



Ministry of Defence

Equal Pay Audit 2013

MOD Core Civilian

Industrial Personnel

This audit presents a comparison of male to female and White to Black, Minority Ethnic annualised average salaries in the period 1 October 2012 to 1 October 2013 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 Industrial personnel with a current HRMS record, who are identified as being paid on the CHIPS pay extract as at 1 October 2013. The following exclusions were applied throughout:
 - a. Trading Funds personnel
 - b. Royal Fleet Auxiliary personnel
 - c. Locally engaged civilians
 - d. Non-Industrial Grades
 - e. Analogues (MDP, Fire Service, NHS linked Agenda for Change staff, Teachers, Civilian Medical Practitioners and Civilian Dental Practitioners)
 - f. Personnel for whom no basic salary data is recorded on CHIPS pay extract as at 1 October 2012
 - g. Personnel for whom required data are missing for other explanatory factors required within these analyses
 - h. Personnel on Zero pay – i.e. not being paid by the MOD as at 1 October 2012, are excluded from salary analysis, but are included within 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. In addition to all the exclusions listed initially, full-time personnel are also excluded. 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 2013 which they would receive if they worked full-time, multiplied by 12 to obtain the current annual basic salary level assuming 1 FTE.
3. New to the analysis for 2013 is the introduction of ethnicity comparisons. These 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, Minority Ethnic (BME) are sufficiently large to enable valid statistical interpretation of differences in salary for all personnel at Skill Zones 1 to 3 (with average length of service in grade and average salary given for White personnel at Skill Zone 4). Numbers are not sufficient to present analysis of averages of part-time BME personnel, but averages have been provided for White personnel in order to make comparisons with the combined full-time & part-time workforce.
4. 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 and between White and BME personnel in each Skill Zone without being confounded by the effects of the differing length of service in grade between males and females and between White and BME personnel in each group. The resulting adjusted average salaries represent what the average salary for each gender (or for each ethnicity) within a specific grade would be if the average lengths of service in grade were equal for both genders (ethnicities). This enables a level comparison of the average salary without confounding with the effects of different lengths of service.
5. Section C concerns the number of personnel who were promoted in the year from 1 October 2012 to 1 October 2013. Included in these analyses were those who were substantively promoted 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.
6. DBS provided DASA 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 2013. Given the current pay conditions where every grade and spine point received a 1 per cent pay rise, it has been assumed that basic salary at 1 October 2013 was the basic salary at promotion, uplifted by 1 per cent for those promoted prior to 1 August 2013.

7. 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.
8. 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. Numbers of BME 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. As the analysis shows the grades moved into there is no data for Skill Zone 1 personnel. Personnel who move from a non-industrial grade (Band E1 to B1) into an industrial grade, 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.
9. Further exclusions in addition to those listed above are:
 - a. Personnel not substantively promoted between 1 Oct 2012 and 1 Oct 2013
 - b. Other personnel whose pay falls outside the pay band scales, such as Apprentices
 - c. 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
10. Section C includes statistical tests on the relative differences in male proportion within promotion groups for each grade, compared to the male proportion of the underlying average strength of the grade from which they were promoted. The test only needs to be conducted on one gender and considering the predominant male strength in the Industrial workforce we chose to consider the proportion as males divided by the sum of males and females in each case.
11. 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 by gender and grade

12. Table EPA-A1 shows, for each Skill Zone, the FTE strength, average (arithmetic mean) length of service in grade and average (arithmetic mean) 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. Average Basic Salary has increased for all grades, with Skill Zone 2 the only grade to have increased in total numbers of personnel.
13. No gender comparisons can be made for Skill Zone 4 due to insufficient females at this grade. Average Length of Service in grade has increased for all grades, except for females at Skill Zone 3 where the numbers of females has also increased. The difference between male and female length of service in grade has decreased marginally for skill zones 2 and 1, yet increased by 1.8 years for Skill Zone 3, where males have both a longer length of service in grade and a higher average salary. Skill Zone 3 continues to have the greatest difference in average basic salary with males earning on average 2.2 per cent more than females, this gender pay difference is within the 3 per cent threshold, even without accounting for the previously observed differences in length of service in grade. The average basic salaries of both Skill Zones 2 and 1 are virtually the same for males and females at less than 0.5 per cent.
14. In order to take the 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 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 on their basic salary. Length of service in grade was used as a covariate, separating out its effects and thus generating adjusted means for basic salary for

males and females enabling comparison on a level footing with no remaining influence of length of service in grade, the result being a more representative comparison between males and females.

