

Naval Families

F E D E R A T I O N

Armed Forces Pay Review Body

2020

Background and context

1. In preparation for its annual presentation of evidence to the Armed Forces Pay Review Body (AFPRB) for 2020, the NFF carried out a short online survey on pay. The survey was open for 7 days in early November 2020. The survey was identical to that carried out in previous years. This year's survey had 139 responses, compared with 215 responses in 2019 (the 2019 survey was carried out over 14 days).
2. The 2020 survey was open during the first week of the second national lockdown in England as part of the Covid-19 response. The context of Covid-19, with its associated economic and job-security impacts, may be relevant to the perceptions and experiences of respondents.
3. Respondents are a self-selecting sample, which differs each year.

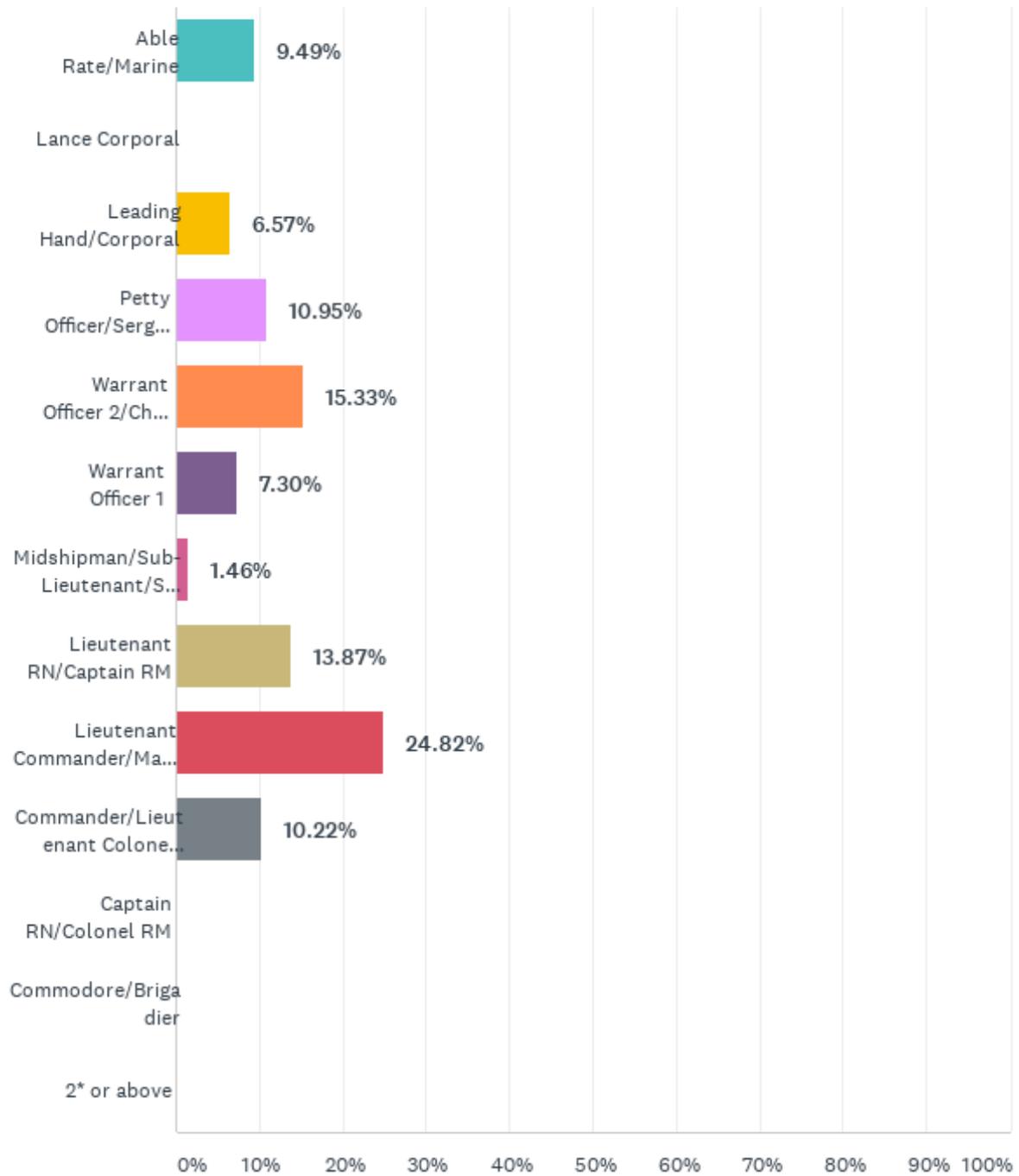
Summary of Findings

4. In 2020, 31% of respondents felt satisfied with their financial situation always or a lot of the time. In 2019 the figure was 20%.
5. The percentage of respondents who are never able to save for a rainy day in 2020 is 23% (down from 40% in 2019).
6. The proportion of respondents reporting feeling concerned about managing personal debts has decreased slightly from previous years. In 2020, 5% reported being always concerned (down from 14% in 2019). A further 71% reported feeling concerned a lot or some of the time (down from 76% in 2019).
7. There has been an increase since last year in the proportion of respondents reporting that they always have enough money for the things that they need (up to 21% from 13%).
8. Over the past year:
 - The main ways that people have balanced the books have been by cutting back on holidays and leisure activities (61% of respondents) and spending less on groceries/shopping around for essentials (50%).
