

2022



FDA written evidence to the National
Crime Agency Remuneration Review Body

Contact: Wynne Parry, FDA National Officer for the NCA
Address: Centenary House, 93-95 Borough High Street, London, SE1 1NL
Tel: 07568 128972 Web: www.fda.org.uk
Email: wynne@fda.org.uk

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2. Introduction

The FDA welcomes the opportunity to submit written evidence to the National Crime Agency Remuneration Review Body (NCARRB). We believe that employees and the UK taxpayer benefit from an independent, evidence-based review body that has democratic legitimacy through its government remit. We hope that government respects its independence and honours credible and considered recommendations.

We welcome the Chancellor's announcement that the pay pause from 2021 has ended and that there is a remit for the NCARRB to consider this year. We believe that the last year has to an extent reversed the progress made in pay rates in the Agency and there is much ground to be recovered as a result. As in previous years our evidence will look at the wider economic context, government evidence and wider civil service developments to emphasise the pressures facing the NCA.

Much of this will be familiar as is our view that the Agency's pay structures require urgent reform embracing all its employees. The FDA recognises the constraints that have dictated the NCA approach to pay. It is crucial that the momentum for pay reform is supported by the Treasury with sufficient funding to secure the long-term future of the agency.

We have restated our vision for a more comprehensive version of reform, one that embraces all employees so that they gain tangible benefits. The Agency has chosen to pursue a differentiated approach to reward which is not comprehensive nor inclusive. We are concerned that there are separate tiers of staff where reward is concerned.

As we highlighted in our 2021 evidence the Agency also needs to mature its thinking on how its staff work in the future. In the wider economy the past two years has shifted employer thinking beyond debating hybrid working into understanding that it is now an essential part of their attraction offer. It was a trend in evidence before the pandemic but we have seen a huge increase in the pace of development. The NCA must not fall behind.

During the pandemic, women and men from the NCA have been on the frontline protecting the rest of us. Whether working from home, in workplaces or on operations we can be proud of how they responded to the drastically changed environment, their agility in maintaining operations and sadly the need to fight new challenges as criminals sought to exploit the pandemic. They are a credit to public service.

The NCARRB is an independent body and we encourage you to make a recommendation for a general pay increase taking account of all the evidence available to you and in recognition of the contribution staff make to the UK's security. We also ask that you press further on the need for adequate Treasury

funding for further pay reform and further detail on how the Agency will progress any future programme of reform.

We ask the NCARRB to balance the Home Office requirement for affordability and sustainability with the pressing need to allow the Agency to adequately reform its pay structure to secure its ability to recruit and retain the skills needed and motivate its workforce.

To summarise we ask the Review Body to consider the following when making their recommendations

- **An across-the-board increase to Spot Rates**
- **A minimum increase for employees in standard ranges in line with the headline increase of the offer**
- **Further increases to be paid to those in the lower quartiles of their standard range to provide some upward progression**
- **Payment for unpaid working hours either through over time or paid TOIL**

3. NCA context

The FDA represents senior and middle managers in leadership roles in the National Crime Agency (NCA) and across government. In addition, we provide affiliated support to the staff associations across the UK Intelligence Community (UKIC) and to our members in the Home Office with responsibility for law enforcement policy. In the context of the NCA, our members are employed as Directors, Deputy Directors and Grades 1 to 4 in varied professions.

The NCA is a pivotal law enforcement agency with national and international reach, and the mandate and powers to work in partnership with other law enforcement organisations to bring the full weight of the law to bear in cutting serious and organised crime. NCA employees are, however, civil servants subject to the civil service code. To assist them in their crime fighting role, NCA officers may be designated with one or more of the powers and privileges of a constable, powers of a customs officer and powers of an immigration officer (triple warranted).

As NCA staff are civil servants we have based the evidence in this submission around the same comparators and using the same pay and economic data as we include in submissions to similar civil service review bodies. As acknowledged by the Home Secretary in the NCA Annual Plan 2020/21

“Serious and organised crime undermines our safety, ruins the lives of victims and destroys communities. It affects more UK citizens than any other national security threat and costs at least £37 billion per year, compromising the legitimacy and authority of the state and its institutions.”

The NCA delivers a prominent role in combatting this challenge to our security and therefore it is appropriate to compare the position of NCA staff with similar roles in the police and other law enforcement agencies particularly as many NCA staff will work in teams with police staff. The vast majority of NCA officers designated with powers hold ‘tripartite powers’ (namely, the powers of a Constable in England and Wales; the powers of an Immigration Officer; and the powers of a Customs Officer) which are collectively known as NCA Standard Powers (NCASP). A number of these officers will also be designated with the powers of a Constable (Scotland).

As in previous years, the FDA is mindful that we do not create a two tier pay system for employees working in the same grade for the same. We flag here again our concern from last year’s evidence that the Agency’s “differentiated” approach to pay reform, focusing on relatively small numbers of staff in selected professions, may begin to undermine that aim especially given the slow pace of that programme.

4. Fiscal context and affordability

The 2021 Spending Review provided “the largest increase” in “total departmental spending ... this century”¹ in the words of the Chancellor himself. Given that the work of government and delivery of public services consists in large part of people’s hard work, expertise and skills, we would expect much of this increased funding to be used to fairly reward them.