15. The findings of this analysis show that after accounting for gender differences in Length of Service in grade (LOS), the previously observed gender difference for Skill Zone 3 in average basic salary disappears, with females now having on average only £6 higher salary than men. At all grades, after taking length of service in grade into account, differences in average basic salary are negligible to zero - the largest difference continuing to be 0.2 per cent for Skill Zone 2, where accounting for LOS leads to a switch from females earning 0.2 per cent higher to males earning 0.2 per cent higher on average. As the higher salary is not matched by the higher LOS at skill zones 1 and 2, this suggests that there may be influencing factors, other than LOS, but with such small differences in average salary any further analysis is not warranted.

SECTION A2: Average Annualised Salary by Grade & Gender for part-time personnel

16. Table EPA-A2 looks at the gender differences in average (arithmetic mean) basic salary of part-time industrial civilian personnel in each grade, considering the average FTE and average length of service in grade of males and females in each Skill Zone. 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 2013. These figures therefore do not take into account 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 basic salary is given as a percentage.
17. There were virtually no part time personnel at Skill Zone 4 and less than 20 females at Skill Zone 3, so no comparisons can be made at these grades, as was the case in 2010-11 and 2011-12. There is little difference in the numbers of part-time personnel at each skill zone compared to last year
18. For Skill Zones 1 & 2 there are more females that are part-time than males. The average salaries are broadly similar, with less than 1.0 per cent difference. The difference at Skill Zone 2 which reduced from 0.6 per cent in 2010-11 to a mere 0.1 per cent in 2011-12 is now zero, with women earning on average only £1 more than men. In Skill Zone 1 the difference in length of service in grade has increased with females now having on average 1.8 years longer length of service in grade than males.
19. The difference in average basic salary for Skill Zone 1 has reduced to 0.6 per cent, from 0.8 per cent last year. Adjustments to average annualised basic salary, to take account of differing length of service in grade, are not required as differences in salary are less than 1.0 per cent.

SECTION B1: Average annual basic salary by grade and ethnicity for all personnel

20. Table EPA-B1 shows, for each Skill Zone, 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 response 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.
21. White personnel have a longer LOS in grade than BME personnel for every skill zone. The difference is less than 1 year for skill zones 2 and 3, meaning that any effect of LOS in grade upon salaries will be small. LOS for White personnel at Skill Zone 1 is 1.6 years higher, yet with only 20 BME personnel at this grade the average is subject to being exaggerated by any outlying values.
22. The average basic salary difference is less than 1 per cent for Skill Zones 1 and 2. As LOS in grade is higher for white personnel at these grades and the difference is less than 1 year for Skill Zone 2 we would not expect the average salary difference to be adjusted down substantially, once LOS in grade has been accounted for. At Skill Zone 3 White personnel have salaries on average 2.6 per cent higher than BME personnel, but with a difference in LOS of 0.9 years we would expect to see some adjustment of this.
23. In order to take the observed differences in length of service in grade into account when making ethnicity comparisons in pay, Table EPA-B1 presents adjusted average basic salary figures by ethnicity, and the resultant percentage ethnicity 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 White and BME personnel of the same grade. Because ethnicity is a self-declared field on the HRMS database, the option of "choose not to

declare” and records with a null response have been eliminated from the ANCOVA analysis to avoid adjustments based on these records.

24. It is notable that adjusting for length of service in grade results in average White salaries remaining higher than average BME salaries for Skill Zones 2 and 3, yet the remaining differences are £4 at Skill Zone 3 (an adjustment from 2.6 per cent to 0.0 per cent) and £17 at Skill Zone 2 (0.1 per cent, adjusted from 0.8 per cent). At Skill Zone 1, where the difference in unadjusted average salaries is the smallest, the adjusted values make BME salaries £2 higher than male salaries (0.0 per cent).

SECTION B2: Average annual basic salary by skill zone and ethnicity for part-time personnel

25. Table EPA-B2 looks at the ethnicity differences in average annualised basic salary of part-time industrial civilian personnel in each grade, considering the average FTE and average length of service in grade of White and BME 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 2013. 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.
26. The numbers of part-time BME personnel are too small to reliably calculate averages or to conduct any salary comparisons. However, the numbers of White personnel at each grade have been shown for information. Compared to all personnel the length of service in grade is higher for part-time personnel with the difference decreasing by grade. For example White part-time personnel at Skill Zone 3 have an average length of service in grade 1 year longer than the average for all White personnel. The difference for Skill Zone 2 is 11 months and the difference for Skill Zone 1 is only 1 month.
27. At Skill Zones 2 and 3 average salaries are higher for part-time White personnel, when compared to all White personnel, whilst at Skill Zone 1 part-time salaries are on average slightly lower.