 - This year 12% of respondents have cut back on insurance cover to save money (down from 20% in 2019).
 - 42% of respondents have made changes to a spouse/partner's working patterns or job in order to manage financially.
9. Of the 139 respondents in 2020, 62 chose to provide additional free text feedback. The most common themes could be categorised as comments about the following topics/opinions (in descending order of subject frequency):
 - a. Pay compares unfavourably with similar roles in the civilian job market/basic pay is insufficient
 - b. Pay does not compensate adequately for time spent away from home and the wider impact on personal and other family members
 - c. X-factor is insufficient to compensate for the additional demands of Service life

- d. Pay does not compensate adequately for workloads and working hours
- e. RRP, specialist pay, and financial levers for specialisations with shortage categories
- f. Allowances do not compensate adequately for the impact and costs of mobility/relocation
- g. Pensions
- h. GYH allowances are insufficient to alleviate family separation
- i. Difficulties with getting travel and subsistence costs reimbursed, pay issues
- j. The cost of childcare in general, and increased costs resulting from the serving person's absence or being a single serving person
- k. Accommodation charges for people who are not married or civil partnered
- l. Additional costs faced by non-UK and Commonwealth families
- m. Quality of Service Families Accommodation
- n. AFPRB independence/ability to deliver a fair pay award

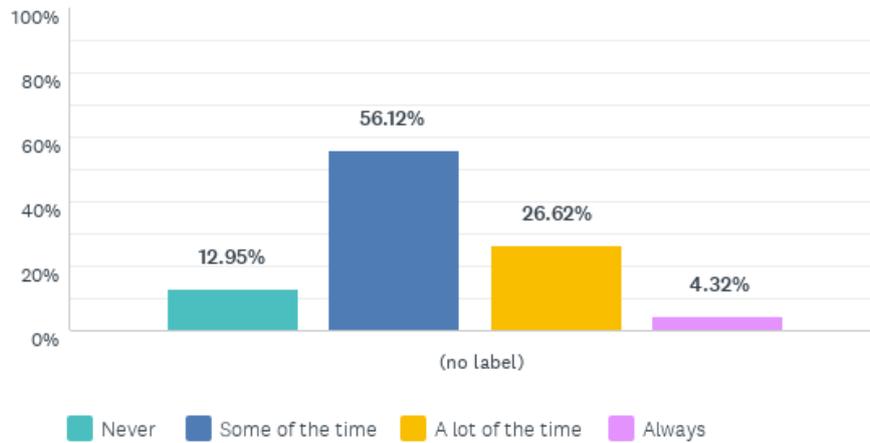
10. Who responded to the survey in 2020?

What rank/rate are you or your serving person?