The Home Office (HO) settlement provides a £4.2 billion cash increase over the Parliament, to £16.5 billion in 2024-25, which is equivalent to a real-terms growth rate of 1.9% per year on average over the SR21 period. The settlement enables the HO to continue *fighting crime*, promote economic prosperity and support the vulnerable from around the world.²

As yet the ongoing commitment to continue fighting crime is not clearly visible when viewing funding for the NCA and in particular supporting the Agency’s desire for pay reform.

¹ <https://www.gov.uk/government/speeches/autumn-budget-and-spending-review-2021-speech>

² <https://www.gov.uk/government/publications/autumn-budget-and-spending-review-2021-documents>

The Treasury's evidence to Pay Review Bodies warns against pay rises that could "materially impact HMG's ability to deliver" on key plans and commitments³ In fact, evidence is mounting that many of the most significant risks to Government plans and commitments - including efforts to control their costs - are the result of gaps in skills and expertise.⁴

The NCA has achieved much in disrupting organised crime. In recognising this the Home Secretary acknowledges the past year has seen an increase in the challenges the Agency faces, enabled in part by constantly evolving technologies as well as the COVID19 pandemic.⁵

These challenges can only be met through the ability to attract and retain staff with the requisite capabilities. Building a workforce for the future - many who may as yet currently be working in police or in government - requires the Agency's reward strategy to be sustainable. It also needs to be fit for purpose.

5. Earnings data

The Government is right to say in this year's economic evidence that "average pay settlements are the appropriate measure of earnings growth to consider in setting public sector pay settlements".⁶

This is why it was so misleading for the Government to highlight trends in average earnings over a six-month period as a "key point" in its economic evidence to Pay Review Bodies last year,⁷ as well as numerous public statements. As we pointed out in our evidence last year, and as the Government implicitly acknowledges this year, these were not largely a result of diverging salaries or rates of pay but temporary effects of pandemic-related factors such as hours worked, compositional shifts and the impact of furlough arrangements, which would likely unwind as the pandemic and associated public health restrictions eased. This is exactly what has

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https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1038869/Economic_evidence_.pdf

⁴ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1038869/Economic_evidence_.pdf

⁵ <https://www.nationalcrimeagency.gov.uk/who-we-are/publications/558-national-crime-agency-annual-plan-2021-22/file#:~:text=NCA%20Annual%20Plan%202021-2022%2C%20Home%20Secretary%20foreword%20Serious,and%20authority%20of%20the%20state%20and%20its%20institutions.>

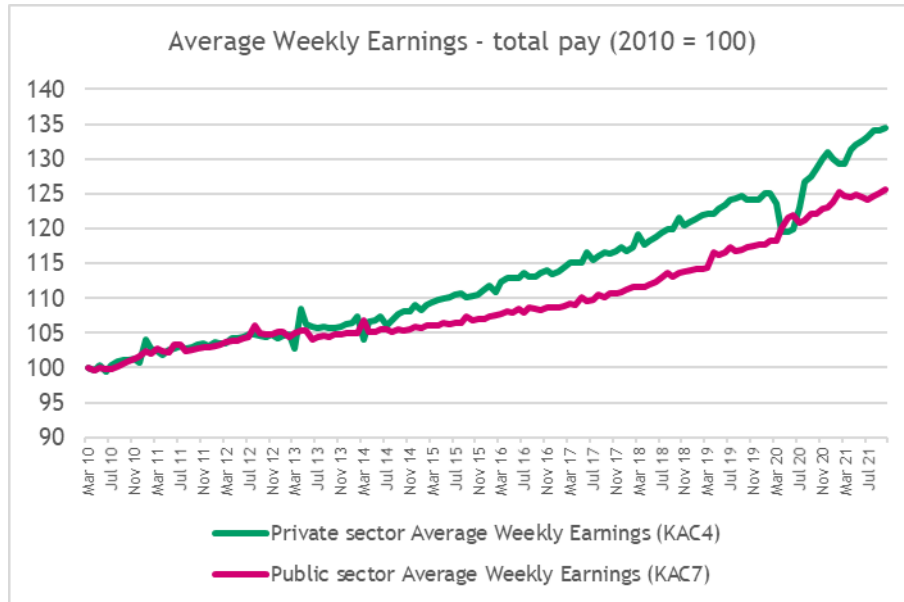
⁶ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1038869/Economic_evidence_.pdf

"In the six months to September, private sector wages fell by 0.8% compared to the same period the previous year, as compared to a 3.9% increase in the public sector" -

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/954610/Economic_Evidence_to_the_PRBs_FINAL.pdf

