



# Ministry of Defence

## Equal Pay Audit 2014

### MOD Core Civilian

### Non-Industrial Personnel

This audit presents a comparison of male to female and White to Black, Asian, Minority Ethnic annualised average salaries in the period 1 October 2013 to 1 October 2014 to meet the Department's obligations under the Public Sector Equality Duty to provide information on its workforce identified by the Equality Act 2010. Further analysis to compare length of service in grade, promotions and length of time to promotion have been conducted to provide possible explanations for any gender or ethnicity differences that may be found.

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## **Methods:**

1. The analyses conducted within this report require exclusions. The population pertaining to these analyses consists of MOD main non-industrial personnel with a current HRMS record, who are identified as being paid on the CHIPS pay extract as at 1 October 2014. The following exclusions were applied throughout:
  - a. Trading Funds personnel
  - b. Royal Fleet Auxiliary personnel
  - c. Locally engaged civilians
  - d. Industrial Grades
  - e. Analogues (MDP, Fire Service, NHS, Teachers, Civilian Medical Practitioners and Civilian Dental Practitioners)
  - f. Senior Civil Servants and equivalent (those paid above the Band B1 Max)
  - g. Personnel for whom no basic salary data is recorded on CHIPS pay extract as at 1 October 2014
  - h. Personnel for whom required data are missing for other explanatory factors required within these analyses
  - i. Personnel on Zero pay – i.e. not being paid by the MOD as at 1 October 2014, are excluded from salary analysis, but are included within the feeder grades of promotion analysis, due to the fact that someone can be promoted from zero pay into a paid position
2. Section A examines the equality of pay of all personnel by analysing the differences in average basic salary of men compared to women. Part 2 conducts the same analysis, but purely focused on part-time personnel. Average basic salary for part-time personnel is presented as annualised in order to be comparable where individuals work widely varying numbers of hours, and is derived from the basic monthly salary as at 1 October 2014 which they would receive if they worked full-time, multiplied by 12 to obtain the current annual basic salary level assuming 1 FTE.
3. The analysis for ethnicity comparisons introduced in 2013 are shown in Section B. Following summary inquiries it has been established that the numbers of personnel making a declaration of their ethnicity and the numbers declared as Black, Asian, Minority Ethnic (BAME) are sufficiently large to enable valid statistical interpretation of differences in salary for all personnel at all grades except B1 and for part-time personnel at grade bands E2, E1 and D.
4. For both gender and ethnicity analysis, calculations of averages are withheld when based on less than 10 individuals, and comparisons of averages are withheld when either of the averages are based on less than 20 individuals as such comparisons are invalid. Likewise for spine-point distribution charts, where the numbers of personnel on an individual spine-point is less than 10, the spine-point figure is withheld.
5. Use of Analysis of Covariance (ANCOVA) methodology to obtain adjusted average salary figures in sections A and B:

Analysis of Covariance is a standard and robust statistical methodology used to observe differences in means between groups after accounting for and removing the effects of other variables (covariates). After the removal of the effects of covariates, adjusted means for each group being compared are obtained. These adjusted means allow observation of any differences between groups in the variable of interest on an equal and more comparable basis. The adjusted average salary figures presented in sections A and B in this analysis were derived from this approach to enable average basic salary to be compared between males and females in each grade without being confounded by the effects of the differing length of service in grade of males and females in each group. The resulting adjusted average salaries represent what the average salary for each gender within a specific grade would be if the average lengths of service in grade for each gender were equal for both genders. This enables a level comparison of the average salary of each gender without confounding with the effects of different lengths of service.
6. Section C concerns the number of personnel who were promoted in the year from 1 October 2013 to 1 October 2014. Included in these analyses were those who were substantively promoted or advanced within this period (including a small number of personnel who were both recruited and promoted within the time period). Temporary promotions were not included, except where individuals had been on temporary promotion and were made substantive within the period. MOD has advancement from E2 to E1, C2 to C1 and B2 to B1 but for the purposes of the report these are referred to as promotion.
7. DBS provided Defence Statistics with a dataset of all those individuals receiving a promotion in the relevant period, the date of that promotion, the grade they were promoted from and the new grade they have been promoted into, the length of service in grade prior to promotion and basic salary at 1 October 2014. The pay award for 2014 was based on taking a weighted average based on all grades and arriving at an uplift figure

broadly overall. In this instance, those on the lowest spine points received a relatively larger increase than those at higher points, thereby narrowing the gap between those on the lowest and highest spine points. As a result, it has been assumed that basic salary at 1 October 2014 was the basic salary at promotion, uplifted by the pay award for those promoted prior to 1 August 2014.

8. Length of service (LOS) in grade (which automatically resets to 0 on promotion) was recorded as at the period prior to promotion in order to ascertain the length of time in the previous grade prior to being promoted. The LOS in grade field was reset to start counting from 2000, for the majority of MOD personnel in post in April 2004, when the new HRMS data system was introduced. Despite this limitation there is no evidence that this would introduce any gender bias. Although caution should be used when viewing the actual values of length of service in grade, as these will be capped at 13 years for the majority of individuals. Initial investigations have shown this to only affect a few individuals and as such where these values are used for statistical analysis they are still valid for making statistical adjustments for the grade band in question.
9. The pay analysis of those personnel promoted is taken from the perspective of the grade promoted into, and concerns gender pay equality at the promoted grade. As the analysis shows the grades moved into, there is no data for E2 personnel. Numbers of BAME personnel are not of a sufficient magnitude to enable comparisons of promotion by ethnicity at this point in time, although this will be monitored and added to the analysis if and when numbers can provide statistical validity. Personnel who move from an industrial grade (Skill Zone 1-4) into a non-industrial grade or from an analogue post into a non-analogue post are not regarded by the department as promotions but as sideways transfers, so are excluded from this analysis.
10. Further exclusions in addition to those listed above are:
  - Personnel not substantively promoted between 1 Oct 2013 and 1 Oct 2014
  - Personnel promoted into or between Senior Civil Service grades
  - Other personnel whose pay falls outside the pay band scales, such as Apprentices and some Retained grades; although those on broader banded pay scales, such as Fast Streamers are included
  - Personnel who move from a Trading Fund post into a Core post, as it is not reliably accurate to calculate the underlying strength from which personnel have been promoted
11. Section C includes statistical tests on the relative differences of the female proportion within promotion groups for each grade, compared to the female proportion of the underlying average strength of the grade from which they were promoted. The test only needs to be conducted on the female proportion, as we are considering the proportion as females divided by the sum of males and females in each case.
12. This is different to the significance test methodology used prior to 2012 which compared the promotion *rates* of male to females. It has been determined that this method is not the most appropriate and can be distorted by the fact that male and female rates are not independent of each other, whereas the proportion of females in the promotion group is independent of the proportion of females within the underlying strength group. This can be assumed to be true where the factors that influence promotion are equally distributed for men and women. Therefore a statistical test result of "Significant" suggests that either gender or a factor that is gender biased is having an influence on promotion.

#### **SECTION A1: Average annual basic salary for all permanent employees by gender and grade**

13. Table EPA-A1 shows, for each Broader Banded Grade, the strength of personnel (headcount) and the average (arithmetic mean) FTE worked, the average (arithmetic mean) length of service in grade on a yearly basis, and average annualised basic salary split by gender. In addition, the gender difference in length of service in grade is presented in years, and the percentage gender difference in average basic salary is given.
14. Since 1 October 2013, overall average basic salary has risen for every grade (except for B2 males - the reason being the large increase in the male population at the lowest spine point level due to promotion into the grade). The pay award for 2014 reflected a weighed average for each pay scale based upon the distribution of staff across the scale spine points. The scale weighted average was applied to all spine points except the maximum of each pay scale, the minimum of each scale received a further 0.5%. In this instance, those on the lowest spine points received a relatively larger increase than those at higher points, thereby narrowing the gap between those on the lowest and highest spine points. As this had the effect of lifting the spine point minimums for each grade, even those personnel who joined the department after 1 August 2014 would have benefited from the increased salary scales.

15. Overall average length of service (LOS) in grade has increased for most grades since last year. Where it has fallen, this is due to a fall in headcount numbers, e.g. B1 males, and an increase at the lowest spine point due to promotions.
16. The most notable change in the gender difference of LOS in grade is at Band B2 where the difference has increased by 0.8 years, with Band B2 males now having on average 2.4 years more service than females, the largest difference of any grade. This is due to a larger proportion of females relative to males entering the grade on promotion and recruitment. This effect is mirrored by the average basic salary difference at B2 showing the most narrowing of the gap between the genders. As we know that historically (prior to the 2010 pay freeze) salary was highly correlated with LOS in grade due to incremental spine point increases, we would expect the difference in average basic salary for the whole grade band to be adjusted down once LOS in grade has been accounted for.
17. Although at each grade there is a difference in average basic salary between males and females, in all cases this gender pay difference remains considerably less than the 5 per cent threshold, even without accounting for the previously observed differences in length of service in grade. The difference in average basic salary between males and females has continued to fall at every grade except for Band E1 where it has remained the same as last year. This fall reflects the gradual increase in numbers of personnel who remain on what is currently the lowest spine point at each grade regardless of their length of service, due to promotions into the grade.
18. As for last year, for E1 personnel, the gender difference in average basic salary is lowest (a difference of 0.4 percentage points), with the average length of service in grade figures remaining marginal (a difference of 0.2 years), alongside the fact that the proportion of E1 personnel that are female has been maintained at roughly 68.5 per cent – the only grade to be predominantly female.
19. In order to take the observed differences in length of service in grade into account when making gender comparisons in pay, Table EPA-A1 presents adjusted average basic salary figures by gender, and the resultant percentage gender difference in average basic salary. These adjusted averages were derived using ANCOVA analysis to remove the effect which an individual's length of service in grade has to their basic salary, providing a more representative comparison of the average basic salary of males and females of the same grade.
20. It is notable that adjusting for length of service in grade results in average female salaries being higher than (or almost equivalent to) average male salaries for the majority of grade bands. This reflects the relationship between relatively high differences in salaries to large differences in LOS in grade. As for last year, the exception to this is Band C2 where the unadjusted difference in salaries is relatively high at 2.2 per cent, but the difference in LOS in grade is relatively low, suggesting that other reasons may explain the difference in salaries. It is also worth noting that the gender split for London pay scales and the gender split for National pay scales at C2 remains approximately the same.
21. For Band E1, the situation remains similar to last year, with the gender difference between unadjusted average salaries only 0.4 per cent and the gender difference between average LOS in grade of only 0.2 per cent. When the average salaries are adjusted for LOS, the gender difference between average salaries is 0.2 per cent. For Bands E1 and E2 the difference in proportions of women on London and National pay scales has the effect of bringing female salaries down, as the females proportion on National pay scales is 18 per cent higher for E1 and 15 per cent higher for E2, similar to last year.
22. The largest adjustments to salary for LOS in grade are at D (2.8 percentage points) and C1 (2.6 percentage points) where the largest unadjusted differences in salary and relatively high differences in LOS occur, the same as last year. The adjusted male average salaries remain lower than female average salaries, although to a marginal degree at 0.2 per cent (for Grade D) and 0.1 per cent (for Grade C1).
23. As for last year, the findings of this analysis show that after accounting for gender differences in length of service in grade, any gender differences in average basic salary are reversed in most cases. Adjusted differences at grade bands B2 and C1 show a narrowing of the gap, with the largest decrease at B2. This change reflects the relatively large increase of females at B2 at the lowest spine point. At grade band B1, the adjusted female salary remains at 1.4 per cent higher than the average male salary. The most likely explanation for this is the different proportions of males and females on the London and National pay scales, with more men on the National Pay scale and the proportion of women higher in London at Band B1.

## **SECTION A2: Average annual basic salary for part-time permanent employees by gender and grade**

24. Table EPA-A2 looks at the gender differences in average annualised basic salary of part-time non-industrial civilian personnel in each grade, considering the average FTE and average length of service in grade of males and females in each grade. Average basic salary is derived from the annualised basic salary individuals would

receive if they were employed on a full-time basis as at 1 October 2014. These figures therefore are comparable, and are not biased on account of differences relating to the number of hours actually worked by different individuals. The gender difference in length of service in grade is presented in years, and the gender difference in average annualised basic salary is given as a percentage.