11. RESPONSES TO MULTIPLE CHOICE QUESTIONS (figures in text have been rounded)

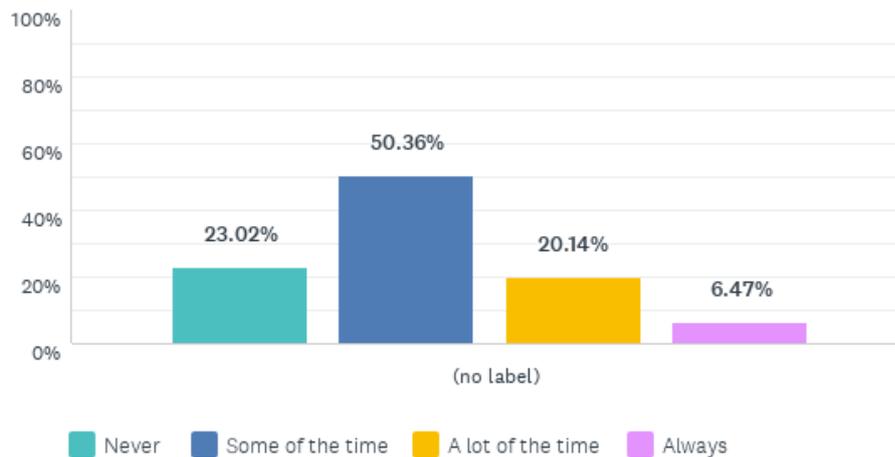
Q1. I feel satisfied with my financial situation



Never	13%
Some of the time	56%
A lot of the time	27%
Always	4%

The percentage of respondents who were satisfied with their financial situation always or a lot of the time has increased since 2019 (20% to 31%).

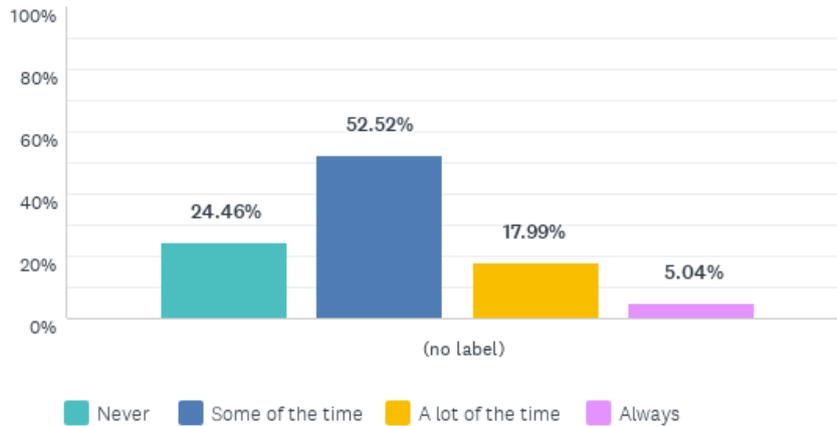
Q2. I am able to save for a rainy day



Never	13%
Some of the time	56%
A lot of the time	27%
Always	4%

The percentage of respondents who are never able to save for a rainy day has decreased since 2019.

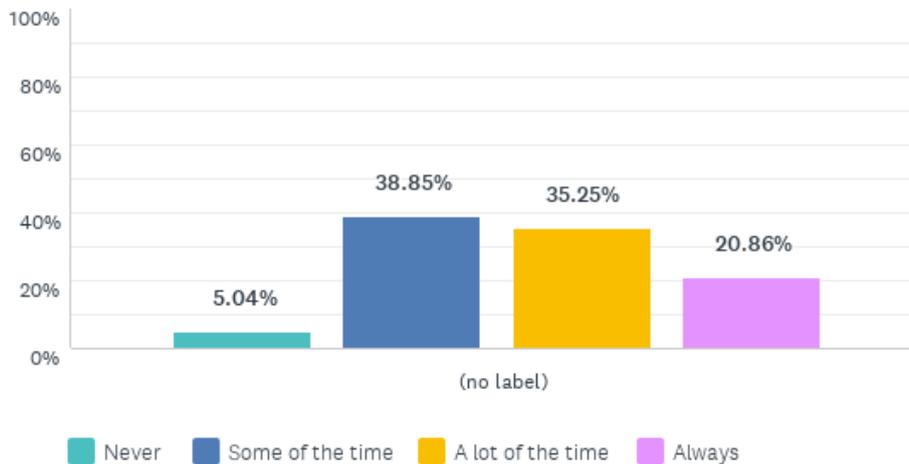
Q3. I worry about managing my debts



Never	24%
Some of the time	53%
A lot of the time	18%
Always	5%

Since last year’s survey, there has been an overall slight decrease in the proportion of respondents concerned about managing personal debts.

