

# **NATIONAL CRIME AGENCY**

Gender Pay Gap

2022 Reporting Year

March 2023

## Introduction

In 2017, the government introduced regulations requiring organisations to report annually on their gender pay gap. The National Crime Agency (NCA) publishes its gender pay gap report every year, and this one reflects the pay of all permanent NCA officers in April 2022, including those with powers.

This report sets out:

- The NCA's gender pay gap;
- An explanation of our workforce challenges and opportunities; and
- Plans to further close the gap.

Through the introduction of the NCA's People Plan in 2021 we set out the ambition to build a diverse and inclusive workforce that reflects the public we serve. We strive to provide career and development opportunities for all and reward everyone fairly. We have refreshed our diversity and inclusion strategy, supporting officers from all backgrounds to develop their careers within the NCA.

"The NCA is committed to creating a diverse and inclusive workplace, delivering success by representing the public we serve. While we are making progress on the overall gender balance of the organisation, taking steps to target development opportunities for our female talent and recruiting more in junior grades, I recognise we still have a long way to go. We are seeking to fully understand the underlying causes for the widening of our gap and I personally commit to taking action and will prioritise closing the gap as a matter of urgency". **Graeme Biggar, Director General NCA**.

## The NCA's Gender Pay Gap

The **mean gender pay gap** is **12.15%**; this is an increase of 2.07 percentage points compared to 2021, when the mean was 10.08%. The **median gender pay gap** is **12.65%**, an increase of 2.22 percentage points compared to 10.43% in 2021.

The pay freeze in place across the public sector in 2021/22 and continued pay constraint prevented the NCA and other public sector organisations from taking some steps to reduce the gender pay gap. The Agency was unable to continue pay range shortening, which has historically reduced the gender pay gap as we describe later in the report. In addition, our previous policy to pro-rata bonus payment schemes exacerbated the gender pay gap; we have now changed this policy. We will not see the full positive effect of this until next year<sup>2</sup>, however it has reduced the extent to which the mean bonus gap has increased and kept the median at 0%. We are also reviewing our honorarium payments to further reduce the mean bonus pay gap.

In order to calculate the gender pay gap we use the mean and median:

- Mean: The difference between the average hourly earnings of men and women.
- Median: Is the difference between the midpoints in the ranges of hourly earnings of men and women.

<sup>1</sup> The **gender pay gap** shows the difference in the average pay between all men and women in a workforce. It is different to **equal pay** which is about 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.

<sup>2</sup> The NCA runs two bonus schemes:

<sup>•</sup> **Exceeded payments**: A one off annual payment made to officers who receive an 'Exceeded' rating for their annual performance rating.

<sup>•</sup> Honorarium payments: These are awarded for exceptional and sustained work above an officers normal responsibilities, they are in addition to 'Exceeded' payments detailed above.

Table 1: Gender Pay Gap results and bonus gaps

Gender Pay Gap comparisons between 2022 and 2021			2021
Mean Gender Pay Gap – ordinary pay		12.15%	10.08%
Median Gender Pay Gap – ordinary pay		12.65%	10.43%
Mean Gender Pay Gap – bonus pay in the 12 months ending 31st March		12.79%	6.71%
Median Gender Pay Gap – bonus pay in the 12 months ending 31st March			0.00%
Proportion of male officers and female officers paid a bonus in the 12 months ending 31 <sup>st</sup> March	Male	18.22%	15.42%
	Female	22.88%	16.28%

## Explaining our workforce – challenges and opportunities

Overall the percentage of females in the Agency stands at 44%, the highest it has been since the NCA's inception in 2013. Our efforts to recruit at junior grades has seen a shift, particularly at Grade 5 where females are almost equal in number with males, historically this has not been the case and is significant progress. Table 2 below shows the distribution of our employees by gender and grade:

Table 2: Percentage of females at each grade

NCA Grade Band	% of females in grade (2022)	% of females in grade (2021)
DD & Above	41.67%	41.67%
NCA Grade 1	27.84%	31.37%
NCA Grade 2	36.56%	32.71%
NCA Grade 3	35.30%	32.80%
NCA Grade 4	39.79%	39.41%
NCA Grade 5	49.74%	49.55%
NCA Grade 6	67.80%	63.51%
Grand Total	44.69%	44.13%

However this needs to be looked at in the context of where female officers sit in the pay range quartiles as shown in Table 3.

