

# IS BRITAIN'S FBI ON ITS KNEES?

**HOW TO MAKE THE NATIONAL CRIME AGENCY A GENUINELY ELITE CRIME FIGHTING FORCE**

**BY DR DANIEL BEIZSLEY  
AND DR SUSAN HAWLEY**

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# IS BRITAIN'S FBI ON ITS KNEES?

## How to make the National Crime Agency a genuinely elite crime fighting force.

The UK's National Crime Agency – widely dubbed Britain's FBI – is at a crossroads. If it is to be at the forefront of the UK's fight against serious and organised crime, including corruption, money laundering and fraud, it needs investment.

Despite its best efforts, the agency risks operating continually at suboptimal levels due to staffing shortages, chronic retention and recruitment problems, and low staff morale.

The NCA's problems have been persistently exacerbated by the unwillingness of successive governments to invest in the agency sufficiently to ensure it can function as “the elite law enforcement agency with a lead role for reducing crime and protecting the UK against Serious and Organised Crime.”<sup>1</sup>

### What's the problem?

Morale at the NCA is close to rock bottom. The agency is struggling to recruit and keep staff. Between 2021/22 and 2022/23 the NCA lost more staff than it recruited. Despite recruiting over 500 new officers in 2022/23 its workforce shrank from 5,663 to 5,620.<sup>2</sup>

Last year was the first time in the last three years in which the NCA has managed to expand its workforce, increasing the number of officers by 169 to 5,789.<sup>3</sup>

However, who the NCA is able to recruit matters. Currently the agency faces a braindrain, losing a quarter of senior managers and lawyers and nearly a fifth of its cyber capacity annually.

Spending on temporary labour and consultants by the NCA has increased by a massive 369% since 2015/16 from £19.99 million to £93.7 million in 2023/24 and now represents over 10% of its budget.

At the same time, the NCA's pay structures are unfair and divisive, leaving the majority of staff trapped, with little chance of progression. These pay structures are exposing the agency to equal pay legal risks of £200 million.<sup>4</sup>

### Crunch time

A critical moment has now arrived. If the NCA is to deliver on its mission to protect the UK from hostile threats, fraud and corruption, and serious organised crime more generally, major reform, particularly to pay and conditions, is needed. While the NCA's pay issues are not unique within the public sector, for an agency tasked with protecting the public from these threats, the implications of not addressing the NCA's pay issues are potentially catastrophic.

With both the NCA's independent pay review body, the National Crime Agency Remuneration Review Body, and the Joint Committee on the National Security Strategy calling for a fundamental reassessment of the agency's funding model and organisational form, now is the time for ministers to act.

The question for the new government is not whether it can afford to invest in pay reform at the NCA, but whether it can afford not to if it really wants the NCA to protect the public from the threats that Britain faces.

# KEY FINDINGS<sup>5</sup>

## 1. Rock bottom: morale and job satisfaction

### **NCA officers' job satisfaction and morale have hit rock bottom:**

Morale and job satisfaction at the NCA is the lowest of all surveyed government organisations – at 105 out of 105 – for how officers feel about resources and workload and among the lowest – at 95 out of 105 – for pay and benefits.

Just 21% of NCA staff surveyed in 2023 were satisfied with pay and benefits – compared with an already low average in the civil service of 32%.

## 2. Haemorrhaging officers: recruitment and retention

### **The NCA is operating with a high level of critical vacancies:**

In 2024 9% of NCA posts were left unfilled due to difficulties attracting and retaining officers – up from 6.6% in 2023.

A third – 32% – of NCA recruitment attempts ended without a candidate being appointed in 2023/24, with 40% ending in this way in 2022/23.

The NCA has just eight applications per advertised post – significantly below the industry average of 30.

### **High turnover rates in mission-critical areas are hobbling the NCA's ability to deliver:**

Turnover is 41% in some teams that are critical for supporting the NCA's work.

Among senior managers the turnover was 24% in 2023, posing a risk to the NCA's overall productivity and performance.

In specialist roles central to the NCA's mission, turnover is particularly high – reaching 17% in the Digital, Data and Technology command, and 25% in the legal team.

The NCA's average turnover of 7.5% for 2023/24 is higher than the police average for 2022/23 which was 5.9%.

**NCA spending on temporary workers and outside consultants has dramatically increased:**

NCA spend each year on temporary staff and outside consultants increased by 369% between 2015/16 and 2023/24 (from £19.99 million to £93.7 million).

In the three years from 2021/22 to 2023/24 spend on temporary staff and outside consultants increased by 58% from £59.2 million to £93.7 million.

### 3. Root cause: pay stagnation

**NCA officers' pay has declined in real terms:**

Despite a 7% pay award for 2023/24, NCA officers' pay has increased by just £4,621 since 2013/14, which adjusted for inflation represents a 16.3% real terms pay cut.

A further 5% pay increase for 2024/25 is estimated to increase NCA's median salary to £43,414 which would still represent a 13.9% real terms pay cut compared to 2013/14.

If median pay had increased in line with inflation, NCA officers would be paid on average £7,371 more than they are currently paid.

**NCA pay is falling behind the police and well below specialist roles both in the civil service and the private sector, compounding its recruitment problems:**

The NCA pays less than the police at all grades, with senior roles, such as Chief Inspector equivalent, paid 21%-25% lower.

The head of the NCA's digital and tech command is paid 21.3% less than an equivalent role in the civil service, while a senior procurement manager at the agency is paid 20.8% less than in the civil service.

The NCA's pay is less than half of what officers can get in the private sector, particularly in key digital roles.

**The NCA's two-tier pay structure is divisive and fails to reward its officers:**

The NCA faces legal risks of £200 million in potential equal pay claims as a result of a pay structure which sees officers doing the same or similar roles receiving different pay.

59% of NCA officers on its standard pay range are stuck at the bottom of their pay band with no opportunity for progression.

#### **4. Investment shortfall: how the NCA's budget prevents pay reform**

**The NCA's latest three year funding settlement does not represent additional real-terms investment:**

Despite its core budget being raised to £864 million in 2023/24 this is 1.6% lower than its 2013/14 equivalent when adjusted for inflation.

**Critical levels of vacancies prevent the NCA from spending its budget:**

Since 2021, the NCA has been unable to spend £14.62 million of its budget due to a large number of vacancies across its workforce.

# RECOMMENDATIONS

**We recommend that the government should:**

## **1. Undertake an urgent review of the NCA's organisational form and founding pay model**

In line with the National Crime Agency Remuneration Review Body's specific request, the government must review whether the NCA needs "*a different organisational form*" to give it the flexibility to create the workforce for the future it needs to protect the public. This requires reviewing whether its current status within the civil service, and the pay model it agreed with the government when it was established, are preventing it from adopting ambitious pay reform and hindering its ability to function effectively.

Any change in organisational form should be accompanied by measures to increase the agency's transparency and accountability, particularly to Parliament.

## **2. Enable the NCA to embark on a speedy and ambitious pay reform programme**

The NCA must be empowered to make recommendations to the government in the forthcoming Comprehensive Spending Review for an agency budget that lays out what new investment it needs in order to undertake transformational pay reform. This should be ambitious enough to allow it to establish a cross-agency pay structure which means that it: can pay at least equivalent to the police; has enhanced flexibility to pay higher wages for mission-critical roles in cyber and legal; and can provide clear and attractive pay progression.

The NCA must work with the government to provide a clear timeline for introducing this new structure by March 2025, and it must not be allowed to drag on for several years.

Currently all pay reform and increases must be funded from the NCA's existing budget. Going forward, the NCA should be allowed to submit business cases to government spending reviews that are based on need rather than affordability. Additionally, the NCA's pay review body, the NCARRB, should be empowered to make recommendations about additional investment needed for the agency to achieve operational effectiveness.

The Home Office should also as a matter of priority undertake a comparative exercise with similar jurisdictions to see what is best practice for attracting and keeping the talent required to run an elite national-level crime fighting body effectively.

### **3. Invest in the NCA so that it can evolve its technological capacity to tackle surging online criminality**

Upfront investment in the NCA's technological capabilities will provide long term value for the taxpayer and help it protect the public from threats that are increasingly online and cyber related. The NCA must be encouraged to make recommendations to the government in the forthcoming Spending Review to enable it to invest heavily in its own IT systems and to upgrade to the latest technology for combatting crime.



## KEY STATS

**369%** 

the increase in NCA spend on temporary labour and consultants to fill vacancies

**59%**

NCA officers stuck with no opportunity for pay progression

**16.3%** 

the real terms pay cut in NCA officers have faced since 2015

**30%**

the percentage of lawyers working for NCA who left in 2023

**200**  
MILLION £

the potential cost to the NCA of equal pay claims arising from its unfair pay structures

**93.7**  
MILLION £

the amount spent by the NCA on temporary labour and consultants in 2024

**24%**

the percentage of senior managers leaving the NCA in 2023 risking braindrain

**21-50**  
MILLION £

rough estimates of new investment needed to adopt ambitious pay reform

**9%**

the number of NCA posts left unfilled in 2024 - compared to average of 3.9% for the public sector

# INTRODUCTION

**NCA OFFICERS ARE AT THE FOREFRONT OF NATIONAL LAW ENFORCEMENT EFFORTS**

The National Crime Agency leads national law enforcement efforts to tackle the most serious threats facing our country. From organised crime drug cartels, fraudsters and cyber criminals, to paedophile rings, people smugglers and hostile states, NCA officers are at the forefront of national law enforcement efforts.

The agency is also at the heart of the UK's ability to deliver many recent major commitments on tackling corruption, kleptocracy and economic crime more broadly.

