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A review of the X-Factor components

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IDS - A review of the X-Factor components

This report has been researched and written by Incomes Data Services (IDS) for the Office of Manpower Economics on behalf of the Armed Forces Pay Review Body.

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Introduction

Incomes Data Services (IDS) was commissioned by the Office of Manpower Economics (OME) to undertake a review of the X-Factor components on behalf of the Armed Forces Pay Review Body (AFPRB), whose remit is to provide independent advice to the Prime Minister and Secretary of State for Defence on remuneration and charges for the Armed Forces.

Introduced in 1970, the X-Factor is a pensionable addition to basic military pay, currently worth 14.5 per cent of salary, which is intended to recognise the special conditions of military life, as compared with civilian employment. The X-Factor takes into account a range of components which capture the differences between military and civilian employment. Historically the X-Factor has included components capturing the differences in the extent of turbulence, danger, separation and other factors experienced by those in the military compared to civilians¹.

The level of the X-Factor payment is reviewed every five years and the next review is expected to take place in 2017 for inclusion in the 47th AFPRB report in 2018. These periodic reviews examine the trends in each of the X-Factor components to establish the relative improvement or deterioration in military life compared to civilian life over the previous five-year period. In order for these reviews to be successful, the AFPRB needs to be satisfied that the components are relevant for modern military life.

This review examines each of the current 18 components² of the X-Factor to establish their suitability for modern military life, as well as taking into account the need for the components to be measurable, as far as is reasonably practical, to enable an evidence-based assessment of the level in 2017. We provide recommendations as to the components of the X-Factor henceforth, along with a rationale for each of our recommendations, definitions for each component and a list of potential data sources to be used for the civilian side in the next scheduled review in 2017.

¹ The 2006 definitions of the components of the X-Factor can be found at: www.raf-ff.org.uk/images/libraryfiles/Components_of_the_X-Factor1.pdf

² The 18 X-Factor components are: Turbulence; Danger; Separation from family and home; Job satisfaction; Job security; Hours of work; Stress at work; Leave; Support to personnel and families; Training; Promotion and early responsibility; Autonomy, management control and flexibility; Divorce; Health and education; Individual rights; Adventure and travel; Trade union membership and industrial action; Travel to work.

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Our assessment asked a series of questions of each component. In short these were: the relevance of the component for modern military life; whether the current definition effectively captures the difference between military and civilian life; which, if any, components or aspects of components should be updated, removed or replaced; and whether trends in each of the components could be measured reliably.

Our assessment takes into account the views of individual review body members, Armed Forces personnel and the Ministry of Defence (MoD), as well as the views of IDS consultants. The views of review body members were gathered via discussion groups led by IDS. The MoD's views were presented in a think-piece and the views of service personnel drawn from information gathered on the AFPRB's visits programme.

1 Towards a modern definition of the X-Factor

In this section of the report we outline our recommendations as to the future components of the X-Factor. The rationale for each of these recommendations is provided in the following section.

1.1 Recommendations

This review concludes that the X-Factor should be comprised of a total of 13 individual components, reduced from 18 components prior to our review. Our recommended changes to the composition of the X-Factor can be outlined under three key headings: components that we think should be removed from the X-Factor, those that should be revised and those that should be retained broadly unchanged.

Remove

- *Job satisfaction, Adventure and travel, and Support to personnel and families* are removed entirely from the X-Factor
- *Divorce, Trade union rights and industrial action and Health and Education* are removed, having been subsumed by other components

Revise

- *Turbulence subsumes Health and Education, while issues around the impact of turbulence on spouse's or partner's employment and earning potential are drawn out to form a new component 'Spouse/partner employment'*
- *Stress subsumes factors covered by Divorce and is expanded to cover impact of the job to form 'Stress, personal relationships and impact of the job'*
- *Training expanded to cover personal development and adventure training to form 'Training, adventure training and personal development'*
- *Individual rights subsumes Trade union membership and industrial action to form 'Individual and collective rights'*
- *Danger is expanded to cover risk of serious mental illness or injury to form 'Danger to physical and mental health'*

Retain

- *Separation from family and home, Hours of work, Leave, Job security, Promotion and early responsibility, Travel to work and Autonomy, management control and flexibility* are retained broadly unchanged.

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Table 1 provides an illustration of how our recommendations will affect the composition of the X-Factor.

Table 1 IDS recommendations on changes to the X-Factor components

Existing 18 components	•IDS recommended 13 components
Turbulence	•Turbulence
	•Spouse/partner employment
Danger	•Danger to physical and mental health
Separation from family and home	•Separation from family and home
Job satisfaction	
Job security	•Job security
Hours of work	•Hours of work
Stress at work	•Stress, personal relationships and impact of the job
Leave	•Leave
Support to personnel and families	•see Stress, personal relationships and impact of the job
Training	•Training, adventure training and personal development
Promotion and early responsibility	•Promotion and early responsibility
Autonomy, management control and flexibility	•Autonomy, management control and flexibility
Divorce	•see Stress, personal relationships and impact of the job
Health and education	•see Turbulence
Individual rights	•Individual and collective rights
Adventure and travel	•see Training, adventure training and personal development
TU membership and industrial action	•see Individual and collective rights
Travel to work	•Travel to work

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Table 2 outlines the 13 components we recommend for the X-Factor, together with a short description of what each component captures in respect of differences between military life and civilian employment.