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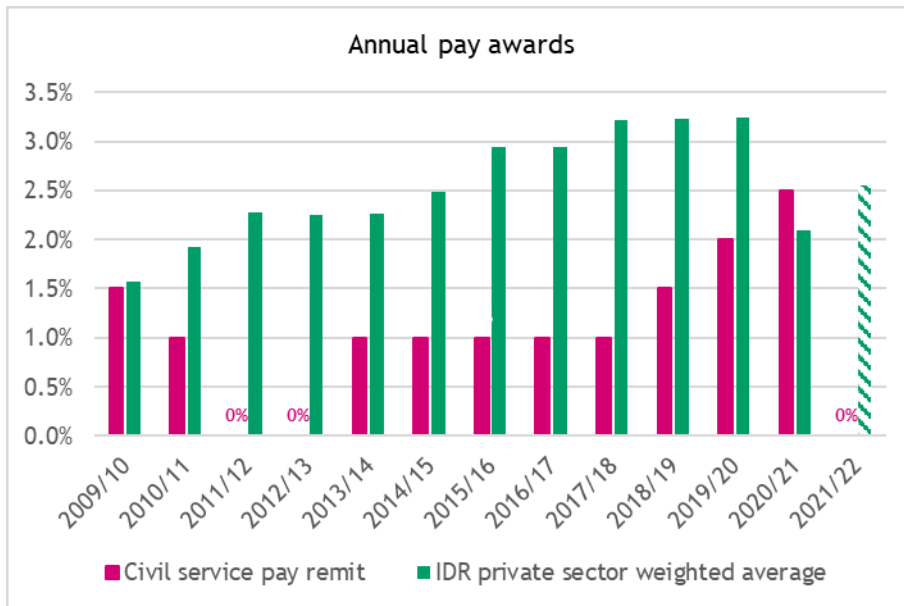
happened, as subsequent releases of the very data series used by the Government to support its claims confirm.



Source: Prospect analysis of ONS data

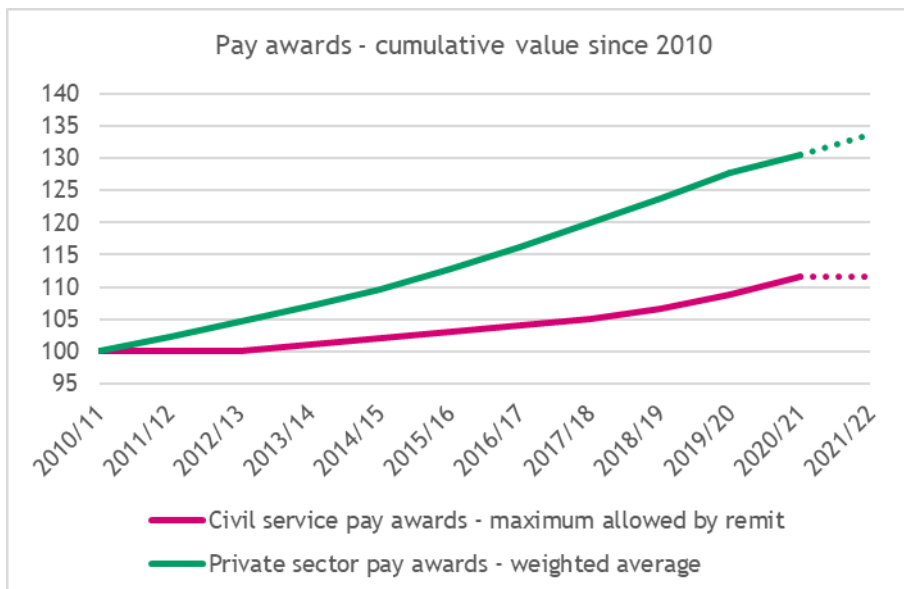
Using pay settlements data, as the Government now advises, the widening gap between civil service and private sector salaries can be seen more accurately.

Comparing a weighted annual average of private sector pay settlements with the maximum awards allowed under civil service pay remit guidance, we can see that 2020-21 was the first time in over a decade that civil service awards had not been behind the private sector average.



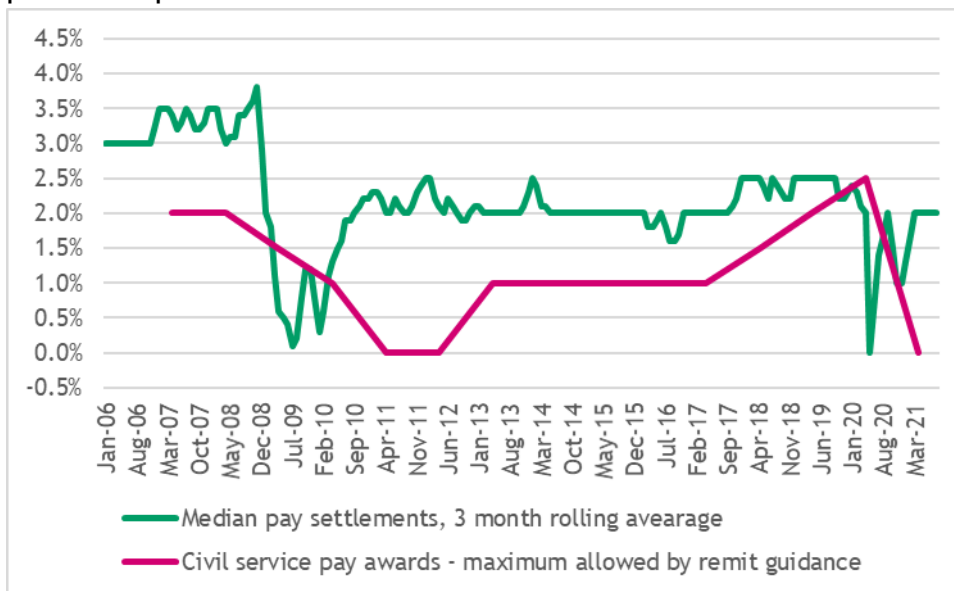
Source: Prospect analysis of Cabinet Office documentation and IDR Pay Benchmarker database

Over time this has meant a widening gap between the cumulative value of private sector and civil service pay settlements that was only marginally and temporarily offset by the impact of the pandemic conditions of 2020-21. On the basis of data available for 2021-22 so far, the effect of the pay “pause” has been to push this gap to more than 20 per cent.