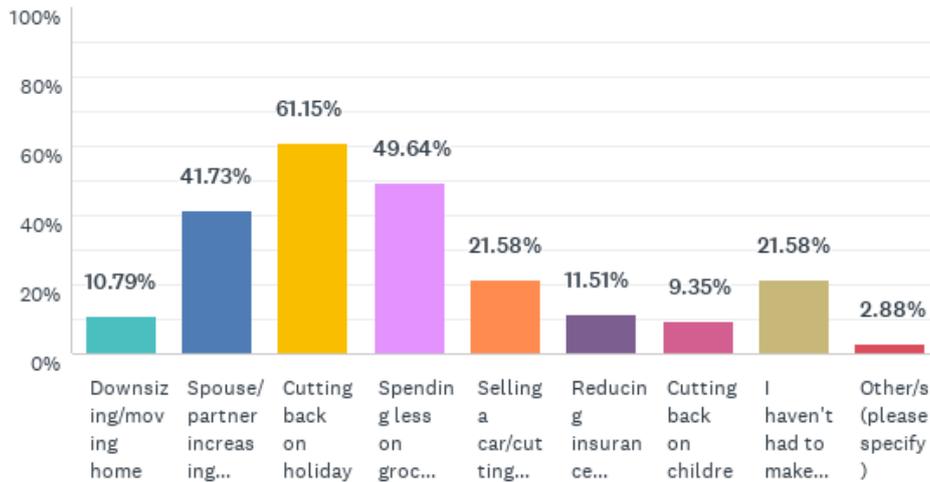
Q4. There is enough money coming into my house to pay for the things that I need



Never	5%
Some of the time	39%
A lot of the time	35%
Always	21%

There has been an 8% increase since last year in the proportion of respondents reporting that they have enough money for the things that they need.

Q5. Have you had to make changes in any of the following areas over the past 12 months?



Downsizing/moving home	11%
Spouse/partner increasing hours at work/changing jobs	42%
Cutting back on holidays/leisure activities	61%
Spending less on groceries/shopping around for essentials	50%
Selling a car/cutting back on transport costs	22%
Reducing insurance cover	12%
Cutting back on children's education costs/trips	9%
Other/s (please specify)	3%

12. Over the past year:

- The proportion of spouses/partners reporting increasing working hours or changing jobs to boost the household income has increased slightly.
- There has been a decrease in reporting of cutting back on holidays and leisure activities, which may also reflect the lack of opportunity during the Covid-19 pandemic.
- The proportion of households reporting spending less on groceries/shopping around for essentials has decreased. Again, this may reflect Covid-19 spending patterns.
- There has been a slight rise again since 2019 in the proportion of households reporting selling a car or cutting back on transport costs. This may be related to the increase in home-working during Covid-19.
- There has been a further small decrease in the proportion of households reporting cutting back on the costs of children's education/trips, which may be related to Covid-19 restrictions.

FREE TEXT FEEDBACK

13. 62 respondents chose to provide free text feedback. Much of this feedback covered more than one subject. Examples of the feedback are provided from paragraph 15 below. Some of the comments relate to more than one heading but have been grouped as the 'best fit'. Identifying details have been redacted.

2020 THEMES

14. Pay compares unfavourably with similar roles in the civilian job market/basic pay is insufficient

The pay scale is not good when compared to other professions. My wife, a teacher, in 6 years can reach the top of the pay scale at £41,000, with progression after that. To reach this in the armed forces you need to be in a substantial amount of time, probably why a lot of lower ranks leave. Compared to other jobs and salaries, it's not a good profession financially and I rely a lot on my wives [sic] income too, putting pressure on her to work full time to keep us financially stable.

If I was to deploy again from [sic] 10 months - but instead was employed in the civilian sector - I would be hugely better off. If I was employed in the civilian sector doing the same amount of hours and experiencing the same amount of disruption - I would be massively better paid.

Personally I believe that the pay needs to reflect the commitment given and therefore should be higher, it seems crazy that my husband has more management experience than me yet when both employed I earn more.