Table 2 IDS recommended X-Factor components 2014

Component	•Purpose
Turbulence	•This component captures the impact of frequent changes in the type and location of work on personnel and their families. This includes access to state education, NHS healthcare and dental care, credit rating, and house buying
Spouse/partner employment	•This component captures the difficulties spouses and partners face in finding employment, finding suitable employment and progressing in their careers, as well as the impact this has on earnings and pensions as a result
Danger to physical and mental health	•This component captures the risk to physical and mental health as a result of serving in the military. It specifically covers PTSD and other serious mental illnesses, as well as the existing elements of danger to life and limb
Separation from family and home	•This component captures frequent short-term separation from family and home as part of the job for military personnel
Job security	•This component captures the difference in short- and long-term job security in the military compared to most civilian occupations
Hours of work	•This component captures significant differences in hours worked by military personnel and civilian occupations more widely and the fact that military personnel are not compensated for working additional/unsocial hours

Table 2 IDS recommended X-Factor components 2014 cont'd

Component	•Purpose
Stress, personal relationships and impact of the job	<ul style="list-style-type: none"> •This component captures stress caused by life in the military and impact this has on personnel and their families, including on-going support and post-service implications, such as difficulties settling back into society, finding employment and divorce
Training, adventure training and personal development	<ul style="list-style-type: none"> •This component captures job-specific training, adventure training and wider skills training, as well as personal development
Leave	<ul style="list-style-type: none"> •This component captures the inability to take leave at the time of an individual's choosing and the lack of compensation for having leave denied/changed at short notice
Promotion and early responsibility	<ul style="list-style-type: none"> •This component captures greater opportunities for promotion and early responsibility compared to most civilian occupations
Autonomy, management control and flexibility	<ul style="list-style-type: none"> •This component captures the rigid command structure in the military and general lack of freedom to undertake tasks in the manner in which staff see fit. Military personnel are also subject to disciplinary procedures not evident in civilian jobs
Individual and collective rights	<ul style="list-style-type: none"> •This component captures the foregoing of certain rights widely enjoyed by civilians outside the military and includes both aspects of employment law and the inability to join a trade union and partake in industrial action
Travel to work	<ul style="list-style-type: none"> •This component captures the differences between military and civilian life in respect of travelling to work. There has been convergence between the two but the component remains in place, albeit under review

2 Assessment and rationale

This section provides the rationale for our recommendations on the components of the X-Factor henceforth. This commentary examines each of the existing 18 components in turn and outlines our rationale for recommendations to remove, revise or retain each of them as a component of the X-Factor.

2.1 Turbulence

Turbulence is an inevitable part of military life: Armed Forces personnel are frequently required to change the type and geographical location of their work as part of the job. This component captures both the short- and longer-term impact of this on service personnel and their families. Forthcoming changes to the number of UK barracks, through the closure of Claro, Howe, Craigiehall and Cawdor Barracks, and rebasing of troops from Germany, will help to lessen the impact of turbulence through reducing movements in the type and geographical location of work and residence for families. However, our assessment concluded that this component continues to be relevant and reflective of modern life in the Armed Forces and we recommend retaining this component but with amendments to the factors covered.

Firstly, there is overlap between the current *Turbulence* and *Health and Education* components. Given this, and the fact that difficulties accessing state education and NHS healthcare services arise from *Turbulence*, we recommend that the existing *Health and Education* component be subsumed within *Turbulence*.

Secondly, the difficulties accessing schooling should be expanded to cover the impact that turbulence has on the stability and continuity of educational provision for children of Armed Forces personnel. The children of Service personnel change school more regularly than most civilian children and this may have a longer-term impact on their education. The issue of disruption for civilian children could be examined using data from the School Census³. This survey contains a service child indicator and collects information on the date of entry and date of leaving school, which could

³ The School Census is a statutory return for all maintained nursery, primary, secondary, middle-deemed primary, middle-deemed secondary, local authority (LA) maintained special and non-maintained special schools, academies (including free schools) and city technology colleges in England and is conducted by the Department for Education. Further information/data request: schools.statistics@education.gsi.gov.uk

potentially provide figures on pupil turnover for civilian children versus service children.

Finally, our assessment concluded that the impact of *Turbulence* on a spouse's or partner's employment and earning potential should be considered sufficiently important to be separated out as a component in its own right. Feedback from the AFPRB visits programme this year highlights a growing concern among Armed Forces personnel and their families regarding difficulties for their spouse or partner in finding and maintaining suitable employment. Results from the most recent Armed Forces Continuous Attitude Survey (AFCAS) also indicate the spouse's career as the second most stated factor increasing intentions to leave the Armed Forces (behind impact of service life on family and personal life)⁴. The impact on employment opportunities for spouses and partners has also featured as a continuing cause for concern in the AFPRB reports. Difficulties for wives of servicemen in finding employment was first noted in the 13th AFPRB report however it was not felt at that time that this particular aspect ought to be included in the X-Factor.

Rising living costs and below-inflation pay rises have added further pressures for families to have dual incomes, both in the military and the rest of society. Armed Forces personnel report limited employment opportunities both in the UK and overseas. Wider social changes have also played a role, with the traditional pattern whereby 'he' works and 'she', the wife, stays at home to look after the children has now changed towards an increasing proportion of dual income households.

2.2 Danger

Service life is inherently dangerous and is an accepted feature of the job. This component within its current definition remains relevant and encapsulates the differences between military and civilian life on exposure to danger and risk of physical injury. Although there is some overlap with other components, such as *Stress*, this is not enough to warrant a significant change in this component.

⁴ Top five factors increasing intention to leave: 58%, impact of service life on family and personal life; 47%, spouse/partner's career; 41%, opportunities outside the service; 40%, service morale; 38%, my morale. AFCAS, 2013.

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However, our assessment highlighted one important omission – that although physical danger and threat to ‘life and limb’ are addressed in the existing definition, risk to mental health is not. Awareness of mental health disorders has grown significantly since the components were first defined, and some mention of the impact of danger on mental health would help to bring the component up to date. Although this could risk overlap with *Stress*, that component is focused on work-related stress, rather than serious impairment to mental health such as post-traumatic stress disorder (PTSD) or depression and related illnesses. We recommend that PTSD in particular is more closely aligned to *Danger* than *Stress*, since the risk of this is linked to the experiences during operational deployment. A new component, *Danger to physical and mental health* would cover medically-diagnosable mental health issues, whereas the stresses and strains of working life and their implications would remain in the *Stress* component.