It is central to the UK's ambitions to:

- recover more criminal assets in the Economic Crime Plan 2023-2026;<sup>6</sup>
- play a leadership role in the UK's new National Fraud Squad under the Fraud Strategy;<sup>7</sup>
- lead UK enforcement actions against organised crime under the Serious and Organised Crime Strategy 2023-2028;<sup>8</sup> and
- *"close down London as a centre for corrupt elites to launder money and enhance their reputations."*<sup>9</sup>

The NCA houses core functions to operationalise these ambitions including:

- the UK Financial Intelligence Unit (UKFIU), responsible for collecting and disseminating intelligence on the almost 900,000 suspicious activity reports submitted every year;
- the National Economic Crime Centre (NECC) which coordinates and tasks other agencies in the UK's response to economic crime;
- the National Cyber Crime Unit (NCCU) which targets the UK's highest harm cyber criminals; and
- the Proceeds of Crime Centre, which trains financial investigators in how to trace criminal assets.

It also hosts operational units critical for tackling corruption and kleptocracy such as the International Corruption Unit, which investigates corrupt officials from developing countries and their enablers; the Combatting Kleptocracy Cell, which targets corrupt elites primarily in relation to Russia and sanctions evasion; and the Civil Recovery Team, which seizes corrupt assets.

The NCA's ability to attract and retain high quality officers and to ensure high morale is therefore critical for the fight against dirty money and economic crime in the UK, as well as for the UK's ability to tackle wider threats posed by serious and organised crime.

However, since its inception in 2013, the NCA has struggled to recruit and retain highly skilled law enforcement professionals due to three primary factors:

1. its status as a civil service department means that it has been subject to **tighter pay restraint and conditions than police forces**, including being unable to offer meaningful pay progression;
2. its pay structures have **caused resentment, dented morale and undermined trust** in its leadership, and the agency lacks flexibility to offer pay and conditions that would enable it to recruit the skills it needs; and
3. it has **not received the levels of public investment** needed to allow it to address recruitment and retention challenges or to invest in technology and ensure its officers have the tools and skills needed to do their jobs.

These issues are undermining the ability of the NCA to function at peak operational performance and to create a working environment that attracts the best talent in the country to fight the threats we all face.

While these problems are not new, their cumulative effects have now reached a critical level. After seven years of failed pay reform, the NCA's independent pay review body, the National Crime Agency Remuneration Review Body (NCARRB), has called for a serious rethink.

Last year, the NCARRB challenged the NCA to present "*a comprehensive plan*" for how it intends to "*recruit, develop, retain and reward the workforce of the future*".<sup>10</sup> The pay review body questioned at the time whether the NCA's current organisational form allows it to do this.

This year, the NCARRB has once again raised concerns that the NCA's "*ambitions for reform have been constrained by the framework in which it currently operates*" and that a different organisational form for the NCA should be considered. It has also said that any further delays to pay reform "*are not acceptable*."<sup>11</sup>

The NCARRB is not alone. In December 2023, the Joint Committee on the National Security Strategy called on the Home Office and Treasury to "*urgently revisit the funding available for NCA pay and progression*" and "*to invest significant more resources*" to allow the NCA to combat cyber security threats.<sup>12</sup> In 2022, the independent policing inspector, His Majesty's Inspectorate of Constabularies and Fire and Rescue Services (HMICFRS), also called for "*substantial investment*" if the NCA "*is ever to achieve its full potential*."<sup>13</sup>

Currently the agency is stuck in a vicious cycle whereby government investment falls short of what is needed to fund fundamental pay reform despite a recent budget uplift. But without fundamental and ambitious pay reform the NCA struggles to recruit and retain staff, forcing it to spend ever more on costly temporary labour and consultancies.

The amount that the NCA needs in new investment to fund effective pay reform is not huge but it must be meaningful. The NCA has estimated in the past that pay reform would cost around £21 million although this is likely to be an underestimate constrained by what it can afford given that pay reform comes out of its existing budget and must be 'cost neutral' to be acceptable to the government.

More substantial pay reform may cost at least £50 million although a proper evidence-based assessment of what ambitious pay reform would cost has yet to be released if it has even been undertaken. Given that the NCA spent £93.7 million on temporary staff and consultants in 2023/24, investment in pay reform could be offset against such costs. However, investment in pay reform must be new and additional rather than found from the NCA's budget if it is to enable meaningful reform.

In the following sections this report examines the causes of the NCA's long-standing issues with morale, pay and retention in detail. We also review the structural and budgetary obstacles that stand between the agency and its ambition to be the elite crime-fighting agency that the UK public needs and deserves.

# I. ROCK BOTTOM: NCA STAFF MORALE AND JOB SATISFACTION

The NCA is facing serious staff morale issues relating to pay. This section looks at the decline in NCA staff morale, how it compares with civil service averages, and examines the drivers behind it.

## Background

Both the NCA itself and its pay review body, the National Crime Agency Remuneration Review Body (NCARRB), have highlighted that “*good morale drives productivity and shapes behaviour*” and is critical to the effectiveness of the UK’s elite crime-fighting body.

**LOW STAFF MORALE IS A MAJOR DRAIN ON THE ABILITY OF THE NCA TO DELIVER ITS REMIT**

Low staff morale is a major drain on the ability of the NCA to deliver its remit. Dissatisfied employees are more likely to carry out their duties poorly, avoid work altogether, and negatively impact the morale and productivity of their colleagues around them.<sup>14</sup>

## Drivers behind declining workforce morale

In 2023, NCARRB expressed its “*deep concern*” to both the NCA Director General and the Home Secretary after visiting the agency. In particular the pay body found that:

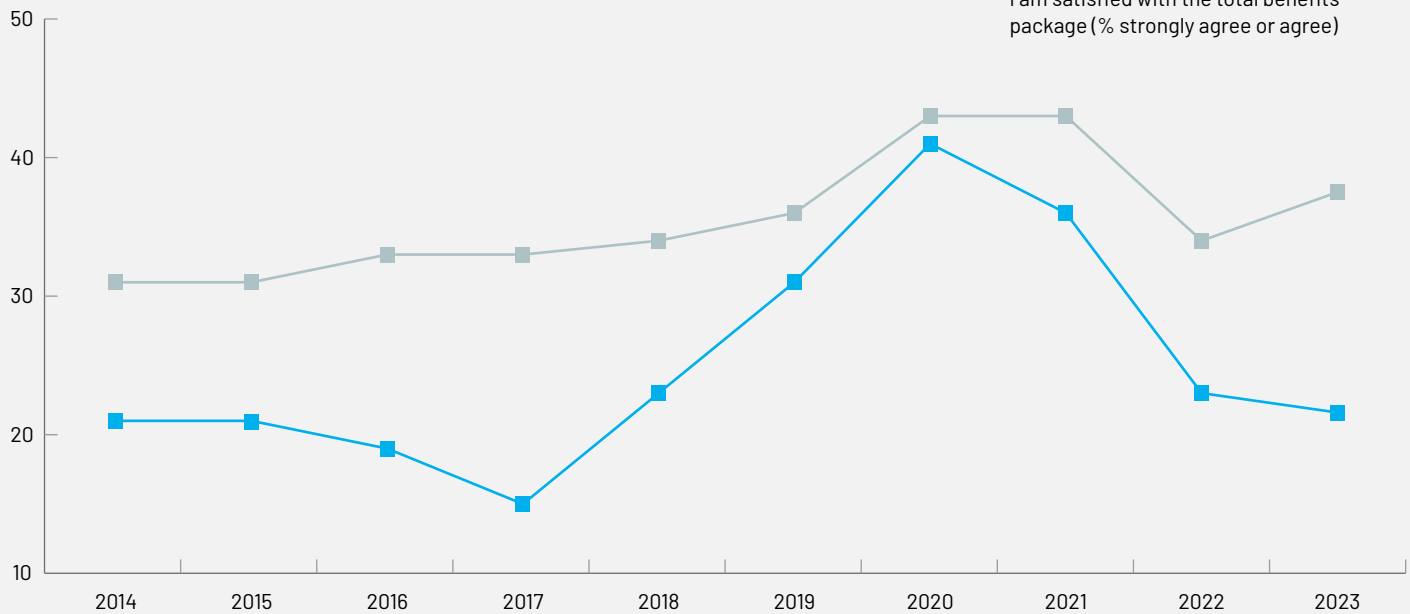
*“flaws in the pay and reward arrangements were now **so serious** that they were impacting on the organisational structure, as well as on staff morale, and that consequently there were **clear risks to operational effectiveness.**”* (emphasis added)<sup>15</sup>

While the pay review body found less alarm on its visits to the agency in 2024, it still highlighted serious concern among NCA staff with pay and particularly the lack of pay progression.<sup>16</sup> The NCA’s most recent 2024 evidence to NCARRB highlighted that serious dissatisfaction with pay among officers is “*causing increasing risks of industrial action and has already resulted in the withdrawal of goodwill [an overtime ban] in 2023.*”<sup>17</sup>

The NCA ranks amongst the worst performing of all government organisations for pay and benefits in the Civil Service People Survey (CSPS). In the 2023 CSPS, NCA officers’ satisfaction with pay and benefits ranked 95 out of 105 participating government organisations.<sup>18</sup> In response to the specific statement “*I am satisfied with the total benefits package*” NCA officers ranked fourth lowest out of 105 participating agencies.

## Satisfaction with pay and benefits 2014–2023

I am satisfied with the total benefits package (% strongly agree or agree)



In 2023 the CSPS found that just 21% of NCA staff were satisfied with pay and benefits – compared with an already low average in the civil service of 32%. The NCA highlighted to its pay review body that these are “*the lowest scores for pay and benefits since the inception of the NCA.*”<sup>19</sup>

Dissatisfaction with pay at the agency has been exacerbated by short term measures by the government in relation to public sector pay.

In June 2023, the government announced a one-off ‘cost of living payment’ of £1,500 for all civil servants,<sup>20</sup> to come from existing agency or departmental budgets. This announcement has caused significant difficulties for the NCA and created real tensions including industrial action.

