



National Crime Agency

Annual Submission to NCARRB

February 2019

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

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Executive Summary

1. The National Crime Agency¹ (NCA) is a law enforcement agency with global reach, tackling some of the most complex and high risk serious and organised crime (SOC) threats. Our mission is 'Leading the UK's fight to cut serious and organised crime'. As at end December 2018, we have 4,113 officers with an additional 210 secondees, agency staff and contractors. 1,844 (44%) officers (FTE)² hold powers. The agency budget for 2019/20 is £520m RDEL³ of which c. £247m is used for pay.
2. The SOC threat is continually changing as criminals exploit developing technologies and vulnerabilities. We protect the public by developing intelligence; deploying against the highest threats and harm and developing specialist capabilities, both for the NCA and wider law enforcement system.
3. Responding to this level of complexity requires increasing pace and agility. The agency is driving a significant programme of change. We are adopting a capability led intelligence enabled approach to respond to the dynamic nature of SOC. The agency is transforming its investigative and intelligence processes and working with external partners to deliver a multi-agency approach to SOC threats.
4. In last year's submission, we provided a detailed examination of the agency's challenges as a result of uncompetitive pay and reward. Since then, we have made significant progress, but we are aware we still have a long way to go. Our existing pay scales remain too long, impeding the rate that officers progress through the ranges, and we remain behind our core competitor markets for investigations and intelligence officers. We also need to do more to become a more attractive employer for niche and specialist capabilities (Digital, Data, Technology and Cyber). This is impacting attractiveness as an employer and, more broadly, our culture. Attitudes towards building new skills and taking on new roles are constraining, rather than encouraging, operational flexibility.
5. The NCA is in the third year of its pay reform programme and has invested significantly in pay and reward. This was achieved through the delivery of c£89m of efficiencies over 2015-19 Spending Review period (which represents a 23% saving of core-funded baseline). This allowed us to invest an additional £6.9m to introduce a differentiated pay strategy aimed at roles where it would have

¹ Established under the Crime and Courts Act 2013, the NCA became operational on 7 October 2013, bringing together a number of agencies including The Serious Organised Crime Agency (SOCA), the Child Exploitation and Online Protection Centre (CEOP), and the Police Central e-Crime Unit. The dominant precursor was SOCA, whose operational capacity consisted primarily of former police officers.

² Full Time Equivalent

³ Resource Departmental Expenditure Limit

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maximum impact, shorten pay ranges, improve the position on equal pay and revise our recruitment and retention allowances.

6. The agency invested 3% in the pay bill in 2017/18 and is projecting to have invested a further 3% increase in 2018/19. Since our last submission:
 - Over 800 officers have moved onto the new 'Spot Rate' pay framework out of c. 1,600⁴;
 - New Recruitment and Retention Allowances have benefitted over 350 officers;
 - Our median gender pay gap has reduced by c. 40%; and
 - A Remuneration Committee chaired by a Director and local pay reform engagement groups have been established
7. These reforms have allowed us to narrow gaps significantly however, the agency remains behind key comparators.⁵ The effects are exacerbated by our commitment to partnership working, as NCA officers work side by side with colleagues from across policing and the intelligence communities for significantly less remuneration. Our unique role in the law enforcement environment, working in close partnership with policing and UK delivery of niche capabilities means that we continue to struggle to recruit and retain to the right levels.
8. This submission provides the pay review body with the following:

Section 1: An overview of the agency's strategic context.

In this section, we set out the UK's SOC strategy, how the NCA is ensuring it meets the expectations placed upon it, and explain how pay and reward is a vital part of the agency's approach to building capabilities. We also provide details of our investment in our recommended pay proposals.

Section 2: The agency's organisational context.

This section a) addresses how the agency is supporting and developing workforce capability by building workforce engagement, strengthening leadership capability and development of a comprehensive people offer; and b) provides an analysis on agency workforce trends specifically around recruitment & retention and diversity & inclusion.

Section 3: Our workforce.

In this section, we provide information about the workforce composition. We explain our workforce planning process, describe the recruitment and retention challenge and our talent pipelines. We demonstrate how our approach to pay and reward is enabling our ambition to be a more diverse, skilled and engaged workforce.

Section 4: Our Core Comparators

⁴ This is due to increase to 1,000 as a result of a recent extension to eligibility.

⁵ For example, before our reforms began in 2017, we were 18% behind the market for experienced investigators. We are now 14% behind - a gap that we cannot afford to allow to widen again.

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In this section we provide evidence to a) demonstrate our position in relation to comparator markets; b) support our continued differentiated pay strategy; and c) illustrate the importance of maintaining the momentum behind our pay reform plans.

Section 5: Progress on pay reform to date and proposals for the 2019/20 pay award

The section details the proposals for the 2019/20 award. We are seeking to incorporate reforms to include a new approach to flexibility, (including a formal shift review), and proposals to respond to increasing recruitment and retention challenges in our highly prized niche capabilities. We demonstrate the impact on both individuals and our pay policy position resulting from the recommendations with a focus on the spread of awards across the workforce and the equality impact.

Section 6: Looking ahead

The agency recognises that it remains behind its comparator market. In this section, we outline our three year reward strategy. We plan to bring the next stage of our pay reform journey to the pay review body in our 2020/21 submission.

9. Our 2019/20 pay proposals are:

- Increase spot rates by 2% for Grade 4 and Grade 5 Investigations and Intelligence Officers.
- Increase the grade minima of Grades 1 to Grade 4 by 2% with no changes to the maxima across all officers (i.e. powers and not);
- Increase the grade minima of Grade 5 and Grade 6 by 4.25% and 4.50% respectively, with no changes to the grade maxima – to further compress the pay range lengths across all officers;
- Increase London Weighting Allowance by 1%, taking it from £3,258 to £3,291 per annum across all officers; and
- Increase the pensionable shift allowance of 12.5% paid to officers working in our Control Centre to 15%

10. In proposing these recommendations, we have carefully considered affordability and ensured that they are in line with guidance and approvals issued by HM Treasury. These recommendations have Home Office sponsorship, and have been subject to appropriate internal governance overseen by the NCA Remuneration Committee and NCA Board.

11. The proposals are fully costed within the 1.7% Increase in Remuneration Cost (IRC) agreed with HM Treasury, and will be funded through the agency's existing budgets.

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12. By endorsing these recommendations, the pay review body will support the NCA in:
- Increasing our ability to recruit, retain and develop the capabilities we need to lead the UK's fight against SOC, and making a difference to the thousands of lives blighted by the effects of SOC every day.
 - Further reducing the gender pay gap and increasing the morale of our officers by further compressing the pay ranges, in order to reduce the variance between the highest and lowest paid in the organisation.
 - Ensuring that the agency is able to deliver best value for money in return for the investment it places into developing capabilities, by increasing rates of retention. This is particularly in areas of niche capability and a reduced reliance on alternative capability resources (i.e. contingent labour).
 - Delivering the UK Government's increasing investment in tackling SOC nationally and internationally, by allowing the agency to maintain its ambitious agenda on pay reform.
13. SOC is one of the gravest threats to the UK's national security. It takes more lives than terrorism and road deaths combined, and costs the UK at least £37bn every year. It is important that the NCA is able to attract and retain the right calibre of workforce to combat it.

Section One

Strategic Context

In this section, we set out the UK's SOC strategy, how the NCA is ensuring it meets the expectations placed upon it, and explain how pay and reward is a vital part of the agency's approach to building capabilities. We also provide details of our investment in our recommended pay proposals.

14. In November 2018, the Government launched a revised SOC strategy. This aims to protect UK citizens and UK prosperity by tackling SOC as a national security threat, leaving no safe space for serious and organised criminals to operate within the UK and overseas, online and offline.
15. The SOC strategy sets out four objectives to drive forward the system wide changes needed:
 - Relentless disruption and targeted action against the highest harm serious and organised criminals and networks, using all available powers and levers;
 - Building the highest levels of defence and resilience in vulnerable people, communities, business and systems;
 - Stopping the problem at source, developing and using preventative methods and education to divert more young people from engaging in criminality and reduce reoffending; and
 - Establishing a single, whole-system approach, aligning collective efforts to respond at local, regional, national and international levels; expanding global reach and influence; and pooling skills, expertise and resource with the private sector.
16. The ability of the NCA to successfully tackle this breadth of SOC relies on two key factors: (a) Leading effective partnership working across the SOC landscape (policing, third sector, private sector, wider intelligence community, other government departments, and increasingly on a global scale) and (b) Transforming its investigative and intelligence processes at pace; to keep up with the changing threat, and leading the development of new capabilities across SOC and to address the gaps and duplication in capability across policing.
17. The NCA's Five-Year Strategy supports the delivery of the SOC strategy through its key priorities. The graphic at Figure 1 summarises the NCA strategy under 4 headings: intelligence, response, capabilities and enablers. It illustrates how we focus effort on the most serious criminals and the greatest risks, whilst at the same time being alert to changing priorities.

Figure 1



18. In 2017-18 alone the NCA:

- Safeguarded more than 2,000 children, many of whom were victims of the most despicable sexual abuse;
- Took away what matters most to the criminals – their money. £302 million in criminal assets were restrained last year;
- Seized 123 tonnes of cocaine, 5.1 tonnes of heroin and 793 firearms;
- Achieved 1,880 disruptions (100 major, 413 moderate, & 1,367 minor); and;
- Made over 1,000 arrests in the UK, achieving a 94% conviction rate. In addition, NCA activity led to a further 975 arrests overseas.

19. Going forward, the NCA Change Portfolio has been constructed to enable the agency to continue to support the SOC strategy by:

- Delivering a new operating model that ensures the right capabilities are built to deliver the agency's mission, and which can adapt and flex as threats and demand change;
- Significantly boosting the agency's ability to fight crime in the digital age, enhancing intelligence and investigative capabilities;
- Establishing the NCA as the pinnacle of law enforcement in order to attract and retain the best talent;
- Equipping officers with the right skills, workplaces and technology to lead the UK's response to SOC;
- Ensuring sophisticated and specialist capabilities are built or enhanced which are capable of being deployed nationally and across the law enforcement community; and

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- Driving down cost base to build a sustainable and affordable agency for the future.
20. The initiatives listed above have resulted in the agency being on course to deliver c. £89m of efficiencies over the 2015-19 Spending Review period. And this, in turn, has allowed us to invest in a wide ranging transformation portfolio which includes funding pay reforms and structural changes (such as spot rates) from the cashable savings achieved.

Costs & Affordability

21. The agency budget for 2019/20 is £520m RDEL. This comprises £440m of core budget and an additional c. £80m of external funding.⁶ As at end December 2018, we have 4,113 officers with an additional 210 secondees, agency staff and contractors. 672 officers are paid for through external funding sources (see section three for more detail about the agency workforce).
22. The 2017/18 and 2018/19 pay awards cost £4.95m and £4.58m⁷ respectively, which came from within existing agency budgets. To make the previous pay awards over and above 1%, the agency used funds realised through c. £40m of wider savings achieved in the 2017/18 and 2018/19 financial years. These savings came from the agency's transformation programme which includes the estates rationalisation, IT cost reduction and workforce efficiencies.
23. Our current cash position and agreed pay flexibility envelope agreed with HM Treasury, means that we can propose a pay award of 1.7% for the 2019/20 pay year at a cost of £3.18m. In addition, we have allocated £0.08m from the non-consolidated pot for one-off payments made to underpin 1% pay awards paid to officers who are close to, or at the top of the pay range. As in previous years, this pay award comes from within existing agency budgets.
24. The agency recognises that it remains behind its comparator market. In section six, we outline our three year reward strategy. We plan to bring the next stage of our pay reform journey to the pay review body in our next submission.
25. The forecast baseline pay bill for 2019/20 is £186.58m. This is higher than in previous years due to the inclusion of overtime, on-call and additional hours for the first time.

⁶ Includes projects such as Stovewood, NCSP, CSSF, and Invigor which are funded by Other Government Departments.

⁷ Forecast, subject to those now eligible for spot rates accepting new terms and conditions and having their pay backdates to 1 August 2018.

Table 1: Composition of the 2019/20 paybill

	2019/20
	£m
August 2019 Baseline Pay Bill (forecast)	154.80
FTE including net of churn (MTFP alignment)⁸	12.27
London Weighting Allowance	5.72
Shift Allowance (Pensionable)	0.13
Overtime / On-Call / Additional Hour	13.65
Baseline Remuneration Cost	186.58

26. The table below sets out the forecast costs for the 2019/20 pay award

Table 2: Summary of costs / Cost profile

2019/20	Costs (£m)
Baseline pay bill (including overtime)	186.58
IRC of 1.7%	3.18
<i>Comprising:</i>	
Spot Rate increase	0.96
Pay Range compression	2.13
London Weighting increase	0.06
Shift Allowance increase	0.03
Total cost of pay award	3.18

* These costs are net and exclude pension and Employer National Insurance costs.

27. Overtime and On-call payments are made at an hourly rate. Following the pay award, the hourly cost of the same amount of overtime/on-call is expected to increase by an estimated cost of £220k.
28. The agency manages predominantly proactive work, and is able to tightly control the overtime/on-call budgets which it does through:
- The re-prioritisation of tasking;

⁸ MTFP is Medium Term Financial Plan. Forecast base pay figures for new starts in 18/19 (based on MTFP projections) whose first award is 19/20.

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- The move to the Spot Rate structure which has moved officers to a 40 hour week and reduced reliance on discretionary overtime; and
 - Increased recruitment to reduce reliance on overtime to cover vacant posts.
29. There is also an on-going programme of work to reduce spend in this area and regularise further our use of overtime through our Spring review of agency flexibility requirements (shift review) due to conclude in 2019.
30. In the 2019/20 pay year, the overtime budget will remain static and absorb the hourly rate increase. The net financial impact will be a nil increase to the IRC. For officers, this means that fewer hours of overtime will be available. We have therefore excluded this impact from the IRC calculation.

Table 3: Composition of overtime, additional hours and on-call including 2018/19 uplift

	2019/20
	£m
Additional Hours	0.10
On-Call Allowance	2.09
Overtime	11.46
Total	13.65
Impact of hourly rate increase in 19/20	0.22
Overtime/On-call budget reconciliation	-0.22
Total	13.65 Nil impact to IRC

31. The NCA also has a role in developing capabilities across the law enforcement/security system. This requires multi agency teams to regularly work alongside one another. Without a competitive and modern pay offer, our ability to achieve this element of the strategy will be severely impacted. Since its establishment in 2013, the NCA has fallen behind its key competitors in terms of pay, particularly at operational Grade 4 and 5 roles and certain specialist areas (such as Digital, Data, Cyber and Technology). This means we are continually struggling to recruit and retain at the levels required to ensure operational effectiveness and build sustainable capabilities (see section four for further detail on our pay comparators, and section three, from paragraph 95 for further detail on recruitment and retention issues).
32. The pay reforms made over the past two years have started to narrow disparities and encourage the flexibility the SOC strategy requires (see section four). As the agency continues to change, it is important that we continue with our pay reform journey so gaps close further rather than start to re-open. We say more about future plans in section six.

Section Two

Organisational Context

This section a) addresses how the agency is supporting and developing workforce capability by building workforce engagement, strengthening leadership capability and development of a comprehensive people offer; and b) provides an analysis on agency workforce trends specifically around recruitment and retention, and diversity and inclusion.

33. The agency is very aware that it needs to invest in a comprehensive employee offer as well as continue with pay reforms. As part of a 'Brilliant Civil Service', the NCA Board is committed to making the agency a great place to work, attracting the brightest and best talent. This section provides analysis on our workforce trends, specifically around recruitment and retention, and also, equally important, diversity and wellbeing.
34. The agency is undertaking a programme of work to strengthen leadership capability and develop a compelling people offer.
35. Our People Strategy is changing the way we recruit, develop and retain the best talent. The purpose of this section is to demonstrate how our approach to pay and reward underpins the People Strategy and how these measures will:
 - Develop a people offer that supports, motivates and engages the workforce;
 - Build a talent pipeline to ensure the agency can operate effectively;
 - Build the capability of its existing and recently recruited workforce; and
 - Sponsor flexibility and agility so the agency can respond to the changing SOC threat.

People Engagement

36. The spot rate element of our reforms have resulted in targeted investment for key operational roles, compressing the non-spot rate structures, and new recruitment and retention allowances. The Spot Rate structure received the largest investment, targeted in this way, in part, to respond to very low engagement scores within intelligence and investigations roles across the agency and higher differentiation with our competitor markets. In the 2016 People Survey,⁹ some intelligence and investigations teams scored as low as 11% satisfaction with pay and benefits.

⁹ The NCA completed its fourth Civil Service People Survey in 2018. Prior to this, the agency conducted its own internal survey.

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37. In the previous report, the pay review body raised concerns about the impact on morale of applying a differentiated pay strategy, particularly for officers who were at the top of the pay ranges and those not benefitting from the new Spot Rate pay structure. We continue to work hard on how we manage both the communication and the impact of the reward strategy with our workforce.
38. The 2018 People Survey results demonstrated a significant increase in satisfaction with pay and benefits across the whole workforce – 9 points up to 23%. However, pay and reward continues to be one of the lowest scoring areas across the People Survey, and further improvements are required. We recognise, based on feedback from our officers both through the staff survey and wider engagement, that the differentiated approach to pay is not supported by all our officers.
39. We are working with our staff groups to better understand the their views. The feedback to the pay strategy generally focusses on a desire to have a more generous pay award evenly spread across the workforce and a return to public sector pay progression which was experienced by some of our officers at different stages of their careers.
40. However, we are also assessing indicators that the impact of the compression for non-spot rated roles had a positive impact in terms of morale for those at the bottom of the pay ranges. For example, a G5 officer on the pay range minimum received over 6% pay award in 2017/18 and 2018/19. It has also had a demonstrably positive impact on gender pay (section two, paragraph 58).

Table 4: Demonstration of People Survey scores in 2018

Command	Pay & Benefits 2018	Shift from 2017
CEOP	24%	+10% (14%)
Intelligence	20%	+10% (10%)
Investigations	20%	+8% (12%)
Safety & Security	21%	+1% (20%)
Vulnerabilities	22%	+10% (12%)
Commodities	17%	+12 (5%)
Strategy	40%	+14% (26%)
Capabilities	32%	+7% (25%)
Human Resources	32%	+ 5% (26%)

41. The table above evidences the increase in satisfaction scores across the Commands in response to pay and benefits. Improved scores have not been limited to the areas of the agency where spot rates have been implemented and supports our contention that a targeted approach has positively impacted a significant proportion officers across the whole organisation, albeit in different ways.

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42. The agency’s overall engagement score¹⁰ decreased by 3%. Questions which generated a high percentage of negative responses included:

Table 5: Negative scoring responses from 2018 and 2017 People Survey

Questions	2018	2017	Change
I feel that change is managed well within the NCA	10%	12%	-2%
Compared to people doing a similar job in other organisations I feel my pay is reasonable	21%	13%	+8%
I feel that my pay adequately reflects my performance	25%	15%	+10%
I am satisfied with the total benefits package	21%	13%	+8
I have the opportunity to contribute my views before decisions are made that affect me	20%	21%	-1%

43. It was encouraging to see that the survey responses demonstrated strong positive indicators. The most consistent and highest rating theme related to questions involving team working, i.e. reliance, collaboration and improving, with a positive score of 75%.

Table 6: High scoring responses from the 2018 and 2017 People Survey

Questions	2018	2017	Change
I understand the values of the NCA and the behaviours expected of me	89%	91%	-2%
I am interested in my work	85%	87%	-2%
I am trusted to carry out my job effectively	83%	85%	-2%
My team have regular meetings (at least once a quarter)	83%	85%	-2%
The people in my team can be relied upon to help when things get difficult in my job	82%	81%	+1%

44. The table above demonstrates that, despite some small reductions in engagement, the same themes continue to score highly.
45. The first phase of pay reform constituted a significant change to the agency’s pay strategy. It was a complex pay deal to explain to officers and required rigour and process to ensure implementation was fair and defensible. We implemented

¹⁰ The engagement score is an indicator of overall feeling and is shaped by the experience at work as measured by the following nine themes: my work; organisational objectives and purpose; my manager; my team; learning and development; inclusion and fair treatment; resources and workload; pay and benefits; leadership and managing change.

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the new pay frameworks at pace to ensure we could provision the pay award before year end. We recognise we had a number of lessons to learn, particular on how we communicated to officers throughout the process. We have conducted a review of the process and our implementation which highlighted that we needed to improve the consistency and quality of our communications and the resources we had available to support the process.