The inclusion of serious mental injury and illness will mean that the *Danger to physical and mental health* component reflects a fuller range of harms that a member of the Armed Forces might suffer as a result of their service. Another small change in the definition would include acknowledgement that injury and illness suffered as a result can have long-term impacts that last beyond the service period as well as immediate ones. This could be in the form of a physical injury or disability that continues to cause problems later in life, or the later onset of a serious mental illness linked to time spent in the Armed Forces.

Data on serious mental illness, depression and suicide rates can be used to examine trends in the revised *Danger to physical and mental health* component. Health and Safety Executive (HSE) data for civilians on work-related illnesses from ‘stress, depression or anxiety’, alongside other work-related physical injuries and fatalities is comparable to MoD data for the Armed Forces. The incidence of PTSD could be examined using data gathered from military charities, such as Combat Stress and the British Legion.

Furthermore, continuous NHS data is currently harder to interpret than previously due to the restructuring, but this should also be a relevant source for the prevalence

of physical and mental health problems by the time the level of the X-Factor is next under review.

Our assessment also examined the relationship between this component and the Operational Allowance (OA) to establish any duplication. AFPRB members were unanimous in their view that the OA, paid only to troops on specific operations⁵ to cover danger over and above that of the 'norm', is a specific allowance only payable under the current circumstances and not across the board to all personnel. This is viewed as separate to, and not duplicative of, the X-Factor.

2.3 Separation from family and home

Separation is an inevitable part of military life and there remains a distinct difference in respect of the amount of time spent away from family and home experienced between those in the Armed Forces and civilians. Forthcoming changes to the geographical footprint of the Armed Forces over the next few years should provide greater permanency and stronger community ties for families, rather than being dispersed across the country or abroad. This does not, however, mean that this component is no longer relevant for modern military life. While these changes may result in an improvement of the situation for Armed Forces personnel, they will continue to experience periods of separation providing a basis for the continuation of this component in the X-Factor.

The current definition needs to be updated to reflect changes in the Longer Separation Allowance (LSA), which is now paid for periods of separation beyond seven days rather than beyond 10 days. The definition should also be revised to re-emphasise the purpose of this component: to compensate for frequent short periods of separation, as expressed by AFPRB members. Longer periods of separation are less frequent and are compensated for by the LSA.

The previous review of the X-Factor identified a cause for concern regarding measurement of separation for both Armed Forces personnel and civilians. MoD data does not capture short-term separation. The addition of this would be key in being

⁵ Op HERRICK (Afghanistan), Op TELIC (Iraq), and Combined Task Force Iraqi Maritime (naval operations in the Gulf).

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able to make robust comparisons with changes in civilian life. Civilian data in the 2012 review was based information on business trips from the Civil Aviation Authority's (CAA) Passenger Survey and ONS data on travel trends covering nights spent away from home on business trips. This survey also collects information about the frequency of business trips and the length of stay, which could be used as a measure of short business trips for civilians. While this might not provide a direct comparison it may be the only source of published data available.

Further potential sources of civilian data ahead of the 2017 review could be the National Travel Survey (NTS) conducted by the Department for Transport, which collects data on the frequency of business and commuting trips but not the duration, and other commercially available surveys on international assignments and employee mobility. However, the issue remains as to the extent that business travel compares to military separation.

A final thought on this issue would be to approach the Foreign and Commonwealth Office regarding travel, international assignment and secondment data for their employees, some of whom travel to parts of the world regarded as dangerous as part of their job which may provide a closer comparator for military separation.

2.4 Job satisfaction

Job satisfaction is generally regarded as an advantage of service life compared to civilian careers. AFCAS indicates high levels of job satisfaction⁶ and this data supports the view that job satisfaction is generally high in the military, but there was some debate during our assessment as to whether job satisfaction is a genuine stand-alone component and we concluded it should be removed from the X-Factor.

In our view job satisfaction is a function of the other components – job satisfaction will be affected by training opportunities, adventure and travel, hours of work and so forth – and the question, is therefore, how far job satisfaction is in and of itself a component that should be taken into account for remuneration, and how far it is just an outcome of the other components. The current definition describes it as an

⁶ 58 per cent are satisfied with the job in general, rising to 72 per cent for RM Officers, 72 per cent agree that they offer an important service to the country, which rises to 85 per cent for officers, and 81 per cent are proud to be in the services (AFCAS 2013).

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“output as a result of experiencing a general sense of well-being in terms of balancing expectation and experience of a job” which further supports our view that job satisfaction arises from other aspects of the job.

Our recommendation to remove this component is also influenced by the difficulties in making comparisons with the civilian sector. Civilian data in the 2012 review provided examples of both increasing and decreasing levels of job satisfaction, which made it difficult for the AFPRB to draw a conclusion on job satisfaction trends. Some of this may have been due to the economic climate and high youth unemployment at that time, since younger workers tended to report being more satisfied than older workers. The wide range of civilian experiences and the subjectivity of individuals' experiences make this a perennial problem. Job satisfaction by its very nature is subjective.

The data sources used in the 2012 review were the British Households Panel Survey (BHPS) conducted by the ONS, British Social Attitudes (BSA) survey conducted by NatCen, surveys by the Chartered Institute of Personnel and Development (CIPD) and the WageIndicator survey, a self-reporting international survey. The self-reported nature of the WageIndicator survey makes it less reliable than the BSA, and while BSA is based on a relatively small sample of 3,000 UK residents, it provides the best national indicator of job satisfaction. Much of the other data on job satisfaction is organisation-specific.

Data from the 2012 Workplace Employment Relations Study (WERS) could provide further insights since this study collects data from employers, employee representatives and employees from a nationally-representative sample of workplaces and examines in detail a range of issues known to have an impact on job satisfaction, including, for example, the organisation and management of work, trade union membership, relationships with managers, and workplace change. However, the WERS study is conducted infrequently, having only been undertaken six times since it began in 1980, and the AFPRB has already committed itself to reviewing the X-Factor every five years.

