we recruit, in line with our diversity and inclusion strategy, to ensure that this trend will continue over time.

NCA Gender Pay Gap

Gender pay gap analysis - 2018						
1. Mean Gender Pay Gap - Ordinary Pay			11.66%			
2. Median Gender Pay Gap - Ordinary Pay			9.59%			
3. Mean Gender Pay Gap - Bonus Pay in the 12 Months ending 31st March						
4. Median Gender Pay Gap - Bonus Pay in the 12 Months end	ing 31st March		0.00%			
5. Proportion of males and females paid a bonus in the 12 months ending Male						
31st March:						
6. Proportion of male and female employees in each Quartile.						
Quartile Female % Ma						
First (lower) Quartile	52.7%	47.3%				
Second Quartile	40.0%	60.0%				
Third Quartile	36.2%	63.8%				
Fourth (upper) Quartile	25.1%	74.9%				

These statistics are representative of the specialist niche skills required by the agency, that tend to be gained from experience of working within a law enforcement environment. We have previously recruited highly experienced officers who command higher salaries, that are often in the latter part of their careers, and these tend to be predominantly male. The way our workforce has been comprised has led to a gender pay gap with a bias in favour of males. Culturally however, we demonstrate a slight tendency to recognise female performance advantageously, demonstrated through the mean bonus pay gap.

We are reforming our pay structures and in the 2017 pay award we implemented a spot rate pay structure and compressed our pay structures. Also, we are modernising our approach to recruitment to attract candidates from a more diverse pool. Additionally, the NCA trainee scheme is enabling the agency to meet its strategic ambition of developing the capability and capacity of future officers in-house.

Changes to our pay structure and recruitment practices will enable us to build a more sustainable and diverse workforce and reduce the reliance on recruiting experienced officers that will, over time, increase pay equality.

Ordinary Pay Gap

Key data

- Mean ordinary pay gap has remained static at 11.66%
- Median ordinary pay gap has reduced from 16.22% to 9.59%.

As part of the 2017 pay award we compressed our pay structures, and applied a differentiated pay increase. This benefited officers of both genders that were at the bottom of their pay ranges. As a result of females being disproportionately represented at the bottom of the pay range, the 2017 pay award has improved pay equality. Whilst the **median pay gap has decreased**, highly paid male outliers remain and contributes towards the **mean pay gap remaining unchanged**.

NCA median ordinary pay gender pay gap compares favourably with the UK 2018 gender pay gap of 17.9% (Source: ONS *Annual Survey of Hours and Earnings (ASHE), published on 25th October 2018).* The ASHE gender pay methodology uses average hourly earnings, excluding overtime, which is similar to the calculation used in this report.

Our Workforce

NCA workforce data analysis suggests that the older the workforce, the more likely it is to be predominately male (72% of officers over 45 years old are male, compared to 52% of officers aged 45 and under). Older employees tend to receive higher pay for a number of legacy reasons that include progression pay (now removed), protected allowances and pay matching at the time of hire. Gender pay gap analysis for officers under 35 years of age illustrates a significantly lower gender pay gap and more even distribution of salaries across the range (4.50% mean and 4.02% median).

A 2017 review of senior civil servant grades has resulted in an improved gender balance at the most senior levels and we will continue to focus on improving the gender balance within this group. Over time, improving the gender balance in senior grades will reduce the mean gender pay gap. However due to the size of the workforce in junior grades and the larger proportion of women in these roles the effects of relatively small changes to the Senior Civil Service workforce have a lower impact in the short-term.

Impact of Spot Rate Pay

The NCA is going through a transformation programme, including to its pay structures, to meet the changing nature of Serious and Organised Crime. A key milestone for pay reform was the introduction of a fixed point pay structure (spot rate pay) in qualifying operational roles. The pay structure is underpinned by a skills framework and these officers are now paid based on skills, qualifications and experience.

Whilst spot rate pay is only available to approximately 40% of the workforce, the impact on gender pay has been significant within this population (mean ordinary pay gap 2.36% and median pay gap 0.89%).

Bonus Pay Gap





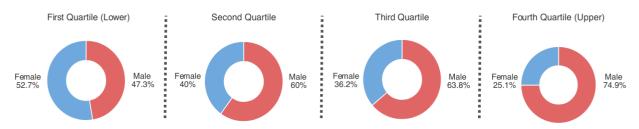
Mean Gender Bonus Pay Gap -6.40% Median Gender Bonus Pay Gap 0.00%

A bonus pay gap in favour of female officers was reported in 2017 and this continues to be the case in 2018.

Female officers are slightly more likely than male officers to receive bonus pay contributing to the creation of a mean bonus pay gap of 6.4% favourable to females. This is predominantly due to female officers being twice as likely to be paid a variable rate bonus than males and the mean bonus pay gap is more sensitive to outliers. However, the majority of bonuses are paid at a flat rate (regardless of gender) and this has created a zero median bonus pay gap as the majority of officers are receiving the same amount of bonus pay.

