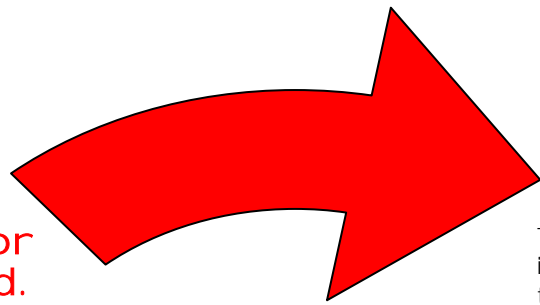
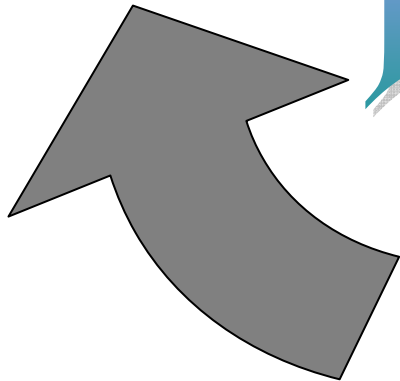


GOOD LUCK for
the years ahead.
You DESERVE
the best and I
hope and trust
that you will get
it.



The Report with the Pay Rise
integral to it. See page 11 for
the Military Salary increases,
but read the whole document
to see other increases and
changes. This year sees the
end of my research into pay
and allowances 1950 - 1985.

1985

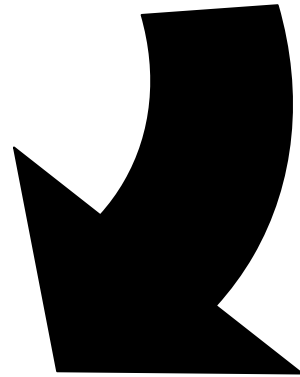


but lots of debts ..story of
your



life?

.....!



**Women! WRNS are to go to sea
and
MEN! They have joined the QARNs**

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REVIEW BODY
ON
ARMED FORCES PAY
FOURTEENTH REPORT
1985

Chairman :
SIR DAVID ORR

*Presented to Parliament by the Prime Minister
by Command of Her Majesty
June 1985*

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REVIEW BODY ON ARMED FORCES PAY

The Review Body on Armed Forces Pay was appointed in September 1971 to advise the Prime Minister on the pay and allowances of members of Naval, Military and Air Forces of the Crown and of any women's service administered by the Defence Council.

The members of the Review Body are :

Sir David Orr MC (*Chairman*)¹

Michael Bett

Sir Richard Cave MC

David Hudson

Jenny Hughes²

Sir Peter Matthews AO¹

Leif Mills

Admiral Sir Anthony Morton GBE, KCB

J R Sargent

The Secretariat is provided by the Office of Manpower Economics.

Admiral Sir Anthony Morton GBE, KCB was appointed to the Review Body by the Prime Minister in March 1984 and Sir Peter Matthews AO in November 1984.

¹ Also a member of the Review Body on Top Salaries.

² Also a member of the Review Body for Nursing Staff, Midwives, Health Visitors and Professions Allied to Medicine.

CONTENTS

| | <i>Paragraph</i> | <i>Page</i> |
|--|------------------|-------------|
| Chapter 1: Introduction and general considerations ... | 1 | 1 |
| Chapter 2: Military salaries | 9 | 4 |
| Chapter 3: Additional pay and allowances | 33 | 12 |
| Chapter 4: Charges... | 52 | 19 |
| Chapter 5: Costs and conclusions | 63 | 23 |
| | | |
| Appendix 1: Previous reports of the Review Body on Armed Forces Pay | | 25 |
| | | |
| Appendix 2: Military salaries introduced with effect from 1 April 1984 and 1 November 1984 | | 26 |
| | | |
| Appendix 3: Accommodation charges introduced with effect from 1 April 1984 and 1 November 1984 | | 28 |
| | | |
| Appendix 4: 1 April 1985 recommended rates of length of service increments | | 29 |
| | | |
| Appendix 5: 1 April 1985 recommended levels of military salary for certain special groups | | 30 |

CHAPTER 1

INTRODUCTION AND GENERAL CONSIDERATIONS

1. We are appointed to advise on the levels of pay that are appropriate for members of the armed forces. In doing so, we aim to make recommendations which provide proper recompense to servicemen and servicewomen for the jobs they do while taking account of the interests of the taxpayer who must foot the bill. The result represents our judgment of what is fair to both and we consider it important briefly to outline here the main factors which influence that judgment.

2. The approach we have adopted since being appointed in September 1971, and which has been accepted by successive Governments, is that the remuneration of members of the armed forces should be broadly comparable with earnings for jobs of a similar size in civilian life. This approach of 'comparability' runs the risk of misinterpretation; for example, that members of the armed forces should be paid the same as certain specific groups in civilian life or that the increases which result from our recommendations should bear a close relationship to movements in national earnings indices. Rather than such simplistic comparisons, our approach uses job evaluation to assess the levels of pay attaching to jobs of a similar 'size' or 'weight' to those in the armed forces in a broad range of civilian occupations. We describe this in more detail in Chapter 2. But, as we have made clear in our last two reports, our approach is not a mechanistic one; and in translating data collected on civilian pay into an armed forces pay structure, there are many factors which we need to take into account in reaching a judgment on what is both fair and appropriate.

3. We have to bear in mind that there are significant differences between military and civilian circumstances. These differences are reflected in our recommendations in two ways. First, we use the total earnings of civilians rather than their basic pay levels in our comparisons. Earnings include overtime, bonus and productivity payments, which are not made to members of the armed forces. We have to make a judgment about the extent to which these should be taken into account in setting levels of pay for the armed forces. In order to make a fair comparison, we also consider the impact on total remuneration of other benefits such as pensions and company cars. We set out our views on these matters in Chapter 2. Secondly, earnings comparisons alone are insufficient to take account of the fundamentally different nature of civilian and military life. There is a balance to be drawn between advantageous and disadvantageous features in Service and civilian life and we continue to believe that this operates to the net disadvantage of servicemen and servicewomen. We therefore make an upward adjustment, as part of the comparison process, which reflects our judgment of the extent of this disadvantage. This is known as the X factor, which currently stands at 10 per cent for servicemen and 7.5 per cent for servicewomen.

4. There are other factors which we have to take into account before reaching a final judgment on levels of pay to recommend. The armed forces have a more rigid hierarchical structure than most civilian organisations and

this complicates the process of applying the results of the pay comparisons we carry out. Our recommendations need to make sense in terms of the complex military rank and pay structure and to provide adequate rewards on promotion.

5. Furthermore we need to ensure that, in taking account of the factors described above, we provide pay levels which are adequate to recruit and, in particular, retain Service personnel. It is expensive and time-consuming to train servicemen and servicewomen and it is vital to retain them in service for a reasonable time so as to obtain a proper return from that investment. In the present economic climate it has been less difficult to recruit Service personnel than it was some years ago. This has been a factor in our considerations. At the same time, we do not underestimate the problems that the armed forces would face if applications from highly trained personnel to leave the Services early, which are already beginning to rise, were to increase significantly or if markedly fewer personnel were to engage for further periods of service. We believe that rates of pay, based on a detailed consideration of remuneration levels and trends elsewhere and perceived by members of the armed forces themselves to be fair, are a key element in adequate recruitment of people of the necessary standard and their subsequent retention after expensive training.

6. The many discussions we have had with personnel while visiting Service units in the past year have confirmed that, in general, members of the armed forces found the levels of pay we recommended from 1 April 1984 to be fair. However, those levels were not implemented in full from that date. The Government staged their introduction and the full rates did not come into force until 1 November 1984. We regret that the Government found it necessary to take this step. The inevitable result for the individual, of course, has been to reduce income over the year below the level we considered appropriate for the purposes stated above; and those who retired from the Services between April and November 1984 will have received a pension lower than it would have been.

