



NATIONAL CRIME AGENCY

**Annual Submission to the National Crime Agency
Remuneration Review Body**

Joint Submission with the Home Office

March 2020

Executive Summary

1. The National Crime Agency (NCA) leads the UK's fight to cut serious and organised crime (SOC), protecting the public by targeting and pursuing those criminals who pose the greatest risk to the UK.
2. SOC affects more UK citizens, more often, than any other national security threat and is estimated to cost the UK economy at least £37 billion a year, with this cost increasing year on year. This figure is highly likely to be a significant underestimate, particularly in relation to areas such as fraud.
3. NCA officers work at the forefront of law enforcement, building the best possible intelligence picture of SOC threats, relentlessly pursuing the most serious and dangerous offenders and developing and delivering specialist capabilities on behalf of law enforcement and other partners.
4. To lead the fight against serious and organised crime the NCA must have an effective workforce and reward strategies; to enable the delivery of the right capabilities in the right place to tackle the threat.
5. Last year's pay submission covered the final year of our first phase of pay reform, embedding the reforms that had been implemented over the previous two years:
 - Introducing and embedding a capability-based pay system to incentivise development – we refer to this as the Spot Rate system;
 - Shortening pay ranges to increase fairness; and
 - Reviewing existing allowances to ensure that they will enable the Agency to meet its requirements.
6. The submission document provided further evidence and examples of the Agency's challenges with regards to comparability and competitive pay. Through the first phase of pay reform, we have:
 - Reduced our median gender pay gap from to 16.22% in 2017 to 8.85% in 2019;
 - Invested around £7m into consolidated pay, providing a fairer and more competitive approach to pay; and
 - Enrolled more than 1,000 officers onto the Spot Rate system, incentivising development in role.
7. However, looking at the data for comparator organisations, and the Agency's recruitment and retention position, it is clear that there is more to do to build on the success of the first phase of pay reform. The introduction of the capability-based pay system has been concentrated at a limited number of grades, pay ranges are still too long, and the Agency's pay and reward is not competitive alongside comparator organisations.

8. This submission provides the pay review body with the following:

- Chapter 1: An overview of the Agency's organisational strategy

This section outlines the NCA's organisation strategy, articulating the NCA's mission and objectives. The chapter details how the NCA will meet the changing and evolving nature of serious and organised crime, the investments made in NCA's capabilities, and the Agency's financial position.

- Chapter 2: The Agency's People Strategy

This section outlines the NCA's People Strategy, outlining how diversity and resourcing are helping the Agency achieve its mission. The chapter details the progress made against this approach in 2019, while outlining the challenges and barriers facing the NCA as we build capability.

- Chapter 3: The Agency's Pay Strategy

This section outlines the approach the Agency is proposing to take to pay over the coming years, considering pay as an important lever in the overarching People Strategy. This chapter articulates the core principles of the Pay Strategy and their link to the People Strategy, and outlines the NCA's pay aspiration.

- Chapter 4: The Agency's pay proposals for 2020/21

In this section we detail the pay proposals for 2020/21, seeking to progress towards the aspiration detailed in the reward strategy. Considering recruitment, turnover and benchmarking data, proposals are outlined for the NCARRB's review. For 2020/21, the Agency is proposing a number of reforms, from extending Spot Rates to secure operational capability to reviewing our approach to regional pay.

9. Our 2020/21 pay proposals are:

- Proposal 1: Implement a Spot Rate pay structure for Investigations and Intelligence Officers at Grades 1, 2 and 3.
- Proposal 2: Increase Spot Rates by 3.0% for Grade 4 and 4.5% for Grade 5 Investigations and Intelligence Officers.
- Proposal 3: For officers on the standard pay ranges, offer a pay award of at least 1.5% that is capped at their pay range maximum.
- Proposal 3 (i): Increase the pay range minima for Grades 1 – 4 by 2.5% with a 1% corresponding increase to the pay range maxima.
- Proposal 3 (ii): Increase the pay range minima for Grades 5 and 6 by 4.25% and 4.50% respectively with a 1% corresponding increase to the pay range maxima.
- Proposal 4: Review our approach to London Weighting, and increase the London Weighting Allowance by 1.5% taking it from £3,340 to £3,391 per annum.
- Proposal 5: Increase the pensionable shift allowance paid to the Control Centre and Operational Services Team officers from 15% to 20%.

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. This evidence document is a joint submission with the Home Office, and has been subject to internal governance through the NCA Board.
11. The proposals are fully costed, and will be funded through the Agency's existing budgets. By endorsing these recommendations, the pay review body will support the NCA in:
 - Improving the Agency's attraction and retention of critical capabilities, enabling the Agency to develop in order to meet the changing nature of the SOC threat in the UK; and
 - Ensuring that our approach to pay is fair and inclusive. Continuing to shorten pay ranges will close the gap between the highest and lowest paid officers, and continue to reduce our gender pay gap.

Chapter One

Organisational Strategy

This chapter sets out:

- The NCA's mission, cross-cutting organisational priorities, and the organisation's structure to deliver the same;
- How the NCA is leading the fight to cut serious and organised crime;
- How the Agency is evolving to meet the changing nature of SOC; and
- Our high-level financial position with specific respect to our pay proposals for 2020/21.

12. Serious and Organised Crime (SOC) affects more UK citizens, more often, than any other national security threat and is estimated to cost the UK economy at least £37 billion a year. SOC includes child abuse, human trafficking, slavery, money laundering, fraud, cybercrime, corruption and the smuggling of drugs and firearms into the UK. The financial cost of SOC does not alone capture the harm caused to those affected. SOC has devastating human consequences as criminals target citizens to exploit, abuse and defraud in new ways. The threat is growing in both volume and complexity, impacting a broader range of victims. The dominant motivation remains financial gain, although sexual gratification is the main motivation for child sexual abuse and exploitation.
13. The National Crime Agency's mission to lead the UK's fight to cut SOC is critical to our national security. Government defines SOC as a tier two national security threat, with one element, cyber, sitting alongside terrorism as a tier one threat. To achieve its mission, the NCA is committed to:
 - Enhancing the intelligence picture of existing and emerging SOC threats to the UK, and using the intelligence to drive, lead and support the UK's response to SOC.
 - Operating proactively at the high end of high risk, undertaking significant investigations to bring offenders to justice through prosecution or, if that is not possible, to disrupt them through other means.
 - Leading, tasking, coordinating and supporting operational activity to tackle SOC throughout law enforcement, proactively sharing intelligence, assets and capabilities with partners at local, regional, national and international levels.
 - Developing and delivering specialist capabilities and services to tackle SOC where this is best done nationally; ensuring they are available where and when needed for the benefit of the UK.
14. Tackling the breadth of SOC is beyond the capacity and capabilities of any one body and requires a national response. As detailed in our Annual Plan, we are working to develop the

Agency so it can best lead the whole SOC system. This will be achieved through harnessing the collective powers of law enforcement, government, the voluntary sector and industry to deliver the coordinated response we need to protect our communities and counter the rapidly evolving threat from serious and organised crime. Our officers, and the partners we work with, continue to deliver outstanding operational results ensuring the public are protected. We outline examples below.

15. Against a threat that is growing in volume, complexity and scale, and in accordance with the findings of the National Strategic Assessment, we are focussed on the identification and disruption of high-harm, high-impact criminal and organised crime groups, diminishing their capability, infrastructure and influence. In particular, the Agency is focussed on those who:

- a. Exploit the vulnerable through child sexual abuse and exploitation, trafficking, servitude, fraud and other forms of abuse.

Operational Example 1:

Our officers identified the 'Welcome to Video' dark web site which contained 220,000 images and videos of the most depraved abuse of children, often by those that were meant to protect them. The website monetised this abuse and was one of the first to offer sickening videos for sale using the cryptocurrency bitcoin.

Our specialist investigators analysed these cryptocurrency transactions to identify suspects, leading to the arrest of 14 individuals and seven convictions in the UK. A further four individuals remain under investigation. Globally, we established an international taskforce including partners from the US, South Korea, Germany and Canada which led to the arrest of the controller of the website (whose location we identified) and the arrest of 337 suspects in 38 countries.

Operational Example 2:

Under one investigation, a Chinese national used false identities to source and rent out more than 400 properties across the UK. These were set up as brothels and for cannabis cultivation where scores of victims were mercilessly exploited and held against their will. The main subject of this investigation was sentenced to over seven years imprisonment. He operated the network for more than three years, and paid out over £4 million in rent, some of which was paid directly by the crime groups. This sentencing has caused significant disruption to the OCGs who relied on this offender to enable their criminal activity, providing the locations and homes that they used as bases from which they exploited vulnerable individuals and chased profits in our communities.

- b. Dominate communities and chase profits in the criminal marketplace, using violence and/or criminal reputations in the supply of drugs and firearms.

Operational Example 3:

In September, we made two separate seizures of heroin at the UK border, totalling 1.7 tonnes and worth more than £150 million on the UK streets. The second of those was the largest ever UK seizure of heroin, a drug that fuels tragic violence across the country, causes untold harm to vulnerable people and engenders further crime. Our intelligence identified the shipments before they entered the UK and we worked swiftly with Border Force to target the vessel, removing the drugs before allowing the container to proceed to its destination where Dutch and Belgian authorities swooped to arrest four members of the organised crime group.

Operational Example 4:

Under another operation, in May 2019 two men were jailed for a combined 29-and-a-half years for conspiring to sell handguns made at an illegal gun factory in Sussex. After we uncovered their criminal operation, we raided the factory with Sussex police in August 2018, seizing three complete firearms and recovering a further 120 weapons in the process of being completed.

The weapons being made there were destined for the criminal marketplace and would have undoubtedly been used in the UK. Firearms from this factory have been linked to two attempted murders in the UK. If we had not acted, these weapons would have been used to perpetuate the serious violence, damaging our communities.

- c. Undermine the UK's economy, integrity, infrastructure and institutions through their criminality.

Operational Example 5:

In April 2019 we worked with partners in the US, Canada and Europe to secure the conviction of a UK-based member of a Russian-speaking cyber organised crime group who targeted computers with locking ransomware to generate millions of pounds in ransom payments by blackmailing countless victims and threatening them with bogus police investigations. The criminal proceeds were laundered through a complex process of virtual and crypto-currencies, with our subject receiving at least £700,000. The offender was sentenced to six years five months' imprisonment for their part in one of the most sophisticated, serious, and organised cyber-crime groups we have ever investigated.

Operational Example 6:

In November 2019 we charged ten members of an OCG suspected of laundering over £15.5 million of criminal funds out of the UK with money laundering offences as part of our investigation into a well-orchestrated conspiracy laundering millions of pounds in criminal proceeds made through illegal drug trafficking and organised immigration crime. Over three years, the group smuggled the money in suitcases, flying from the UK to Dubai to realise their criminal gains. Our officers worked closely with partners in the UK and overseas to obtain forensic evidence and disrupt this group at every level.

Criminal cash is the lifeblood of organised crime groups and is dependent on professional money launders. Our investigation hit the group where it hurts – their pocket and caused permanent damage to their network.

16. To fully protect the public, we need to stay ahead of the changing nature of SOC and build our enabling capabilities. As SOC is changing and offenders commit old and new crimes in new ways, exploiting new technology and vulnerabilities, we must transform our organisation and capabilities to be able to respond.
17. We are seeing an increasing use of encryption and the dark web in an effort to evade justice. In order to tackle the growing threats of financial crime, identity theft and misrepresentation, we must evolve our cyber and data sifting capabilities. We are developing the tools we need as an Agency and a system to meet these challenges. The following constituents of the NCA indicate the central and national role we play in bringing together the capacity and capabilities of the whole system in order to protect the public:

- Our National Assessment Centre brings together information and intelligence from across policing, law enforcement, the intelligence agencies, private industry and the voluntary sector to provide us with a comprehensive understanding of the current threat.
- Our National Data Exploitation Capability brings together existing and future capabilities in data acquisition, engineering, analysis, and visualisation to produce never-seen-before, centralised data exploitation for all UK law enforcement. We must ensure we share information and expertise in a way that delivers the biggest impact – whether that is with colleagues or with partners – and as crime changes, so do the skills and capabilities the NCA needs to fight it.
- The National Economic Crime Centre is a national capability driving collaboration between law enforcement, banks and other financial institutions, allowing us to hit the criminals where it hurts the most: in their pocket. Taking away criminals' money and making it impossible for them to use the UK as a vehicle for laundering allows us to directly impact on those who are a major threat to the stability, security and prosperity of this country.

Operational Example 7:

In 2018-19 the NCA froze £46 million in criminal assets. In February 2019, Account Freezing Orders were placed on 95 UK bank accounts containing around £3.6 million as part of a National Economic Crime Centre coordinated day of action with policing and government partners in response to large-scale cash-based money laundering exploiting UK bank accounts held by Chinese students studying here.

- We have delivered key parts of a Concept of Operations (CONOP) to tackle online child sexual abuse (CSA) offending in 2019/20, which we anticipate will be extended further in 2020/21, as part of an additional £30m announced in the spending review. This will develop capabilities to concurrently tackle child sex offending on the open and dark web, including dedicated covert and specialist teams to tackle high risk and dark web offending, as well as increased capability to review, filter and prioritise industry referrals at scale. It will also provide refined risk assessment tools for UK law enforcement including the NCA, to improve the identification of high-risk offenders within the wider cohort of serious offending.
- We jointly co-ordinate the national response to County Lines with National Police Chief's Council through the National County Lines Coordination Centre (NCLCC) in response to the county-lines drug dealing methodology responsible for so much of the violence on our streets.

Operational Example 8:

The NCLCC has significantly enhanced the UK's response to the threat since its launch in October 2018. In four weeks of intensified action in October 2019, NCA and NPCC Forces disrupted more than 400 county lines and made over 2,000 arrests.

18. We are also working to reform how we measure performance across the SOC system. This challenge was recognised by the National Audit Office and Public Accounts Committee reports on Tackling Serious and Organised Crime. We have made significant progress in measuring

the performance of the Agency and are working with 67 agencies and departments to develop a national SOC performance framework. This will move us from an 'outputs-focussed' to an 'outcomes-focused' approach. This will mean we measure our performance based on the disruptive impact we have on organised crime.

19. The Agency operates across the SOC system and the complex blend of skills and capabilities we require is drawn from across the different players in this. We are continuing to use a number of relevant comparator groups to inform our pay proposals so that we can recruit, retain and grow the skills, expertise and resources so we can bring about the flexibility needed to confront the most serious threats. We must ensure the Agency is an attractive employer across its comparator markets. However, the NCA faces challenges, which are reflective of the broader SOC system, including:

- A lack of both skills and tools to exploit data that can be shared; and
- A systems-wide capacity constraint in specific digital, technical and financial investigative skills, amongst others, required to respond.