46. As a response to the lessons learned, we set up a Pay Reform Engagement Group (PREG), which continues to take place. The group is chaired by a Deputy Director. The purpose of the PREG is to share communications and gather insight from the workforce to enable the agency to better shape its responses on pay issues.
47. The PREG is one part of a comprehensive engagement strategy that included blogs from senior leaders, the creation of pay calculators and pay reform engagement sub-groups in each business area.
48. To oversee the agency's strategic approach to pay, and the implementation of the new structures, we also created a Remuneration Committee (RC). The RC is chaired by a Director and has senior representatives from all Commands, our Trade Unions, and one of the Non-Executive Directors. Whilst it provides a governance function primarily, it provides reassurance to officers that decisions on pay are transparent and accountable through a formal structure. The PREG is also represented at the RC. The RC reports to our Investment Committee, with the Pay Strategy continuing to be set by the NCA Board.

NCA People Strategy, Wellbeing and Diversity

49. In previous submissions, we have discussed NCA transformation and the need to enhance our human capabilities in order to deal with SOC more effectively. As part of this programme, we introduced the People Strategy in 2018 which will underpin a five year transformation for the agency. The programme has four pillars: Engage, Employ, Enable and Empower. These pillars represent the areas the NCA will focus on to recruit talent and build the required flexibility to meet the changing threat from Serious and Organised Crime.

Figure 2: Summary of the four pillars of the NCA People Strategy



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50. In the last 12 months the People Strategy has introduced:
- Key changes to help officers take control of their own career through the lateral moves process. The agency successfully rotated 160 (FTE) officers on a skills based and anonymous posting process which will be repeated on a periodic basis;
 - The NCA is changing the recruitment process to a pipeline model¹¹ that will make it much quicker to fill vacancies in the future as well as introducing a new on-boarding process that seeks to create a sense of one NCA;
 - We have re-set leadership expectations at G1 and conducted a comprehensive assessment exercise. All G1 leaders now have personal development plans. We are recruiting for 29 new G1 leaders (both through internal promotion and external recruitment). It is anticipated that the new recruits will commence on-boarding from June 2019. As part of this exercise, we will be monitoring the competitiveness of our pay offer at our most senior grades. The agency is designing a review of Grade 2 leaders in 2019/20;
 - The agency has refreshed and re-launched strategies for Diversity & Inclusion and Health & Wellbeing. We have launched a Workplace Support Officer network ensuring officers are supported when they need it most;
 - The NCA has also responded to increasing demand for learning and development, investing a further £1.1m in the budget to address the gap for this year, and also developing a new model of learning to take the agency forward for the future. More detail on training is at section two, from paragraph 59.
51. The People Programme has engaged diversity groups, trade unions and other officer networks, and a large number of officers. Officer wellbeing has been identified as an important area through this engagement.
52. Protecting the public drives every decision made by NCA officers. To ensure that this duty is being met, officers must have the strength, support and resilience to make those decisions effectively. Supporting NCA officers with an integrated and effective wellbeing offer is critical to delivering the NCA mission.
53. Our Wellbeing Strategy involves:
- Appointing Senior NCA Health & Wellbeing Champions to promote the health and wellbeing agenda;
 - Supporting officers by promoting health and wellbeing in the workplace and providing guidance to all the services we provide.
 - Equipping managers to recognise and address stress in the workplace, and encouraging them to talk to officers about mental health issues and access help and support at the earliest stage.

¹¹ This allows the NCA to recruit continuously to roles, keeping successful candidates in a reserve pool (for up to 12 months) from which they can be directly posted as the need arises.

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- Promoting a work environment that encourages physical activity, healthy lifestyles and develops tailored interventions.
54. The NCA wellbeing strategy is based on a number of design principles used in the Blue Light "Oscar Kilo" Wellbeing Framework from the police. This framework is being used to self-assess and ensure Wellbeing interventions are based on evidence, both of need and outcome. The framework is intended to facilitate a change in behaviours and attitudes towards wellbeing, and support the NCA to improve wellbeing provision.
55. The agency's Diversity & Inclusion strategy is another important element in enabling the NCA to attract and retain a workforce that reflects the community in which it operates, in addition to addressing the gender pay gap and meeting its obligations under the Public Sector Equality Duty (PSED).¹² The NCA operates in Northern Ireland (NI) which places additional obligations under Section 75 of the NI act 1998 (Equality Scheme) and Section 49 A & B of the Disability Discrimination Act (as amended).
56. The NCA workforce is 38% female and 62% male; only at the lowest grade (Grade 6) is the proportion of female officers higher at 65%. At the core operational grade (grade 5), the representation of male officers is 15% higher than female. This increases to 25% at first line manager grade 4. These figures have improved slightly in the past 12 months. The early evidence is suggesting that our new Spot Rate structure is not only attracting more candidates, but candidates from a more a diverse background, and as such, we may start to see increased numbers of female officers at Grades 4 and 5.¹³
57. We are particularly keen to increase the proportion of officers that identify themselves from an ethnic background other than white. The number of NCA officers declaring their ethnicity as BAME (Black, Asian and Minority Ethnic) currently stands at 7.3%, but this is below the Civil Service average of 12%. The NCA figure has improved by 0.4% in the past 12 months. The highest BAME representation within the NCA continues to be at Grade 6 (15.1%) which is predominately an administrative grade, with the lowest being 3.9% at Grade 3. The Grade 6 rate also compares favourably with the Civil Service grade AA/AO which is 12.1%. Out of the 111 successful external candidates for the recent IOTP campaign, 20 or 18% identified as BAME. These officers will be appointed to Grade 5 investigations roles, and onto the Spot Rate pay structure.

¹² The Equality Act 2010 requires the agency to publish relevant, proportionate information showing compliance with the Public Sector Equality Duty (PSED) and to set equality objectives. Ensuring all officers understand the importance of equality and diversity and that all policies and procedures are adhered to is the responsibility of all managers. Through governance processes, the senior leadership will provide direction on the workforce mix, the overall operational approach in line with the operational model, and the direction for transformation.

¹³ In section three we set out the diversity profile of the recent IOTP intake (footnote 21) and in the same section we highlight the increased number of applicants for each spot rate vacancy (paragraph 92).

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58. Our diversity profile reflects the legacy of uncompetitive pay, and as a result, an over reliance on recruiting experienced investigations and intelligence officers from the police, who are often embarking on second careers being in receipt of a first pension. The agency's reliance on retaining existing officers post pensionable age has also contributed significantly to the aging workforce profile. Currently 17.5% of the workforce could reasonably be considering retirement (over 55), and of those, 67% are in investigations and intelligence roles. The agency still seeks to recruit officers with experience, however, with the introduction of spot rate pay it is now in a more competitive position to attract new entrants, and those at mid-career. Whilst the majority of the workforce (64%) is aged under 50, just over a third of officers are aged 50+ (36%). Currently, 43.1% of investigations officers are aged 50 or over and in the last recruitment campaign for experienced Grade 5 investigation officers, 42.3% of applicants that were shortlisted were aged 50 or over.
59. Declaration rates of LGBT+ officers and officers with a disability are very low, which makes it difficult to provide detailed analysis of the workforce makeup. Current evidence demonstrates that:
- 2.32% of the workforce declares as LGBT+. In the Civil Service 3.1% identify as gay/lesbian, 1% as bisexual and 0.5% as other. The Civil Service also have low recording rates for sexual orientation; and
 - 4.23% of the workforce declares as having a disability, compared to 10% of Civil Service.
60. The reliability of our data is hampered by low declaration rates and therefore impacts on the statistical significance of any conclusions the agency can draw from existing data. To address this, we have run awareness campaigns to encourage officers to declare, and in doing so, challenge established misconceptions. We are also making changes to the declaration platform to improve the usability, with implementation scheduled in the spring. This will help us to continue to test how to shape our people and pay strategy to support inclusion.
61. One of the fundamental principles of our pay strategy is to attract a more diverse workforce and continue to reduce the gaps between the lowest and highest paid. The recently published gender pay gap report demonstrates that our pay reforms have started to make a positive impact on younger and female officers. The median ordinary gender pay gap has reduced by 6.6 percentage points from 16.2% to 9.6% (see **Annexe F** for the 2018 Gender Pay Gap report).
62. More specifically, the introduction of spot rate pay has had a significant impact on gender pay within the eligible population (median pay gap 0.89%). The spread of female officers across the Spot Rates is consistent with the opt in rates, and the proportion of female officers in proficient roles (81%) is comparable to that of male officers (84%).

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63. Nevertheless, challenges continue to exist. The mean gender pay gap for 2018 increased marginally by 0.08% to 11.66% from 11.58% in 2017. This is due to the number of highly paid male officers acting as outliers and the high numbers of male officers in spot rate roles, making it challenging for the agency to reduce this existing trajectory.
64. The agency is committed to tackling the gender pay gap and we will continue to keep equality at the heart of our pay strategy. Ensuring compliance with the PSED must be a common thread throughout everything the agency does, so that, in realising the benefits of diversity and inclusion, it will achieve its strategic ambition to cut and reduce the impact of SOC.

Learning & Development

65. In response to the staff survey scores relating to learning and development, and as part of the People Programme, we are investing in the development of a new model for learning. In 2017/18, over 15,300 learning opportunities were delivered to NCA officers, both internally and externally.
66. We know professional development is an important attraction tool. The agency currently offers two primary routes into achieving professional accreditation in investigations and intelligence: Initial Operating Training Programme (IOTP) and Apprenticeships.
67. The IOTP is an attractive proposition to new officers who wish to join the agency from a non-accredited law enforcement background, or for those officers from within who wish to develop as investigations or intelligence officers. Investigations officers will graduate from the programme with the PIP2¹⁴ accreditation.¹⁵
68. To ensure the NCA can position itself as a strong competitor in the market, trainees recruited onto the IOTP programme are offered a starting salary of £22,407 (plus £3,226 London weighting). This compares favourably to the starting salary for a first entry police constable which is c. £20-23k.
69. If IOTPs successfully pass the National Investigators Exam (NIE) and NCA Specific Powers Exam (SPE) at the 6-9 month mark and are deemed to be operationally independent, they move to SR1 (Developing), currently £30,154. After successfully completing the 2 year programme and completing their PIP2 accreditation, they move to SR2 (accredited), currently £31,410.

¹⁴ Professionalising Investigations Programme 2 (PIP2) accreditation. This is the accreditation expected of an experienced Detective Constable.

¹⁵ There are now direct entry points into the police service at the ranks of Inspector and Superintendent. Nineteen police forces across England and Wales are participating in the programme for 2019. Depending on the level, development ranges from 18 to 24 months, and new recruits receive a starting salary of £48k.

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70. Participants are appointed to an investigations post. The agency currently has 9 cohorts undertaking the IOTP, equating to 161 officers. 24% of the cohort intake is formed of new starters to the agency (38 trainee officers), with the remainder having been selected for training from within the agency.
71. The NCA cohorts perform highly in terms of pass rates for the NIE and SPE (See **Annexe C**). Anecdotal evidence suggests that limited salary progression on achieving occupational competence has contributed to post graduation attrition. One of the key drivers for implementing spot rate pay was to improve the rate of progression and close the pay gap between the highest and lowest paid in the core operational Grade 5 to provide a career path linked to skills based pay progression. We are monitoring the impact of spot rates on retention and officer engagement over time.
72. The NCA is currently designing and implementing a new model for learning that will support specific skills transfer and encourage a culture of development. The aim is to create a more agile approach to the agency's key learning requirements, starting with leadership and then embracing systems training, cyber training and our IOTP. The NCA training programmes are well respected across policing but are very traditional in design. They rely on lengthy classroom courses. Our new model involves delivering training completely differently – smaller modules, closer to the workplace, closer to the time of need. It will then require a shift in the way we present materials to ensure that they reflect our approach to diversity, e.g. content contains gender neutral language and learning channels are accessible for people with disabilities or different learning requirements.
73. The agency is currently reviewing the IOTP programme as an early and important part of our new model for learning. The new pilot for the redesigned IOTP will commence in early 2019. We have also implemented a successful apprenticeship programme encompassing key operational areas, including intelligence analysis, criminal investigations and digital forensics.
74. Apprenticeships are open to existing officers who can complete these programmes whilst undertaking their current role. The NCA has been set an annual target of 92 new apprenticeship starts. Since 2016, 186 apprenticeships have commenced in:
- L4 Intelligence Analyst;
 - L3 Electronic and Engineering;
 - L5 Criminal Investigations;
 - L4 Cyber Technologist; and
 - L4 Digital Forensics.
75. It is anticipated the NCA will exceed the government target by at least 25%.
76. To support the agency's apprenticeship ambitions and demonstrate support to embedding new career pathways through apprenticeships, we have developed

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two new operational apprenticeship standards and End Point Assessments: Serious and Complex Crime Investigator Apprenticeship¹⁶ and an Intelligence Analyst Apprenticeship, both starting in 2019.

77. In designing a new NCA operational career pathway using apprenticeships, the agency is strengthening its plans to grow its own talent and increase social mobility, alongside professionalising and up skilling our existing workforce. The agency is aligning the Spot Rate structure to this programme in the same way that it currently does to the IOTP programme, ensuring that these schemes remain affordable and sustainable.
78. This also reflects a culture where officers have the opportunity to join the agency and develop a broad range of skills and pursue diverse career paths. For example, we have officers who have joined the agency in non-powered roles, and been recruited to the IOTP internally. Some of these officers are now grade 3 intelligence officers in areas such as Modern Slavery & Human Trafficking. In addition, we have recruited officers to the IOTP externally who have been successful in achieving promotion and are now in grade 4 investigator roles in, for example, the National Cyber Crime Unit. These examples reinforce our need for an integrated yet differentiated pay model.
79. The success of our IOTP and apprenticeships programmes show the agency is attractive to newcomers/direct entrants. Our challenge is to retain experienced officers and attract those in their mid-career from other law enforcement organisations. It is particularly important that our reward offer is competitive for these officers.

¹⁶ The NCA is part of a Trailblazer Group developing a new Serious and Complex Crime Investigator Apprenticeship Standard. This standard will be equivalent to a degree, taken over 36 months and will stand alongside the Level 6 Police Officer Apprenticeship. The ambition is that this scheme will attract investigators (on a par with a detective role) across all agencies that require serious and complex investigators (whether this be warranted or not). It is expected that this apprenticeship standard will be launched by September 2019.

Section Three

Our Workforce

In this section, we will provide information about the workforce composition. We explain our workforce planning process, describe the recruitment and retention challenge and our talent pipelines. We will demonstrate how our approach to pay and reward is enabling our ambition to be a more diverse, skilled and engaged workforce.

Workforce Composition

80. The remit of the pay review body is to cover officers with powers, but this submission provides a broader view of our pay strategy and recommendations. We have developed a very integrated pay strategy. This is because officers who have powers have an opportunity to undertake a variety of roles in the organisation. It is a strength of the agency that we can offer this breadth and flexibility, while at the same time supporting the development of our officers and their teams. We also recognise that the delivery of an effective operational response relies on a range of skills and will involve officers who may not have powers. Nevertheless their contribution to our operational success is crucial and we must have a strategy to attract and retain these skills in what can also be a competitive market.
81. The NCA has a layered workforce, comprising directly employed officers, seconded officers, fixed term employees and contingent labour staff (paid at a daily rate).
82. As at end December 2018, we have 4,113 officers. The budgeted FTE by the end of this financial year is projected to be 4,465. This number increases to 4,752 if additional employment sources are factored in (secondments, contingent labour etc.).
83. The use of contingent labour is kept under constant review and is closely managed. As at end December 2018, the agency has c. 160 contingent labour hires, 90 of which are covering unfilled vacancies.¹⁷
84. Table 4 shows a summary of officers with powers by grade. 1,844 (44%) officers (FTE) have powers¹⁸ and 2,348 (56%) do not (at December 2018). Figures 9

¹⁷ C. 40% of contractors are assigned to Investigations, with 39% to Corporate Support areas such as Change, HR and Technology. The remaining 21% is allocated to Intelligence, Security & Standards and National Economic Crime Centre.

¹⁸ Under section 10 of the Crime and Courts Act 2013, the NCA Director General, or authorised delegated officer, can designate NCA officers with the following powers:

- Powers and privileges of a Constable (England & Wales);
- Customs powers of an officer of Revenue & Customs;
- Powers of an immigration officer;

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and 10 in **Annexe A** provide more detailed analysis by command, gender, grade and working pattern.

Table 7: Breakdown of the NCA showing officers with/without powers.¹⁹

<u>Grade</u>	<u>Powers (No.)</u>	<u>No Powers (No.)</u>	<u>Powers (%)</u>	<u>No Powers (%)</u>
SCS	7	18	0.4%	0.8%
NCA Grade 1	28	52	1.5%	2.2%
NCA Grade 2	85	124	4.6%	5.3%
NCA Grade 3	306	269	16.6%	11.4%
NCA Grade 4	565	555	30.7%	23.6%
NCA Grade 5	850	1,047	46.1%	44.6%
NCA Grade 6	3	283	0.1%	12.1%
Total	1,844	2,348	100.00%	100.00%

85. The agency also receives a number of additional funding streams, which affect the way that it manages its workforce planning. For the purposes of the pay award, we refer to the FTE on NCA payroll. However, we utilise a mixed workforce including secondments, contingent labour and contractors.

Turnover

86. Annualised turnover, i.e. officers leaving the agency for the 12 months to 31 August 2018, currently stands at 9.3%, an increase of just under 1% from last year's submission (8.36%). Resignations account for 43% of leavers (largest reason), compared to 18% transferring to another Civil Service department, 16% retirements, and 23% planned (i.e. end of Fixed term contracts, attachment, etc.). Grades with higher turnover than the agency's rate of 9.3% are Grade 2 (14.9%), followed by Grade 1 (14.6%) and then Grade 6 (13.4%).
87. Tables 1 and 2 in **Annexe B** provide information on leavers by grade, command and business area within the Intelligence and Investigations command and the reasons for leaving.
88. The majority of leavers in terms of headcount are from the core operational areas (Investigations and Intelligence), although proportionately the turnover rate of 7.8% is lower than the agency's overall rate of 9.3%.

-
- Powers and privileges of constable (Northern Ireland); and
 - Powers and privileges of constable (Scotland).

¹⁹ 3. Officers without powers will have their pay indirectly determined by the pay award as determined by the NCARRB as result of either holding a post that attracts a Spot Rate, or is part of the common pay and grading structure that exists within the agency for Grades 1 to 6. Therefore costs presented in this evidence submission cover the agency as a whole.

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89. Exit survey responses are a snapshot of the leaver population. However, the data demonstrates that for those respondents leaving for job related reasons (i.e. excluding personal/retirement etc.), the most frequently cited reason is change of job/career (21%). Only 12% cited pay directly as a reason for leaving. Whilst the most common reasons cited are career based, the agency recognises they will most likely have pay drivers (i.e. promotion and progression). Anecdotally, managers are saying that officers are leaving for higher pay. We are currently in the process of making improvements to our exit data.
90. As part of the People Programme, the agency has longer term plans to create an alumni network to recognise that officers will want to develop their skills and careers in the wider Civil Service, law enforcement community or the private sector, and in the future may wish to return to the NCA.

Building a talent pipeline

91. The NCA has introduced a Workforce Planning Committee (WPC) and is adopting Government best practice processes to responsibly manage its workforce establishment. The WPC is chaired by a Director General and meets monthly to monitor joiners, leavers and movers. The WPC sets business priorities and oversees flows through the recruitment pipeline, to ensure we have the right resources in the right place at the right time. Now that the basic process is becoming embedded, we are planning to extend the process by incorporating future skills requirements.
92. As part of its people strategy, the agency is moving to a new model of recruitment. The 'pipeline' model is based on recruiting to a profession, or job, fairly, rather than to an individual role. This will allow us to recruit at scale, in anticipation of need, thereby reducing the number of individual campaigns being run at short notice. The agency has also introduced a new process for internal postings to streamline the way officers move around the agency. This encourages more flexibility, develops their skills and demonstrates potential for promotion. In 2018, 156 officers took up a post through this new process which also enables the agency to ensure priority roles are filled.
93. During the summer of 2018, the agency undertook its first large scale recruitment campaign using the new model of recruitment across Grades 2 - 6. At December 2018, 1,200 external candidates are at a pre-selection stage; and a further 600 external candidates, are undergoing final clearances, with 240 of the external candidates expected to be on-boarded by the end of the financial year. We continue to encounter challenges around the speed with which we can provide security clearance for successful candidates, and our pipeline approach will ease this pressure.
94. We are in the process of selecting a further 120 trainees to join our flagship Initial Operational Training Programme (IOTP). These officers are expected to be on-boarded from April 2019, and fully operational in approximately 2 years. This

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is part of our deliberate strategy, underpinned by our approach to pay, to develop our capability in a number of ways including growing our own.