7. At the same time, many Service personnel perceive themselves to be less than fairly treated over allowances which are intended to compensate them for the additional costs they incur from the way of life which a career in the armed forces imposes. These cover such matters as removals, separation, education and travel. To some extent, perceptions in the Services may be formed by comparisons with the allowances thought to be available in civilian life; it is not always helpful to assume too much from such comparisons, because allowances, perhaps even more than pay, tend to reflect the particular needs and circumstances of individual organisations. Nonetheless, we detect a growing feeling of less than fair treatment over these, and other, non-pay conditions of service. Detailed conditions of service are, rightly, accepted as outside our terms of reference. They are properly matters for management. But it is the broad combination of all conditions of service, of which pay is only one element, albeit an important one, which affects the perception of personnel as to whether they are properly rewarded. The setting of fair rates of pay does not remove the need for full attention to these other conditions, where it appears to us that a number of worthwhile improvements could be made, and irritants removed, at relatively small cost.

8. In addition to our normal consideration of military salaries and of certain aspects of additional pay we have, this year, been able to conclude our examination of a new approach to charges for Service accommodation. The principles of the military salary are that members of the armed forces should be paid fairly in relation to levels of pay outside and should equally be charged a fair price for food and accommodation. The two aspects are inseparable but we considered that, while we had developed a satisfactory system for making pay comparisons, the system used for determining charges was less so. We were particularly concerned that it did not allow charges to recognise fully the varying qualities of Service accommodation. It has taken some time to develop a more satisfactory method of classifying Service accommodation, but this has now been done and we believe that it provides a better basis for setting charges, like pay, at levels which we can be confident are appropriate. Our recommendations on these, and other matters, are contained in the remaining chapters of this report.

CHAPTER 2

MILITARY SALARIES

9. In each of our last two reports we have described in detail the approach we adopt in determining the levels of military salary to be recommended. That description concentrated particularly on the details of the pay comparisons, based on job evaluation, that we undertake. We trust that the mechanics of the process are now better understood and therefore do not describe them in great detail this year. Before indicating our recommendations for 1 April 1985, however, we refer briefly to the main features of our approach and the important role which judgment plays in it.

Earnings comparisons

10. We have explained in Chapter 1 that earnings comparisons provide the starting point for our judgment. We collect information on earnings in civilian jobs that are assessed to be of comparable size or 'weight' to jobs in the armed forces. The assessment of Service and civilian jobs is done through a system of job evaluation carried out on our behalf by a small team of specially trained personnel drawn from the three Services. We use separate systems at Corporal¹, Senior NCO and Warrant Officer, and Officer levels: in each, jobs are analysed in terms of factors related to the demands of the job which are weighted according to their importance within the overall job function. The allocation of points to each factor provides a total 'score' for each job which allows comparisons to be made with similar jobs (*i.e.* jobs which attract broadly the same score when judged against the same criteria) in a wide range of civilian employment.

11. The civilian earnings information we receive cannot be translated directly into a pay structure for the armed forces. To begin with, there is no such thing as a single rate for a job of a given size. A wide range of earnings for apparently similar sized jobs is shown by our surveys. This range cannot be explained simply by different practices in relation to such items as overtime, bonus or productivity payments; it exists in relation to basic pay as well. While we tend to focus on the median of the range in narrowing the options for consideration, we have to be conscious that civilian organisations develop a pay strategy which relates directly to their own particular requirements rather than to some idea of a generalised 'rate for the job'—hence the variations in earnings at any one point.

12. The earnings of people in civilian life, from both basic pay and any additional payments, reflect to varying degrees the extent to which employees have contributed to increased productivity; this, in turn, may affect the profitability of an organisation and its ability to afford increasing levels of pay. It cannot be assumed that this element of civilian pay should be reflected automatically in armed forces pay. However, we have been impressed by evidence that some Service units (particularly, perhaps, those in the front line) are being called upon to carry out extra tasks with restricted levels of uniformed manpower and lower levels of civilian support staff.

¹ Throughout this report, references to Army ranks relate also to equivalent ranks in the other Services where the context allows.

In these circumstances we consider it fair to include, in the comparisons we make as a basis for judgment, elements of pay in civilian life which may be attributable to extra productivity. Earnings levels in civilian life are, of course, also affected by hours worked. As we have explained previously, the information we receive on hours of work in the armed forces indicates that, with certain exceptions, they have kept broadly in line with total hours, including overtime, worked by civilians. In our judgment, therefore, no downward adjustment to comparator earnings is required on this account either.

13. We also collect information about non-pay benefits, such as company cars and pension provisions, received by the civilians in our surveys. It is important to take account of these because they can have a significant value. Our judgment in recent years has been that the fringe benefits available to Service personnel and civilians, with the exception of company cars, are roughly in balance. We see no reason to change this view and have, therefore, made an adjustment to comparator earnings to reflect only the average value of the benefit provided by private use of a company car. Similarly, we have to make a judgment about the relative value of civilian and armed forces pension schemes. In this we have been assisted by an evaluation carried out by the Government Actuary on our behalf in 1981 which has led us to deduct 11 per cent from comparator earnings to reflect our judgment of the additional benefit received by members of the armed forces from their non-contributory pension scheme. We expect to carry out a further comparative evaluation of pensions for our next review.

The X factor

14. We have explained that, in drawing comparisons, differences between Service and civilian circumstances which are not easily quantified and not covered by job evaluation also have to be taken into account. Our judgment on the balance of disadvantage arising from these differences is expressed through the application of the X factor. For regular servicemen, our decision on the X factor has entailed since 1974 an upward adjustment in comparator earnings of 10 per cent; for regular servicewomen it has been set at 7.5 per cent since 1982.

15. We described in some detail last year¹ the elements taken into account in this judgment. The level at which the X factor is set represents an assessment of the relative position of members of the armed forces and civilians over the longer term. By its nature it is a broad judgment, and is intended to reflect the average experience in the Services because it is paid equally and continuously to all personnel, whatever the impact of the different elements on the individual at any one time.

16. In recent years we have received many representations, during our visits to Service units, to the effect that the stresses in Service life are becoming more severe, turbulence and separation greater, and job security less. We have considered these representations with care and have attempted, where possible, to collect detailed evidence of the position now and over the years back to 1974. Because the X factor represents a comparative

¹ Thirteenth Report, paragraphs 25-26.

balance, we have also looked at available information on changes in the civilian experience over the same period. We have concluded that there is little hard evidence that the position of the serviceman and servicewoman relative to civilians has changed significantly enough to justify an increase in the X factor. That is not to say that there have been no changes. The advantage that the Services once had in terms of annual leave is being eroded. On the other hand, any reductions in job security in the Services have been more than offset by changes in this respect in civilian life.

17. Some aspects of Service life which are sometimes suggested to us as justification for an X factor increase are taken into account elsewhere in the pay structure. Others are not, in our view, entirely susceptible to pay resolution. We accept, for example, that personnel in Northern Ireland and the Falkland Islands work exceptionally long hours under difficult circumstances. These matters are relevant X factor considerations but they are already compensated by separate payments made on this account to personnel in these theatres. More generally, the productivity and bonus payments that we include in the basic pay comparisons can be held to provide recognition, together with civilian overtime payments which are also included, of the growing pressure which Service personnel perceive from increasing workload at a time of manning restrictions or cuts. Beyond this, it is questionable in our view how far pay can provide a satisfactory answer to perceptions of increasing pressure: this is an area where management action is crucial to the resolution of any difficulties.

18. Last year, we commented on the difficulties for wives of servicemen in finding employment. We have noted the results of a recent survey by the Ministry of Defence which has confirmed that there are difficulties, particularly for those living abroad. About one quarter of the wives covered by the survey also said they had at some time been refused employment because their husbands were servicemen. It is clear to us that Service life does make it difficult for a wife to find employment, and to continue a career, but it seems unlikely that their position is worse now than it has been previously. In any case, we doubt whether this particular aspect ought to be included in the X factor, which applies to all Service personnel whether married or single and whether or not they have wives or husbands who are also working or wish to do so.

19. In the light of all these considerations, we conclude that the evidence currently available to us does not justify an increase in the level of X factor. As the X factor is expressed in percentage terms, its cash value does increase each year as a consequence of our recommendations for the military salary.

Other considerations

20. There are two further broad considerations which we have to bear in mind before reaching a judgment on the rates of military salary to recommend. These are the manning situation in the armed forces and the particular structural requirements of the Service pay arrangements.