SECTION C1: Length of time to promotion by gender

28. Table EPA-C1 considers the average (arithmetic mean) length of service in grade prior to promotion (i.e. in the previous grade) in order to observe the length of time it took for those who were promoted within the period 1 October 2012 to 1 October 2013 to be promoted. It must be noted 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 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.
29. In total 130 Skill Zone personnel were promoted in the year 1 October 2012 to 1 October 2013, which is 16.7 per cent higher than in 2011-12. Due to an increase in female promotions this year reliable comparisons by gender can be made at Skill Zone 2. For Skill Zone 3 both average basic salary and LOS to promotion have been calculated, but numbers are not sufficient to allow for meaningful comparisons. At Skill Zone 4 there were no female promotions and male promotions were too small to disclose.
30. The number of promotions has increased since 2011-2012 by 22.9 per cent for Skill Zone 2 and by 34.0 per cent for Skill Zone 3. Average basic salary has decreased for both skill zones. For Skill Zone 2 this can be explained by the average length of service to promotion decreasing by 1.6 years, meaning that personnel are on a lower spine point at the time of promotion and are therefore more likely to start on the minimum spine point of the promotion grade. At Skill Zone 3 length of service to promotion has increased by 0.9 years, so the explanation for the decrease in average salary is likely to be the variation in the proportion of people who were promoted before or after the August pay rise.

SECTION C2: Promotions proportions by gender

31. Table EPA-C2 shows the number of males and females in each Skill Zone who were substantively promoted in the year from 1 October 2012 to 1 October 2013 (temporary promotions were not included here, except where temporary promotions were made substantive within the period, 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 person in Skill Zone 3 was promoted to Skill Zone 4 they are listed here under their new grade of Skill Zone 4. No sideways transfers from industrial to non-industrial grades

or vice versa are included here, and no new recruits from external to MOD are included, therefore Skill Zone 1 is not presented in the table as it is not possible to be promoted into this grade.

32. 75.4 per cent of promotions were male, which is much lower than in 2011-12 when the percentage was 93.5. This compares to a male proportion of 82.1 per cent in Skill Zones 1 to 3 (feeder grades for promotion) as at 1 October 2013. The numbers of female promotions have increased by more than the numbers of male promotions and there has been a lower decrease in the numbers of males in the feeder grades, resulting in higher male percentages within feeder grades. The combination has led to a decrease in the gap between feeder grade and promotion pool proportions for men. Therefore the difference of -0.1 between the male proportion **in all industrial promotions** (SZ2 to SZ4) and the male proportion at all feeder grades from SZ1 to SZ3 **is not significant for 2012-13**.
33. Gender promotion rates are derived by taking the number of promotions into each grade in consideration with the actual strength by gender of the grade below at the start of the period (the feeder grade). These have unsurprisingly increased following the personnel reductions and subsequent restructure of the department. Despite the relatively small number of females at all industrial grades inhibiting the analysis of promotion rates the use of applying significance tests to compare proportions of males in the promotion pool to the feeder grade, allows us to make useful analyses, despite the number of females being small.
34. A difference between the proportion of males in the promotion pool compared to the proportion of males at the feeder grade is shown for both Skill Zone 3 and Skill Zone 2. There is a marginally lower proportion in the Skill Zone 3 promotion pool than would be expected by the feeder grade proportion. At Skill Zone 2 the difference is 0.1 greater for the promotion pool. **However, each of these differences for 2012-13 are not significant.**

Conclusions:

35. For industrial personnel, the average salary analyses show that there are only marginal differences between males and females at Skill Zones 3 and below, and the largest difference at Skill Zone 3 has decreased since last year. For part-time personnel the difference is even smaller. After taking into account length of service in grade the remaining difference in the adjusted average salaries of males and females remain below 0.3 per cent for all grades.
36. When comparing the average salaries of White personnel and Black, Minority Ethnic personnel the differences are slightly higher than for gender, but are still well below the 5 per cent threshold. Average length of service in grade accounts for more of the difference for this self-declared subset of the Industrial population, resulting in the adjusted average salaries of White and BME either zero or 0.1 per cent for all grades.
37. Due to the small number of industrial promotions at all grades it has only been possible to reliably conduct analyses on promotions by comparing the proportions of males promoted compared to the proportion of males at the feeder grade. Whilst this was significant for Skill Zones 2 and 3 in 2011-12 the differences are **not significant in 2012-13**. Caution should still be applied because this is based on only 60 promotions in each case.