Costs and Affordability

20. The Agency is currently working through the budget planning for 2020/21. There are a number of challenges and uncertainties and, at the time of writing, the full settlement is not known. The Agency needs to ensure that the affordability of the pay award is sustainable in subsequent years. Recognising that we cannot yet definitively state our budgets and affordability for the coming financial year due to the ongoing budgeting process, the NCA Board endorses the Agency's view that an increase of the paybill of £5.55m against a total annual paybill of £220m is the maximum sustainable for 20/21.
21. The NCARRB has previously requested that the Agency put our annual pay proposal in the wider context of workforce reform. To meet this request, the NCA Board has further agreed a direction of travel for an overarching NCA Pay Strategy over four years from 2020-2024, considering the outcomes of the SOC Review and Spending Round in the context of the delivery of pay reform from 2021 onwards, outlined in Chapter Four. This is indicative as it will naturally be subject to changes of conditions over time but provides the framework within which the 2020/21 proposals sit.
22. A more detailed financial breakdown of the proposals and the Agency's paybill is provided in Chapter Four – Pay Proposals.

Chapter Two

Our People

This chapter:

- Sets out the NCA's People Strategy;
- Show the impact to date in terms of Diversity and Engagement; and
- Describes how we are building the capability of the Agency and the impact of pay reform on recruitment.

NCA People Strategy

23. The operational success of the Agency and its ability to protect the public depends on the hard work, expertise and commitment of its officers. We must attract and retain the right skills. The capabilities which are outlined in Chapter 1 require the Agency to access a broad range of skills to ensure our response to the threat is effective. We have simplified the skills required under our major organisation responsibilities below:

Table One – Skills requirements by area of the NCA

Threat Leadership	Is accountable for putting the strategic actions plans in place to drive a 4 'P' response (Pursue, Prevent, Protect and Prepare) across the SOC system. The scope of threats are defined in the National Strategy Assessment. Requires operational insight, and key skills of negotiating and influencing, working in partnership and a focus on delivering outcomes for the public.
Operations	Is accountable for delivering the intelligence and investigation response to support the pursue plans developed by Threat Leadership. Requires technical skills to deliver high end capabilities and operates that deliver disruptions, including criminal justice outcomes, for SOC. Requires strong partnership working.
Capabilities	Is accountable for delivery of the capabilities to support the operational response and the key organisational services to ensure the NCA is an effective organisation that delivers great operations. Requires strong organisational skills to plan and build capabilities, including strategy, finance, commercial and investment, HR, Data, Digital and Technology and a clear focus on performance to test outcomes.

24. We also need ensure our teams are able to work together effectively. Over the past 18 months we have continued to develop the NCA Operating Model, which describes how the

organisation works. It drives a collaboration between our teams, which we need to deliver operational success. We actively encourage officers to move between Threat Leadership, Operations and Capabilities. This drives organisation effectiveness and supports professional development. Inter-operability is important and we are proud of our ability to deploy and develop our staff in a wide variety of roles.

Operational Example: The Agency benefits from officers moving between commands and disciplines

Moving officers with powers into Intelligence provides a specific operational mind-set and focus, whilst moving officers without powers into Investigations builds our lead generation and Intelligence gathering capability.

Over the past two years, 79 staff moved from Investigations to Intelligence, and 74 moved from Intelligence to Investigations. Fourteen Investigations staff were promoted into Intelligence and nine promoted from Intelligence into Investigations. Each of these officers enhanced their importing team with their experience.

We have also applied the same discipline at a senior level. The Grade 1 leadership review which took place in 2018/9 resulted in 27% of Grade 1s being posted to new roles.

25. Our People Strategy was developed in partnership with our workforce to ensure we addressed areas that mattered to officers, as well as supporting our organisation goals. Following extensive consultation with both managers and officers, the strategy was approved by the NCA Board in 2018.
26. It aims to create a proud workforce that feels both empowered and enabled to lead today whilst building capability for tomorrow. It recognises the importance of diversity and inclusion. The ability to bring different perspectives and knowledge into our teams is vital if we are to innovatively combat newly emerging criminal threats.
27. Our People Strategy is based on the employee lifecycle and has four pillars under which all our people-related activity will be delivered (Figure 1).

Figure One – Summary of the NCA People Strategy



28. Through the implementation of the People Strategy we have implemented a number of changes including:
- An induction for all new joiners during their first three days with the Agency. All new officers receive a welcome briefing from one of our DGs, an initial development plan and exercises which show the Agency's work;
 - The Agency introduced a new process for internal postings to encourage development, and to meet the business need. Over the past two years over 270 officers have taken up new posts through this 'lateral' moves process;
 - A strong wellbeing offer which supports both physical and mental health; and
 - A clear, fair and competitive reward package.
29. Through the People Strategy we have sought to deliver improvements in diversity and inclusion and engagement to ensure our officers are in the best position to impact the threat.
30. Data on diversity can be found in the data annex. In summary, over the past year, there have been positive increases in representation of LGB officers, officers from different religious backgrounds and women, but the percentage of officers declaring disabilities has remained static and, disappointingly, the percentage of officers from BAME groups has reduced. The proportion of officers choosing not to declare has increased in every category.

31. The 2019 People Survey also show that our People Strategy is having an impact in a number of areas:

Table Two – Key People Survey Results for the NCA in 2019

Engagement Question	Positive Respondents	Change since 2018
Overall engagement score	59%	up 9% (biggest increase in Civil Service in 2019)
Officers satisfied with the total benefits package	31%	up 8% since last year
Officers able to access the right development opportunities when needed	44%	up 12% since last year
Officers have opportunities to develop their career in the NCA	42%	up 13% since last year
Officers say managers help them understand how they contribute to the NCA's objectives	61%	up 10% since last year

32. The 2019 People Survey results also show significant improvements across inclusion and fair treatment since 2018. 78% of officers feel they are treated fairly at work, up 7% since last year, while 74% of officers feel that the NCA respects individual differences, which is up by 8% in the year.
33. In terms of pay - 32% of officers state they are fairly rewarded, up by 7%, the second year of increase from a very low base before our pay reform programme.
34. The full 2019 People Survey results for the NCA will be available on gov.uk after April 2020. They show that, whilst the Agency still has some way to go, we have made significant progress in the last year and that the first phase of pay reform has landed well with some officers.

Building the NCA workforce

35. Delivering our new and existing capabilities means by the end of this financial year (March 2020) the Agency's establishment will have grown to just over 5,700 posts. Approximately 1,100-1,200 new officers will have joined our organisation. This is our highest ever annual intake. The introduction of capability based pay along with other reforms to shorten our pay scales have helped with this challenge, for example:
- We have seen increases in applications for many Spot Rate posts - specialist recruitment campaigns in 2019 have shown a significant increase in the recruitment pipeline;
 - The pipeline for intelligence officers in the north has more than doubled since 2018; and

- Our recent campaigns seeking experienced investigators¹ for Spot Rate roles have seen a 27% increase in terms of numbers of applications received per campaign.
36. The Agency has been making positive strides towards identifying and planning for future skills. The Workforce Planning Committee meets monthly to act on key areas of the employee lifecycle, overseeing the number of new joiners, leavers and movers.
 37. Using this data and taking a more co-ordinated approach, during 2019, the Agency ran two large scale recruitment campaigns. These attracted over 17,000 applications. We have developed a pipeline recruitment process which we are embedding to meet demands to grow our workforce.
 38. However, there is more to do. We are currently forecasting 600-700 vacancies by the end of March 2020. With further growth and attrition plans for 2020-21 we will need to fill over 1,400 vacancies in the next financial year.
 39. We are increasingly seeing evidence that where Spot Rates are aligned to labour market salaries they have had a positive impact in producing more applicants. However, where our pay rates remain considerably adrift of comparators, in particular the Police, the Agency is struggling to source appropriately qualified candidates. For non-Spot Rate roles, we have seen a 10% drop in applications overall. There has also been a reduction across nearly all areas in the conversion rate from applicant to appointment (see Table Three below).

Table Three – Conversion Rate from Application to Appointment for non-Spot Rate roles

Recruitment Campaign	2018	2019	Percentage Difference
Generic Intelligence	19%	9%	-10%
Generic Investigations	21%	17%	-4%
Specialist Intelligence	9%	8%	-1%
Specialist Investigations	14%	10%	-4%

40. The challenge is to ensure the Agency can attract applicants with the right experience, as the campaigns are indicating:
 - The Agency has struggled to recruit managers at Grades 1 to 3 with the requisite investigatory experience from other organisations (incl. Border Force, Policing and

¹ Roles requiring the Professionalising Investigations Programme 2 (PIP2) accreditation. This is the accreditation expected of an experienced Detective Constable.

HMRC). This limits the transfer of new/different thinking and best practice from other parts of law enforcement;

- We continue to experience high turnover in more senior grades both for managers and specialists; annualised attrition at Grade 1 is 21.15% and 13.13% at Grade 2. We have struggled to attract prospective candidates for specialist roles;
- We have experienced high turnover in specialist and technical areas. 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. This runs counter to the wider Agency trend; and
- Retention of officers with niche skills is an issue as NCA trained managers are attractive to other law enforcement organisations, the Civil Service and, for officers with specialist skills, the private sector, particularly Banking, Insurance and IT. During 2019 overall attrition has been running at 10.5–10.7%.

Operational Example: Recruiting Challenges

Senior leaders in operational roles

At the start of 2019 the Agency ran a recruitment campaign to fill 31 senior manager posts (Grade 1). Our aim was to achieve a mix of approximately:

- 1/3 NCA officers on promotion
- 1/3 from policing/law enforcement
- 1/3 from wider civil service/other backgrounds

The result was 21 NCA officers being promoted and 10 external joiners. Whilst all posts were filled, the Agency was unable to appoint a single applicant who was a serving police officer on a permanent basis on NCA terms due to current salary restrictions.

Data from recent specialist campaigns:

The recruitment means the Agency has market tested a range of roles, including:

- Grade 2 Data Architect: 3 unsuccessful campaigns completed – 0 candidates appointed
- Grade 2 and Grade 3 Security Architects: 4 applicants – 0 shortlisted
- Grade 3 Service Transition Manager: 2 campaigns completed – 0 candidates appointed
- Grade 4 and Grade 5 IT Security Officers – 3 campaigns completed to fill 5 posts – 2 candidates appointed (one internal)

Developing Skills in the NCA

41. Through this recruitment we have seen how attractive the NCA is as a place to develop the skills and become an intelligence officer and investigator. We continue to develop the external and internal pipelines to enable officers to join at a more junior grade and progress through the organisation, supported by capability based pay progression.
42. Two years ago, the Agency was on-boarding around 120 trainees per year into the Initial Officer Training Programme (IOTP). We are now in the process of selecting 420 trainees to join our IOTP during 2020. These officers will take 2-3 years to become fully operational.

Conclusion

43. We are pleased to be able to show progress with the delivery of our People Strategy and to see the impact in terms of a more diverse and engaged workforce. However, we recognise there is further work to do to ensure the Agency has the right skills to tackle the threat. The next chapter outlines the approach of our Pay Strategy and how it supports the challenges we face in recruiting and retaining key skills.

Chapter Three

Pay Strategy

This Chapter sets out:

- The NCA's Pay Strategy and how it acts as a key enabler to recruiting and retaining a skilled and engaged workforce;
- How our Pay Strategy and drive to compete more effectively aligns with our organisational and Workforce Strategy so the Agency can meet the changing SOC threat;
- The NCA's pay aspiration and progress to date; and
- Our key comparators and the context for pay reform.

The NCA's Pay Strategy

44. The NCA seeks to use pay as a strategic enabler to recruit and retain an engaged workforce, motivated to develop the skills, capabilities and behaviours to meet the changing SOC threat and enable the Agency to provide the right level of geographical and operational flexibility to meet its national obligations. Reward is an important lever in our Workforce Strategy.
45. 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 exceptions².
46. 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.
47. Our approach to pay reform has focussed on:
 - Implementing a capability-based framework to enable progress dependent on skills and capability. The Spot Rate structure rewards increased capability, and has focussed on roles in Investigations and Intelligence at Grade 4 and Grade 5 making pay more competitive with our comparator markets, especially the police;
 - Shortening the pay ranges to support fairness, equality and reduce the gender pay gap. This has mainly focussed on increases to the pay range minima, therefore benefitting the lowest paid in the organisation; and

² We continue to struggle to recruit child protection advisors, who we predominantly recruit from local authorities.

- Using the non-consolidated pot to respond effectively and quickly to emerging recruitment and retention challenges through the application of Recruitment and Retention Allowances (RRAs).

Aligning our organisational and Workforce Strategy through pay

48. The Agency has progressed three years of pay reform, delivering progress on pay against our Pay Strategy. The diagram below outlines how the core principles of our Pay Strategy and drive to compete more effectively relates to our workforce and organisational strategy.

Figure Two: Aligning the Agency's reward principles with the four core principles of the Agency's Pay Strategy

Reward Principles		Pay Strategy
Attractiveness	• Attracting talent to the pinnacle of law enforcement – by competing with policing, UKIC, Civil Service and specialist private sector. • Developing a compelling employment offer (pay, pensions and non-pay benefits) to recruit and retain.	Increase competitiveness with comparator organisations to support both recruitment and retention.
Fairness	• Developing pay equity among existing officers. • Enabling movement through the scales based on accredited skills and demonstrated competence. • Encouraging development within grade.	Narrow inequalities in the current pay structures.
Forward Looking	• Increasing opportunities to surge capability nationally. • Driving interoperability across the workforce. • Contributing to the development of LE professionals/specialist capabilities by facilitating movement between NCA, UKIC and police.	Enable the agency to fulfil its transformation plans by acquiring and building future skills and capabilities.
Sustainable and Affordable	• Costs can be met from the agency's budgets. • Shifting the age profile of the workforce to invest in future capabilities. • Minimum employment term for those on development programmes.	Ensure pay changes are evidenced and aligned to the target operating model (TOM). Use the non-consolidated pot to respond effectively to emerging challenges.

49. The Agency has benefitted from being able to deliver higher pay awards than those typical across the wider public sector, in light of the operational risks created by a complex set of different pay arrangements. Agreement to these awards was based on strong evidence on the impact of pay differences with our core comparator markets.

50. Each of the above principles has helped to define how we approach our Pay Strategy – aligning our pay activity with the priorities for the workforce. The following sections provide more detail on each principle.

