

<b>NEM COMPONENTS – WHAT THE NEM PROGRAMME AIMS TO DELIVER NEM Component</b>	<b>Detail</b>
<b>Pay</b>	Rank will continue to be the main factor in determining how much personnel are paid. We will address key areas of Other Ranks dissatisfaction with the current pay model (as reported by the Armed Forces Pay Review Body). The NEM pay model will also provide standardised incremental pay progression for all personnel up to 1* and greater pay predictability through career. Overall, we must ensure that the NEM pay model is recruitment and retention positive (within the resources available).
<b>Specialist Pay (re-categorised as Recruitment and Retention Payment (RRP)) and Commitment Incentives</b>	RRP and Additional Commitment Incentives (ACIs) are being reviewed to ensure they remain aligned to basic pay, allowances and career structures.
<b>Allowances</b>	<p>Although the range of existing allowances is complex and can often be difficult to understand it is considered fit for purpose in terms of supporting a wide range of lifestyle choices and duty-related activities. The NEM will simplify the allowance system, where it is appropriate to do so, so that it is easier to understand and to administer. It will retain the broad array of support provided by allowances without diluting their effect.</p> <p>Two key events occurred in January 2014, Reimbursement expenses were separated from the wider allowances framework, and 17 allowances were either amalgamated or deleted. These measures, and on 1 April 14, the incorporation of House Moves on Security Grounds (Northern Ireland) within the provisions for Disturbance Expense will help to reduce the complexity of the allowances framework.</p>
<b>Continuity of Education Allowance (CEA)</b>	CEA is not currently under review within NEM. Our overall approach to supporting continuity of education for Service children is being reviewed as part of the Education of Service Children Change Programme. This work is being undertaken by the MOD's Director for Children and Young People in partnership with the Department for Education.
<b>Home Purchase Incentive (HPI)</b>	A Home Purchase Incentive (HPI) scheme is an important element of the NEM. In September 2013, the Secretary of State announced the launch of the Forces Help to buy scheme which went live on 1 April 2014 for a three year trial. It will offer Regular personnel loans of up to 50% of salary, capped at

	£25,000, interest-free and repayable over a 10-year period. Scheme rules for 'Forces Help to Buy' are available in JSP 464, Chapter 1, Part 12.
<b>Accommodation Grading</b>	We want to improve the standard of Service Families Accommodation (SFA) and Single Living Accommodation (SLA). A Combined Accommodation Assessment System (CAAS) will replace the current standards for condition and 4 tier grading systems. The CAAS will still cover condition, size and distance to amenities, but will be based on modern national standards.
<b>Accommodation Charging</b>	The NEM aims to improve the standards of Service accommodation for those who choose to continue living in SFA and SLA. The MOD is currently benchmarking SFA and SLA against the standard of homes in the civilian housing market. A new grading system, the Combined Accommodation Assessment System (CAAS), will then be introduced that will allow personnel to fairly and simply compare their accommodation against the civilian market. It will identify where Service accommodation meets the high standards aimed for and where it falls short. It remains a priority to deliver the high quality accommodation our people desire. What personnel pay will still be heavily subsidised to compensate for the disadvantages of living in Service accommodation. But where quality has improved, rents will rise to reflect that, fairly and transparently, enabling us to invest more money and continue improving standards for everyone. Any rent increases will be signposted well in advance and in some cases staggered over a number of years to reduce the impact on individual Service personnel.
<b>Accommodation Policy Constraints</b>	This work has three elements: removing differences in policy across all three Services; improving choice through increased flexibility and better management of services; and updating the policy so that it is better able to meet the needs of the future. The aim is to achieve a more flexible approach in the allocation of properties and improved management of accommodation.
<b>Partner Employment Project</b>	The NEM wants to help to remove or mitigate any disadvantages faced by partners of Service personnel in gaining employment. The Partner Employment Project (PEP), which is part of the NEM programme, is focusing on ways of addressing barriers that hinder spouse employment. This includes commissioning a childcare study looking at what childcare Service families access, identifying best practice, as well as developing proposals for allocating the £20M LIBOR funds secured for MOD childcare in 2014. It is sponsoring two pilot programmes that were rolled out to Service

	<p>spouses in October 2013: the RBLI Lifeworks for Families employability workshops and the University of Wolverhampton Dependants' Business Start-up courses. The PEP is also investigating ways to help to create opportunities for spouse employment, initially by building relationships with employers that show their support for the Armed Forces Community and have signed the Corporate Covenant.</p>
<b>Engagement Structures</b>	<p>A generic framework has been developed for Regular careers founded upon three Employment Stages based on time served, and three rank-based Tiers, with Reserve structures appropriately aligned. The Services are mapping their engagement structures to this framework with the aim of achieving commonality of approach to the way in which Conditions of Service are applied.</p>
<b>Flexible Working</b>	<p>Part Time Working for Regulars cannot be achieved in the current legal environment. However, opportunities still exist through Volunteer Reserve service in the form of Additional Duties Commitment. A number of options already exist for Flexible Working, including Career Breaks, Unpaid Leave, and Compressed hours, and these will be examined to ensure they are fit for purpose.</p>
<b>Revised Career Management (CM) Principles</b>	<p>This is aimed at developing improved CM processes across all three Services to deliver improved stability for Service families and, by reducing the frequency of moves from one location to another, reduce the financial as well as the human cost of mobility and provide lifestyle choice.</p>
<b>Career Streaming and Continuing Professional Development for Officers</b>	<p>Career Streaming would provide the opportunity for focused professional development of officers from OF3 upwards, matching training and education, and assignment lengths to the developmental and employment needs of those with potential for senior leadership roles, and those valued for their depth of specialist expertise. Streams would require specific, through-career professional development.</p>
<b>Manning Control Measures (MCM)</b>	<p>MCMs will provide the single Services with tools which, when combined with other manpower levers, will deliver greater overall manpower control to manage small-scale structural changes or re-balancing, control flow and respond to sudden, marked changes in Voluntary Outflow or liability.</p>
<b>The Personal Development Pathway (PDP)</b>	<p>The PDP aims to equip personnel early on and through their career with skills that can be used within Service and which have a career focus to help prepare for a successful second profession in civilian life. The focus is on voluntary, individual personal development, recognising that the Services control professional and career management training in order</p>

	to deliver operational capability.
<b>Distributed Training</b>	This work is in the early stages of looking to see what elements of Phase 3 training could be delivered nearer to the trainee's home location i.e. at regional centres, at the home unit or via distance/e-learning. The aim is to provide more domestic stability by reducing time away from the home base.
<b>Enhanced Learning Credits and Standard Learning Credits</b>	A review of ELC and SLC schemes is underway to support through life learning and encourage Service personnel to manage their current and future personal development. The SLC scheme was extended, wef 1 April 2014. to the following Reserve personnel: Volunteer Reservists - Royal Navy Reserve, Royal Marine Reserve, Army Reserve, Royal Auxiliary Air Force, Full-Time Reserve Service (FTRS) (including personnel serving on Full Commitment, Limited Commitment, Home Commitment and Home Commitment Reserve Staff Group (RSG) and Additional Duties Commitments (ADC).)