21. *Manning.* As usual, the Ministry of Defence have provided detailed information on the current manning position in the armed forces. This shows, in general, that the recruitment position below officer level is

satisfactory. There continue to be some areas, such as in the engineering and technical trades, where recruitment is not up to the levels required but similar difficulties are being found by civilian employers; and problems remain in recruiting officers. Retention of personnel is less satisfactory. Applications for premature voluntary release (PVR) are increasing and, although they are still well below the record levels of the late 1970s, an upward trend of this sort must be worrying at a time of high national unemployment. We are not convinced that this is principally due to dissatisfaction over pay, but we do consider that it is important to maintain levels of pay which are broadly comparable to those in civilian life if the situation is not to deteriorate further.

22. *Structural considerations.* The pay structure for the armed forces is extremely complex. The comparisons we make with the earnings of civilians are concentrated on certain key rank and band levels and we have to use our judgment in setting levels of military salary across the whole structure of jobs in the armed forces. In doing this we have to take account of many conflicting requirements: we aim to ensure adequate rank and band differentials, but this is not always easy as the individual's progression through the structure, below officer level, can vary quite widely. At certain points in the structure it is particularly important to ensure that differentials are sufficient to provide an incentive to achieve promotion. We also have to bear in mind the link between the top of the WO/SNCO structure and the officer structure and the relationship between the pay of the Brigadier, for which we are responsible, and that of more senior officers who fall within the ambit of the Review Body on Top Salaries.

23. These structural matters, like the manning position, are particular to the armed forces. Consideration of them represents the final stage in the judgmental process which enables the raw civilian pay comparison data to be translated into a form which is appropriate in the armed forces context. The final recommendations we make reflect our judgment of what it is fair to pay servicemen and servicewomen taking account of all the points we have mentioned, beginning with pay comparisons but ending with rates of military salary which reflect the particular needs of the Services where they can be appropriately met through the pay structure.

Military salaries

24. In the light of the factors outlined above, our recommendations on military salaries appropriate from 1 April 1985 are contained in Tables 1-3 below. In addition we recommend, for implementation from 1 April 1985, increases in the levels of long-service increments: the rates are given in Appendix 4.

Table 1

Recommended annual* scales of military salary inclusive of the X factor for male officers up to Brigadier

| Rank | | | | | | | | | | Military salary |
|--------------------|-----|-----|-----|-----|-----|----------------|-----|-----|-----|--------------------------------------|
| Brigadier | ... | ... | ... | ... | ... | ... | ... | ... | ... | £ 29,401 |
| Colonel | ... | ... | ... | ... | ... | after 8 years | 6 | 4 | 2 | 26,995 26,353 25,711 25,068 |
| | | | | | | on appointment | | | | 24,426 |
| Lieutenant Colonel | ... | ... | ... | ... | ... | after 8 years | 6 | 4 | 2 | 23,280 22,725 22,170 21,615 |
| | | | | | | on appointment | | | | 21,060 |
| Major | ... | ... | ... | ... | ... | after 8 years | 7 | 6 | 5 | 18,509 18,126 17,743 17,359 |
| | | | | | | | 4 | 3 | 2 | 16,976 16,593 16,210 15,826 |
| | | | | | | on appointment | 1 | | | 15,443 |
| Captain | ... | ... | ... | ... | ... | after 6 years | 5 | 4 | 3 | 14,188 13,859 13,531 13,202 |
| | | | | | | | 2 | 1 | | 12,874 12,545 12,217 |
| | | | | | | on appointment | | | | 12,217 |
| Lieutenant | ... | ... | ... | ... | ... | after 4 years | 3 | 2 | 1 | 10,702 10,446 10,191 9,935 |
| | | | | | | on appointment | | | | 9,680 |
| Second Lieutenant | ... | ... | ... | ... | ... | ... | ... | ... | ... | 7,490 |
| Officer Cadet | ... | ... | ... | ... | ... | ... | ... | ... | ... | 5,260 |

* Annual salaries are derived from daily rates in whole pence and rounded to the nearest £.

Table 2

Recommended annual* rates of military salary inclusive of the X factor for male Warrant Officers and senior NCOs

| Scale B (men committed to 6 years' or more but less than 9 years' service)† | Band | | | |
|---|--------|--------|--------|--------|
| | 4 | 5 | 6 | 7 |
| | £ | £ | £ | £ |
| Warrant Officer 1 | 11,034 | 11,925 | 12,884 | 13,921 |
| Warrant Officer 2 | 10,315 | 11,206 | 12,165 | 13,202 |
| Staff Sergeant | 9,658 | 10,548 | 11,508 | 12,545 |
| Sergeant | 9,088 | 9,979 | 10,939 | — |

Table 3

Recommended annual* rates of military salary inclusive of the X factor for adult servicemen of the rank of Corporal and below

| Scale B (men committed to 6 years' or more but less than 9 years' service)† | Band | | |
|---|-------|-------|-------|
| | 1 | 2 | 3 |
| | £ | £ | £ |
| Corporal I | 8,315 | 9,125 | 9,997 |
| Corporal II | 7,771 | 8,581 | — |
| Lance Corporal I | 7,264 | 8,074 | 8,946 |
| Lance Corporal II | 6,789 | 7,599 | — |
| Lance Corporal III | 6,344 | 7,154 | — |
| Private I | 6,344 | 7,154 | 8,026 |
| Private II | 5,917 | 6,727 | — |
| Private III | 5,402 | 6,212 | — |
| Private IV | 5,000 | — | — |

* Annual salaries are derived from daily rates in whole pence and rounded to the nearest £.

† Scale A (men committed to less than 6 years' service)—deduct £109·50 a year from the above rates.

Scale C (men committed to, or who have completed, more than 9 years' service)—add £164·25 a year to the above rates.

Special scales and rates of pay

25. There are special pay arrangements for certain groups of officers and servicemen. These include medical and dental officers (and medical and dental cadets) for whom, as usual, we will make separate recommendations in a supplement to this report when the Government's decisions on the 1985 report of the Review Body on Doctors' and Dentists' Remuneration are known.

26. For the majority of the remaining groups, we have established appropriate relationships with the main military salary structure and, for the most part, we recommend that the existing relationships should continue this year. Separate tables showing our recommendations for 1 April 1985 for

veterinary officers in the Royal Army Veterinary Corps, university cadets and naval apprentices and probationary medical technicians are in Appendix 5.

Reserve forces

27. Last year we considered a number of proposals concerning the pay and bounties of members of the reserve forces, but concluded that it would be premature to recommend any changes as the Ministry of Defence were examining a number of issues associated with the proposed expansion of the reserves. We commented then that pay and bounties formed one element in creating the right conditions for the expansion of the reserve forces but that there were others—arrangements with civilian employers, consideration of family interests and pressures, and conditions of service in the broader sense—which were equally important. This view has been confirmed by a study into reasons for soldier wastage in the Territorial Army, carried out by the Army Personnel Research Establishment, which indicates that levels of pay and bounties do not feature prominently in the reasons given by reservists who choose to leave. On the other hand, we accept that a perceived fall in the value of the remuneration available to reservists could play a contributory part.

28. This year the Ministry of Defence and the Council of Territorial, Auxiliary and Volunteer Reserve Associations (TAVRA) have put to us a number of proposals for improving pay and bounty arrangements. Both have suggested increases in the level of bounties, which were last increased in 1982, and the introduction of pay for training evenings. In addition, the TAVRA Council has proposed: further bounty increases in the fourth and fifth years of service; arrangements for paying a proportion of bounty for attendance at annual camp; examination of the scope for a system of long service increments; and an increase in the additional payments for parachutists.

29. We have considered the various proposals outlined above and have concluded that it would be right to increase the level of bounty this year. We remain unconvinced, however, of the necessity for extending the incremental structure of bounty payments into the fourth and fifth years. We recommend, therefore, that from 1 April 1985 the following levels of bounty should be payable:

| | £ |
|--|-----|
| Year 1 | 175 |
| Year 2 | 315 |
| Year 3 (and each subsequent year) | 455 |

We also recommend that the bounties payable to part-time members of the Ulster Defence Regiment should be increased so that they maintain a lead of £100 over the amounts recommended above.