After initially saying it would make the payment, the NCA leadership decided that it would instead push for a consolidated 7% pay increase across the board for all staff.<sup>21</sup> This was due to the government making clear that any such payment needed to be considered as part of a broader pay award process.

As a result of the decision not to make the payment, and the impact this had on staff, members of the National Crime Officers Association (NCOA) – the NCA officers’ trade union – agreed to a withdrawal of goodwill in 2023, effectively a ban on overtime.

While the 7% pay award in February 2024 has ended the industrial action, the dispute between the unions and the NCA leadership over the one-off payment has been bitter. The failure to make the payment became “*a totemic issue*” for the NCA’s workforce which “*damaged both officers’ morale and their perception of the organisation’s leadership.*”<sup>22</sup>

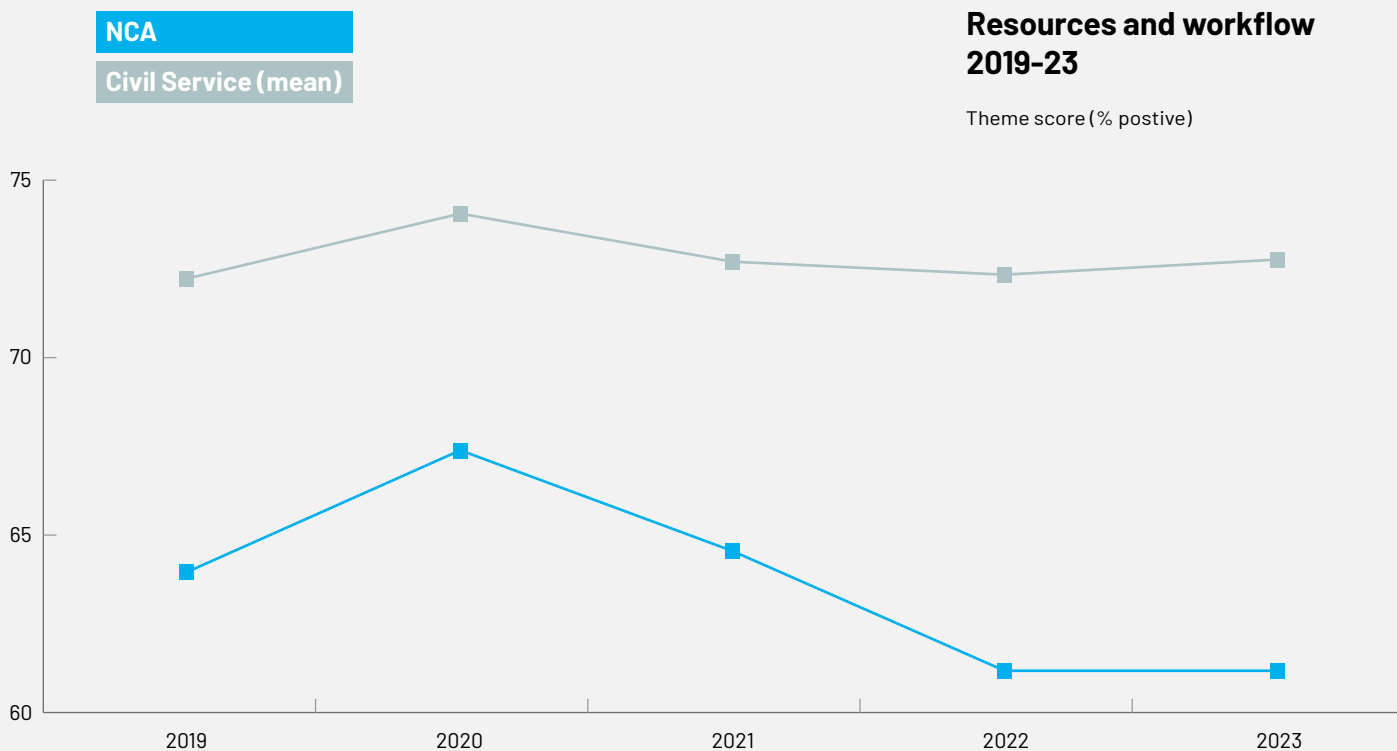
As the NCA notes, with over 65% of NCA officers in trade unions, the agency cannot afford such disruption, which “is damaging to NCA operations and decreases the NCA’s ability to monitor and combat organised crime.”<sup>23</sup>

### Not just pay

While dissatisfaction with pay and benefits is central to the decline in morale at the NCA, a range of additional factors are closely related to high job dissatisfaction at the NCA. Importantly none of these are to do with satisfaction with the work itself. Exit interviews and people surveys of NCA staff show high satisfaction with working relationships and working on the NCA’s mission.<sup>24</sup> Meanwhile, at the NCARRB’s recent visit to the agency it found “a real sense of pride in the work of the Agency and the difference it made to protection levels for the UK population.”<sup>25</sup>

But NCA officer satisfaction in relation to resources and workload, learning and development, and leadership rank amongst the lowest scores out of 105 participating government organisations.

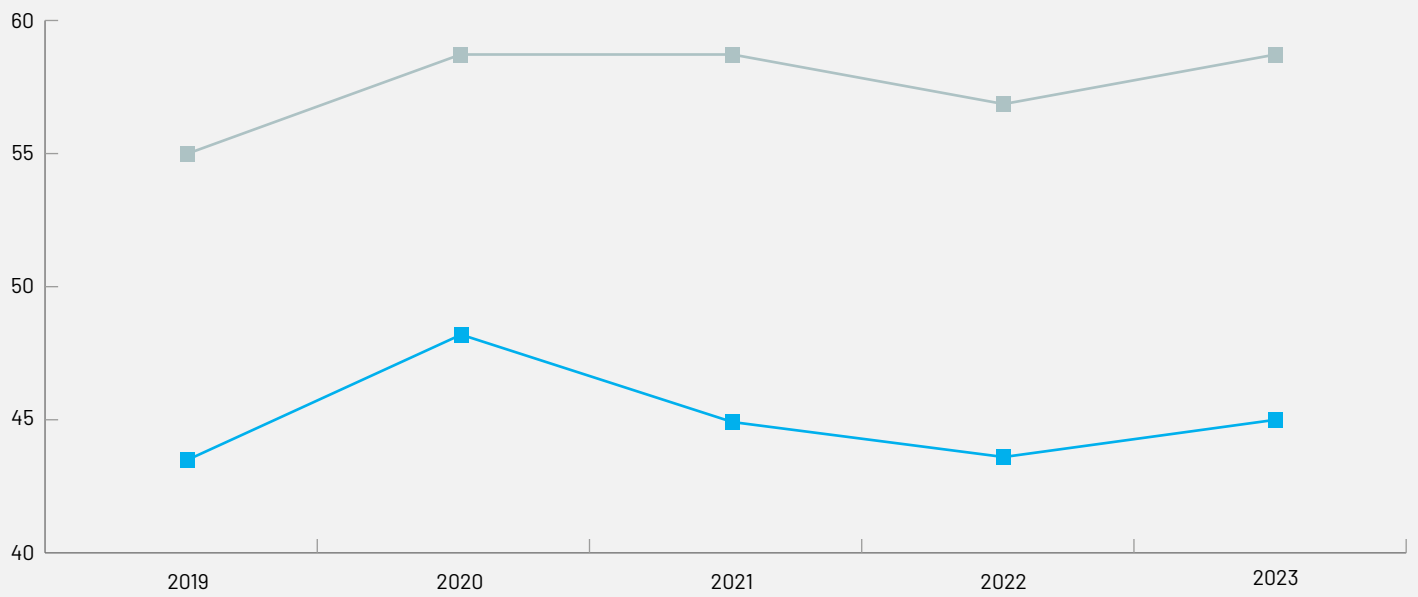
In terms of resources and workload, the NCA ranked bottom of all government departments in 2023. Only 36% of NCA officers agreed with the statement “I have the tools I need to do my job effectively,” compared to 71% in the civil service.<sup>26</sup> This is likely in large part to be due to outdated technology.



**NCA**  
Civil Service (mean)

### Learning and development 2019-23

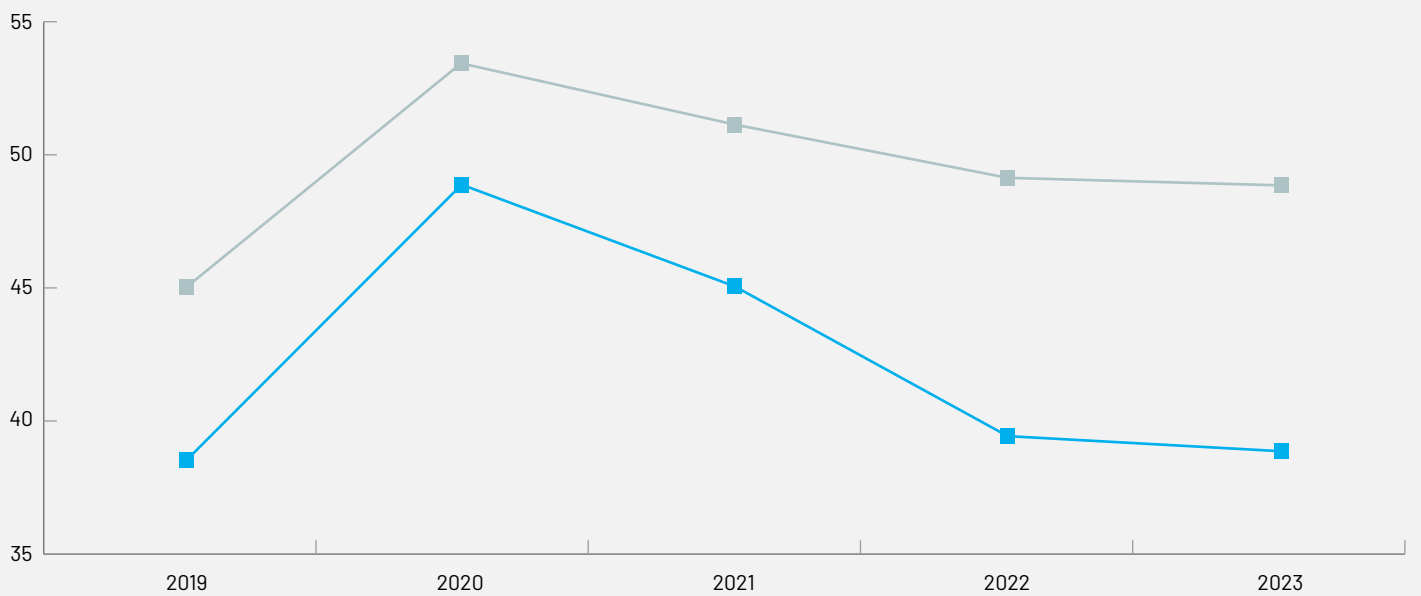
Theme score (% positive)