The difficulties in being able to measure trends in job satisfaction outlined above give further weight to our recommendation to remove it as a component of the X-Factor.

2.5 Job security

There have been recent changes in job security for both service personnel and civilians, with it declining as a result of the economic downturn and redundancies that followed. However, despite the current redundancy programme across the Armed Forces and wider public sector, military personnel continue to experience greater job security than enjoyed by most civilians. Therefore our assessment concluded that this component remains relevant for modern military life, albeit weaker and is less advantageous than it once was, and we recommend it is retained as a component of the X-Factor.

The current definition of this component is well drafted and it effectively encapsulates the differences between service and civilian life. Our review of the data sources used to compare changes in job security between military and civilians concludes that the most appropriate data sources currently are: AFCAS; MoD Redundancy Program Statistics; CIPD bi-annual Employee Outlook Survey; ONS Labour Force Survey; ONS Wellbeing release (drawing on the BSA survey).

2.6 Hours of work

The presence of this component in the X-Factor is designed to compensate for longer working hours and a lack of compensation for working additional and/or unsocial hours for military personnel. This component reflects a genuine difference between military and civilian life, and this continues to be relevant. Empirical data is readily available enabling robust comparisons between working time for military personnel and that for civilians. Neither the MoD nor the AFPRB members raised any concerns relating to this component and we recommend that it is retained in the X-Factor, albeit with some minor revisions to the definition for clarity.

2.7 Stress at work

Stress at work remains relevant and reflects the potential for a genuine difference between military and civilian life, with generally higher levels of stress experienced by members of the Armed Forces due to work pressures. However, we recommend that

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the component is redefined to form *Stress, personal relationships and impact of the job*. The 'stress' referred to in this component would reflect the stresses and strains of the workplace and their wider implications on relationships and life. Specific and medically-recognised serious stress-related illnesses, such as PTSD, depression and the risk of suicide would fall under the *Danger to physical and mental health* component as discussed previously (see section 2. 2).

A *Stress, personal relationships and impact of the job* factor would acknowledge that workplace stress may have knock-on effects both during service life and after leaving the services which can affect a person's ability to manage in civilian society. The military can have a long-lasting effect on personnel and their families, with impacts from the job continuing after they have left the military.

On this basis we concluded that this component should be expanded to cover the longer-term impact of service life, or what might be deemed post-service implications (excluding medically-diagnosable physical or mental injuries and illnesses incurred as a result of service). It should also include the implications of support to personnel and families in this context. This would cover employability, divorce⁷ and other serious problems, such as addiction. There are support systems in place, however, the type of stress, pressures, anxieties and difficulties faced by ex-service personnel are significantly different to those in the civilian sector.

Data is limited on the extent of these problems; but there are interviews and academic research in this area, as well as information collected by military charities which could provide an indication as to the key trends. Other possible sources of data on this topic include: Home Office data on prison and probation statistics; MoJ, MoD and National Association of Probation Officers (NAPO) data on prison population; and occupational mortality statistics on drinking-related deaths. Existing data from the HSE and the CIPD on stress-related absence from work remain relevant.

Furthermore, we recommend revising the existing definition of stress at work to incorporate the HSE's definition of work-related stress – "The adverse reaction

⁷ Data on divorce after leaving the services could be compared to civilian data on divorce by length of marriage which is collected by the ONS.

people have to excessive pressures or other types of demand placed on them at work” – to differentiate work-related stress from other longer-term impacts of stress.

2.8 Leave

The purpose of this component is to compensate for difficulties experienced by Armed Forces personnel in planning and taking leave when they wish⁸, rather than differences in annual leave entitlements. The component remains relevant and we recommend retaining this component of the X-Factor but recommend that the definition should be revised slightly to focus on the inability of Armed Forces personnel to take leave at the time of their choosing and be widened to capture restrictions on taking leave in some parts of the civilian economy, for example due to shut-down, nominated days of closure and other criteria detailing how much leave can be taken and when⁹.

There is an issue related to measurement for both service personnel and civilians. The fundamental difference between service personnel and civilians is the right to take leave when the employee chooses, and not to have leave cancelled without notice and/or compensation. However, civilian data used for the 2012 review focused on the total amount of leave provided (e.g. number of days’ leave entitlement), rather than the conditions under which it can be taken or lost and the prevalence of this.

Comparable data on this point may be difficult to find, however, possibilities could include information on organisations which close at specified times, for example manufacturing organisations that shut down for a period in summer and at Christmas, therefore forcing employees to take holiday at specific times. Another potential source of civilian data could be internal HR data from the police force and other uniformed services, where leave can be cancelled at short notice.

2.9 Support to personnel and families

This component caused considerable debate as to its purpose as a component of the X-Factor. While we agreed that support to service personnel and their families is

⁸ AFCAS 2013 showed that the proportion of service personnel taking all their leave had declined to 39%.

⁹ Examples include factory shut downs at motor manufacturers and others, specified holidays for those working in schools and parts of banking where employees are required to take two weeks of block leave each year.

vitality important, there is a question as to its purpose as a stand-alone component in the X-Factor. Support to personnel and families, as currently defined, falls within the scope of the Armed Forces Covenant¹⁰, which exists to redress the disadvantages faced by the Armed Force community and the sacrifices they make as part of service life, although its application does vary across the UK. We therefore recommend removing this component from the X-Factor, but include the requirement for on-going support in the revised *Stress, personal relationships and impact of the job* component.

2.10 Training

While concerns have been raised about declining opportunities for training since the start of the economic downturn, a trend in both military and civilian workplaces, the variety and number of training opportunities (both on and off-the-job) available to military personnel is generally greater than those available at most civilian workplaces. As such, this component remains a relevant factor for consideration and we recommend that it is retained in the X-Factor but with amendments.