30. At present, members of the reserve forces are paid on a daily basis for attendance at annual camp and for training activities at weekends which last for more than eight hours. Their pay is based on that of the regular

forces but incorporates a lower X factor. No payment is made for standard training evenings during the week (known as drill nights), although a small expenses allowance is payable, or for other miscellaneous activities. Both the Ministry of Defence and the TAVRA Council have proposed that payment should be made for drill nights and, in addition, the Ministry of Defence have proposed that other training activities should also be eligible for pay. We understand that drill nights normally involve formal training sessions lasting not less than two hours. On this basis the Ministry of Defence have proposed that one day's pay should accrue on completion of four normal drill nights. It has been put to us that drill nights play a key role in promoting the effectiveness of the reserve forces and in obtaining the maximum value from more concentrated training periods at weekends and at annual camp. We recognise the importance of encouraging attendance at drill nights and we recommend that, from 1 April 1985, a reservist should receive a day's pay for every four normal drill nights that are completed.

31. We are less content, however, with the Ministry of Defence proposal that payment should also be made for other activities. On the evidence we have at present, it is not clear to us exactly which activities would be eligible or on what basis individuals would qualify for payment. Accordingly, we make no recommendation, but invite the Ministry of Defence to examine this matter further, with a view to submitting more detailed proposals for our consideration next year.

32. We understand that the Ministry of Defence are currently considering the possibility of a discretionary part-payment of bounty for attendance at annual camp and, although we see this as a reasonable proposal, provided the guidelines governing payment are sufficiently strict, we consider it to be a matter for Services' management rather than for us. The question of long service increments for reservists is complex and we invite the Ministry of Defence to consider the need for, and possible structure of, such payments with a view to making proposals for our consideration next year. We also remain unclear about the need to increase the payments made to parachutists in the reserves. Consequently, we invite the Ministry of Defence to examine this proposal also, and to submit evidence, with a view to our looking at the matter again next year.

CHAPTER 3

ADDITIONAL PAY AND ALLOWANCES

33. We have explained in Chapter 2 that the process of job evaluation involves making broad comparisons between Service jobs and jobs in civilian life of equal weight or size. This helps us in setting levels of military salary which should, by design, reward members of the armed forces fairly for the job they do, without the need for any supplementary payments. In certain specific cases, however, it has been necessary to provide additional financial inducement to encourage volunteers to work in areas where manning shortages would otherwise exist. These payments, termed the 'major' forms of additional pay, are paid on a continuous basis for as long as the serviceman or servicewoman remains working, or has a liability to work, in the area concerned. Their value can constitute a substantial proportion of total income. There is one other category of additional pay, known as the 'minor' forms of additional pay, which provides payments that are much smaller in relation to the military salary and exist to reward personnel for occasional specific tasks or duties.

34. We regularly examine the 'major' forms of additional pay in some detail to ensure that they are still needed, and that their structure and level remain appropriate to meet the underlying manning objectives. In this review we have looked at submarine pay and related issues, parachute pay and parachute jumping instructor pay, and flying pay for RN aircrew. We have also returned to certain issues relating to additional pay for members of the Submarine Escape Tank Training unit and the Subsunk Parachute Assistance Group. In addition, we have again examined Falkland Islands and Northern Ireland pay. In this chapter, we record our recommendations on these items.

Submarine pay

35. Submarine pay is payable to all naval officers in the rank of Captain and below, and to all ratings, in the submarine service. It is intended to provide an inducement to volunteer for and remain in the submarine service. At present, however, only just over half of those below officer level are volunteers. The Ministry of Defence have expressed their concern about this and have also emphasised the further problem of retention. Although the number of submariners re-engaging for further service in the Royal Navy beyond their initial engagement is currently much improved from its low point in the late 1970s, the number of younger officers and ratings giving notice to leave prematurely is beginning to rise and, consequently, gives cause for concern, because these are personnel who might have been expected to fill middle management posts in the submarine service in later years. Services' management have said that they would not wish to see the level of volunteers among ratings drop below 50 per cent. We agree that this would be undesirable, as would any further reduction in the number of personnel who re-engage for extended submarine service. We therefore recommend that submarine pay remains in its present form with no change to the rules governing eligibility for, or continuity of, payment and that its level be increased in line with the overall increase in military salary from 1 April 1985. We deal with an additional aspect of life in submarines in paragraphs 38-39 below.

36. *Nuclear propulsion senior ratings.* In 1982 we recommended the introduction of a supplement to submarine pay for those senior ratings who operate the reactor and propulsion units in nuclear-powered submarines. This was set at a rate 75 per cent of the submarine pay for which they are eligible. The background to this recommendation was a severe manning shortage in 1979 amongst this highly trained group, members of which were much in demand in civilian life. A special bounty scheme, which provided a taxable payment of £3,000 in return for an undertaking to serve for three further years, was introduced in 1979 and was successful in boosting manning levels. However, when we considered in 1982 whether the bounty should be repeated, or replaced with something more permanent, we opted for the special supplement described above.

37. This year the Ministry of Defence have told us that the supplement has continued to be successful in providing sufficient inducement. They have suggested that it is no longer necessary for it to be linked so directly to the level of submarine pay and consider it should be kept at its current level. It appears to us that the present level of payment is sufficient to retain these highly trained personnel and we therefore agree that it should remain unchanged this year. We recommend accordingly and ask that the Ministry of Defence keep the manning levels under regular review.

38. *Hard-lying money.* This 'minor' form of additional pay is currently paid to naval officers and ratings in those vessels where living conditions (measured by points scored for 'adverse' factors) fall well below a defined standard of sea-going accommodation. In 1983, we recommended a new baseline for this measurement—the 'Board 1970' standard—which is the current standard for ship construction. As part of their proposals at that time, the Ministry of Defence suggested that there should be two rates of hard-lying money with a higher rate for vessels which qualified under the earlier system. We considered this but concluded that it would complicate the payment unnecessarily. We recognised that living and working conditions on board ship are generally cramped and uncomfortable but we also felt that, because sea-going is fundamental to life in the Royal Navy, hard-lying money should be payable only in exceptional circumstances. We decided that a second, higher, rate of hard-lying money would not be appropriate.

39. The Ministry of Defence have now made a further proposal, which again involves two rates of hard-lying money, but which is slightly different from their earlier approach. The proposal is that a higher rate of hard-lying money should be payable in submarines and is based on the assumption that submarine pay exists purely to ensure adequate levels of recruitment and retention and provides no compensation for poor conditions. In addition, the Ministry of Defence have argued that the living environment on board submarines has grown steadily worse by comparison with the remainder of the Fleet. We do not wholly accept the Ministry of Defence argument that submarine pay provides no compensation for the poor conditions on board submarines. The recruitment and retention problems in the submarine service are, in part, manifestations of the unattractive aspects of that service and submarine pay does reflect those conditions in so much as they affect manning levels. On the other hand, we recognise

that exceptional conditions are experienced by submariners at sea, although we consider that a higher rate of hard-lying money which benefited submariners alone would discriminate unfairly against personnel on certain small surface vessels which score an equal number of adverse points. We therefore recommend that, with effect from 1 April 1985, there should be two rates of hard-lying money: the present rate of 65p a day for all vessels which score from 25 to 47 adverse points and a higher rate, of £1·30 a day, for all vessels which score 48 or more adverse points.

Parachute pay

40. Since we last examined the structure of, and justification for, parachute pay in 1981¹ the deployment of personnel on parachute duties has changed. The establishment, in 1983, of 5 Airborne Brigade has increased the number of posts attracting parachute pay, which is now paid to over 3,000 personnel at a flat rate of £1·76 a day. The Ministry of Defence considers that the payment is still needed in order to continue to attract and retain volunteers in an area of work where the training and commitment is above that normally expected. In their evidence to us, the Ministry of Defence have given further reasons why they feel an additional payment to parachutists is necessary. They comment, for example, on the high level of risk involved in the work; and on the increased levels of skill required of parachutists in the support units who need also to keep up to date their own trade skills. We do not dispute any of these points but, as we said in our Tenth Report, we do not see parachute pay as offering direct compensation for risk, nor do we see it as providing a reward for additional skills. These considerations are only relevant to the argument for additional pay indirectly, in so far as they affect the willingness of personnel to volunteer for and remain employed on parachute duties. The Ministry of Defence have told us that recruitment to parachute duties is generally good, but that the retention of highly trained personnel is somewhat less satisfactory. While we do not consider that any significant improvement in the value of parachute pay is needed, we feel that it is necessary to have a financial incentive in order to retain parachutists. We recommend, therefore, that the rate of parachute pay be increased from 1 April 1985 in line with the overall increase in military salaries.