95. Whilst we are still in the early stages of conducting large scale and ongoing recruitment campaigns since the implementation of the Spot Rate structure for intelligence and investigations roles, we are starting to see some positive indicators:
- Our recent campaigns seeking experienced investigators²⁰ for spot rated roles have seen a 70% increase in terms of numbers of applications received per campaign. This is despite the fact that we remain behind the police in terms of total package (see section four, from paragraph 100 for further detail).
 - Non spot rated roles have seen a 0.3% drop in applications per campaign. From this we can infer that the spot rates have had a positive impact – however, we will need to monitor this through to campaign completion before we can provide solid evidence.
 - The latest pool of candidates for the IOTP has demonstrated an improvement across all protected characteristics.²¹ Whilst this cannot be solely attributed to pay, we expect to see these trends continuing across other campaigns as they reach conclusion.
 - We also expect to be more successful in recruiting to PIP1²² candidates, who are more likely to benefit financially from the career pathway accompanying the Spot Rate structure.
 - We recognise that recruiting people early on in their career will require significant investment to build the necessary capability, and developing a comprehensive people offer to ensure retention cannot be our only approach to diversifying our workforce.
96. Over the past 12 months, 229 candidates have withdrawn applications whilst going through the recruitment process. Whilst we cannot attribute this solely to the breakdown in salary negotiations, we have feedback that for 75 candidates, pay was the primary reason. We are continuing to improve our data collection through the recruitment process so that we can better capture the candidate experience.
97. In 2018, we conducted a leadership review of all our G1 officers. As a result of this review, we conducted a lateral moves exercise and created 29 vacancies. This campaign is due to complete in Spring 2019. We expect a mix of internal and external candidates to be successful. We will use the data resulting from this exercise to inform our position on pay for the more senior grades (1-2) in the next pay round and with this insight, we will be able to compete more effectively in the market.

²⁰ Roles requiring the Professionalising Investigations Programme 2 (PIP2) accreditation. This is the accreditation expected of an experienced Detective Constable.

²¹ Out of 111 successful external candidates, 77 (69%) are female, and 30 are male (30%). 20 candidates identified as BAME (18%). In terms of age, 92 (83%) of all successful candidates are under 35, with all 18 BAME candidates coming from this age group.

²² PIP1 accreditation is a level down from PIP2 which is the level we have traditionally recruited at.

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98. There are areas where it has proved difficult to recruit officers with the right level of skill and experience, particularly in parts of the workforce where spot rates do not apply. For example, we have struggled to recruit managers at G3 and above with the requisite investigatory experience from other agencies (incl. Border Force, Policing and HMRC). Conversely, NCA trained staff are attractive to other law enforcement, Civil Service and, for officers with specialist skills, the private sector in Banking, Insurance and IT.
99. We are also experiencing high turnover infrastructure and software engineers to private sector for higher salaries.²³ Digital, Data, Technology and Cyber roles: these skills are highly prized, particularly in London and the South East which has a strong contingent labour market. Whilst we cannot attribute low applications directly to salary – it is highly likely that this is the case, and we are developing this evidence. Some examples of recent campaigns include:
- G2 Data Architect: Three unsuccessful campaigns completed – 0 candidates appointed.
 - G2 and G3 Security Architects: 4 applicants – 0 shortlisted.
 - G3 Service Transition Manager: Two campaigns completed – 0 candidates appointed.
 - G4 & G5 IT Security Officers – Three campaigns completed to fill 5 posts – 2 candidates appointed (one internal).
100. We will provide further information on our market comparators in the next section. In summary, whilst we have made progress in relation to recruiting to investigations and intelligence posts, we must not lose the momentum in our longer term pay strategy to extend pay reform to leaders and specialist niche roles.

²³ The Technology Command experienced annualised turnover of 15% with 41.4% of leavers resigning and leaving the Civil Service, with only 24% transferring within the Civil Service.

Section Four

Our Pay Comparators

In this section we will provide evidence to demonstrate our position in relation to our comparator markets to support our continued differentiated pay strategy and demonstrate the importance of maintaining the momentum behind our pay reform strategy.

101. The NCA's pay strategy is differentiated due to the complexities of our workforce profile and the blend of skills and capabilities that we require. We are keen to set out that across some markets, we continue to fall significantly behind. This predominantly affects roles across intelligence, investigations and where we have niche and specialist capabilities. In other areas, we tend to compete more effectively, particularly across the Civil Service and public sector, with some exceptions.²⁴ The approach we have taken to date, to differentiate our pay offer, is the first step along our journey to ensure that we are able to respond in the right way to recruitment and retention challenges created from very different types of comparator markets.

Police Pay

102. The agency occupies a leadership role across the law enforcement landscape in response to serious and organised crime. Many of the skills that the agency relies on are found within policing – however, the nature of the work differs. The agency is predominantly a proactive workforce, working at the high end of high risk. The totality of the police pay and rewards package includes both the skills and more reactive nature of the work. The NCA therefore needs to compete effectively for talent, without necessarily being able to match police pay exactly.

103. The agency aims to keep its pay in line with its primary comparators because this is essential to ensure sustainable operational delivery. However there are constraints in terms of the agency's budget and the affordability of pay reform, as all increases must be delivered within the flat rate settlement allocated in the last government spending round. We also have to balance the allocation of the award to remain within the HM Treasury approved IRC agreed in our three year pay submission. However, we cannot allow the gap to widen any further. The below table provides a comparison of NCA and police salaries for G5/Constable and G4/Sergeant. This demonstrates our current position.

104. By making a 2% award to spot rates, the table below demonstrates that we are able to maintain our current salary position in relation to policing. We will need

²⁴ We continue to struggle to recruit child protection advisors who we predominantly recruit from local authorities.

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to monitor this position very closely as part of our submission for the 2020/21 pay award.

105. Unlike policing, the NCA pay scales do not contain incremental pay progression, meaning that officers cannot move through the pay scales from minimum to maximum in a defined period of time. In the tables below, we have used the top of the police pay bands to compare to NCA proficient rates of pay. We have done this because we require PIP2 accreditation for our roles, which is only normally achieved by experienced detectives, who would normally be at the top of their respective pay range.

Table 8: NCA pay comparison with police pay (Constable)

	2016/17	2018/19	2019/20
Police pay for PIP2 accredited investigators	£38,001	£39,150	NCARRB will be considering the Police pay award proposals concurrently with this submission. The NCA seeks to ensure relative pay parity with policing in key roles to maintain our workforce and skills.
NCA rate for PIP2 accredited investigators	£24,965	£33,504 (G5 Spot Rate 3 Proficient)	
NCA pay as a percentage of police pay.	65.7%	86%	

Table 9: NCA pay comparison with police pay (Sergeant)

	2016/17	2018/19	2019/20
Police pay for PIP2 accredited investigators	£42,285	£43,998	NCARRB will be considering the Police pay award proposals concurrently with this submission. The NCA seeks to ensure relative pay parity with policing in key roles to maintain our workforce and skills.
NCA rate for PIP2 accredited investigators	£33,286	£40,800 (G4 Spot Rate Proficient)	
NCA pay as a percentage of police pay.	78.7%	93%	

Figure 3: The position of an NCA Grade 5 PIP2 accredited officer compared to current police pay rates.

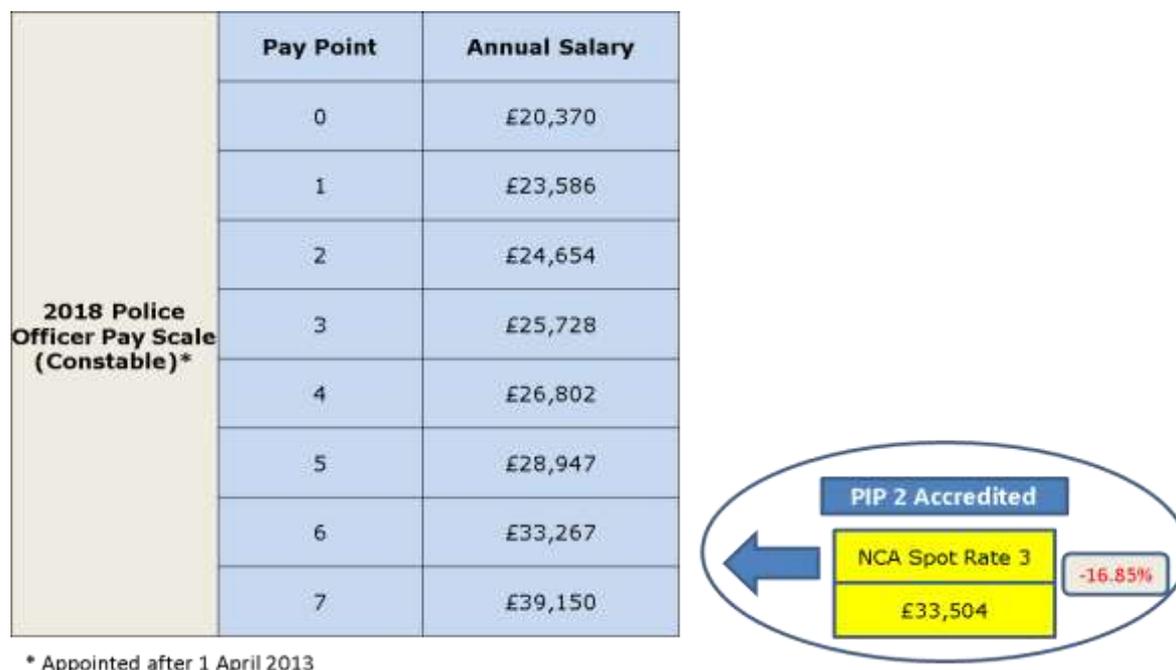
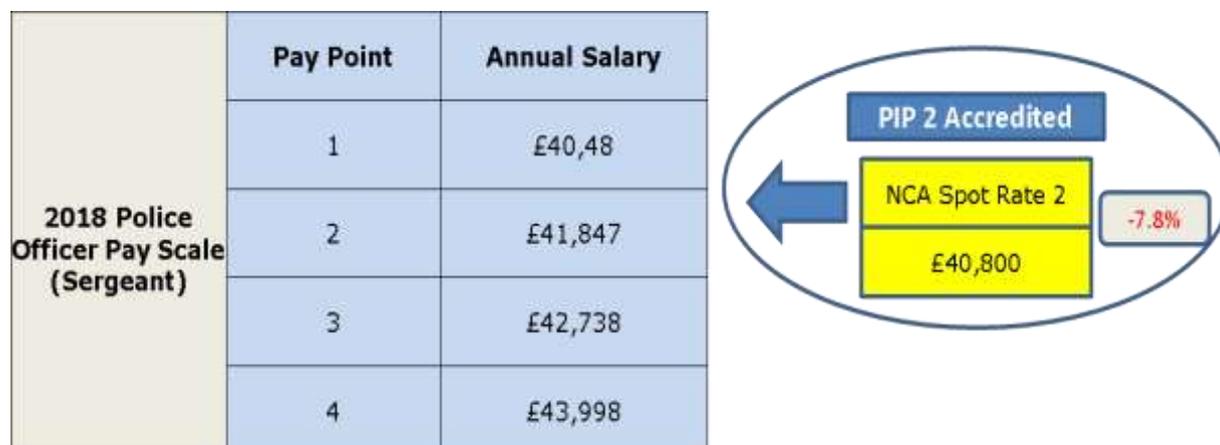


Figure 4: The position of an NCA Grade 4 PIP2 accredited officer compared to current police pay rates.



106. This demonstrates that NCA salaries for investigations officers working at the high end of high risk still remain significantly below the police comparator. It is of critical importance that we continue to invest in our spot rate structure as we seek parity with police pay for key roles. It is important to maintain the NCA as an attractive employer, therefore we have started to evidence trends in our ability to recruit and retain skills from this market.

107. Our spot rate pay award is for 2%. Whilst we cannot predict the pay award that policing will receive in the 19/20 pay year, we are preparing for the possibility that the 2019/20 police pay award is greater than 2%. Any further widening of the gap between NCA and Police pay would negatively impact on

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our ability to realise the benefits of the significant investment in pay that we have made to date. Therefore, in the event that police pay exceeds 2%, we have modelled the following spot rate increases if we were to increase the spot rate in line with police pay and the impact on our IRC ²⁵.

Table 10

Pay Year 2019/20	2.0%	3.50%	4.0%	4.25%	4.50%
	£m	£m	£m	£m	£m
Total Baseline Remuneration Cost	£186.58	£186.58	£186.58	£186.58	£186.58
Cost to meet Spot Rate Increase	£0.91	£1.77	£1.98	£2.13	£2.26
Cost of current proposed awards	£2.27	£2.27	£2.27	£2.27	£2.27
Subtotal	£3.18	£4.04	£4.25	£4.40	£4.54
Total increase	£189.76	£190.61	£190.83	£190.97	£191.11
% Increase Overall	1.70%	2.16%	2.28%	2.36%	2.43%
Cost increase	0	£0.86	£1.07	£1.22	£1.35

108. The PRB should consider relationship between the NCA and Police pay when making their recommendations. In the event of a recommendation that would widen the gap between police and NCA pay, the NCA will consult with the Home Office and Treasury about how to keep pace, including for the 19/20 pay award. We acknowledge this would require the agency to assess affordability and priorities for the budget. However, we would consult at speed on costed proposals as we consider the risk of the pay gap widening to be so serious for recruitment and retention that it could impact on our ability to deliver the agency's mission.

109. We have provided evidence of the challenges posed by the salaries of our primary comparator market, policing. We continue to face additional pressures from additional comparators, including the private sector, Civil Service and wider intelligence community. We have included below additional comparators, demonstrating that we continue to fall behind our other comparator markets.

²⁵ Proposed changes to the pay range maxima and minima remain unchanged, proposed increases to the London Weighting Allowance and Shift Allowance remain unchanged at 1% and 2.5% respectively; all staff to receive a minimum 1% award consolidated for those below maximum; osts are net and do not include Pension and National Insurance; the number accepting the improved SR% is still limited by the O/T hour comparison (37hr vs 40hr).

Table 11: NCA pay comparison with wider Law Enforcement and Public Protection employers

	Grade 5		
	Cyber Specialist	Financial Investigator	Child Protection Advisor (CPA)
NCA	£32,691 [^]	£33,504*	£33,504*
Comparator ²⁶	£42,286	£45,758	£40,000
Diff £	-£9,595	-£12,254	-£6,496
Diff %	-29%	-37%	-19%

* Spot Rate 3 – Proficient 2018/19

[^] NCA Grade 5 median 2018/19 excluding officers on Spot Rate pay.

Pay comparison with the Civil Service, public and private sectors

- 110. 80% of our workforce remains paid on our standard pay range. We recognise that this does not suitably differentiate between the specialist, niche and professional communities included in this cadre. We need to do further work in this area and we will provide more detail on our future pay strategy in section six.
- 111. For many of our roles contained within the standard pay range, we have applied comparators from across the private and public sector including the civil service.
- 112. When compared with Civil Service salaries, NCA base pay tends to perform well (see Annexe H). Median salaries across all six NCA grades exceed civil service medians, including when taking into account London based pay. However, we need to do further work to understand the effect of allowances and other pay elements present in other government departments (e.g. enhanced overtime). We have feedback to suggest that our grading for some niche and specialist roles falls behind equivalent grades in other departments. For example, we are in the process of evaluating our digital, data and technology roles against the cross government capability framework to ensure we are consistent.
- 113. When compared across the private and wider public sector, according to recent Korn Ferry benchmarking (contained at **Annexe H**), we are now competing favourably at grades 5 and 4. However, at grades 1 to 3 and 6, we remain behind the market. This submission seeks to ensure we do not move backwards at grades 5 and 4. We intend to address our grade 1s, 3s and 6s in our proposals for 2020-23.

²⁶ Comparator organisations are Financial Conduct Authority (FCA), Serious Fraud Office (SFO) City of London Police and the Competition and Markets Authority; and a selection of local authorities for CPA roles.

London Weighting Allowance (LWA)

114. Enhanced pay for London or a geographical definition of London is delegated to departments. Our assessment demonstrated that most departments have moved to London pay scales. Where departments still pay LWA, rather than London pay scales, the average is £3,868 pa.
115. Other Civil Service employers offer market supplements alongside LWA to recognise specific recruitment and retention issues, similar to the RRAs used by the NCA.
116. Police officers in the London region receive up to £6,782 pa location based allowances. The current value of the London allowances are made up of the London weighting (£2,444 pa, pensionable), London allowance 1 (£1,011 pa, non-pensionable) and London allowance 2 (£3,327 pa, non-pensionable). The total value equates to £6,782 and is paid to all officers working in London employed after 1994.
117. Police officers in the South East receive an allowance of up to £3,000 pa for Essex, Hertfordshire, Kent, Surrey and Thames Valley and up £2,000 pa for Bedfordshire, Hampshire and Sussex. The allowances offer a way of compensating officers who live in areas generally viewed as having the most expensive living costs.
118. The private sector tends to favour a fixed amount allowance and a 2016 Loughborough University study estimated the average LWA to be under £4,000 pa. Benchmarking shows amounts differ widely between sectors and companies, ranging from £300 to £7,000 pa.
119. The assessment demonstrated recruitment and retention issues are not driven by London locations or commutes to these locations. The majority of officers (1176 / 75%) receiving LWA are currently based in Spring Gardens with the remaining (395 / 25%) based in locations within and beyond the M25 boundary. These locations are Heathrow Airport (61), Gatwick Airport (45), Slough (39), Tolworth (74), Crawley (67) and Gillingham (109). Moving away from a LWA focus (for recruitment and retention) and more towards a wider array of reward strategies may be more effective in enabling the agency to achieve its long term strategic goals. There is however a need for an enhanced pay mechanism to retain the officers needed in the London area but the LWA does not address all recruitment and retention issues and the agency will continue to deploy recruitment and retention allowances to target specialist skills and skills shortages regardless of location. (See **Annexe G** for all locations currently in scope for the LWA and the number of officers currently receiving this allowance).

Section Five

Progress on pay reform to date Proposals for the 2019/20 pay award

This section details our 5 pay recommendations for the 2019/20 pay award, our Northern Ireland allowance and use of the non-consolidated pot.

This year we are seeking to incorporate reforms which include a new approach to flexibility, (including a formal shift review), and proposals to respond to increasing recruitment and retention challenges in our highly prized niche capabilities.

The NCA Pay Implementation Journey 2017-19

120. In Spring 2018, the agency secured final approvals for the implementation of a new pay structure in the NCA.
121. The NCA was totally committed to making a pay award using the new structures in the 2017/18 financial year and ran internal preparation in parallel with securing external approvals. In doing so, the NCA created four products to support the engagement and implementation process:
 - A new Remuneration Committee (RC), chaired by an operational Director and attended by Deputy Director representatives from across the organisation;
 - A pay calculator for every individual officer to be able to calculate their exact pay award (and arrears) for both the 2017/18 and 2018/19 pay awards;
 - Pay reform engagement groups representing each Command to ensure that officers' views were considered in the future; and
 - A skills matrix underpinning the skills levels required for each rate of pay within the Spot Rate pay framework.
122. In preparation for the Spot Rate pay framework, the RC oversaw the evaluation of the individual skills of each eligible officer and conducted a thorough review and appeals process to ensure that the assignment of officers to Spot Rates was fair and transparent.
123. The RC has on-going oversight of this process and keeps the skills matrix and capability framework under regular review working with our Occupational Standards and Capability Assessment Unit (OSCAU) to ensure alignment with agreed National Occupational Standards (NOS) and the agency's developing capability requirements.

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124. In determining the final offer made to officers in March 2018, we sought to achieve agreement from the Trade Unions to automatically move all eligible officers to the Spot Rate structure unless they actively opted out. Following negotiations and a staff ballot, we reached agreement with the Public and Commercial Services Union (PCS), National Crime Officers Association (NCOA) and Association of First Division Civil Servants (FDA) that, whilst they could not accept the deal, they would not obstruct the offering of new terms and conditions directly to officers in scope for the new pay structure. As a result, c. 800 officers elected to move onto the new Spot Rate pay in March 2018 and onto new terms and conditions of employment.
125. The RC has also led work across the agency to further develop the skills matrix and capability framework increasing the number of roles that are now in scope for the Spot Rate pay structure. In November 2018, the RC agreed to amend the skills matrix and offer all posts in intelligence at Grade 4 & Grade 5 currently requiring IPP²⁷ or PIP2 Spot Rate terms and conditions.
126. It was also agreed to expand the scope of the Spot Rate structure and extend eligible roles to those requiring professional qualifications such as Financial Investigators, Undercover Officers Advanced (UCA) and Undercover Officers Online (UCOL). These roles require specialist and niche skills that need sustained investment by the agency to develop capability. It is anecdotal that in adopting spot rate pay, attracting candidates to these posts will improve.
127. The agency anticipates a further 170 out of 350 eligible officers will opt into the Spot Rate pay structure in February 2019. This offer will be backdated to August 2018 and is forecast to result in c. 1,000 officers on Spot Rate terms and conditions (out of 1,900 eligible officers).
128. The agency developed a communications strategy that seeks to explain to the workforce in a transparent way the rationale and benefits of the agency's approach to pay (section two, paragraph 43).

²⁷ IPP refers to the Intelligence Professionalisation Programme Accreditation.

