



Home Office

# HOME OFFICE EVIDENCE TO THE NATIONAL CRIME AGENCY REMUNERATION REVIEW BODY

## 2019/20 PAY ROUND

March 2019

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# 1. Introduction

- 1.1 The purpose of this document is to supplement, and provide additional context from a Home Office perspective, to the evidence provided separately to the NCA Remuneration Review Body (NCARRB) by the National Crime Agency (NCA) with regard to the 2019/20 pay award for NCA Officers designated with operational powers.
- 1.2 The NCA is a Non-Ministerial Department and is operationally independent of the Home Office. It has therefore, separately, submitted detailed evidence to the Review Body for consideration.

## 2. Strategic Context

- 2.1 Serious and organised crime affects more UK citizens, more often, than any other national security threat and leads to more deaths in the UK each year than all other national security threats combined. It costs the UK at least £37 billion annually. It has a corrosive impact on our public services, communities, reputation and way of life. Crime is now lower than it was in 2010, although we are also aware that since 2014 there have been genuine increases in some low volume, high harm offences. The National Crime Agency (NCA) assesses that the threat from serious and organised crime is increasing and serious and organised criminals are continually looking for ways to sexually or otherwise exploit new victims and novel methods to make money, particularly online.<sup>1</sup>
- 2.2 The NCA is the lead law enforcement agency for serious and organised crime in England and Wales. It has a wider remit than its predecessors to strengthen the UK's borders, fight economic crime, fraud, corruption and cyber crime, and protect children and young people from sexual abuse and exploitation. The agency leads, supports and coordinates activity across law enforcement, locally, regionally, nationally and internationally. It works in close collaboration with the UK Intelligence Community (UKIC), police forces across the UK, international police forces and other law enforcement partners, including through its two-way tasking and coordination arrangements.<sup>2</sup>
- 2.3 It is accountable to the Home Secretary and through the Home Secretary to Parliament. The NCA is also subject to the scrutiny of the Scottish Parliament, Northern Ireland Assembly and the Northern Ireland Policing Board.
- 2.4 The Home Secretary has set four strategic priorities for the NCA. These are:

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<sup>1</sup> Serious and Organised Crime Strategy, Home Office, dated November 2018, pg.5.

<sup>2</sup> Serious and Organised Crime Strategy, Home Office, dated November 2018, pg.21.

- The relentless disruption of serious and organised crime which affects the UK and its interests, to reduce the threat and protect the public
- Produce and maintain the national threat picture for serious and organised crime affecting the UK and its interests, through the collection, assessment, and reporting of intelligence. The NCA should identify emerging trends and threats.
- Lead, coordinate and support a UK and international response to serious and organised crime, developing collaborative relationships with the police, law enforcement, security and intelligence agencies in the UK and overseas. The NCA should also work closely with the Devolved Administrations, local Government and the private and voluntary sectors focusing on areas and activity which will have the greatest impact in terms of reducing the threat to the UK and its interests.
- Enhance the organisation's human and technical capabilities, in order to more effectively and efficiently reduce the threat from serious and organised crime. The NCA's workforce must have the skills and tools to address current and future threats.

2.5 The NCA has an excellent performance history; delivering against these priorities and keeping the country safe and secure -

- **Arrests and Convictions**

In the period from 1 April 2017 to 31 March 2018, 1,068 individuals were arrested in the UK by NCA officers, or by law enforcement partners working on NCA-tasks operations and projects. In addition, the NCA achieved a 94% conviction rate in UK courts. In the same period, NCA activity also contributed to 974 arrests overseas.

- **Interdictions**

Between 1 April 2017 and 31 March 2018, activity by the NCA resulted in the interdiction of 128 tonnes of cocaine, and 5.1 tonnes of heroin. NCA activity also led to the seizure of 670 guns and 121 other firearms during this period.

- **Criminal Finances**

In the period from 1 April 2017 to 31 March 2018 NCA asset denial activity included cash seizures, restrained assets and frozen assets. In that period the NCA restrained assets worth £301.7 million. In addition, the Agency froze assets of £44.4 million, including £7.8 million in confiscation order payments, £8.7 million civil recovery and, £5.7 million in cash forfeited.