Parachute Jumping Instructor pay

41. The additional payment which parachute jumping instructors receive (currently £2·00 a day) is slightly higher than parachute pay. This year the Ministry of Defence have argued that a higher rate remains justified, and that the differential over parachute pay should be widened, to recognise the instructing responsibilities of the job and to meet the need to recruit and retain instructors against an increasing requirement in recent years. They have demonstrated that at certain ranks, in particular at NCO level, there continues to be a shortage of volunteers for parachute jumping instructor duties which does give cause for concern.

42. As we have said before², we do not consider that the recognition of instructing skills in itself provides sufficient justification for the higher rate.

¹ Tenth Report, paragraphs 57-58.

² Tenth Report, paragraph 60.

It is accepted and reasonable practice that the role of instructor is adopted by senior personnel in many areas of work in the armed forces, as in civilian life, without specific compensation. However, we see some cause for concern in the recruitment and retention problems at a time of increasing demand for instructors, although we have reservations about the reasons for the existing shortfall. The great majority of parachutists are in the Parachute Regiment, although responsibility for instruction has always rested with the Royal Air Force and parachute jumping instructors have always been drawn from among the Royal Air Force's physical training instructors. We recognise that there are some good reasons for using this source of recruitment: the personnel concerned already have a high standard of fitness and are well versed in instructing skills. Nonetheless we have expressed concern in the past about the advisability of restricting the field of recruitment in this way and we do so again. In our opinion, a possible solution to the manning difficulties which the Ministry of Defence faces in recruiting parachute jumping instructors might be found through widening the field of recruitment to include other sources, both from within the Royal Air Force and from the other Services, where volunteers with similar or equally valuable skills to those of Royal Air Force physical training instructors may be found. Given the present difficulties, however, we accept the need for parachute jumping instructor pay to retain a lead over parachute pay and we consider that a slightly higher differential between the two payments is appropriate. We recommend, therefore, that the payment be increased to £2.50 a day from 1 April 1985.

Flying pay for RN aircrew

43. In 1983 we examined, in some detail, the complex arrangements governing flying pay for NCOs in the Royal Navy and Royal Marines which are designed to provide total earnings equal to those of NCO aircrew in the other Services, where full pay banding is applied. We recommended no changes then to the existing arrangements, as we intended to look again at the matter the following year as part of a general review of flying pay. In the event, we were informed last year that a study was being undertaken into the structure of the aircrewman branch in the Royal Navy which made it difficult for the Ministry of Defence to make proposals on the matter. This year, the Ministry of Defence have provided fuller evidence on the subject.

44. We retain some reservations about the Royal Navy's structure of flying pay at NCO level. We have made clear our views on this in the past. In particular, we are concerned that the approach adopted to comparing earnings with aircrew in the Royal Air Force currently places some Royal Navy aircrew in a higher pay band than the application of full pay banding would justify. However, we again find ourselves unable to recommend changes at present. Following the study last year, the structure of the Royal Navy aircrewman branch is undergoing radical change and we have been requested by the Royal Navy to allow the new structure to bed down before making recommendations on flying pay for naval aircrew. We agree to this, although we would not wish our further consideration of the issue to be deferred beyond our next review.

SETT pay

45. In our last review¹, we considered a proposal from the Ministry of Defence to introduce a three-tier system of payment for members of the Submarine Escape Tank Training unit so as to reward personnel in this unit who had extra diving and parachuting skills. We rejected this proposal, because recognition of all the tasks members of SETT were called upon to do was provided in the single SETT payment which had been specifically designed, in 1982, to take account of a number of separate payments which had been made prior to that date. The Ministry of Defence have asked that we consider this issue again because manning problems are emerging; there is a shortage of basic instructors and not enough members of the unit are willing to obtain and maintain the diving and parachute skills necessary for the efficient functioning of the associated Subsunk Parachute Assistance Group (SPAG). In their evidence to us, the Ministry of Defence have proposed that the basic rate of SETT pay should be recalculated to take account of SETT instructor duties only, and that diving pay should be payable concurrently to those in the unit who are appropriately qualified. They have also proposed that parachute payments, as awarded to certain Territorial Army units, should be given to those with parachute qualifications.

46. We have considered the Ministry of Defence proposals with care and, although we are unhappy with the idea of introducing a wide range of payments for personnel in a single small unit, accept there are manning considerations which would justify a change of approach. We are unable, however, to accept the detailed proposals the Ministry of Defence have made. To begin with, our recalculation of SETT pay, to exclude the element currently subsumed within it to recognise the diving aspects of the unit's task, suggests a level of about £4 a day. This is less than the current rate of SETT pay, which stands at £4.33 a day, and would hardly improve the prospects of attracting volunteers for the basic instructing tasks of the unit. We have also had in mind the fact that, prior to 1982, members of the unit received diving pay, if they were qualified, only on the days they did not receive 'dip money' for work in the tank. In these circumstances we do not consider it would be right to award the full Group 1 diving pay rate in addition to SETT pay. Furthermore, we do not consider it necessarily appropriate that pay arrangements designed for the Territorial Army should apply to members of the regular forces. Taking account of these points, we recommend that from 1 April 1985 SETT pay should be kept at its current rate of £4.33 a day and, in addition, a supplement of 75p a day should be payable to those who hold and maintain a Group 1 diving qualification. The normal rate of parachute pay should also be payable, on the days parachute jumps are undertaken, to those members of SPAG who are qualified to receive it.

Falkland Islands pay

47. In our last report, we recommended the introduction of a special payment to recognise the circumstances of personnel who are called upon to undertake repeated tours of duty at short intervals in the Falkland Islands. We explained that the payment should be temporary in nature as we share the view of Services' management that payments for service in particular

¹ Thirteenth Report, paragraphs 50-52.

operational theatres are not generally appropriate, since the X factor is intended to cover the varying conditions which a serviceman or servicewoman might experience throughout a career. We considered, however, that conditions in the Falkland Islands warranted special treatment and the Ministry of Defence have told us that, although extensive construction work is under way, there has been little change in conditions in the last 12 months. We recommend, therefore, that for this year the payment be retained in its present form and updated in line with the increase in military salary from 1 April 1985.

Northern Ireland pay

48. A special payment is also made to personnel serving in Northern Ireland. Our consideration of Falkland Islands pay last year led us to question whether this payment was still justified. There has been considerable misunderstanding about the purpose of the payment. References have been made to 'danger money' and it has been suggested that we were intending to re-examine the payment because of reductions in the number of Service personnel killed or wounded in the Province in recent years. This is not the case. Northern Ireland pay is not, nor has it ever been, paid for 'danger'. The payment was introduced in 1974 to compensate for the exceptionally long and unsocial hours worked by members of the armed forces in Northern Ireland. Conditions have changed since the introduction of the payment and we therefore asked the Ministry of Defence to give a full account of what present circumstances are like for personnel and their families. From this information and from our own visits to units in Northern Ireland, we have concluded that, while the role of the armed forces in the Province has changed significantly, the conditions which led us to recommend the introduction of the payment in 1974 still exist to a large extent and that accordingly it should be retained this year. We recommend that the payment be increased in line with military salary.

Other 'major' forms of additional pay

49. We consider it important that, in general, the 'major' forms of additional pay should continue to maintain their value if they are to be effective in ensuring the adequate Manning levels they are designed to achieve. Consequently, we recommend that the remaining 'major' forms of additional pay should be increased from 1 April 1985 in line with the general movement in military salary from that date.

The 'minor' forms of additional pay

50. We are due in our next review to examine in detail all the 'minor' forms of additional pay. In these circumstances, and with the exception of hard-lying money on which we have made a recommendation in paragraph 39, we recommend no change to the current levels of these payments.