25. At Band B1, the numbers of personnel are too small to conduct any salary comparisons. For most other grades (except C1 at 59 per cent), females make up more than 60 per cent of the part-time workforce, in particular at Band E1 where 93 per cent of part-time personnel are female. As with last year, there has been a further increase in the number of personnel working part-time at grades C2 to B2, with a small decrease at other grades apart from Band D. Increases in men working part-time at Bands C1, C2 and E1 have continued, with the biggest proportion of males working part-time at C1 (41 per cent).
26. Average FTE has broadly remained the same as last year with the biggest increase for B2 males from 0.66 to 0.71. As with last year, FTE tends to increase from lower grades to higher. Again as with last year, for all grades, except E1 (where men continue to work on average 26 hours a week compared to women working on average 25 hours a week), the female average FTE is higher than that for the male. At Band B2 the difference between males and females has decreased from 0.1 to 0.05 compared to 2013, back to the level it was in 2012, with females continuing to work on average 28 hours a week compared to men now working on average 26 hours a week (making the assumption of 37 working hours per week).
27. Band E1 is the only grade where females continue to have the longer length of service in grade, although the gap between the genders has narrowed since last year. This could be a reflection of a grade that has been typically female (over 90 per cent) possibly with those female personnel who have been at this grade for a substantial amount of time either not being eligible for VERS due to their acquired experience or choosing not to leave. The numbers of men and their LOS in grade have increased since 2013.
28. All other grades continue to show males having a longer length of service in grade than females. This difference has shown increases for B2, C1 and particularly E2, with decreases for C2, E1 and particularly D where female average length of service in grade has increased considerably from 6.1 to 8.1 years. This impacts on average annualised basic salary differences but in most cases, the salary gaps between men and women have decreased for all grade bands, except Band E2. These decreases are mainly due to a change in the length of service distribution between genders within a grade. As with last year, only personnel at C1 continue to have differences above the 5.0 per cent threshold. The difference has decreased since last year with male part-time staff now having 5.9 per cent higher average annualised salary than females (compared to 6.5 per cent for 2013).
29. As discussed previously, when observing gender differences in average basic salary, it is necessary to take into account the significant differences which exist in length of service in grade mentioned above. As in Section A1, ANCOVA analysis was used to extract the effects of length of service in grade as a covariate in order to level the playing field and provide a fairer basis for comparison, thus obtaining adjusted average annualised basic salary figures for males and females in each grade. These are also presented in Table EPA-A2.
30. The differences between average salaries generally remain higher for part-time personnel than for the whole workforce reflecting the fact that those persons with longer lengths of service in grade are more likely to opt for part-time work. After removing the differential effects of length of service in grade, the gender differences in the adjusted average annualised basic salary reduce to below 1.0 per cent for all grades, except B2. The position overall remains similar to last year with no significant differences between genders within most grades when taking into account the adjusted average salary figures. The position for E2 indicates a slight difference between male and female. This is due to a decrease in females at this grade combined with a relatively higher increase in male average length of service.

#### **SECTION B1: Average annual basic salary for all permanent employees by ethnicity and grade**

31. Table EPA-B1 shows, for each Broader Banded Grade, the strength of personnel (headcount) and the average (arithmetic mean) FTE worked, the average (arithmetic mean) length of service in grade on a yearly basis, and average annualised basic salary split by ethnicity. In addition, the ethnicity difference in length of service in grade is presented in years, and the percentage ethnicity difference in average basic salary is given. Only records with a self-declared response of an ethnicity classification have been included in this study, therefore all responses of "choose not to declare" are not within this study. This aligns with diversity reporting of representation levels in the department's published diversity statistics.
32. White personnel have a longer average LOS in grade than BAME personnel for every grade except B1, where the numbers of BAME are insufficient to give a meaningful figure. The difference for all grades is less than 1 year, except for Band D, meaning that any effect of LOS in grade upon salaries will be small. LOS in grade for BAME personnel tends to increase from higher grades to lower (except at C1), with the difference in average

salaries at this grade being the lowest of all grades, and further indicating no difference between BAME and White.

33. The average basic salary difference is less than 1 per cent for all grades except E1 where BAME personnel have on average higher salaries than White personnel by 1.4 per cent. As LOS in grade is higher for White personnel at these grades and the difference is small i.e. 0.6 years, we would not expect the average salary difference to be adjusted down substantially, once LOS in grade has been accounted for. Grade bands C1 and C2 are the only grades where White personnel have a higher average salary than BAME personnel, although the difference in both cases is marginal (approximately 0 per cent for C1, and 0.3 per cent for C2).
34. At C1 there is virtually no ethnicity difference for either LOS in grade or average salary, the same as last year. Although at each grade there is a difference in average basic salary between White and BAME personnel, in all cases, this gender pay difference is considerably less than the 5 per cent threshold, even without accounting for any effect of LOS in grade. Given that in most cases the difference is less than 1 per cent, the likelihood of any discrimination by ethnicity for salary is considerably low, even lower than for gender.
35. Table EPA-B1 does not present adjusted average basic salary figures using Analysis of Covariance methodology. The potential effects of Length of Service in Grade on salary are likely to either be inconsequential or misleading, because where differences in LOS are below 1.0 year and where higher average salaries do not correlate with higher LOS, any adjustment will over-estimate any differences.
36. The findings of this analysis show that ethnicity differences in average basic salary in most cases are negligible (below 1 percentage point) except for E1 personnel. At Band E1 where BAME personnel have, on average, salaries 1.4 per cent higher than White personnel, the most likely explanation for this is known differing proportions of White and BAME on the London and National pay scales. The proportion of London personnel who are BAME is 24 per cent compared to only 3 per cent of National personnel.

## **SECTION B2: Average annual basic salary for part-time permanent employees by ethnicity and grade**

37. Table EPA-B2 looks at the ethnicity differences in average annualised basic salary of part-time non-industrial civilian personnel in each grade, considering the average FTE and average length of service in grade of White and BAME personnel in each grade. Average basic salary is derived from the annualised basic salary individuals would receive if they were employed on a full-time basis as at 1 October 2014. These figures therefore are comparable, and are not biased on account of differences relating to the number of hours actually worked by different individuals. The difference in length of service in grade is presented in years, and the difference in average annualised basic salary is given as a percentage.
38. At grades C1 and above the numbers of part-time BAME personnel are too small to reliably calculate averages or to conduct any salary comparisons. The numbers of personnel at each grade, split by ethnicity, have been shown for information. For grade band C2, whilst the numbers are of sufficient magnitude to show meaningful averages, further comparisons and analysis would be unreliable. At Grades D and below, only BAME personnel at Band E2 make up more than 5 per cent of the part-time workforce, at 5.6 per cent. At Band E1 the percentage is 2.2 and at Band D is 4.8 per cent. As these proportions are very small it would be prudent to interpret further analysis with caution, considering many possible reasons for any differences that may be observed.
39. At Grades D and below, the differences in length of service in grade decrease as grade falls, with White personnel having longer average LOS in grade than BAME personnel, except at E2. Conversely to the whole part-time workforce, average salaries are higher for part-time White personnel at grade bands C2, D and E1, with personnel at band D having a 1.6 per cent higher salary on average. As the difference in LOS in grade is 3.9 years, we would expect the adjusted average salary to reduce this difference. The salary difference at Band E1 is smaller at 0.7 per cent, and with an LOS difference of 1.5 years we would also expect to see much of the salary difference accounted for by LOS.
40. Average basic salary and LOS in grade at E2 are higher for BAME personnel, the only grade at which this occurs. The difference in average basic salary is slightly higher than last year, reflecting more BAME personnel on higher LOS in grade taking part-time.
41. As discussed previously, when observing differences in average basic salary, it is necessary to take into account the differences which exist in length of service in grade mentioned above. As in section A, ANCOVA analysis was used to extract the effects of length of service in grade as a covariate in order to level the playing field and provide a fairer basis for comparison, thus obtaining adjusted average annualised basic salary figures for White and BAME personnel in each grade. These are also presented in Table EPA-B2 for grade bands D and E1, as the difference in LOS in grade is above 1.0 years.

42. After removing the differential effects of length of service in grade, the ethnicity differences in the adjusted average annualised basic salary reduce to well below 1.0 per cent for both grades, with Band D switching from White personnel having salaries on average 1.6 per cent higher to BAME personnel having, on average, salaries 0.9 per cent higher. For Band E1, the switch is from White average salaries being 0.7 per cent higher to BAME average salaries being 0.3 per cent higher.

### **SECTION C1: Length of time to promotion by gender**

43. Table EPA-C1 shows the number of males and females in each grade who were substantively promoted/advanced in the year from 1 October 2013 to 1 October 2014 (temporary promotions were not included here, except where those temporary promotions were made substantive, and in these cases the point of promotion was taken at the point where the promotion was made substantive). The grade referenced in this table is the grade which personnel were promoted into i.e. where a B2 was promoted to B1, they are listed here under their new grade of B1. No sideways transfers from industrial to non-industrial grades or vice versa are included, and no external new recruits to MOD are included, therefore no E2 grade is presented in the table as it is not possible to be promoted into this grade. Personnel who were promoted from a Trading Fund post into a Main MOD TLB post have also been excluded from this analysis.
44. Table EPA-C1 considers the average length of service in grade prior to promotion (i.e. in the previous grade) in order to observe the length of time it took to be promoted for those individuals who were promoted within the period 1 October 2013 to 1 October 2014. It is essential to note that these figures do not represent the average length of time spent within a grade that it takes to achieve promotion, as there are inevitably many other individuals remaining in the previous grade who will achieve promotion in the future. These figures are simply representative of the average length of time spent in the previous grade prior to promotion by those who were promoted within the stated period. The analysis also observes the average basic salary upon promotion, which will be also be affected to some degree by the differing proportions of males and females on the London or National pay scales. For example 37 per cent of London personnel are female, compared to 47 per cent of National personnel.
45. The number of substantive promotions, compared to 2012-2013, have shown increases and decreases for all grade bands, except Band C1. Most notable are the number of promotions into Band B2 which have tripled since last year. This reflects the restructuring within the department following the substantial numbers of personnel leaving on Voluntary Early Release and the recruitment freeze which has begun to be relaxed in some areas during 2013-14. This forms part of the latter stages of rationalisation brought about under the Strategic Defence and Security Review (SDSR), looking towards a more streamlined workforce by 2015. It should be noted that because recruitment and consequently opportunities for promotion have not been evenly made available across business areas that differences observed between men and women may be attributed to differences (both historic and as a result of the proportions of those that have left) in the gender proportions of different business areas.
46. The average length of service in grade prior to promotion is broadly comparable between men and women for grades C1 to B1. LOS to promotion of E1 males have increased substantially since last year due to more men being promoted on longer lengths of service in their previous grade (80 men at 6.5 years in 2014 compared to 40 men at 4.6 in 2013). C2 and D females have shown similar increases in LOS to promotion, increasing by 1.0 years since 2013. In both cases, numbers of men and women promoted have dropped substantially, except for C2 females, suggesting fewer promotions to these grades in 2014. Band B1 showed approximately the same number of promotions into the grade compared to 2013, although LOS to promotion had increased substantially for both sexes. Band B2 showed the largest number of promotions for both sexes, from 170 in 2013 to 510 in 2014. Despite this large increase, LOS to promotion remained comparable to 2013.
47. The average basic salary on promotion of males and females in each grade remains highly comparable for most grades with a differential of less than 1 per cent except for E1 at 1.3 per cent. The higher average salary for males at E1 reflects proportionally more males at London pay rates than females at London pay rates getting promoted. Overall, males have a higher average salary on promotion than females except at B2, where, nevertheless, the marginal is small enough to be insignificant. These differences owe for the most part to the different proportions of males and females on London and National pay scales, with B2 females being proportionally larger in London than at National level. For all other grades except B1 and C1, female promotions proportionally are substantially larger at the National pay scale than London.

