

UK Armed Forces Gender Pay Gap

Reporting Year 2021/2022

Ministry of Defence UK Armed Forces (snapshot taken 31 March 2022)

23 February 2023

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Introduction

The Ministry of Defence (MOD) has prepared this report as part of the legal requirement for public authorities to publish their gender pay gap on an annual basis.

In 2017, the Government introduced world-leading legislation that made it statutory for organisations with 250 or more employees to report annually on their gender pay gap. Government departments are covered by the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 (the 2017 Regulations) which came into force on 31 March 2017.

These Regulations underpin the Public Sector Equality Duty and require relevant organisations to publish their gender pay gap by 30 March annually. This includes the median¹ and mean² gender pay gaps; the median and mean gender bonus gaps; the proportion of men and women who received bonuses; and the proportions of male and female employees in each pay quartile.

This report fulfils the Department's reporting requirements, analyses the figures in more detail and describes what we are doing to close the gender pay gap in the organisation. This report is also in line with the recommendations made from the National Statistician's Inclusive Data Taskforce report, published September 2021.

The reporting period is from 1 April 2021 to 31 March 2022.

What is Gender Pay Gap Reporting?

The **gender pay gap** shows the difference in the average pay between all men and women in a workforce. If a workforce has a particularly high gender pay gap, this may indicate there are number of issues to deal with.

The gender pay gap is different to equal pay. **Equal pay** deals with the pay differences between men and women who carry out the same jobs, broadly similar jobs or work of equal value. It is unlawful to pay people unequally because they are a man or woman.

The gender pay gap is based on hourly pay excluding overtime. This is calculated in line with Armed Forces Continuous Working Patterns Survey and the 2017 gender pay gap regulations. Hourly pay is the sum of ordinary pay and any bonus pay (including any prorata bonus pay) paid in the pay period which ends on the snapshot date (31 March 2022).³

Since the first publication of the Gender Pay Gap report in 2017⁴, there has been a gradual increase in median gender pay within the Armed Forces, increasing from **0.22%** (2017) to **1.54%** (2022) and mean gender pay gap increasing from **0.22%** (2017) to **1.97%** (2022). Although this may appear negative, it reflects the MOD's commitment to achieving an increase in female representation, and thus is a positive indicator of long-term change (see page 7).

¹ The median average is the middle number in a sorted dataset, taken as the average of the two middle numbers when the sequence has an even amount of numbers.

² The mean average is found by calculating the sum of the values and dividing by the number of values.

³ For more information on gender pay gap calculations: The gender pay gap data you must gather

⁴ 2017 Gender Pay Gap - MOD Gender Pay Gap Report 2016/17 (publishing.service.gov.uk)

Headlines

The UK National gender median pay gap 2022 was **14.9%**⁵, down from **15.1%** in 2021, the MOD Armed Forces compares favourably with this:

Gender Pay Gap⁶:

UK Armed Forces

Median pay gap of **1.54%**, a decrease of **0.80 percentage points** from last year.

Mean pay gap of **1.97%**, a decrease of **0.22 percentage point** from last year.

Gender Bonus Gap:

UK Armed Forces

Median bonus gap of 0.0%, 0 percentage points (no change) from last year.

Mean bonus gap of 15.84%, an increase by 3.68 percentage points from last year.

Declaration

We confirm that data reported by the Ministry of Defence is accurate and has been calculated according to the requirements and methodology set out in the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017.

David Williams CB, MOD Permanent Secretary

Vice Admiral Phil Hally CB MBE, Chief of Defence People

⁵ The UK National Median figure quoted as **14.9%** is for 2022 as quoted in the 'Annual Survey of Household Earnings (ASHE)'. Which can be found here: ONS Gender Pay Gap in the UK: 2022

⁶ Percentages are rounded to one decimal place. Changes in percentages are calculated on unrounded data therefore percentage point changes quoted in the tables and text may not always be the same as differences calculated from the rounded figures shown in the tables.

Organisational context

Strategic approach

Defence is increasingly challenging itself to become a more equal, diverse, and inclusive organisation. We recognise that Diversity & Inclusion (D&I) is more than legally and morally right, it is mission critical, it is essential to our operational effectiveness, and it ensures we can safeguard the security, stability, and prosperity of our nation.

The Ministry of Defence supports the fair treatment and reward of all staff irrespective of gender. The Department is committed to developing a more inclusive culture within Defence and a diverse workforce at all levels. The MOD Diversity & Inclusion Strategy outlines how we plan to achieve this.