**NCA**  
Civil Service (mean)

### Leadership and managing change 2019-23

Theme score (% positive)





## Creacking technology

In 2021, His Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) found that the NCA faced serious issues relating to IT which was "*slow and inefficient*" and that the agency had struggled to "*plan and implement complex projects such as IT improvements due to the lack of long-term capital funding.*"<sup>27</sup>

**THE NCA FACED SERIOUS ISSUES RELATING TO IT WHICH WAS "SLOW AND INEFFICIENT"**

These issues included:

- lack of automation, with a single platform for the agency's IT system sitting alongside multiple other platforms;
- increased workload and delays as investigators need to manually input information into systems due to lack of automated data transfer, including when sharing information with the Crown Prosecution Service; and
- a serious gap in the agency's digital forensics capability resulting in the NCA often relying on police forces to do such work on their behalf.

The HMICFRS recommended that the Home Office "*make it clear how much money the NCA will have for the next three years to allow for future business planning and investment in longer-term projects.*"

To some extent this appears to be happening. NCA investment in technology doubled between 2021/22 and 2022/23 from £59 million to £119 million but stayed static at £120 million in 2023/24.

However, given the NCA's role as the UK's lead law enforcement agency, including in response to cyber crime, its technology needs to be among the best and most advanced in the country. In his 2023 speech to the Royal United Services Institute, the NCA's Director General Graeme Biggar highlighted how serious and organised crime is increasingly sophisticated in using the latest technology and how important it was for the NCA itself to "*become more and more an online agency, harnessing the best of technology, with the very best people.*"<sup>28</sup> But as the Joint Committee on the National Security Strategy found in 2023, when it comes to tackling crucial cyber threats such as ransomware attacks, "*the NCA has insufficient resources and capabilities to match the scale of this challenge.*"<sup>29</sup>

## II. "HAEMORRHAGING OFFICERS": THE NCA'S RECRUITMENT AND RETENTION CRISIS

The NCA recognises that "*the biggest risk to its mission*" is its "*ability to attract, retain and develop our highly skilled workforce.*"<sup>30</sup> This section looks at:

- the NCA's vacancy and recruitment issues;
- 1. the NCA's **high turnover** in key roles including senior management, digital and technology, legal and backroom and operationally essential roles; and
- 2. how the NCA's recruitment and retention challenges represent **poor value for money.**

### Background

In 2023, the NCA's pay review body, NCARRB, wrote that it had heard "*repeated reference to the NCA haemorrhaging officers.*"<sup>31</sup>

In the long term, the NCA's recruitment and retention crisis represents bad value for the taxpayer as more money is spent on recruitment, temporary labour and outsourced consultancy as the agency struggles to meet its staffing needs. But the crisis also damages the NCA's ability to operate as the UK's lead law enforcement agency for tackling serious and organised crime, and to reduce the cost of serious and economic crime to the UK public.

**THE NCA'S RECRUITMENT AND RETENTION CRISIS REPRESENTS BAD VALUE FOR THE TAXPAYER**

The NCA warned in 2023 that its recruitment and retention issues are impacting its performance. It highlighted that "*unfilled vacancies lead to disruption of ongoing investigations, delays in key enabling projects or lags in providing intelligence assessments for critical operations.*"<sup>32</sup> These concerns are shared by the NCARRB which in 2023 found that "*recruitment problems were creating excessive internal churn,*" with staff "*being transferred from existing teams to fill gaps in other parts of the organisation.*"<sup>33</sup>

During its most recent visit in 2024 the NCARRB heard from NCA officers that "*critical vacancies in key areas of the organisation*" were being managed by the NCA through "*a combination of long hours (officers working in excess of 60 hours a week), contingent labour and professional services,*" creating a situation which officers warned would produce "*important operational and financial consequences for the Agency.*"<sup>34</sup>

### The NCA's vacancy problem

In its early reports after the NCA was established, the NCARRB found that there were "*few concerns over recruitment to the NCA which remains healthy.*"<sup>35</sup> However, since 2019 the NCARRB has

repeatedly highlighted recruitment as an issue “the NCA management needs to address.”<sup>36</sup> Currently, the NCA is operating with a high level of vacancies across its workforce:

- Despite the NCA recruiting 534 new officers, 400 posts were left unfilled at the end of 2022/23 – equal to 6.6% of the NCA’s total workforce. This is higher than the average in the private sector (5.2%), the charity and voluntary sector (4.8%), and the public sector (3.9%).
- In 2024 the NCA stated that 9% of its posts were left unfilled “due to difficulties attracting and retaining the skilled workforce it needs to conduct its operations.”<sup>37</sup>
- 32% of advertised vacancies remain unfilled in 2023/24 due to the absence of any appointable candidate, candidates declining job offers, candidates failing pre-employment checks, and candidates withdrawing. This is a slight improvement on the 2022/23 when 40% of vacancies remain unfilled.<sup>38</sup>
- The NCA’s independent pay review body noted in 2024 that recruiting officers at Grade 5 (equivalent to a police constable) continued to be a “strategic problem” for the agency.<sup>39</sup>

At the centre of the NCA’s recruitment issues is its inability to attract a sufficient number of candidates to apply for roles. The NCA receives on average eight applicants per advertised post, significantly below the industry average of 30 applicants.

Additionally, and worsening the problem, is the number of those who drop out of recruitment processes. The NCARRB highlighted receiving reports of candidates dropping out of the recruitment process “once they understood the remuneration.” But pay is also not the only factor. 40% of candidates withdrew from NCA recruitment processes in 2022/23 due to the lengthy recruitment and vetting process.<sup>40</sup>

**40% OF CANDIDATES WITHDREW FROM NCA RECRUITMENT DUE TO LENGTHY RECRUITMENT AND VETTING PROCESS**

### **Lengthy vetting processes**

Vetting can last up to 12 months, a time frame which according to the NCA acts as “a throttle on who we can recruit.”<sup>41</sup> This is significantly longer than the police in which vetting takes up to six months. The agency rightly has in place “stringent vetting requirements,” which were recognised as “rigorous” by HMICFRS in July 2023.<sup>42</sup> Given national security issues and wider public debates about the integrity of law enforcement officials, the NCA recognises that “it is difficult to relax restrictions or vetting.”<sup>43</sup>

HMICFRS has recommended that the agency strengthens the link between vetting and HR processes, and the NCA has taken steps to streamline the vetting process.<sup>44</sup> However, the fact that the NCA cannot significantly shortcut vetting processes without compromising on security highlights the need for it to:

- a) Make its overall pay and benefits package as attractive as possible to people; and
- b) Focus on retention so that once people have been through the vetting process they stay for a considerable period.

## High turnover in critical functions

In 2022/23 NCA overall turnover was 9.7%,<sup>45</sup> above the civil service average of 8%, and higher than the police average (6.6%) in 2022/23.<sup>46</sup>

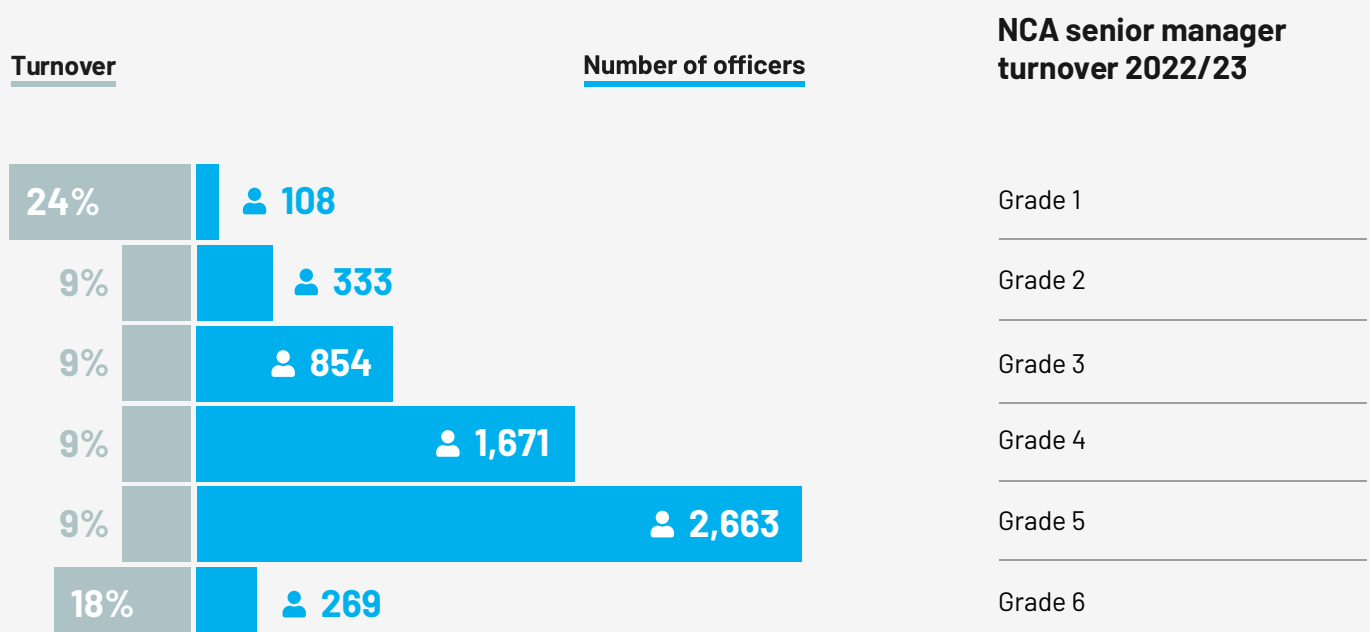
	Turnover rate				
	2019/20	2020/21	2021/22	2022/23	2023/24
NCA	9.3%	7%	8.7%	9.7%	7.5%
Police (England & Wales)	5.8%	4.7%	6%	6.6%	6.2%

While turnover among NCA officers in 2023/24 reduced to 7.5%,<sup>47</sup> it is still higher than the police average. Most significantly, however, turnover can be exceptionally high in particular teams. In non-operational teams such as legal, HR, finance, digital, technology and commercial, it can be as high as 41%,<sup>48</sup> meaning that some teams are losing over a third of their staff every year.