Recommendations:

38. Owing to the strict policy on setting salaries and viewing the evidence presented in the last four Equal Pay Audit reports, we can be assured that there is no gender discrimination in Industrial salaries. Further evidence conducted this year on ethnicity differences in salary show no evidence of discrimination. In order to meet the Department's obligations under the Public Sector Equality Duty it is recommended that monitoring of both gender and ethnicity differences in salary continues on an annual basis using the current methods. However, it would be nugatory to investigate any further analysis of salary, given current policies regarding the setting of pay levels.
39. Despite no significant differences being found in the gender proportions of those promoted compared to the proportions evident on strength, further analysis is being conducted on promotions via regression analysis to consider which variables have the greatest impact upon recruitment, promotion and retention. This may enable further understanding of why 2011-12 was significant, but not in 2012-13. A study into the length of service in grade of those personnel who haven't been promoted is also underway to investigate any gender or ethnicity differences. These reports will be available by March 2014.
40. BME promotions will continue to be monitored and when numbers are of sufficient magnitude to allow statistically valid conclusions to be drawn the equivalent analysis, as for gender, will be conducted.

Average Annual Basic Salary - All Personnel^{1,2}

Table EPA - A1 - Average Basic Salary by Gender and Grade^{1,2}

Grade	Gender	Headcount	Average FTE	Average in Grade	LOS Diff in Grade (Yrs)	Average Basic Salary	Av Basic Salary Diff %	Adjusted Average Basic Salary accounting for LOS in Grade	Adj Av Basic Salary Diff %
	SZ4	Male	270	0.99	6.1		£22,986		~
Female		~	~	~		~		~	
Total		270	0.99	6.1	~	£22,984	~		~
SZ3	Male	2,130	1.00	6.8		£19,933		£19,909	
	Female	110	0.99	5.3		£19,485		£19,915	
	Total	2,240	1.00	6.7	1.5	£19,911	2.2%		0.0%
SZ2	Male	2,290	0.99	6.4		£17,446		£17,463	
	Female	520	0.95	6.3		£17,473		£17,422	
	Total	2,810	0.98	6.4	0.1	£17,451	-0.2%		0.2%
SZ1	Male	790	0.98	7.4		£15,801		£15,775	
	Female	500	0.91	7.8		£15,732		£15,776	
	Total	1,290	0.95	7.6	0.4	£15,775	0.4%		0.0%

Source: Defence Statistics (Civilian)

Average Annual Basic Salary - All Personnel^{1,2}

Table EPA - A1 - Average Basic Salary by Gender and Grade^{1,2}

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 2013, 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 Male average.

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.

- 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 2013.
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.

Grade	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 %
	SZ4	Male	10	0.70	8.2		£23,064		~
Female		-	-	-		-		~	
Total		10	0.70	8.2	~	£23,064	~		~
SZ3	Male	20	0.63	7.8		£20,134		~	
	Female	10	~	~		~		~	
	Total	30	0.65	7.5	-	£20,193	~		~
SZ2	Male	50	0.65	7.2		£17,428		£17,300	
	Female	80	0.67	6.5		£17,429		£17,360	
	Total	130	0.66	6.8	0.7	£17,429	0.0%		-0.3%
SZ1	Male	40	0.61	6.1		£15,810		£15,829	
	Female	120	0.63	7.9		£15,708		£15,686	
	Total	160	0.62	7.4	1.8	£15,735	0.6%		0.9%

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 Male average.

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 2013.

Average Annual Basic Salary - All Personnel^{1,2}

Table EPA - B1 - Average Basic Salary by Ethnicity and Grade^{1,2}

SZ4	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	220	0.99	6.1			£22,967		~
BME	~	~	~			~		~	
Total	220	0.99	6.1			£22,966			~

SZ3	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	1,900	1.00	6.8			£19,940		£19,932
BME	40	0.99	5.9			£19,420		£19,928	
Total	1,940	1.00	6.8		0.9	£19,929	2.6%		0.0%

SZ2	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	2,300	0.99	6.6			£17,488		£17,479
BME	70	1.00	5.8			£17,350		£17,462	
Total	2,380	0.99	6.6		0.8	£17,484	0.8%		0.1%

SZ1	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	990	0.96	7.5			£15,796		£15,795
BME	20	0.98	5.9			£15,764		£15,797	
Total	1,010	0.96	7.5		1.6	£15,795	0.2%		0.0%

Source: Defence Statistics (Civilian)

Average Annual Basic Salary - All Personnel^{1,2}

Table EPA - B1 - Average Basic Salary by Ethnicity and Grade^{1,2}

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 2013, 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 White average.

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 BME and White personnel have been partialled out.

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 2013.
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.

Grade	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 %
	SZ4	White	~	~	~	~	~	~	~
BME		-	-	-	-	-	-	-	-
Total		~	~	~	~	~	~	~	~
SZ3	White	20	0.63	7.8		£20,300		~	~
	BME	~	~	~		~		~	~
	Total	20	0.63	7.9	~	£20,308	~	~	~
SZ2	White	100	0.67	7.5		£17,511		~	~
	BME	~	~	~		~		~	~
	Total	100	0.67	7.4	~	£17,507	~	~	~
SZ1	White	110	0.62	7.6		£15,748		~	~
	BME	~	~	~		~		~	~
	Total	110	0.62	7.6	~	£15,748	~	~	~

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.