MOD has integrated D&I guidance into all parts of its planning and decision making. Equality and inclusion has been, and continues to be, a priority for Defence and while we have made encouraging progress, reports including the House of Commons Defence Committee Inquiry into Women in the Armed Forces⁷, the Wigston Review and the Gray Report into Unacceptable Behaviours⁸ have highlighted we still have further to go to achieve the essential cultural change necessary to ensure that we are as open, inclusive, fair and equal as all high-performing organisations need to be. However, Defence is now delivering clear, tangible progress, positively impacting the experience of our people.

The organisation fully supports the delivery of the 2018-2030 "A Force for Inclusion" strategy⁹, which is intended to transform Defence through enabling a step-change in the diversity of our workforce and continues to create a culture that is centered on respect, integrity, and courage. In publishing this whole force Defence D&I Strategy, Defence made a clear and public statement of our intent and action.

An important component of the D&I Strategy is making inclusion part of 'business as usual', aiming to drive substantial change through a range of approaches from embedding inclusion within our leadership and culture through to increasing the retention and progression of people from under-represented groups. This holistic approach is essential if we are to attract and retain talent from all parts of UK society.

⁷ Protecting those who protect us: Woman in the Armed Forces from Recruitment to Civilian Life

⁸ Wigston Review and Unacceptable behaviours-progress review 2020 (publishing.service.gov.uk)

⁹ A Force for Inclusion: Defence Diversity and Inclusion Strategy 2018-2030

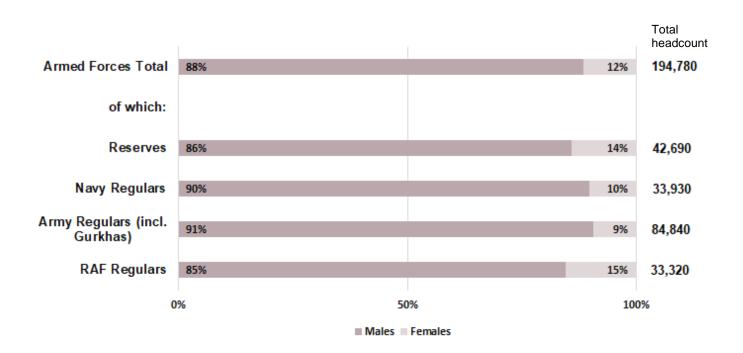
Organisational structure of the UK Armed Forces

Defence has traditionally been a male dominated organisation. As with other industries, the MOD struggles to recruit women into Science, Technology, Engineering and Maths (STEM) roles. However, a range of activities to promote opportunities for women in UK Armed Forces take place, including increasing outreach, and the signing of the Women in Defence Charter¹⁰.

The Ministry of Defence is made up of 19 organisations: Head Office, four Military Commands, the Defence Nuclear Organisation, UK Space Command and 12 Enabling Organisations.

The UK Armed Forces is defined as: Royal Navy and Royal Marines, Army (including Gurkhas), Royal Air Force, including the respective Reserve forces (see Graph 1).

Graph 1. Gender ratio of MOD UK Armed Forces personnel by service, as at 31 March 2022



As of 31 March 2022, the UK Armed Forces personnel headcount was 194,780.

¹⁰ Women in defence charter

Gender Pay Gap

UK Armed Forces:

For the financial year 2021/22, there is a **median pay gap of 1.54%** in favour of men, a decrease of 0.8 percentage points, and a **mean pay gap of 1.97%**, a decrease of 0.22 percentage points from financial year 2020/21.

The UK Armed Forces as an organisation has a junior-level entry system. This means the majority of personnel are recruited at the most junior rank and work their way up through the ranks and career structures. A smaller proportion of personnel are recruited at the junior Officer rank.

Proportionally there are more women in the Officer ranks than in Other ranks¹¹. In pay terms, Other ranks represent the lower pay quartiles. Increases in female representation will predominantly impact the junior Other ranks, driving up the number of women in the lowest pay quartile which will in turn increase the overall UK Armed Forces gender pay gap.

We are pleased that the number of female recruits joining the military continues to increase. We will continue to work hard to increase female representation in the Armed Forces¹², as a consequence of increasing female representation in the Armed Forces, we expect the gender pay gap to increase.

Overall, the Armed Forces compares favourably with the UK's national median gender pay gap of 14.9%¹³ and MOD Civilian gender pay gap of **7.8%¹⁴** for 2022.