### **SECTION C2: Promotion proportions by gender**

48. Of all promotions, 1,450 were male (53.7 per cent) and 1,250 were female (46.3 per cent). This is broadly comparable to the male:female proportions of non-industrial personnel on strength at all grades except E1, (57.6 per cent male, 42.4 per cent female). Overall, the number of promotions are comparable to last year

(51.6 per cent males, 48.4 per cent females), resulting in promotion rates remaining at the levels seen in 2008-09, prior to the recruitment freeze, when 1,580 men and 1,480 women were promoted. Promotion rates for Band B2 and E1 have increased considerably since 2013, whilst remaining steady or decreasing slightly for other grades.

49. A higher number of males were promoted into grades of C2 and above, and higher numbers of females were promoted into D and E1. However it is important to consider these in the light of the individual male/female representation at the feeder grades. For example, at grade C2 (the feeder grade for promotions to C1) there is a larger percentage of males (61.7 per cent) which corresponds with the higher proportion of males promoted to C1 (63.4 per cent). Contrary to this trend are the number of females at E2 (the feeder grade for E1). In 2014, 39.3 per cent at Band E2 were female compared to 62 per cent of promotions to E1.
50. Significance tests were undertaken at each grade to determine whether the proportion of females in the promotion group at each grade is significantly different to the proportion of females at the feeder grade. Between 1 October 2013 and 1 October 2014, there was a difference of 0.04 between the female proportion in all non-industrial promotions from E2 to B1 and the female proportion at all feeder grades from E2 to B2. **This difference is comparable to 2012-3 (0.07) indicating a continuing trend of more female promotions overall relative to their strengths at the lower grade.**
51. When looking at individual grade bands, the following significant differences were found. **62.0 per cent of promotions to E1 were female**, compared to a proportion of 39.3 per cent at E2 strength, representing a **significant difference**. This means that there were more female promotions than would be expected given the proportion of females at Band E2. In this case, the promotion rate of females also reflects this, being 4.8 percentage points greater than that of men. This situation mirrors last year where the female promotion rate was significantly higher than the male one. At that time, it was felt that the reason for the difference was due to disproportionate flows in the female distribution. This year, male exits have increased substantially for the E2 grade during 2014, whereas the female numbers have remained relatively steady. This reduced the pool of males eligible for promotion and may consequently have had an influence on this year's promotion rates.
52. **A significant difference was also found at Band C2 where females formed a 0.09 higher proportion in the pool of promotees than at Band D strength.** The female strengths at the feeder grade, Band D, have remained relatively steady, whereas the male has decreased. Despite the decrease in male strengths at Band D, there has been a disproportionate fall in male promotions to C2 since last year, which has had a knock on effect of raising the female promotion rate. Interestingly **for promotions to Band D**, the difference has increased once more from 0.01 in 2013 to 0.05 in 2014, and is **now significant** as it was in 2011-12 at 0.06. Females account for 63.2 per cent of promotions (58.4 per cent in 2012-13), although the strength at the feeder grade, E1, has remained steady at 58.2 per cent compared to 57.9 per cent last year. Similar to promotions into the C2 grade, the number of male promotions have dropped disproportionately compared to its strength at the feeder grade, leading to an increase in the female rate. Despite the large increase in **promotions at Band B2**, the rate of female promotions compared to the feeder grade, C1, is now **not significant**. The reason for this appears to be the large increase in the male promotion rate from 2.7 per cent in 2012-13 to 8.4 per cent in 2013-14. The only grade bands to have a larger proportion of females in the feeder grade than in the promotion grade are at B1 and C1. Despite this, the difference at each grade is 0.01 and 0.02 respectively, and as expected is not significant.
53. Gender differences in the promotion rate into each grade have generally remained steady since last year with only noticeable increases at C2 (1.6 per cent in 2012-13, 3.0 per cent this year, 2013-14) and D (0.1 per cent in 2012-13, 1.1 per cent in 2013-14). The likely reasons for this change are given above. Bands B1 and C1 are the only grades where the difference has remained below 1.0 percentage points, both having fallen slightly since last year. Band E1, despite showing the largest difference at 4.8 per cent, nevertheless has fallen since last year. Although the largest increase in the number of promotions has occurred at B2, the promotion rate difference has remained steady at 1.5 per cent, compared to 1.4 per cent for 2012-13.

## **Conclusions:**

54. The analysis shows minimal evidence of any gender inequality relating to average salaries of non-industrial personnel. Even before taking into account differences in length of service in grade, gender differences in average basic salary are now less than 3.0 per cent in all grades (3.5 per cent last year), and for all grades, except E1 remaining the same, have decreased since last year. After accounting for gender differences in length of service in grade, the subsequently adjusted average basic salaries continue to show gender differences of no more than 0.2 per cent for grades where male salaries remain higher. For grades where the length of service effect results in adjusted average salaries being higher for women, the largest difference



continues to be 1.4 per cent at Band B1, where differing gender proportions on London and National pay scales has the greatest effect.

55. For part time personnel, gender differences have also shown decreases since last year for all grades except E2, and are now below 4.5 per cent (5.0 per cent last year), except for C1 which has fallen since last year from 6.5 per cent to 5.9 per cent. Adjusting average basic salary by length of service in grade have also shown similar decreases, resulting in insignificant differences, even where gender differences have been reversed. Differences from adjusting average basic salaries remain negligible at no more than 0.7 per cent for grades where male salaries remain higher and no more than 1.3 per cent where the adjustment results in higher salaries for women. As for all personnel, the largest difference remains where different proportions of males and females on the London and National pay scales are more strongly skewed towards women in London.
56. Average salary differences between White and BAME personnel continue to show even less evidence of inequality than for gender. Even before taking into account differences in length of service in grade, ethnicity differences in average basic salary remain less than 1.5 per cent in all grades, with all grades either showing no increases or very minimal ones where they occur. BAME salaries remain, on average, higher than White salaries for all grades other than C2 again, where the difference remains only 0.3 per cent. Where the largest difference occurs of 1.4 per cent at Band E1, the differing ethnicity proportions on London and National pay scales remains high at 21 per cent greater for BAME personnel on London pay scales.
57. Conversely to the whole workforce, average salaries are higher for part-time White personnel at grade bands D and E1, with personnel at Band D having a 1.6 per cent higher salary on average. Whilst it is difficult to make comparisons across all grades due to insufficient numbers of BAME personnel at B1, B2, C1 and C2, other grades indicate at least a narrowing of the gap between BAME and White personnel, resulting in even more insignificant differences compared to last year. After removing the differential effects of length of service in grade, the ethnicity differences in the adjusted average annualised basic salary reduce to below 1.0 per cent.
58. Overall, there has been a slight increase in the length of time taken for promotion, with differences increasing in most cases and all less than 1 year, except at E1. The change in male salaries, which are now higher on promotion in all cases compared to last year where this occurred only at B1, B2 and E1, can be accounted for by more male London based promotions than female. Despite this, salary differentials remain small with no significant differences observed.
59. Of all female non-industrial promotions, there is a significantly higher proportion of females in the promotions pool than in the underlying strength. When looking at individual grade bands, significant differences were found at E1, C2 (the same as last year), and D, where the proportion of females in the promotion group were significantly higher than would be expected in all cases. The promotion rate of females was also greater than that of men at these grades, and also greater than males at B2. The only grades where the proportion of women promoted was less than expected given the proportion in the feeder grade were at B1 and C1, although the differences at 0.01 and 0.02 percentage points respectively are not significant.

#### **Recommendations:**

60. Owing to the strict policy on setting salaries and viewing the evidence presented in the last five Equal Pay Audit reports, the evidence shown in this report continues to indicate that no gender discrimination in salary exists in MOD Non-Industrial pay bands. Introduced last year, further analysis conducted this year on ethnicity differences in salary continue to show no evidence of discrimination against the BAME group. In fact, the evidence shown in this report continues to indicate that the minority BAME group have higher average salaries than White. Evidence also exists that since the cessation of the spine point progression system, an increasing number of personnel at all grades are remaining at the lowest spine point for their grade, owing to promotions into a grade and recruitment of personnel not on higher pay terms from other government departments. It is recommended that, in order to meet the Department's obligations under the Public Sector Equality Duty, monitoring of both gender and ethnicity differences in salary continues on an annual basis. Given the increasing trend for personnel to remain on the lowest spine point of a grade and the removal of Defence Equipment & Support staff from MOD Broader Banded pay scales during the forthcoming year, it is also further recommended that a review of methodology is undertaken to ensure that current analysis remains fit for purpose.

# Average Annual Basic Salary - All Personnel<sup>1,2</sup>

Table EPA - A1 - Average Basic Salary by Gender and Grade<sup>1,2</sup>

B1	Gender	Headcount	Average FTE	Average LOS in Grade	Diff in LOS in Grade (Yrs)	Average Basic Salary	Av Basic Salary Diff %	Adjusted Average Basic Salary accounting for LOS in Grade	Adj Av Basic Salary Diff %
	Male	440	1.00	4.9		£60,547		£60,318	
	Female	130	0.99	3.1		£59,798		£61,179	
	<b>Total</b>	<b>570</b>	<b>0.99</b>	<b>4.5</b>	<b>1.7</b>	<b>£60,379</b>	<b>1.2%</b>		<b>-1.4%</b>
B2	Gender	Gender	Average FTE	Average LOS in Grade	Diff in LOS in Grade (Yrs)	Average Basic Salary	Av Basic Salary Diff %	Adjusted Average Basic Salary accounting for LOS in Grade	Adj Av Basic Salary Diff %
	Male	1070	0.99	5.4		£50,812		£50,718	
	Female	440	0.96	3.0		£50,188		£50,883	
	<b>Total</b>	<b>1510</b>	<b>0.99</b>	<b>4.7</b>	<b>2.4</b>	<b>£50,629</b>	<b>1.2%</b>		<b>-0.3%</b>
C1	Gender	Gender	Average FTE	Average LOS in Grade	Diff in LOS in Grade (Yrs)	Average Basic Salary	Av Basic Salary Diff %	Adjusted Average Basic Salary accounting for LOS in Grade	Adj Av Basic Salary Diff %
	Male	3890	0.99	5.4		£38,547		£38,366	
	Female	1450	0.97	3.7		£37,581		£38,399	
	<b>Total</b>	<b>5340</b>	<b>0.98</b>	<b>5.0</b>	<b>1.7</b>	<b>£38,284</b>	<b>2.5%</b>		<b>-0.1%</b>
C2	Gender	Gender	Average FTE	Average LOS in Grade	Diff in LOS in Grade (Yrs)	Average Basic Salary	Av Basic Salary Diff %	Adjusted Average Basic Salary accounting for LOS in Grade	Adj Av Basic Salary Diff %
	Male	5120	0.99	5.3		£31,492		£31,329	
	Female	2720	0.96	4.2		£30,797		£31,308	
	<b>Total</b>	<b>7840</b>	<b>0.98</b>	<b>4.9</b>	<b>1.1</b>	<b>£31,251</b>	<b>2.2%</b>		<b>0.1%</b>
D	Gender	Gender	Average FTE	Average LOS in Grade	Diff in LOS in Grade (Yrs)	Average Basic Salary	Av Basic Salary Diff %	Adjusted Average Basic Salary accounting for LOS in Grade	Adj Av Basic Salary Diff %
	Male	4340	0.99	6.9		£25,499		£25,272	
	Female	3120	0.95	5.1		£24,824		£25,333	
	<b>Total</b>	<b>7460</b>	<b>0.98</b>	<b>6.2</b>	<b>1.8</b>	<b>£25,217</b>	<b>2.6%</b>		<b>-0.2%</b>
E1	Gender	Gender	Average FTE	Average LOS in Grade	Diff in LOS in Grade (Yrs)	Average Basic Salary	Av Basic Salary Diff %	Adjusted Average Basic Salary accounting for LOS in Grade	Adj Av Basic Salary Diff %
	Male	2500	0.99	7.6		£20,053		£20,185	
	Female	5540	0.93	7.9		£19,981		£20,143	
	<b>Total</b>	<b>8030</b>	<b>0.95</b>	<b>7.8</b>	<b>-0.2</b>	<b>£20,003</b>	<b>0.4%</b>		<b>0.2%</b>
E2	Gender	Gender	Average FTE	Average LOS in Grade	Diff in LOS in Grade (Yrs)	Average Basic Salary	Av Basic Salary Diff %	Adjusted Average Basic Salary accounting for LOS in Grade	Adj Av Basic Salary Diff %
	Male	2310	0.99	9.1		£17,220		£17,293	
	Female	1520	0.93	7.7		£17,034		£17,252	
	<b>Total</b>	<b>3830</b>	<b>0.97</b>	<b>8.6</b>	<b>1.4</b>	<b>£17,146</b>	<b>1.1%</b>		<b>0.2%</b>

Source: Defence Statistics (Civilian)

## Average Annual Basic Salary - All Personnel<sup>1,2</sup>

### Table EPA - A1 - Average Basic Salary by Gender and Grade<sup>1,2</sup>

#### Notes accompanying tables EPA - A1

##### Methods

Personnel HC numbers are rounded to the nearest 10. Numbers ending in "5" have been rounded to the nearest multiple of 20 to prevent systematic bias.