- **Child Protection**

In the period from 1 April 2017 to 31 March 2018 NCA activity led to 2,037 children being protected or safeguarded. Child protection is when action is taken

to ensure the safety of a child, such removal from a harmful environment. Child safeguarding is a broader term, which includes interventions with children in their existing environment, such as working with a school or referring a child for counselling.

2.6 The scale of the challenge we face is stark. We estimate serious and organised crime costs the UK at least £37 billion annually. This figure has increased by £13 billion since the 2013 estimate, although this is in large part attributable to changes in methodology to produce more robust estimates, and the inclusion of additional crime types (such as organised waste crime and organised cyber-dependent crime against individuals).<sup>3</sup>

2.7 As a result of the Spending Review (SR) announced in autumn 2015, £200 million of capital funding was made available to the NCA over the period 2016–20, an approximately 25% increase on the previous SR settlement. The uplift was provided in order to support continued investment in the NCA’s capabilities, designed to enable the NCA’s transformation into a world-leading law enforcement agency.<sup>4</sup>

### 3. The NCA’s Proposals

3.1 In 2018 the NCA was successful in securing pay flexibility for three years. The Agency applied a 3% average award in both the 2017/18 and 2018/19 pay years. Now in the final year of this deal it is looking to apply an average 1.7% pay award for the 2019/20 pay year to those officers with operational powers.

3.2 This is part of an on-going process to transform the NCA operating model and underpinning pay structures to ensure that management continues to develop the right skills and respond flexibly to the changing labour market and serious organised crime landscape. The NCA is also in the process of building evidence to support a new framework for Digital, Data and Technology (DDAT) specialists. It plans to submit this to the Treasury for consideration in the Spring for implementation as part of the 19/20 award, as well as keeping the new spot rate structure under review.

3.3 The 2019/20 single year pay award is focused on embedding the new pay structures which the NCA have already implemented. The recommendations that the NCA have requested NCARRB consider are:

- To increase Spot Rates by 2% for Grade 4 and Grade 5 Investigators and Intelligence Officers. This is to ensure that the NCA maintains its current position against police pay and does not start to fall further behind.
- To increase the pay grade minima for Grades 1 to 4 by 2% with no increases to the corresponding grade maxima.

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<sup>3</sup> Serious and Organised Crime Strategy, Home Office, dated November 2018, pg.12.

<sup>4</sup> Serious and Organised Crime Strategy, Home Office, dated November 2018, pg.22.

- To increase the pay grade minima for Grades 5 and 6 (the most junior grades) by 4.75% and 5% respectively with no increases to the corresponding grade maxima.
- To support NCA transformation by consolidating the current 2.5% non-consolidated element of the Agency's 12.5% shift allowance – increasing it to 15% fully pensionable.

3.4. The NCA continues to review its position on reward to reflect its continued ability to recruit and retain the skills and capabilities which it needs to respond quickly to the Government's priority SOC threats.

3.5 The NCA has an ambitious programme of change over the next year and into the new Spending Review period. This will require the development of new capabilities by recruiting and retaining officers with different skills, including legal, financial and intelligence, as well as maintaining and maturing existing capabilities.

3.6 The NCA assesses from current recruitment campaigns that the Agency is generally attractive as an employer, but less so to those with operational experience. The pay strategy, therefore, focuses on the NCA "growing its own" to support the development of skills and capabilities, particularly those defined as priorities. The Agency will then invest in its People Proposition, of which pay is a core part, to aid retention and further development of these skills and capabilities.

3.7 The Home Office assesses the proposals to be reflective of the challenges faced by the NCA and is supportive of all.

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

## 4 . Conclusion

4.1 The NCA is submitting the pay award proposals to NCARRB for recommendation only, and as part of the agency's longer term reward strategy for further reform and structural change including to senior roles and digital, data and technology specialists. The Home Office agrees this strategy will help the NCA continue to lead the fight against serious and organised crime and is therefore supportive.