Source: Prospect analysis of Cabinet Office documentation and IDR Pay Benchmarker database

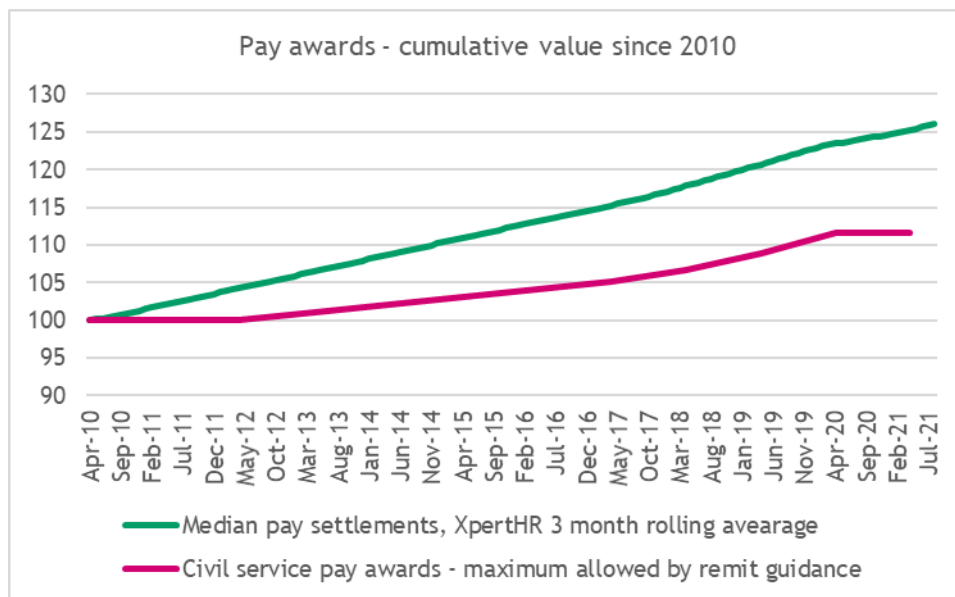
The Government's evidence cites, but does not reproduce, Xpert HR figures for median pay settlements across the economy which are not publicly available. This measure is somewhat lowered by the choice of median rather than weighted average, and the use of a whole economy measure which will have been reduced in most years by the inclusion of public sector settlements. Nevertheless, this measure also clearly runs significantly ahead of civil service pay policy over most of the past decade, and fluctuates between 1 per cent and 2 per cent for most of the pandemic period.



Source: *Prospect analysis of Cabinet Office documentation and XpertHR data extracted from Treasury Economic Evidence*⁸

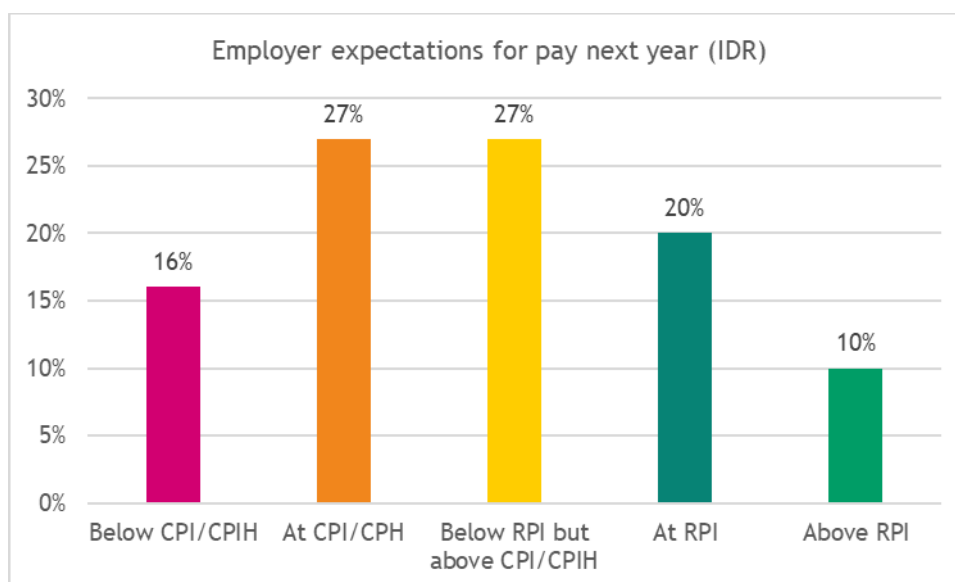
⁸ ExpertHR data has been approximated to a high degree of accuracy using Web Plot Digitizer <https://automeris.io/WebPlotDigitizer>

Translation of this trajectory into cumulative salary increases shows a similar gap opening up between civil service and wider economy pay rates evidenced above.