Attractiveness

51. 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 developments in our competitor labour markets. As part of our People Strategy review our 'offer' to employees to ensure that we provide a compelling employment offer (pay, pensions and non-pay benefits) to recruit and retain that also enhances the Agency's reputation as a great place to work
52. Key to the success of our workforce are the markets within which we operate and compete for talent:

Table Four – Comparator Markets and relevant roles

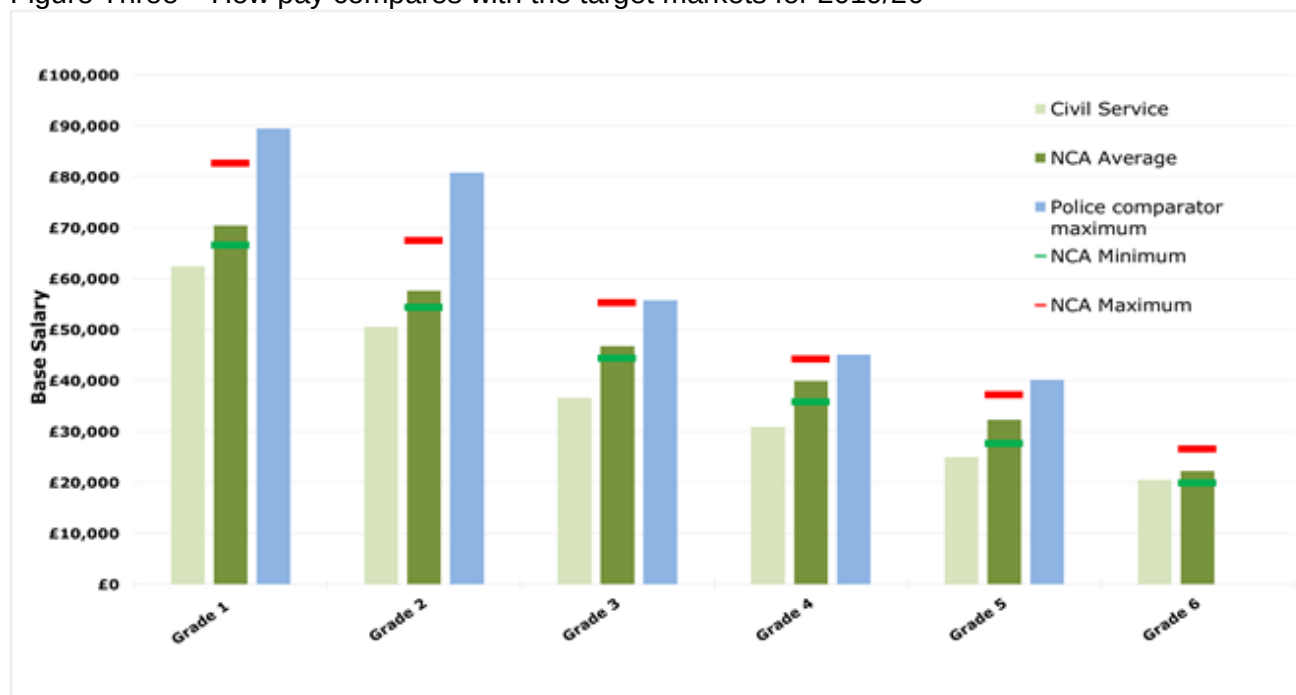
Police	Policing is a natural and the most relevant comparator for our work leading the fight to cut SOC. This relates to police ranks from Constable up to Chief Superintendent.
UKIC	Intelligence gathering is an important part of many NCA Operational roles. We do often, however, require transferability into investigative roles, which is not a requirement in the pure intelligence sector.
Digital, Data and Technology (DDaT)	The DDaT market is a subset of the Civil Service where the main comparators are the Government Digital Service, the DWP and HMRC as operational departments. In the NCA, most DDaT roles are operational.
Civil Service	We utilise the Civil Service markets as the primary comparator for enabling roles at the NCA (professions such as finance, commercial, communications and so on). This is driven by similar skillsets, reflecting that we operate in the same organisational structure, governance and Civil Service guidelines in these professions as other Government departments.

53. These comparators apply most closely to the Agency due to the diverse nature of our roles and responsibilities. We operate predominantly in the law enforcement and intelligence communities.
54. Ensuring our reward strategy is aligned to the correct comparator market will enable the Agency to attract and retain the talent needed to meet the evolving and changing SOC threat. This will require the Agency to adopt different approaches between operational capabilities, which are directly involved in law enforcement and intelligence collection, and enabling capabilities, e.g. Finance, Commercial, Procurement and HR.
55. This segmented approach is necessary because of the different career paths and employment markets that are involved, as is the case in many other parts of the public sector.

Our key comparators and the context for pay reform

56. Our principal comparators are policing and the Civil Service. The graph below shows how the Agency's current levels of pay compare with those comparator markets. This shows that the average levels of pay for NCA officers are behind the Police market in all grades but they are generally competitive with the Civil Service market.

Figure Three – How pay compares with the target markets for 2019/20



NCA Grade	NCA			Police	Civil Service
	NCA Minimum	NCA Maximum	NCA Average		
Grade 1	£66,614	£82,648	£70,444	£89,511	£62,839
Grade 2	£54,380	£67,491	£57,642	£80,859	£50,570
Grade 3	£44,371	£55,275	£46,765	£55,767	£36,614
Grade 4	£35,846	£44,248	£39,872	£45,099	£30,921
Grade 5	£27,664	£37,190	£32,310	£40,128	£24,947
Grade 6	£19,903	£26,605	£22,261	N/A	£20,533

Notes

1. For the Police market the value is the highest pay point for the direct grade comparator (there is no direct police comparator with Grade 6).
2. The Civil Service market is the average of the median figures for each government department.
3. The National levels of pay, rather than those which apply only in London have been used throughout.

57. As evidenced in the above graph, levels of pay at the NCA are less attractive when comparisons are made with remuneration of police officers at the same levels of skill and capability. Table Five shows how the Spot Rate approach has closed the gap with police pay, but the Agency still remains behind the amounts that are paid in policing at Constable and Sergeant rank.

Table Five – NCA pay comparison with police pay (Constable)

Constable	2017/18	2018/19	2019/20
Police pay for PIP2 accredited investigators	£39,540	£39,150	£40,128
NCA rate for PIP2 accredited investigators	£31,455	£33,504	£34,845
NCA pay as a percentage of police pay	79.50%	85.58%	86.83%

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

Sergeant	2017/18	2018/19	2019/20
Police pay for PIP2 accredited investigators	£44,436	£43,998	£45,099
NCA rate for PIP2 accredited investigators	£39,318	£40,800	£42,432
NCA pay as a percentage of police pay	88.48%	92.73%	94.09%

58. Further reform is required to ensure the Agency is a competitive employer across its key comparator markets and all grades.
59. This requires further development of our skills framework by extending capability-based pay progression more widely in the NCA to include middle and senior managers.
60. The principle of our Spot Rate system will continue by linking pay progression with development in role. Officers will only progress to the proficient rate when they can demonstrate that they have the skills and capabilities required to justify the higher rate of pay.
61. The Remuneration Committee, which governs the skills and qualification framework and its current application for Grade 4 and Grade 5 officers on Spot Rates, will have responsibility for the further development of the skills framework.

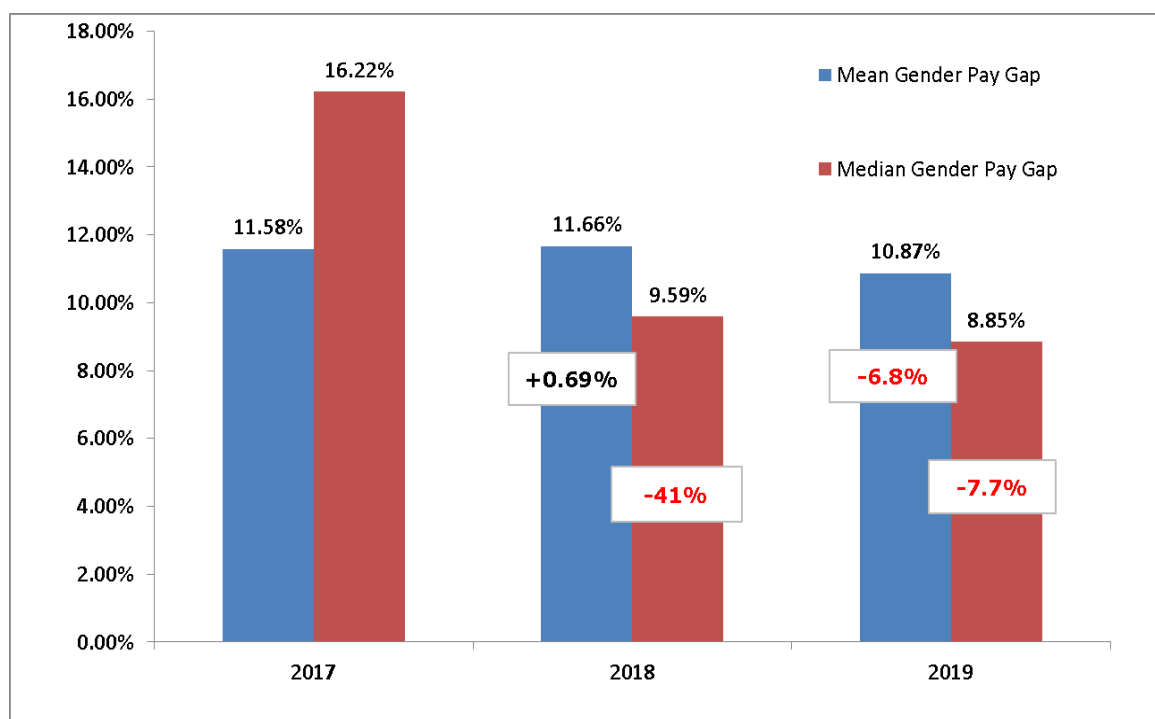
Fairness

62. We value diversity of background, as well as diversity of skills and experience, and the Agency has been working to steadily improve its diversity across every protected characteristic. We have a network of active diversity fora each supported by senior business champions. This

ensures we challenge ourselves to be inclusive of the officers already in the organisation and we attract a wider mix of applicants as we build future applicant pipelines.

63. We need to be truly reflective of the population that we serve and to be a workplace which is inclusive and embraces difference in order to be effective. The Agency needs a workforce of different backgrounds, perspectives and ways of thinking to ensure that we are making the most effective contribution in leading the fight against serious and organised crime. Our pay reforms are helping this as they are enabling the Agency to attract and, equally importantly, retain a broader mix of officers than previously.
64. The Agency's aspires to reduce inequities within the pay system by significantly reducing the length of the pay ranges and moving to a model where future pay increases are determined by skills and capability.
65. The past three years of pay reform have improved the fairness of the NCA's pay system. The graph below sets out the change in both the mean and median gender pay gap for the Agency, and the percentage change from the previous year. The inset figures of +/- figures show the change in the mean and median gender pay gap to the previous year.

Figure Four – NCA Gender pay gap since 2017



NCA Gender Pay Gap Since 2017	2017	2018	2019
Mean Gender Pay Gap	11.58%	11.66%	10.87%
Difference to previous year - Mean	N/A	+0.69%	-6.8%
Median Gender Pay Gap	16.22%	9.59%	8.85%

NCA Gender Pay Gap Since 2017	2017	2018	2019
Difference to previous year - Median	N/A	-41%	-7.7%

66. The above graph demonstrates that there has been significant progress in closing the gender pay gap in the Agency, enabled by the reforms undertaken over the past three years.
67. A key part of our differentiated approach is to reduce the gap between the lowest and highest paid officers in order to reduce the gender pay gap and mitigate equal pay risk. We have seen positive trends in the profile of officers who have opted into Spot Rates with increased numbers of female and younger officers opting in, and increasing religious diversity among officers opting into Spot Rates. 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. By continuing to invest in this element of our pay framework, we continue to close the pay gaps in our operational roles.
68. The pay reforms made over the last two years have narrowed disparities but we need to continue the trajectory.
69. We have also reduced the gaps between the highest and the lowest paid with those at the minimum of the lower grades receiving increases of at least 6% over the past two years.
70. Our approach has also reduced the overlaps between grades, and reduced the potential for 'leapfrogging' i.e. when new joiners are paid more than an officer in the same or a higher grade.
71. As an Agency, we have reviewed and changed our recruitment and workforce planning process to ensure diversity and inclusion considerations are part of decision-making and improving job adverts and role descriptions to attract a diverse pool of applicants. A diverse pool of applicants enables the Agency to better represent the communities it serves.
72. We are now putting in place new governance to hold our leaders accountable for demonstrating behaviours that support diversity and inclusion making use of the PERMA model, ensuring that officers from all backgrounds are included and enabled to be at their best.
73. The Agency has also looked to promote diversity and inclusion initiatives through external media channels, such as our hugely successful Pride Campaign.

Forward Looking

74. Our Pay Strategy is that our reward structures must enable the Agency to meet the evolving SOC threat and changes in the labour market.
75. Critical to this, pay must be brought into line with target markets. The first step towards achieving this was to introduce the Spot Rate pay framework for Intelligence and Investigation Officers in Grades 5 and 4. Under this framework officers at these grades and in roles defined as in scope can elect to move to Spot Rate of pay, depending on whether they are assessed under as being Developing, or Proficient under a formal skills matrix.

76. In 2018, the NCA introduced a capability-based pay system, initially to operational roles at Grades 4 and 5. The identified framework sets out the skills requirements and qualifications for operational roles in intelligence and investigations; it consists of a spot regime linked to levels of capability. The ultimate aim is for Spot Rates to provide a comparable basis for reward with police or other labour market comparators.
77. As well as receiving a significant salary uplift, officers opting to take up Spot Rates were also required to move to a 40 hour working week. All new recruits receive Spot Rates, and many existing officers choose to switch. Spot rates provide benefit for both the individual officer and the organisation. To date, 1,073 Grade 4 and Grade 5 officers have elected to move to the new framework.
78. For officers, moving from a 37 hour week to a 40 hour week provides more certainty of working time and earnings for operational officers, reducing the inconsistency of overtime being variable from week to week. Overtime, for officers eligible to receive it, will begin when 40 hours have been worked in the week. In addition, officers opting in to Spot Rates can decide to do so when they believe it is financially advantageous for them, providing an increased salary on both an annual and hourly basis.
79. For the Agency, the benefits of moving to a 40 hour week means that there is less reliance on overtime for managers, providing them with guaranteed working hours to roster. Between August 2018 and August 2019, 254 officers joined the Spot Rate structure. This provided the Agency with 39,264 additional working hours per year and equates to 19.1 additional operational FTE protecting the public. Between August 2017 and August 2018, 730 officers accepted these changes, creating the equivalent of 59 additional FTE.
80. Building upon this success, it is the Agency's proposal to extend the Spot Rate framework for all officers in Investigations and Intelligence roles at Grades 1 to 3 in 2020/21. Officers accepting the new arrangements will also be required to increase their weekly working hours from 37 to 40, and Grade 3 officers will no longer be able to claim overtime, to achieve closer alignment with the policing model. If our reform proposals are agreed, the number of officers on Spot Rates will increase to an estimated 1,250.

