Evidence to the National Crime Agency Remuneration Review Body

- 10<sup>th</sup> Submission -





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### 1. NCA Pay - The Case for Change.

**1.1** Following two years of significantly delayed pay awards for NCA officers in Grades 1– 6, the credibility of the current system which delivers NCA pay awards is being tested. The failure of HM Government (HMG) to signal a pay remit for public sector employees will unfortunately be interpreted as a further period of pay austerity for many public and civil servants - including those in the NCA.

**1.2** Throughout the decade since the NCA was formed, the NCOA have been consistent in making the case for pay reform. Our 2023/24 NCARRB submission included a comprehensive set of proposals for much needed pay reform as well as urgent remedies required to tackle the cost-of-living pressures caused predominantly by high levels of inflation. We encourage the NCARRB to revisit this evidence, with NCA officers receiving only a 7% cost of living uplift in 2023/24, no progress was made in reforming NCA pay and closing the widening gap with Policing counterparts. The evidence we provided on behalf of our members in 2023 remains relevant.

**1.3** Whilst inflation may have reduced, cost of living pressures on NCOA members have not. Rental and mortgage rates remain high and whilst energy prices have dropped modestly, other costs, including water, telephones, travel, council tax and insurances continue to increase. The proposals made by the NCOA in 2024 not only tackle these financial pressures; they are also a blueprint for the much overdue reform of NCA pay systems.

**1.4** The Agency has once again helpfully produced an extensive set of data within its NCARRB submission. For the avoidance of any doubt, what this information clearly shows is that the majority of NCA officers remain on the standard pay range and predominantly at grade minimum. The data at Table 68 (NCA submission) shows that of the 3,251 officers on the standard pay range, 2,088 are at grade minimum. Amongst this group will be some who have not only failed to progress from their respective pay position in the last 10 years but in some cases, have also been leapfrogged by more recent joiners. This is fundamentally unfair, is unacceptable and needs addressing immediately.

**1.5** There are now only 86 officers at the maximum of standard pay ranges. The previous capping of NCA pay range maxima had no impact on reducing the gender pay gap, as proportionally more females than males remain at grade minimum. This policy also acted to undermine the Agency's stated aspiration to be able to recruit experienced, mid-career Police officers.

**1.6** Following the conclusion of the 2023/24 pay process which delivered the same percentage award for NCA officers as that which was previously agreed for Police officers, the continued under-investment in developing the NCA pay ranges means that pay parity between the NCA and Policing equivalents continues to grow further apart

year on year in real terms. This situation, when coupled with the lack of pay progression, means that mid-career Police officers would invariably end up being paid less and with reduced ability to improve, should they choose to join the NCA at the grade which is equivalent to their current rank. This must be frustrating for some serving Police officers, as the NCA continues to offer career opportunities not available elsewhere in law enforcement.

**1.7** Even in those roles designated as Spot Rate (SR) eligible, NCA officers are unable to progress to the maximum of the pay range. Spot Rates remain the only mechanism by which *some* NCA officers can move up a pay scale. Extension of SR roles has clearly stalled, although their fate has not been communicated by the Agency to its officers. This is wholly unsatisfactory as some groups are under the misapprehension that they remain on a *'waiting list'* to transition to Spot Rates, whilst others have an equally unrealistic belief that at some point *'Expert Spot Rates'* will be extended.

**1.8** The Agency has now decided there is the need for complete reform of its pay mechanisms rather than extending the Spot Rate pay systems - we are now in year 8 of NCA pay reform which started its journey with their introduction of Spot Rates barely 7 years ago. With the Agency unable to secure additional funding or ability to virement some of its substantial budget to fund a pay reform package, the Agency has signalled that it considers additional funds can only be found by reforming the contracts of its officers.

**1.9** The NCOA and other Trade Unions were only provided with some high-level information on potential reforms on the 25<sup>th</sup> April 2024 and even then, only *after* the DG announced specific information on an extension to the working week in a '*livestream* ' event to a significant minority of officers. This followed earlier announcements to even smaller groups of officers by other senior leaders on proposed *overtime and on-call buy outs*.

**1.10** As a result of these uncoordinated announcements to only a minority of officers, the Agency is now rife with speculation and rumour on the likely impact of pay and contract reform on officers.