There are several key areas where high turnover has the potential to have a major impact on the NCA's performance:

### A. Senior managers

Turnover is highest for the NCA's most senior managers at Grade 1, reaching 24% in 2022/23.<sup>49</sup>



As the Institute for Government has highlighted, staff turnover at senior levels can impact on the whole organisation and reduce its productivity as “the direction of work becomes confused, strategic relationships with other organisations are weakened and performance incentives on staff are reduced.”<sup>50</sup> Disruption caused by the departure of specialists among the top management has also been found by academic researchers to cause a drop in organisational performance.<sup>51</sup>

The NCA has stated that high turnover in senior manager roles is caused by its inability to increase pay as officers’ competence and value grows – due to the strictures of being within the civil service. As a result, 56% of NCA senior managers are stuck on the bottom rung of their pay grade (at £70,179), and not a single senior manager is remunerated at the top rung of £85,788.<sup>52</sup>

## B. Specialist and enabling roles

The NCA’s turnover rate is particularly high in its backroom, non-operational units such as Change (19.4%) and Strategy (11.8%). In specialist roles turnover reached 12.7% in the Digital, Data and Technology (DDaT) command in 2023/24 (down from 16.6% in 2022/23) – while turnover surged to 25% in the agency’s legal directorate (up from 7.8% the previous year).<sup>53</sup>

Digital, Data & Technology	2021/22	2022/23	2023/24
Number of officers	298	294	266
Turnover rate	14%	16.6%	12.7%

Legal directorate	2021/22	2022/23	2023/24
Number of officers	48	63	61
Turnover rate	18%	7.8%	25%

High turnover in the DDaT command means it is unable to grow – it has shrunk by 32 officers (or 10.7%) in the last two years. Some teams within the command have particularly high turnovers as laid out in the table below, with the NCA losing nearly a third of staff in key cyber and technical roles.

NCA role	Technical Architect	Cyber Engineering	Data Lab	Cyber Security
Turnover	33.33%	28.57%	20%	16.67%

Given that the NCA's commitment to enhancing its technological capabilities is a core pillar of its strategy,<sup>54</sup> the high levels of turnover and inability to grow the DDaT command undermine the agency's aim to have *"an increasingly technologically driven crime fighting capability."*<sup>55</sup>

### **The NCA's recruitment and retention crisis is poor value for money for taxpayers**

Replacing officers is both time-consuming and expensive – the NCA estimates it can take up to 18 months for officers to be recruited and become proficient in the role. By its own estimate, this represents *"a substantial loss of productivity for a law enforcement organisation."*<sup>56</sup> High turnover means investigations take longer as staff leave and new, less experienced officers take time to upskill and get on top of the evidence.

**THE NCA ESTIMATES  
IT CAN TAKE UP TO 18  
MONTHS FOR OFFICERS  
TO BE RECRUITED AND  
BECOME PROFICIENT  
IN THE ROLE**

It also means increased direct costs such as recruitment and training. In 2019, the Institute for Government estimated that excessive turnover in the civil service was costing an additional £36-74 million a year in recruitment and training costs.<sup>57</sup> The NCA estimates that *"each recruitment campaign run by the NCA costs approximately £3,000 plus £300 per post"* but also creates significant time demands on existing officers to select and interview candidates.<sup>58</sup>

Meanwhile, in recent years the NCA has increasingly turned to temporary workers, interim managers and specialist contractors as a short-term solution to address its recruitment needs.

- Between 2015/16 and 2023/24 the amount the NCA spends on temporary staffing and external consultants has increased by 369% from £19.99 million to £93.7 million.<sup>59</sup>
- Between 2021/22 and 2023/24 alone, the NCA's spending in this area increased by 58% from £59.2 million to £93.7 million.
- 12% of NCA vacancies are filled by contingent labour which can cost an additional £20,000 per post in salary payments.<sup>60</sup>

The additional costs of temporary labour and external contractors is particularly marked in three areas:

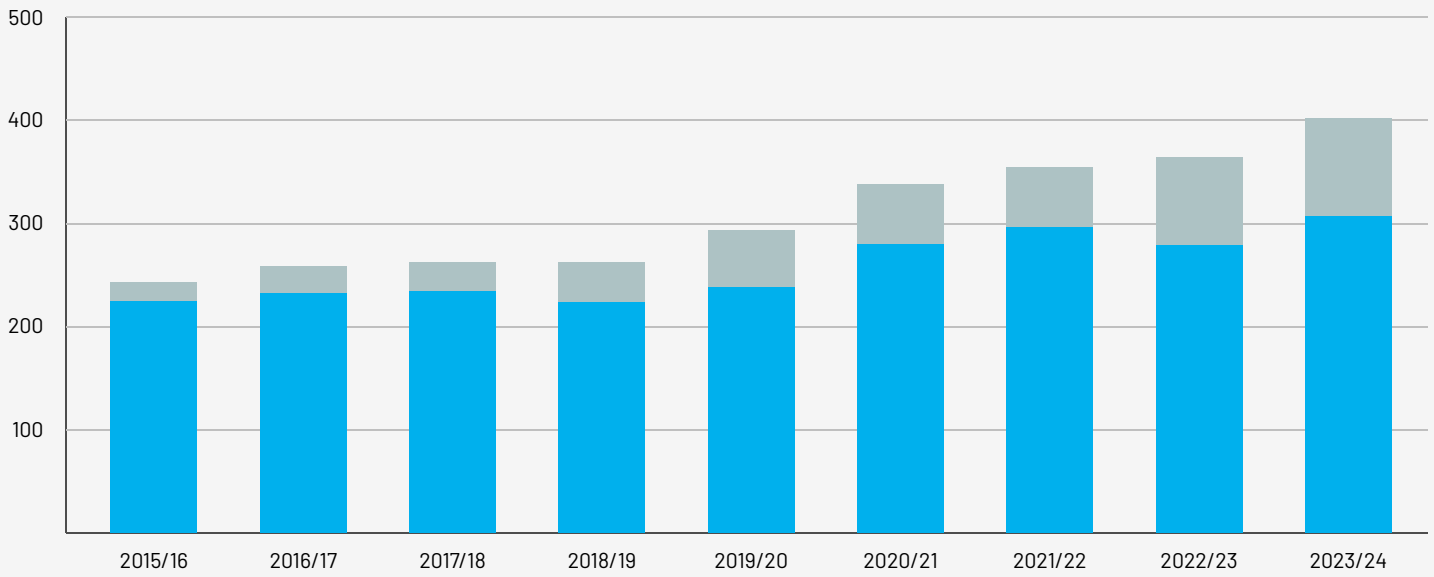
- digital and technology, which takes nearly a quarter (23.4%) of the total NCA's costs on contingent labour;<sup>61</sup>
- corporate business services, which likewise takes up nearly a quarter (23.5%) of those costs; and
- the NCA's legal command, where the NCA estimates that external legal support *"is at least three times the cost of in-house provision from permanent NCA legal advisors."*<sup>62</sup>

Total staff costs £m

Temporary staff £m

(Non-payroll)

## NCA staffing costs 2013-2024



While the NCA, and law enforcement in general, is operating in a challenging post-pandemic labour market, the agency's increasing use of temporary workers means that it risks overpaying for short-term fixes that in the long-term prevent the agency from building in-house expertise and capacity.

### III. PAY STAGNATION: THE ROOT CAUSE OF THE NCA'S MORALE AND RETENTION PROBLEMS

The NCA recognises that officers' concerns over discrepancies in pay with other employers are the driving force behind strained industrial relations, employee disengagement, low morale and high turnover.<sup>63</sup> These issues are widespread across the civil service, and Parliament has called for the Cabinet Office to “clearly set out specific actions” to address them.<sup>64</sup>

This section looks at:

- How the NCA's pay has stagnated compared to other economic crime fighting bodies;
- How the NCA's pay compares with key sectors from which it must recruit to meet its operational needs;
- How the NCA's pay structures undermine its operational performance; and
- How the NCA compares to its US counterpart the FBI.