Sustainable and affordable

81. The Agency's Pay Strategy must be sustainable and affordable. The alignment of pay with the Agency's target markets will enable us to recruit and retain the officers we need and the linking of pay to the development of skills and capabilities enables us to develop the skills we need within the Agency rather than relying on external recruitment.
82. The proposal we outline in the following chapter reflects both ambitious reform while remaining affordable in a constrained environment, and recognises that the Agency will clarify financial settlement in due course.
83. In previous submissions the Agency has outlined we had a workforce that was heavily biased towards longer servicing officers, with a significant dependency on officers who either had retired and returned (where pay was less of a priority) or were within 5 years of retirement – the data in the annex shows that nearly a third of the Agency's officers are aged 50 or over. This experience is invaluable but it creates a sustainability risk for the NCA, where many officers can retire in a short space of time. The IOTP enables us to attract a range of potential officers, securing our pipeline and increasing resilience.
84. Despite this success we are clear that the Agency needs to be able to recruit across the full experience/service profile. We cannot function effectively at the high end of high harm if all vacancies are filled by trainees.
85. Such a wealth of experience is of great value to the organisation in that it brings skills, knowledge and capabilities developed, but it creates a sustainability risk for the NCA, where many officers may retire in a short space of time and the Agency cannot replace them. As the limited exit interview data collected in the annex shows, retirement is the second most popular reason for leaving the NCA, comprising nearly a fifth of all leavers.
86. To that end, the NCA has been developing its internal development pipeline, focussing on training and development programmes that will enable officers to join at a more junior grade and progress through the organisation. This will support the smoothing out turnover due to retirement.
87. Our Initial Officer Training Programme has been a particular success in this field, bringing in more candidates than ever before. Such success will help secure our pipeline, increase organisational sustainability and resilience, and, importantly, is improving the diversity representation across the organisation.

Operational Example: Our IOTP trainees are becoming more diverse

Out of 143 successful external candidates:

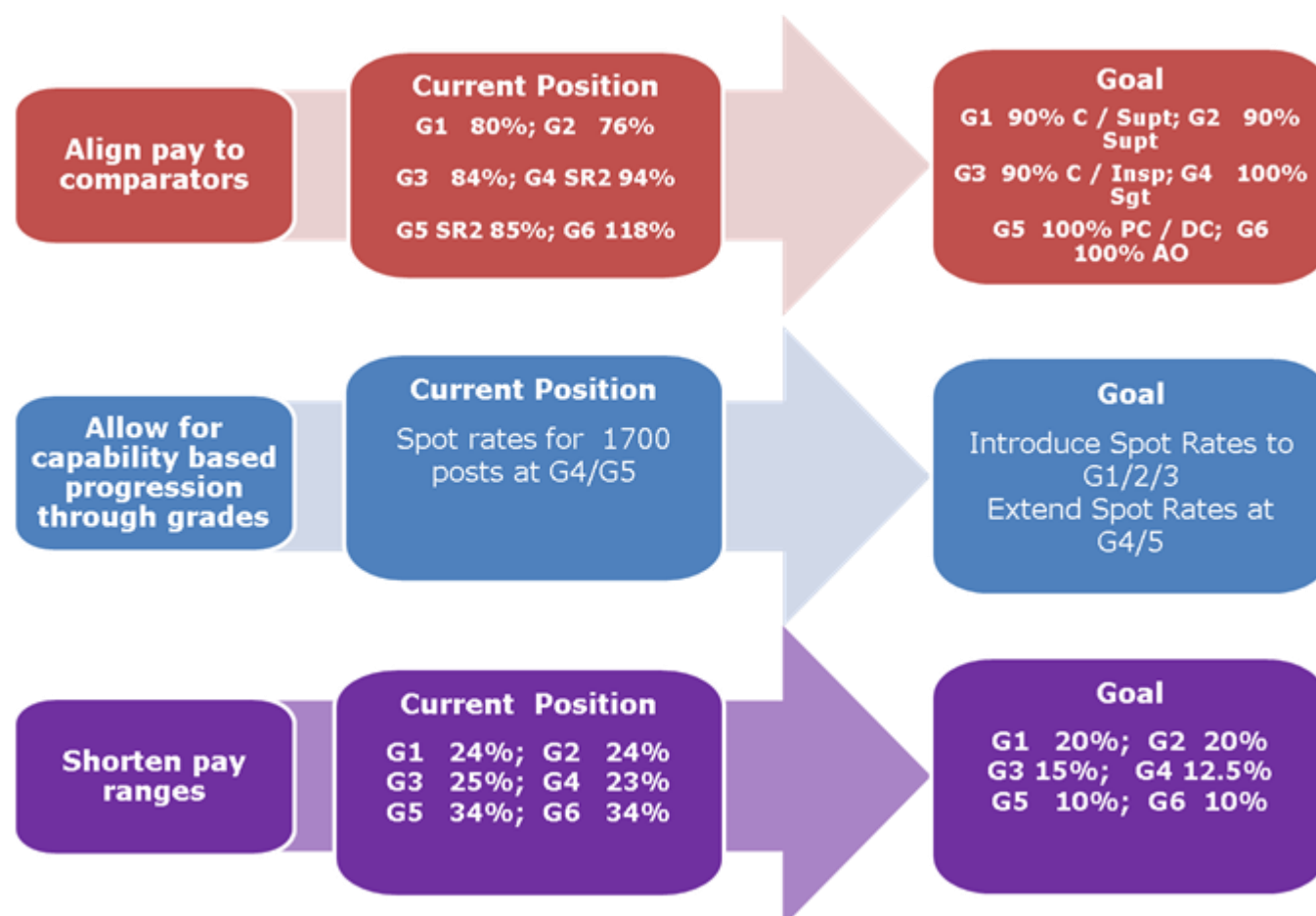
- 92 (65%) are female
- 51 are male (35%)
- 18 candidates identified as BAME (13%)
- 131 (92%) of all successful candidates are under 35 (with all 18 BAME candidates coming from this age group)
- 0 candidates have been lost through attrition.

The NCA's pay goals and progress to date

88. The NCA's pay goals are focussed on encouraging development in role by allowing progression through the grades based on increasing capability, ensuring the attractiveness of our reward offer by aligning with comparators, and promoting fairness by shortening pay scales.

89. The figure below provides a summary of the NCA's pay goals:

Figure Five – NCA's Pay Goals



90. Over the past three years of reform, we have moved closer to our comparator markets. The introduction of Spot Rates at Grades 4 and 5 in particular shows much greater comparability with policing, ensuring the Agency is more competitive in its attraction. This is reflected in our increased candidate numbers for both grades.

91. The aspiration for pay alignment at 90% of police pay for middle and senior managers has been developed from our core pay principles. For most of our comparators, the Agency considers itself alongside the median or mid-point of the comparator pay ranges; however the police pay system is a time-bound approach, where officers will progress to the top of the pay range on a guaranteed basis.

92. If the Agency were to tie Spot Rate 2 to 100% of the police maximum, this could significantly disrupt the pay market at senior levels due to the potential for officers to join the Agency and be accredited immediately at Spot Rate 2. This would therefore move them to the top of police pay instantly. This also has the potential to create a 'pay tourism' risk where officers may join the NCA purely for a higher salary on appointment and move back to policing as there is no room to develop their salary.

93. In addition, the Spot Rates have been developed to enable progression within the pay range when qualified or accredited, supporting officers to develop in role. Affordability is a continuing consideration for the Agency, and the aspiration over the coming years reflects what is financially viable for the NCA. This does not preclude us from revisiting our goals in future years.
94. Capability-based pay progression through the grades is enabled by the Spot Rate system, setting skills and qualification criteria for progression through each rate. Extending Spot Rates to more grades and roles, as per the goal, incentivises development in role for operational officers at Grades 1-3. Incentivising the development of officers within the Agency enables us to be forward-looking, seeking to ensure the NCA is on the front foot to meet the changing nature of SOC.
95. The target set for the reducing length of pay grades is reflective of the Agency's current position of particularly long ranges, which overlap with one another and create a risk of 'leapfrogging', where officers at the high-end of their current pay range will earn more on promotion than established officers at the higher grade. The aspirations have been set considering Civil Service and policing comparators, and are developed to allow for officers to move closer to the maxima over time.
96. Shortening pay scales reduces the potential for overlap between grades, and the possibility of officers being 'leapfrogged'. As the recruitment pipeline into the NCA has become more diverse, new officers cluster at the bottom of the pay range. Compression means that the gap between the lowest paid and highest paid officers is closed over time, improving fairness and reducing the gender pay gap further.
97. The Agency cannot afford to close the gap between our current position and our aspiration in a single year, so we must continue to reform over a number of years. The time that this will take will be driven to a large extent by the actions of our comparators and their timescales for change – the Agency cannot be left behind as policing moves forwards on pay.
98. When our pay aspiration is fully realised, pay will be competitive with the relevant target markets and will be linked to the skills and capabilities of each individual officer. We began our pay reform journey in 2017/18 and we expect this journey to continue over the coming years. The long timeframe is due to the complexity in transitioning from the existing pay arrangements, affordability constraints and capabilities.
99. The details of the aspiration may also change as the impact of each pay award and the wider market is better understood; in addition to the skills mix required by the Agency evolving to meeting the changing SOC threat. The Agency is now rapidly building capability in Cyber and Financial crime, areas that until recently were not part of skills landscape.

Conclusion

100. The Pay Strategy outlined in this section will enable the Agency to succeed in its mission of leading the UK's fight to cut serious and organised crime by ensuring:
 - Pay is competitive with our comparators, particularly the police, so we are able to recruit and retain officers with the necessary skills and capabilities as we respond to evolving SOC threat;

- The Agency incentivises the development of skills and capabilities at senior grades, extending the Spot Rate framework to middle and senior managers to reflect our difficulty in recruiting operational officers at these grades;
- The pay system is fairer and more consistent by reducing the length of the pay ranges and maintaining relative positions we will close the gender pay gap and reduce the differences between the highest and lowest paid; and
- Our approach remains sustainable and affordable, ensuring we create a platform for ongoing reform.

101. We are now into the fourth year our pay journey, and the Agency's pay proposals for 2020/21, as set out in the next part of this submission, are designed with the aim of further embedding and deepening the implementation of his strategy.

102. We have made proposals 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 gaps between the highest and the lowest paid. Our proposals are affordable within existing budgets, sustainable and in line with HM Treasury pay guidance.

Chapter Four

Pay Proposition for 2020/21

This section details our proposals for the 2020/21 pay award:

- Proposal 1: Implement a Spot Rate pay structure for Investigations and Intelligence Officers at Grades 1, 2 and 3;
- Proposal 2: Increase Spot Rates by 3.0% for Grade 4 and 4.5% for Grade 5 Investigations and Intelligence Officers;
- Proposal 3: For officers on the standard pay ranges, offer a pay award of at least 1.5% that is capped at their pay range maximum;
- Proposal 3 (i): Increase the pay range minima for Grades 1 – 4 by 2.5% with a 1% corresponding increase to the pay range maxima;
- Proposal 3 (ii): Increase the pay range minima for Grades 5 and 6 by 4.25% and 4.50% respectively with a 1% corresponding increase to the pay range maxima;
- Proposal 4: Increase London Weighting Allowance by 1.5% taking it from £3,340 to £3,391 per annum; and
- Proposal 5: Increase the pensionable shift allowance paid to the control centre and OST staff from 15% to 20%.

103. For this pay round we have identified key areas to progress and implement in 2020/21. These have been driven by our strategy targeting priorities that have emerged based on evidence.

104. Our pay proposals for 2020/21 will focus on:

- Seeking to implement pay reform at middle and senior management level by expanding the skill based pay framework to Grades 1 to 3. This proposal is in response to recruitment and retention challenges at these grades;
- Seeking approval to increase the value of Spot Rates for Grade 4 and 5 Intelligence and Investigating officers so that we close the gap with our key comparators and maintain the momentum in recruitment and retention; and
- Continuing to shorten our pay ranges to reduce the gap between the highest and lowest paid so as to further close the gender pay gap and mitigate equal pay risk. This will be underpinned by a minimum pay award of 1.5% so that we recognise the contribution made by all our officers.

Implementation and impact of NCARRB's recommendations for 2019/20

105. The table below sets out the NCARRB's recommendations for 2019/20 and the Agency's and Home Secretary's response.

Table Seven – NCARRB's recommendations for 2019/20 and NCA actions

NCARRB Recommendation	NCA Implementation
1. An overall pay bill uplift of 2.5%.	NCA accepted NCARRB's recommendation, implementing an uplift of 2.5%.
2. The pay band minima for Grade 5 and Grade 6 should be uplifted by 4.25% and 4.5% respectively.	The NCA accepted this recommendation and implemented it.
(i) All officers should receive a consolidated pay uplift of at least 1%. (ii) The NCA should aim to provide all officers with a minimum consolidated uplift as close as possible to 2%.	In respect of 3 (i), all officers received a consolidated increase of at least 1%, if not more. For 3 (ii), the aim was to offer as close as possible to 2%. The NCA was able to achieve this for just over 70% of officers.
3. London Weighting Allowance for 2019/20 for NCA officers designated with operational powers should increase by 2.5% to £3,340.	NCA accepted this recommendation, increasing LWA to £3,340.
4. Shift Allowance should be revised to 15% of base pay.	The NCA accepted this recommendation and implemented it.

106. The award resulted in all officers (except for a small number who had opted to remain on legacy terms) receiving a consolidated uplift of at least 1% and all officers receiving a minimum pay award of 1.5% (those officers at the top, or near to the top of their pay ranges received a portion their award as a one-off, non-consolidated, payment).

107. We were also able to deliver on our strategy of closing the gap with policing by increasing the value of Grade 4 and 5 Spot Rates from 2.5% to 4%. The table below demonstrates that the award implementation also had a positive impact on gender with almost half (46%) of female officers receiving a consolidated pay award of 3% or more.

Table Eight – Pay award by percentage and gender (exc. Spot Rates)

Distribution of the consolidated award by gender						
Pay Award %	Male		Female		Total	
1 - 1.5%	121	3.76%	51	1.59%	172	5.35%
1.5%	265	8.24%	112	3.48%	377	11.72%
1.5 - 2%	432	13.43%	234	7.27%	666	20.70%
2 - 3%	769	23.90%	543	16.88%	1312	40.78%
3+%	272	8.46%	418	12.99%	690	21.45%
Total	1,859	57.79%	1,358	42.21%	3,217	100.00%

Table Nine – Pay award by percentage and gender (inc. Spot Rates)

Distribution of the consolidated award by gender						
Pay Award %	Male		Female		Total	
1 - 1.5%	121	2.82%	51	1.19%	172	4.01%
1.5%	265	6.18%	112	2.61%	377	8.79%
1.5 - 2%	432	10.07%	234	5.45%	666	15.52%
2 - 3%	769	17.93%	543	12.66%	1312	30.58%
3+%	954	22.24%	809	18.86%	1763	41.10%
Total	2,541	59.23%	1,749	40.77%	4,290	100.00%

Our pay proposition and pay award recommendations for 2020/21

Proposal 1: Implement a single and unified Spot Rate pay structure for Investigations and Intelligence Officers at Grades 1, 2 and 3.