**1.11** This is of major concern to us and our significant membership, as the Agency has signalled an intention to achieve reform by way of a collective agreement with its Trade Unions.

**1.12** In its own assessment, the Agency accepts that the results of its Civil Service (CS) People Survey were the worst since its inception. This lack of available information on pay and contract reform is not only worrying but may also be counterproductive. When officers were asked about the NCA's leadership and how change is managed, the People Survey return shows a decrease on the 2022 scores and a marked negative difference to the wider CS Benchmark.

**1.13** With the Agency looking to introduce pay and contract reform, it is of note that the response to the question 'I feel that change is managed well in my organisation' shows that only 17% of respondents felt that it was.

#### Chart 1: NCA wide 2023 CS People Survey results on leadership and change.

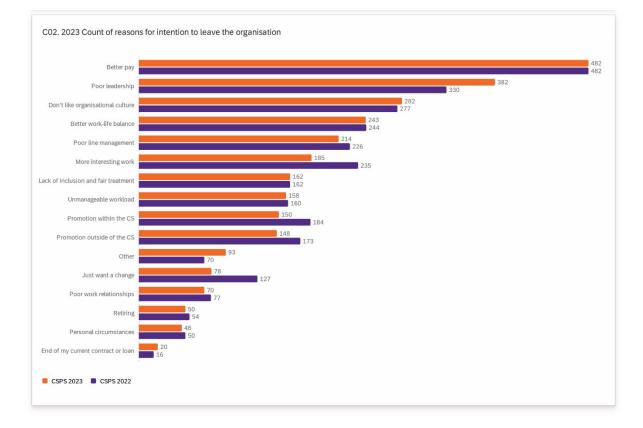
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Leadership and Managing Change Question Scores 20	23 vs 2022 🏹					
Name	Distribution	Civil Service Benchmark 2023	vs 2022	NCA National Cri Agency (Corpora Report)		
r Leadership and managing change	<b>38%</b> 28% <b>34%</b>	-14 ~	-1	0		
B38. Senior managers in my organisation are sufficiently visible	55% 17% 29%	-16 ~	0	0		
B39. I believe the actions of senior managers are consistent with my organisation's values	51% 26% 23%	-14 ~	-3 ~	0		
B40. I believe that my organisation's senior leaders have a clear vision for the future of my organisation	43% 28% 29%	-11 ~	0	0		
B41. Overall, I have confidence in the decisions made by my organisation's senior managers	42% 27% 31%	-14 ~	-3 ~	0		
B42. I feel that change is managed well in my organisation	17% 28% 55%	-17 ~	-3 ~	0		
B43. When changes are made in my organisation they are usually for the better	<b>22%</b> 42% <b>37%</b>	-12 ~	-1	0		
B44. My organisation keeps me informed about matters that affect me	<b>45%</b> 26% <b>29%</b>	-19 ~	0	0		
B45. I have the opportunity to contribute my views before decisions are made that affect me	27% 28% 45%	-13 ~	+1	0		
B46. I think it is safe to challenge the way things are done in my organisation	40% 28% 32%	-11 ~	-1	0		

**1.14** When officers were asked the reasons for their intention to leave the NCA, pay was the most cited. With potential contractual changes being signalled by the Agency, it is relevant that a better work-life balance features strongly as a potential reason for leaving.

**1.15** Further, it should be noted that a significant proportion (a third of leavers) are those with less than 3 years' service. This indicates a demonstrable risk to the NCA in

retaining 'new' officers when, despite significant organisational training investment, they currently-perceive better opportunities to exist elsewhere beyond the Agency.



#### Chart 2: NCA wide response to reason for intention to leave the Agency.

**1.16** The results of the 2023 Civil Service People Survey further demonstrate the ongoing dissatisfaction that NCA officers feel regarding their pay and benefits. This survey was undertaken whilst the 2023/24 pay round was delayed for the second consecutive year and the £1,500 cost of living payment was still a 'possibility.

**1.17** The overall Civil Service benchmark score for the pay and benefits theme in 2023 was 32%, 5 percentage points higher compared to 2022. The NCA results are clearly contrary to this improving trend elsewhere in the CS.

#### Chart 3: NCA wide 2023 People Survey results on pay and benefits.

#### Pay and Benefits

The Civil Service benchmark score for the Pay and Benefits theme in 2023 is 32%, 5 percentage points higher compared to 2022. The graph in the next section presents the Pay and Benefits score for your organisation, and the results for each of the theme questions (B35-B37).