The wages for armed forces officers is generally ok. However, private sector will recruit military officers for a higher wage, and offering far better work life balance. With many "perks" of being in the military being lost, the fun having been lost from the job, and personnel being stretched too thin, MOD must increase wages to prevent officers from leaving. The wages for Ratings must be increased. If I were to put myself in a prospective ratings shoes, the wages simply are not enough to warrant staying. Stability is minimal, most are over worked with minimal family time, and the fun / perks have been lost. In order to retain personnel, they must feel valued, have job satisfaction and a healthy work / life balance. If MOD cannot provide this, higher wages must be considered. You say we earn the 'equivalent' civilian pay due to our benefits - gym insurance health care etc but when you apply for a mortgage your on paper salary is low.

Ask them why pay for Royal Marines commando is unbalanced and severely underpaid... The reason people are leaving the armed forces is because they can double their wages by working as anything else and promoting seems to never happen.

How is a Royal Marine supposed to live on £18k a year after training? My son is married and his wife is the breadwinner and therefore cannot leave her job to be with him in Plymouth.

It's demotivating to work alongside civilian contractors who get paid double or triple time to work weekends, can clock off at 5, work flexi time and are able to take leave when they want. The serving personnel often gets the duties no one wants because civilian counterparts want the duties that pay more and have union representation to ensure annual leave entitlement is kept to.

If I wasn't close to pension I would have left by now as the pay is poor and is what is driving people to leave.

My pay no longer matches or exceeds the civil sector [Marine Engineer Officer].

The Defence Engineering Remuneration Review has yet to generate significant changes in the pay of Royal Navy Engineering Officers. I would welcome a statement at the next AFPRB report about whether there remains an intention to enhance the financial offer for Royal Navy Engineering Officers. I am increasingly convinced that a new career outside of the Royal Navy will generate far greater remuneration and employment package reflecting the value other organisations place on professional engineers. Royal Navy Engineer Officer pay grades are not aligned to civilian equivalents and do not acknowledge the pre-requisite degree qualifications that are required to join. In particular with the Ratings engineering 'trade pay'.

I feel that, as an engineer, my overall package would be more money when working in a civilian company.

My pay is not increasing with the cost of living.

...as SPs look to the future they realise that what they will be expected to produce, under adverse conditions, does not correlate with the overall package offered. Not forgetting that military is the not only employer to offer additional packages on top of salary. If we are to keep the cream of the crop we must take action now.

I am wary that when the cost (financial) of the pandemic is counted the pay part of the package will be squeezed to ensure that the investment in high cost items (carrier etc) continues to happen. This will leave the armed forces behind compared to civilian industry.

15. Pay does not compensate adequately for time spent away from home and the wider impact on personal and other family members

Pay doesn't compensate for the burden placed on partners.

I've spent just over 1700 days away from my family and most likely will spend another 1700 days away as the only way for me to afford paying for my family is with sea pay. My wife doesn't work because we have to have somebody at home to pick up the kids and drop them off to school. She cannot get a school hours job because there are none going even on the warehouses as a picker / packet she can't get one. I cannot make ends meet and feel like I'll be better off civvie side with my 13 years experience and qualifications. In the navy my experience doesn't seem to count for anything.

The family unit has been forgotten - it is so hard to be a parent and serve. It costs you so much more to do the job you love and serve your country. More support for service families is needed.

[Pay] not reflective of family time lost and the emotional stress of being a one parent family for the majority of the year.

Due to CV19 and work responsibilities there have been longer periods away from home due to isolation requirements etc. Some compensation could be given as not all of these periods were operational but done for the good of the nation and protecting the NHS.

The additional pay / supplement for being deployed / at sea does not sufficiently reflect the additional costs / hardship created by being away.

...there is no compensation for the significant emotional and mental hardship created by deployments.

The impact that a Service role has on a (civilian) partner's ability to have a career is significant, with it appropriate for this impact to family circumstance to be accounted for in a Service Person's pay.

Service life limits spouses earning potential due to moving and additional childcare burden without extended family support. This adversely affects service family household income.

With Covid making spouses employment even more difficult than it was before, I think it's time to increase armed forces pay to allow for spouses to again, have the option to stay at home to provide childcare and continuity.