Pay Award Recommendations for 2019/20

129. Having implemented significant reforms to our pay structures in the 2017/18 and 2018/19 pay years, we are now in the third and final year a year of pay flexibility agreed with HM Treasury. Despite the positive work to date, we recognise that there is still a significant way to go. We are therefore already developing a further three year pay strategy for the years 2020/21 – 2022/23.
130. In section six, we will provide further detail on our longer term approach to pay; we have significant work planned to continue our reform agenda over the next three years. Our approach for 2019/20 is to consolidate the implementation of reform agreed to date. We have taken this approach based on affordability and the feasibility of implementing further reform this year.
131. In section four, we have outlined our position in relation to our comparator markets, and highlighted the challenge that we will continue to face as police pay also increases. We recognise that as we currently stand, we have the approval from HMT and the financial provision with the NCA, to make a pay award of 1.7% only and therefore have made recommendation in line with this position.
132. The NCARRB is therefore asked to make recommendations on how to apply the pay award for the 2019/20 year only. In the remainder of this section, we will outline the rationale and impacts, on both officers individually and our pay strategy.

Recommendation 1: Increase Spot Rates by 2% for Grade 4 and Grade 5 Investigations and Intelligence Officers.

Recommendation 2: Increase the pay range minima for Grades 1 – 4 by 2% with no corresponding increase to the pay range maxima.

Recommendation 3: Increase the pay range minima for Grades 4 and 5 by 4.25% and 4.50% respectively with no corresponding increase to the pay range maxima.

Recommendation 4: Increase London Weighting Allowance by 1% taking it from £3,258 to £3,291 per annum.

Recommendation 5: Increase the pensionable shift allowance paid to the control centre from 12.5% to 15%. We will then remove the non-pensionable top-up of 2.5%

Recommendation 1: Increase Spot Rates by 2% for Grade 4 and Grade 5 Investigations and Intelligence Officers.

133. Spot Rates (SRs) apply to eligible posts within Intelligence and Investigations at both Grade 5 and Grade 4. We have three SRs at Grade 4 and four at Grade 5. The SRs correspond to increasing levels of skills and capability outlined in the underpinning skills matrix, albeit we have not yet implemented the highest SR which is reserved for 'expert' levels. We continue to monitor this position.

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134. By increasing each SR by 2%, all c. 1,000²⁸ officers on SR terms and conditions will receive a consolidated 2% pay award.
135. The following tables demonstrate the proposed 2019/20 values of the SR pay framework.

Table 12: Proposed increase to Spot rates for Grade 5 Intelligence and Investigations Officers.

	<i>2018/19</i>	<i>2019/20</i>
G5 Spot Rate 1 - Developing	<i>£30,154</i>	£30,757
G5 Spot Rate 2 - Developing	<i>£31,410</i>	£32,038
G5 Spot Rate 3 - Proficient	<i>£33,504</i>	£34,174
G5 Spot Rate 4 - Expert	<i>£34,900</i>	£35,598

Table 13: Proposed increase to Spot rates for Grade 4 Intelligence and Investigations Officers.

	<i>2018/19</i>	<i>2019/20</i>
G4 Spot Rate 1 - Developing	<i>£37,536</i>	£38,287
G4 Spot Rate 2 - Proficient	<i>£40,800</i>	£41,616
G4 Spot rate 3 - Expert	<i>£42,500</i>	£43,350

136. Through increasing the value of the SRs, we expect a further 47 officers to accept SR terms and conditions and move across to this pay framework. We continue to offer SR terms and conditions for officers to accept if it is the right decision for them, taking into account the requirement to work 40 hours per week. This forecast increase of 47 SR officers has been included in our cost profiling.
137. The below tables, demonstrate the numbers of officers benefitting from increases to SRs, and the 47 officers who are likely to opt into the SR structures by as a result of the 2019/20 increases. These officers may receive an award of larger than 2% based on their current salary – but they will need to balance this with the additional requirement to increase their hours.

²⁸ Currently, at December 2018, we have c. 800 officers on SR terms and conditions. Due to recent work to extend eligibility to this framework, we expect to increase this number to c. 1000 officers by the 2019/20 pay award implementation.

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Table 14: Grade 5 officers benefitting from increase to Spot Rates

	Existing SR officers receiving a 2% increase to SRs	Officers expected to opt into SRs²⁹ in July 2019.	Expected Total of officers on SRs 2019/20
G5 Spot Rate 1	106	7	113
G5 Spot Rate 2	82	3	85
G5 Spot Rate 3	471	21	492
G5 Spot Rate 4	0	0	0
Total	659	31	690

Table 15: Grade 4 officers benefitting from increase to Spot Rates

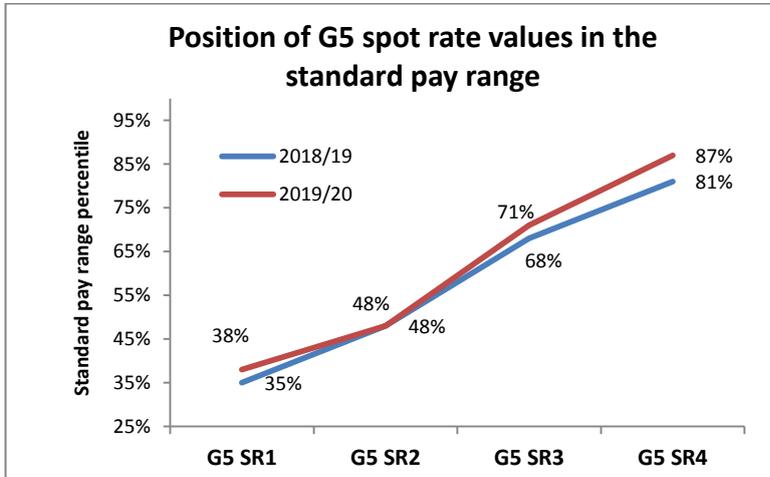
	Existing SR officers receiving a 2% increase to SRs	Officers expected to opt into SRs in July 2019.	Expected Total of officers on SRs 2019/20
G4 Spot Rate 1	29	0	29
G4 Spot Rate 2	298	16	314
G4 Spot Rate 3	0	0	0
Total	327	16	343

138. By continuing to make the Spot Rates an attractive proposition, we will grow the proportion of eligible officers that choose to adopt SR and begin to harmonise terms and conditions across investigations and intelligence. At present, December 2018, 51% of eligible officers had accepted SRs.

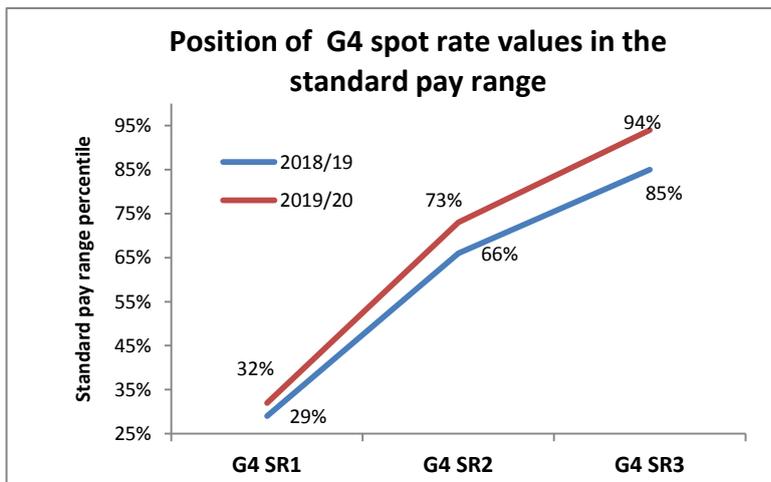
139. Spot Rate pay continues to sit within the same salary range as the Standard Pay Range. The table below demonstrates the comparison between both pay frameworks.

²⁹ This is forecast based on increases to salary (taking into account the change from 37 to 40 hours), but individual officers will can decide whether to opt in based on their own personal circumstances.

Graph 1: Shows the positioning of SRs against the standard pay range for Grade 5



Graph 2: Shows the positioning of SRs against the standard pay range for Grade 4



- 140. The two pay frameworks operate independently of each other, which means that over time, the value of the spot rates may begin to exceed the pay range maximums of the standard pay range.
- 141. Graphs 1 and 2, demonstrate that for some eligible officers who were previously paid at the lower end of the pay range, the spot rate structure provides a mechanism to increase their salary within the same grade. By continuing to invest in the spot rate structure, we will seek to grow the proportion of officers who have opted in. We do recognise that officers who are currently paid in excess of the SR value on a 37 hour contract are unlikely to move across.

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142. A core part of our pay strategy design has been to reduce inequities in our pay structures. Our implementation journey to date has demonstrated that although the spot rate eligible workforce tends to be less diverse than the overall workforce, we have seen positive trends in the profile of officers who have opted into SRs. We have seen increased numbers of female, non-Christian and younger officers opting in. This reflects the fact that these groups of officers are more likely to have been at the lower end of the standard pay range and found spot rates a more attractive proposition. But continuing to invest in this element of our pay framework, we can continue to close the pay gaps in our operational roles.
143. This is also demonstrated in our 2018 gender pay gap report. Within the SR workforce, we have reduced the mean gap to 2.36%, compared to an overall mean gap of 11.66%.
144. New recruits to SR roles, are automatically offered only SR terms and conditions, which over time will continue to increase the proportion of officers on SRs. In section four we have provided context on our market rate comparisons, and the challenges of maintaining our position vis-à-vis police pay as well as other market groups. By continuing to invest in our spot rate structure, we continue to send the message to potential recruits that the NCA offers an improving reward offer.

Recommendation 2: Increase the pay range minima for Grades 1 – 4 by 2% with no corresponding increase to the pay range maxima.

Recommendation 3: Increase the pay range minima for Grades 5 and 6 by 4.25% and 4.50% respectively with no corresponding increase to the pay range maxima.

Officers who are already at, or who will reach, the pay range maximum will receive the balance of their 1% pay award as a one-off non-consolidated payment.

145. Currently, 3,231 officers are on the standard pay range and will be eligible to receive this award, with the actual value determined by their current position on the pay range.

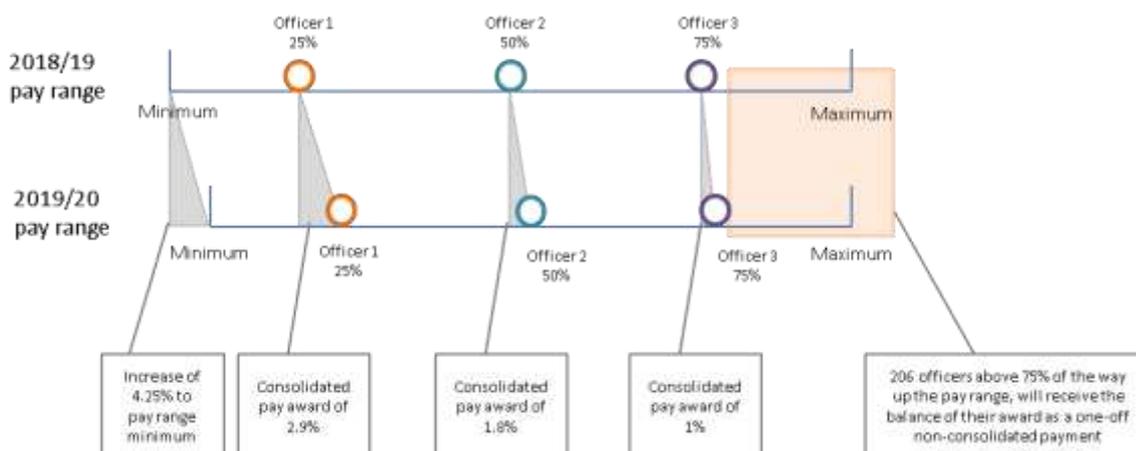
Table 16: pay range minima and maxima 2017/18, 2018/19 and 2019/20 (proposed)

	2018/19 Pay range		Increase to min	2019/20 Pay range	
	Min	Max		Min	Max
Grade 1	£64,989	£81,829	+2.00%	£66,288	£81,829
Grade 2	£53,053	£66,822	+2.00%	£54,114	£66,822
Grade 3	£43,288	£54,727	+2.00%	£44,153	£54,727
Grade 4	£34,971	£43,809	+2.00%	£35,670	£43,809
Grade 5	£26,536	£36,821	+4.25%	£27,663	£36,821
Grade 6	£19,046	£26,341	+4.50%	£19,903	£26,341

146. By increasing the pay range minima but retaining the existing pay range maxima, we are able to shorten the length of the pay ranges. We refer to this as our compression strategy, and we are able to increase the rate of compression by applying the pay award in a way that retains the officer’s relative position.

147. The ‘relative position’ refers to an individual officer’s position on the pay range. We propose to implement the pay range compression by increasing the minima but retaining officers on the same position in the pay range. If this results in a pay award of less than 1%, we will top up the pay award to 1%.

Figure 5: demonstrates the application of the relative position



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148. The above diagram demonstrates if an officer is beyond 75% of the way up the pay range, they would receive their pay award as a combination of consolidated and non-consolidated payments.

Table 17: Example scenarios for G5 non-operational officers on compressed structures in 2018/19.³⁰

Current salary (2018/19)	Position on pay scale (maintained)	Proposed new salary (2019/20)	% consolidated pay award	Non-consolidated payment
£26,536	Minimum	£27,663	4.3%	£0
£29,107	25th Percentile	£29,953	2.9%	£0
£31,678	Mid-point	£32,242	1.8%	£0
£34,240	75th Percentile	£34,582	1.0%	£0
£36,821	Maximum	£36,821	0.0%	£368.21

149. By applying the pay award in this way, we have been able to increase the rate at which we have applied the compression in order to quicker reduce the gaps between the highest and lowest paid. The table below, demonstrates that this has had a positive impact on female officers who are slightly more likely to be lower down the pay range.

Table 18: Consolidated Pay awards across compressed pay range

Distribution of the consolidated Award						
Pay Award %	Male		Female		Total	
< 1.0%*	151	7.8%	55	4.3%	206	6.4%
1%	580	29.8%	258	20.1%	838	25.6%
1 - 2%	899	46.2%	562	43.6%	1,461	45.3%
2 - 3%	70	3.6%	59	4.6%	129	4.1%
3% +	245	12.6%	352	27.4%	597	18.6%
Total	1,945	100%	1,286	100%	3,231	100%

*The officers shown as receiving a consolidated pay award of less than one 1% are those who are nearing the max or already at the maximum of the pay range. They will receive a top-up one-off payment to bring their pay award to 1%.

150. The highlighted boxes in Table 20 demonstrate that despite fewer female officers in the organisation, they are significantly more likely to benefit from higher pay awards as a result of their current positioning lower down in the pay range than their male counterparts.

151. We recognise however, that this approach can only be a short term measure due to the fact that the application of the relative position slows down the rate at which officers progress through the pay range. This is a deliberate choice that we have made in the short term to target investment towards

³⁰ This scenario impacts 1,247 officers currently on the Grade 5 pay scale

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quickly reducing the overall pay gaps between the lowest and the highest paid within band. Over time, we will review this position further.

- 152. In addition, we recognise the impacts on officer morale at the higher end of the band which is why we have chosen to make one-off non-consolidated payments to underpin a minimum 1% award for this group. We will continue to monitor the effects of not increasing the pay range maxima for the 2020/21 pay round.
- 153. Our approach to pay range compression supports our overall pay strategy to reduce our equal pay risk and reduce overlaps between grades and pay ranges. Shorter pay ranges mitigate equal pay risks by reducing the time it take for officers to catch up with their more highly paid peers.
- 154. The table below, demonstrates the journey that we have been on to compress our pay ranges since 2017/18.

Table 19:

Grade	2016/17 Range length	2019/20 Range length	% reduction in range length
Grade 1	28.4%	23.4%	5.0%
Grade 2	28.5%	23.5%	5.0%
Grade 3	31.5%	23.9%	7.6%
Grade 4	31.6%	22.8%	8.8%
Grade 5	47.5%	33.1%	14.4%
Grade 6	47.4%	32.4%	15.1%

- 155. The above table demonstrates that pay range length is something that disproportionately affects the lower grades. We have therefore continued to apply the rate of compression in a way that favours the lower grades. This is aimed at achieving a more unified grading structure.
- 156. This approach, has also reduced the overlaps between grades, and reduced the potential for 'leapfrogging' i.e. when a new appointee is paid more than an officer in a higher grade.

Table 20:

Grade	2016/17 Grade overlaps	2019/20 Grade overlaps
G1 min to G2 max	£3,113	£534
G2 min to G3 max	£2,719	£613
G3 min to G4 max	£2,202	-£344
G4 min to G5 max	£3,535	£1,151
G5 min to G6 max	£1,377	-£1,322

157. The above table demonstrates that we have been able to significantly reduce overlaps between grades, and eliminate them completely at G4/G3 and G6/G5. However, our pay range lengths still remain long in comparison with Civil Service averages.

Table 21:

Grade	Civil Service grade equivalent	Current pay range length (%)	Civil Service Average (%)*#
NCA Grade 1	Grade 6	25.91%	17.86%
NCA Grade 2	Grade 7	25.95%	19.84%
NCA Grade 3	SEO	26.43%	17.46%
NCA Grade 4	HEO	25.27%	16.52%
NCA Grade 5	EO	38.76%	16.91%
NCA Grade 6	AA	38.30%	7.16%

158. We will continue to monitor our approach to pay range compression in our 2020-23 pay strategy.

Recommendation 4: Increase London Weighting Allowance by 1% taking it from £3,258 to £3,291 per annum.

159. This will ensure the LWA remains competitive when compared to other Civil Service and law enforcement comparators.

160. In its fourth report, the NCARRB requested an update on the outcome of the LWA review and the rationale for any recommended changes.

161. The agency has now undertaken the review of LWA and has remitted this activity pending further work on our estates strategy. As part of our developing work on our locations strategy, we will commit to looking at the geographical boundaries that currently attract LWA as part of a wider review of its locations. Refer to **Annexe G** for current locations that qualify for the LWA.

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162. LWA is currently paid to 1,722 officers to compensate for the cost of living in London and the surrounding areas and as a recruitment and retention incentive. The current annual amount is pro-rated for part time employees.³¹
163. We have demonstrated in section four our position in relation to both Civil Service and police comparators. However, we do not consider it appropriate to invest in a significant increase to London Weighting until we have reviewed our eligible locations and how they map across to comparator organisations and our future locations strategy.
164. We have reviewed our approach to how we pay London Weighting and have changed how officers on a formal alternative working arrangement are treated. London Weighting will no longer be deducted on a pro-rata basis for officers whose primary place of work is within a qualifying zone but who have an alternative working arrangement resulting in fewer days spent at a London location i.e. working from home. Officers who work part-time will continue to have their London Weighting reduced on a pro-rata basis accordingly.
165. We continue to review our location strategy and in view of our assessment of comparators we are recommending an increase of 1% to the current LWA.
166. We propose to provide the pay review body with a further update in the 2020/21 pay round.

Recommendation 5: Increase the pensionable shift allowance paid to the control centre from 12.5% to 15%. We will then remove the non-pensionable temporary top-up of 2.5%

167. Impacting approximately 45 officers working in the NCA Control Centre, this reform is aimed at addressing retention and high levels of turnover, which in the last 3 years has been significant (100%). Officers in the control centre are not eligible for Spot Rates.
168. High rates of turnover have been driven in part by differences in the agency approach to shift pay compared to key competitors such as the UK Border Force, Police, HMRC and the Intelligence Community.
169. The NCA Control Centre operates around the clock 365 days a year providing the agency with threat/risk assessment and escalation, operational support, guidance and advice. It provides a Command and Control function to triage the threat and risk as it is received, managing risk from both domestic and international sources and providing the operational teams within the agency with situational awareness. We do not however, require the same level of

³¹ There are currently 155 officers who work outside designated LWA locations and have retained LWA for various historical reasons; these mainly relate to estates closures.

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flexibility that other organisations such as Border Force require in relation to additional allowances.

170. Recruitment and retention continues to be a major factor for the Control Centre. Over the last 2 years there have been 34 leavers from 45 shift based posts which equates to an annual attrition rate of 38% per year. This can be broken down by grade as follows:
- G3 (5 posts) 4 leavers which equates to an average turnover of 40% per year;
 - G4 (5 posts) 5 leavers which equates to an average turnover of 50% per year; and
 - G5 (35 posts) 25 leavers which equates to an average turnover of 36% per year.
171. The turnover has the greatest impact at Grade 5. The reasons for the high turnover rates fall into the following areas:
- Exportable skills: staff in the Control Centre are exposed to a wide spectrum of the agency's work, and so staff develop good skills very quickly and as this for many is their first role with the agency they become very attractive internally and externally;
 - Shift Working: shift working having a negative impact on an individual's health and wellbeing and their work life balance; and
 - Shift Pay: the agency currently pays a 12.5% non-consolidated shift allowance that is pensionable. In addition a further 2.5% is paid on a non-consolidated and non-pensionable basis.
172. The high level and constant turnover of officers is impacting the Control Centre's ability to perform its role in supporting the NCA, partners and threat areas. Vacancy levels result in the need for officers to be constantly flexible and to change shifts sometimes at short notice. This is to allow each shift to have adequate resources to fulfil the NCA critical functions out of hour.
173. The introduction of the 2.5% non-consolidated uplift was a transitional measure to address recruitment and retention while further work was undertaken on working patterns across the agency. The recommendation to increase the shift allowance and remove the 2.5% non-consolidated uplift is about making a commitment to officers who are concerned that they may lose it, as currently the non-consolidated element is a non-recurring allowance funded from the non-consolidated pot and reviewed annually.
174. The control centre is in scope for the on-going work to review the agency's approach to flexibility including shift working and on-call. We do not recommend making any further changes to the Control Centre reward structures until this review has concluded in Autumn 2019.