#### The NCA's stagnant pay

Like other public sector workers, NCA officers' pay has stagnated following a decade of public sector pay freezes and has been eroded by high inflation since 2022. Median pay in the NCA's first full year of operations was £36,726.<sup>65</sup> Over 11 years it has risen by just 12.5% or £4,621 to £41,347.<sup>66</sup>

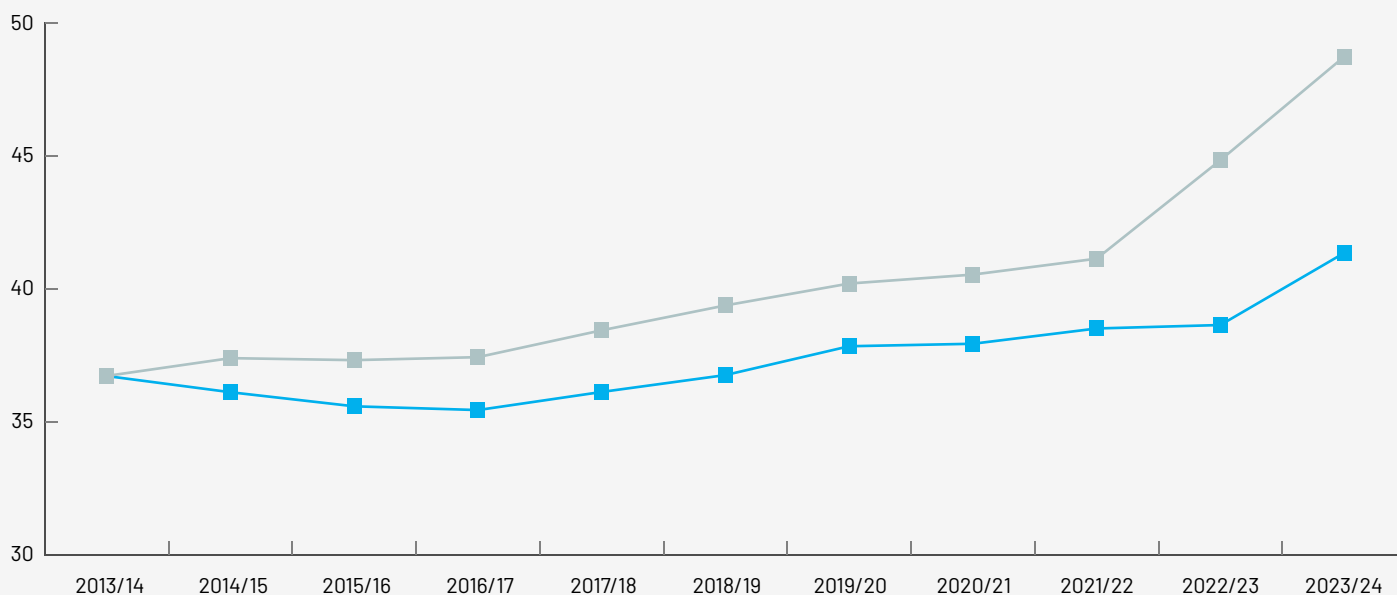
**NCA OFFICERS' PAY HAS STAGNATED FOLLOWING A DECADE OF PUBLIC SECTOR PAY FREEZES**

As the graph below shows, if NCA median pay of £36,726 in 2013/14 had kept pace with inflation it would have reached £48,718 in 2023/24 – i.e. officers would be paid 32% or £7,371 more than they currently are. This means that in real terms, NCA officers' median pay of £41,347 in 2023/24 has fallen by 16.3% since 2013/14.

The NCA's “historically high pay award” of 7% during 2023/24<sup>67</sup> must be seen in this context, as well as the equally historical levels of inflation in the UK which peaked at 11.1% in October 2022. The 2023/24 award does not compensate for the erosion of NCA pay caused by this peak and is only 0.2% higher than the average inflation rate of 6.8% in 2023.

A further 5% increase approved by the new Home Secretary in July 2024<sup>68</sup> is estimated to increase the NCA's median salary to £43,414. Even with this further increase this still represents a 13.9% real terms pay cut compared to 2013/14 levels.





**NCA pay levels are falling behind the police, as well as specialist roles in the civil service and the private sector.**

The NCA requires a “full range of skill sets” from the police, the civil service and from the private sector in order to be successful.<sup>69</sup> As the NCA competes directly with these sectors for recruits, its pay offer must remain competitive. It needs to be able to recruit experienced officers as it recognises that it “cannot function effectively at the high end of high harm if all vacancies are filled by less experienced officers.”<sup>70</sup>

While direct comparisons with these sectors are difficult to make given the differences between overall remuneration levels including pension arrangements and in-work benefits, the NCA is clearly falling behind the police, the private sector and, in some specialist roles, the civil service. This is a root cause of its retention and recruitment crisis.

**A. The Police**

The NCA’s operational effectiveness is dependent on its ability to recruit experienced police officers. Both the NCA and its pay body recognise that the police are the primary comparator for the NCA in terms of salary. This is particularly important as the NCA has said its “most prevalent recruitment need is for more serving Sergeants and Constables” as over a third of its workforce approach retirement age.<sup>71</sup>

Many of these older officers will themselves have come from the police. However, pay for NCA officers has been consistently set at 90% of police pay. This has led to a persistent pay gap between the police and the NCA which makes it hard for the agency to attract police officers to join the NCA.<sup>72</sup>

Despite tweaks over the past few years to the NCA's pay structures to address the pay gap,<sup>73</sup> NCA pay continues to trail behind the police:

<b>Median pay gap between the NCA and Police (2023)</b>				
Role	NCA median (£k)	Police median (£k)	Pay difference (£)	% difference
Chief Supt / NCA Grade 1	£77,559	£93,651	-£16,092	19%
Superintendent / NCA Grade 2	£61,675	£79,563	-£17,888	25%
Chief Inspector / NCA Grade 3	£50,697	£59,064	-£8,367	15%
Sergeant / NCA Grade 4	£45,057	£48,129	-£3,072	6.6%
Constable / NCA Grade 5	£38,560	£43,053	-£4,472	11%

## B. Civil Service

The key competitor for skills in the NCA's 'enabling' commands, such as commercial support and technology, is the civil service.

As part of the civil service, NCA pay grades are similar to its civil service equivalents at grades 1-6.

However for key specialist enabling roles, NCA pay is significantly lower than other parts of the civil service:

<b>Pay comparison between NCA and civil service in key specialisms including allowances (2023)</b>				
Role	NCA median (£k)	Civil service median (£k)	Pay difference (£)	% difference
Head of DDAT / Grade 1	£73,179	£90,709	-£17,530	21.3%
DDAT Senior Manager / Grade 2	£60,640	£75,800	-£15,160	22.2%
Head of Procurement / Grade 1	£73,179	£88,061	-£14,882	18.4%
Procurement Senior Manager / Grade 2	£60,640	£74,767	-£14,127	20.8%

The NCA's ability to compete with other government departments for skills in these areas is also hampered by the amount it sets aside each year for staff salary 'top ups' in the form of Recruitment and Retention Allowances (RRAs). The NCA has currently set aside 1% of its overall wage bill for such purposes, less than the civil service average of 1.6% and significantly less than the 4.5% maximum. These salary top-ups can be significant, and in the case of qualified accountants and cyber roles can reach up to £5,000 and £15,000 per year.<sup>74</sup>

### C. Private sector

The NCA relies on the private sector to fill a large number of niche and rare technical and specialist roles.

However, the NCA struggles to retain staff that can receive better pay in the private sector. This is particularly true for NCA officers with legal backgrounds, with 30% of NCA lawyers leaving for the private sector.<sup>75</sup>

**30% OF NCA LAWYERS  
LEAVE FOR THE  
PRIVATE SECTOR**

It is also true at more senior levels where the cost of appointing someone from the private sector is much higher, making it more difficult for the NCA to recruit. The comparisons are stark:

- The NCA's Head of Procurement is paid £75,000 plus a £3,000 recruitment and retention allowance,<sup>76</sup> while similar roles in the private sector can reach up to £147,000 in financial services firms.<sup>77</sup>

Particularly important to the NCA's mission meanwhile is the ability to recruit cyber security experts. The NCA recognises that *"almost all serious and organised crime threats"* are *"enabled by technology"* which for cyber crime and fraud *"increasingly take place online."*<sup>78</sup> However, the NCA accepts that its pay structures *"are not sufficient for retaining specialist skills"* such as those in its Digital, Data and Technology command.<sup>79</sup>

- The NCA's head of its Digital, Data & Technology command is paid £77,842<sup>80</sup> – less than the average £89,463 average salary for an IT director.<sup>81</sup>
- The NCA is currently recruiting a manager for the post of 'Senior Microsoft Power Platform' developer and is offering £50,697.<sup>82</sup> This is £7,000 less than the UK average.<sup>83</sup>
- In another job posting the NCA is recruiting a Data Scientist to be based at the NCA's National Cyber Crime Centre and is offering a salary of £32,892. Equivalent data scientist roles are much better paid in the private sector with the average salary reaching £48,000 per year.<sup>84</sup>

While there will always be differences between the private sector and public sector pay, if the NCA is to recruit and retain specialist cyber experts so that it can keep ahead of the game, it will need to have a strategy for tackling the significant difference between what these experts can earn in the private sector and its own pay range, especially for specialist niche roles.

## **“A huge mess”: the NCA’s pay structures and how its fails NCA staff**

The NCA operates a complex and confusing pay regime which has caused enormous problems for the agency, and has major implications for equality, including in terms of gender and race, within the agency.<sup>85</sup>

**THE NCA OPERATES  
A COMPLEX AND  
CONFUSING PAY REGIME  
WHICH HAS CAUSED  
ENORMOUS PROBLEMS**

NCA officers’ pay has historically been governed by two different regimes – Civil Service Pay Remit Guidance and its independent pay body, NCARRB. Between 2013/2014 and 2023/24 the pay body only had the remit to make recommendations for powered officers (those with warrants to conduct searches and arrests, among other things),<sup>86</sup> which accounted for less than half of the agency.

While the NCARRB has recently been given the remit to make recommendations for all NCA officers, it is not yet clear how this will sit with the fact that the NCA remains subject to the Civil Service Pay Remit.

More fundamentally, the NCA’s pay structure suffers two major problems:

- a divisive two-tier pay structure that has evolved over time to respond to its recruitment and retention challenges; and
- lack of pay progression which traps officers on their lowest pay rung.