Source: Prospect analysis of Cabinet Office documentation and XpertHR data extracted from Treasury Economic Evidence⁹

The Government’s evidence acknowledges that in 2021 settlements “recovered from the drop during the pandemic” and that business surveys point to median private sector settlements of 2.5 per cent in the 12 months from September 2021. Data from Incomes Data Research suggest that next calendar year’s settlements could be even higher, with most aiming to match or exceed inflation¹⁰



⁹ ExpertHR data has been approximated to a high degree of accuracy using Web Plot Digitizer <https://automeris.io/WebPlotDigitizer/>

¹⁰ <https://www.incomesdataresearch.co.uk/storage/files/RK0xCjwhCGPayclimate-issue26-September2021.pdf>

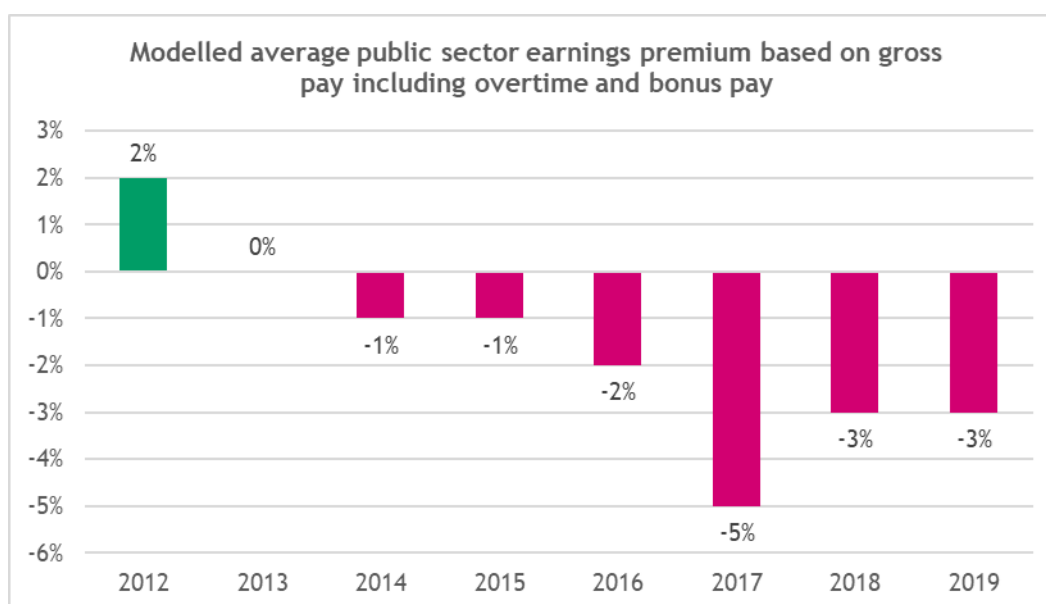
Source: *Incomes Data Research Pay Climate September 2021*¹¹

This context should be the starting point for considering civil service pay awards for 2022-23, even before taking into account the need to recover ground lost over recent years against both the cost of living and salaries for comparable roles in the private sector

6. Pay comparability

The Government’s evidence to the Pay Review Bodies states that “On average, those working in the public sector have a better remuneration package than those in the private sector”¹²

ONS analysis cited by the Government indicates that if overtime and bonus pay is included, “average” earnings in the public sector have been lower than that in the private sector since 2014.¹³



¹⁴Source: Prospect analysis of ONS data

¹¹ <https://www.incomesdataresearch.co.uk/storage/files/RK0xCjwhCGPayclimate-issue26-September2021.pdf>

¹²

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/954610/Economic_Evidence_to_the_PRBs_FINAL.pdf

¹³

<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/articles/publicandprivatesectorearnings/2019>

¹⁴

<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/articles/publicandprivatesectorearnings/2019>

This analysis is based upon broad averages and is significantly influenced by the fact that most of the lowest paid workers in the economy are in the private sector. The Government acknowledges that the benefits of public sector employment is “most apparent at lower grades¹⁵ In fact the ONS finds a positive gap between private and public sector earnings that is even larger in “knowledge-intensive services” where the so-called public sector “premium” is negative even before overtime and bonus pay is included¹⁶

Evidence and experience suggest that even wider gaps are revealed by finer-grained analysis of skill-sets and comparable job roles. In 2015 the Hay Group (now Korn Ferry) reported that

“Civil service salaries lag behind the private sector at all levels... At higher executive officer (HEO) level (Grade 4 in NCA Terms), the typical offer from a government department or agency falls about 10% behind the median total remuneration level in the wider market. By senior manager and expert professional level, Grades 7 and 6, (Grades 2 and 1 in NCA) the civil service package is worth only about two thirds of that available elsewhere.”¹⁷

These gaps can only have worsened in the years since. Research recently commissioned and published by the Government found that compared against its historic relationship with private sector wages, the recent period of public sector pay restraint constituted “the longest period of sustained downward pressure on public sector pay in recent history”. It concluded that

“Given the duration and magnitude of the current public-private sector wage gap there is a risk ... [of] skill shortages in certain areas of the public sector”.

6b Inflation and the Bank of England’s inflation target

The Government attempted to justify last year’s public sector pay pause on the grounds that private sector earnings growth had been negatively impacted by the pandemic, so public sector pay needed to be held down to maintain “parity”. This year the Government is suggesting that because private sector pay growth is recovering, public sector pay needs to be held down to combat inflation.