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 2013.

Length of time for Promotion

Table EPA - C1 - Average basic salary¹ by Gender and Grade², and length of time until Promotion / Advancement³ for those Promoted / Advanced during the year 1 Oct 12 to 1 Oct 13

SZ4	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	~	~	~	~	~
Female	-	-	-	-	-	-
Total	~	~	~	~	~	~

SZ3	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	50	£18,869		4.3	
Female	10	£19,196		4.6		
Total	60	£18,936	~	4.4	~	

SZ2	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	40	£16,916		3.7	
Female	20	£16,575		5.9		
Total	60	£16,812	~	4.4	~	

Source: Defence Statistics (Civilian)

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, personnel 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 2013.

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/Advancements¹ during the year 1 Oct 12 to 1 Oct 13

All Grades	Gender	Number of Promotions ² into grade	Percentage male - promotees	Average Strength at lower grade ³	Percentage male - lower grade	Difference between male proportion in promotions and in feeder grade ⁴	Promotion rate into grade	Promotion rate % point difference
	Male	100			5,380		-0.1	
Female	30			1,170				
Total	130	75.4%	6,550	82.1%	Not Significant	*	*	
SZ4	Gender	Number of Promotions ² into grade	Percentage male - promotees	Average Strength at lower grade ³	Percentage male - lower grade	Difference between male proportion in promotions and in feeder grade ⁴	Promotion rate into grade	Promotion rate % point difference
	Male	~		~		~	~	
Female	-			-		-	-	
Total	~	~	~	~	~	~	~	
SZ3	Gender	Number of Promotions ² into grade	Percentage male - promotees	Average Strength at lower grade ³	Percentage male - lower grade	Difference between male proportion in promotions and in feeder grade ⁴	Promotion rate into grade	Promotion rate % point difference
	Male	50		2,320		-0.0	2.2%	
Female	10			540			2.4%	
Total	60	79.4%	2,860	81.1%	Not Significant	2.2%	~	
SZ2	Gender	Number of Promotions ² into grade	Percentage male - promotees	Average Strength at lower grade ³	Percentage male - lower grade	Difference between male proportion in promotions and in feeder grade ⁴	Promotion rate into grade	Promotion rate % point difference
	Male	40		870		0.1	4.7%	
Female	20			520			3.4%	
Total	60	69.5%	1,390	62.3%	Not Significant	4.2%	~	

Source: Defence Statistics (Civilian)