Average Length of Service in Grade is presented in years to one decimal place. Gender differences in average Length of Service in grade are calculated from the difference between the exact averages and are also presented in years to one decimal place.

Average basic salary figures for each individual are derived from the basic monthly salary rate they were on as at 1 October 2014, annualised to assume a whole year at the same salary rate. These salary rates are not adjusted to take account of the actual number of hours worked by part time personnel in order to assure comparability independent of full-time/part-time status, and so for each individual represent what they would earn in a full year at the same salary rate with an FTE of 1.

Average basic salary differential percentages represent the ratio of the difference between the gender averages to the higher of the gender averages.

Adjusted average basic salary figures have been calculated using Analysis of Covariance methodology, with adjusted averages obtained after the differential effects of Length of Service in Grade in males and females have been partialled out.

Because of rounding, totals may not always equal the sum of the parts.

##### Exclusions

1. Figures exclude SCS, retained grades, personnel on zero pay, those whose pay falls outside the paycales, and those where no valid grade or pay data are recorded as at 1 October 2014.

2. Figures exclude Trading Funds, Royal Fleet Auxiliaries and Locally engaged civilians.

### Average Annual Basic Salary - Part-Time Personnel

Table EPA - A2 Average annual basic salary of part-time personnel by Gender and Grade.

B1	Gender	Headcount	Average FTE	Average LOS in Grade (years)	Diff in LOS in Grade (years)	Average Annualised Basic Salary	Av Basic Salary Diff %	Adjusted Average Basic Salary accounting for LOS in Grade	Adj Av Basic Salary Diff %
	Male	~	~	~		~		~	
	Female	10	0.74	3.4		£58,682		~	
	<b>Total</b>	<b>10</b>	<b>0.75</b>	<b>3.6</b>	<b>~</b>	<b>£61,057</b>	<b>~</b>		<b>~</b>
B2	Gender	Headcount	Average FTE	Average LOS in Grade (years)	Diff in LOS in Grade (years)	Average Annualised Basic Salary	Av Basic Salary Diff %	Adjusted Average Basic Salary accounting for LOS in Grade	Adj Av Basic Salary Diff %
	Male	20	0.71	5.9		£52,314		£51,132	
	Female	60	0.76	3.9		£50,985		£51,795	
	<b>Total</b>	<b>90</b>	<b>0.75</b>	<b>4.4</b>	<b>1.9</b>	<b>£51,321</b>	<b>2.5%</b>		<b>-1.3%</b>
C1	Gender	Headcount	Average FTE	Average LOS in Grade (years)	Diff in LOS in Grade (years)	Average Annualised Basic Salary	Av Basic Salary Diff %	Adjusted Average Basic Salary accounting for LOS in Grade	Adj Av Basic Salary Diff %
	Male	120	0.69	7.7		£40,188		£38,774	
	Female	170	0.75	5.0		£37,823		£38,947	
	<b>Total</b>	<b>300</b>	<b>0.72</b>	<b>6.1</b>	<b>2.7</b>	<b>£38,797</b>	<b>5.9%</b>		<b>-0.4%</b>
C2	Gender	Headcount	Average FTE	Average LOS in Grade (years)	Diff in LOS in Grade (years)	Average Annualised Basic Salary	Av Basic Salary Diff %	Adjusted Average Basic Salary accounting for LOS in Grade	Adj Av Basic Salary Diff %
	Male	160	0.69	7.3		£32,283		£31,484	
	Female	410	0.74	5.4		£31,085		£31,479	
	<b>Total</b>	<b>570</b>	<b>0.73</b>	<b>5.9</b>	<b>1.9</b>	<b>£31,429</b>	<b>3.7%</b>		<b>0.0%</b>
D	Gender	Headcount	Average FTE	Average LOS in Grade (years)	Diff in LOS in Grade (years)	Average Annualised Basic Salary	Av Basic Salary Diff %	Adjusted Average Basic Salary accounting for LOS in Grade	Adj Av Basic Salary Diff %
	Male	100	0.70	8.9		£26,135		£25,256	
	Female	510	0.72	8.1		£25,024		£25,266	
	<b>Total</b>	<b>610</b>	<b>0.71</b>	<b>8.2</b>	<b>0.8</b>	<b>£25,208</b>	<b>4.3%</b>		<b>0.0%</b>
E1	Gender	Headcount	Average FTE	Average LOS in Grade (years)	Diff in LOS in Grade (years)	Average Annualised Basic Salary	Av Basic Salary Diff %	Adjusted Average Basic Salary accounting for LOS in Grade	Adj Av Basic Salary Diff %
	Male	90	0.71	7.8		£20,037		£20,041	
	Female	1170	0.68	8.1		£20,023		£20,110	
	<b>Total</b>	<b>1260</b>	<b>0.68</b>	<b>8.1</b>	<b>-0.2</b>	<b>£20,024</b>	<b>0.1%</b>		<b>-0.3%</b>
E2	Gender	Headcount	Average FTE	Average LOS in Grade (years)	Diff in LOS in Grade (years)	Average Annualised Basic Salary	Av Basic Salary Diff %	Adjusted Average Basic Salary accounting for LOS in Grade	Adj Av Basic Salary Diff %
	Male	50	0.63	9.3		£17,411		£17,440	
	Female	340	0.67	8.1		£17,086		£17,311	
	<b>Total</b>	<b>390</b>	<b>0.66</b>	<b>8.2</b>	<b>1.3</b>	<b>£17,129</b>	<b>1.9%</b>		<b>0.7%</b>

Source: Defence Statistics (Civilian)

### **Average Annual Basic Salary - Part-Time Personnel**

**Table EPA - A2 Average annual basic salary of part-time personnel by Gender and Grade.**

**Notes accompanying tables EPA - A2**

This table includes only those personnel classed as working on a part-time basis, defined by their working hours averaged across the year being less than 36 hours per week for those on the London pay scale, and less than 37 hours per week for those on the National pay scale.

Average annualised basic salary figures represent the pro-rata basic salary personnel would receive if they worked for full-time hours.

Length of service in grade figures are in years and are rounded to one decimal place.

Average basic salary differential percentages represent the ratio of the difference between the gender averages to the higher of the gender averages.

Payrise differential percentages represent the ratio of the gender payrise difference to the overall average basic salary (of both genders together).

Adjusted average basic salary figures have been calculated using Analysis of Covariance methodology, with adjusted averages obtained after the differential effects of Length of Service in Grade in males and females have been partialled out.

Personnel numbers are based on headcount and are rounded to the nearest 10. Numbers ending in "5" have been rounded to the nearest multiple of 20 to prevent systematic bias. Personnel figures below 5 are denoted by "~" and further calculations based on these numbers are withheld and denoted by "~".

Calculations of averages are also withheld when based on less than 10 individuals, and comparisons of averages are withheld when either of the averages are based on less than 20 individuals as such comparisons are invalid. Because of rounding, totals may not always equal the sum of the parts.

Figures exclude Trading Funds, Royal Fleet Auxiliaries and Locally engaged civilians.

Figures exclude SCS, retained grades, personnel on zero pay, those whose pay falls outside the payscales, and those where no valid grade or pay data are recorded as at 1 October 2014.

# Average Annual Basic Salary - All Personnel<sup>1,2</sup>

Table EPA - B1 - Average Basic Salary by Ethnicity and Grade<sup>1,2</sup>

B1	Ethnicity	Headcount	Average FTE	Average LOS in Grade	Diff in LOS in Grade (Yrs)	Average Basic Salary	Av Basic Salary Diff %	Adjusted Average Basic Salary accounting for LOS in Grade	Adj Av Basic Salary Diff %
	White	480	1.00	4.5		£60,258		~	
	BAME	10	~	~		~		~	
	<b>Total</b>	<b>490</b>	<b>1.00</b>	<b>4.4</b>	<b>~</b>	<b>£60,261</b>	<b>~</b>		<b>~</b>
B2	Ethnicity	Headcount	Average FTE	Average LOS in Grade	Diff in LOS in Grade (Yrs)	Average Basic Salary	Av Basic Salary Diff %	Adjusted Average Basic Salary accounting for LOS in Grade	Adj Av Basic Salary Diff %
	White	1260	0.99	4.8		£50,548		~	
	BAME	40	0.99	4.1		£50,846		~	
	<b>Total</b>	<b>1300</b>	<b>0.99</b>	<b>4.8</b>	<b>0.7</b>	<b>£50,557</b>	<b>-0.6%</b>		<b>~</b>
C1	Ethnicity	Headcount	Average FTE	Average LOS in Grade	Diff in LOS in Grade (Yrs)	Average Basic Salary	Av Basic Salary Diff %	Adjusted Average Basic Salary accounting for LOS in Grade	Adj Av Basic Salary Diff %
	White	4500	0.98	5.0		£38,260		~	
	BAME	170	0.99	4.8		£38,258		~	
	<b>Total</b>	<b>4680</b>	<b>0.98</b>	<b>5.0</b>	<b>0.2</b>	<b>£38,260</b>	<b>0.0%</b>		<b>~</b>
C2	Ethnicity	Headcount	Average FTE	Average LOS in Grade	Diff in LOS in Grade (Yrs)	Average Basic Salary	Av Basic Salary Diff %	Adjusted Average Basic Salary accounting for LOS in Grade	Adj Av Basic Salary Diff %
	White	6560	0.98	5.0		£31,229		~	
	BAME	260	0.98	4.5		£31,142		~	
	<b>Total</b>	<b>6830</b>	<b>0.98</b>	<b>5.0</b>	<b>0.4</b>	<b>£31,226</b>	<b>0.3%</b>		<b>~</b>
D	Ethnicity	Headcount	Average FTE	Average LOS in Grade	Diff in LOS in Grade (Yrs)	Average Basic Salary	Av Basic Salary Diff %	Adjusted Average Basic Salary accounting for LOS in Grade	Adj Av Basic Salary Diff %
	White	6260	0.98	6.5		£25,225		~	
	BAME	250	0.97	5.3		£25,295		~	
	<b>Total</b>	<b>6510</b>	<b>0.98</b>	<b>6.4</b>	<b>1.1</b>	<b>£25,228</b>	<b>-0.3%</b>		<b>~</b>
E1	Ethnicity	Headcount	Average FTE	Average LOS in Grade	Diff in LOS in Grade (Yrs)	Average Basic Salary	Av Basic Salary Diff %	Adjusted Average Basic Salary accounting for LOS in Grade	Adj Av Basic Salary Diff %
	White	6780	0.95	8.1		£20,023		~	
	BAME	330	0.97	7.6		£20,302		~	
	<b>Total</b>	<b>7100</b>	<b>0.95</b>	<b>8.1</b>	<b>0.6</b>	<b>£20,036</b>	<b>-1.4%</b>		<b>~</b>
E2	Ethnicity	Headcount	Average FTE	Average LOS in Grade	Diff in LOS in Grade (Yrs)	Average Basic Salary	Av Basic Salary Diff %	Adjusted Average Basic Salary accounting for LOS in Grade	Adj Av Basic Salary Diff %
	White	3190	0.96	9.0		£17,178		~	
	BAME	230	0.98	8.5		£17,309		~	
	<b>Total</b>	<b>3420</b>	<b>0.96</b>	<b>9.0</b>	<b>0.5</b>	<b>£17,186</b>	<b>-0.8%</b>		<b>~</b>

Source: Defence Statistics (Civilian)

## Average Annual Basic Salary - All Personnel<sup>1,2</sup>

**Table EPA - B1 - Average Basic Salary by Ethnicity and Grade<sup>1,2</sup>**

**Notes accompanying tables EPA - B1**

**Methods**

Personnel HC numbers are rounded to the nearest 10. Numbers ending in "5" have been rounded to the nearest multiple of 20 to prevent systematic bias.