Currently the definition fails to fully differentiate between the training necessary to undertake the job, including adventure training, and opportunities for broader learning and development. We suggest that the definition is reworded to actively reflect the breadth of training available to, and required of, Armed Forces personnel.

Further thinking on this issue led us to conclude that the current definition captures on-the-job training as a key difference between military and civilian jobs, but not the relative advantage of those employed by the Armed Forces to undertake other non job-specific training and development opportunities, which are generally wider than experienced by employees elsewhere, and the fact that these are either paid for or subsidised. We therefore recommend amending the existing component to reflect the different types of training and development opportunities under the heading *Training, adventure training and personal development*.

The 42nd AFPRB report notes difficulties in being able to compare this component on a like-for-like basis due to the integral nature of job-specific training in the Armed Forces. Our suggestion would be to examine data for apprenticeships, although we

¹⁰ For further details see: <https://www.gov.uk/the-armed-forces-covenant>

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recognise this is not in all cases directly comparable with military training. Existing sources of data to measure trends in this component include the UK Commission's Employer Skills Survey (UKCESS) and the ONS Labour Force Survey. In the Armed Forces, AFCAS and DASA currently measure some aspects, although data on the types or level of developmental training undertaken by services personnel is limited and could potentially be improved with additional questions in AFCAS or data collection by DASA.

During our assessment, AFPRB members voiced the concerns of service personnel that much of the training currently undertaken is not transferable to the civilian jobs market, primarily due to a lack of accredited qualifications (e.g. NVQ). While leadership abilities could be well regarded by civilian employers, the benefits of 'Skill at Arms' training will be less relevant outside the Armed Forces. However, this issue sits outside the remit of the X-Factor and the level of apprenticeship-training undertaken in the military exceeds that in the civilian occupations, where apprenticeships are increasingly scarce.

2.11 Promotion and early responsibility

Military personnel are more likely to receive promotion and undertake increased responsibilities earlier in their careers than the majority of civilians in working life. We therefore recommend that this component is retained as it continues to be relevant. The existing definition is reflective of the differences experienced between military and civilian careers. The current data sources used to measure trends in this component for both Armed Forces personnel and civilians are appropriate¹¹ and, in the main, allow for meaningful comparison.

2.12 Degree of autonomy, management control and flexibility

The definition of this factor and its components continues to reflect the differences experienced by military personnel and civilians in their working lives. Civilians tend to have more freedom and control over how they undertake their work and have a greater degree of autonomy than military personnel, who are covered by the tightly-controlled Command Structure.

¹¹ Trends are currently measured by 'age by rank' data collected by DASA/MoD while for civilians, the ONS Labour Force Survey (LFS) provides data on managerial status by age.

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The MoD's view is that this component should be subsumed under *Individual rights*, along with *Trade union membership and industrial action*. There is some merit in this suggestion, given that the restrictions related to these issues are unlikely to change significantly for military personnel, due to the structure and command hierarchy of the military.

However, our assessment concluded that there should be a separation between rights enshrined by law, and flexibilities, such as being able to do your job as you see fit. In reaching our conclusion to retain this component we also referred back to its overall purpose, which is to capture the disadvantage for military personnel. Many civilian occupations typically enjoy the freedom to make decisions about how they do their work, an advantage over the Armed Forces who have little say in how they do their jobs.

This component is, however, difficult to measure, as noted in the 42nd AFPRB report, due to the unique structure of the military. Data sources for civilians includes the annual BSA survey and WERS, which measure how much influence employees have over: the tasks they do in their job; the pace at which they work; how they do their work; the order in which they carry out their tasks; and start or finish times of the working day¹². If desired, AFCAS could be expanded to include the same questions on this topic as either BSA or WERS so that broad comparisons could be made.

2.13 Divorce

Marriage rates have fallen considerably¹³ over the last 25 years and this trend calls into question the relevance of this component for modern service life. However, in our view the main essence of this component relates to the difficulties in maintaining relationships for those in the military compared to civilians and this remains relevant.

The key impact of military life in this area relates to the impact on relationships more widely, compared to those in the civilian sector. The stresses and strains associated with life in the military are viewed as taking their toll on relationships, with a greater tendency for relationships to be curtailed. The component covers not just divorces

¹² Question A7, WERS employee survey.

¹³ 'Understanding recent trends in marriage', ONS

but other relationships too and the current definition states: “This may also have an impact on other types of personal relationship, in that where individuals are not married, or, part of a civil partnership, relationships may be curtailed.”

Difficulties in maintaining relationships for Armed Forces personnel arise as a result of the impact of the job. On this basis, we recommend removing *Divorce* as a stand-alone component and placing it within *Stress, personal relationships and impact of the job*. The MoD’s view mirrors our thinking on this issue: that *Divorce* is a secondary effect arising from another component. However, the MoD suggests it is subsumed by *Turbulence*. AFPRB members also voiced concerns regarding the relevance of this component for modern military life.

The 42nd AFPRB report notes issues with measurement of this component in the military since ‘divorced’ is not currently recorded as a personal status. For civilians, the ONS collects data on marriage, civil partnerships, divorce and co-habitation which can provide robust comparator data.

2.14 Health and education

The turbulent nature of military life has an impact on service personnel and their families gaining access to state schooling and NHS health services and dental care. While there have been measures taken in recent years to address some of the difficulties in accessing NHS healthcare, dental care and schooling, for example priority treatment on the NHS, the pupil premium and the MoD’s funding for state schools¹⁴, as well as a series of allowances for service personnel and their families, such as the Continuity for Education allowances, these difficulties remain. We therefore conclude that this continues to be a relevant issue for the Armed Forces. There is, however, an issue with overlap between the *Turbulence* and *Health and education* components and we recommend this component is subsumed by *Turbulence*, as mentioned previously (see section 2.1).