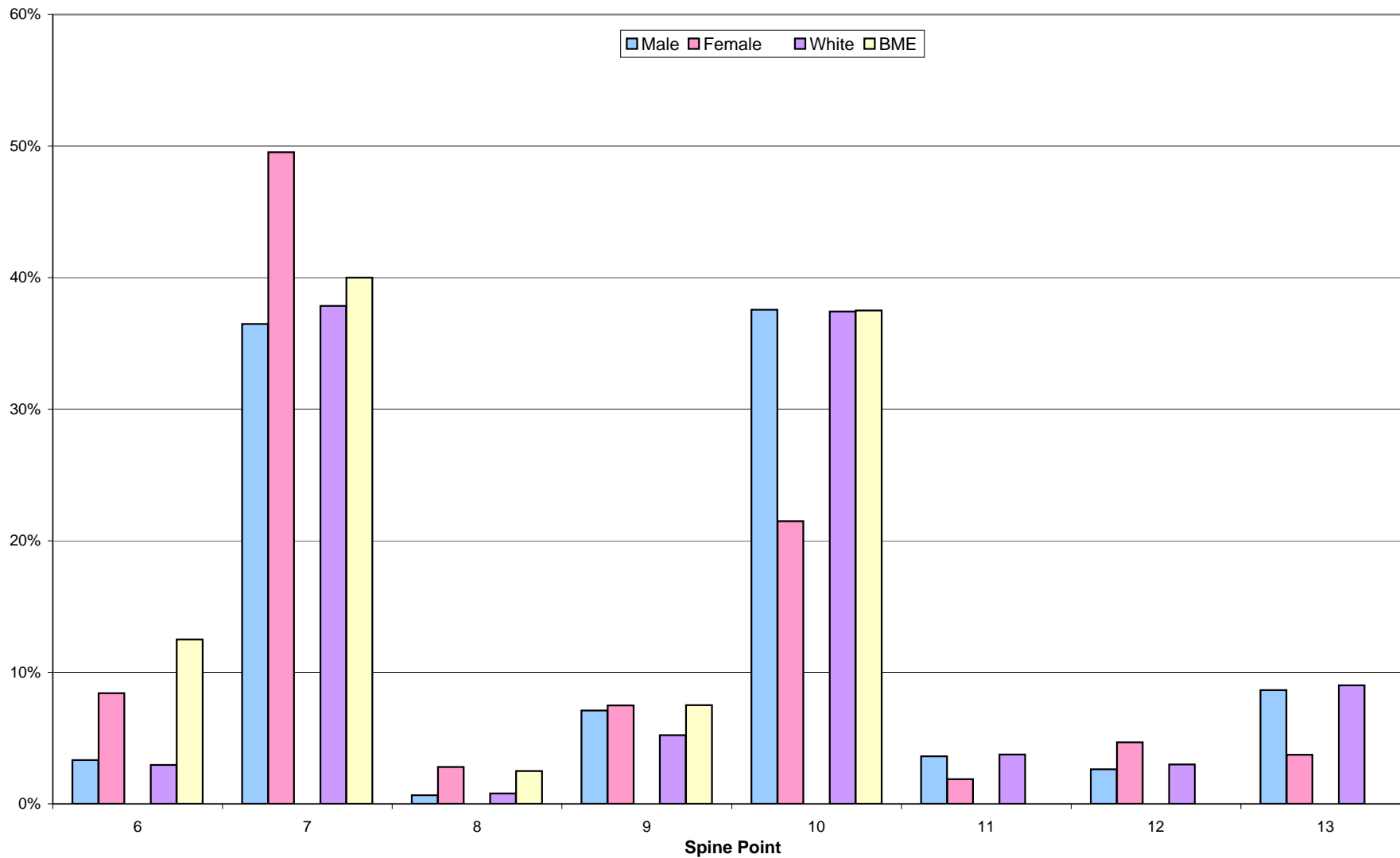
Promotions/Advancements Rates

Table EPA - C2 - Number of Promotions/Advancements¹ during the year 1 Oct 12 to 1 Oct 13

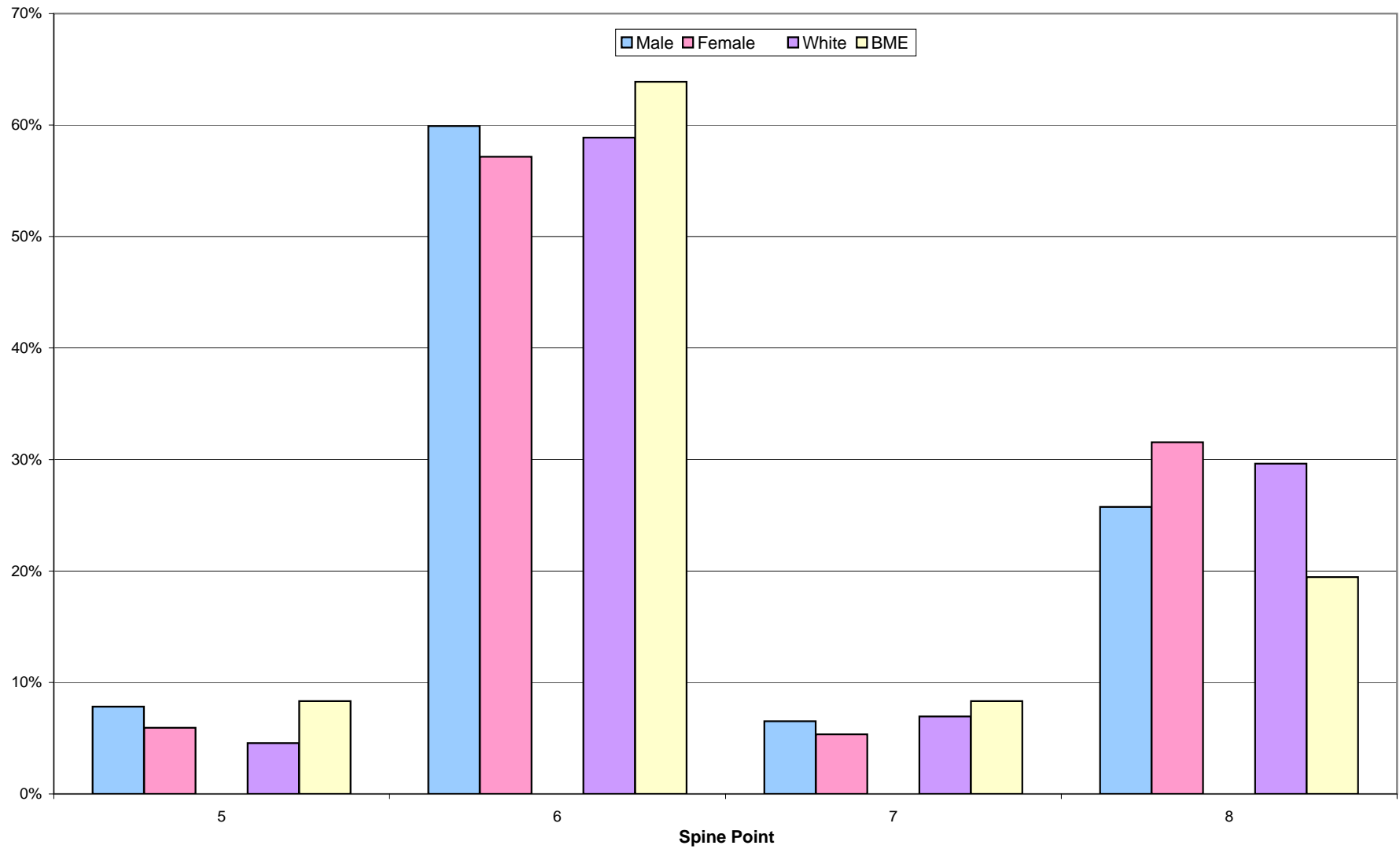
Notes:

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 2013.
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 male proportion in the promotion group is significantly different to the male 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.

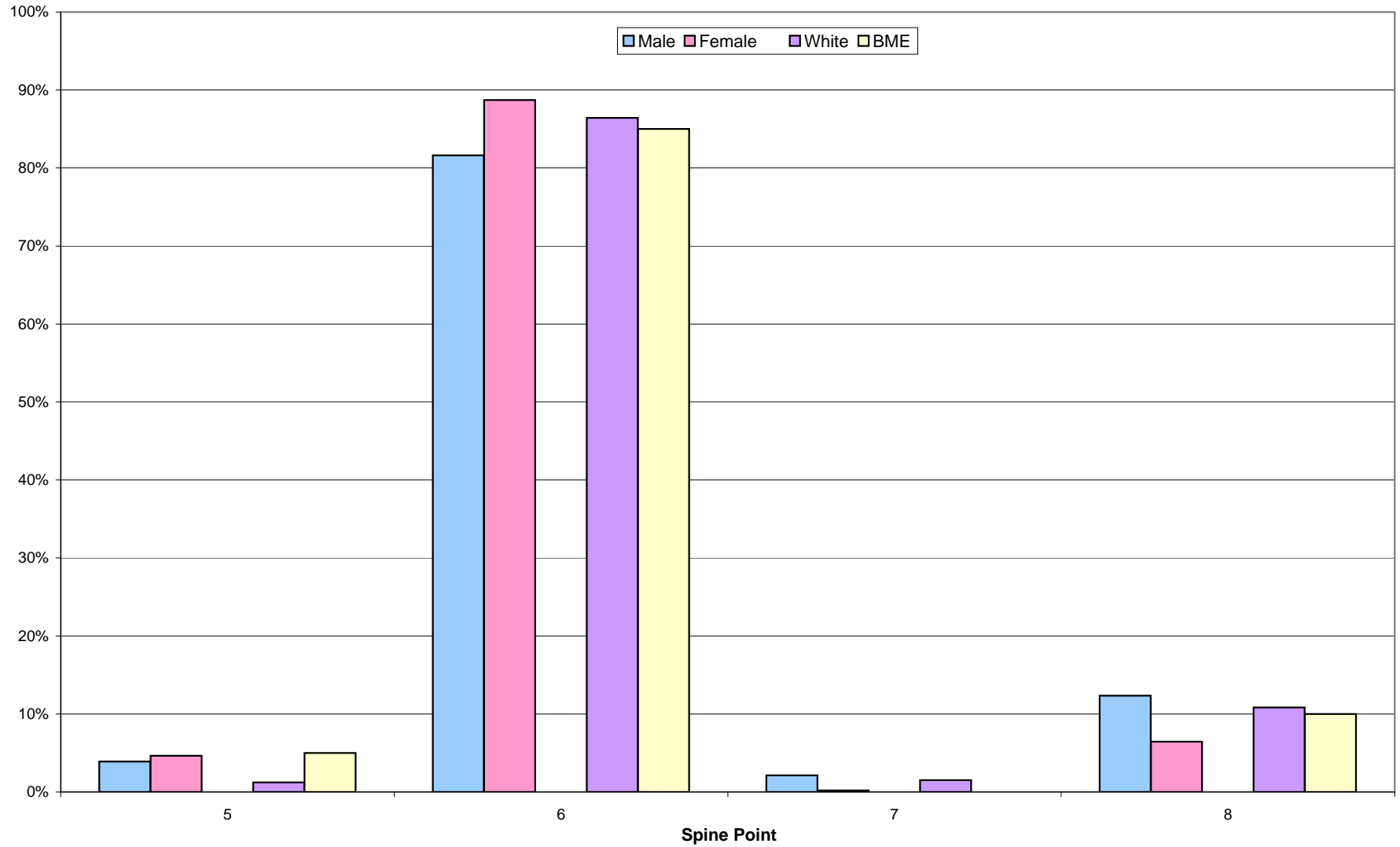
SZ3 Pay Scale distributions by gender and ethnicity at 1 October 2013