Northern Ireland Allowance

175. In its fourth report, the NCARRB requested an update on the threats and restrictions on NCA officers in Northern Ireland (NI).
176. The NCA is currently assessed to be at 'Moderate' threat ("an attack is possible, but unlikely") from Northern Ireland Related Terrorism (NIRT) in NI, which reflects the assessment of the threat from dissident republican terrorist groups.
177. This assessment is distinct from partners in the Police Service of Northern Ireland (PSNI), Military and Northern Ireland Prison Service who are all assessed as SEVERE.
178. Threats against NCA officers are monitored by the security department in association with key partners including MI5 and PSNI. Intelligence continues to be monitored dynamically and there are agreed procedures in place should there be a change in threat levels. Also, with the government sponsored initiative 'Fresh Start', operational reviews are on-going to track any changes to operational direction.
179. Officers based in Northern Ireland do not receive any additional allowances primarily for the purpose of compensation for being based in Northern Ireland. There is no evidence of any recruitment or retention issues in Northern Ireland, which would support a case for a location based allowance.
180. Officers deployed to the Fresh Start Taskforce and who are routinely based at either Grosvenor Road or Castlereagh (PSNI police stations) receive an environmental allowance of £3,000pa to reflect the significantly different working environment. The payment is externally funded and forms part of the Department of Justice NI (DoJNI) funding to support the Paramilitary Crime Taskforce.
181. In summary, the threat to NCA officers in Northern Ireland is assessed to be lower than the police service of Northern Ireland, the cost of living does not place pressures on our ability to recruit and retain in that market and there are no emerging resourcing issues. Consequently the NCA in undertaking this assessment has no plans recommend increases to existing allowances or the introduction of new additional allowances for officers based in Northern Ireland.

Use of the Non-Consolidated Pot

182. In its fourth report, the NCARRB requested an update on the use of the non-consolidated pot during the year, particularly in relation to shortage groups and roles.

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183. The non-consolidated pot is the mechanism through which the NCA can target non-pensionable and reviewable allowances to specific roles where compelling recruitment and retention evidence exists.
184. The non-consolidated pot covers the following remuneration spend – shift allowance uplift (2.5% overnight premium), special duty payments (SDP), recruitment and retention allowance (RRA), pay award lump sums (non-base pay increases), honorarium and bonus payments.
185. Non-consolidated spend is capped at 1% of the total pay bill. The budget for the non-consolidated pot for the financial year 2018/19 was set at £1.5m.

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Table 22: 2018/19 Non-Consolidated Pot – Spend and Forecast as end December 2018 for all pay elements

Pay Description	Actual Spend (£m) to end Dec. 18	Additional Forecast Spend to end Mar. 19 (£m)	Total (£m)	Numbers of officers in receipt up to Dec '18
Exceeded Payments	0.3	0.00	0.30	670
Honorarium	0.03	0.01	0.04	35
Lump Sum Pay Award	0.06	0.00	0.06	176
Recruitment & Retention Allowances (RRAs)	0.5	0.1	0.60	256
Special Duty Bonus Payments (SDBPs)	0.3	0.1	0.40	199
Shift Allowance (2.5%)	0.02	0.01	0.03	35
Miscellaneous	-	0.07	0.07	-
Totals	1.21	0.22	1.50	n/a*

*some officers may be in receipt of more than one element of the non-consolidated pot.

186. Due to the increase in the paybill, the value of the non-consolidated bill will increase from £1.55m to £1.86m (increase of £0.31m) in the 2019/20 year.

187. The table below provides a forecast picture of the non-consolidated pot for the 2019/20 financial year.

Table 23: Forecast 2019/20 use of non-consolidated pot

Pay Description	Forecast 2019/20 use of non-consolidated pot
Exceeded Payments	0.30
Honorarium	0.03
Lump Sum Pay Award	0.06
Recruitment & Retention Allowances (RRAs)	1.00
Special Duty Bonus Payments (SDBPs)	0.30
<i>Shift Allowance (2.5%)</i>	<i>0</i>
<i>Reserved flexibility (misc.)</i>	<i>0.17</i>
Totals	1.86

188. The NCA currently pays Special Duties Bonus Payments (SDBPs) to officers in specific qualifying roles (specialist surveillance, lawful intercept and cyber). The value of these allowances remained fixed pending the implementation of pay reform and after an initial review it was agreed that current rates will remain unchanged.
189. SDBPs were paid in December 2018, following which the Agency will undertake a further review and ensure alignment to overall Pay Reform aims.
190. Recruitment and Retention Allowances were implemented as a formal element of our pay offer in 2018. To access this allowance, a business case demonstrating value for money and compelling role-specific recruitment or retention pressures will need to be approved by the NCA's Remuneration Sub Committee.
191. These allowances are open to the entire workforce and can be awarded to a specific role where there is compelling evidence of difficulties in recruitment or retention. Currently the NCA pays these allowances to the following people holding these hard to fill roles.

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Table 24: Roles in the NCA currently attracting RRAs

Command	Activity	RRA Amount 2018			
		£1,800	£2,800	£3,800	Total
Change	Design & Architecture	0	0	5	5
Technology	Operations, security, lawful intercept engineering, compliance, transition & transformation	31	3	0	34
Intelligence	Communication data unit, child sexual exploitation bureau, forensics, UK exit from the EU, intelligence collections	95	50	0	145
Investigations	Child Protection Team, Digital forensics, missing persons unit, serious crime analysis	0	13	17	30
Legal	Specialists	0	5	0	5
Prosperity	Cyber crime	0	41	0	41
Vulnerabilities	Threat leadership	2	0	0	2
Total		128	112	22	262

192. The allowances set out in the above table become renewable on 31 March 2019. The Remuneration Committee is currently considering business cases for RRAs for 2019 currently underway. Whilst we cannot at this time provide a breakdown of allowances agreed for the following financial year, the business cases demonstrate a significant pressure on the pot, needed to respond to both acute retention issues and on-going recruitment challenges.

Section Six

Looking Ahead

This section sets out the principles we will be using to formulate the next set of NCA pay reforms.

193. This is the third year of our pay journey. We have made recommendations designed to embed the progress made to date, and to continue our investment in narrowing pay gaps with comparator employers, particularly the police and security services as well as reducing the extent of difference between the highest and the lowest paid offers within the agency. Our proposals are affordable within existing budgets, sustainable and in line with HM Treasury pay guidance.

194. In terms of future plans, we will continue with a differentiated approach and with recommended reforms reflecting the following principles:

- Affordable and enabling transformation including our locations for delivery;

Pay proposals submitted will need to be paid for out of existing agency budgets and achieve wider efficiencies. As our locations strategy develops, we will need to ensure that our underpinning reward structures facilitate the development of core capabilities in the right geographies. We are conducting a review into our flexibility requirements to ensure that we have the right approach to shift working and on-call arrangements.

- Narrow inequality in the current pay structures and retain equality impact at the heart of design;

We will continue to shorten the pay ranges, and seek opportunities to reduce the gender pay gap and narrow disparities between the highest and the lowest paid. Our approach to pay range compression will need to evolve over time to ensure that officers can begin to advance through the shorter ranges from minimum to maximum.

- Increase competitiveness with comparator organisations and not lose ground on progress made to date;

The agency is in a unique place, leading aspects of law enforcement, building SOC capabilities and recruiting from a range of strong competitor markets. Our differentiated approach will allow us to flex in response to

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developments in our competitor labour markets. Whilst we cannot compete on a like for like basis with policing and the private sector, we will continue to build a competitive approach to total reward and wider people offer.

- Prioritise structural change to pay ranges for grades that are established in the agency's target operating model;

We will continue to develop our approach to pay reform in line with our organisational structure work, including the on-going review of our leadership grades and our requirement to develop specialist and niche capabilities further.

- Use the non-consolidated pot to respond effectively to emerging recruitment and retention challenges; and

We have introduced an annual review cycle for recruitment and retention allowances. As part of our next round of pay reform we aim to review this to ensure that we are able to transition allowance payments to more formalised arrangements where possible (such as new pay structures) and/or increase the availability of funding if justified.

- Consider scope for total reward and recognition, taking in to account changing workforce generations, within the agency's gift to deliver without requiring external approvals.

As part of our on-going people strategy work we are reviewing our 'offer' to employees to ensure that we are providing an approach to total reward which increases the agency's reputation as a great place to work.

195. In our next submission to NCARRB and in addition to our pay award proposals, we hope to present further reform proposals covering extended parts of the workforce, specifically:

- A proposed approach to the pay of senior grades (1-3);

We currently struggle to attract mid rank and senior police officers from Inspector to Chief Superintendent due to the competitiveness of police salaries (including additional benefits packages for example, allowances, vehicles, housing allowance etc.) and our position. Being able to recruit mid-career senior officers is an important part of being able to build our leadership capability and diversify our workforce.

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- An approach to recruiting specialist and niche capabilities (including digital, data, technology and cyber roles); and

We are currently considering, and preparing the necessary business case to access the new pay and grading structure open to digital and technology roles across government. We will provide a more detailed update to the pay review body in our next submission.

- Recommendations on overtime and on-call as a result of our review into flexibility and ways of working.

As our review develops, we will determine whether a change is required to our current overtime and on-call arrangements. Any changes to this process will need to be considered as part of our IRC³² and therefore have prior approval from HM Treasury and Home Office.

196. Our pay strategy will continue to develop so that it can respond to the needs of the NCA as it reacts to the changing threat and other emerging trends (e.g. changes to public sector pay). We will ensure that all future pay reform recommendations are affordable, subject to HM Treasury approval and included in future evidence submissions.
197. The SOC landscape will continue to evolve and the NCA must keep pace and ideally, stay ahead, by up skilling officers and developing capabilities at an ever faster rate. Being able to provide a competitive employee offer which supports these requirements is an important part of being able to lead the UK's fight against serious and organised crime.
198. We recognise there is more we need to do and we will be returning to NCARRB next year with the second phase of NCA pay reform.

³² Increase to Remuneration Cost

Annexes

Annexe A – Workforce Data as at 31 August 2018

A.1 Workforce by command

1. 68% of the workforce are in the operational areas of intelligence and Investigations.
2. Officers in HR and Legal are more than nearly 3 times as likely to work part-time, compared to the general workforce (6%).
3. The largest commands are male dominated, which drives the imbalance in female representation across the agency as a whole (38% female). However the corporate service areas of HR, Legal, Change and Strategy, along with vulnerabilities, all have female representation of over 50%.

Figure 1

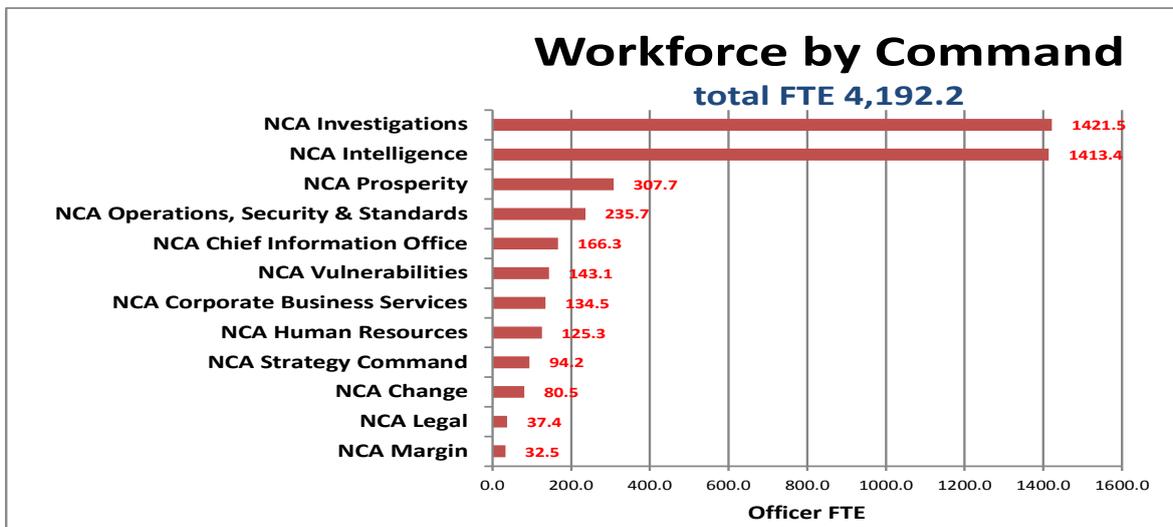


Figure 2

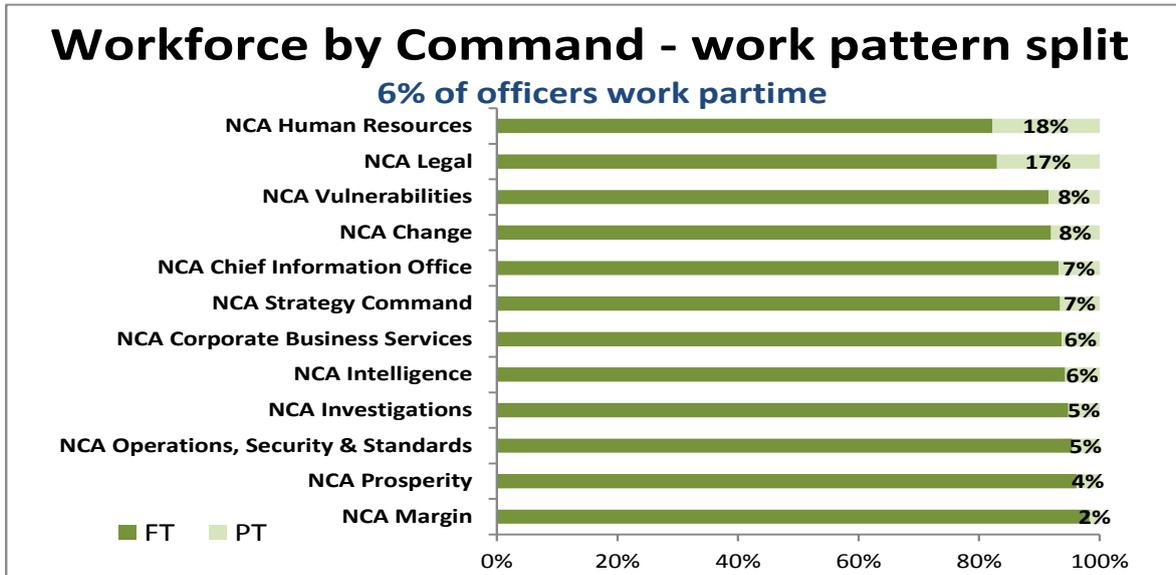
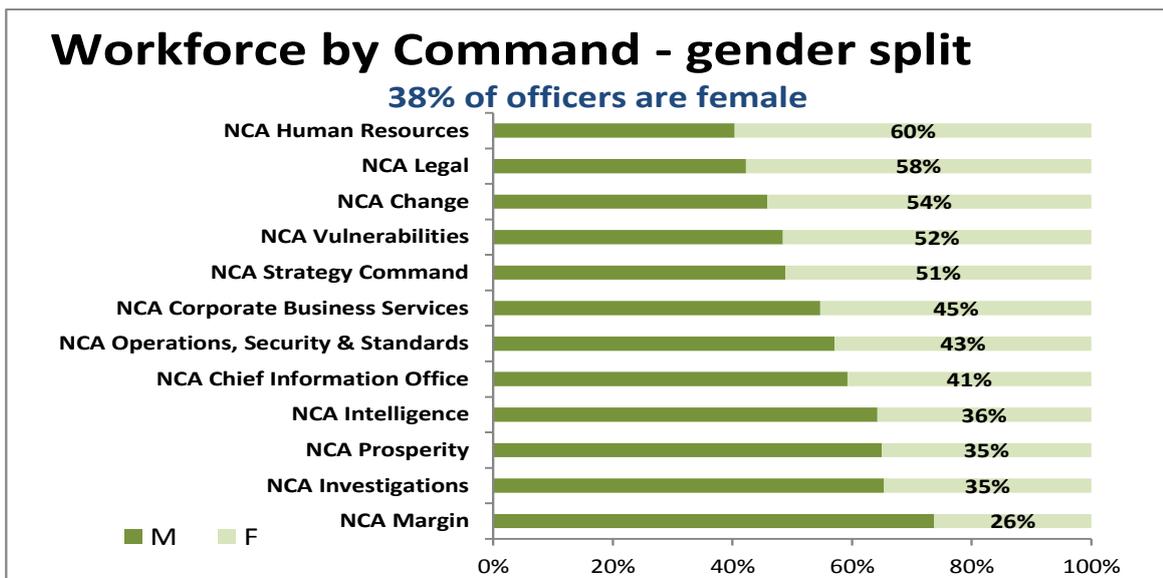


Figure 3



A.2 Workforce by grade

4. The vast majority of the workforce are Grade 4 or Grade 5 (72%) - 45% are Grade 5 and 27% are Grade 4.
5. Grade 6 officers are twice as likely to work part-time, compared to the general workforce (6%). Officers at Grade 3 or above are half as likely to work part-time, compared to the general workforce, with no Senior Civil Servants (SCS) working part-time.

- 6. Female officers are over represented at Grade 6 (63%) and the proportion of female officers reduces as the seniority of grades increases.