Table 3: Proportion of male and female employees in each quartile

Pay Quartiles	2022		2021	
	Female %	Male %	Female %	Male %
First (lower) Quartile	61.1%	38.9%	59.8%	40.2%
Second Quartile	48.1%	51.9%	47.5%	52.5%
Third Quartile	40.4%	59.6%	36.8%	63.2%
Fourth (upper) Quartile	28.8%	71.2%	31.7%	68.3%

With male officers in greater numbers at the higher end of the pay range, this will continue to create a gender pay disparity and, taking into account that we have fewer female officers in our more specialist work areas, is judged to be a cause of our gender pay gap issues.

Our operational commands make up the majority of our workforce, and table 4 shows a gender comparison within these areas. For most of the commands the comparison matches positively, the only negative being within Investigations where female officers comprise 38% of the command.

Table 4: Gender comparison within operational commands

Command	Female	Male
NCA Intelligence	45%	55%
NCA Investigations	38%	62%
NCA National Economic Crime Centre	50%	50%
NCA Threat Leadership	45%	55%
Grand Total	43%	57%

Within our operational commands we have implemented a spot rate pay framework, a skills-based pay progression system for our operational officers. Of itself, the spot rate system should act to remove unwarranted variations in pay between individuals carrying out the same work as they are on the same spot rate of pay. The spot rate design is that pay will reflect the skills and capabilities individuals offer, regardless of gender, in certain roles, rather than (purely) on the salary point they initially entered the Agency on.

Following implementation of the framework we noticed a considerable drop in the gender pay gap (2018 report). However since 2020, as shown in Table 5, we have seen a rise in the gender pay gap within our spot rate framework, with the mean rising from 4.66% to 10.51% in only 2 years.

Table 5: Gender pay gap within spot rate roles

Spot Rate Framework - Gender Pay Gap	2022	2021	2020
Mean	10.51%	7.16%	4.66%
Median	10.74%	8.59%	7.75%

The number of female officers on higher spot rate pay is comparatively lower than the number of male officers, which is shown in Table 6 below.

The average pay uplift female officers are receiving is less than their male counterparts, which suggests that female officers are taking longer to progress through each spot rate, although the reasons for this are not fully understood yet. We will prioritise deeper analysis to ensure we understand the reasons for this and the action required to address it.

Table 6: Spot rate pay progression

NCA Pay Progression	Female	Male
Average Pay Uplift	£2,852	£3,663
Percentage of officers	35%	65%

We know that historically law enforcement is a male-centric profession, whilst efforts have been made to improve this, it will take time to reach parity. Table 7 shows the primary sectors we recruit from and the gender breakdown of those sectors, as you can see we are broadly equal with Civil Service and private sector, but there is a much bigger gender disparity with recruiting from the police.

Table 7: Recruiting sector by gender

Recruiting sector	Female	Male
Civil Service	50.00%	50.00%
Police Forces	35.40%	64.60%
Private Sector	49.15%	50.85%

There is a high chance that the gender pay gap in NCA is exacerbated to some extent by the Agency bringing in a higher proportion of experienced male police officers on higher pay than the rest of our workforce. Joiners from policing will be predominantly recruited into spot rate roles in operational commands. The officers we recruit, who will be largely male, will arrive in the organisation with considerable experience and would be expected to progress through our spot rate framework quicker than

female officers, who we recruit in smaller numbers from policing and are largely therefore selected and trained through our internal programme.

This is why development programmes are key in supporting female officers, particularly within our operational commands. Many of the positive changes we have made at our lower grades are due to the NCA Officer Development Programme (ODP), a 24 month blended learning programme to develop the specialist skills and knowledge to become an NCA Investigator or Intelligence Officer. Currently 59% of officers on the ODP programme are female. As officers complete the programme their salary increases along our spot rate framework and up the pay quartiles. Our ambition is that in the longer term this will begin to reverse some of the changes within Tables 5 and 6.

The NCA's talent programmes enable the Agency to attract, develop and retain high potential officers. A lot of positive outcomes at management grades result from the increase in female NCA officers on our talent programmes: during 2021/22, out of a 144 alumni across a range of talent programmes, 102 were female officers. Seven female officers participated in the cross-government Future Leaders Scheme. Overall 70.83% of the officers who participated in internal and external talent/development programmes were female.