¹⁴A pupil premium of £200 was introduced in April 2011 (subsequently increased to £250 for 2012 and 2013). This additional funding aims to provide extra support for children of service personnel, mainly pastoral support. There is also an extra £3million fund each year for four years from the MoD announced in the Covenant in May 2011 – Ministry of Defence’s Support Fund for State Schools with Service Children.

We also note a lack of stability and continuity in education for service children, due to turbulence resulting in frequent changes in school. We recommend this aspect of disruption to education is added to *Turbulence* (which will subsume *Health and Education*).

2.15 Individual rights

Our assessment concluded that this component remains relevant and reflective of the differences between Armed Forces personnel and civilians with regards to individual rights. UK civilians are covered by an array of employment legislation from which the Armed Forces are currently, either in part or in whole, exempt. In addition, service personnel are subject to the provisions of the Service Discipline Acts of which there is nothing directly comparable in civilian occupations.

The views of both the MoD and AFPRB are to merge this component with *Trade union membership and industrial action*, given that they both refer to a denial of rights, albeit with one related to individual rights and the other to collective rights. Our assessment agreed with this view and we recommend that while this continues to be recognised it should, together with *Trade union membership and industrial action*, form a revised component termed *Individual and collective rights*.

2.16 Adventure and travel

Members of the Armed Forces undertake a range of adventurous activities, which includes adventure training, travel to places in the world which are not available to the general UK public, participation in sporting activities as part of the job and other exciting activities which are beyond normal everyday life. This continues to be relevant as the adventure, travel and sporting opportunities available to military personnel are generally not made available by civilian employers.

However, it is difficult to accurately measure trends, not least because of the high level of subjectivity around each individual's definition of 'adventure'. Furthermore, while there are figures for adventure training, overseas travel and sporting activities undertaken by military personnel, there is no comparable data for civilians.

As a result, there are only statistics available on the numbers and types of people that travel abroad; the reasons for their travel; and the frequency of sporting and leisure activities undertaken by civilians. On this basis, we recommend removing this component from the X-Factor but retaining adventure training under *Training, adventure training and personal development*.

2.17 Trade union membership and industrial action

Armed Forces personnel are not permitted to join a trade union or take industrial action and this fact remains unchanged. However, we would argue that the essence of this component relates to the foregoing of a right enjoyed by most other civilians to be able to join a trade union and participate in its activities. This is, in our view, little different to foregoing of other individual rights and this component should be joined with that of *Individual rights* to form *Individual and collective rights*, as outlined previously (see section 2.15)

While the existing definition is clearly worded and reflective of the current differences between military and civilian careers, it was felt by some AFPRB members that it fails to encapsulate fully the benefits of worker representation through a collective body such as a trade union or staff association. For example, employee representatives in the workplace can provide a collective voice for employees and are able to negotiate and communicate changes on issues such as redundancies, pensions and pay. Armed Forces personnel could, therefore, be detrimentally affected by the lack of representation to a greater extent than the current definition implies.

Another related point which was discussed is the role of trade unions in communicating information about reward to staff. In conducting this review it became apparent that awareness of the X-Factor and its components is low among service personnel. Many civilian employers recognise that effective communication with employees, especially around pay and reward issues, results in a more engaged workforce. It may be that the lack of independent representation plays a role in this, since such bodies would be highlighting the issue to employees in a union-represented workforce.

2.18 Travel to work

Due to significant changes in both society and military life our assessment concludes that this factor is no longer as relevant as it once was. At one time, this component captured the stark difference between military personnel who lived and worked at a site and were able to walk or cycle to work with no real 'commute', compared to civilians, most of whom have at least some distance to travel to their place of work.

AFPRB members stated that an increasing number of military personnel are living in a different location to their place of work, and commuting in the same way as many employees do in civilian life. However, compensatory travel allowances, such as the Home to Duty Allowance, are not necessarily commonplace in civilian employment. There has also been a rise in home ownership within the military which has also had an effect on travel to work.

However, there are similar trends in the civilian data. Therefore, we recommend retaining this component for now but placing it under close review, with the potential for it to be removed as a component of the X-Factor in the future.

Appendix 1 – Definitions of the 13 X-Factor components (2014)

1. Turbulence

1.1. This is defined as the dislocation to family and social life caused by regular changes to both the type and geographical location of work whose effect is exacerbated when the employee receives short notice about these changes.

1.2. Turbulence has an impact on the following:

- a) home ownership is more difficult as personnel need to move frequently;
- b) maintaining friendships and family contacts outside work;
- c) developing external interests;
- d) accessing state education;
- e) continuity and stability of education for the children of Service personnel;
- f) accessing NHS medical and dental care; and
- g) impact upon credit rating generally.

1.3. Armed Forces personnel must be able to move at short notice, and sometimes frequently, between units and theatres. However this may vary considerably between different personnel and vary over a career. Such significant and repeated pressure may have a major impact on the quality of life they experience.

2. Spouse/partner employment

2.1. The turbulent nature of life in the Armed Forces may have a varied and detrimental impact on spouse/partner employment.

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2.2. This includes:

- a) limited employment opportunities for spouse/partner which covers finding employment, finding employment within a specific field or industry and/or employment suitably matched to the spouses skills, work experience and qualifications;
- b) difficulties for spouse/partner to continue their career, training and achieve promotion (i.e. an employer may be less likely to consider him/her for promotion as their personal situation is likely to be taken into account by their employer);
- c) spouse/partner is likely to have to accept a lower level of salary due to (a) and (b) above. This is also likely to affect the benefits package, and in particular the pension.

3. *Danger to physical and mental health*

3.1. This includes:

- a) a threat of real or perceived violence;
- b) an environment or area which is deemed physically unsafe or uncomfortable for either natural, manmade and/or political reasons;
- c) danger of death
- d) short or long-term injury to physical health
- e) short or long-term injury to mental health;
- f) injury to oneself or others.

3.2. This may be experienced by the individual or may be experienced by others which the individual seeks to defend or accompany.