¹⁵

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/954610/Economic_Evidence_to_the_PRBs_FINAL.pdf

¹⁶<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/articles/publicandprivatesectorearnings/2019>

¹⁷ <https://www.civilserviceworld.com/articles/opinion/why-competitive-civil-service-needs-make-pay-priority>

Neither argument is convincing. It was never the case that a temporary slowing of growth in private sector earnings - in large part the result of furlough arrangements - justified or necessitated real terms cut in public sector salaries. The argument that public sector pay should be used to curb inflation is entirely inconsistent with the Government's calls for a "high wage economy", and moreover is supported by no economic analysis or evidence whatsoever.

If the Government wishes to create a high wage economy, it should be setting an example and welcoming the impact of real terms public sector pay increases on wages more broadly.

The Treasury has provided no evidence or analysis to support its suggestion that public sector pay awards could contribute significantly to higher price inflation across the economy. In fact, the risk of public sector pay awards fuelling inflation has been dismissed by independent economists when raised on previous occasions¹⁸ This is because public services are funded out of general taxation rather than priced at the point of use, meaning their only influence on prices can be indirectly through their influence on private sector wages and through this on the price of private sector goods and services. Given the complexity of this route and the fact that public sector workers constitute only around a fifth of the workforce, this effect is likely to be weak to the point of insignificance. Among those who rejected the idea when previously proposed were the then Director of the National Institute of Economic and Social Research and former Monetary Policy Committee member and leading labour market expert, who responded that public sector pay rises "have nothing to do with inflation".¹⁹

Nor does the Treasury provide any guidance as to what sort of pay awards would be, in the words it quotes from the Monetary Policy Committee, "consistent with inflation returning to 2% in the medium term". In fact the Bank of England has in the past denied that there is any "magical threshold defining 'acceptable' and 'unacceptable' rates of earnings growth, but suggested that, over the long term, real average earnings growth should be broadly in line with growth in productivity²⁰ This means that, as the Institute for Fiscal Studies has stressed, for a nominal pay rise to be "consistent" with a level of inflation can and should mean being significantly above it²¹ Given that the Bank of England is currently planning to leave inflation at 3.5 per cent over 2022²² and the Office for Budget Responsibility forecasts productivity growth of around 1 per cent²³"consistency" would leave

¹⁸ The puzzle of PM's wage stand', Chris Giles, Financial Times, 3 April 2008, <https://www.ft.com/content/865dd7da-0107-11dd-a0c5-000077b07658>

¹⁹ Inflation driven by potatoes', Financial Times, 10 January 2008, <https://www.ft.com/content/bbc6639c-bf08-11dc-8c61-0000779fd2ac>

²⁰ Text of the Employment Policy Institute's Fourth Annual Lecture delivered by the Deputy Governor of the Bank of England, Mr Mervyn King, held in London on 1/12/98', <https://www.bis.org/review/r981210a.pdf>

²¹ <https://ifs.org.uk/budgets/gb2008/08chap8.pdf>

²² <https://www.bankofengland.co.uk/-/media/boe/files/monetary-policy-report/2021/november/monetary-policy-report-november-2021.pdf>

²³ <https://obr.uk/efo/economic-and-fiscal-outlook-october-2021/>

scope for pay awards considerably above 2 per cent even before consideration is given to the case made above for restoring competitiveness and balance in rates of pay between the Civil Service and comparable jobs in the private sector.

In short, the alleged risk to the Bank of England's inflation target is a red herring. The influence of public sector pay awards on general price inflation is negligible, and even if it were not, "consistency" with any given level of inflation would allow for significant real terms increases.

7. Inflation and income reduction

The FDA has consistently argued that RPI should remain the basis for evidence-based pay bargaining, as this is the most accurate reflection of the real inflationary pressures our members face including housing costs.

RPI inflation is expected to average at 4.6 per cent in the current financial year by the Government's Office for Budget Responsibility, and CPI at 3.3 per cent.²⁴ The impact of the "pause" in civil service pay awards has therefore represented a very severe real terms cut in living standards. It more than wipes out the very marginal real terms increase seen in 2020-21, and exacerbates the dramatic devaluation of the civil service salaries over the previous ten-year period particularly for those in senior roles.

Between 2010-11 and 2019-20, the cash value of civil service pay awards in line with central remit guidance had amounted to real terms cut against RPI of around 18 per cent²⁵

It should also be noted that the OBR's forecast for RPI and CPI inflation in 2021 is at the lower end of the spread of most recent independent forecasts collated by the Treasury, suggesting that the real terms cost of the "pause" to civil servants in senior roles could be even higher.²⁶

The OBR's expectation for the coming financial year is for inflation to run at 4.6 per cent RPI, 3.7 per cent CPI. More recent developments and forecasts point to even higher rates of inflation in the coming period²⁷ Against this background, a

²⁴ <https://obr.uk/efo/economic-and-fiscal-outlook-october-2021/>

²⁵ This assumes pay increases in line with official remit policy, including 1.5% in 2019-19, 2% in 2019-20 and 2.5% in 2020-21

²⁶

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1040871/Forecomp_December_2021.pdf

²⁷ 'UK inflation hits highest level in a decade', Financial Times, 15 December 2021

<https://www.ft.com/content/dd5edcd1-2e70-4910-b642-269574b4bcdd>

further below-inflation pay award in 2022-23 would further exacerbate an unprecedented deterioration in the value of civil service pay.