Average Length of Service in Grade is presented in years to one decimal place. Ethnicity differences in average Length of Service in grade are calculated from the difference between the exact averages and are also presented in years to one decimal place.

Average basic salary figures for each individual are derived from the basic monthly salary rate they were on as at 1 October 2014, annualised to assume a whole year at the same salary rate. These salary rates are not adjusted to take account of the actual number of hours worked by part time personnel in order to assure comparability independent of full-time/part-time status, and so for each individual represent what they would earn in a full year at the same salary rate with an FTE of 1.

Average basic salary differential percentages represent the ratio of the difference between the ethnicity averages to the higher of the ethnicity averages.

Adjusted average basic salary figures have not been calculated using Analysis of Covariance methodology, as the potential effects of Length of Service in Grade on salary are likely to either be inconsequential or misinformative, where differences in LOS are all below 1.0 year and for some grades higher average salaries do not correlate with higher LOS.

Because of rounding, totals may not always equal the sum of the parts.

~ denotes number withheld. Headcount and FTE strength of personnel figures below 5 are withheld, averages are withheld when based on less than 10 individuals, and comparisons of averages are withheld when either are based on less than 20 individuals, as such comparisons are invalid.

**Exclusions**

1. Figures exclude SCS, retained grades, personnel on zero pay, those whose pay falls outside the payscales, and those where no valid grade or pay data are recorded as at 1 October 2014.
2. Figures exclude Trading Funds, Royal Fleet Auxiliaries and Locally engaged civilians.

### Average Annual Basic Salary - Part-Time Personnel

Table EPA - B2 - Average annual basic salary of part-time personnel by Ethnicity and Grade.

B1	Ethnicity	Headcount	Average FTE	Average LOS in Grade (years)	Diff in LOS in Grade (years)	Average Annualised Basic Salary	Av Basic Salary Diff %	Adjusted Average Basic Salary accounting for LOS in Grade	Adj Av Basic Salary Diff %
	White	10	~	~		~		~	
	BAME	~	~	~		~		~	
	<b>Total</b>	<b>10</b>	<b>0.78</b>	<b>3.1</b>	<b>~</b>	<b>£60,813</b>	<b>~</b>		<b>~</b>
B2	Ethnicity	Headcount	Average FTE	Average LOS in Grade (years)	Diff in LOS in Grade (years)	Average Annualised Basic Salary	Av Basic Salary Diff %	Adjusted Average Basic Salary accounting for LOS in Grade	Adj Av Basic Salary Diff %
	White	70	0.76	4.4		£51,347		~	
	BAME	~	~	~		~		~	
	<b>Total</b>	<b>70</b>	<b>0.77</b>	<b>4.5</b>	<b>~</b>	<b>£51,445</b>	<b>~</b>		<b>~</b>
C1	Ethnicity	Headcount	Average FTE	Average LOS in Grade (years)	Diff in LOS in Grade (years)	Average Annualised Basic Salary	Av Basic Salary Diff %	Adjusted Average Basic Salary accounting for LOS in Grade	Adj Av Basic Salary Diff %
	White	260	0.73	6.2		£38,780		~	
	BAME	10	~	~		~		~	
	<b>Total</b>	<b>270</b>	<b>0.73</b>	<b>6.2</b>	<b>~</b>	<b>£38,801</b>	<b>~</b>		<b>~</b>
C2	Ethnicity	Headcount	Average FTE	Average LOS in Grade (years)	Diff in LOS in Grade (years)	Average Annualised Basic Salary	Av Basic Salary Diff %	Adjusted Average Basic Salary accounting for LOS in Grade	Adj Av Basic Salary Diff %
	White	500	0.73	6.0		£31,429		~	
	BAME	20*	0.76	4.2		£31,093		~	
	<b>Total</b>	<b>520</b>	<b>0.73</b>	<b>6.0</b>	<b>~</b>	<b>£31,418</b>	<b>~</b>		<b>~</b>
D	Ethnicity	Headcount	Average FTE	Average LOS in Grade (years)	Diff in LOS in Grade (years)	Average Annualised Basic Salary	Av Basic Salary Diff %	Adjusted Average Basic Salary accounting for LOS in Grade	Adj Av Basic Salary Diff %
	White	520	0.72	8.7		£25,182		£25,130	
	BAME	30	0.70	4.8		£24,786		£25,347	
	<b>Total</b>	<b>540</b>	<b>0.72</b>	<b>8.5</b>	<b>3.9</b>	<b>£25,163</b>	<b>1.6%</b>		<b>-0.9%</b>
E1	Ethnicity	Headcount	Average FTE	Average LOS in Grade (years)	Diff in LOS in Grade (years)	Average Annualised Basic Salary	Av Basic Salary Diff %	Adjusted Average Basic Salary accounting for LOS in Grade	Adj Av Basic Salary Diff %
	White	1110	0.68	8.4		£20,055		£20,072	
	BAME	20	0.67	7.0		£19,918		£20,128	
	<b>Total</b>	<b>1140</b>	<b>0.68</b>	<b>8.4</b>	<b>1.5</b>	<b>£20,052</b>	<b>0.7%</b>		<b>-0.3%</b>
E2	Ethnicity	Headcount	Average FTE	Average LOS in Grade (years)	Diff in LOS in Grade (years)	Average Annualised Basic Salary	Av Basic Salary Diff %	Adjusted Average Basic Salary accounting for LOS in Grade	Adj Av Basic Salary Diff %
	White	340	0.66	8.7		£17,151		~	
	BAME	20	0.73	8.9		£17,587		~	
	<b>Total</b>	<b>360</b>	<b>0.66</b>	<b>8.7</b>	<b>-0.2</b>	<b>£17,175</b>	<b>-2.5%</b>		<b>~</b>

\* less than 20 individuals unrounded

Source: Defence Statistics (Civilian)



### Average Annual Basic Salary - Part-Time Personnel

**Table EPA - B2 - Average annual basic salary of part-time personnel by Ethnicity and Grade.**

**Notes accompanying tables EPA - B2**

This table includes only those personnel classed as working on a part-time basis, defined by their working hours averaged across the year being less than 36 hours per week for those on the London pay scale, and less than 37 hours per week for those on the National pay scale.

Average annualised basic salary figures represent the pro-rata basic salary personnel would receive if they worked for full-time hours.

Length of service in grade figures are in years and are rounded to one decimal place.

Average basic salary differential percentages represent the ratio of the difference between the ethnicity averages to the higher of the ethnicity averages.

Payrise differential percentages represent the ratio of the ethnicity payrise difference to the overall average basic salary (of all ethnicities together).

Adjusted average basic salary figures have been calculated using Analysis of Covariance methodology, with adjusted averages obtained after the differential effects of Length of Service in Grade in males and females have been partialled out.

Personnel numbers are based on headcount and are rounded to the nearest 10. Numbers ending in "5" have been rounded to the nearest multiple of 20 to prevent systematic bias.

Personnel figures below 5 are denoted by "~" and further calculations based on these numbers are withheld and denoted by "~".

Calculations of averages are also withheld when based on less than 10 individuals, and comparisons of averages are withheld when either of the averages are based on less than 20 individuals as such comparisons are invalid. Because of rounding, totals may not always equal the sum of the parts.

Figures exclude Trading Funds, Royal Fleet Auxiliaries and Locally engaged civilians.

Figures exclude SCS, retained grades, staff on zero pay, those whose pay falls outside the payscales, and those where no valid grade or pay data are recorded as at 1 October 2014.

### Length of time for Promotion

Table EPA - C1 - Average basic salary<sup>1</sup> by Gender and Grade<sup>2</sup>, and length of time until Promotion / Advancement<sup>3</sup> for those Promoted / Advanced during the year 1 Oct 13 to 1 Oct 14

B1	Gender	Number of Promotions into Grade	Average Basic Salary on Promotion	Av Basic Salary Diff %	Average LOS to promotion (yrs)	Av LOS to promotion Diff (yrs)
	Male	60	£58,964		3.5	
	Female	20	£58,491		3.9	
	<b>Total</b>	<b>80</b>	<b>£58,820</b>	<b>0.8%</b>	<b>3.6</b>	<b>-0.4</b>
B2	Gender	Number of Promotions into Grade	Average Basic Salary on Promotion	Av Basic Salary Diff %	Average LOS to promotion (yrs)	Av LOS to promotion Diff (yrs)
	Male	350	£49,495		3.6	
	Female	160	£49,520		3.2	
	<b>Total</b>	<b>510</b>	<b>£49,503</b>	<b>0.0%</b>	<b>3.5</b>	<b>0.4</b>
C1	Gender	Number of Promotions into Grade	Average Basic Salary on Promotion	Av Basic Salary Diff %	Average LOS to promotion (yrs)	Av LOS to promotion Diff (yrs)
	Male	400	£37,432		3.4	
	Female	230	£37,164		3.9	
	<b>Total</b>	<b>630</b>	<b>£37,334</b>	<b>0.7%</b>	<b>3.6</b>	<b>-0.5</b>
C2	Gender	Number of Promotions into Grade	Average Basic Salary on Promotion	Av Basic Salary Diff %	Average LOS to promotion (yrs)	Av LOS to promotion Diff (yrs)
	Male	350	£30,386		3.4	
	Female	340	£30,232		4.3	
	<b>Total</b>	<b>690</b>	<b>£30,310</b>	<b>0.5%</b>	<b>3.8</b>	<b>-0.9</b>
D	Gender	Number of Promotions into Grade	Average Basic Salary on Promotion	Av Basic Salary Diff %	Average LOS to promotion (yrs)	Av LOS to promotion Diff (yrs)
	Male	210	£24,356		3.4	
	Female	360	£24,314		4.8	
	<b>Total</b>	<b>570</b>	<b>£24,330</b>	<b>0.2%</b>	<b>4.3</b>	<b>-1.4</b>
E1	Gender	Number of Promotions into Grade	Average Basic Salary on Promotion	Av Basic Salary Diff %	Average LOS to promotion (yrs)	Av LOS to promotion Diff (yrs)
	Male	80	£19,442		6.5	
	Female	130	£19,180		4.5	
	<b>Total</b>	<b>200</b>	<b>£19,279</b>	<b>1.3%</b>	<b>5.2</b>	<b>2.0</b>

Source: Defence Statistics (Civilian)

## Length of time for Promotion

**Table EPA - C1 - Average basic salary<sup>1</sup> by Gender and Grade<sup>2</sup>, and length of time until Promotion / Advancement<sup>3</sup> for those Promoted / Advanced during the year 1 Oct 13 to 1 Oct 14**

Numbers are rounded to the nearest 10. Numbers ending in "5" have been rounded to the nearest multiple of 20 to prevent systematic bias.

Because of rounding, totals may not always equal the sum of the parts.

~ denotes number withheld. Headcount and FTE strength of personnel figures below 5 are withheld due to their potentially disclosive nature, averages are withheld when based on less than 10 individuals due to the highly volatile nature of percentages based on small numbers, and comparisons of averages are withheld when either of the averages are based on less than 20 individuals as such comparisons are unreliable.

1. Promotion figures are based on headcount and are rounded to the nearest 10.

2. Figures exclude SCS, retained grades, staff on zero pay, those whose pay falls outside the payscales, those who are promoted from Industrial to non-Industrial and vice-versa and those where no valid grade or pay data are recorded as at 1 October 2014.

3. Average Length of Service to promotion figures represent the time spent in the previous grade prior to promotion, and are measured in years, to one decimal place.

Figures exclude Trading Funds, Royal Fleet Auxiliaries and Locally engaged civilians.