¹¹ Other Ranks in the Armed Forces refer to personnel who are not commissioned officers. The ranks for the Royal Navy and Royal Marines are: Warrant Officer Class 1 and 2, Chief Petty Officer, Colour Sergeant, Petty Officer, Sergeant, Leading Rate, Corporal, Lance Corporal and Able Rate. For Army these ranks are: Warrant Officer Class 1 and 2, Staff Sergeant, Sergeant, Corporal, Lance Corporal and Private. For RAF these ranks are: Warrant Officer, Flight Sergeant, Chief Technician, Sergeant, Corporal and Aircraft Person.

¹² The MOD has an ambition of 30% inflow of women into the Armed Forces by 2030 and will introduce the Armed Forces Recruitment Programme in 2025 with specific attention on improving diversity.

¹³ ONS Gender Pay Gap in the UK: 2022

MOD gender pay gap reports 2022

Gender Bonus Gap

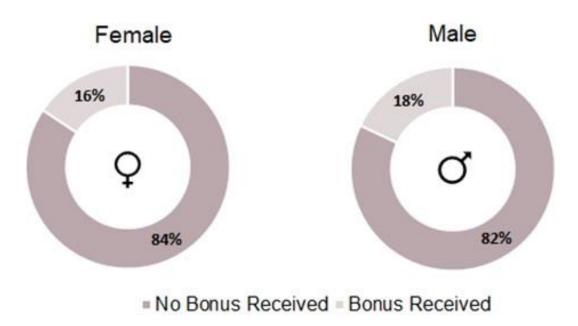
UK Armed Forces:

There are no performance-related bonuses for the Armed Forces. There are, however, a range of other payments which fall within the definition of a bonus in the 2017 Gender Pay Gap Regulations. These mainly support recruitment and retention rather than rewarding good performance. The most common bonus payment received for both genders is the 'Annual Bounty Payment', which is awarded to Reservists. Although all roles in the Armed Forces are now open to women (including those that receive the higher value payment), the mean gap reflects the fact that higher bonus payments are made to professions where women are still heavily under-represented e.g., submariners, pilots, engineers.

For the financial year 2021/22, there is a **median bonus gap of 0%**¹⁵, the same as last year, and a **mean bonus pay gap of 15.84%** in favour of men, an increase of **3.68 percentage points** from financial year 2020/21.

The percentage of personnel receiving a bonus was **15.60%** of males and **17.98%** of females (see Graph 2 below), this represents a decrease from last year of **5.76** percentage points and **6.09** percentage points respectively.

Graph 2. Percentage of MOD Armed Forces Gender Bonus Gap, Male and Female



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¹⁵ The median bonus payment is £1,899 for both men and women.

Pay Quartiles

The pay quartiles data shows the proportion of men and women in each pay quartile, when staff are arranged in order of hourly pay rate.

Graph 3. Percentage of Males and Females in each pay quartile (UK Armed Forces personnel)

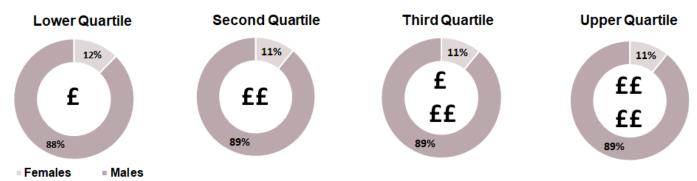


Table 1. MOD Armed Forces Male and Female in each pay quartile for 2020/21 and 2021/22

Quartile	2020-21		2021-22		Female pp change
	Female %	Male %	Female %	Male %	
First (lower) quartile	12.52%	87.48%	12.36%	87.64%	-0.16рр
Second quartile	10.65%	89.35%	10.83%	89.17%	+0.18pp
Third quartile	10.47%	89.53%	10.87%	89.13%	+0.40pp
Fourth (upper) quartile	10.58%	89.42%	10.72%	89.28%	+0.14pp

For UK Armed Forces, pay scales are a function of rank, seniority and qualification and are gender blind. However, the Armed Forces is **88% male** and the MOD recognises that more needs to be done to recruit, progress and retain women. Work to address this continues (see '<u>Targeted Action'</u> on page 10).

Targeted action to reduce and close the Gender Pay Gap

The Ministry of Defence is committed to continuing to reduce its gender pay gap and has a range of initiatives in place to do this, helping to create an inclusive culture.

D&I Strategy and Guidance

- Defence continues to develop and implement a wide range of interventions to
 ensure that all of our people, regardless of gender or other characteristics, can have
 their effort and their skills recognised, their individuality and experience respected
 and are able to achieve their full potential.
- The MOD is taking decisive steps to keep our people and the public safe, by introducing new policies and measures to tackle unacceptable behaviour¹⁶.
- The MOD has set itself an ambitious of 30% inflow by 2030¹⁷. Each of the single Services have given specific, diversity inflow targets to the new Armed Forces Recruitment Programme. Defence, however, recognises that recruitment alone is not enough and therefore greater focus on retention, behaviours and inclusion continues to be vital, in order to effect and enhance the Armed Forces operational effectiveness.

