



Home Office

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

## 2017-2018 AND 2018-19 PAY ROUND

OCTOBER 2017

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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 2017/18 and 2018/19 pay award for NCA Officers designated with operational powers. In line with the Home Secretary's remit letter, it also covers the NCA's proposals to reform pay arrangements.

1.2 The NCA is a Non-Ministerial Department (NMD) 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 is a major national security threat that preys on the vulnerable, undermines our prosperity and challenges our society. At present, there are around 6,000 organised crime groups impacting on the UK, comprising some 40,000 individuals. The activity of these groups blight communities, ruin lives and cost the economy more than £24 billion per annum.<sup>1</sup>

2.2 The NCA was created in 2013 to lead the UK's fight to cut serious and organised crime and set the national operational agenda for the response. It leads, coordinates and supports operations across three key pillars: prosperity, which includes cyber, money laundering, bribery, corruption and sanctions evasion, economic crime and asset denial; vulnerability, which includes child sexual exploitation and abuse, modern slavery and human trafficking and organised immigration crime; and commodities, which includes firearms and drugs.

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:

- 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.

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<sup>1</sup> Serious and Organised Crime Strategy, Home Office, dated 7 October 2013, pg.5.

- Lead, support and coordinate a UK and international response to serious and organised crime, developing collaborative relationships with the police, law enforcement and 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 Agency'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 impressive track record at delivering against these priorities and keeping the country safe and secure. During the financial year 2016/17, the NCA led and coordinated operational activity resulting in 1738 disruptions against some of the highest harm organised criminals, groups, individual threats and vulnerabilities. The work of the NCA also resulted in the arrest of 2,618 people in the UK and overseas and the conviction of 657 people. In addition, the NCA recovered more than £28 million in assets and safeguarded or protected 1,896 children.

2.6 The variety, scale and impact of the threat from serious and organised crime is, however, rapidly changing. We have seen a rise in reports of child sexual exploitation and abuse; a number of cyber-attacks that defy borders and jurisdictions; and situations in the Mediterranean and Calais where organised criminal groups have exploited vulnerable humans. We are also seeing criminals use increasingly sophisticated tactics and technology.

2.1 Our response must therefore evolve to keep pace. The Government recognises that this requires a whole-of-government effort, and the NCA is therefore leading a cross-government, full spectrum approach to tackling organised crime groups. This is a step change in the way the UK tackles serious and organised crime and the NCA is building a operational capability to enable delivery. To support this they have initiated an ambitious programme of transformation to make them more agile, flexible and technology enabled.

### 3. The NCA's Proposals

3.1 The NCA's ability to effectively recruit, retain and motivate a highly skilled and diverse workforce is central to this transformation and its operational effectiveness. However, its current pay arrangements do not fully support its ability to do so. As highlighted by the Review Body's 2016/17 review, they risk undermining the Agency's ability to attract and retain people with the right skills and experience and reform is needed.

3.2 The NCA have therefore developed the following proposals for reform:

- Investing 1% annual pay award into compressing the existing pay ranges;
- Implementing a spot rate structure based on skills and capability for Grade 4 and Grade 5 investigations and intelligence officers. Implementation would ideally be phased over three years.
- Increasing the value of the non-consolidated pot to increase flexibility for recruitment and retention allowances across the whole workforce.

3.3 If implemented, these proposals would see the 2017/18 and 2018/19 pay award vary by officer and would require the backdating of the 2017/18 award.

3.4. These proposals are appropriately targeted to support the NCA's transformation and address the specific recruitment and retention issues and risks that they face in relation to essential operational and specialist officers. They also take into account the remuneration of comparative workforces in both the public and private sector and are consistent with public sector pay policy. The Home Office therefore assess them to be a reasonable and well considered response to both the Review Body's recommendations of last year and the challenges faced by the NCA and is supportive of all aspects, including their implications for the 2017/18 and 2018/19 pay award.

3.5 The NCA have confirmed these proposals are affordable within the budget they were allocated at the 2015 Spending Review and that the costs of the new pay arrangements will be funded from efficiency savings generated by their transformation programme. The Home Office accepts this and will continue to work closely with the NCA to support successful implementation.

## 4 .Conclusion

4.1 The NCA has developed proposals for reform that address the Review Body's recent reports and are affordable and consistent with public sector pay policy. The Home Office assess this reform is critical to the NCA's ability to transform to meet the rapidly evolving threat from serious and organised crime and are therefore supportive.