In its most recent visit to the agency, the NCARRB found that many officers felt that simply removing the two-tier structure and introducing pay progression “*could radically improve morale.*”<sup>87</sup>

### **1. Divisive “two-tier” pay structure**

In 2018, the NCA introduced a ‘spot rate’ system to increase its ability to recruit in certain areas by paying more for certain roles. Initially limited to specific roles in the Intelligence and Investigations commands, the system was expanded to “*the most critical operational roles including analysts, firearms, cyber and financial investigators.*”<sup>88</sup> In exchange for higher pay and better terms, those on spot rates work a 40-hour week rather than the 37-hour one which the rest of the NCA officers work.

In recent years, the NCA has increased its use of this system with 41% of the NCA’s workforce on spot rates in 2023/24.<sup>89</sup> Higher proportions of male and white officers are on spot rates than female and ethnic minority officers.<sup>90</sup>

The NCA has argued that use of spot rates helps “*support retention in critical operational roles*” and results in lower turnover. In 2023, officer turnover in spot-rated roles was 6.4% compared to 11% of individuals on the NCA’s standard pay framework.<sup>91</sup> In 2020, the NCA also reported that using spot rates had also helped with recruitment, with spot rate roles seeing a 27% increase in the number of applications per job advertised, compared to a 10% drop in applications for non-spot rate roles.<sup>92</sup>

**A SIGNIFICANT PAY GAP HAS EMERGED CREATING A "DIVISIVE, TWO-TIER" PAY SYSTEM**

However, a significant pay gap has emerged between those on spot rate pay and those on standard pay, creating a “two-tier” pay system which causes significant resentment and is “divisive.”<sup>93</sup> It has been described by NCA officers as a “huge mess,” and has resulted in “staff doing the same roles receiving different rates of pay.”<sup>94</sup>

The NCA acknowledged that paying individuals differently for performing the same role risks “potentially growing an equal pay risk.”<sup>95</sup> In April 2024 the NCA estimated that the legal risks associated with equal pay claims could be worth “over £200 million.”<sup>96</sup>

Meanwhile, the spot rate system has not been enough to recruit people from the police – one of the key targets for the NCA. As the NCA itself acknowledges, spot rates are “not attractive enough to recruit serving police officers as it would result in a reduction of several thousand pounds in pay.”<sup>97</sup> In its latest evidence to the pay review body, the NCA states that its use of ‘restricted pay targeting’ such as spot rates (and top-up allowances) actually “contributes to the high level of critical vacancies.”<sup>98</sup>

The NCARRB has set out its “strong view” that the NCA must explain how “anomalies” in its pay structures, “parallel systems of standard pay scales and spot rates” and other “legacy pay systems” will be addressed as part of broader pay reforms.<sup>99</sup>

Despite concerns voiced by the NCARRB that expanding the spot rate framework would “further complicate an already complex pay structure and perpetuate inequalities in the pay structure,” in 2023 the NCA announced plans to move more officers into spot rate roles from August 2024 onwards.<sup>100</sup>

The spot rate system militates against the NCA’s recently introduced aim to create a ‘one NCA’ culture. But without major pay reform, it is not clear how the NCA can ditch a short term measure that has become a sticking plaster for its retention and recruitment challenges. It has flagged in its most recent report to the pay review body that the percentage of the workforce on spot rates has increased slightly from 38% in 2022/23 to 41% in 2023/24.<sup>101</sup>

## **2. Trapped: lack of pay progression**

Unlike the police, the NCA has no contractual pay progression.

Moreover, while those on spot rates can receive salary top-ups by moving along the agency’s pay bands after acquiring certain skills and competencies,<sup>102</sup> there are few routes for pay progression for the 59% of NCA staff who are on standard pay rates.

While theoretically, a senior officer could increase their salary over time from £75,092 to £91,794, and a more junior one from £32,892 to £42,424,<sup>103</sup> the NCA “does not have a mechanism” to move those officers along the pay bands, even as their competence and value grows. As a result, 59% of NCA officers who are on the standard rate pay system are stuck “at or near the minima of the pay scale with no opportunity for progression.”<sup>104</sup>

According to the NCA, the lack of pay progression is “*particularly demotivating for officers who cannot increase their pay despite their value increasing,*”<sup>105</sup> while the NCARRB has recognised that limited pay progression is having a “*negative impact on morale.*”<sup>106</sup>

According to the NCOA – the NCA’s main trade union – the lack of pay progression within pay bands means that “*someone joining the Agency today is unlikely to ever shift from that entry point on the pay scale. Without promotion, officers are trapped without significant pay movement for the remainder of their NCA career.*”<sup>107</sup>

Limited pay progression also has a major impact on equality in the NCA, with officials on the lowest rung of their pay bands overrepresented by female, younger and more ethnically diverse officers. In contrast, officers appointed from the police and private sector are able to negotiate their salary further along the pay band based on their previous pay award. Again, these better-paid officers are overrepresented by older and predominantly male officers.<sup>108</sup>

**LIMITED PAY  
PROGRESSION HAS  
A MAJOR IMPACT  
ON EQUALITY IN  
THE NCA**

### **“Nobody leaves” – lessons from the FBI**

The NCA aspires to be the UK’s elite lead law enforcement agency for tackling serious and organised crime, much like the Federal Bureau of Investigation (FBI) in the US.

However, the contrast between the two agencies could not be more striking. Being an FBI agent is a highly desirable career move for state and local police officers who are motivated by the bureau’s mission to tackle crime, but who are also drawn to the agency because of the attractive pay and benefits and better opportunities for professional growth.<sup>109</sup>

The FBI has an “*extraordinarily low*” turnover rate – just 1.7% in 2023<sup>110</sup> – which its former director James Comey has put down to the mission-oriented opportunities the FBI gives its agents meaning that once in, “*nobody leaves.*”<sup>111</sup>

On qualifying, FBI agents are treated from the outset as mid-level employees and receive salaries at grade 10 on the US federal employees pay scale which reaches grade 15 at the most senior level.<sup>112</sup>

- In 2024 the average salary range for new special agents is between \$81,000 to \$129,000<sup>113</sup> – equivalent to between £64,800 and £103,300.<sup>114</sup>
- The FBI’s starting salary is only £12,759 less than the £77,559 that a senior manager on the NCA’s highest rung for officers is paid.<sup>115</sup>

It is not just the salary that attracts recruits.

The FBI has a whole host of additional payments for new and active recruits which include:

- a \$7,602 “*cost of living adjustment*” (COLA) payment for new recruits in their first year of training, and a further COLA bonus of between 12.5% and 28.7% of base salary once assigned to a field office;

- salary top ups for active agents through “*availability pay*” designed to compensate for long hours and around-the-clock availability; and
- a one-time payment of \$22,000 toward relocation costs.<sup>116</sup>

Most importantly, the FBI operates established mechanisms to ensure that FBI agents’ pay increases annually in recognition of their performance. At each pay grade, FBI officers can earn “*within grade increases*” if they meet a performance rating.<sup>117</sup> These increases can be awarded every year in agents’ first three years of service, which rises to every two years for the next three years, and every three years thereafter. This ensures that even without a full promotion to a higher pay band, FBI officers continue to receive regular increases to their base salaries.

The FBI’s pay offer is in stark contrast to the NCA where a serving police officer would have to take a pay and benefits cut to join the NCA, and where new recruits are trapped in an organisation with few opportunities to progress their careers further.

## IV. INVESTMENT SHORTFALL: HOW THE NCA'S BUDGET PREVENTS PAY REFORM

In its 2022 'State of Policing Report' the independent inspectorate, HMICFRS, warned that although the NCA "had much to be proud of,"<sup>118</sup> if the agency "is ever to achieve its full potential, substantial investment is still required."<sup>119</sup>

In 2023, the Joint Committee on National Security Strategy also recommended that the government "should invest significantly more" in the NCA's cyber capabilities (specifically to counter ransomware) and "urgently revisit funding available for NCA pay and progression."<sup>120</sup>

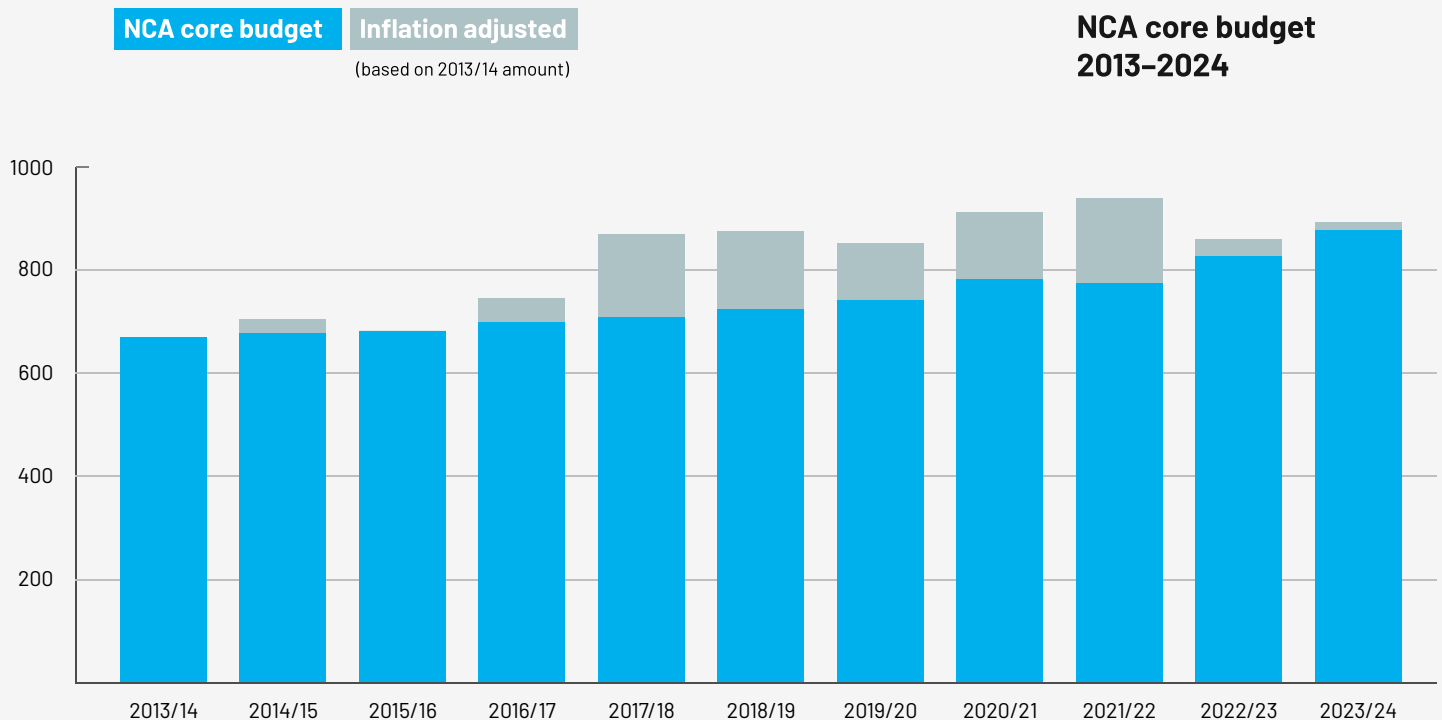
As part of the 2021 Spending Review, the government and the NCA agreed a three-year funding settlement.<sup>121</sup> As a result the NCA's core budget has gone from £611 million in 2021/22 to £795 million in 2022/23 and to £866 million for 2023/24. The government has stated that this is a 21% increase in the NCA's budget.<sup>122</sup>