Childcare

 As of 1 October 2022, around 3000 service children had been registered for wraparound childcare for children aged 4-11¹⁸. This scheme was introduced into the Armed Forces in September 2022¹⁹. The scheme is part of the Armed Forces' commitment to being an inclusive, modern and flexible employer. Work is being undertaken to investigate how we mitigate the challenge of childcare from 0 to 4 years old, building on the beneficial wraparound childcare policy.

Health

 In April 2022, a programme focusing on Women in Armed Forces was launched to monitor and measure the effectiveness of the many initiatives designed to improve the lived experience of Women in Armed Forces.

¹⁶ Ministry of Defence policies to tackle unacceptable behaviour

Page 3 - Protecting those who protect us: Women in the Armed Forces from Recruitment to Civilian Life: Government Response to the Committee's Second Report of Session 2021-22 (parliament.uk)

¹⁸ Protecting those who protect us: Women in the Armed - Defence Response

¹⁹ Military families to benefit from £3,000 of childcare support - GOV.UK (www.gov.uk)

- The Servicewomen's Health Improvement Focus Team was established to deliver key women's health policies and initiatives.
 - Defence has refreshed and updated its Menopause and Breastfeeding Policies for line managers and staff. There is also an active whole force Menopause Network which raises awareness and improves understanding, highlights sources of support and provides a safe space for those experiencing the menopause.
 - Defence published the 'Servicewomen's Health Handbook'²⁰, a book for all Service Personnel. Its purpose is to improve understanding, assist with personal management and normalise conversations regarding female specific health issues.²¹.

Flexible Service

- The Armed Forces offer a range of Flexible Working opportunities. These include Alternative Working Arrangements such as Remote Working and Compressed Working; and Flexible Service which offers temporary part-time working, and/or limited separation, as long as operational requirements allow it. To date, over 500 Service Personnel and their families have benefited from Flexible Service since it was introduced in Apr 2019; while thousands benefit from Alternative Working Arrangements each year.
- Since April 2021, Defence has refreshed its Flexible Working policy, improved its readability, and developed a new job share policy which is expected to be delivered 2023. It has updated over 30 allowances to ensure they remain fair whether a Service person works flexibly or not.
- Defence has promoted Flexible Working opportunities through a multimedia communication campaign. This has included delivering a podcast series that demonstrates the lived experience; providing easy to access the 'Flexible Working and You' guide; and opening Flexible Working management information to the whole organisation to inform policy and help normalise behaviours.
- Defence will continue to undertake targeted initiatives to promote Flexible Working and is continuing its work to explore how to make it easier for people to move between Regular and Reserve Service, and how to make the most of opportunities within the Reserves to work on a full-time, part-time or voluntary basis.
- Following a deep dive into personnel policy, the single Services have reviewed their personnel policy and ways in which careers are managed. This has resulted in

Servicewomen's Health Handbook (publishing.service.gov.uk)
 Page 4 - Protecting those who protect us: Women in the Armed - Defence Response Update

changes to the way serving couples are deployed and assigned and addressed issues like returning to work after maternity leave and criteria for promotion.

Staff Networks & Champions

 As a result of MOD's large workforce, peer support is provided through 9 gender focused employee support staff networks both across Defence and at single Service levels all run on a voluntary basis. With over 24 Armed Forces and Civilian gender champions and advocates to ensure a range of views and experiences are heard at senior levels. Offering support, advice, and guidance, all contributing to improving the lived experience whilst working within Defence.

Recruitment & Outreach

- The single Services continue to deliver outreach and recruiting programmes specifically designed to improve the number of women joining the Armed Forces. The single Services are committed to increasing the intake of women into the Armed Forces. Recruiting organisations are improving the support available to candidates during the application process, running targeted marketing campaigns, increasing the number of women in their recruiting teams and increasing capacity for female recruits in training establishments.
- Once in training, all recruits requiring breast support, are provided with fitted sports bras; other improvements in uniform and equipment including a urinary support device and sanitary disposal system which means female personnel are better able to manage the requirements of training and deployment on operations.
- A new, central lateral entry policy was published in Aug 2021 to better support lateral entry into the Services and attract and retain the right people in the right roles. This includes Direct Entry schemes and Accelerated programmes.