B37A and B37B are new questions in 2023, though are not included in the Pay and Benefits Theme Score. You can find their scores in the next sections.

Name	Distri	pution	Civil Service Benchmark 2023	vs 2022	NCA National Crim Agency (Corporate Report)
<ul> <li>Pay and benefits</li> </ul>	21% 17%	62%	-11 ~	-1	0
B35. I feel that my pay adequately reflects my performance	22% 14%	64%	-10 ~	-1	0
B36. I am satisfied with the total benefits package	22% 20%	59%	-17 ~	-2	0
B37. Compared to people doing a similar job in other organisations I feel my pay is reasonable	19% 16%	64%	-7 ~	-1	0
Additional Pay and Benefit questions 2023		Distribution		Civil Service Benchmark 2023	NCA National Crir Agency (Corpora Report)
337A. I am fully aware of the benefits available in my organ n addition to pay	isation,	59%	21% 20%	-11	-1
	d my	58%	27% 15%	+3	+1

**1.18** In 2023, the high levels of dissatisfaction amongst NCOA members because of the turmoil caused by continual delays to their pay awards resulted in the NCOA entering formal dispute with the Agency and the withdrawal of goodwill by NCOA members. Whilst this dispute may have concluded, the level of dissatisfaction has not. At this time, there are an unprecedented number of unresolved pay grievances lodged by NCOA members against the Agency. These range from challenges to the expectations placed on our members when they are treated as being on-call whilst not being appropriately renumerated, to unfairness in the NCA differentiated pay mechanisms, the current NCA shift payment system.

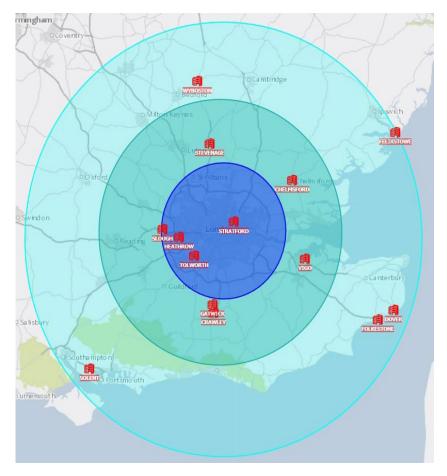
**1.19** In 2024, the NCOA are presenting a set of proposals which, if supported, will align NCA pay and allowances with its policing comparators both in levels and, importantly, the ability to progress along the pay scales.

**1.20** The role of Grade 6s in the Agency remains anomalously in a state of flux because

of continual attrition of staff through resignation and internal promotions. There remain no Grade 6 SR roles and therefore not a single Grade 6 role where this group are able to progress up the pay scales. In many cases, the expectations placed upon Grade 6 officers in terms of vetting and handling sensitive information is the same as that placed upon much more senior officers. It is no longer sustainable for any Grade 6 officer to be paid comparably to those in junior positions in the retail and hospitality sectors. The NCOA therefore propose that the minimum hourly rate paid to NCA officers is raised from the current £13 per hour and that Grade 6 officers are instead assimilated onto a revised pay scale which starts at £28,000 per annum.

**1.21** In the NCOA's last three pay submissions, we made proposals which would have ensured that the Agency was in a state of readiness for the closure of its Spring Gardens HQ and move to Stratford. The case for the NCOA Bullseye model for Geographical Allowances in the London and South East is strong. This model remains a futureproofed plan, able to incorporate changes as the NCA's estates strategy continues to evolve. This strategy remains dependent on a number of variables in the years ahead and is likely to involve further site closures. The introduction of a 'South East' crime academy remains a realistic possibility.

Chart 4: NCOA 'Bullseye' zonal model for payment of Geographical Allowances in London and the South East (including Stratford site).



**1.22** The NCA has instead chosen to introduce the confusingly named 'South East Allowance'. This is only available to officers based at its Chelmsford and Stevenage sites who are not already in receipt of LWA as part of previous 'ring-fencing' agreements. It is, without any rationale, based on an 80% calculation of the existing London Weighting Allowance (AWA).

**1.23** The NCA's piecemeal approach to geographical allowances has created a littleunderstood, tiered picture with some sites being financially less attractive for new recruits and promotees to roles at those locations - with little consistency and no benchmarking conducted in the approach to date.