## Promotions/Advancements Rates

Table EPA - C2 - Number of Promotions/Advancements<sup>1</sup> during the year 1 Oct 13 to 1 Oct 14

All Grades	Gender	Number of Promotions <sup>2</sup> into grade	Percentage female - promotees	Average Strength at lower grade <sup>3</sup>	Percentage female - lower grade	Difference between female proportion in promotions and in feeder grade <sup>4</sup>	Promotion rate into grade	Promotion rate % point difference
	Male	1,450		22,920				
	Female	1,250		16,840		0.04		
	<b>Total</b>	<b>2,690</b>	<b>46.3%</b>	<b>39,770</b>	<b>42.4%</b>	<b>Significant</b>	<b>*</b>	<b>*</b>
B1	Gender	Number of Promotions <sup>2</sup> into grade	Percentage female - promotees	Average Strength at lower grade <sup>3</sup>	Percentage female - lower grade	Difference between female proportion in promotions and in feeder grade <sup>4</sup>	Promotion rate into grade	Promotion rate % point difference
	Male	60		1,210			4.7%	
	Female	20		550		-0.01	4.5%	
	<b>Total</b>	<b>80</b>	<b>30.5%</b>	<b>1,760</b>	<b>31.5%</b>	<b>Not Significant</b>	<b>4.7%</b>	<b>0.2%</b>
B2	Gender	Number of Promotions <sup>2</sup> into grade	Percentage female - promotees	Average Strength at lower grade <sup>3</sup>	Percentage female - lower grade	Difference between female proportion in promotions and in feeder grade <sup>4</sup>	Promotion rate into grade	Promotion rate % point difference
	Male	350		4,200			8.4%	
	Female	160		1,600		0.03	9.8%	
	<b>Total</b>	<b>510</b>	<b>31.0%</b>	<b>5,800</b>	<b>27.7%</b>	<b>Not Significant</b>	<b>8.8%</b>	<b>-1.5%</b>
C1	Gender	Number of Promotions <sup>2</sup> into grade	Percentage female - promotees	Average Strength at lower grade <sup>3</sup>	Percentage female - lower grade	Difference between female proportion in promotions and in feeder grade <sup>4</sup>	Promotion rate into grade	Promotion rate % point difference
	Male	400		5,750			7.0%	
	Female	230		3,570		-0.02	6.5%	
	<b>Total</b>	<b>630</b>	<b>36.6%</b>	<b>9,320</b>	<b>38.3%</b>	<b>Not Significant</b>	<b>6.8%</b>	<b>0.5%</b>
C2	Gender	Number of Promotions <sup>2</sup> into grade	Percentage female - promotees	Average Strength at lower grade <sup>3</sup>	Percentage female - lower grade	Difference between female proportion in promotions and in feeder grade <sup>4</sup>	Promotion rate into grade	Promotion rate % point difference
	Male	350		4,900			7.1%	
	Female	340		3,410		0.09	10.1%	
	<b>Total</b>	<b>690</b>	<b>49.6%</b>	<b>8,310</b>	<b>41.0%</b>	<b>Significant</b>	<b>8.4%</b>	<b>-3.0%</b>
D	Gender	Number of Promotions <sup>2</sup> into grade	Percentage female - promotees	Average Strength at lower grade <sup>3</sup>	Percentage female - lower grade	Difference between female proportion in promotions and in feeder grade <sup>4</sup>	Promotion rate into grade	Promotion rate % point difference
	Male	210		4,390			4.8%	
	Female	360		6,110		0.05	5.9%	
	<b>Total</b>	<b>570</b>	<b>63.2%</b>	<b>10,490</b>	<b>58.2%</b>	<b>Significant</b>	<b>5.5%</b>	<b>-1.1%</b>
E1	Gender	Number of Promotions <sup>2</sup> into grade	Percentage female - promotees	Average Strength at lower grade <sup>3</sup>	Percentage female - lower grade	Difference between female proportion in promotions and in feeder grade <sup>4</sup>	Promotion rate into grade	Promotion rate % point difference
	Male	80		2,480			3.2%	
	Female	130		1,600		0.23	7.9%	
	<b>Total</b>	<b>200</b>	<b>62.0%</b>	<b>4,080</b>	<b>39.3%</b>	<b>Significant</b>	<b>5.0%</b>	<b>-4.8%</b>

Source: Defence Statistics (Civilian)

## Promotions/Advancements Rates

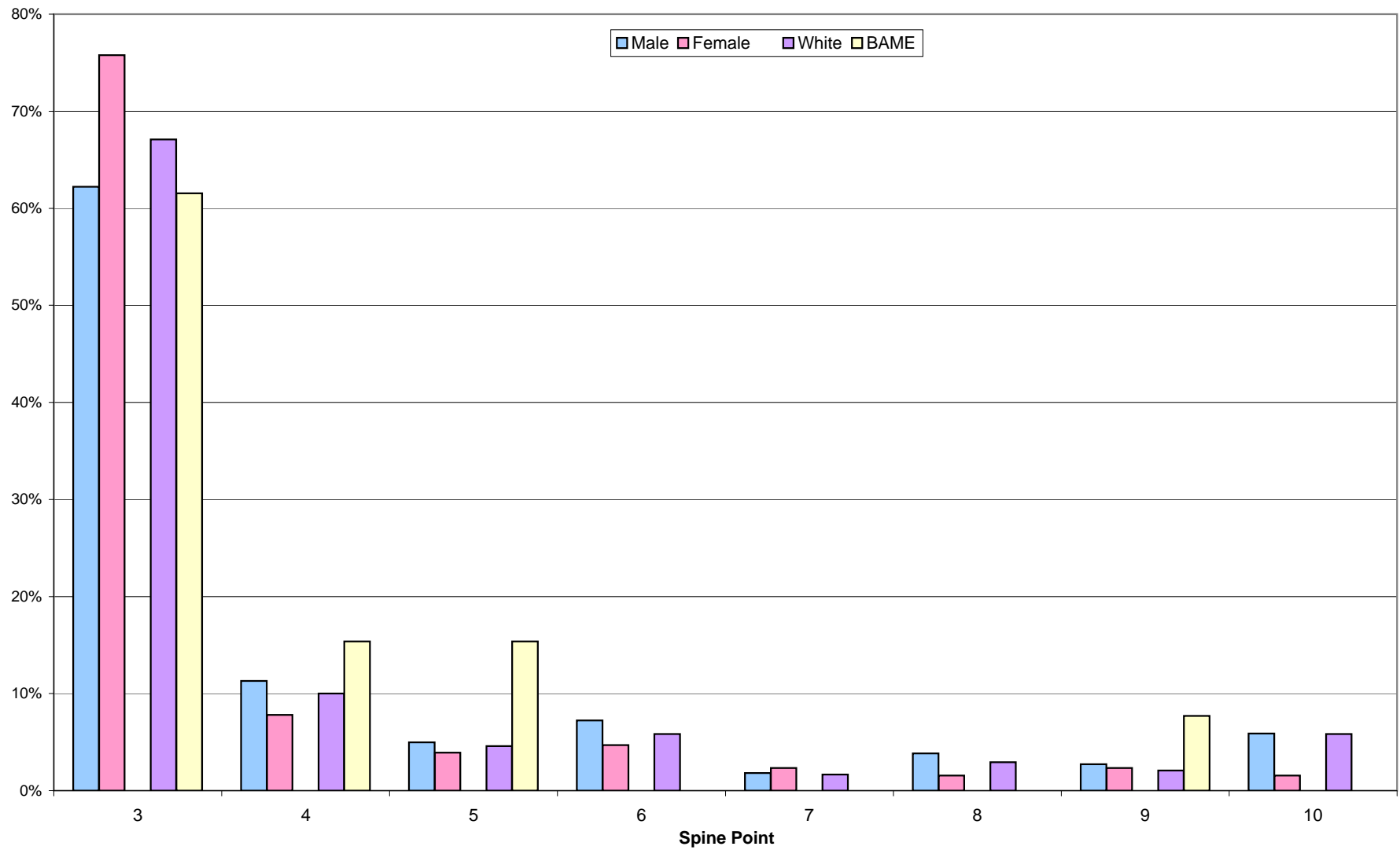
**Table EPA - C2 - Number of Promotions/Advancements<sup>1</sup> during the year 1 Oct 13 to 1 Oct 14**

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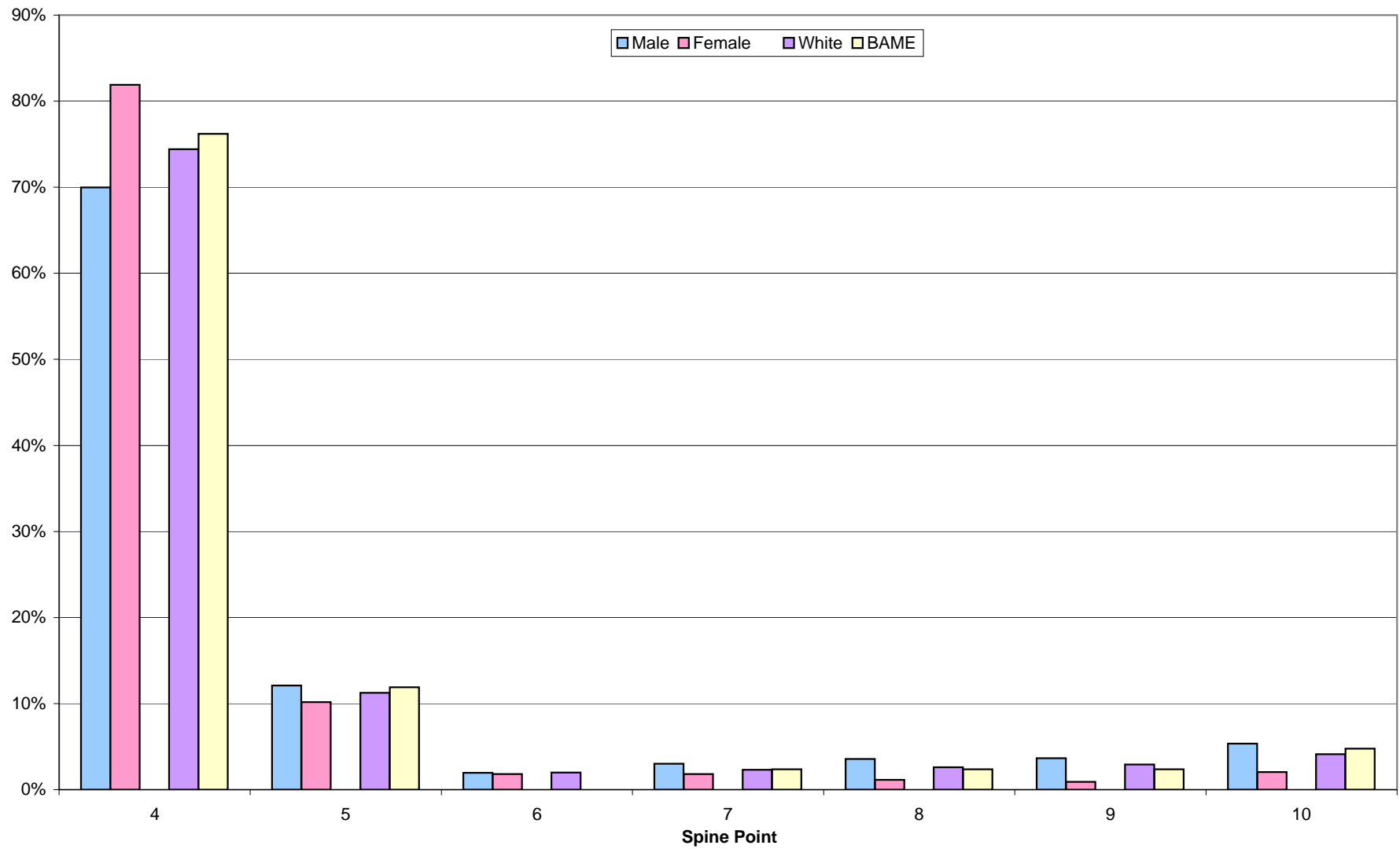
**Notes:**

1. Personnel numbers are based on headcount and are rounded to the nearest 10. Numbers ending in "5" have been rounded to the nearest multiple of 20 to prevent systematic bias. Because of rounding, totals may not always equal the sum of the parts.
2. Substantive promotions only. Promotion figures exclude Trading Funds, Royal Fleet Auxiliaries, Locally engaged civilians, SCS, retained grades, personnel on zero pay, those whose pay falls outside the payscales, and those where no valid grade or pay data are recorded as at 1 October 2014.
3. Average strength is calculated as a 13-month weighted average and represents the pool of people at one grade beneath the promotion grade. It is assumed for simplicity that there are no promotions from two grades below or more. Average strength figures exclude all of the categories above, except personnel on zero pay who are included as potential promotees to paid positions
4. The significance test examines whether the difference between the female proportion in the promotion group is significantly different to the female proportion in the average strength group, from which promotions are generated. Where the difference is positive the proportion in promotions is higher than the proportion in the feeder grade. The test is conducted at the 95% level.