The pay remit requested by the Home Secretary does not mention inflation as a factor. We do not see this as realistic so we ask that the NCARRB consider the reduction in pay levels seen in the civil service and the average rate of inflation for this year when considering its recommendations.

8 Budget increase to fund pay reform

We welcome the willingness of the NCA to innovate reward structures. It is a real pity that external pressure has stifled these efforts due to directions not to breach pay caps and political sensitivities. Whilst HM Treasury have not yet prescribed their pay remit, we understand this is likely to be in the region of 2-3%. As a Civil Service organisation, the danger is that the NCA will see its ability to respond to its challenges on attraction and retention limited to this ceiling.

In their 2021 recommendations the NCARRB noted *“We consider that restricted funding hampers skill attraction and retention and capability building in the Agency, and has also restrained the NCA’s ability to reform its pay systems. Ultimately, this will have a consequential impact on the Agency’s ability to fight serious and organised crime (SOC)”*²⁸

Pay reform requires investment. It is not realistic to insist that pay reform is funded from within already constrained Agency budgets. New money must be found. In our view, the NCA must be granted adequate government funding to realise universal pay reform.

It is simply not viable to propose to fund pay reform from within existing budgets. We do not see it as feasible for the Agency to find sufficient scope for achieving efficiencies that can in themselves find the funding necessary to achieve the reforms that are needed.

We agree with the Home Secretary when she says of combatting SOC *“Stepping up our response will be critical this year to increasing resilience, protecting economic security and safeguarding our recovery following the pandemic.”*²⁹ This requires investment in the tools to do the job and in capability. A modern reformed pay structure is essential if the Agency is to meet the challenges from SOC.

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https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1004935/NCARRB_2021_report_-_web_accessible.pdf

²⁹<https://www.nationalcrimeagency.gov.uk/who-we-are/publications/558-national-crime-agency-annual-plan-2021-22/file>

9 Spot Rates/pay progression

In 2020, the NCA expanded capability-based pay by introducing Spot Rates for eligible G1-G3 roles. The Spot Rate structure now covers eligible roles across G1-G5 grades.

Whilst the NCARRB remit is to make recommendations for the reward of NCA staff with powers, it will nevertheless be familiar with the long-held position of all parties to retain a single pay structure across the Agency. We note the Agency ambition to introduce the Spot Rate structure based on eligibility but the limited funding available means that in reality this is not going to deliver fair pay progression for all staff within a reasonable timescale.

We note the comment of the NCARRB from their 2020 report;

“The spot rate mechanism is designed to offer pay progression based on capability, although we question whether a two- or three-point scale - based on the expectation that most officers would only progress as far as the proficient rate - can realistically be viewed as a mechanism to reward long-term progress and development.”³⁰

The development of Capability Assessments in the Civil Service allows for capability to be measured as “developing” “proficient” and “accomplished” often with 2 levels of “proficient” and “accomplished”. Further development of Spot Rates needs to consider whether the current arrangements allow sufficient room for growth and pay attraction.

As it stands, the pace of introduction falls short of what is necessary. As yet a relatively small number of staff in grades G1 to G3 have opted to move to spot rates as shown in this table

Spot Rate Values	Number of Officers
NCA Grade 1	
SR1	12
SR2	20
NCA Grade 2	
SR1	30

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https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/902434/CCSO520653768-001_NCARRB_6th_Report_WEB.pdf

SR2	81
NCA Grade 3	
SR1	19
SR2	1
Grand Total	163

Source NCA

This level of coverage does little to improve the pace of progression for many staff in the Agency - those in the Standard Ranges - and the Agency needs to determine how it is going to respond to that challenge.

For staff in FDA grades the position on pay progression remains unsatisfactory as can be seen in the table below

GRADE	MIN	Q1	Q2	Q3	Q4/MAX	TOTAL
G1	20	12	5	6	4	47
G2	103	7	15	13	6	144
G3	363	90	75	51	14	593

Source - NCA

Despite 7 years of pay reform 77% of G3, 78% of G1 staff, 86% of G2 staff remain below mid-range. If anything, the position on progression is getting worse. The average length of service for G1 staff is 14 years as is G2, for staff in G3 the average is over 15 years.³¹ As we have argued in previous submissions, such a lack of progression is not sustainable and will leave the Agency vulnerable to critical staff losses.

Whilst the Agency reports an overall wastage rate of 8%, turnover is highest in those roles where spot rates are not currently applicable noticeably in digital, legal and corporate enabling teams. This demonstrates the need for the Agency to have a more comprehensive approach to pay progression.

Similar to a significant proportion of the civil service, aside from the Spot Rates, the NCA has no formal pay progression mechanisms in place to move from the

³¹ Staffing information provided by NCA

minimum to the maximum of the pay range within a grade. Unlike other public sector bodies, whether local government, the NHS or other law enforcement bodies across the UK, the NCA ended time served pay progression and therefore it can currently not offer the prospect that the rate for the job, the maxima, can be achieved within a reasonable period.