3.3. However Armed Forces personnel are in addition able to:

- a) exert within defined (and varying) parameters the threat of violence or active violence upon others, and;
- b) carry and/or use lethal weaponry.

3.4. For Armed Forces personnel this may arise from a number of circumstances including:

- a) armed conflict
- b) training, and/or;

c) terrorism.

4. Separation from family and home

4.1. Separation is defined as being separated from home and/or family for a period of time because of working commitments. The length of time for which separation takes place will vary according to the nature of the job. Normally the length of separation would be standardised, e.g. a North Sea worker would normally work for a set period of weeks and then return home for a set period of time.

4.2. The acceptability of this will depend upon the personal circumstances of the individual and it is important to draw a distinction between voluntary separation (i.e. where a soldier chooses to serve unaccompanied in order to give family stability) and involuntary separation (for example operations and pre-deployment training).

4.3. Those with families may experience an impact on the quality of family life due to the absences.

4.4. Armed Forces personnel may experience variable separation depending upon the number of military operations.

4.5. Some separation is an inevitable part of Service life and the X-Factor takes into account short periods of separation (of less than seven days). Longer periods of separation are compensated by the Longer Separation Allowance. These allowances are not dependent upon marital status.

5. Job security

5.1. Job security is defined as the knowledge, based on past history, that the individual will be able to work within the same organisations, albeit within different divisions, for a significant number of years and enjoy similar or increased levels of remuneration.

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5.2. Within the Armed Forces job security has long been recognised as a key benefit compared with the more fluid employment market in civilian life. The more stable career pattern may persuade some personnel to accept the disadvantages that come from service life.

5.3. Job security may be affected by the level of personal fitness.

6. Hours of work

6.1. Hours of work would normally be defined within the employment contract and need to accord with European legislation, albeit that UK companies may request employees to sign an agreement which exempts the individual from restrictions imposed by the hours of work legislation.

6.2. Unsocial hours are those worked outside regular 'office hours' between Monday and Friday. Such hours may be the requirement of the job, especially where it is necessary to operate 24 hours a day.

6.3. Employees in many industries and roles receive overtime and shift premiums for hours worked in addition to or outside normal working hours. However in some roles, flexibility over hours is expected and accounted for in basic pay.

6.4. Armed Forces personnel have a contractual requirement to be available for duty 24 hours a day and 365 days a year.

6.5. Overtime and shift premiums are not paid to Armed Forces personnel.

7. Stress, personal relationships and impact of the job

7.1. Stress at work arises when individuals have excessive pressures or other demands placed on them at work. In the Armed Forces, it may be a consequence of individuals having difficulty coping with certain aspects of the job.

7.2. Employers would expect to minimise stress by planning, providing new or additional resources, and/or re-organising work. However, depending on the

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organisation, this may not always be possible in the Armed Forces owing to lack of resources or manpower.

7.3. Depending on the level of deployment, Armed Forces personnel may experience significantly greater levels of stress than would normally be acceptable in civilian occupations. The Armed Forces may also experience additional stress because of overstretch for operational reasons.

7.4. Stress may have short- and long-term impacts on Service personnel both during and after employment in the Armed Forces. The impact of this can be varied and detrimental. As a result individuals may experience difficulties adjusting to civilian life, including difficulties in finding and maintaining civilian employment.

7.5. Difficulties maintaining relationships with spouse, partner, children, friends and family which has a detrimental impact upon family life and may result in a higher than average rate of divorce amongst married/civil partnership couples.

7.6. This may also have an impact upon other types of personal relationships, in that where individuals are not married, or, part of a civil partnership, relationships may be curtailed.

7.7. A minority may also experience social and mental problems, such as issues misusing alcohol or drugs, vagrancy, criminal activity and/or suicide.

8. Leave

8.1. Annual leave is defined as the entitlement to a fixed number of working days off from one's job as stated in the employment contract.

8.2. It would generally be expected that the employer would not be able to dictate the manner that this time would be utilised and that such leisure time can be booked with prior agreement from the employer and/or colleagues in accordance with personal or family requirements. Employees working shifts would normally expect that at main holidays, e.g. Christmas,

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New Year and August, summer holiday time, that they would be able to take time off, subject to the needs of the business and that where necessary the business would hire additional staff to cover such times.

8.3. In the event that the holiday time is lost the employee would expect to be compensated in some way.

8.4. For some employees leave would be included in the flexible benefits system and can therefore be traded (i.e. increased or decreased) for other benefits or money.

8.5. All ranks across the Services have an allocation of 30 'working days' leave per year. However leave can be lost for military reasons.

8.6. In practice it may be difficult for Service personnel to take leave when they wish, or plan ahead as a result of the unpredictability of Service commitments. The addition of Post Operational Tour Leave can also make it more difficult for individuals to take their full leave entitlement. It remains MoD policy that commanders enable their personnel to take the full 30 working days leave allowance unless operational imperatives dictate otherwise. Those required to work at weekends or during 'stand-downs' do not necessarily achieve time off in lieu.

9. Training, adventure training and personal development

9.1. Training is the facilitation of learning new skills, or improving existing skills, which enhance the abilities of individuals to do their job or further their career. This in turn will facilitate career progression and increased responsibility where appropriate.

9.2. Training may include:

- a) technical skills and/or;
- b) trade skills and/or;
- c) academic skills and/or;
- d) management skills and/or;
- e) people skills and/or;

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f) transferable skills.

9.3. For the Armed Forces this includes the opportunity to undertake a range of non job-specific training and development opportunities, which are often paid for or subsidised by their employer. This may include skills training at the end of their career prior to retirement outside the Armed Forces.

9.4. All Service personnel are issued Personal Development Records to record individual skills, experience and qualifications to enable them to plan, track and demonstrate their personal development.