Allowances

51. We have explained in Chapter 1 (paragraph 7) that we are concerned about the growing sense of dissatisfaction we perceive among Service personnel over current arrangements for many allowances but that, in general,

allowances do not fall within our remit. The exception is separation allowance, which falls to us for recommendation. Last year, we were informed by the Ministry of Defence that certain aspects of the rules governing separation allowance (which are not for us to determine) were under consideration and that proposals for change would form part of a package of improvements to conditions of service which it was hoped to introduce. We have been informed that, while a few measures in the package are to be introduced, others, including those involving separation allowance, have yet to be agreed. Nonetheless, within the current structure of separation allowance payments we recommend that, from 1 April 1985, the following rates should apply:

| | | |
|--|--------|--------------|
| Outside North West Europe (and at sea) | ... | £2.05 a day |
| Within North West Europe | | £1.60 a day. |

CHAPTER 4

CHARGES

52. The introduction in 1970 of the military salary concept carried with it the twin principles that members of the armed forces should be paid an appropriate salary in relation to the levels of pay outside and should be charged a similarly appropriate price for food and accommodation. Just as we have developed over the years our approach to assessing levels of pay, we have also been concerned to introduce systems for establishing appropriate charges which reflect, as nearly as possible, civilian practice tailored to the particular situation of the armed forces. As part of this process, we introduced in 1980 an abatement to the rent element of the Service accommodation charge, to take account of the Service tenant's relative insecurity of tenure; and, in 1981, we changed the system of assessing the food charge by relating it directly to expenditure incurred by civilians as indicated by the Family Expenditure Survey. This year we have concentrated on the introduction of a new system for assessing the quality of Service accommodation which enables us to set charges on a fairer and more appropriate basis than hitherto. Our detailed recommendations are set out in the following paragraphs.

Accommodation charges

53. Service accommodation charges are set by reference to information on rents paid by local authority tenants and average rates payable for each type of quarter, with the addition of small amounts which recognise that the Service tenant is provided with furnishings and household equipment, and a range of maintenance services, to an extent not normally available from local authorities. We have described fully in recent reports the way in which we use this information in reaching our conclusions on charges to recommend. There is no need to repeat the details this year, although there have been a number of changes which have affected our recommendations, and which we describe briefly now.

54. The first, and most obvious, change is that we are recommending charges for four grades of accommodation rather than two. We describe our approach to this in paragraphs 55–57 below. Secondly, the information provided on local authority rents, which is drawn from data collected by the Chartered Institute of Public Finance and Accountancy now shows only the overall average rent for each type of house within each local authority and not, as previously, rents by age of property. This has made it more difficult to draw comparisons which allow for the age distribution of Service accommodation and has tended to deflate the rental element of the charge when calculated on the normal basis. We have borne this in mind in reaching our conclusions on charges under the new grading system. The third change this year affects the calculation of the extra maintenance element. Last year¹ we commented on the way in which this element of the charge could fluctuate significantly from year to year. We found this unsatisfactory and asked the Ministry of Defence to work out ways of ensuring a greater degree of stability. They have suggested that the additional

¹ Thirteenth Report, paragraph 67.

maintenance element should be assessed by reference to a three-year moving average of expenditure on maintenance. This is a worthwhile improvement and we have adopted it.

55. Since 1979¹, we have questioned whether the division of Service accommodation into two broad classifications—'standard' and 'sub-standard'—adequately reflected the range of quality of single and married quarters. Allocation to either classification was based entirely on space criteria and did not take into account considerations of environment or construction. We have received a number of proposals intended to remedy this situation but, until now, we have found them not entirely satisfactory. Last year, a scheme which seemed likely to meet our requirements could not be implemented because it still required some detailed changes and it would not have been possible to carry out the full reclassification of Service accommodation in time. These minor difficulties have been overcome and we are now able to agree the introduction of a new grading system.

56. The system to be introduced places each Service accommodation unit in one of four grades. The allocation to grades depends on the number of adverse points scored for factors such as less space than the 'standard' intended for the type of quarter, inadequate washing or WC facilities, poor structural or decorative condition, inadequate or inefficient heating or insulation, and inadequate provision of communal areas. This system allows a more accurate assessment of the 'quality' of accommodation and, we consider, provides a fairer basis for charges.

57. In reaching our conclusions on appropriate levels of charge, we take the view that the military salary principle continues to require charges for Service accommodation to be based on costs borne by civilians. In assessing the charge for each grade we have had to use our judgment in applying the information we receive on the component parts of the overall charge. This information, for example, relates to average rents for local authority housing which itself comprises a wide range of quality of accommodation and rental levels. Similarly, rate increases vary quite markedly across the country and a simple average does not tell the whole story. We have concluded, however, that it is possible to take account of these points within the general approach, based on the local authority housing analogue, which we have adopted in the past. We recommend the charges in Table 4 and 5 below for married and single accommodation respectively, as appropriate for each of the new grades from 1 April 1985. For most personnel, these charges should be implemented in full from that date. We give in paragraph 59 our views on those circumstances in which full and immediate implementation would not be appropriate. It is our intention to keep the new system of classification, and the approach to setting charges within it, under review.

¹ Eighth Report, paragraph 17.

Table 4
Married quarters

| Type of quarter | Annual* charge | | | |
|--------------------|----------------|---------|---------|---------|
| | Grade 1 | Grade 2 | Grade 3 | Grade 4 |
| | £ | £ | £ | £ |
| Officers | | | | |
| I | 2,442 | 2,212 | 1,745 | 1,223 |
| II | 2,190 | 1,982 | 1,566 | 1,095 |
| III | 1,916 | 1,734 | 1,369 | 960 |
| IV | 1,690 | 1,529 | 1,208 | 843 |
| V | 1,478 | 1,340 | 1,058 | 741 |
| Other ranks | | | | |
| D/WO | 1,157 | 1,048 | 829 | 580 |
| C | 1,029 | 934 | 737 | 515 |
| B | 905 | 821 | 646 | 453 |
| A | 631 | 573 | 453 | 318 |

Table 5
Single quarters

| Rank | Annual* charge | | | |
|--|----------------|---------|---------|---------|
| | Grade 1 | Grade 2 | Grade 3 | Grade 4 |
| | £ | £ | £ | £ |
| Major and above | 989 | 898 | 708 | 496 |
| Captain and below... .. | 829 | 752 | 595 | 416 |
| Warrant Officer and Senior NCO... | 584 | 529 | 420 | 292 |
| Corporal and below | 307 | 281 | 219 | 153 |
| Young serviceman receiving less than the minimum adult (i.e. Private IV) rate | 226 | 208 | 164 | 113 |

* Annual charges are derived from daily rates in whole pence and rounded to the nearest £.

58. We further recommend that the separate charge for a garage should be increased to £138·70 a year from 1 April 1985.

59. An inevitable consequence of the change from a two-tier system is that, while many Service tenants will experience an actual reduction—or only a marginal increase—in their charge, some will face a significant increase. This applies particularly to accommodation which has been graded hitherto as 'sub-standard' but which now falls in grade 3 or even grade 2. The

charges we have now set for such accommodation are, in our view, fair and reasonable; but we consider that those remaining in accommodation previously classified as 'sub-standard' who would otherwise face increases this year of more than 10 per cent should not have to meet the full increase immediately. Subject to this general criterion we leave the detail of the phasing arrangements to be determined by the Ministry of Defence and the Treasury.

60. In assessing accommodation charges this year, we believe we have been able to set charges at levels which relate directly to the varying quality of accommodation. Despite this, we retain our concern about the general quality of a great deal of Service accommodation and, indeed, about the problems of housing generally in the Services to which we have referred in recent years. The grading exercise has shown that, while the majority of married accommodation is in grade 1, a considerable proportion of single accommodation falls into grades 3 and 4. We know from our visits to Service units that many personnel are unhappy with the quality, and particularly the standard of maintenance, of their accommodation. The implications for the general level of morale are obvious and it is our firm belief that Services' management must accord a high priority to the improvement and maintenance of quarters.

Food charges

61. Since 1981 we have set food charges for single members of the armed forces broadly by reference to the food expenditure of single civilians as shown by the Family Expenditure Survey (FES). Our judgment in this matter also takes account of the cost of preparing the food and the fact that servicemen and servicewomen will be absent from their unit for a number of weekends in the year. We believe that this approach remains appropriate in the military salary context, and recommend a food charge of £15.54 a week to apply from 1 April 1985.

62. Since 1982 we have also recommended a food charge payable by the voluntarily unaccompanied married man. Our calculation of this charge is based on information contained in the FES which we can use to show the home savings arising from having one member of the family living away from home. As with the single food charge, our calculation takes account of average weekend absences from the unit. On this basis we recommend a food charge of £7.50 a week for the married unaccompanied man to apply from 1 April 1985.