The NCARRB will know from previous years evidence that we accept the need for a structure allowing pay progression based on demonstrating and developing competency within a role. However, this approach should be universal.

Failure to embrace this remains a concern to the FDA. In past years the NCA has described its pay comparators as the Police. The UK Intelligence Community and the Civil Service. The need for skills available to policing is understandable but they are far from the only skills required to run a modern, sophisticated law enforcement Agency battling SOC. As we highlight on our point on retention there are a wider spread of professional skills that the Agency finds hard to fill. They are far from alone in needing to attract these skilled professionals. A DCMS report on quantifying the UK data skills gap estimates that just under half (46%) of businesses have struggled to recruit for roles that require data skills.³² A 2019 report by the Royal Society found that demand for workers with specialist data skills like data scientists and data engineers has more than tripled over five years (+231%), a Demand for all types of workers grew by 36% over the same period.³³

Whilst the NCA has in the past had a pay lead over other Civil Service employers the market for skilled professionals is pushing departments to significant pay reform. HMRC and MoJ have followed DWP in adopting much faster progression mechanisms. Other departments will follow that lead. The Digital, Data and Analysis profession (DDaT) has introduced a capability framework allied to higher pay and this is being adopted across government whilst other departments introduce a range of skill related supplements for hard to fill roles.

Pilots are underway on a capability framework for the Senior Civil Service which will be closely scrutinised by Departments on how they can assess the capabilities of their senior staff and leaders. The environment is quickly changing around the Agency and it needs to have a response that protects its ability to attract staff not only in intelligence and investigations but in critical support roles that enable the Agency to operate effectively.

³² <https://www.gov.uk/government/publications/quantifying-the-uk-data-skills-gap/quantifying-the-uk-data-skills-gap-full-report#executive-summary>

³³ <https://royalsociety.org/-/media/policy/projects/dynamics-of-data-science/dynamics-of-data-science-skills-report.pdf?la=en-GB&hash=212DAE7D599B0A48687B372C90DC3FEA>

To be able to deliver effective reform, the NCA must address progression from the minima to the maxima of a grade in a realistic timeframe. Continuing with a twin speed progression, dependent on which profession is eligible for spot rates, is not a fair approach for an organisation where every contribution is valued.

We believe the Agency should address this as part of a multi-year strategy to address wider pay reform. For this year the Agency needs to balance progress in this area with responding to the significant pressures employees face due to the economic background in the UK.

For this year we ask the Review Body to recommend that spot rates will be increased across the board. In the standard (non spot rate) ranges all staff will get a minimum increase in line with the headline increase with extra funding applied to fund pay progression to those in the lower 50% of the quartiles.

10. Working hours

Staff in FDA grades have the same conditioned hours as colleagues but in reality, there is an expectation that they will work excess hours. In a recent FDA survey respondents reported working between 4 and 9 hours a week unpaid-hours.

We would prefer staff not to have to work excess hours to that extent but recognise that there are times when working over contracted hours is unavoidable. However, this should not be regarded as part of the normal working week. Worryingly in surveys members tell us that the need for working long hours is a factor putting staff off from applying for promotion to SCS roles in the Agency.

Senior staff do not qualify for overtime. The Agency has talked about the need to review its use of overtime. **We ask the Review Body to recommend that any review conducted by the Agency needs to take account of the unpaid hours worked by staff in G1 and G2 and consider whether overtime or paid TOIL need to be introduced to compensate staff for the regular long hours worked**

11. Future ways of working

COVID-19 presented the Agency with the challenge of meeting its operational commitments whilst having a significant number of its employees forced to work from home, often home schooling and learning to cope without the family and external support systems they had become reliant on. Many staff will have been required to attend workplaces and continue live operations.

The NCA will have learned a great deal from the pandemic both in terms of the effectiveness of their business continuity planning, the opportunity to take a review of how and where people work, how IT enabled different ways of working.

Our view is that the pandemic put rocket boosters under changes that were already occurring to the way employees work. People's assessments of how they want to work and what is possible will have changed due to their experience of the past two years. There is also evidence of a marked generational shift in the value of greater flexibility in how and where people work that will be a key determinant in where the current generation choose to work.³⁴

Flexible working is here to stay and we urge the NCA to embrace it and look to how they can grow from the pandemic experience to provide the IT and management innovation that allows staff greater choice on how they work whilst retaining the collaborative culture that will sustain the Agency. Whether they have powers or not, staff have family and other commitments and deserve to have the ability to blend these with how they work. Our members are clear that they want to work hybrid hours with time at their workplace and at home.

Hybrid working is now common across civil service departments. The Agency is currently piloting hybrid working but to us is too cautious in its approach. Time has become a crucial asset for workers and the ability to exercise some control about where and when you can perform your work is an essential part of an employers' ability to attract talent. We hear concerns from our members that the Agency will become less competitive if it does not embrace hybrid working.

We ask the NCARRB to consider how greater use of flexible working will enhance the overall reward package.

Wynne Parry

FDA National Officer
07568 128972
wynne@fda.org.uk

³⁴ <https://workforceinstitute.org/wp-content/uploads/2019/05/Meet-Gen-Z-Hopeful-Anxious-Hardworking-and-Searching-for-Inspiration.pdf>