Pay Quartiles

Proportion of male and female employees in each quartile



The NCA grading structure ranges from Grade 6 to 1 and Senior Civil Servant (executive level grade). Grading is determined in accordance to the level of risk and responsibility within the role. Each grade has its own pay range and there is some overlap between adjoining grades.

Female representation decreases as seniority of the grade increases and this is reflected in the quartile analysis, where we can see that females represent **55.7% of officers in the lower quartile** (bottom 25% of salaries) and this reduces to **25.1% of officers in the upper quartile** (top 25% of salaries). This effect is further compounded by a significantly higher proportion of male officers working as International Liaison Officers who qualify for additional international allowances.

Closing the Gender Pay Gap

The NCA is committed to closing and eliminating the Gender Pay Gap, and continuing to ensure equality is at the core of our approach to pay reform. Tackling the gender pay gap requires a whole agency approach to encouraging female officers to join and progress through the agency whilst also continuing on our pay reform journey. We have a number of initiatives designed to do this.

We have created a Gender Pay Gap working group focussed specifically on considering the agency wide approach to reducing the gender pay gap. We have together developed our action plan around four key themes and as part of our People Strategy, made the following commitments:

Recruitment

- We are developing a new model for recruitment which will increase our ability to recruit from increasingly diverse pools.
- We will continue to ensure gender balance and independence on all appointment panels.

Talent Management

- Through the delivery of our People Strategy we are extending access to mentoring, shadowing and coaching to enable progression into senior roles.
- We will promote and increase participation in talent development opportunities, such as the Future Leaders Scheme, Positive Action Pathway, Apprenticeships and Accelerated Development Schemes.
- We are reviewing our leadership grades to ensure that we have the right leadership behaviours in place.

to support our transformation

Pay

• We continue to keep equality at the heart of our developing pay strategy, taking action to reduce the gaps between the highest and the lowest paid within grade.

Culture

- As part of our locations strategy we will rationalise our approach to flexible working and the agency's smarter working policies, ensuring that roles and opportunities are made as widely available as possible.
- Through the delivery of our People Strategy, we will put plans in place, for example our new Manager toolkit and new workplace support advisors, to create an environment that promotes equality.

Declaration

We confirm that data reported by the National Crime Agency is accurate and has been calculated according to the requirements and methodology set out in the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017.

Chief People Officer : Steve Corkerton NCA Permanent Secretary: Lynne Owens

Annex A: 2017 and 2018 Report Comparisons

Gender Pay Gap <i>i</i>	Analysis	16/17 Report	17/18 Report	Change (percentage points)
1. Mean Gender Pay Gap - Ord	11.58%	11.66%	0.08	
2. Median Gender Pay Gap - O	16.22%	9.59%	-6.63	
3. Mean Gender Pay Gap - Bon Months ending 31st March	-6.3%	- 6.40%	0.14	
4. Median Gender Pay Gap - Bo Months ending 31st March	-14.68%	0.00%	14.68 ^	
5. Proportion of males and females paid a bonus in the	Male	13.87%	14.69%	0.82
12 months ending 31st March:	Female	16.49%	17.21%	0.72

6. Proportion of male	16/17 Report		17/18 Report		Change (percentage points)	
and female employees in each Quartile.	Female %	Male %	Female %	Male %	Female %	Male %
First (lower) Quartile	48.9%	51.1%	52.7%	47.3%	3.79*	-3.79
Second Quartile	42.4%	57.6%	40.0%	60.0%	-2.44	2.44
Third Quartile	34.2%	65.8%	36.2%	63.8%	1.97	-1.97
Fourth (upper) Quartile	25.1%	74.9%	25.1%	74.9%	-0.01	0.01
Total	38%	62%	38%	62%	0	0

Annex B: Civil Service Gender by Grade

NCA	Civil Service	Male (Officers	Female Officers		Female %
Grade	Grade	Number	% at grade	Number	% at grade	of grade
SCS	SCS	3,152	2%	2,346	1%	43%
1	G6	24 500	13%	21 110	11%	46%
2	G7	24,500		21,110		
3	SEO	E2 70E	200/	EQ 440	27%	49%
4	HEO	53,705	28%	52,442		
5	EO	47,806	25%	62,295	32%	57%
6	AO	63,465	33%	84,814	44%	57%

Source: ONS Civil Service Statistics 2018

Annex C: Calculations

This salary data report is based on a snapshot of employee pay on 31 March 2018 as well as bonus pay between 1 April 2017 and 31 March 2018. The NCA has no subsidiary organisations that are incorporated into this data.

The data includes all officers that are permanently employed by the NCA or on loan to the NCA from another government department. It does not include officers with the agency on secondment or contracted officers. The data also excludes officers on maternity leave, career breaks or long-term sickness absence.

For more information on the calculation methodology and definition please go to https://www.gov.uk/guidance/gender-pay-gap-reporting-make-your-calculations

A loan is a temporary move of a civil servant from one civil service employer to another.