However, while a welcome start, this new investment is not straightforward for the following reasons:

### A. It does not represent additional real-terms investment

The uplift to the NCA's budget must be seen in the context of a decade of cuts and below inflation increases to the agency's budget:

- The NCA itself noted in April 2024 that its core budget has "not kept up with inflation"; and<sup>123</sup>
- In real terms, the NCA's 2023/24 core budget was in fact 1.6% lower than its 2013/14 equivalent.<sup>124</sup>





As a result, the uplift in its core budget to £864 million in 2023/24 was still £14 million less than if the agency's 2013/14 budget had risen each year in line with inflation.<sup>125</sup>

While the NCA's core budget has been subject to several years of stagnation followed by a recent uplift, more money is being given to the agency via external funding streams that the agency uses *"to deliver specific projects and capabilities."*

Four independent reviews published since 2019 have criticised the NCA's reliance on this type of funding, flagging the complexity that it creates in the NCA's budget and the impact on the agency's performance.<sup>126</sup> In response, a 2021 joint Home Office, Treasury and NCA review recommended bringing the majority of NCA's external funding within its core budget from 2022/23 onwards.<sup>127</sup> It appears that this made an initial difference, with external funding dropping significantly from £208.2 million in 2021/22 to £129.5 million in 2022/23.<sup>128</sup> However in 2023/24, the NCA's external funding increased back up to £193.6 million.<sup>129</sup>

Because of the complexities and time-limited nature of external funding streams, any increase in this kind of funding will militate against the NCA being able to implement long-term pay reform and make long-term investments in its IT infrastructure.

#### **B. The NCA is struggling to fully spend budget increases due to critical levels of vacancies**

In 2021/22 the NCA underspent its £611 million budget by £48 million – at least £9.67 million of which was due to the *"number of vacancies held"* during the year and *"delays in delivering some of the NCA's portfolio projects, in part due to vacancies pressures."*<sup>130</sup>

In 2022/23 and 2023/24 the NCA flagged £1.95 million and £3 million underspends in capital investment *"as a result of higher than forecast vacancies within the NCA and supply chain issues."*

This is stark evidence that without fundamental pay reform, short-term injections of cash do not provide best value for money, particularly if they are eaten up by paying for temporary labour and external consultancy.

## CONCLUSION: HOW TO MAKE THE NCA AN ELITE CRIME FIGHTING BODY

The government must decide whether it is prepared to put its money where its mouth is when it comes to fighting serious and organised crime.

**THE GOVERNMENT MUST DECIDE WHETHER IT IS PREPARED TO PUT ITS MONEY WHERE ITS MOUTH IS**

The 21% increase in the NCA's budget in 2023/24 is welcome,<sup>131</sup> but it is not enough to ensure that the agency can fulfil its role as an elite crime fighting body and to address the serious issues that it has in tackling recruitment, retention and outdated technology.

To fulfil its role and protect the public, the NCA must be able to attract and keep some of the most experienced and talented officers in the country. And to do that it must be able to pay better and provide a clear path for career progression. Government investment in the agency must be in keeping with a strategy to allow the NCA to build the workforce for the future that it needs to protect the public.

There are three interlocking steps that need to take place to ensure this happens:

### 1. A review of the organisational form and founding pay agreements of the NCA

The independent pay body, NCARRB, has called for “a different organisational form for the NCA” to be considered “to enable it to act flexibly to establish a single unified pay structure and set common terms and conditions in order to recruit the staff with the skills it requires.”

The NCA's position within the civil service means that it is often automatically subject to civil service headcount caps and pay freezes, and to cuts imposed on those departments that are not protected for budgetary purposes.

Following the last government's announcements that it would cap civil service numbers,<sup>132</sup> the NCA has faced some concerns about its ability to continue recruitment. The Home Office's latest submission to the pay review body for instance in spring 2024 noted that while the last government had a “desire to see the NCA grow as an organisation ... previously planned growth [by the NCA] will need to be curtailed.”<sup>133</sup> It is not yet clear what arrangements the new government has or will put in place to address this.

Police forces are not subject to the same rules, and although police forces face their own significant retention and recruitment challenges, they have more control over managing their workforce.

Meanwhile the Financial Conduct Agency sets salaries through an annual benchmarking process to its competitors and seeks to “ensure that we remain towards the top (if not at the top) of all public authorities or enforcement agencies in the UK in terms of our overall employment package.”<sup>134</sup>

Ensuring the NCA has flexibility to set its own pay, and is protected from automatic budget cuts and headcount caps is essential. And core enforcement capacity to keep the public safe from serious and organised crime as well as economic crime threats should be considered a protected spend for budgetary purposes.

**CORE ENFORCEMENT  
CAPACITY TO KEEP THE  
PUBLIC SAFE SHOULD BE  
A PROTECTED SPEND**

## **2. Creating an enabling environment for the NCA to embark on a speedy and ambitious pay reform programme, funded through new additional investment**

The NCARRB concluded in 2023 that “*after seven years, ... [the NCA] still has no comprehensive approach to reform*” of its pay structures. It said that it envisaged “*a fundamental reform of pay in 2024/25.*”

In its submission to the body in April 2024, the NCA noted that it has now submitted a business case for a restructuring of the agency’s pay and employment framework. This is a crucial moment for the NCA.

However, both the Home Office and the NCA have indicated that any future pay increases will need to be fully funded from the agency’s existing budget. The NCA went so far as to say that its proposals for “*multi-year transformational reform*” will be “*cost neutral*” and without “*need for additional funding.*”<sup>135</sup>

The only way the NCA can square the circle of fundamental pay reform with no additional funding is by “*removing the vast majority of overtime*” and reductions to on-call payments.<sup>136</sup>

The 7% pay increase for NCA officers approved in February 2024 was similarly funded by internal cost savings and offsetting the pay rise by constraints “*on overtime, travel and subsistence and ... learning and development.*”<sup>137</sup>

Given the already strained industrial relations within the agency, it is difficult to see how the NCA will push through its proposed pay reforms by further downgrading NCA officers’ workplace benefits. The NCARRB has in the past branded the NCA’s plans to “*fund future investment in pay from a reform of pay and conditions*” as “*unrealistic.*”<sup>138</sup>

In 2022, the NCA estimated that extending capability-based pay across all operational roles and to achieve pay parity with the police would cost just £21.2 million.<sup>139</sup> In 2024, the NCA estimated it would cost only £1.4 million to fund each 1% pay increase in NCA officers’ pay – which again would appear to suggest around £21 million to fund a pay increase.<sup>140</sup>

However, these figures are likely to be on the low side and based on affordability rather than what the agency needs. Indeed, the NCARRB has frequently noted in recent years that the NCA has too often been asked to make recommendations “*determined by budget rather than by what is required.*”<sup>141</sup>

Trade unions representing NCA officers have complained to the NCARRB that the NCA pay reforms have been stymied by government constraints and pressure. The FDA (formerly The Association of First Division Civil Servants) told the body for the 2023/24 report that it is “*a real pity that external pressure had stifled NCA reform efforts due to directions not to breach pay caps and political sensitivities.*”<sup>142</sup> The PCS union warned that the NCA had “*watered down*” its evidence submissions “*because it had breached HM Treasury ‘red lines.’*”<sup>143</sup>

In the new government’s forthcoming spending review, the NCA must be explicitly empowered to submit a budget which includes new investment needed to fund ambitious pay reform, rather than being required to limit reform to what is affordable within its existing budget. This can and should be offset against savings in temporary labour and external consultancy costs although it is likely to take some time for the benefits of pay reform to feed through in a manner that reduces these costs substantially.

An ongoing failure to invest in ambitious pay reform is ultimately a false economy for the public purse, because without reform, the NCA faces “*repeated expensive recruitment exercises, the use of overtime and reliance on expensive contingent labour to cover vacancies.*”<sup>144</sup> It is also a false economy for society at large because of the significant costs that economic crime imposes on society.

### **3. Invest in the NCA’s technological capabilities so it can achieve its mission and fulfil government ambitions on crime**

The NCA must be encouraged by the government to put forward a budget for an ambitious upgrade to its digital infrastructure based not on what it can squeeze out of its current income, but on what it needs to do the job. It should also be encouraged to come up with an ambitious investment in both technology and skills to ensure it can lead the law enforcement response on tackling online and cyber threats.

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