**1.24** It therefore remains the case that the logical, evidence-based, and future-proof NCOA Bullseye model for geographical allowances provides a transparent and fair way for resources to be allocated in the short, medium, and long term. Significantly, it would immediately address some of the geographical recruitment and retention pressures faced by the NCA.

**1.25** By comparison, the Metropolitan Police Service (MPS) pays its officers a total of  $\pounds$ 8,224 per year in geographical allowances, made up of  $\pounds$ 2,886 London Weighting Allowance,  $\pounds$ 1,011 London Allowance 1, and  $\pounds$ 4,327 London Allowance 2 (which includes an internally awarded  $\pounds$ 1,000 increase applied in 2023). Recent comments by the MPS Commissioner to the London Assembly Police and Crime Panel suggest that a further uplift of  $\pounds$ 2,000 to MPS geographical allowances is being sought, which would bring the total to over  $\pounds$ 10,000. Such an increase would leave the NCA's LWA, currently standing at  $\pounds$ 3,825 per year, even further behind the London policing pay comparator.

**1.26** To compound pay differential matters further, officers from the MPS, British Transport Police (BTP) and City of London Police (CoLP) are also in receipt of TFL services for free and subsidised travel on other rail services, as well as an elevated London rate of pay for Inspectors (G3 equivalents) and Chief Inspectors. The current NCA LWA therefore remains unattractive and uncompetitive to Police officers considering joining the NCA.

**1.27** Outside of London, the Police South East allowances saw increases in 2023, with some Forces closer to London now receiving £3,000, and other forces in the South East receiving £2,000 per year.

**1.28** The NCOA proposal adopts the fairness principles of Police geographical allowances whilst recognising the peculiarities of the existing NCA legacy system, and ends the tiered allowance regime that currently exists, with officers at the same sites being paid different amounts. The inner Bullseye includes current and future NCA sites up to 25 miles from central London. Officers at these sites would receive £8,224 to align themselves with the MPS. The middle zone includes sites between 25 and 50 miles from central London, and would entail a geographical allowance of £3825, calculated

as the current NCA LWA (which is already received by many NCA officers working at these sites). The outer zone includes sites in the South East but more than 50 miles from Central London, to receive a £2,000 allowance to bring them in line with the current South East Regional Police allowance.

**1.29** The NCOA have consistently made, and once again make this year, the case for NCA officers based in Belfast to receive a Northern Ireland geographical allowance in line with the Northern Ireland Transitional Allowance (NITA) received by officers in the Police Service of Northern Ireland. Currently this allowance is £3,666.

**1.30** The NCOA continues to contend that the threats faced by NCA officers working in Northern Ireland is indistinguishable from those faced by PSNI officers in similar investigatory and non-uniformed roles. Indeed, in some cases NCA officers work closely with PSNI counterparts who receive NITA payments. In a similar manner to the piecemeal approach to geographical allowances in South East England, NCA officers working on the Paramilitary Crime Task Force (PCTF) receive a non-consolidated allowance as part of their overall benefits package.

**1.31** Other NCA officers working in Northern Ireland, who face similar risks to PSNI officers, receive no allowance at all. The introduction of NITA for all NCA officers based in Northern Ireland, to replace the current PCTF allowance paid to some, would end this disparity and finally recognise the additional risks faced by NCA officers operating in Northern Ireland.

**1.32** NCA International Liaison Officers (ILOs) work in fixed term posts to further the NCA and wider HMG interests across the world. Whilst in post, they are entitled to receive allowances in recognition of their roles and the locations in which they conduct them. Some of these allowances (such as the Cost of Living Allowance and Hardship Allowance) are cross-government allowances available to many HMG employees working overseas, and are based on the relative cost of living and hazards of the environment in which the officer is working.

**1.33** The NCA ILO Allowance is paid to all ILOs at G3 or below, in lieu of overtime, oncall and flexible working. The value is £7,000 per year and has not increased since the start of the NCA's precursor, the Serious Organised Crime Agency, in 2006. ILOs at G1 and G2 are not paid the ILO Allowance but are instead paid a Diplomatic Compensation Allowance of £5,000 per year.