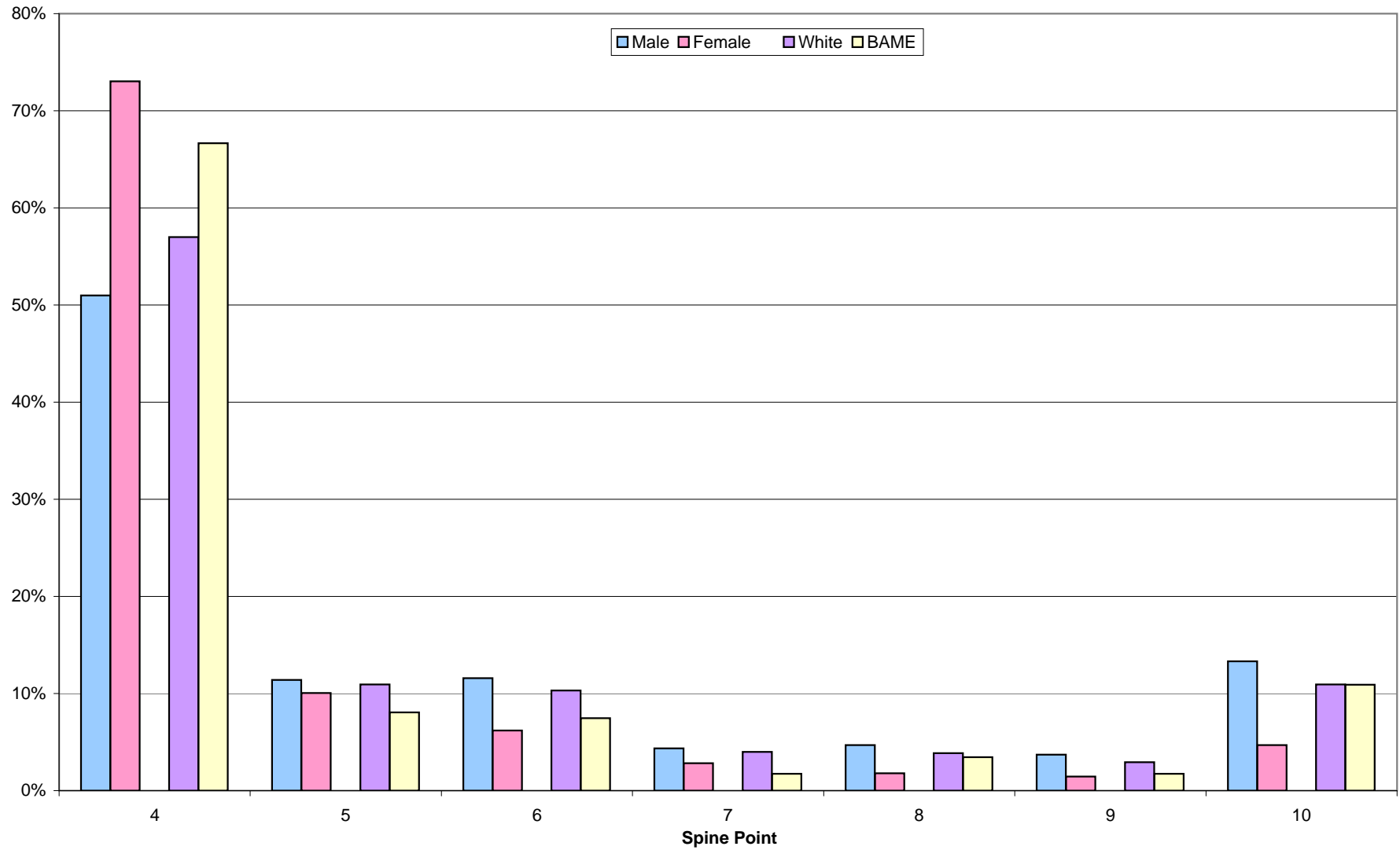
**B1 Pay Scale distributions by gender and ethnicity at 1 October 2014**