During 2021-22 we were able to offer several new opportunities including an internal 12 month Race Equality Talent Programme for Grade 2 to Grade 6 officers. This launched in September 2021, with 25 out of the 30 participants being female. The programme delivered some very positive outcomes for officers including moving to new roles and achieving promotion over the year. During this time, 43% of female participants have either moved laterally (for development) or achieved a temporary or substantive promotion. We will be launching a new cohort in spring 2023.

We also offered a one day Civil Service College Coaching & Mentoring Skills for Leaders workshop for senior managers/ Deputy Director level in February 2022, and this will be available again in spring 2023.

Table 8: NCA gender pay gap against comparator markets

Gender Pay Gap Comparison	NCA	Civil Service	Police (aggregate)	Intelligence Community (aggregate)	UK Economy
Mean Gender Pay Gap - ordinary pay	12.15%	9.30%	9.80%	9.90%	13.52%
Median Gender Pay Gap - ordinary pay	12.65%	10.50%	17.55%	10.77%	12.18 %

Table 8 shows that the Agency compares well with the UK economy in general, although less favourably with the wider Civil Service in relation to the mean gender pay gap. This trend continues with the UK Intelligence Community, where the mean and median are both lower than within the NCA.

When compared against the police, we have a higher mean although our median is considerably lower. The gender breakdown within the police is lower than the NCA, with only 33.5% of officers being female. However, having standardised pay points across their workforce will help to reduce the pay differences, which helps to explain the police gender pay gap reduction even in a pay freeze year where police colleagues could continue receiving pay uplifts.

Overall we continue to make progress in recruiting and developing female officers, we can see this with our male and female officers being in almost equal proportion at Grade 5, where we have the highest number of officers in the Agency. However, there is significant progress still to be made, as pay progression appears to be one of the main reasons behind our gender pay gap and highlights why continuing our pay range shortening strategy is crucial, whilst also identifying opportunities to push officers further along the pay ranges.

# Plans to further close the gap

The NCA is committed to closing the gender pay gap. Our ambition is that the actions we take will move the Agency towards gender parity in all grades and locations, and strengthen our female talent pipeline in middle management and senior management grades.

The action we have taken in previous years is starting to make an impact, including:

- In recruitment we set out salary ranges, use anonymised CVs, structured interviews, and Success Profiles. We ensure gender neutral language is used in job adverts and candidate packs. We also advertise 'equivalent experience' as an acceptable demonstration of certain qualifications where it is appropriate.
- We have implemented internal promotion exercises which we hope will provide female officers more opportunities to progress within the organisation, enabling them to develop their careers within the NCA and move towards senior management roles.
- Following a recent review of our hybrid working pilot, we have strengthened our policy to provide all officers the opportunity to work more flexibly where the role allows and improved opportunities for female officers with caring responsibilities to progress in their careers.
- Encouraging women to apply for operational roles, which has seen, as set out above, almost 60% of the Officer Development Programme cadre being female.

We want to do more to improve the outcomes and experience of our female officers. Our actions are informed by workforce data, staff survey results, and research by the Government Equalities Office, which is focussed on evidence based actions with testing in the real world to help employers improve practices in the workplace.

Our future actions to reduce the gender pay gap include:

- Analyse the contributions to NCA Gender Pay Gap using inferential statistics so we can be surer of the different effects that are contributing to the differences in pay between men and women
- Refreshing our pay strategy with fairness remaining a core factor and continuing to carrying out equality impact assessments on all pay related activities for all protected characteristics.
- Enhancing our non-pay benefits, streamlining our Honorarium process and introducing recognition vouchers within the agency to more immediately reward officers for high performance.
- Working to reduce the standard pay ranges we have in place. As shown in Table 2, females tend to be on the lower quartiles and by reducing the length of these pay ranges we will bring our male and female officers closer together, reducing inequities across the grade spectrum.
- Benchmarking profession-based pay as females currently occupy more roles within our specialist professions.
- Using data to establish the key areas where the gender pay gap is the highest and working with our Gender Equality Group to identify where further improvements can be made.
- Encouraging more women to move into operational roles, and removing real or perceived barriers to that happening.
- Prioritising the production of a pay summary to include more data on gaps in pay across all protected characteristics.

## **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.

HR Deputy Director: Naomi Amor

**Director General NCA**: Graeme Biggar