Figure 4

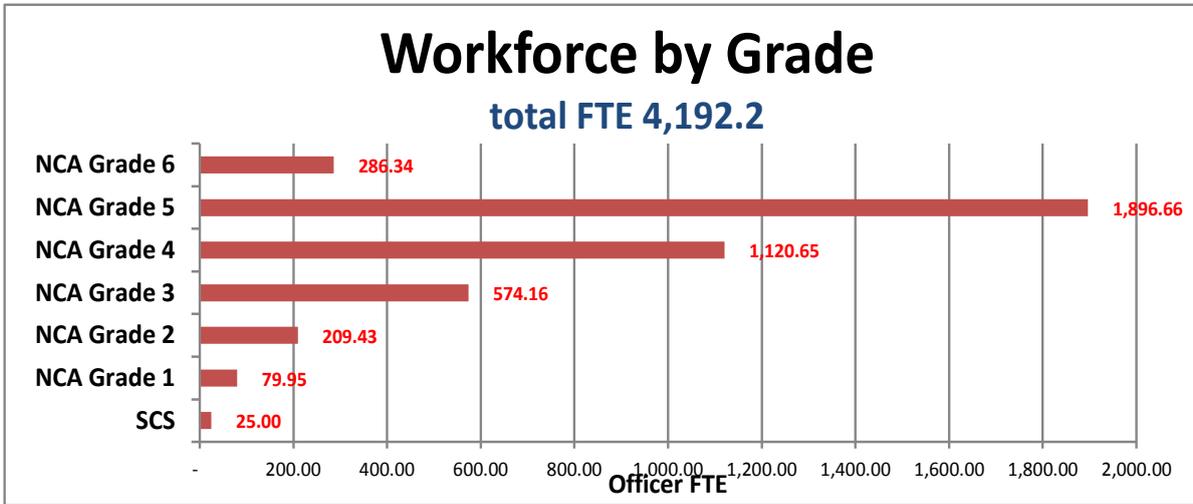


Figure 5

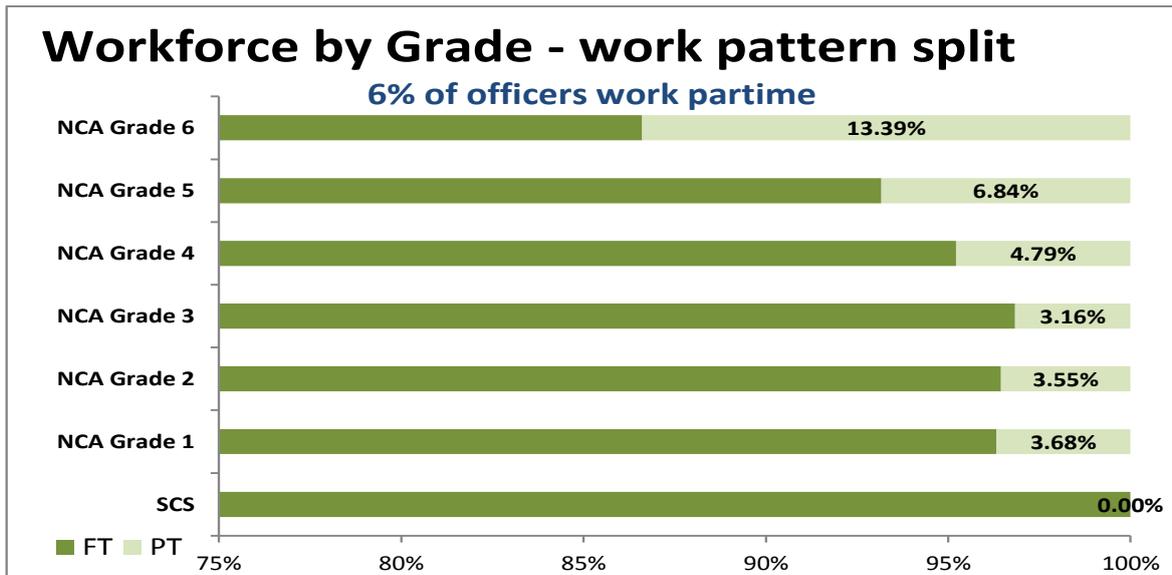
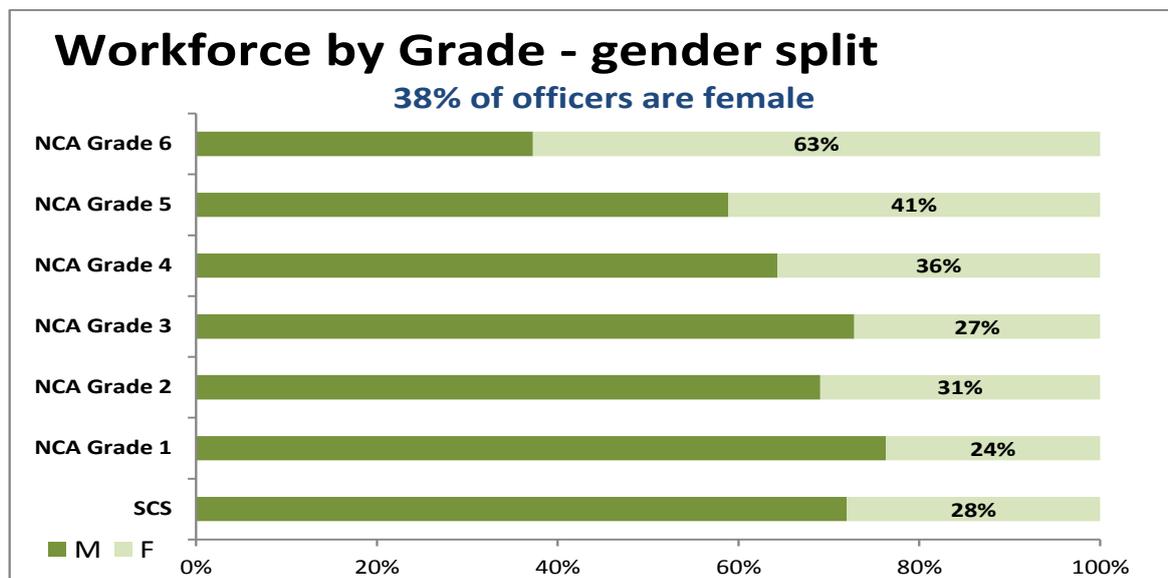


Figure 6



A.3 Workforce by age and service

7. The majority of the workforce is aged 36 to 55 (61%). However, there are over 4 times as many 'older' officers (over 55) than 'younger' officers (25 and under).
 - The average age of an officer is 44 years old.
 - The average age increases as the grade increases in seniority.
8. The age profile of officers differs very little from command to command. Corporate Business Services has the highest average age (48 years) and Prosperity has the lowest (39 years), all other commands have an average around the agency average of 44 years.
9. The average age of retirement (over the last 12 months) was 58 years old and they had an average service of 24 years. In 12 months' time, 17.5% of our current workforce will be over 55.
10. The average pensionable service for officers is 13.5 years, whilst the average time with the agency is nearly half that at 7 years. This highlights the agency's tendency to recruit experienced police officers.
11. Senior Civil Servants (SCS) have a pensionable service in line with the agency average but a much shorter average service with the agency. The SCS approach of generalists and encouraging inter department moves contributes to this.

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12. Grade 6 officers have the shortest average pensionable service but have been with the agency, on average, for longer than SCS employees (i.e. more of their service has been with the NCA).

Figure 7

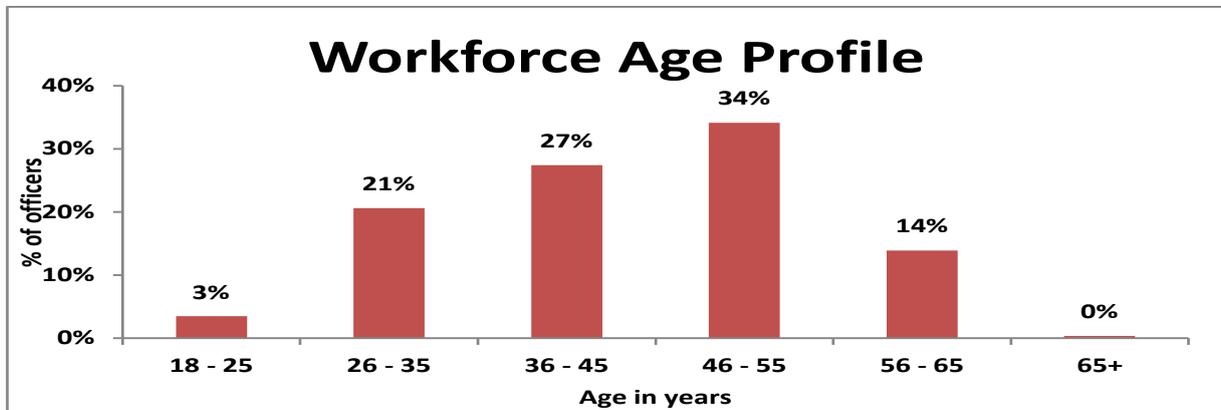


Table 1

	% FTE	Average Age (yrs)	Average NCA Service (yrs)	Average Pensionable Service (yrs)
SCS	0.6%	49	4.6	13.8
NCA Grade 1	1.9%	50	8.3	18.9
NCA Grade 2	5.0%	48	8.9	19.0
NCA Grade 3	13.7%	47	9.6	18.5
NCA Grade 4	26.7%	45	8.1	15.4
NCA Grade 5	45.2%	42	5.7	10.6
NCA Grade 6	6.8%	41	5.3	9.4
Grand Total	100%	44	7.0	13.5

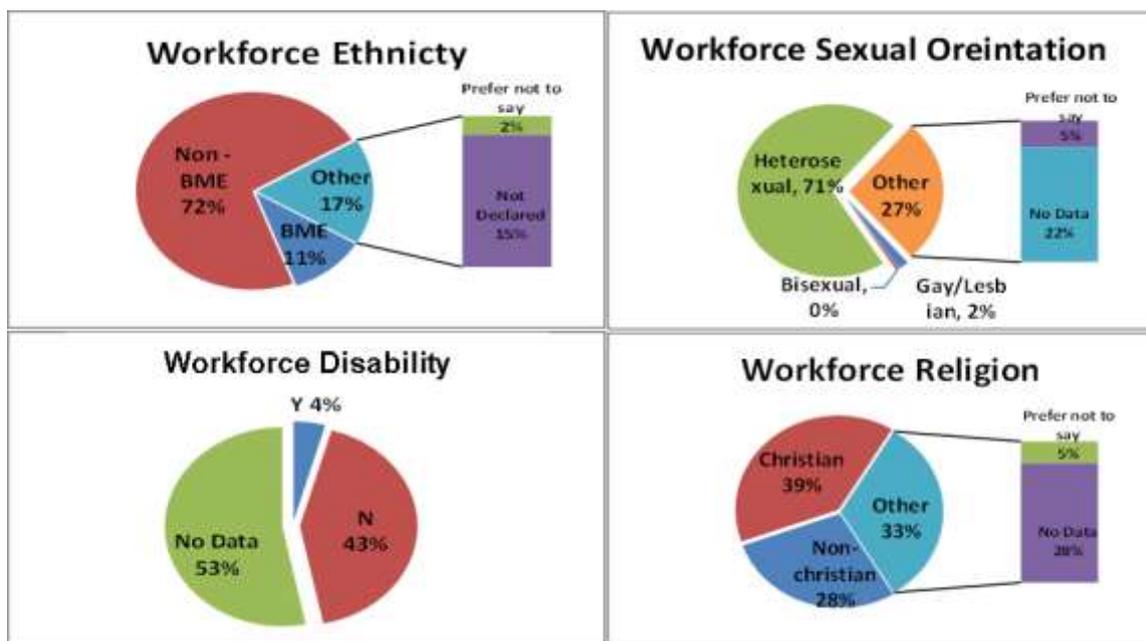
Red is the min and green is the max

A.4 Workforce diversity characteristics

- Ethnicity – majority of officers declared as non BME.
- Sexual Orientation – majority of officers declared as heterosexual.
- Disability – majority of officers do not declare.
- Religion – majority of officers declared as Christian.

13. Many officers choose not to declare or share their diversity data, so we do not have a complete picture. The agency is working with Stonewell on the most appropriate categories to use for each characteristic, and on other initiatives to encourage higher declaration rates.

Figure 8: Declaration rates



A.5 Workforce by powers

14. 46.5% of officers have powers, however this reduces to 29% for female officers and 22% for part-timers.
15. At Grade 6, 98% of male officers and 99% of female officers do not have powers. As the grades increase in seniority, the proportion of officers with powers increases until Grade 2, where it starts to reduce again.
16. From Grade 5 to Grade 1, male officers are more likely to hold powers. At Grade 1, however, the gap is more stark: only 5% of female officers hold powers, whilst 44% of male officers do.
17. The pattern for part-time officers is similar to that of female officers.

Figure 9

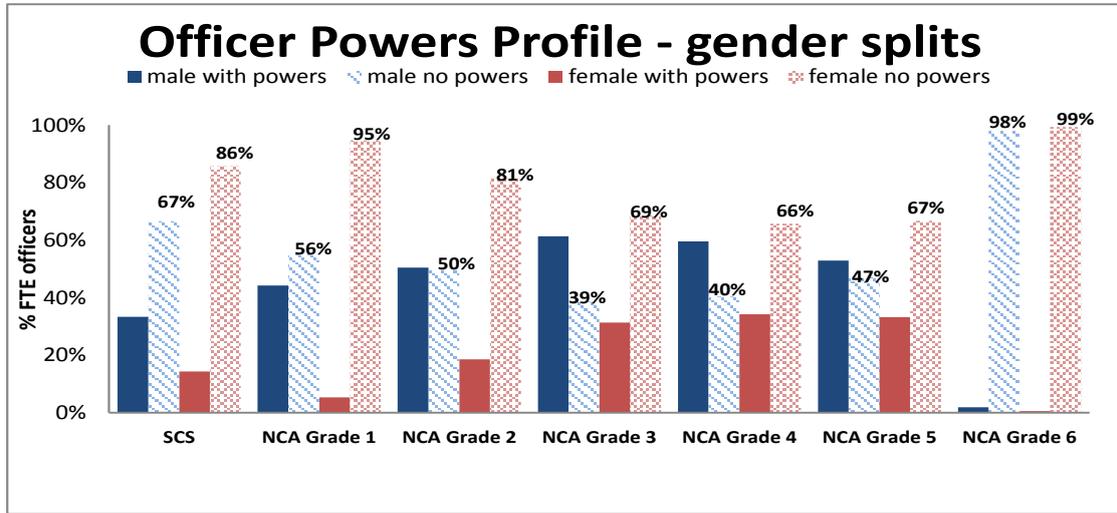
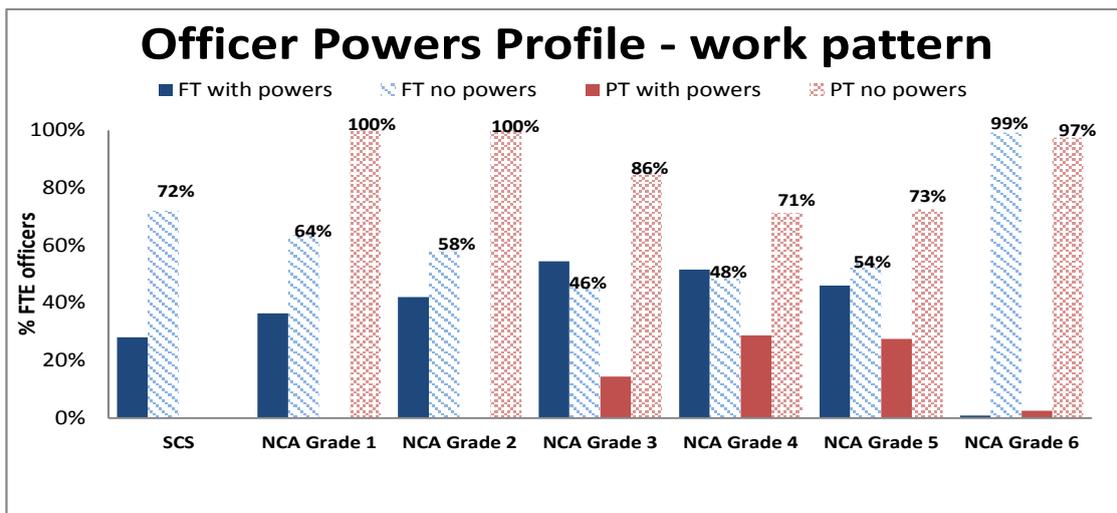


Figure 10



A.6 Workforce by spot rates

18. The Spot Rate pay structure was introduced in March 2018, and it is entirely voluntary for existing officers to opt in.
19. 35% of the workforce is eligible for spot rate pay and 18% of officers were on spot rate pay as at 31 August 2018, equating to a 51% uptake.
20. The proportion of female officers on spot rate pay is similar to the overall workforce, whilst the proportion of part-timers is slightly lower than the overall workforce. However, financial gain is the overriding factor in deciding to opt-in, and spot rate eligible part-timers have a lower propensity to be at the bottom of the pay band.

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21. Officers on spot rate pay are more likely to be younger than the general workforce, with the majority of spot rate officers aged 26 to 45 (69%).

Figure 11

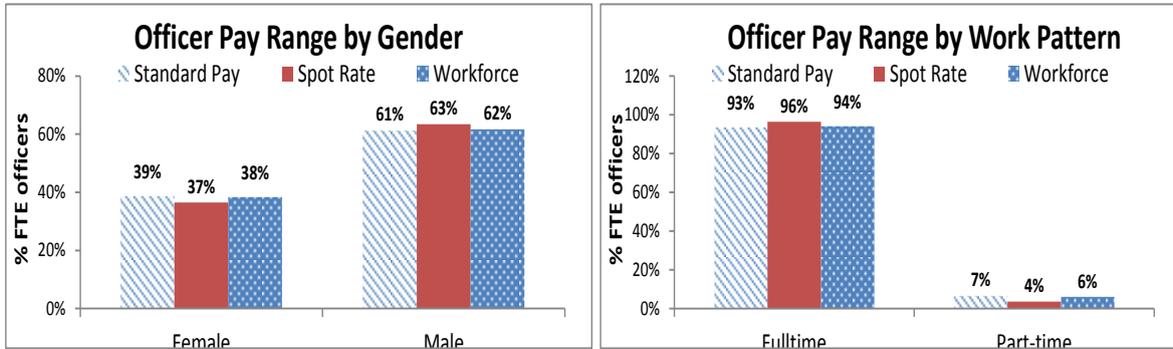


Figure 12

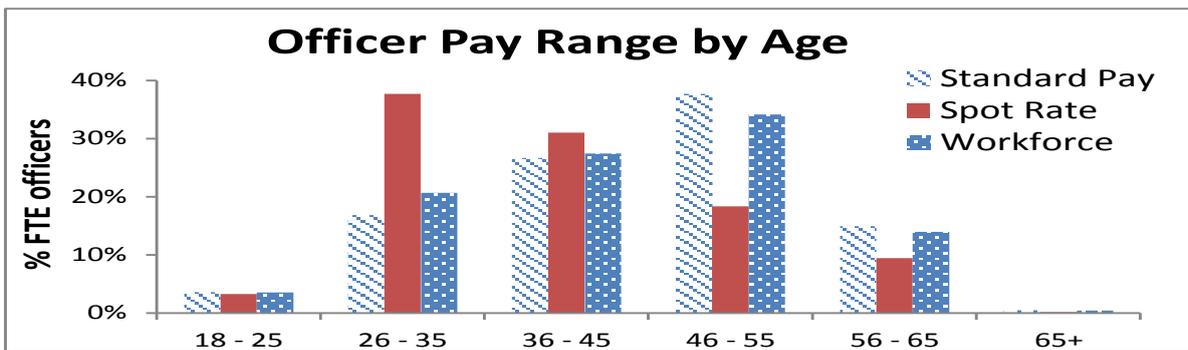


Table 2

	18 – 25 years	26 – 35 years	36 – 45 years	46 – 55 years	56 – 65 years	65+ years
Standard Pay	3.53%	16.83%	26.65%	37.68%	14.90%	0.41%
Spot Rate	3.28%	37.72%	31.03%	18.37%	9.47%	0.13%
Workforce	3.48%	20.63%	27.45%	34.17%	13.91%	0.36%

22. The spot rate eligible workforce are broadly representative of the overall workforce, given where the majority of officers are coming from

23. Small positive shifts, increasing the proportion of females and BAME officers, can be seen in the spot rate workforce. More significant positive shifts for under 35s and non-Christians are noted. These shifts coincide with the segments of the eligible workforce where average pay is lower than other segments, suggesting that the introduction of spot rate pay will help to bring pay parity across operational roles and is not introducing any additional bias.

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24. It is worth noting that it appears that there are more white officers in the spot rate workforce than expected. However, this is driven by officers opting-in to spot rate pay having a higher propensity to declare their diversity characteristics (rather than 'prefer not to say'). This could be due to a large proportion of younger officers in the spot rate workforce with a tendency to respond better to surveys. Spot rate officers are also more likely to declare religious preferences and sexual orientation.
25. The white Christian male remains the dominant character profile in the spot rate workforce but no more so than the overall and eligible workforce.