108. Core to our strategy is bringing more officers onto Spot Rates to narrow the gap with comparators and enable skills-based pay progression. We are now targeting middle and senior managers in operational roles at Grades 1 to 3 as detailed in previous chapters.
109. By introducing Spot Rates for Grades 1 to 3 Investigations and Intelligence Officers, we will continue to:
- Attract and retain skilled and qualified officers to fill critical vacancies;
 - Close the gap with our key comparator, policing; and
 - Address unfairness in our pay systems by making Spot Rates more attractive to existing officers currently on the standard pay ranges.
110. Grade 3 officers in scope for this reform are primarily Senior Investigations Officers (SIOs), equivalent to Inspector/Chief Inspector in policing. We estimate this to be 176 officers in total, out of a total Grade 3 community of 488 officers. As we are seeking to close the gap in pay and conditions for this grade between the NCA and policing, we will remove overtime for officers who accept these new pay terms. This is to reflect that police officers at this grade are not eligible to receive overtime. Accepting the new terms will be voluntary and we anticipate some officers will not move onto the new framework, even if this will result in a substantial pay uplift, due to the loss of overtime eligibility.
111. There will be two Spot Rates at Grades 1-3 – Developing and Proficient - which will be open to officers in qualifying roles. This is specifically linked to capability and does not represent a powers/non-powers split although in practice, most Grade 1 to Grade 3 officers holding powers will fall within the scope of these new pay arrangements. All roles that are required to hold powers will fall in scope. Some officers may not be in scope because of their choice or career direction, such as officers moving into Capabilities and enabling functions.
112. Reflecting the size of the gap between police and NCA pay, and the lack of clarity in the financial position for the year ahead, we have recommended halving the gap between the 90% aspiration and the 2019/20 grade average. The table below details the proposed Spot Rates for 2020/21, the current NCA mean salary and the target rate.

Table Ten: Grades 1 to 3 Investigations and Intelligence Officers

Proposed Spot Rate values for Grades 1 to 3 posts in Investigations & Intelligence			Current NCA Mean	Police Comparator	90% of the police comparator
Grade 1	Spot Rate2 (Proficient)	£76,308	£70,444	£91,302	£82,172
	Spot Rate1 (Developing)	£70,585			
Grade 2	Spot Rate2 (Proficient)	£65,935	£57,642	£82,476	£74,228
	Spot Rate1 (Developing)	£60,990			
Grade 3	Spot Rate2 (Proficient)	£48,980	£46,765	£56,883	£51,195
	Spot Rate1 (Developing)	£45,480			

Notes

1. Spot Rate 1 (Developing) is set at 92.5% of the prevailing proficient rate or the minimum of the relevant pay range if this is greater. This means officers moving from Developing to Proficient will receive an 8% consolidated pay uplift.
2. The NCA mean is based on 19/20 pay values.
3. Police comparator rates are the forecast highest pay points for 2020/21.

113. The table below show the number of officers in scope of Spot Rates at Grades 1 to 3, the number of officers we predict will accept and the average consolidated increase each offer will receive. Our assumption is that officers earning less than proposed Spot Rate values will accept the new pay terms, and those earning more will remain on the standard pay ranges. However some officers at Grade 3 may remain on their current arrangements due to the loss of overtime even if they will be earning less.

Table Eleven: Officers in scope for and potentially accepting Spot Rates

	No. - In Scope	No. - Accept	Average Inc.
Grade 1	18	17	£8,014
	94%		
Grade 2	44	43	£8,529
	97%		
Grade 3	176	134	£3,819
	76%		

114. Officers moving to the new structure will be required to accept an increase to the working week of three hours (up to 40 hours excluding meal breaks), modernised terms and conditions and enhanced flexibility clauses, if they have not already accepted these terms. This is line with our existing approach at Grades 4 and 5, and more closely aligns with police working patterns.

115. Due to affordability and recruitment data, the values of the Spot Rates have been kept within the existing NCA pay ranges. This will impact on the numbers of officers who will move onto the new structures, as it will not be financially beneficial for those officers particularly high on the pay range as it stands.

116. The Spot Rate structure will be underpinned by a skills and accreditation framework. In order to access higher Spot Rates, officers will need to go through a skills gateway to demonstrate that they have reached the required level of occupational and operational proficiency.

Proposal 2: Increase Spot Rates by 3.0% for Grade 4 and 4.5% for Grade 5 Investigations and Intelligence Officers.

117. The NCA has three Spot Rates at Grade 4 and four at Grade 5. The Spot Rates correspond to increasing levels of skills and capability outlined in the underpinning skills matrix we have implemented.

118. By increasing each Spot Rate by 3.0% for Grade 4s and 4.5% for Grade 5s, all officers on Spot Rate terms and conditions will receive either a 3.0% or 4.5% consolidated pay award.

119. The following tables demonstrate the proposed 2020/21 values of the Spot Rate pay framework at Grades 4 and 5.

Table Twelve: proposed 4.5% increase to Spot Rates for Grade 5 Intelligence and Investigations Officers.

	2019/20	2020/21
G5 Spot Rate 1 – Developing	£31,361	£32,772
G5 Spot Rate 2 – Developing	£32,667	£34,137
G5 Spot Rate 3 – Proficient	£34,845	£36,414
G5 Spot Rate 4 – Expert	£36,297	£37,931

Table Thirteen: proposed 3.0% increase to Spot Rates for Grade 4 Intelligence and Investigations Officers.

	2019/20	2020/21
G4 Spot Rate 1 – Developing	£39,038	£40,209
G4 Spot Rate 2 – Proficient	£42,432	£43,705
G4 Spot rate 3 – Expert	£44,200	£45,526

120. The proposal to increase Spot Rates by 3% and 4.5% respectively supports our strategy of continuing to close the gap with policing and increase attraction from mid-career serving police officers.

Table Fourteen: impact on the gap with policing

Constable	2018/19	2019/20		2020/21*	
Police Pay	£39,150	£40,129	2.50%	£41,130	2.50%
NCA Pay (Spot Rate 3)	£33,504	£34,845	4.00%	£36,414	4.50%
Gap +/-	-16.85%	-15.16%	-1.69%	-12.95%	-2.21%

Sergeant	2018/19	2019/20		2019/20*	
Police Pay	£43,998	£45,099	2.50%	£46,227	2.50%
NCA Pay (Spot Rate 2)	£40,800	£42,432	4.00%	£43,705	3.00%
Gap +/-	-7.84%	-6.29%	-1.55%	-5.77%	-0.51%

* Assumes that pay for Police Constables and Sergeants will increase by 2.5%

121. After these proposed increases there is still progress to be made in achieving our aspiration, reflecting that NCA salaries for investigations officers working at the high end of high risk still remain significantly below the police comparator. This a one year settlement. We will expect to continue to invest in pay as our aspiration over time is to close the gap.
122. The Agency has invested more than £7m in the Spot Rate pay structure since its introduction in 2018. By maintaining the level of investment at Grade 5 at the same level as last pay round (4%), we will continue to make the Spot Rates an attractive proposition to qualified and experienced external candidates, as well as grow the proportion of eligible officers that choose to adopt Spot Rates, and we can begin to harmonise conditions across Investigations and Intelligence.
123. The tables below demonstrate the comparison between both pay frameworks. They show 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, subject to meeting capability and accreditation requirements.

Table Fifteen: Shows the positioning of Spot Rates along the standard pay range for G5

	17/18	18/19	19/20	20/21	21/22	22/23
Spot Rate1 – Developing	12%	35%	39%	45%	50%	56%
Spot Rate2 – Developing	28%	47%	53%	61%	67%	74%
Spot Rate3 – Proficient	52%	68%	75%	87%	95%	104%
Spot Rate4 – Expert	67%	81%	91%	104%	113%	124%

Table Sixteen: Shows the positioning of Spot Rates along the standard pay range for G4

	17/18	18/19	19/20	20/21	21/22	22/23
Spot Rate 1 - Developing	19%	29%	38%	44%	50%	58%
Spot Rate - Proficient	54%	66%	78%	88%	98%	111%
Spot Rate3 - Expert	75%	85%	99%	111%	123%	139%

*Assumes Spot Rate values increase by a further 3% in 21/22 and 22/23

124. We recognise that officers currently paid more than the Spot Rate values are unlikely to move across to our new pay model. However as the Spot Rate values increase over time, it will become increasingly beneficial for officers to opt in, even taking the change to working hours into account.
125. From a workforce perspective this means that increasingly the Agency will see a greater proportion of officers in operational roles on the Spot Rate pay structure where future pay increases are determined by skill and capability not time served or position in the pay range.
126. A core part of our Pay Strategy design has been to reduce inequities in our pay structures. We have also seen positive trends in the profile of officers who have opted into Spot Rates. We

have seen increased gender, age and religious diversity in the officers electing to opt 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. By continuing to invest in this element of our pay framework, we can continue to close the pay gaps in our operational roles.

127. As new recruits to roles attracting Spot Rate pay are automatically offered these new terms and conditions which includes working a 40 hour week, over time the proportion of officers receiving Spot Rate pay will continue to grow and the number of officers on the standard pay range will gradually decline. This transition will take time. The approach also supports our attraction strategy and sends the message to potential officers that the Agency offers competitive remuneration.

Proposal 3: For officers on the standard pay ranges, offer an average pay award at least 1.5% that is capped at their pay range maximum, by continuing to shorten the pay ranges.

Proposal 3 (i): Increase the pay range minima for Grades 1 – 4 by 2.5% with a 1% corresponding increase to the pay range maxima.

Proposal 3 (ii): Increase the pay range minima for Grades 5 and 6 by 4.25% and 4.50% respectively with a 1% corresponding increase to the pay range maxima.

128. Our approach to pay range shortening 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 takes for officers to catch up with their more highly paid peers. We have made this decision deliberately, although recognising that this approach is not sustainable in the long term as the application of the relative position slows down the rate at which officers progress through the pay range.
129. We also recognise the impacts on officer morale at the higher end of pay ranges if no award is to be applied, which is why we have chosen to increase the pay range maxima by 1% and to make one-off non-consolidated payments to underpin a minimum 1.5% pay award for this group.
130. By continuing to shorten the pay ranges, supported by a minimum award, we will support our strategy of increasing fairness in our pay systems by reducing the gap between the lowest and highest paid.
131. Currently, around 3,000 officers are on the standard pay range and will be eligible to receive a minimum pay award of 1.5%, which is the capped pay range maxima.
132. The actual value of this award, and the amount that is consolidated or paid as a non-consolidated amount will be determined by their current position on the pay range.
133. Officers at or near the maximum of their pay range will receive at least a 1% consolidated pay increase and no more than 0.5% paid as a non-consolidated lump sum.
134. The table below sets out the current pay range values and the proposed increases. By increasing the pay range minima by more than the maxima, we are able to shorten the length of the pay ranges.

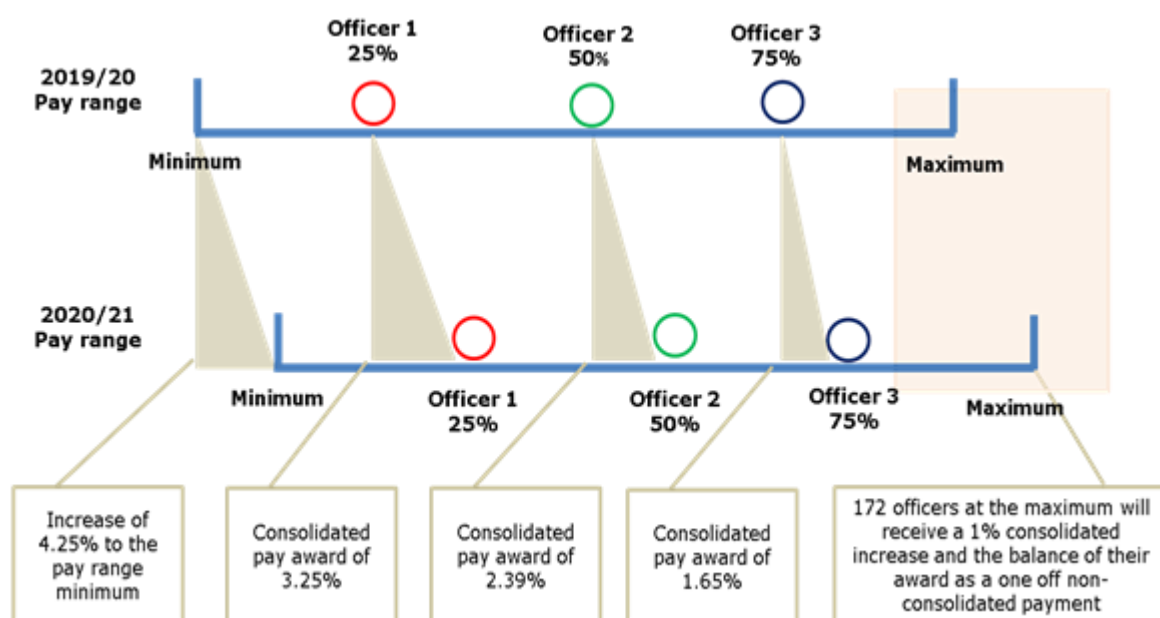
Table Seventeen: Pay range minima and maxima for 2019/20 and 2020/21(proposed)

	2019/20 Pay Range		Increase to min(%)	Increase to max (%)	2020/21 Pay range	
	Min (£)	Max (£)			Min (£)	Max (£)
Grade 1	£66,614	£82,648	+2.50	+1.00	£68,279	£83,474
Grade 2	£54,380	£67,491	+2.50	+1.00	£55,740	£68,166
Grade 3	£44,371	£55,275	+2.50	+1.00	£45,480	£55,828
Grade 4	£35,846	£44,248	+2.50	+1.00	£36,742	£44,690
Grade 5	£27,664	£37,190	+4.25	+1.00	£28,840	£37,562
Grade 6	£19,904	£26,605	+4.50	+1.00	£20,800	£26,871

135. When undertaking pay range shortening, the Agency considers each officer's 'relative position' on the pay range. The 'relative position' refers to an individual officer's position on the pay range, which is maintained irrespective of pay range length. This ensures that the officers at or near to the bottom of the range receive higher awards than those higher up the pay range. Although movement through the range is limited the gap between the highest and lowest paid is reduced.

136. The below diagram demonstrates if an officer is greater than the 75th percentile, they will receive their pay award as a combination of consolidated and non-consolidated payments.

Figure Six: example scenarios for G5 non-operational officers on shortened pay ranges in 2020/21³



³ This scenario impacts 1,234 officers currently on the Grade 5 pay scale

Table Eighteen: example scenarios for G5 non-operational officers on shortened pay ranges in 2020/21⁴

Current salary (2019/20)	Position on pay scale (maintained)	Proposed new salary (2020/21)	% consolidated pay award	Consolidated Award	Non-consolidated payment (£)
£27,664	Minimum	£28,840	4.25%	£1,176	0
£30,046	25th Percentile	£31,021	3.25%	£975	0
£32,427	Mid-point	£33,201	2.39%	£774	0
£34,809	75th Percentile	£35,382	1.65%	£573	0
£37,190	Maximum	£37,562	1.00%	£372	£186

137. The table below demonstrates that shortening pay ranges has had a positive impact on female officers, and will continue close the gap between the lowest and highest paid. This supports the Agency's strategy to reduce inequities within our pay system, ensuring a fair approach to pay for all officers.

Table Nineteen: Consolidated Pay awards across the shortened pay ranges split by grade and gender

Distribution of the consolidated Award						
Pay Award %	Male		Female		Total	
1%	121	7.1%	51	3.9%	172	5.7%
1 - 2%	659	38.7%	322	24.4%	981	32.5%
2 – 3%	648	38.1%	522	39.6%	1170	38.7%
3% +	275	16.1%	423	32.1%	698	23.1%
Total	1703	56.4%	1318	43.6%	3021	100%

*The officers shown as receiving a consolidated pay award of 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 1.5%.