16. X-factor is insufficient to compensate for the additional demands of Service life

The "X" factor does not account for the lack of union protection and hours worked.

Give a reasonable pay scheme to the armed forces who everyday put their lives at risk for the country.

We all pay tribute on Remembrance Day i.e. the whole country. Give us the pay to reflect this.

As a wife of a Royal Marine I see how stressed out my husband is about contributing to the household bills every month. They have a stressful job as it is without having the extra stress.

The x factor payment is ridiculously low for what we do.

The X-Factor does not really apply in my experience: Dental...things like wisdom teeth removal will have to be at my expense. Gym - gym closed and rubbish at [location] so pay for private gym. Pension - reduced from '75 and '05. Still non-contributory but that is in exchange to risk to life and time away from families.

The X-Factor is no longer a reasonable recompense for the hardship and expectations of both command, Govt and the public. Factor this alongside additional expense under FAM, increased meal costs, stagnating levels of travel subsistence payments and rising costs of living and it can be seen that the overall financial package is not representative of the work and hardship endured by Service Personnel and their families. I would like to see an uplift of X-Factor and a pay rise of at least 3.1% (in one payment, not split) in line with MP's pay award 2020.

17. Pay does not compensate adequately for workloads and working hours

Pay is reasonable but does not reflect the hours service personnel work, with duties and the level of responsibility and time away from home.

Ask them how people working as public servants do a job 9-5 and get paid minimum wage. Where as armed forces work 24/7 365 and don't get paid minimum wage between these hours at least.

As an officer in the RN without dependants my pay is sufficient however this year due to covid and isolation/quarantine requirements there has been insufficient time to take annual leave. Could a buy back scheme be considered to sell back some of my leave if unable to take it?

As a [sic] officer in a shortage branch I often find myself being short notice moved to fill operational requirements, whilst others remain in constant shore jobs... For those that do not go on to drive [Command a ship] but maintain a shortage branch and regularly deploy at short notice job after job, could there not be consideration for a continued pay increment similar to that of the fleet air arm?

The pay lacks reflection in the pressures applied on people and the extra work that is now expected of personnel due to heavy gapping, poor equipment availability which means longer working days and personnel gaps that means duty rotations are alot more frequent so time with family is reduced.

Long hours and lots of time away, including weekends and evenings on call are not reflected in pay, this recurring theme is getting worse. Senior direction continues to be to reduce personnel and increase workload... it is just not sustainable and reduces the true 'minimum wage' of AF personnel.

Responsibilities put on armed forces personnel are ever increasing with a reduction in (SQEP) personnel numbers.

18. RRP, specialist pay, and financial levers for specialisations with shortage categories

There are too many demands being made on specialist pay (RRP etc) that end up being divisive. If management were prepared to make conditions better and not make regular changes, pay would be less of an issue.

Specialist Pay should be pensionable.

The levers for recognition of greater length of service and service in specialisations within a shortage category should be used more, and better remuneration for those in those cadres should be considered.

Pay - I strongly feel that, as an engineer, I am highly undervalued with pay. My expertise and qualifications should be rewarded with either a separate pay spine or additional supplement pay; as is in the civilian world. Chefs / Logistic managers are not paid the same as engineers. To rub salt into the wound, the RAF recently got through their own specialist pay with RN and Army not bothering to apply (AFPRB) with no explanation given. I would appreciate this being specifically brought up.

Why is Specialist trade pay removed if you submit your notice? You are still doing the same job, with the same background and expertise. You would still be delivering your defined role. After many years of being an SME and finally being recognised, I think that removal of this 'trade pay' is demeaning. Just because a person has submitted their notice doesn't mean they are any less able. Or should the person be removed into a non-trade job?

Submarine Golden Hello, with the exception of the increase to OR TSM and SSM personnel has been at the same rate of £5000 for as long as I can remember. Inflation over the years has seen the real world value of the Golden Hello reduce year on year and the incentive to become a submariner has reduced.