9.5. Adventure training is also an attraction for Service personnel. Adventure training is undertaken by Officers and Other Ranks as part of their initial training and subsequently, to encourage personal fitness and develop individual skills.

9.6. The Armed Forces also provide the opportunity to participate in sport on an individual and team basis at no cost to personnel. In particular, individuals may spend significant amounts of time on training for competitions as this is regarded as part of the job.

10. Promotion and early responsibility

10.1. Career development is a clear goal of Armed Forces personnel. Promotion is the endorsement of an individual's ability in the form of an elevation in both status and responsibility. This could be demonstrated in a variety of forms, including:

- a) responsibility for teams/manpower;
- b) responsibility for assets;
- c) responsibility for strategy and planning.

10.2. Service careers provide earlier opportunities for promotion, and thus increased responsibility, than are experienced by those of similar ages in civilian occupations.

11. *Autonomy, management control and flexibility*

11.1. This factor is defined as the degree of management control exercised over the individual. It assesses the scope allowed to the jobholder to exercise initiative and take independent actions and considers the degree of latitude and discretion allowed in making decisions. This factor also takes into account the amount of control that individuals have over their immediate working environment.

11.2. Due to the unique nature of their work, Armed Forces personnel operate within a tightly controlled structure (i.e. the Command Structure). In general, civilians have significantly more freedom and flexibility in making decisions which impact upon their immediate working environment.

12. *Individual and collective rights*

12.1. Individual legal rights are enjoyed by UK citizens and by those with a right to remain and work in the UK. The European Union, to which the UK belongs, also affords its residents additional rights. These rights include:

- a) Human Rights legislation;
- b) Equal Opportunities legislation;
- c) Age Discrimination legislation;
- d) Minimum Wage legislation;
- e) Working Time legislation, and;
- f) Trade Union membership.

12.2. Armed Forces are not subject to all these pieces of legislation.

12.3. Residents of the United Kingdom may belong to a trade union and may actively participate in Union activity, including the right to strike. Armed Forces personnel are not permitted to join any Trade Union and are not permitted to participate in collective bargaining. Armed Forces personnel are, therefore, unable to benefit from worker representation through a collective body such as a trade union or staff association.

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12.4. In addition to Civil and Criminal Law, Armed Forces personnel are subject at all times to military discipline, as set out in the Service Discipline Acts. There are also other restrictions that are imposed on Armed Forces personnel by their employment conditions.

12.5. The notice periods for Armed Forces personnel are fixed by reference to laid down procedures. The inability to leave the Services at will means that Service personnel are prevented from securing a job and then handing in their notice – the norm in civilian life for those in employment. Other Ranks are eligible, once they have completed an initial (and variable) return of service, to give notice to leave but, other than in exceptional (e.g. compassionate) circumstances, can be required to serve out a standard 12 month period of notice. Earlier release is sometimes permitted depending on the manning requirements of the individual's branch/trade.

12.6. Officers have no automatic right to resign their commission, but might normally expect to be released after six to 12 months.

12.7. Service personnel can also be prevented from leaving for operational reasons and may also be required to give a 'Return of Service' on completion of their particular career courses, (for example 36 months for a full-time degree course). On leaving Service personnel remain liable for call out or re-call for periods which vary depending on their engagement/commission.

13. Travel to work

13.1. Travel to work is divided into:

- a) time taken to travel to work;
- b) the method of travelling to work, and;
- c) the cost of travelling to work incurred by the employee.

13.2. This varies for the Armed Forces depending upon the nature of their current job and deployment, if any.

Appendix 2 – List of potential civilian data sources for the 2017 review

Component	Civilian data sources
Turbulence	DCLG English Housing Survey; ISER British Household Panel Survey; DfE School Census; ONS Labour Force Survey; Independent School Census; DfE School Admission Appeals
Spouse/partner employment	ONS Labour Force Survey; WERS; Wage Indicator; Opportunity Now Benchmark Trends Analysis; CIPD Flexible working provision and uptake; CIPD Survey of working women
Stress, personal relationships and impact of the job	ONS Crime Survey for England and Wales; ONS Labour Force Survey; Health & Safety Executive; ONS Census 2011; General register Office; ONS Annual Population Survey, Workplace Employment Relations Study; MoJ Prison and probation statistics; ONS statistics on drink-related deaths; National Association of Probation Officer probation data; Combat Stress; British Legion;
Danger to physical and mental health	Health and Safety Executive; Labour Force Survey; European statistics on accidents at work (ESAW) from Eurostat; ONS Mental Health statistics and suicide rates; Health and Social Care Information Centre – Mental Health Bulletin/Annual Report; Combat Stress; British Legion; Continuous NHS data
Training, adventure training and personal development	ONS Labour Force Survey; ONS Measuring National Well-being survey; The UK Commission's Employer Skills Survey (UKCESS); IDS HR In Practice database; CIPD
Individual and collective rights	Legislation.gov.uk; IDS Brief database; BIS Trade Union Statistics; Certification Officer; ONS Labour Force Survey; Workplace Employment Relations Study
Travel to work	DfT National Travel Survey; ONS Labour Force Survey; RAC: Commuting and travel choices; WageIndicator Survey; Labour Force Survey
Separation from family and home	Mercer Survey International Assignment Policies and Practices; Foreign and Commonwealth Office work placement and international secondment data; Interdean Relocation Services Global Mobility Survey
Hours of work	Annual Survey of Hours and Earnings; Labour Force Survey; WageIndicator Survey; IDS HR in practice data: Hours and holidays and shift pay; Workplace Employment Relations Study
Leave	Labour Force Survey; IDS HR in practice data: Hours and holidays and standby and call-out; IDS Pay Report
Promotion and early responsibility	ONS Labour Force Survey; Workplace Employment Relations Study
Autonomy, management control and flexibility	Workplace Employment Relations Study; British Social Attitudes Survey
Job security	ONS Labour Force Survey; CIPD Employee Outlook; CIPD Resourcing and Talent Planning Survey