**1.34** The working life of an ILO is necessarily unpredictable. Many roles involve rosters of, for example, six weeks on and two weeks off during which opportunities to take annual leave are restricted by both the working pattern, as well as the hazardous environment in which they are deployed. Even if an ILO is able to take their full allocation of annual leave over the course of a year (which NCOA members report is not

likely in many ILO posts), their being treated as on-call means that, were they paid the NCA's on-call allowance of £25.28 per off-duty period, they would stand to be paid in the region of £10,000 per year – some £3,000 more than the ILO Allowance.

**1.35** ILOs often work alongside other HMG staff posted to the same diplomatic locations. These include officers from the Foreign, Commonwealth & Development Office (FCDO), the Home Office/Border Force and Police Forces. Each of these comparator organisations continue to pay their staff more in allowances to recognise the disruption that an overseas posting has on their work life balance.

**1.36** The FCDO for example, calculate the overseas allowance paid to their staff by conducting a needs-based assessment of the individual and the role they perform. The Home Office calculates its allowance as a percentage of salary based on the amount of flexibility that is required in each role, as well as an element of shift and anti-social hours pay. This means that NCA ILOs are working alongside employees of other HMG departments who have a fairer regime of allowances, recognising the increased flexibility that deploying overseas inevitably requires. This is no longer reflected in the flat rate allowances paid by the NCA which have now not been reviewed for nearly two decades.

**1.37** It is therefore obvious that the NCA's ILO allowances no longer reflect their original intention or value given the near 20-year failure to recognise both the increased cost of living and, more importantly, NCA pay in that time.

**1.38** Indeed, NCA ILOs based substantively at sites which attract LWA or South East Allowance also lose this allowance for the duration of their posting, devaluing further the ILO Allowance and Diplomatic Compensation Allowance. The FCDO by contrast, continue to pay London Location Allowance of £5,000 to staff during their overseas postings.

**1.39** The NCOA therefore propose that it is high time the NCA reviews the Agency-specific allowances it pays to its ILOs to ensure that they remain fit for purpose in 2024.

**1.40** In our 7<sup>th</sup>, 8<sup>th</sup> and 9<sup>th</sup> submissions to the NCARRB, the NCOA proposed a complete redesign of the NCA Non-Consolidated Pay Budget. There have been reviews of both the Recruitment and Retention Allowances (RRAs) and Special Duty Payments (SDPs) but, importantly, there is still no viable process to exit roles receiving either of these allowances as both are now considered by many as a means of financially compensating some officers whose roles are not on the SR pay mechanism.

**1.41** RRAs were introduced as a short-term fix for specific recruitment and retention challenges whilst a long-term solution was found. That long-term solution is reform of NCA pay.

**1.42** The case for RRAs and SDPs (the latter of which is a legacy allowance inherited from the Serious Organised Crime Agency and the National Crime Squad) is therefore no longer sustainable. A major review of the non-consolidated pay budget is needed.

**1.43** Last year, the NCOA reported that to address recruitment and retention pressures in the Targeted Interception (TI) Team, (who work unsociable hours but not shifts). The Agency decided to provide officers in TI with the NCA 20% consolidated shift allowance. It was wholly predictable that, whilst the Agency justified this decision as an interim measure whilst TI transitioned to shifts including nights, no such move has taken place. What was also predictable was the dissatisfaction of other officers who also work a shift pattern which does not include nights - but do not receive any shift allowance.

**1.44** The review of the non-consolidated budget proposed by the NCOA would realise funds to tackle *'hard to fill'* roles with an additional allowance.

**1.45** Corporate knowledge in the Agency regarding shift pay also seems to have been lost or ignored. The most recent review of the Control Centre resulted in a recommendation to uplift their shift allowance to 30%. The NCOA have been consistent in proposing a redesign of the NCA shift system and the adoption of a building block approach whereby consolidated payments are made between 10-30%, dependant on the level of disruption in the role.

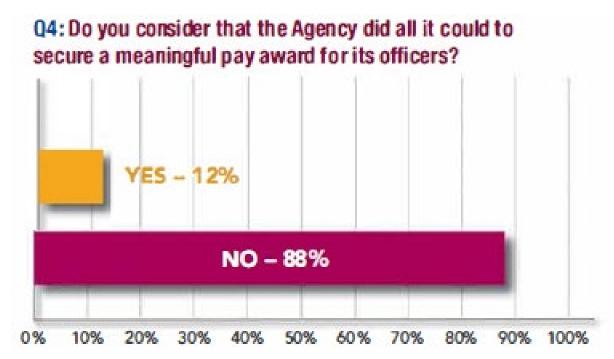
**1.46** The alternative to the Agency adopting these strategic proposals, is for it to continue with its current '*whack a mole*' approach of responding only to acute retention difficulties without cognisance of either the long-term or collateral impact of these knee-jerk decisions on officers or roles.