CHAPTER 5

COSTS AND CONCLUSIONS

63. We estimate that the costs¹ of our recommendations in the year beginning 1 April 1985 are as follows :

| | |
|--|------------------|
| <i>Military salary (all regular Services)</i> | <i>£ million</i> |
| Officers | 39·4 |
| Officers promoted from the ranks | 4·7 |
| Servicemen and servicewomen | 150·6 |
| Young entrants and apprentices | 1·8 |
| | ----- |
| | 196·5 |
| <i>Additional pay and allowances in the nature of pay (all Services)</i> | 5·2 |
| | ----- |
| Total cost of increases in the pay of regulars | 201·7 |
| <i>Reserve forces</i> | 14·6 |
| | ----- |
| | 216·2 |
| <i>Charges (all Services)</i> | <i>£ million</i> |
| Increased yields: | |
| food | 5·9 |
| accommodation ² | 5·2 |
| | ----- |
| <i>Net cost of recommendations</i> | 205·2 |

64. The implementation of our recommendations on pay will add 7·06 per cent to the estimated pay bill for the regular forces for 1985–86 at current rates. For individual servicemen and servicewomen the increases which result from the levels of military salary we have recommended fall in the range of 4·0–8·5 per cent. These estimates are based on the manpower strengths of the armed forces in 1985–86 as forecast by the Ministry of Defence for budgetary purposes. To the extent that strengths differ in practice, the costs of implementing the recommendations will also differ.

65. The increased yield we estimate from accommodation charges is slightly less than originally estimated by the Ministry of Defence for 1985–86 and is based on the full and immediate implementation of the levels we recommend. It does not take account of the phased introduction of increases which we consider would be appropriate for some personnel who are in accommodation which is currently graded 'sub-standard'.

¹ Totals may not equal the sum of components as figures have been rounded.

² Excluding the effect of any phasing arrangements for accommodation charges—see paragraph 59.

66. In reaching our conclusions on rates of pay and levels of charge to recommend, we have continued to draw on broad comparisons with civilian circumstances. These provide a foundation for our judgment on levels of remuneration for members of the armed forces which should ensure satisfactory recruitment and retention and thereby provide a fair deal for both Service personnel and the taxpayer. The levels of military salary and of charges we have recommended in this report are, in our judgment, appropriate for implementation from 1 April 1985.

DAVID ORR (*Chairman*)

MICHAEL BETT

RICHARD CAVE

DAVID HUDSON

JENNY HUGHES

PETER MATTHEWS

LEIF MILLS

TONY MORTON

J R SARGENT

APPENDIX 1

PREVIOUS REPORTS OF THE REVIEW BODY ON ARMED FORCES PAY

| | | | | | | |
|---------------------------------------|-----|-----|-----|-----|-----|----------------------------|
| First Report | ... | ... | ... | ... | ... | Cmnd. 4954, April 1972 |
| Second Report | ... | ... | ... | ... | ... | Cmnd. 5336, June 1973 |
| Supplement to Second Report | ... | ... | ... | ... | ... | Cmnd. 5450, October 1973 |
| Third Report | ... | ... | ... | ... | ... | Cmnd. 5631, May 1974 |
| Supplement to Third Report | ... | ... | ... | ... | ... | Cmnd. 5729, September 1974 |
| Second Supplement to Third Report | ... | ... | ... | ... | ... | Cmnd. 5853, January 1975 |
| Fourth Report | ... | ... | ... | ... | ... | Cmnd. 6063, May 1975 |
| Supplement to Fourth Report | ... | ... | ... | ... | ... | Cmnd. 6146, July 1975 |
| Second Supplement to Fourth Report | ... | ... | ... | ... | ... | Cmnd. 6420, March 1976 |
| Fifth Report | ... | ... | ... | ... | ... | Cmnd. 6470, May 1976 |
| Supplement to Fifth Report | ... | ... | ... | ... | ... | Cmnd. 6515, July 1976 |
| Sixth Report | ... | ... | ... | ... | ... | Cmnd. 6801, April 1977 |
| Seventh Report | ... | ... | ... | ... | ... | Cmnd. 7177, April 1978 |
| Supplement to Seventh Report... | ... | ... | ... | ... | ... | Cmnd. 7288, December 1978 |
| Eighth Report, 1979 | | | | | | |
| Supplement to Eighth Report | ... | ... | ... | ... | ... | Cmnd. 7603, June 1979 |
| Second Supplement to Eighth Report... | ... | ... | ... | ... | ... | Cmnd. 7770, November 1979 |
| Ninth Report | ... | ... | ... | ... | ... | Cmnd. 7899, May 1980 |
| Supplement to Ninth Report | ... | ... | ... | ... | ... | Cmnd. 7956, July 1980 |
| Tenth Report | ... | ... | ... | ... | ... | Cmnd. 8241, May 1981 |
| Supplement to Tenth Report | ... | ... | ... | ... | ... | Cmnd. 8322, July 1981 |
| Eleventh Report | ... | ... | ... | ... | ... | Cmnd. 8549, May 1982 |
| Supplement to Eleventh Report | ... | ... | ... | ... | ... | Cmnd. 8573, June 1982 |
| Twelfth Report | ... | ... | ... | ... | ... | Cmnd. 8880, May 1983 |
| Supplement to Twelfth Report... | ... | ... | ... | ... | ... | Cmnd. 8950, July 1983 |
| Thirteenth Report | ... | ... | ... | ... | ... | Cmnd. 9255, June 1984 |
| Supplement to Thirteenth Report | ... | ... | ... | ... | ... | Cmnd. 9301, July 1984 |

APPENDIX 2

MILITARY SALARIES INTRODUCED WITH EFFECT FROM 1 APRIL 1984 AND 1 NOVEMBER 1984

Table 2.1
Officers: annual* rates

| Rank | Military salary | |
|---|-----------------|--------------------|
| | 1 April 1984 | 1 November 1984 |
| | £ | £ |
| Brigadier | 25,751 | 27,101 |
| Colonel after 8 years | 23,659 | 24,882 |
| 6 | 23,097 | 24,291 |
| 4 | 22,535 | 23,699 |
| 2 | 21,973 | 23,108 |
| on appointment | 21,411 | 22,517 |
| Lieutenant Colonel after 8 years | 20,330 | 21,473 |
| 6 | 19,849 | 20,962 |
| 4 | 19,367 | 20,451 |
| 2 | 18,881 | 19,940 |
| on appointment | 18,400 | 19,429 |
| Major after 8 years | 16,305 | 17,115 |
| 7 | 15,969 | 16,761 |
| 6 | 15,633 | 16,407 |
| 5 | 15,297 | 16,053 |
| 4 | 14,961 | 15,699 |
| 3 | 14,626 | 15,345 |
| 2 | 14,290 | 14,991 |
| 1 | 13,954 | 14,637 |
| on appointment | 13,622 | 14,282 |
| Captain after 6 years | 12,509 | 13,169 |
| 5 | 12,217 | 12,863 |
| 4 | 11,928 | 12,556 |
| 3 | 11,636 | 12,249 |
| 2 | 11,348 | 11,943 |
| 1 | 11,056 | 11,636 |
| on appointment | 10,768 | 11,330 |
| Lieutenant after 4 years | 9,494 | 9,954 |
| 3 | 9,267 | 9,716 |
| 2 | 9,041 | 9,479 |
| 1 | 8,815 | 9,242 |
| on appointment | 8,588 | 9,005 |
| Second Lieutenant | 6,694 | 6,986 |
| Officer Cadet | 4,701 | 4,906 |

* Annual salaries are derived from daily rates in whole pence and rounded to the nearest £.