Figure 12

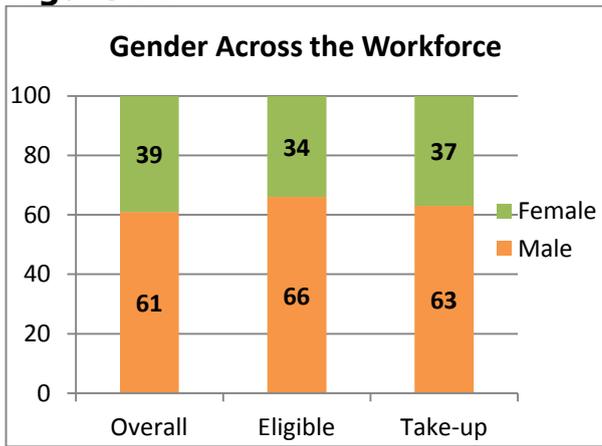


Figure 13

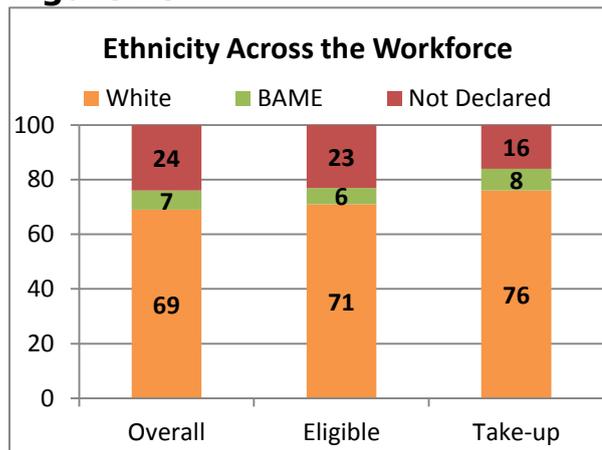


Figure 14

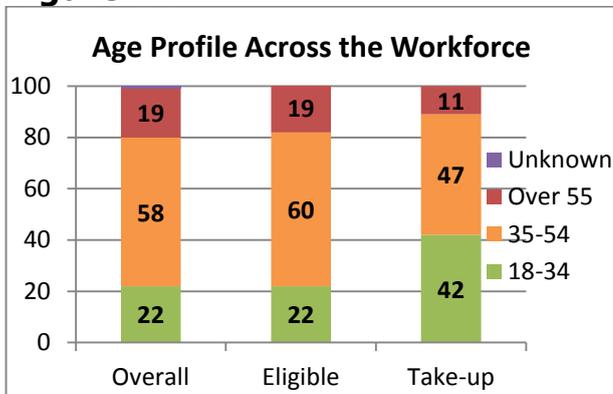


Figure 15

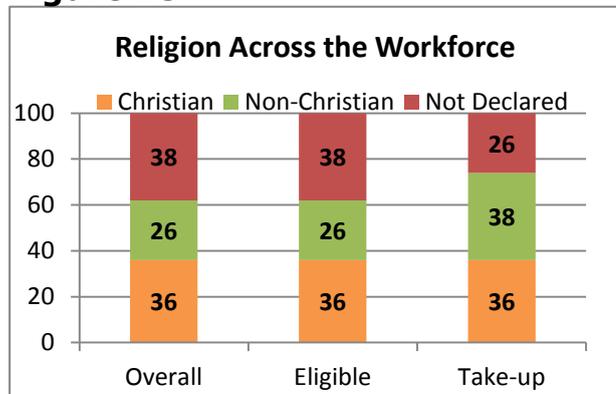


Figure 16

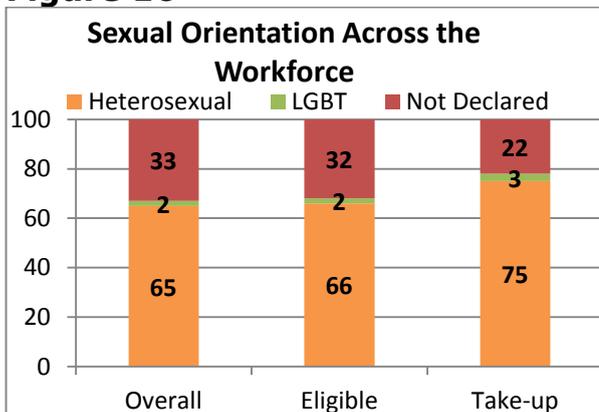
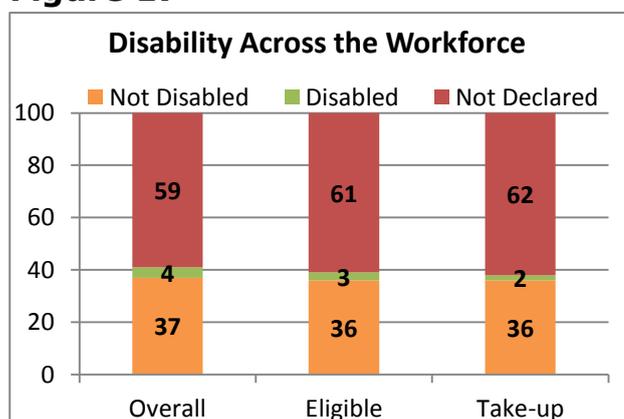


Figure 17



Annexe B – Joiners and Leavers

B.1 Turnover in the 12 months to 31 August 2018

1. The agency's annualised turnover stands at 9.3%.
2. Resignations account for 43% of all leavers (largest reason) compared to 18% civil service transfer, 16% retirement and 23% planned (i.e. end of FTC, attachment, VR etc.). Legal has the highest turnover in the agency.
3. The main reasons given by officers for leaving are pay and career development. The majority of leavers are from the core operational areas (Investigations and Intelligence) with a turnover rate of 7.8% each, so lower than the agency's rate of 9.3%.
4. Grades with higher turnover than the agency's rate of 9.3% are Grade 2 (14.9%), followed by Grade 1 (14.6%) and then Grade 6 (13.4%).
5. There are localised hotspots of significant turnover, which impact on the agency's ability to perform its role, support external partners and provide a service to the public.
6. The NCA control centre has experienced 100% turnover in the last 3 years, which is driven by substantial differences in the agency approach to shift pay compared to key competitors. These roles do not attract spot rate pay or retention and recruitment allowances.
7. Exit survey responses are only a snapshot of the leaver population but of the respondents who cited job related leave reasons (i.e. excluding personal/retirement etc.), the most frequently cited primary reason is change of job/career (21%). Only 12% cited pay directly as a reason for leaving. The most popular reasons cited are career based they do have pay implications (i.e. promotion and progression). Anecdotally managers are saying that officers are leaving for higher pay.

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Table 1

	Leavers	Annualised Turnover as at August 2018	Reason for leaving
SCS	6.6	34.7%	Resignation 60% Voluntary Redundancy 30%
NCA Grade 1	12.4	14.6%	Resignation 50% Retirement 21.4%
NCA Grade 2	32.5	14.9%	Retirement 37.8% Resignation 29.7%
NCA Grade 3	48.0	8.0%	Retirement 29% Resignation 27.4%
NCA Grade 4	75.7	6.5%	Resignation 30.2% Civil Service Transfer 25%
NCA Grade 5	193.4	9.7%	Resignation 52.3%
NCA Grade 6	41.9	13.4%	Resignation 42.9% Civil Service Transfer 21.4%
Total	410.4	9.3%	Resignation 42.8%

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Table 2

	Leavers (FTE)	Annualised Turnover % as at August 2018	Main reason (s) for leaving (>20%)
NCA Change	14.9	15.0%	Resignations 31.8% End of contract 31.6%
NCA Chief Information Office	26.1	15.0%	Resignations 41.4% Civil Service Transfer 24.1%
NCA Corporate Business Services	11.0	7.1%	Resignations 23.1% End of contract 23.1% Civil Service Transfer 23.1%
NCA Human Resources	14.5	11.2%	Resignations 34.8% Retirement 21.8%
NCA Intelligence	113.6	7.8%	Resignations 36.8% Civil Service Transfer 22.6%
NCA Investigations	119.3	7.8%	Resignations 43.7%
NCA Legal	10.5	27.4%	Resignations 42.9% Civil Service Transfer 28.6%
NCA Margin	5.0	14.1%	Resignations 68.2%
NCA Operations, Security & Standards	18.0	7.5%	Retirement 30% Civil Service Transfer 25% Resignations 20%
NCA Prosperity	48.2	15.5%	Resignations 54.19% Civil Service Transfer 24.6%
NCA Strategy Command	10.8	11.7%	Resignations 58.8% Civil Service Transfer 35.3%
NCA Vulnerabilities	18.4	12.7%	Resignations 52.4% Civil Service Transfer 33.3%
Grand Total	410.4	9.3%	Resignation 42.8%

B.2 New starters in 12 months to 31 August 2018

8. 75% of new starters are new to the civil service.
9. Majority of new starters are at Grade 5 (56%).
10. The average starting salary for all grades is above band minimum – 49% of new starters came in on a salary over band minimum.
11. Grade 6 has the highest proportion of new starters at band minimum (starting without experience). New starters at Grade 4 and 5 are least likely to start on band minimum (i.e. they are starting with experience), influenced in part by spot rate pay but not to a large degree.

Table 3

	Grade Minimum (2017/18) *	Total New Starters	% New Starters at Band Minimum	Average Starting Salary
NCA Grade 1	£64,346	1	n/a	n/a
NCA Grade 2	£52,528	12	58%	£54,884
NCA Grade 3	£42,439	17	59%	£44,435
NCA Grade 4	£34,118	35	37%	£36,943
NCA Grade 5	£25,713	169	39%	£28,572
NCA Grade 6	£18,402	69	84%	£18,683
Total	n/a	303	51%	£29,378

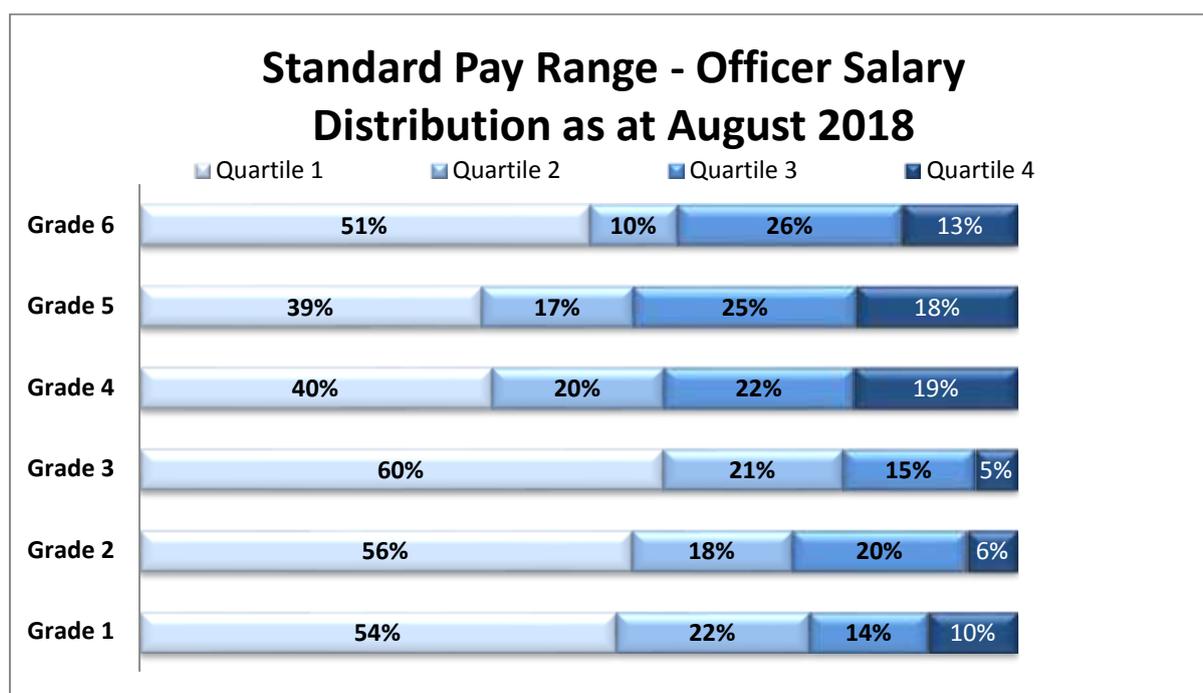
* New starters recruited against 2017 rates of pay starting before 1 August 2018.

Annexe C – Pay Ranges and Spot Rates

C.1 Pay Distribution – Standard Pay Range

1. All grades have over 50% of officers in the bottom half of the band.
2. However, grades 4 and 5 have a greater proportion of officers in the top half of the pay band compared to other grades.
 - Over 3 times as many officers are paid at the top quartile compared to grade 2 and grade 3.
 - The tendency for officers to be paid higher salaries in these grades could be driven by long service and our recruitment practices driven by a need to offer flexible starting pay, as well as transfer of officer groups into the agency from other organisations.
3. Grade 4s have the highest proportion of officers paid at band max – 8%
4. Grades 6, 3 and 2 have the highest proportion of officers paid at band minimum – standing at c. 36%. Grade 6 officers tend to be new to the agency and brought in on band minimum in line with agency remuneration policy.
5. The high proportion of band minimums at grades 2 and 3 could be driven by promotions.

Figure 1



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Table 1: Officer positioning on the pay range at August 2018

	% of officers paid	
	Band Minimum	Band Maximum
Grade 1	2%	2%
Grade 2	37%	3%
Grade 3	36%	3%
Grade 4	24%	8%
Grade 5	20%	4%
Grade 6	36%	4%

Table 2: 2018/19 Pay range quartiles

	Band Minimum	Quartile 1 (upper limit)	Quartile 2 (upper limit)	Quartile 3 (upper limit)	Band Maximum
Grade 1	£64,989	£69,199	£73,409	£77,619	£81,829
Grade 2	£53,053	£56,495	£59,937	£63,379	£66,822
Grade 3	£43,288	£46,148	£49,008	£51,868	£54,727
Grade 4	£34,971	£37,180	£39,389	£41,598	£43,809
Grade 5	£26,536	£29,107	£31,678	£34,249	£36,821
Grade 6	£19,046	£20,869	£22,692	£24,515	£26,341

C.2 Pay Distribution – Spot Rate Pay Framework

6. Six months after launching spot rate pay, over 800 eligible officers have opted into the new pay structure.
7. The majority of officers on spot rate pay are on proficient spot rates (Grade 4 Spot Rate 2 or Grade 5 Spot Rate 3). This is equivalent to being in quartile 3 on the standard pay range.
8. IOTP trainees move to Grade 5 Spot Rate 1 approximately 6 months into training providing they pass the National Investigators' Exam (NIE) and Specific Powers Exam (SPE). They will then progress to Grade 5 Spot Rate 2 on completion of the 2 year training programme. Grade 5 Spot Rate 1 is equivalent to being in quartile 2 on the standard pay range.

Table 3

	Spot Rate 1		Spot Rate 2		Spot Rate 3	
	% Officer	Value	% Officer	Value	% Officer	Value
Grade 4	10%	£37,536	90%	£40,800	n/a	
Grade 5	16%	£30,154	12%	£31,410	72%	£33,504
IOTP Trainees	100%	£30,154	n/a		n/a	

Annexe D: Initial Operational Training Programme

Table 1: Cohort Summary

	Intake month	Officer Intake			Turnover	
		Existing	Trainee	Total	No. leavers	Attrition rate
Cohort 1				26	3	12%
Cohort 2				13	1	8%
Cohort 3				91	1	1%
Cohort 4				100	9	9%
Cohort 5				68	5	7%
Cohort 6				56	4	7%
Cohort 7				16	3	19%
Cohort 8				26	1	4%
Cohort 9	Jan-16	13	0	13	0	0%
Cohort 10	Apr-16	27	0	27	1	4%
Cohort 11	Jun-16	12	16	28	3	11%
Cohort 12	Sep-16	8	7	15	1	7%
Cohort 13	Apr-17	20	1	21	1	5%
Cohort 14	Jun-17	6	8	14	1	7%
Cohort 15	Sep-17	11	5	16	0	0%
Cohort 16	Jan-18	13	1	14	1	7%
Cohort 17	Apr-18	13	0	13	0	0%

Table 2: Exam Pass Rate

	National Investigators' Exam (NIE)		NCA Specific Powers Exam (SPE) Pass Rate
	Home Office/Forces Average Pass Rate	NCA Pass Rate	
Nov-15	68.60%	100%	66.70%
Mar-16	66.50%	66.70%	86.80%
Jun-16	57.80%	60.90%	90.40%
Sep-16	63.80%	88.60%	75.90%
Nov-16	68.20%	91.20%	86.20%
Mar-17	65.10%	72.70%	84.91%
Jun-17	60.20%	88.90%	83%
Sep-17	66.40%	83.30%	77%
Nov-17	64.20%	73.70%	80%
Mar-18	69.65%	74.30%	79.50%
Jun-18	64.20%	76.50%	63.11%

Annex E: HM Treasury Economic Context

Introduction

1. The economic and fiscal context in which the Pay Review Bodies make their recommendations was set out in the October 2018 Budget. However, as in previous years this chapter sets out points in the economic and fiscal context which are of particular relevance to the PRB process, notably the latest OBR projections and labour market context, both public and private. This should be considered alongside the rest of the evidence set out in this document.
2. In July the Government announced the biggest pay rise in almost 10 years for around one million public sector workers across Britain. This Government recognises that public sector workers deserve to be fairly rewarded for the vital work they do, and seeks to ensure the overall package remains fair and competitive.
3. Our flexible approach to pay allows us to recognise areas of skill shortage, and improvements to workforce productivity. The Government continues to take a balanced approach to public spending and it is important that pay awards are considered within the wider fiscal picture. With budgets for 2019-20 already set, it is crucial that Pay Review Bodies consider the more detailed information about affordability set out in this document alongside the economic and fiscal context.

UK economy

4. As usual, it is very important that the PRBs take into account the wider fiscal context when making their recommendations. The UK economy has solid foundations and continues to demonstrate its resilience. GDP has grown every year since 2010 and is forecast by the OBR to continue growing over the forecast period. Employment is at a near record high and real wages are rising at the fastest rate for two years
5. There has been a sustained worldwide slowdown in productivity growth since the 2008 financial crisis, but the UK has been affected more than most. Whilst productivity growth has improved since 2016 it remains below pre-crisis levels. Increasing productivity is the only sustainable way to boost economic growth and prosperity, and to deliver better jobs and higher income for people across the country. The forecast for productivity remains subdued in the medium term but is expected to rise gradually to reach 1.2% per year³³ by 2023.
6. With public services accounting for around 20% of UK GDP, public sector productivity plays an important role in the UK's productivity growth overall. While public sector productivity has increased by 0.8% in the last year,

³³ OBR Economic and Fiscal Outlook, October 2018.

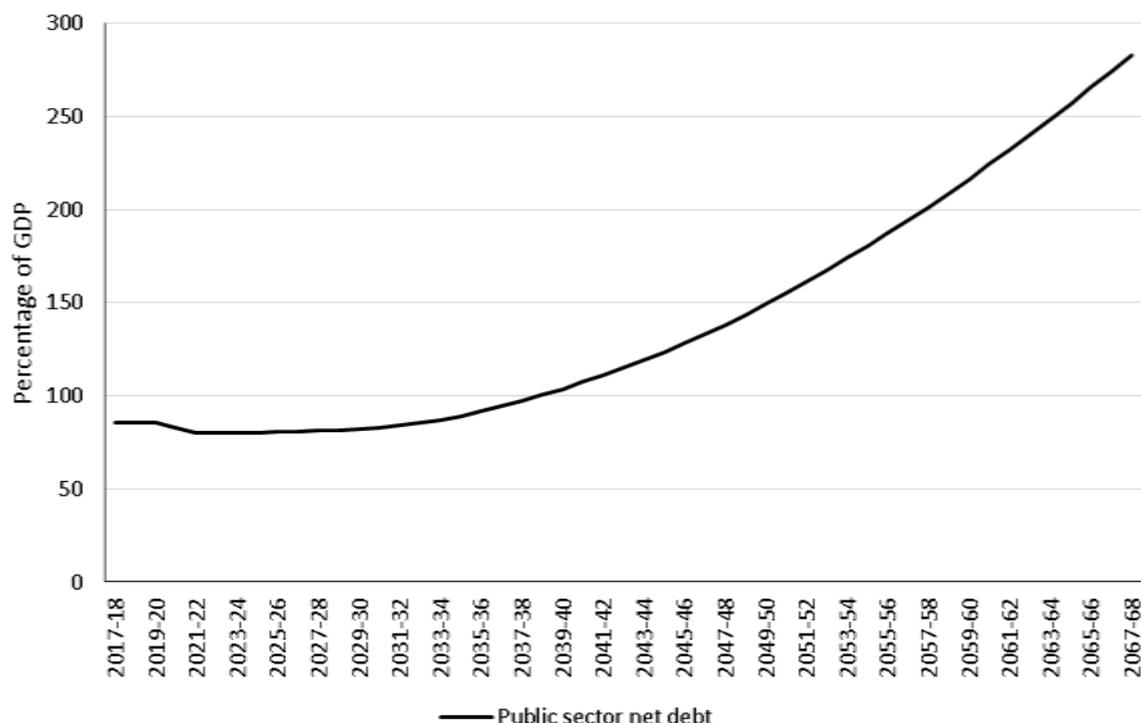
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continued improvement is essential for meeting growing demands on our world class public services. Public sector pay awards should reward efforts to modernise workforces and delivery models.

Public finances

7. Since 2010 the government has made significant progress in restoring the public finances to health, which have now reached a turning point. The deficit has been reduced by four-fifths from a post-war peak of 9.9% of GDP in 2009-10 to 1.9% in 2017-18. The fiscal rules approved by Parliament in January 2017 commit the government to reducing the cyclically-adjusted deficit to below 2% of GDP by 2020-21 and having debt as a share of GDP falling in 2020-21. These rules will guide the UK towards a balanced budget by the middle of the next decade. The OBR forecasts that the government has met both its near-term fiscal targets in 2017-18, three years early, and will meet them in the target year.
8. The need for fiscal discipline continues however as, despite the improvement, debt still remains too high at over 80% of GDP. Continuing to reduce borrowing and debt is important to enhancing the UK's economic resilience, improving fiscal sustainability, and lessening the debt interest burden on future generations.
9. The OBR's 2018 Fiscal Sustainability Report (FSR) was published in July and highlighted the long-term pressures and risks to the public finances, underscoring the importance of locking in this hard-won progress. The 2018 FSR projection shows that, left unaddressed, demographic change and non-demographic cost pressures on health, pensions, and social care would push the debt-to-GDP ratio far beyond sustainable levels in the long-term. This would pass an unacceptable burden on to the next generation, and the government is therefore committed to ensuring that debt remains on a sustainable trajectory.

Figure 1: Baseline projection public sector net debt (OBR Fiscal Sustainability Report, 2018)³⁴



10. Affordable pay awards will be an essential part of keeping borrowing under control: the public sector pay bill was £183.79bn in 2017. This accounts for £1 in every £4 spent by the Government. There continues to be a need to ensure increases in pay are affordable to ensure the delivery of world-class public services remains sustainable. Keeping control of public sector pay supports the Government's fiscal strategy to avoid passing an increasing burden of debt onto future generations. We spend more on debt interest than on the police and Armed Forces combined.
11. Existing spending plans set through the Spending Review 2015 remain in place, excepting the NHS, where the Government has announced a five-year funding settlement. The affordability position for each workforce is set out elsewhere in this evidence pack.