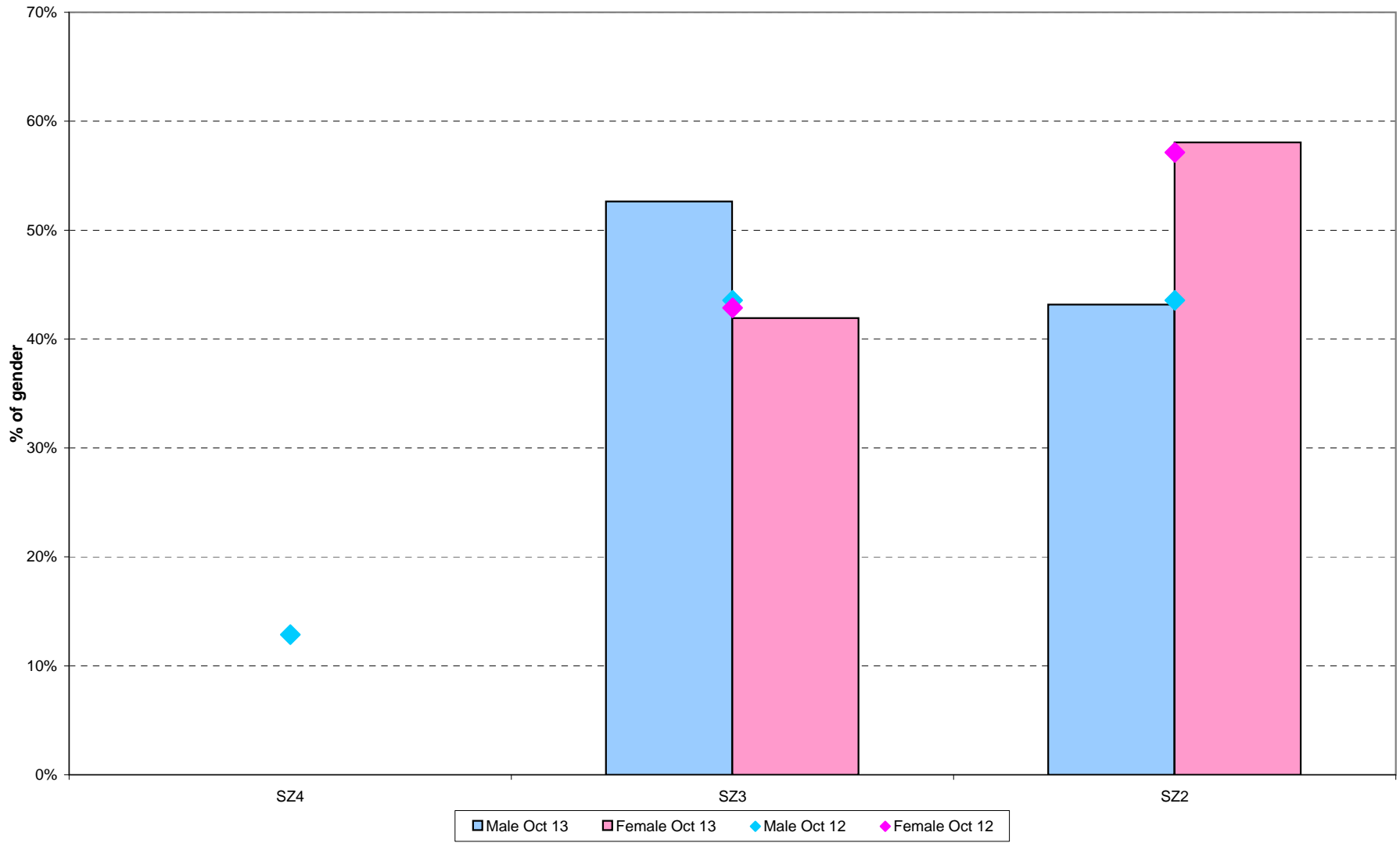
SZ2 Pay Scale distributions by gender and ethnicity at 1 October 2013



SZ1 Pay Scale distributions by gender and ethnicity at 1 October 2013



Distribution of promotions by grade



Average Length of Service in Grade, Prior to Promotion