Table 2.2

Warrant Officers and Senior NCOs: annual* rates

| Scale B (men committed to 6 years' or more but less than 9 years' service)† | Band | | | | | | | |
|---|------------|------------|------------|------------|------------|------------|------------|------------|
| | 4 | | 5 | | 6 | | 7 | |
| | 1 Apr 1984 | 1 Nov 1984 | 1 Apr 1984 | 1 Nov 1984 | 1 Apr 1984 | 1 Nov 1984 | 1 Apr 1984 | 1 Nov 1984 |
| | £ | £ | £ | £ | £ | £ | £ | £ |
| Warrant Officer 1 ... | 9,870 | 10,282 | 10,611 | 11,103 | 11,461 | 11,994 | 12,454 | 12,965 |
| Warrant Officer 2 ... | 9,224 | 9,610 | 9,968 | 10,432 | 10,815 | 11,322 | 11,811 | 12,293 |
| Staff Sergeant ... | 8,636 | 8,997 | 9,380 | 9,818 | 10,227 | 10,709 | 11,224 | 11,680 |
| Sergeant ... | 8,132 | 8,472 | 8,873 | 9,293 | 9,724 | 10,184 | — | — |

Table 2.3

Corporals and below‡: annual* rates

| Scale B (men committed to 6 years' or more but less than 9 years' service)† | Band | | | | | |
|---|------------|------------|------------|------------|------------|------------|
| | 1 | | 2 | | 3 | |
| | 1 Apr 1984 | 1 Nov 1984 | 1 Apr 1984 | 1 Nov 1984 | 1 Apr 1984 | 1 Nov 1984 |
| | £ | £ | £ | £ | £ | £ |
| Corporal I ... | 7,428 | 7,738 | 8,110 | 8,486 | 8,891 | 9,300 |
| Corporal II ... | 6,957 | 7,231 | 7,636 | 7,979 | — | — |
| Lance Corporal I ... | 6,519 | 6,760 | 7,201 | 7,508 | 7,986 | 8,322 |
| Lance Corporal II ... | 6,103 | 6,329 | 6,785 | 7,077 | — | — |
| Lance Corporal III ... | 5,720 | 5,928 | 6,402 | 6,676 | — | — |
| Private I ... | 5,720 | 5,928 | 6,402 | 6,676 | 7,187 | 7,490 |
| Private II ... | 5,358 | 5,555 | 6,041 | 6,304 | — | — |
| Private III ... | 4,993 | 5,168 | 5,676 | 5,917 | — | — |
| Private IV ... | 4,646 | 4,807 | — | — | — | — |

* Annual salaries are derived from daily rates in whole pence and rounded to the nearest £.

† Scale A (men committed to less than 6 years' service)—deduct £109.50 a year from the above rates.

Scale C (men committed to, or who have completed, more than 9 years' service)—add £164.25 a year to the above rates.

‡ Adult servicemen.

APPENDIX 3

ACCOMMODATION CHARGES INTRODUCED WITH EFFECT FROM 1 APRIL 1984 AND 1 NOVEMBER 1984

Table 3.1
Married quarters

| Type of quarter | Annual* charge | | | |
|--------------------|-------------------|-----------------|-----------------------|-----------------|
| | Standard quarters | | Sub-standard quarters | |
| | 1 Apr 1984 £ | 1 Nov 1984 £ | 1 Apr 1984 £ | 1 Nov 1984 £ |
| Officers | | | | |
| I | 2,128 | 2,223 | — | — |
| II | 1,909 | 1,993 | — | — |
| III | 1,668 | 1,745 | 894 | 931 |
| IV | 1,475 | 1,537 | 785 | 821 |
| V | 1,292 | 1,347 | 697 | 726 |
| Other ranks | | | | |
| D/WO | 1,040 | 1,055 | 562 | 569 |
| C | 909 | 938 | 482 | 500 |
| B | 803 | 825 | 431 | 442 |
| A | 562 | 577 | 321 | 332 |

Table 3.2
Single quarters

| Rank | Annual* charge | | | |
|--|-------------------|-----------------|-----------------------|-----------------|
| | Standard quarters | | Sub-standard quarters | |
| | 1 Apr 1984 £ | 1 Nov 1984 £ | 1 Apr 1984 £ | 1 Nov 1984 £ |
| Major and below | 865 | 902 | 467 | 485 |
| Captain and below... .. | 726 | 756 | 398 | 412 |
| Warrant Officer and Senior NCO... | 515 | 533 | 277 | 285 |
| Corporal and below | 274 | 281 | 146 | 150 |
| Young serviceman receiving less than the minimum adult (i.e. Private IV) rate | 201 | 208 | 110 | 113 |

* Annual charges are derived from daily rates in whole pence and rounded to the nearest £.

APPENDIX 4

1 APRIL 1985 RECOMMENDED RATES OF LENGTH OF SERVICE INCREMENTS

| Rating/Rank | Daily rates after completing the following years' service | | | | | |
|--|---|------|------|------|------|------|
| | 9 | 12 | 15 | 16 | 18 | 22 |
| | £ | £ | £ | £ | £ | £ |
| Royal Navy/Royal Marines | | | | | | |
| FCPO/Warrant Officer I (RM) | 0·60 | 1·00 | — | 1·35 | — | 1·70 |
| Warrant Officer II (RM) ... | 0·60 | 1·00 | — | 1·35 | — | 1·65 |
| Chief Petty Officer, Colour Sergeant (RM) ... | 0·60 | 1·00 | — | 1·25 | — | 1·25 |
| Petty Officer, Sergeant (RM) ... | 0·50 | 0·75 | — | 1·10 | — | 1·10 |
| Ordinary, Able, Leading, Marine 2nd Class, Marine 1st Class, Corporal (RM) ... | 0·40 | 0·60 | — | 0·60 | — | 0·60 |
| Army | | | | | | |
| Warrant Officer 1 ... | 0·50 | 0·75 | 0·95 | — | 1·25 | 1·70 |
| Warrant Officer 2 ... | 0·50 | 0·75 | 0·95 | — | 1·25 | 1·45 |
| Staff Sergeant ... | 0·50 | 0·75 | 0·95 | — | 1·25 | 1·25 |
| Sergeant ... | 0·50 | 0·75 | 0·95 | — | 1·10 | 1·10 |
| Corporal ... | 0·40 | 0·60 | 0·75 | — | 0·75 | 0·75 |
| Private, Lance Corporal ... | 0·40 | 0·60 | 0·60 | — | 0·60 | 0·60 |
| Royal Air Force | | | | | | |
| Warrant Officer ... | 0·50 | 0·75 | 0·95 | — | 1·25 | 1·70 |
| Chief Technician, Flight Sergeant ... | 0·50 | 0·75 | 0·95 | — | 1·25 | 1·25 |
| Sergeant ... | 0·50 | 0·75 | 0·95 | — | 1·10 | 1·10 |
| Corporal ... | 0·40 | 0·60 | 0·75 | — | 0·75 | 0·75 |
| Leading Aircraftman, Senior Aircraftman, Junior Technician ... | 0·40 | 0·60 | 0·60 | — | 0·60 | 0·60 |

APPENDIX 5

1 APRIL 1985 RECOMMENDED LEVELS OF MILITARY SALARY FOR CERTAIN SPECIAL GROUPS

Table 5.1

**Recommended annual* rates of military salary for veterinary officers of the
Royal Army Veterinary Corps**

| Rank/length of service | Military salary |
|--|-----------------|
| | £ |
| Brigadier | 29,401 |
| Colonel after 8 years | 26,995 |
| 6 | 26,353 |
| 4 | 25,711 |
| 2 | 25,068 |
| on appointment | 24,426 |
| Lieutenant Colonel, Major, Captain after 27 years | 23,280 |
| 25 | 22,590 |
| 23 | 21,900 |
| 21 | 21,210 |
| 19 | 20,520 |
| 17 | 19,732 |
| 15 | 18,944 |
| 13 | 18,155 |
| 11 | 17,367 |
| 9 | 16,509 |
| 7 | 15,651 |
| 5 | 14,793 |
| 3 | 13,936 |
| 1 | 13,078 |
| on entry | 12,217 |

Table 5.2

Recommended annual rates of military salary for university cadets

| | |
|----------------------|-------|
| | £ |
| on appointment... .. | 5,060 |
| after 1 year | 5,670 |
| after 2 years | 6,280 |

Table 5.3

**Recommended annual* rates of military salary for naval apprentices and
probationary medical technicians**

| | |
|--------------------|-------|
| | £ |
| first year... .. | 3,606 |
| second year | 4,636 |
| third year | 5,661 |
| fourth year | 7,661 |

* Annual salaries are derived from daily rates in whole pence and rounded to the nearest £.