Labour market

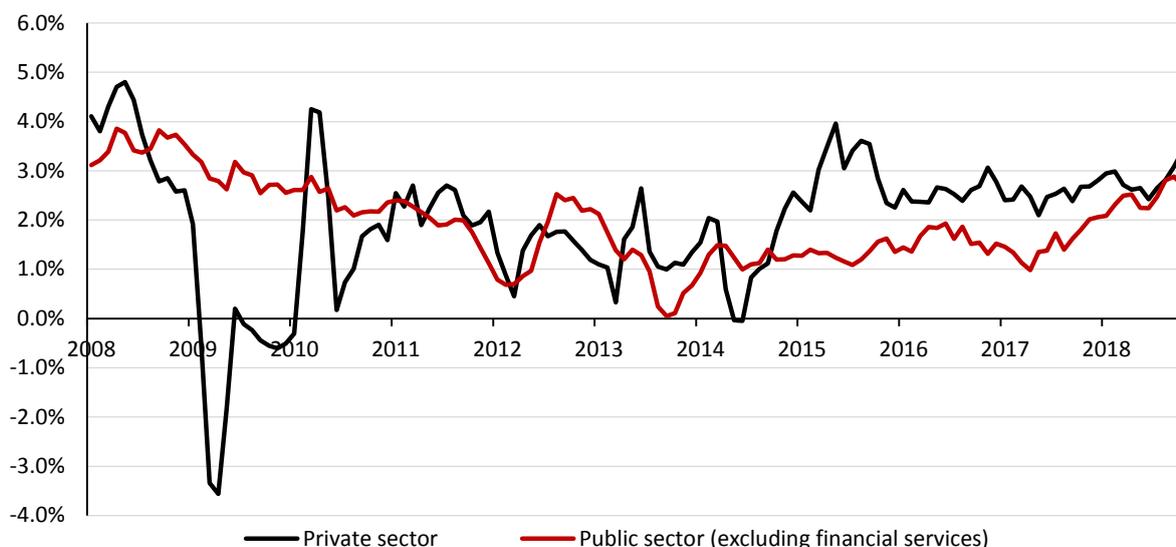
12. Activity in the UK labour market is an important contextual consideration. Total employment reached a new record high in the 3 months to October 2018, with 32.5 million people in work. In 2018 the unemployment rate has dropped to its lowest since the 1970's, currently at 4.1%, it remains close to its historic low.
13. In their most recent Economic and Fiscal Outlook, the OBR revised down their assessment of the equilibrium rate of unemployment from 4.6% to 4.0% at

³⁴ OBR Fiscal Sustainability Report, July 2018

the end of the forecast. The unemployment rate is forecast to reach 3.7% in 2019, before returning to 4.0% by 2023.

14. The downward revision to the equilibrium rate of unemployment was accompanied by an upward revision to labour market participation, meaning the number of people available to the labour market has increased. This was partially offset by a fall in average hours worked. Looking ahead, the OBR forecast employment to rise every year to reach 33.2 million by 2023.

Figure 2: Public sector (excluding financial services) and private sector average nominal earnings growth (ONS November 2018).



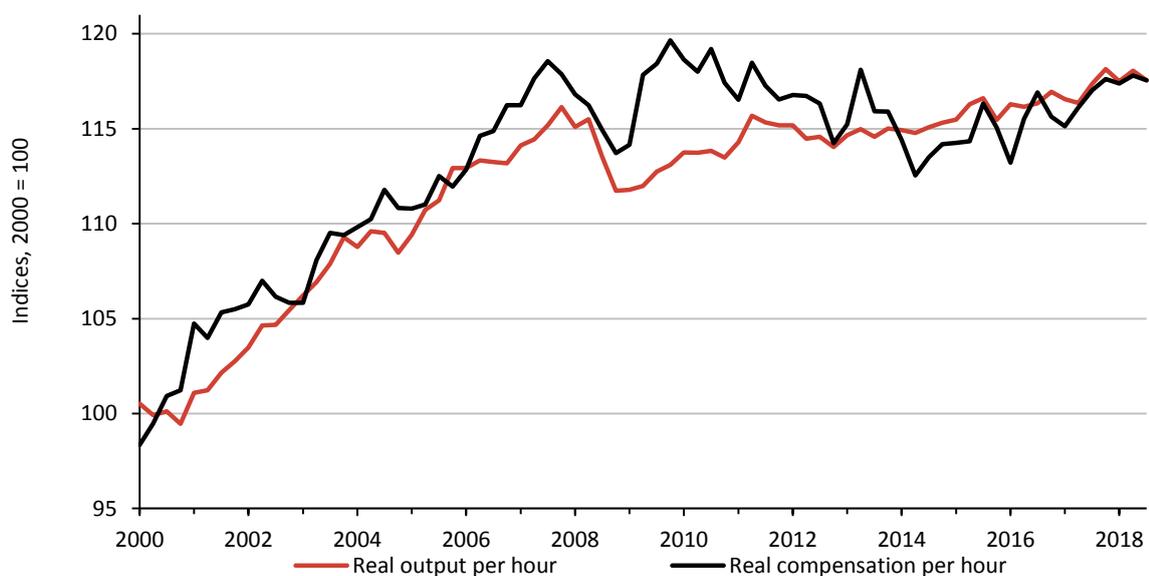
15. Total nominal wage growth rose to 3.3% in the 3 months to October³⁵ (including bonuses), although wage growth remains lower than averages seen prior to the financial crisis, which reflects sluggish productivity growth. Public sector (excluding financial services) and private sector total wage growth are both above the current rate of inflation, at 2.7% and 3.4% respectively. Both the public sector and the private sector have seen real total pay growth in the last three months. It should be noted that wage growth as reflected in the ONS Average Weekly Earnings series reflects pay growth beyond annual settlements, including promotions, incremental increases and compositional changes.
16. The OBR forecast average earnings growth for the whole economy to be 2.6% in 2018, 2.5% in 2019, 2.8% in 2020, 3.0% in 2021, 3.1% in 2022 and 3.2% by 2023.³⁶ Average earnings growth is forecast to remain below the pre-crisis average.

³⁵ Looking at annual growth rates for total pay (including bonuses), between July to September 2017 and July to September 2018.

³⁶ The OBR use Wages and Salaries divided by employees to estimate wage growth, and so this will not exactly correspond to the ONS headline AWE measure.

17. Ultimately, a pickup in productivity is vital for the recovery of cross-economy wage growth rates to pre-recession levels. Public and private sector wages tend to move in similar directions, both because of pay expectations and the implications of tax receipts on public sector budgets. Despite low unemployment, weak growth in labour productivity has been weighing down on wages and, ultimately, the public finances. The OBR forecasts productivity growth of 0.8% in 2019, 0.9% in 2020, 1.0% in 2021, 1.1% 2022 and 1.2% in 2023.

Figure 3: Real output per hour and real compensation per hour, year on year growth (ONS November 2018)



18. Inflation reached a peak of 3.1% in November 2017, following an increase in import prices after the earlier depreciation of sterling, but has since fallen back to 2.3% in the year to November 2018. The OBR forecasts CPI inflation to be 2.6% in 2018 and it is then expected to be 2.0% in 2019. It remains the view of Government that the appropriate level of public sector pay award is complex and determined by a variety of factors. Rates of price inflation are important, but not the only consideration.

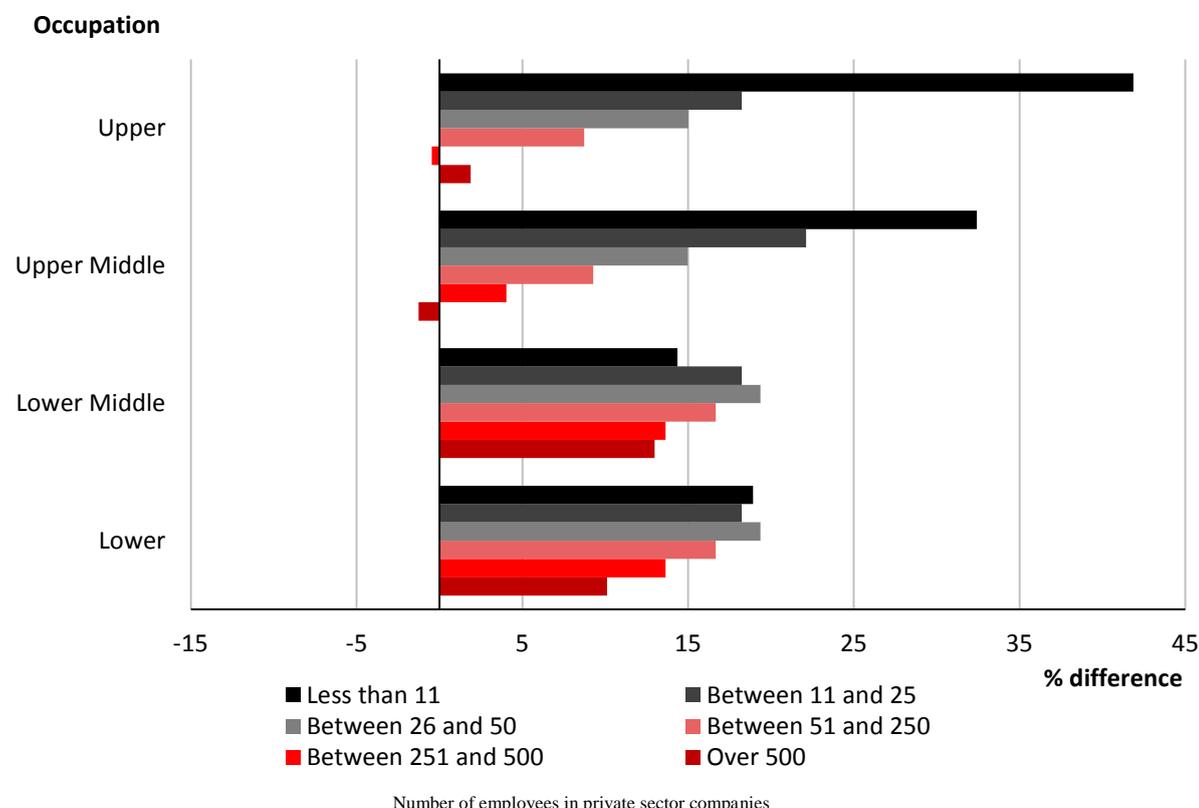
Figure 4: Whole economy average earnings growth and inflation (ONS November 2018)



Public sector pay and pensions

19. Public sector pay remains competitive: the median full-time wage in the public sector is £31,414, compared to £28,802 in the private sector. Public sector workers benefit from wider Government measures to support wages and ensure that people take home more of what they earn. The introduction of the National Living Wage marked an increase in pay for approximately one million people across the UK labour market, including in the public sector. Income tax changes mean that a typical taxpayer will pay £1,205 less in tax in 2019-20, compared to 2010-11, an additional support to public sector workers.
20. Following the 2008 financial crisis public sector workers were protected from the sharp drop in wages that was seen in the private sector, though wages subsequently grew at a slower pace. However, during Q3 2018 public and private sector wage growth was similar, and public sector remuneration when pensions are taken into account remains higher than in private sector, as shown in recent ONS analysis (see chart 5).
21. This analysis shows that after controlling for various individual and job characteristics, on average there is a positive earnings differential in favour of the public sector, when pensions are included. However, as shown in Chart 5 below, this premium varies considerably by occupational skill level, and by the size of private sector firm being compared to the public sector, which is treated as a single large employer in this analysis. The right-hand side shows the average premium received by public sector workers in comparison to their private sector counterparts, and the left-hand side showing the penalty.
22. Key PRB workforces, including teachers, police and NHS staff such as nurses, midwives and GPs are in the upper and upper middle skill categories according to the ONS Standard Occupational Classification

Figure 5: Average percentage difference in mean hourly earnings (includes pensions) of employees, by occupational group and firm size, private sector compared with public sector, UK, 2017³⁷



23. When considering changes to remuneration, PRBs should take account of the total reward package including elements such as progression pay, allowances and pensions. Public service pension schemes continue to be amongst the best available and significantly above the average value of pension provision in the private sector. Around 13.3% of active occupational pensions scheme membership in the private sector is in defined benefit (DB) schemes, with the vast majority in defined contribution (DC) schemes. In contrast, over 92.7% of active members in the public sector are in DB arrangements.
24. The Budget confirmed a reduction of the discount rate for calculating employer contributions in unfunded public service pension schemes. The valuations indicate that there will be additional costs to employers in providing public service pensions over the long-term. It is a long standing principle that the full costs of public sector pensions are recognised by employers at the point they are incurred. This is important to ensure that the schemes are affordable and sustainable in the long-term. However, HM Treasury is working with departments to ensure that recognition of these additional costs does not jeopardise the delivery of frontline public services or put undue pressure on public employers.

³⁷ONS, Public and private earnings in the UK, November 2018.

Conclusion

25. This chapter summarises the economic and fiscal evidence which is likely to be relevant to the recommendations of the PRBs. This is intended to inform consideration of the affordability of specific pay awards, and to place these awards in economic context, on top of the workforce specific evidence presented elsewhere in this evidence pack.
26. Much of the evidence presented here will feed into retention and recruitment across public sector workforces. Retention and recruitment will vary considerably across geographies, specialisms and grades. As set out in our remit letter, we ask that the PRBs set out what consideration they have given to targeting in their final report, alongside affordability of awards.

Annexe F: 2018 Gender Pay Gap

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

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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.

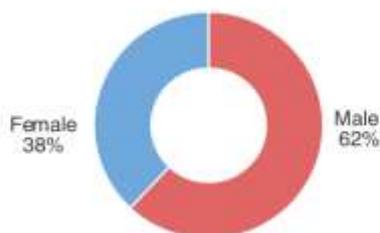
We have set ourselves the ambitious challenge to become truly representative of the communities we serve, underpinned by a comprehensive set of activities and outcomes. We believe that with strong leadership we can meet this ambition.

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 Grade	Civil Service Grade	Male Officers		Female Officers		Female % of grade
		Number	% at grade	Number	% at 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%

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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		- 6.40%
4. Median Gender Pay Gap - Bonus Pay in the 12 Months ending 31st March		0.00%
5. Proportion of males and females paid a bonus in the 12 months ending 31st March:	Male	14.69%
	Female	17.21%
6. Proportion of male and female employees in each Quartile.		
Quartile	Female %	Male %
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

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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

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impact on gender pay has been significant within this population (mean ordinary pay gap 2.36% and median pay gap 0.89%).

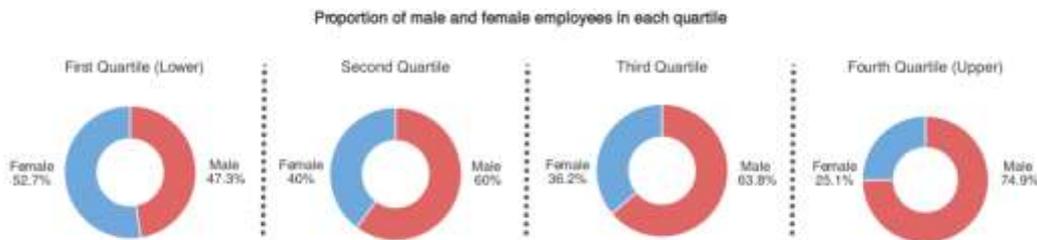
Bonus Pay Gap



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



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

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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

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Appendix i: 2017 and 2018 Report Comparisons

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

6. Proportion of male and female employees in each Quartile.	16/17 Report		17/18 Report		Change (percentage points)	
	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

Appendix ii: Civil Service Gender by Grade

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

Source: ONS Civil Service Statistics 2018

Appendix iii: 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 loan¹ 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.

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

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

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Annexe G

NCA locations currently eligible to receive London Weighting Allowance

Location Short Description	Location Long Description	Number of Officers in Receipt	Narrative Category	Allowance
SLO	Slough	39	WGTCAT	London Weighting
SPR	Spring Gardens, London	1176	WGTCAT	London Weighting
UCO	Gatwick, Ashdown House	45	WGTCAT	London Weighting
TOL	Tolworth	74	WGTCAT	London Weighting
UCU	Heathrow Airport, Custom House	55	WGTCAT	London Weighting
CRA	Crawley	67	WGTCAT	London Weighting
EXT	Exchange Tower (Docklands)	0	WGTCAT	London Weighting
VIG	VIGO (Gillingham)	109	WGTCAT	London Weighting
U82	Heathrow Airport, Building 820 Floor 2	6	WGTCAT	London Weighting

1. The allowance is applied very broadly with a definition that goes beyond the boundaries adopted by other organisations, e.g. Gatwick airport, Crawley

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**Annexe H
Korn Ferry Benchmarking Data 2018**

Table 1: Comparison of NCA base pay with Whitehall – National, excluding London (2018)

Civil Service Grade	Upper Quartile (UQ)	Median	Lower Quartile (LQ)	NCA Grade	Median	Compa Ratio
Grade 6	£60,331	£61,686	£65,593	Grade 1	£68,149	110%
Grade 7	£48,162	£50,301	£53,961	Grade 2	£55,277	110%
Senior Executive Officer (SEO)	£35,647	£37,227	£39,473	Grade 3	£45,194	121%
Higher Executive Officer (HEO)	£28,993	£30,459	£30,994	Grade 4	£40,181	132%
Executive Officer (EO)	£23,492	£24,799	£26,447	Grade 5	£32,691	132%
Administrative Officer (AO)	£19,227	£20,222	£20,782	Grade 6	£21,203	105%

Table 2: Comparison of NCA base pay with Whitehall – London (2018)

CS Grade	UQ	Median	LQ	NCA Grade	Median	Compa Ratio
Grade 6	£63,525	£65,398	£68,361	Grade 1	£71,407	109%
Grade 7	£51,225	£53,109	£55,655	Grade 2	£58,535	110%
SEO	£38,364	£40,103	£41,586	Grade 3	£48,452	121%
HEO	£31,709	£32,480	£33,965	Grade 4	£43,439	134%
EO	£25,966	£27,540	£28,266	Grade 5	£35,949	131%
AO	£22,003	£23,095	£24,092	Grade 6	£24,461	106%

Table 3: Comparison of base pay between NCA and public sector – National, excluding London (2018)

CS Grade	UQ	Median	LQ	NCA Grade	Median	Compa Ratio
Grade 6	£86,316	£73,915	£63,359	Grade 1	£68,149	92%
Grade 7	£75,667	£64,866	£58,345	Grade 2	£55,277	85%
SEO	£54,678	£48,225	£42,985	Grade 3	£45,194	94%
HEO	£41,379	£36,458	£33,118	Grade 4	£40,181	110%
EO	£32,242	£28,701	£26,102	Grade 5	£32,691	114%
AO	£24,862	£22,992	£20,258	Grade 6	£21,203	92%

Table 4: Comparison of base pay between NCA and private sector – National, excluding London (2018)

CS Grade	UQ	Median	LQ	NCA Grade	Median	Compa Ratio
Grade 6	£110,837	£94,123	£80,917	Grade 1	£68,149	72%
Grade 7	£91,168	£78,607	£68,159	Grade 2	£55,277	70%
SEO	£63,454	£55,201	£48,034	Grade 3	£45,194	82%
HEO	£46,208	£40,072	£34,557	Grade 4	£40,181	100%
EO	£35,228	£30,150	£25,955	Grade 5	£32,691	108%
AO	£28,156	£24,120	£20,796	Grade 6	£21,203	88%

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Table 5: Comparison of base pay between NCA and public sector –London (2018)

CS Grade	UQ	Median	LQ	NCA Grade	Median	Compa Ratio
Grade 6	£94,085	£80,567	£69,062	Grade 1	£71,407	89%
Grade 7	£82,478	£70,704	£63,596	Grade 2	£58,535	83%
SEO	£59,599	£52,565	£46,853	Grade 3	£48,452	92%
HEO	£45,103	£39,740	£36,098	Grade 4	£43,439	109%
EO	£35,144	£31,284	£28,451	Grade 5	£35,949	115%
AO	£27,099	£25,062	£22,081	Grade 6	£24,461	98%

Table 6: Comparison of base pay between NCA and private sector –London (2018)

CS Grade	UQ	Median	LQ	NCA Grade	Median	Compa Ratio
Grade 6	£119,704	£101,653	£87,390	Grade 1	£71,407	70%
Grade 7	£98,461	£84,896	£73,612	Grade 2	£58,535	69%
SEO	£68,530	£59,617	£51,877	Grade 3	£48,452	81%
HEO	£49,905	£43,278	£37,321	Grade 4	£43,439	100%
EO	£38,047	£32,562	£28,032	Grade 5	£35,949	110%
AO	£30,409	£26,050	£22,460	Grade 6	£24,461	94%