



Home Office

HOME OFFICE EVIDENCE TO THE NATIONAL CRIME AGENCY REMUNERATION REVIEW BODY

2022/23 PAY ROUND

February 2022

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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 2022/23 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 The NCA is a UK wide, intelligence-led crime-fighting agency, with a visible national profile and international reach. It is the lead law enforcement agency for serious and organised crime, UK wide, which the Government has designated as a significant threat to national security in the 2021 Integrated Review. 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.

2.2 Serious and Organised Crime ruins the lives of victims and destroys communities. It is a transnational threat to international security, development, and prosperity. It extends and exacerbates conflicts and undermines the economy and stability of partners and allies. It inflicts the highest economic cost on the lowest-income countries, and threatens progress on gender equality, education and global health. We are determined to crack down on it and the Government and law enforcement partners have made substantial progress in disrupting the highest harm organised criminals and safeguarding vulnerable people.

2.3 Throughout the COVID-19 pandemic, serious and organised criminals and criminal marketplaces have shown themselves to be resilient and highly adaptable. It is necessary, therefore, for law enforcement and the NCA to adapt and evolve in the same way that the criminal threat does, increasing national and international collaboration, utilising all capabilities and becoming increasingly innovative.

2.4 The Integrated Review of Security, Defence, Development and Foreign Policy (IR) was published in March 2021. In the IR, the Government outlined its ambition to: sustain strategic advantage; shape an open international order; strengthen security

and defence; and build resilience. As part of this, the IR set out a number of priorities on tackling organised criminality in line with the recommendations of Sir Craig Mackey's Review of Serious and Organised Crime. These are:

- Bolster our response to the most pressing threats we face from organised criminals, including: economic crime, illicit finance and fraud; child sexual abuse; county lines and drugs supply; and cybercrime.
- Strengthen the NCA, continuing to develop critical data, intelligence and investigative capabilities.
- Enhance regional and local policing, including bolstering the Regional Organised Crime Units.
- Strengthen international efforts to disrupt and dismantle organised criminal networks and strengthen the UK Border as a critical intervention point for serious and organised crime and other transnational security challenges.

The Home Office is working closely with the NCA and partners across government to implement these priorities.

2.5 As leader of the SOC system, a strengthened NCA needs to be able to set clear strategic and operational direction and develop shared capabilities to drive efficiencies. A strong framework, covering the factors that support operational effectiveness, including pay, is vital to the NCA being able to deliver its role and achieve its mission.

2.6 Following the Spending Review settlement announced at Autumn Budget 2021, the Home Office is continuing to work with the NCA to agree the budget allocation for the three-year Spending Review period, from 2022/23 to 2024/25. The Spending Review bid has been successful in securing additional funding to meet the Agency's priorities and the NCA will receive a budget uplift of 5-10% more than in 2021/22. The budget uplift is complimented by an increased percentage of funding within the NCA's Core Vote. This provides greater authority and flexibility for the Agency to allocate and prioritise funding against the Strategic Priorities, following its Funding Reform project.

2.7 Despite the increase in budget, the NCA is still managing a number of significant pressures. When considering the affordability of any recommendations, this should be done in the context of the pressures there are on the NCA budget.

2.8 The Home Secretary has set three strategic priorities for the NCA for 2021/22. These are:

- Reduce the number of victims of exploitation: this includes Child Sexual Abuse and Exploitation, Modern Slavery and Human trafficking and Organised Immigration Crime

- Reduce the impact of SOC on communities: the main threats are firearms and drugs
- Reduce the harm to individuals, the UK economy and institutions from economic crime: the main threats include Fraud and Financial Exploitation, Money Laundering, and Cybercrime.

3. The NCA's Proposals

3.1 2020 was an unprecedented and challenging year for the NHS especially, but also the Civil Service, wider public sector, and the country as a whole. In the face of significant uncertainty due to COVID-19, the government announced a more targeted public sector pay policy at SR20. There was a temporary pause to headline uplifts except for employees earning the full time equivalent of £24,000 or less, who received £250, and NHS staff. The agency had 256 officers eligible for the £250 uplift.

3.2 In its 2021/22 report, NCARRB found that as an organisation operating at the cutting edge of the fight against serious and organised crime, the NCA requires a fully developed workforce strategy to address the shortages in its specialist, niche, professional and technological roles which would enhance the Agency's capability to tackle the threat.

3.3 For 2022/23 the NCA is proposing a one-year pay award, whilst the terms of a three-year deal are considered for future years. This will enable the development of a full future strategy that reflects the 24/7 operational nature of the Agency. The NCA's pay strategy focusses on a framework which is fair, attractive, sustainable and forward looking. This year will focus on a pragmatic approach which builds on the progress the Agency has already made with pay reform activity. This includes focussing on extending Spot Rates, helping to narrow the gap between the lowest and highest earners across the NCA.

3.4 Pay reform is a crucial part of the delivery of the NCA's strategy. The ambition remains to build on the previous years of progress, to be able to compete with its comparator markets, so that it can attract and retain the skills needed to lead the fight against Serious and Organised Crime. Recent experience suggests that the use of Spot Rates has been beneficial in recruiting the specialist skills that the NCA needs and highlights why it is keen to extend capability-based pay to relevant roles to help improve its competitiveness.

3.5 The NCA remains alert to the gap in comparator pay, most notably the Police. To help with this and the continued pay reform program, a key proposal of the Agency for 2022/3 is to expand the coverage of Spot Rates and to increase the values of

them. The Agency also proposes pay uplifts across the grades, with higher increases aimed at the lower grades. This will be concentrated at grade 6, as the data shows that this is where largest comparator gap lies. This will also have a positive impact on the Agency' gender pay gap. To support this, the NCA has budgeted 3% IRC to address the continued attraction, retention and skills gap issues.

4. Conclusion

4.1 The threat to the UK from serious and organised crime is complex and growing, according to the NCA's latest assessment. The Agency is at the forefront of efforts to tackle that threat, with the public expecting the NCA to help keep them safe. The NCA's pay reform and proposals for this year will help meet that objective. The Agency has confirmed the proposals are affordable and the Home Office is supportive of them