### 2. NCOA Pay Proposals 2024/25.

**2.1** This NCOA submission to the NCARRB is made having been provided with an embargoed copy of the NCA draft submission on the 29<sup>th</sup> April 2024. Those who read the NCA submission will be aware that this year the Agency is only recommending that NCA officers receive the same percentage pay award as Police officers. The lack of information on future pay reform proposals is disappointing. More importantly, the small amount of information on potential contractual changes will be worrying for many junior officers in the Agency who rely on overtime, often in return for considerable flexibility.

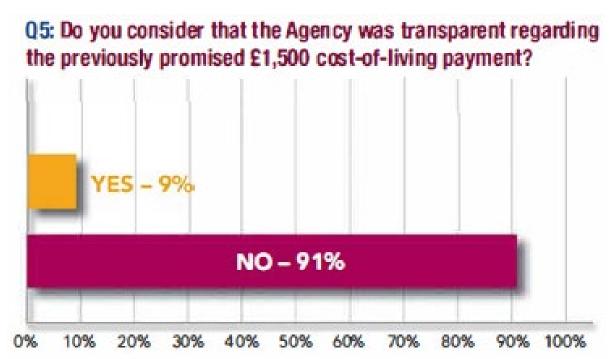
**2.2** We have consistently reported to the NCARRB that the majority of NCA officers do not hold delegated powers. This is confirmed in data provided by the Agency. It is also abundantly clear that there is no binary distinction between powered officers and non-powered officers. It remains the case that the NCA workforce is complex and there is a strong case that the most appropriate pay comparators for NCA officers are Police officers - for many roles this is true whether NCA officers are powered or not. The NCOA proposals not only acknowledge this situation but act as a blueprint for the much needed and long overdue reform of NCA pay.

**2.3** The Agency should draw no comfort from the fact that the NCOA are no longer in formal dispute with it regarding pay or that NCOA members are no longer withdrawing their goodwill. The NCA staff survey delivered the worst results since the inception of Agency.



**2.4** The most recent NCOA member survey on the outcome of the 2023/24 pay award resulted in these outcomes:

and



**2.5** If morale of officers, industrial unrest and systemic recruitment and retention pressures are not the drivers for NCA pay reform, then good business sense should be. The Agency assesses that it pays £14 million annually for contingent labour and £78m per annum on Professional Services, with these resources needed to cover activities where permanent NCA officers cannot be recruited to fulfil a function.

**2.6** This eye watering amount clearly needs to be targeted at NCA officers' pay and allowances by way of reform.

# NCOA Pay & Allowance Proposals 2024-2025

1	Revaluate NCA pay ranges at Grades 1-5 in line with equivalent Police officer ranks: Chief Superintendent – Police Constable following 2024 PRRB process.
2	Revaluate NCA Grade 6 pay with a minimum starting salary of £28,000 and then assimilate officers at the appropriate point in updated range.
3	Introduce a contractual pay progression mechanism across all delegated grades and assimilate current NCA officers onto the pay range at the appropriate point.
4	Increase NCA On-call Allowance to £35 per 12hr period - and be available to all officers at Grades 1-6.
5	Award NCA officers based in Belfast a geographical allowance aligned to (and thereafter, 'tracking') the NITA received by PSNI officers.
6	Redesign the Non-Consolidated Pay Budget so that payments are targeted at the NCA's hard to fill roles.
7	Replace current NCA London Weighting Allowance and NCA South East Allowance with NCOA Zonal model for payment of Geographical Allowances in London and South East England.
8	Conduct a comprehensive review of all NCA International Liaison Officer allowances.
9	Redesign the NCA Shift pay system and adopt a building blocks approach of between 10-30% consolidated pay dependent on the level of inconvenience and disruption linked to the role.

National Crime Officers Association 1 Dundonald Avenue Stockton Heath Warrington Cheshire WA4 6JT www.ncoa.org.uk