138. The table below demonstrates the journey that we have been on to compress our pay ranges since 2017/18.

139. It also demonstrates that pay range length disproportionately affects our lower grades, and so this is where we have prioritised our activity with the aim of creating a more a unified and consistent grading structure.

⁴ This scenario impacts 1,234 officers currently on the Grade 5 pay scale

Table Twenty: Reductions in Pay Range Length since 2016/17

Grade	2016/17 Range length	Proposed 2020/21 Range length	% cumulative reduction in relative range length
Grade 1	28.4%	22.25%	-6.19%
Grade 2	28.5%	22.29%	-6.19%
Grade 3	31.5%	22.75%	-8.78%
Grade 4	31.6%	21.63%	-9.98%
Grade 5	47.5%	30.24%	-17.25%
Grade 6	47.4%	29.19%	-18.25%

140. 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.

141. The table below demonstrates that we have been able to significantly reduce overlaps between grades, and eliminate them completely at Grade 2 to Grade 1, Grade 4 to Grade 3 and Grade 6 to Grade 5.

Table Twenty-One: Pay Range Overlaps since 2016/17

Grade	2016/17	2017/18	2018/19	2019/20	2020/21
G6 max to G5 min	£1,377	£628	£195	£1,059	£1,969
G5 max to G4 min	£3,535	£2,703	£1,850	£1,344	£820
G4 max to G3 min	£2,202	£1,370	£521	£123	£790
G3 max to Grade 2 min	£2,719	£2,199	£1,674	£895	£88
Grade 2 max to Grade 1 min	£3,113	£2,476	£1,833	£877	£113
Average	£2,589	£1,875	£1,137	£387	£393

142. We will continue to monitor our approach to pay range shortening as our Pay Strategy evolves over the coming years. As part of this, we will consider mechanisms to progress officers through the pay ranges based on skill and capability.

Proposal 4: Review the Agency's approach to Regional Pay, and increase London Weighting Allowance by 1.5%.

143. Since its inception, the Agency has paid a London Weighting Allowance (LWA) to officers in eligible locations. LWA is currently set at £3,340. It is paid as a pensionable allowance and in addition to base pay.
144. LWA is paid to approximately 1,800 officers and at a cost of circa £6m per annum. Currently, officers in eight locations in and around London are eligible to receive LWA.
145. Whilst there has been significant success in improving the recruitment approach taken by the Agency, the NCA has continued to struggle to source candidates in and around London. Recruitment to offices outside of London has been far more likely to produce applicants and successful candidates.
146. As the closest comparator, Police forces pay different location allowances in and around the South East of England. These allowances vary by force and by location, but are paid beyond London. This places the Agency at a disadvantage as our LWA is limited to the Greater London area. We are addressing this by looking at the value of our allowances and locations that receive them.
147. We will align our approach on the payment of location allowances to our estates strategy, whilst seeking to remain competitive with comparator organisations.
148. Our immediate proposal is to increase the LWA payable to officers by 1.5% to £3,391, in line with the minimum uplift applied to all officers.
149. This increase will also ensure that we remain competitive with those Civil Service departments that pay LWA as a separate allowance. The average annual payment is £3,868 – around 15% higher than the NCA.

Proposal 5: Increase the pensionable shift allowance paid to the control centre from 15% to 20%.

150. In their last report NCARRB recommended amending the pensionable shift allowance paid to the control centre (CC), moving from 12.5% pensionable and 2.5% non-pensionable to 15% pensionable – as a result, there was no increase in the total value of the allowance. The conversion in this allowance has now been extended to officers working in the Operational Support Team (OST) who operate a similar shift pattern.
151. After a further review of capacity, shift patterns and market comparators, an increase in the allowance is proposed to ensure the Agency continues to appropriately recompense officers in both the CC and OST, and meet operational requirements.
152. 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. The Control Centre and OST were in scope for on-going work to review the Agency's approach to flexibility including shift working and on-call. This work has now concluded, reviewing historic resource levels, workforce demand and continuing high turnover in affected teams. It affects around 50 officers within the organisation.
153. High turnover presents the most significant challenge to the effective running of this vital team. In 2018, the Control Centre saw a turnover of 34.28% of its Grade 5 officers, following a turnover of 28.57% in 2017. Due to the wide-ranging nature of these roles, this high turnover is compounded by a lead-in time of more than a year to full efficacy in role.
154. To try and fill a continuously high number of vacancies, repeated recruitment campaigns have taken place, with little success. No applications were received through a lateral internal campaign in 2018, or an Agency-wide recruitment campaign – this is despite the role providing exposure to a wide range of areas within the Agency.
155. In the latest relevant recruitment campaign, there were seven Grade 5 vacancies advertised out of a team of 35, reflecting a 20% vacancy rate at the time. Only three posts could be filled, with other offered candidates rejecting the role due to the shift pattern and recompense.
156. Recognising the continuing demand on the control centre and OST, an increase in the shift allowance to 20% is proposed, reflecting that no increase was previously provided. This will enable both teams to retain officers in critical roles, reduce the high rate of turnover, and provide a useful attraction tool. This will be subject to ongoing review to ensure the allowance is meeting the business need.

Other elements of NCA pay that are of interest to NCARRB

Use of the Expert Spot Rate at Grade 4 and Grade 5

157. In its fifth report, the NCARRB requested an update on the use of the Expert Spot Rate at both Grade 4 and Grade 5.
158. In April 2019, the NCA Remuneration Committee endorsed a proposal to amend the skills matrix to cater for Armed Firearms Officer (AFO) specific skills and to test the use of the expert Spot Rate.
159. The Armed Officers Unit (AOU) has been struggling to recruit and retain a diverse cadre of both experienced and developing Armed Firearms Officers (AFOs) for over five years. The unit has faced a number of challenges simultaneously – an aging profile, with a number of officers reaching retirement age around the same time, and competition with police forces to recruit replacement officers, partly due to the National Police Chiefs Council (NPCC) Counter Terrorist Specialist Firearms Officer (CTSFO) uplift programme.
160. Addressing the gap in pay is one part of the approach to address this challenge. Aligned with our Workforce Strategy we are working to improve the diversity profile of the unit by seeking to attract more female and BAME officers. Currently the AOU has only three female and two BAME officers.
161. The armed deployment element of the AOU currently has 75 officers, made up of three Grade 3 Tactical Firearms Commanders (TFCs), twelve Grade 4 Operational Firearms Commanders (OFCs) and 60 Grade 5 AFOs. As a direct consequence of the recruitment and retention challenges, the AOU has only 50 Grade 4 and Grade 5s 'in ticket', of which only 43 are operationally deployable in the firearms role currently.
162. Since the creation of the Spot Rate pay structure, AFOs have been included, however the skills matrix as currently drafted requires PIP2 accreditation in order to qualify for Spot Rate 2 and Spot Rate 3. This does not recognise the specific skills and qualifications required of an experienced AFO and limits the rates of pay that we are able to offer this cadre of officers.
163. NCA AFO and Firearms Instructors (who are also fully qualified AFOs) are trained to national firearms policing standards for Mobile Armed Support to Surveillance (MASTS), armed surveillance and deliberate search. Some officers are additionally trained in armed rural deployments and critical shot delivery. These skill areas form part of the initial extensive armed officer training, regular re-training and annual re-qualification, in order for officers to maintain their firearms expertise and AFO status to College of Policing standards.
164. Since their implementation, 21 officers were in scope for Grade 4 Spot Rate 3 and 39 for Grade 5 Spot Rate 4, with 10 and 6 accepting the new pay terms respectively since April, including the increased working week.

Northern Ireland Allowance

165. In its fifth report, the NCARRB noted the current arrangements in Northern Ireland inviting the NCA to keep these under review.

166. As there are no recruitment and retention pressures, emerging resourcing issues or changes to the threat level, we are not recommending increases to existing allowances or the introduction of new additional allowances for officers based in Northern Ireland.⁵

Use of the Non-Consolidated Pot

167. 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.

168. The non-consolidated pot covers the following remuneration spend – shift allowance uplift (2.5% overnight premium) for officers working in the OST, special duty payments (SDP), recruitment and retention allowance (RRA), pay award lump sums (non-base pay increases), honorarium and bonus payments.

169. Non-consolidated spend is capped at 1% of the total pay bill. The budget for the non-consolidated pot for the financial year 2019/20 was set at £1.87m. Allowances are allocated via a business case and overseen by the Remuneration Committee.

Table Twenty Two: 2019/20 Non-Consolidated Pot – Spend and Forecast as end December 2019 for all pay elements

Pay Description	Actual Spend (£m) to end Dec. 19	Additional Forecast Spend to end Mar. 20 (£m)	Total (£m)	Numbers of officers in receipt up to Dec '19
Bonus	0.00	0.00	0.00	1
Exceeded Payments	0.31	0.00	0.31	707
Honorarium	0.02	0.00	0.02	30
Lump Sum Pay Award	0.04	0.00	0.04	182
Recruitment & Retention Allowances (RRAs)	0.70	0.23	0.93	364

⁵ The Agency has a small number of NCA officers working on the Fresh Start allowance who are routinely based at either Grosvenor Road or Castlereagh (PSNI police stations). This places them at greater threat, not because they are NCA officers, but because of their physical proximity to PSNI. To reflect the significantly different working environment specific to those PSNI police stations, they receive an environmental allowance of £3,000pa. The payment is externally funded and forms part of the Department of Justice NI (DoJNI) funding to support the Paramilitary Crime Taskforce.

Pay Description	Actual Spend (£m) to end Dec. 19	Additional Forecast Spend to end Mar. 20 (£m)	Total (£m)	Numbers of officers in receipt up to Dec '19
Special Duty Bonus Payments (SDBPs)	0.32	0.04	0.36	196
Shift Allowance (2.5%)	0.01	0.00	0.01	27
Bursary	0.02	0.00	0.02	2
Totals	1.42	0.27	1.69	1,509*

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

+ The forecast for the remaining part may increase as further adjustments are made before the year end

170. Due to the increase in the paybill, the value of the non-consolidated pot is expected to increase from £1.87m to £2.16m (increase of £0.29m) for the 2020/21 financial year.

171. The NCA currently pays Special Duties Bonus Payments (SDBPs) to officers in specific qualifying roles (e.g. 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 for 2020/21.

172. SDBPs were paid in December 2019, following which the Agency will undertake a further review and ensure alignment to overall Pay Reform aims.

173. RRAs 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.

174. 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 for the following hard to fill roles. Officers in receipt of Spot Rate pay are not eligible to receive RRAs.

175. The allowances are subject to review and become renewable on 31 March 2020. The process for considering business cases for RRAs for 2020 is currently underway. Whilst we cannot at this time provide a breakdown of allowances agreed for the forthcoming financial year, we will continue to use the non-consolidated pot to respond effectively to emerging recruitment challenges to ensure that cases put forward are affordable and represent value for money.

Affordability

176. As we are keen to continue to delivering pay reform at pace, and recognising that that a proposition involving a higher of Increase in Remuneration Cost (IRC) would need to come from within existing budgets, the NCA Board, in seeking to increase the ambition of the pay award in 2020-21 has identified potential sources for the additional funding.

177. The end of this section outlines the costs of the proposals for 2020/21.
178. This will involve the Agency making difficult decisions on how to allocate resources, however the Agency recognises the importance of pay in ensuring the Agency delivers its strategy and mission, and asks that NCARRB give careful consideration to affordability when making its recommendations.
179. The 2017/18, 2018/19 and 2019/20 pay awards cost £4.95m, £4.58m and £5.06m respectively, which came from within existing Agency budgets. To make the previous pay awards over and above 1%, the Agency used funds realised through circa £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.
180. In addition, we have allocated £0.08m from the non-consolidated pot for one-off payments made to underpin 1.5% 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.
181. The forecast baseline pay bill for 2020/21 is £222m. This is higher than in previous years due to the increase in headcount over the past 12 months, and the inclusion of overtime, on-call and additional hours in 2019/20.
182. The proposals presented in this submission are costed and affordable, and a higher than expected recommended pay award would require the Agency to make additional savings. This award will move the Agency further towards its aspirations.

Table Twenty-Three: Composition of the 2020/21 paybill

	2020/21 £m
August 2020 Baseline Pay Bill (forecast)	188.68
Cost of new joiners ⁶	14.49
London Weighting Allowance	5.88
Shift Allowance (Pensionable)	0.13
Overtime / On-Call / Additional hours	12.81
Baseline Remuneration Cost	222.19

183. The table below sets out the forecast costs for the 2020/21 pay award.

Table Twenty-Four: Summary of costs / Cost profile

2020/21	Costs (£m)
Baseline pay bill (including overtime)	222.19
Comprising:	
Spot Rate implementation G1-G3	1.02
Spot Rate increases at G5 & G4	1.68
Pay Range compression	2.68
London Weighting increase	0.09
Shift Allowance increase	0.08
Total cost of pay award	5.55

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

⁶ MTFP is Medium Term Financial Plan. Forecast base pay figures for new starts in 19/20 (based on MTFP projections) whose first award is 20/21.

Estimated Cost of Pay Proposals

184. The table below sets out the estimated costs of our pay proposals for 2020/21.

Table Twenty-Five: Cost of the NCA Pay Proposals for 2020/21

Proposal	Pay proposal	Estimated total cost (£m)
1	Implement a Spot Rate pay structure for Investigations and Intelligence Officers at Grades 1, 2 and 3.	1.02
2	Increase Spot Rates by 3.0% for Grade 4 and 4.5% for Grade 5 Investigations and Intelligence Officers.	1.68
3	For officers on the standard pay ranges, offer a pay award of at least 1.5% that is capped at their pay range maximum.	2.68
3 (i)	Increase the pay range minima for Grades 1 – 4 by 2.5% with a 1% corresponding increase to the pay range maxima.	1.31
3 (ii)	Increase the pay range minima for Grades 5 and 6 by 4.25% and 4.50% respectively with a 1% corresponding increase to the pay range maxima.	1.37
4	Increase London Weighting Allowance by 1.5% taking it from £3,340 to £3,391 per annum.	0.09
5	Increase the pensionable shift allowance paid to the control centre and OST staff from 15% to 20%.	0.08

The total cost for proposal 3 is £2.68m. This means that officers receive either the relative award or the 1.5% minimum whichever is greater. The figures in red for proposals 3 (i) and 3 (ii) reflects the breakdown of these total figures down by grade.

Annex A: Supporting Data

The data presented within this chapter supports the recommendations we have made within this evidence submission. It provides an understanding of the NCA workforce which underpins our People Strategy; this includes data on our operational workforce, diversity breakdowns and the challenges we face with Spot Rate opt-ins.

As we move into Section 3 of this Annex, we present supporting data on our future operational workforce, the successes from our Initial Operational Training Programmes and the diversity of these officers. Data is then presented showing the positive work taken by our recruitment team in firstly creating a new pipeline model for recruitment, the increase in new officers, and the challenges we face as an Agency in continuously recruiting from a reducing pool of candidates.