**B2 Pay Scale distributions by gender and ethnicity at 1 October 2014**

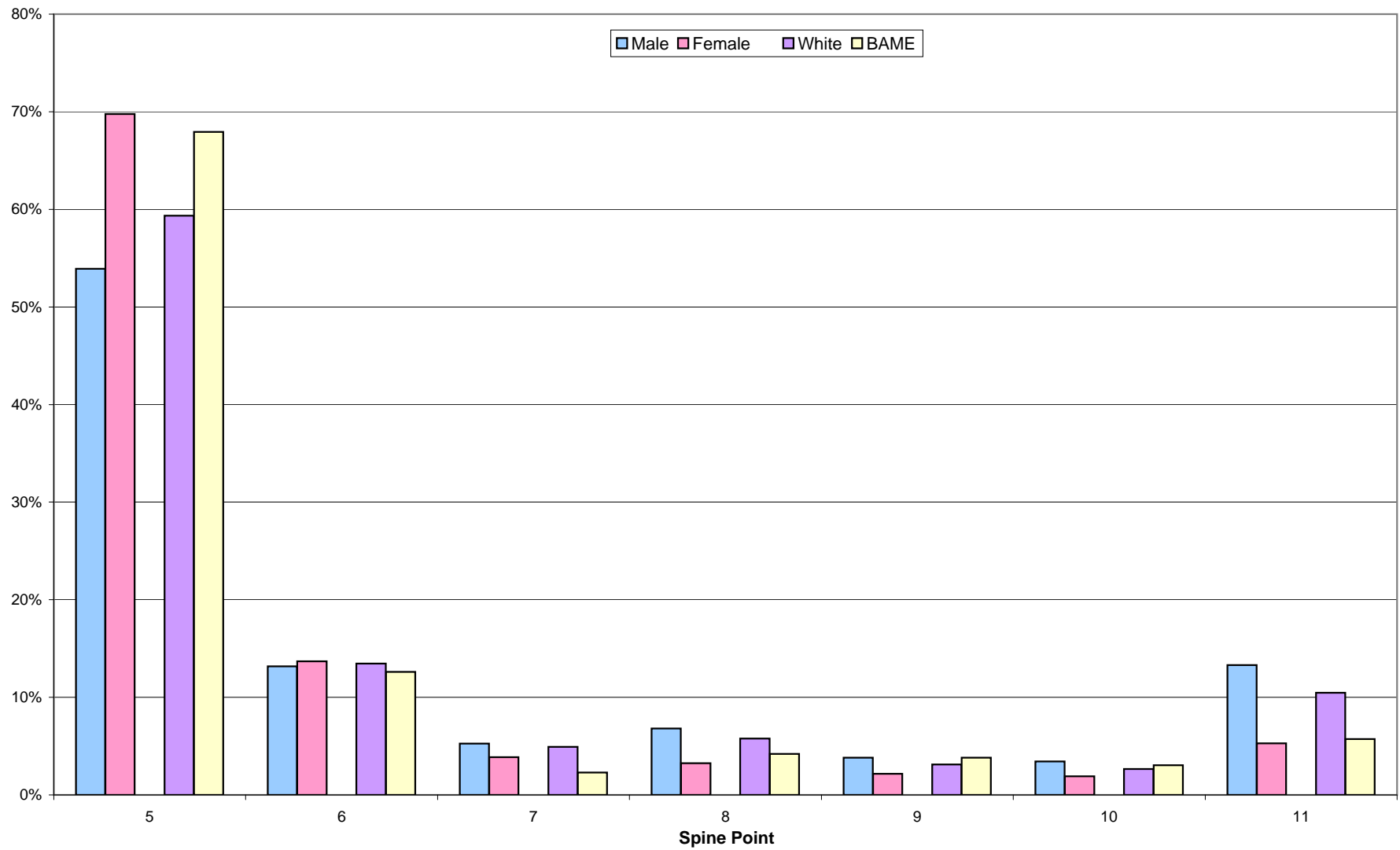


**C1 Pay Scale distributions by gender and ethnicity at 1 October 2014**

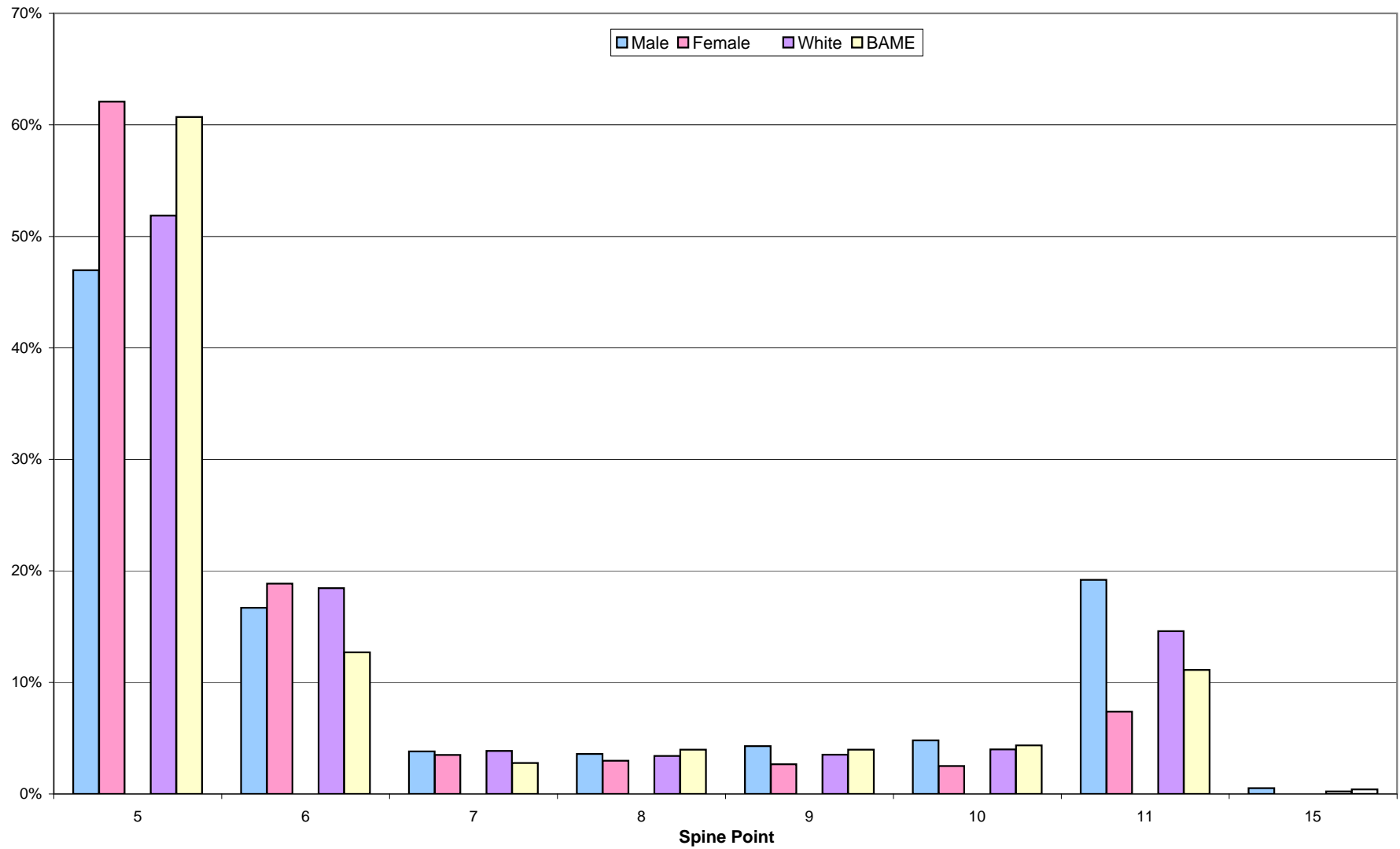




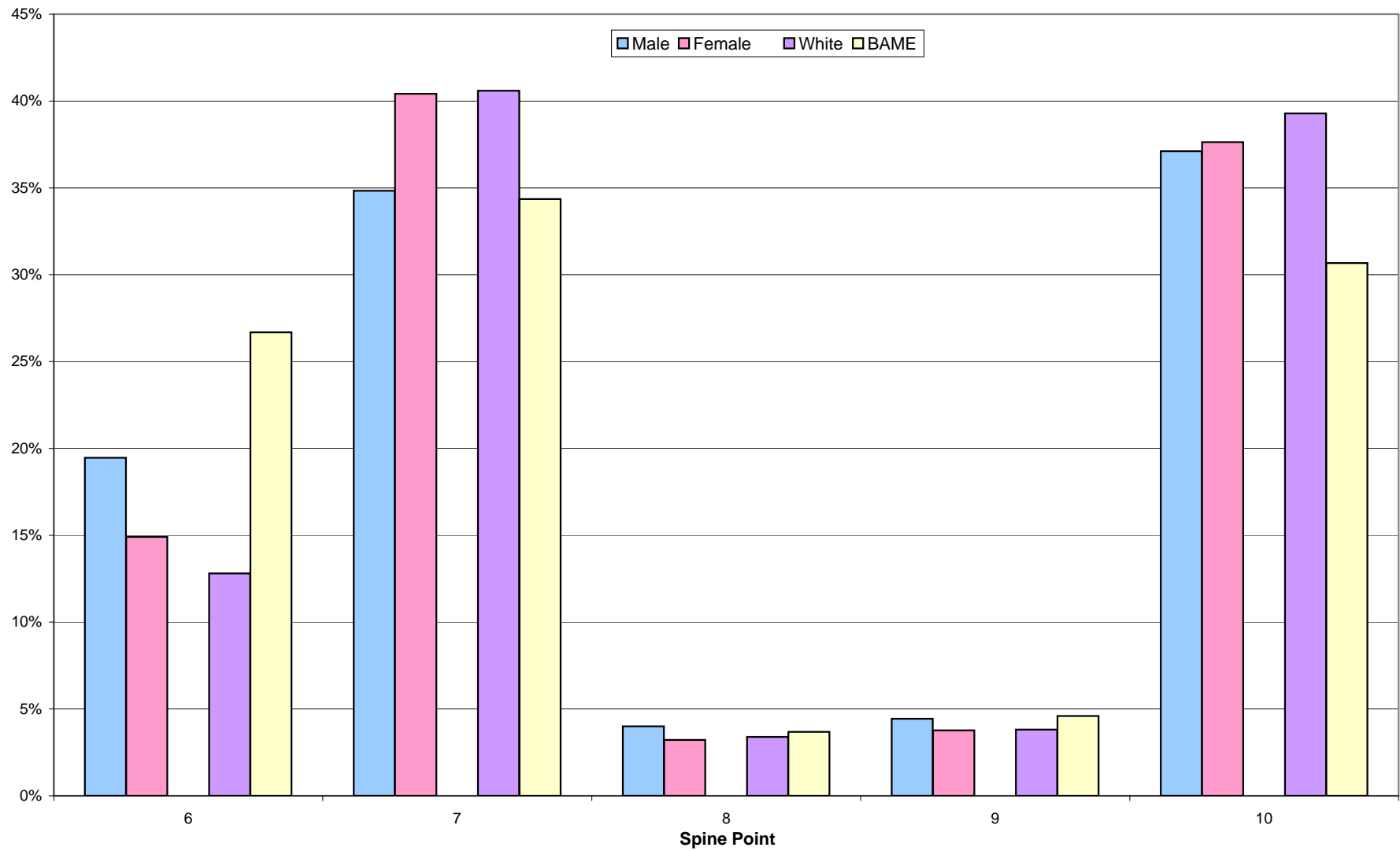
**C2 Pay Scale distributions by gender and ethnicity at 1 October 2014**



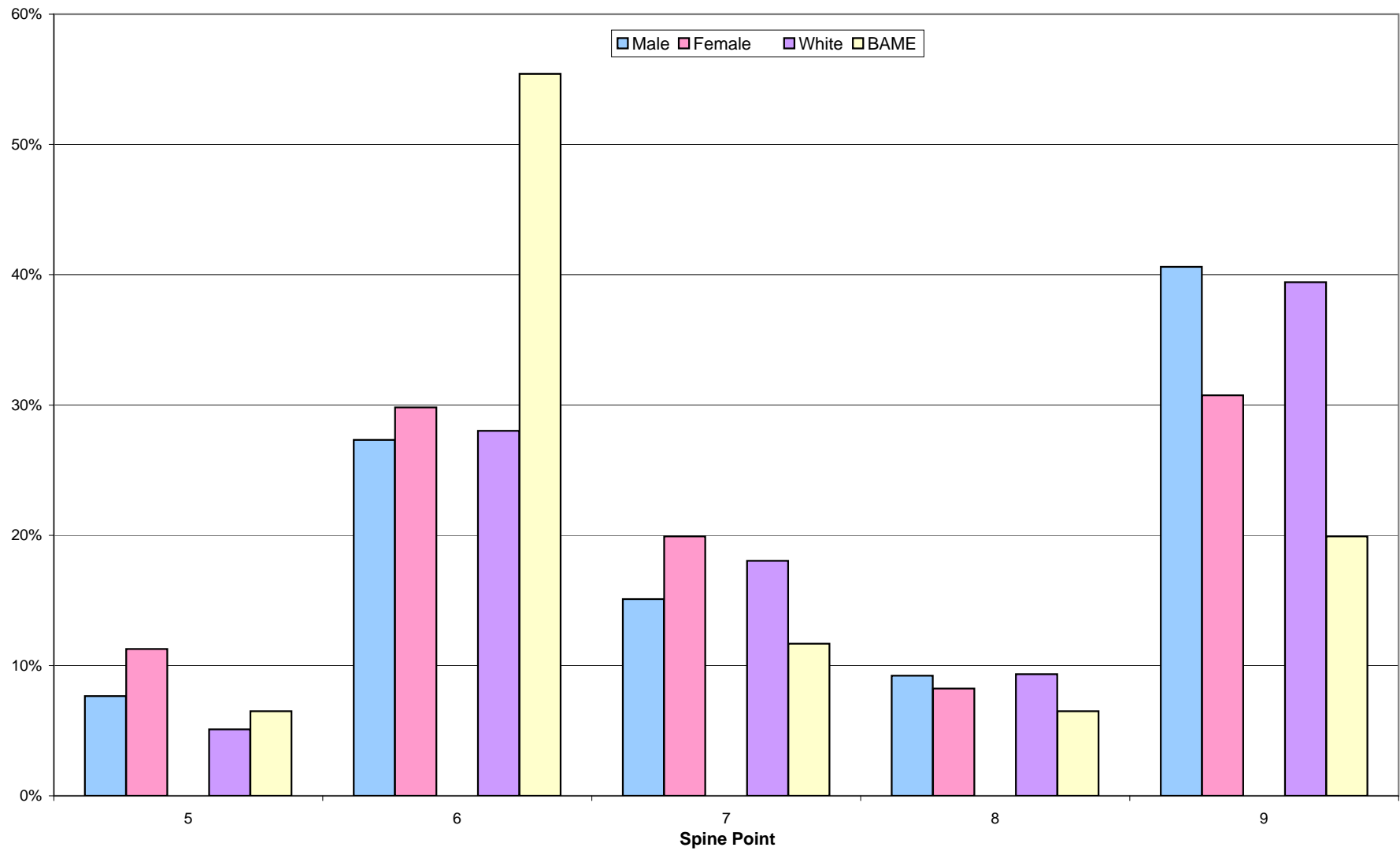
**D Pay Scale distributions by gender and ethnicity at 1 October 2014**



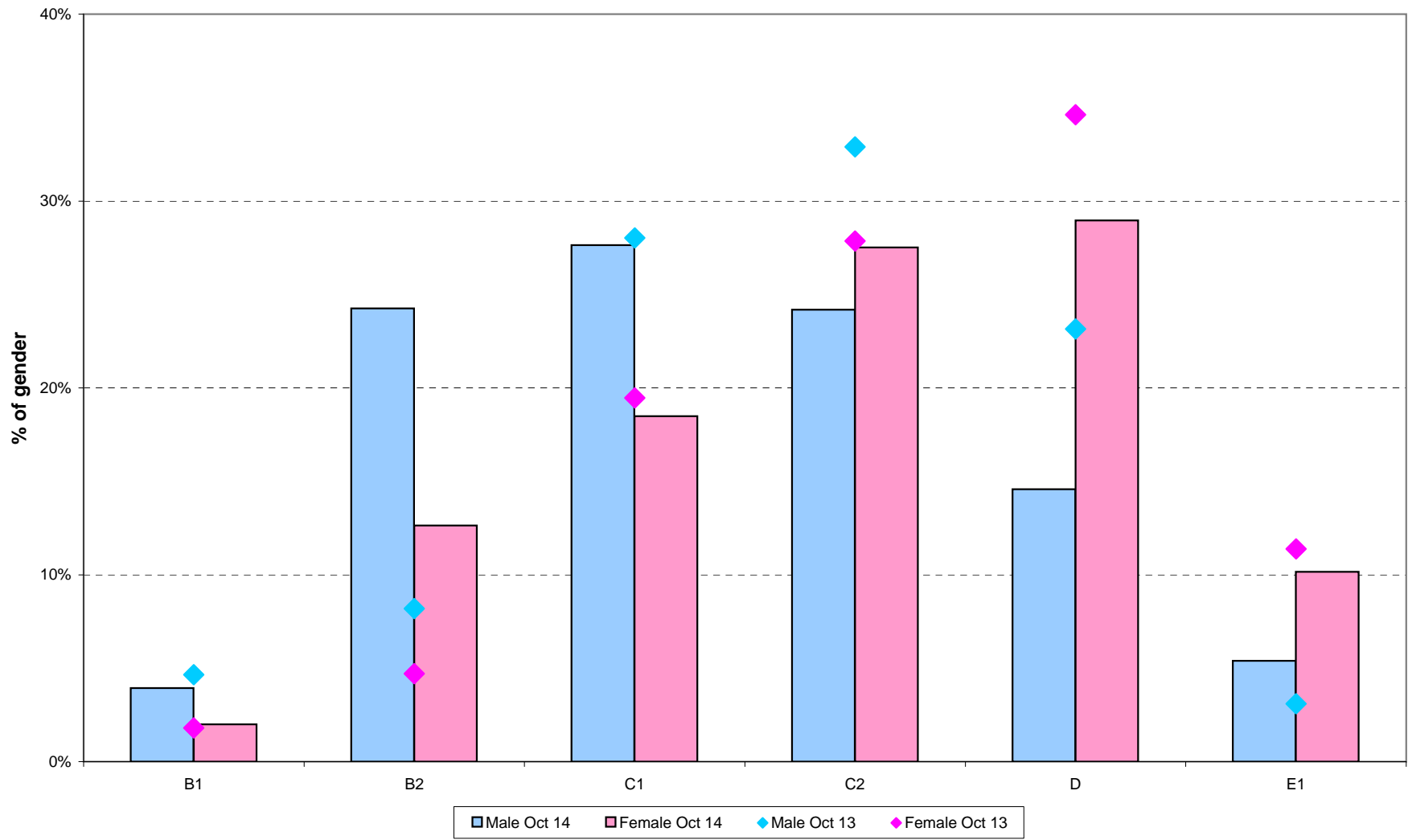
**E1 Pay Scale distributions by gender and ethnicity at 1 October 2014**



**E2 Pay Scale distributions by gender and ethnicity at 1 October 2014**



Distribution of promotions by grade



**Average Length of Service in Grade, Prior to Promotion**