Finally, we present the productivity efficiencies we have been able to implement using our Spot Rate framework; this includes financial savings from a decreased overtime budget with officers now working a 40 hour week. We finish the chapter by presenting the stark reality we face with our officers increasingly choosing to leave the Agency, citing pay & reward as a top 3 reason for departure. This helps to highlight that continuing our pay reform journey is paramount to the continued success of the Agency in fighting serious and organised crime.

Chapter Contents

1) The NCA Workforce

- a. NCA Workforce – Powers

2) Workforce Diversity

- a. Commands
- b. NCA Grades
- c. Spot Rate Eligibility
- d. Terms & Conditions

3) Initial Operational Training Programme (IOTP)

- a. Recruitment Diversity

4) NCA Recruitment Activity

- a. Pipeline Data
- b. Operational Pipeline
- c. Operational Challenges

5) Productivity Statistics

- a. Time off in lieu and flexi leave
- b. Overtime

6) Leavers - Attrition Rates

7) Leavers - Exit Questionnaire

1) The NCA Workforce

At 31 August 2019, the Agency had a workforce of 4,875, comprising a mix of directly employed officers, seconded officers, fixed term employees and contingent labour staff (paid a day rate). Their collective skills and diversity of experience are crucial to our operational success.

Workforce Employment Status	Total
Contingent Labour	264
Secondment Into the NCA	183
Career Break	76
External Staff Loaned in to NCA	6
Fixed Term Contract	24
NCA Staff Seconded Out	13
NCA Staff Loaned Out	16
Permanent Staff	4273
Student Placement	20
Total	4875

Workforce by Grade	Full Time Equivalent (FTE)
NCA Grade 1	86.40
NCA Grade 2	233.83
NCA Grade 3	659.09
NCA Grade 4	1303.66
NCA Grade 5	2191.86
NCA Grade 6	278.28
Total	4753.12

Workforce by Command	Full Time Equivalent (FTE)
NCA Change	96.29
NCA Corporate Business Services	162.60
NCA Human Resources	183.70
NCA Intelligence	1683.94
NCA Investigations	1564.54
NCA Legal	43.55
NCA Margin*	106.94
NCA National Economic Crime Centre	171.02
NCA Strategy	92.25
NCA Technology	182.52
NCA Threat Leadership	465.77
Total	4753.12

a) NCA Workforce - Powers

Workforce by Command - Powers Split	No Powers	Powers	Total
NCA Change	~	~	98
NCA Corporate Business Services	~	~	168
NCA Human Resources	173	21	194
NCA Intelligence	1171	552	1723
NCA Investigations	550	1050	1600
NCA Legal	~	~	45
NCA Margin*	~	~	114
NCA National Economic Crime Centre	156	21	177
NCA Strategy	~	~	96
NCA Technology	174	15	189
NCA Threat Leadership	284	187	471
Total	2985	1890	4875

~ denotes 10 or less, including values redacted to safeguard the identity of our officers.

* Officers funded by NCA Margin are either in process of being redeployed or whose costs cannot be attributed to a command budgetary line. The most common scenario is when officers are transitioning into or out of an International Liaison Officer (ILO) role i.e. the officer is an ILO in training or has returned to the UK following an overseas deployment and needs a temporary post while their full time post is determined.

Workforce by Grade - Powers Split	No Powers (No.)	Powers (No.)	Total
NCA Grade 1	~	~	87
NCA Grade 2	~	~	235
NCA Grade 3	366	300	666
NCA Grade 4	725	609	1334
NCA Grade 5	1384	870	2254
NCA Grade 6	~	~	299
Total	2985	1890	4875

~ denotes 10 or less, including values redacted to safeguard the identity of our officers.

Workforce by working pattern - Powers Split	No Powers	Powers	Total
Full Time	54.61%	36.94%	91.55%
Part Time	6.63%	1.83%	8.45%
Total	61.23%	38.77%	100.00%

Workforce by gender - Powers Split	No Powers	Powers	Total
Female	30.65%	10.30%	40.94%
Male	30.58%	28.47%	59.06%
Total	61.23%	38.77%	100.00%

2) Workforce Diversity

We need a diverse workforce to be able to provide an effective operational response. The ability to bring different perspectives and knowledge into our teams is vital to innovatively combat newly emerging criminal threats.

Workforce by age	Percentage of officers
16 - 19	0%
20 - 29	11%
30 - 39	23%
40 - 49	28%
50 – 59	31%
60 – 64	5%
65 & over	1%
Not Declared	0%
Total	100%

Workforce by sexuality	Percentage of Officers
Heterosexual	69%
L / G /B	3%
Not Declared	23%
Prefer not to say	6%
Total	100%

Workforce by ethnicity	Percentage of Officers
BAME/Other	8%
Not Declared	19%
Prefer not to say	3%
White	70%
Total	100%

Workforce by religion	Percentage of Officers
Christian	36%
Non-Christian	31%
Not Declared	27%
Prefer not to say	6%
Total	100%

Workforce by disability	Percentage of Officers
Disabled	4%
Not Declared	58%
Not Disabled	38%
Total	100%

a) Workforce Diversity - Commands

Workforce by Command - Work Pattern Split	Full Time	Part Time	Total
NCA Change	~	~	98
NCA Corporate Business Services	148	20	168
NCA Human Resources	158	36	194
NCA Intelligence	1596	127	1723
NCA Investigations	1481	119	1600
NCA Legal	~	~	45
NCA Margin	~	~	114
NCA National Economic Crime Centre	156	21	177
NCA Strategy	~	~	96
NCA Technology	170	19	189
NCA Threat Leadership	447	24	471
Total	4463	412	4875

~ denotes 10 or less, including values redacted to safeguard the identity of our officers.

Workforce by Command - Gender Split	Female	Male	Total
NCA Change	41	57	98
NCA Corporate Business Services	86	82	168
NCA Human Resources	127	67	194
NCA Intelligence	689	1034	1723
NCA Investigations	566	1034	1600
NCA Legal	25	20	45
NCA Margin	54	60	114
NCA National Economic Crime Centre	78	99	177
NCA Strategy	56	40	96
NCA Technology	76	113	189
NCA Threat Leadership	198	273	471
Total	1996	2879	4875

(1) Workforce Diversity - NCA Grades

Workforce by Grade - Work Pattern Split	Full Time	Part Time	Total
NCA Grade 1	~	~	87
NCA Grade 2	~	~	235
NCA Grade 3	638	28	666
NCA Grade 4	1227	107	1334
NCA Grade 5	2045	209	2254
NCA Grade 6	239	60	299
Total	4463	412	4875

~ denotes 10 or less, including values redacted to safeguard the identity of our officers.

Workforce by Grade - Gender Split	Female	Male	Total
NCA Grade 1	23	64	87
NCA Grade 2	68	167	235
NCA Grade 3	193	473	666
NCA Grade 4	502	832	1334
NCA Grade 5	1012	1242	2254
NCA Grade 6	198	101	299
Total	1996	2879	4875

~ denotes 10 or less, including values redacted to safeguard the identity of our officers.

b) Workforce Diversity – Spot Rate Eligibility

To receive Spot Rates on their introduction, officers were required to opt into the Spot Rate framework and associated conditions (e.g. an increase to a 40 hour working week). This means a proportion of our work force (18%) are in Spot Rate posts whilst on the standard pay framework as they elected not to receive Spot Rates and change their conditions; these officers are eligible to opt into Spot Rate pay at any time.

The following data tables detail officers eligible to opt in to Spot Rate as of August 2019.

Eligibility by Gender	Female	Male	Total
Eligible for Spot Rate	6.07%	12.02%	18.09%
Standard Pay Range	26.77%	33.44%	60.21%
Spot Rate	8.10%	13.60%	21.70%
Total	40.94%	59.06%	100.00%

The highest percentage of officers eligible to opt into Spot Rates are at the end of their career, 8.14% of 50-59 year olds and 5.42% of 40-49 year olds.

Eligibility by Age	Eligible for Spot Rate	Standard Pay Range	Spot Rate	Total
16 - 19	0.00%	0.04%	0.00%	0.04%
20 - 29	1.25%	6.63%	3.63%	11.51%
30 - 39	1.91%	12.80%	8.25%	22.95%
40 - 49	5.42%	17.39%	4.94%	27.75%
50 - 59	8.14%	19.30%	4.00%	31.45%
60 - 64	1.17%	3.06%	0.82%	5.05%
65 & over	0.21%	0.72%	0.06%	0.98%
Not Declared	0.00%	0.27%	0.00%	0.27%
Total	18.09%	60.21%	21.70%	100.00%

Eligibility by Religion	Eligible for Spot Rate	Standard Pay Range	Spot Rate	Total
Christian	6.34%	22.30%	7.61%	36.25%
Non-Christian	4.64%	17.99%	8.35%	30.97%
Not Declared	6.03%	16.59%	4.51%	27.14%
Prefer not to say	1.09%	3.32%	1.23%	5.64%
Total	18.09%	60.21%	21.70%	100.00%

When looking at the Ethnicity of the population, we can see that officers who identify as White are the highest percentage of officers eligible to opt into Spot Rate (12.49%).

Eligibility by Ethnicity	Eligible for Spot Rate	Standard Pay Range	Spot Rate	Total
BAME/Other	1.13%	5.33%	1.64%	8.10%
Not Declared	4.08%	11.38%	3.14%	18.61%
Prefer not to say	0.39%	1.87%	0.68%	2.93%
White	12.49%	41.62%	16.25%	70.36%
Total	18.09%	60.21%	21.70%	100.00%

Eligibility by Disability	Eligible for Spot Rate	Standard Pay Range	Spot Rate	Total
Disabled	0.82%	2.77%	0.57%	4.16%
Not Declared	11.10%	34.36%	12.57%	58.03%
Not Disabled	6.17%	23.08%	8.55%	37.81%
Total	18.09%	60.21%	21.70%	100.00%

Eligibility by Sexuality	Eligible for Spot Rate	Standard Pay Range	Spot Rate	Total
Heterosexual	11.53%	41.39%	15.69%	68.62%
L / G / B	0.33%	1.58%	0.74%	2.65%
Not Declared	5.17%	13.78%	3.98%	22.93%
Prefer not to say	1.07%	3.45%	1.29%	5.81%
Total	18.09%	60.21%	21.70%	100.00%

d) Workforce Diversity - Terms & Conditions

The vast majority of the NCA workforce is on the Standard Pay Range (NCA SPR), this encompasses operational as well as enabling services roles. The NCA Spot Rate (NCA Spot Rate) covers 21% of our workforce with other T&C's covering 10% of our organisation.

Officer pay range by gender	Female	Male	Total
NCA Standard Pay Range	29.27%	39.10%	68.37%
NCA Spot Rate	8.10%	13.60%	21.70%
Other T&C's	3.57%	6.36%	9.93%
Total	40.94%	59.06%	100.00%

Officer pay range by work pattern	Full Time	Part Time	Total
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NCA Standard Pay Range	61.42%	6.95%	68.37%
NCA Spot Rate	20.43%	1.27%	21.70%
Other T&C's	9.70%	0.23%	9.93%
Total	91.55%	8.45%	100.00%

Officer pay range by powers	No Powers	Powers	Total
NCA Standard Pay Range	42.95%	25.42%	68.37%
NCA Spot Rate	9.68%	12.02%	21.70%
Other T&C's	8.59%	1.33%	9.93%
Total	61.23%	38.77%	100.00%

Officer pay range by age	NCA	NCA Spot Rate	Total
16 - 19	0.05%	0.00%	0.05%
20 - 29	8.04%	4.03%	12.07%
30 - 39	14.37%	9.16%	23.53%
40 - 49	22.27%	5.49%	27.76%
50 - 59	26.51%	4.44%	30.95%
60 - 64	3.99%	0.91%	4.90%
65 & over	0.68%	0.07%	0.75%
Total	75.91%	24.09%	100.00%

*Data is based on NCA employees on NCA Terms & Conditions.

3) Initial Operational Training Programme (IOTP)

The NCA Initial Operational Training Programme is a 24 month blended training programme which accredits officers as either an Intelligence Officer or Investigations Officer.

The cohort data below shows the intake of officers undertaking the programme since its inception in 2013, a total of 712 candidates have been recruited and begun the programme with 38 leavers. This represents an attrition rate of 6% which is below the NCA's average attrition rate of circa 10%.

Officer Intake					Turnover	
Cohort	Start Date	Existing	Trainee	Total	Number of Leavers	
Cohort 1	Oct-2013			26	3	12%
Cohort 2	Jan-2014			13	1	8%
Cohort 3	Apr-2014			91	1	1%
Cohort 4	Jul-2014			100	9	9%
Cohort 5	Oct-2014			68	5	7%
Cohort 6	Jan-2015			56	4	7%
Cohort 7	Apr-2015			16	3	19%
Cohort 8	Sep-2015			26	1	4%
Cohort 9	Jan-2016	13	0	13	0	0%
Cohort 10	Apr-2016	27	0	27	1	4%
Cohort 11	Jun-2016	12	16	28	3	11%
Cohort 12	Sep-2016	8	7	15	1	7%
Cohort 13	Apr-2017	20	1	21	1	5%
Cohort 14	Jun-2017	6	8	14	1	7%
Cohort 15	Sep-2017	11	5	16	0	0%
Cohort 16	Jan-2018	13	1	14	1	7%
Cohort 17	Apr-2018	13	0	13	0	0%
Cohort 18	Jun-2018	10	0	10	1	10%
Cohort 19	Nov-2018	26	0	26	0	0%
Cohort 20	Feb-2019	21	2	23	0	0%
Cohort 21	Mar-2019	6	30	36	1	3%
Cohort 22	Apr-2019	3	12	15	1	7%
Cohort 23	Jul-2019	14	0	14	0	0%
Cohort 24	Jul-2019	2	17	19	0	0%
Cohort 25	Sep-2019	2	19	21	0	0%

The programme requires successful candidates sit an NCA Specific Powers Exam (SPE), as well as the National Investigators Exam (NIE). The NCA's pass rate for the NIE has beaten the Home Office/Forces average pass rate for every single training cohort since the programme began.

	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%
Sep-18	66.50%	92.30%	75%
Nov-18	70.50%	90.90%	83.78%
Mar-19	60.80%	66.70%	86.95%
Jun-19	55.50%	100.00%	95.74
Sep-19	60.70%	92.50%	96.87%

a) IOTP – Recruitment Diversity

During 2018 the NCA recruited 143 officers as part of an intake for the IOTP, if we look at the profile of these recruits we can see how different they are compared to the traditional NCA workforce. We find that the vast majority of officers are female, 92 compared to 51 male officers. The age profile is much younger than our traditional workforce, 131 officers from the 20-39 age bracket. Officers who identify as BAME form 13% of the campaigns total, this is compared to 1.13% of BAME officers currently on the Spot Rate pay framework.

IOTP by sexuality	Number of officers
Heterosexual	128
L / G /B	~
Not Declared	~
Prefer not to say	~
Total	143

IOTP by religion	Number of officers
Christian	43
Non-Christian	95
Not Declared	~
Prefer not to say	~
Total	143

IOTP by ethnicity	Number of officers
BAME/Other	19
Not Declared	~
Prefer not to say	~
White	120
Total	143

IOTP by age group	Number of officers
20 - 29	98
30 - 39	33
40 - 49	~
50 - 59	~
Total	143

IOTP by gender	Number of officers
Female	92
Male	51
Total	143

4) NCA Recruitment Activity

During 2019 the NCA has begun an ambitious and innovative series of recruitment campaigns, with the aim of building a pipeline of talented candidates to fill vacancies in advance of them being available.

a) NCA Recruitment Activity - Pipeline Data

The table below shows the improvement in offers between campaigns run in 2018 to 2019, with the exception of two months there has been an improvement every month.

Month	2018	2019	Number difference	Percentage difference
January	62	41	-21	-34%
February	47	75	28	60%
March	36	114	78	217%
April	32	83	51	159%
May	25	49	24	96%
June	34	51	17	50%
July	35	86	51	146%
August	34	71	37	109%
September	45	86	41	91%
October	15	73	58	387%
November	37	71	34	92%
December	19	15	-4	-21%
Totals	421	815	394	94%

b) NCA Recruitment Activity – Operational Pipeline

When looking at the recruitment of operational roles we can see the challenges the Agency faces, these roles are categorised by the following headings:

Firearms – These are Specialist roles within our Armed Operations Unit (AOU), these roles can receive the ‘Expert’ Spot Rate salary.

Intelligence Officer/Analyst – These are campaigns which fill vacancies across the NCA’s Intelligence command, as either an Intelligence officer or within an Analyst team.

Specialist Intelligence – Our specialist Intelligence teams include Forensic roles (physical or digital), Technical Operations and Human Intelligence (HUMINT).

Investigations Officer – These are frontline roles investigating serious and organised crime, which includes the arresting and interviewing of suspects.

Specialist Investigations – Our Specialist Investigation teams include Social Workers, Financial Investigators and surveillance.

Comparing the number of offers between our 2018 and 2019 campaigns highlights our challenging recruitment environment, whilst specialist recruitment saw an increase in offers, our generalist Intelligence roles and Investigations officers saw a decline.

Recruitment Campaigns - Offers	2018	2019	Total	Number Difference	Percentage Difference
Firearms	2	18	20	16	+800%
Intelligence Officer/Analyst	89	34	123	-55	-62%
Investigations Officer	101	80	181	-21	-21%
Specialist Intelligence	63	138	201	75	+119%
Specialist Investigations	7	35	42	28	+400%
Total	262	305	567	43	16%

The conversion of applicant to offer shows the reduction in quality from our recruitment campaigns between 2018 and 2019, our campaigns have received more applications than ever but the quality appears to be reducing. The only area with a positive improvement is our Firearms roles who have recently begun utilising the NCA Expert Spot Rate.

Recruitment Campaigns – Applicants & Offers	Number of Applicants	Number of offers	Percentage Conversion of Applicant to Offer
2018			
Firearms	38	2	5%
Intelligence Officer/Analyst	481	89	19%
Investigations Officer	486	101	21%
Specialist Intelligence	676	63	9%
Specialist Investigations	51	7	14%
Sub-total	1732	262	15%
2019			
Firearms	97	18	19%
Intelligence Officer/Analyst	389	34	9%
Investigations Officer	460	80	17%
Specialist Intelligence	1694	138	8%
Specialist Investigations	340	35	10%
Sub-total	2980	305	10%
Total	4712	567	12%

Recruitment Campaign - conversion	2018	2019	Percentage Difference
Firearms	5%	19%	13%
Generic Intel	19%	9%	-10%
Generic Investigations	21%	17%	-3%
Specialist Intel	9%	8%	-1%
Specialist Investigations	14%	10%	-3%
Campaign Average	14%	13%	-1%

c) NCA Recruitment Activity – Operational Challenges

A further breakdown of each campaign by grade highlights further recruitment challenges the Agency faces, internal applicants applying on promotion leads to senior roles recruiting higher numbers than our frontline officer roles.

Investigation Officer Campaigns	2018	2019	Total
G4 Senior Investigations Officer	48	22	70
G5 Investigations Officer	53	58	111
Total	101	80	181

Intelligence Officer/Analyst Campaigns	2018	2019	Total
G4 Senior Intelligence Officer/Analyst	49	19	68
G5 Intelligence Officer/Analyst	40	15	55
Total	89	34	123

Specialist Investigations	2018	2019	Total
G4 Senior Investigations Officer	7	20	27
G5 Investigations Officer	0	15	15
Total	7	35	42

Specialist Intelligence	2018	2019	Total
G4 Senior Intelligence Officer	29	40	69
G5 Intelligence Officer	34	98	132
Total	63	138	201

Firearms Roles	2018	2019	Total
G4 Senior Firearms Officer	1	11	12
G5 Firearms Officer	1	7	8
Total	2	18	20

2) Productivity Statistics

As the Spot Rate pay framework has developed, the numbers of officers on Spot Rates working 40 hours per week has increased every year. From 2018 to 2019 there was an increase of 254 officers on the Spot Rate framework, with an increase of 3 working hours per week.

NCA Grade	August 2018	August 2019	Increase in Officers	Percentage increase
NCA Grade 4	225	363	138	61%
NCA Grade 5	516	632	116	22%
Total	741	995	254	34%

The increase in officers of Spot Rate represents an increase in 20.6 FTE for a 37 hour week, or 19.1 for a 40 hour week.

NCA Grade	Increase in Officers from 2018-2019	Increase in Hours	Increase in FTE (37 Hours)	Increase in FTE (40 Hours)
NCA Grade 4	138	414	11.2	10.4
NCA Grade 5	116	348	9.4	8.7
Total	254	762	20.6	19.1

If we compare our current workforce to August 2017, we can show a potential increase in 80.7 FTE for a 37 hour week, 74.6 FTE for a 40 hour week when compared with this pre-Spot Rate workforce

NCA Grade	Number of officers on Spot Rate - August 2019	Increase in Hours compared to 2017	Increase in FTE compared to 2017 (37 Hours)	Increase in FTE compared to 2017 (40 Hours)
NCA Grade 4	363	1089	29.4	27.2
NCA Grade 5	632	1896	51.2	47.4
Total	995	2985	80.7	74.6

a) Productivity Statistics – Time off in lieu and flexi leave

The following tables show the outstanding flexi balance and time off in lieu (TOIL) balance at specific months across a 3 year period covering a pre Spot Rate workforce, the first year of Spot Rate implementation and the 2nd year of Spot Rate implementation. This data is taken from the NCA Duty sheets which covers circa 2500 officers within the Agency, this population will be from operations and enabling services. These officers will be on either the Standard Pay Range (NCA SPR), Spot Rate framework (NCA Spot Rate) and Other which is officers on pre-cursor terms and conditions from other organisations.

June 2017	Average Toil Balance (Hours: Minutes)	Average Flexi Balance (Hours: Minutes)
NCA SPR	13:58	24:39
Other	4:45	17:39
Average	9:21	21:09

June 2018	Average Toil Balance (Hours: Minutes)	Average Flexi Balance (Hours: Minutes)
NCA SPR	15:21	33:37
NCA Spot Rate	10:56	20:26
Other	4:24	11:55
Average	10:13	21:59

March 2019	Average Toil Balance (Hours: Minutes)	Average Flexi Balance (Hours: Minutes)
NCA SPR	13:50	36:39
NCA Spot Rate	14:37	19:47
Other	6:00	30:44
Average	11:29	29:03

b) Productivity Statistics – Overtime

The increase in working hours has also led to overtime figures for operational officers decreasing over our last two financial years, presenting a cost saving for the Agency. Overtime within the NCA can be claimed at three different rates:

- 1) Plain Time
- 2) Time and a half
- 3) Double time

The tables presented below are broken down into officers on our standard pay range, Spot Rates and other terms & conditions which encompasses officers on any pre-cursor T&C's.

The total overtime value for all of our officers has reduced by £1.22 million, presenting an overall reduction of 11.64%. If we look at our Spot Rate officers in particular, the overtime total has reduced by £390,000.

Overtime (Total Value)	17-18 Financial Year (£m)	18-19 Financial Year (£m)	Difference (£m)	Difference (%)
NCA Standard Pay Range	7.09	6.25	-0.84	-11.85%
G3	1.71	1.33	-0.38	-22.22%
G4	2.59	2.3	-0.29	-11.20%
G5	2.71	2.49	-0.22	-8.12%
G6	0.08	0.13	0.05	62.50%
NCA Spot Rate	3.39	3	-0.39	-11.50%
G4	1.53	1.29	-0.24	-15.69%
G5	1.86	1.71	-0.15	-8.06%
Other T&C's	0.01	0*	-0.01	-100.00%
G4	0*	0*	0*	0.00%
G5	0*	0	0*	0.00%
Total	10.48	9.26	-1.22	-11.64%

* Please note these values are too low to present on table.

The average overtime value claimed by officers has reduced as well, there has been an overall reduction of £306 for all officers which as a percentage is a 12.27% decrease. Looking at out Spot Rate officers shows an above average reduction of £339, which is a 14.25% decrease.

Overtime (Average Value)	17-18 Financial Year (£)	18-19 Financial Year (£)	Difference (£m)	Difference (%)
NCA Standard Pay Range	£2,553	£2,266	-£287	-11.24%
G3	£3,059	£2,749	-£310	-10.13%
G4	£2,586	£2,427	-£159	-6.15%
G5	£2,468	£2,164	-£304	-12.32%
G6	£662	£725	£63	9.52%
NCA Spot Rate	£2,379	£2,040	-£339	-14.25%
G4	£2,958	£2,446	-£512	-17.31%
G5	£2,051	£1,812	-£239	-11.65%
Other T&C's	£1,263	£178	-£1,085	-85.91%
G4	£1,195	£178	-£1,017	-85.10%
G5	£1,535	£0	-£1,535	-100.00%
Total	£2,493	£2,187	-£306	-12.27%

When looking at the total number of hours we can see an overall reduction in hours of 55,629 which is a year on year decrease of 15.16%. Again looking at Spot Rate officers the reduction in hours is 23,792 which is a decrease of 17.79%.

Overtime (Total Hours)	17-18 Financial Year (hrs)	18-19 Financial Year (hrs)	Difference (£m)	Difference (%)
NCA Standard Pay Range	232,923	201,299	-31,624	-13.58%
G3	48,866	36,771	-12,095	-24.75%
G4	81,861	69,563	-12,298	-15.02%
G5	98,286	88,956	-9,330	-9.49%
G6	3,910	6,009	2,099	53.68%
NCA Spot Rate	133,723	109,931	-23,792	-17.79%
G4	53,107	42,418	-10,689	-20.13%
G5	80,617	67,513	-13,104	-16.25%
Other T&C's	219	7	-212	-96.80%
G4	164	7	-157	-95.73%
G5	56	0	-56	-100.00%
Total	366,866	311,237	-55,629	-15.16%

3) Leavers - Attrition Rates

Another challenge the Agency has faced over the past 5 years has been attrition, which has been steadily increasing. During 2016-16 attrition was at 6.23%, which has risen year on year. The current expected attrition for 2019-2020 is 9.03%.

Turnover	Average monthly Leavers 16/18	Average monthly Leavers last 2yrs	Annualised Attrition 16/17	Annualised Attrition 17/18	Annualised Attrition 18/19	Annualised Attrition 19/20
NCA Grade 1	0.6	1.5	7.87%	7.87%	15.46%	21.15%
NCA Grade 2	1.8	2.6	8.16%	9.27%	11.07%	13.13%
NCA Grade 3	3.7	5.2	7.20%	6.21%	7.47%	10.81%
NCA Grade 4	5.4	7.8	4.34%	5.49%	6.41%	7.44%
NCA Grade 5	13.2	15.0	6.06%	8.09%	8.46%	7.52%
NCA Grade 6	3.5	4.2	11.25%	14.71%	14.97%	14.97%
Total	28.3	36.3	6.23%	7.64%	8.48%	9.03%

However if we remove retirements from this data we can see our attrition reduces, the high of 9.03% for 2019-2020 reduces to 7.19%. This shows the challenge we face as an organisation with an aging workforce, it is important that we recruit more officers at the start to middle of their careers.

Turnover excluding retirement	Average monthly Leavers 16/18	Average monthly Leavers last 2yrs	Annualised Attrition 16/17	Annualised Attrition 17/18	Annualised Attrition 18/19	Annualised Attrition 19/20
NCA Grade 1	0.5	1.0	6.82%	7.87%	9.89%	14.58%
NCA Grade 2	1.2	1.5	5.86%	6.25%	6.25%	8.16%
NCA Grade 3	2.6	3.5	5.78%	3.73%	4.92%	7.75%
NCA Grade 4	3.7	5.9	2.94%	3.83%	4.92%	5.78%
NCA Grade 5	11.5	13.2	5.11%	7.36%	7.64%	6.52%
NCA Grade 6	3.2	3.8	9.55%	14.20%	13.94%	13.41%
Total	22.8	28.8	4.98%	6.35%	6.94%	7.19%

An area where attrition has been quite high has been in our Armed Operations Unit (Firearms), where a combination of an aging workforce and high numbers of officers moving to the police has meant the team have struggled to maintain operational capacity. In order to alleviate the issue of police transfers we have begun using the expert Spot Rate within firearms, this has meant we have reduced the number of resignations from the department by a small number compared to last year.

Calendar Year	Civil Service Transfer	Normal Retirement	Resignation	Total
2016	0	4	1	5
2017	0	2	2	4
2018	0	7	5	12
2019	2	4	3	9
Total	2	17	11	30

4) Leavers - Exit Questionnaire

In order to understand the reasons for our officers leaving, we have examined data from our exit questionnaire launched on NCA Intranet last year, this data has been collected from April to October 2019. The table below shows that pay and benefits is still a top 3 concern for officers within the Agency, if we don't continue our ambitious programme of reform then we are at risk of not growing as an organisation.

Exit Interview - Primary leaving reason	Number of Officers
Career development/promotion	30
Retirement	17
Pay and Benefits	10
Personal circumstances (ill health/family reasons/caring responsibilities)	9
opportunities	9
Work-life Balance/Workload	7
different	5
End of Planned contract/secondment/contract	4
Workplace Conflict (bullying, harassment, discrimination, line management issue)	4
Location (leaving area, work nearer home)	4
Total	99

What did you like most about working for the NCA?	Number of Officers
Your Team/Relationships	37
Your Role/Responsibilities	26
The opportunity to work on Serious Organised crime	21
Working arrangements (e.g. flexible working, work-life balance)	9
Wellbeing and Support Services (e.g. Occupational Health, Employee assistance)	2
Pay & Wider Benefits	3
Learning and Development Opportunities	1
Opportunities beyond immediate role (diversity groups, staff boards etc.)	1
Total	100

Consideration period for leaving	Number of officers
1 - 3 Months	18
4 - 6 Months	27
7 - 9 Months	6
10 - 12 Months	20
Over a year	30
Total	101