19. Allowances do not compensate adequately for the impact and costs of mobility/relocation

When you have an enforced military move and do NOT want to sell your home and decide to rent it out, whilst at the other end of the country, there should be some tax relief on the property rental income earned. I'm not saying that you shouldn't pay tax on property rental income, just that it should be commensurate with any profit made and not on the whole amount, as 2 years in [location A] has just cost us almost £6000 in tax, on top of me giving up my job in [location B] and despite us paying out a similar amount in rent ourselves.

Disturbance allowance does not cover the multitude of losses made on a military move.

The disturbance allowance in particular was not adequate to cover the expenses incurred during our move.

I recently moved to SFA to Northwood and I have noticed a significant increase in my outgoings due to living within the M25. Assignments to establishments close to London should bring with it a salary increase similar to that offered by the NHS to employees working in and close to London. I have noted an increase in the costs of living in Northwood including: Fuel, Car Insurance, Home Insurance, Leisure and the service sector.

20. Pensions

WO Transformation needs to include provisions for transitional arrangements that consider a loss of potential pension rights due to poorly thought through pay structures. Considering the McCloud investigation that is ongoing, more disruption to potential pension rights is unwelcome at this time.

The continued, inequitable, and distressing issue of pension taxation is causing real hardship. For a measure introduced in 2011 to only cover the highest earners, the regime of Annual Allowance taxation (in which we are charged real money in a tax bill in order to account for an imaginary increase of an imaginary pot of money, thanks to an arbitrary calculation) is now a real problem. Last year thousands of service personnel from Warrant Officers upwards were presented with an unfair tax bill that caused significant financial pain - by a rule that was purely designed to capture fat cat city types on contributory pensions to avoid them evading tax on their earnings. It simply was not designed to punish members of the Forces for having a final salary pension, but we are now the largest group of people caught by this rule. Please can the NFF present this (again) to the AFPRB as a key issue that affects the personnel in the RN, as for the longest serving ratings, WOs and officers, it is the single biggest factor driving people outside as the final straw in a series of short sighted unfair treatment.

...the pension (2015 scheme) is so awful compared to the pension some people signed onto (75 scheme) and no way for people in the middle ground to complete one full pension and will therefore suffer in the long run.

Our main concern is with AFPS15 there is no benefit to staying in for a full career as the pension does not get paid until state pension age (likely to be increasing beyond the current 67 years old) therefore on retirement at 55 you still have to find another 12 years minimum employment before a pension income, this is not long enough to have a full and rewarding second career, many would be better off leaving at 40 and then having time (approaching 30 years) to work on a second career and gain promotions, this then leads to a huge drop in experienced personnel especially within the Senior Rates.

21. GYH allowances insufficient to alleviate family separation

He only gets to come home every other weekend due to the low salary and huge cost in fuel to come home. The effect of not seeing family on his mental health, especially through this year has been awful and a struggle to watch from so far away.

I would like my husband's weekend trips home fully covered. I don't want us to be out of pocket so that he can come home! What the navy give him isn't enough as they cover petrol and he needs to fly otherwise we'd only see him for 24hrs.

GYH payments do not support going home every weekend. Intent is every other weekend but in these times where mental health and harmony time is such an important topic it is time to review the pay and provide better options for travelling. Personnel take shortcuts and will drive long distances which increase risk, is it time to pay actual expenses to a maximum and provide some flexibility? Especially those living in Scotland but with courses/ work places in England.

22. Difficulties with getting travel and subsistence costs reimbursed, pay issues

The forced payment of additional costs like hotels and travel is often put on credit cards by military personnel due to either cost or unable to spare it from their own budget. It then can take a month to be repaid and does not account for usage and interest fees levied by the company. The expectation of personnel to travel from one end of the country to the other is a financial burden the person is expected to fund for at least a month before any help is given via their pay. It can often take 2 months to obtain their full amount. If the RN is sending an individual to a hotel then they RN should be able to pay prior to the individual arriving.

Claiming expenses can be so confusing and difficult, many people do not bother.

With over payments there is never enough notice to sort a payment plan if the figure being recovered is too much for a family to survive and can often be taken 6+ months later. Yes if you get an over payment you should save it but you don't always notice if deployed without internet access and don't keep track of what your spending because of exchange rates. Notice of recovery prior to it being taken and how much in a letter or email would allow it to be managed and not come as a shock to some spouses when there is less money coming in.

23. The cost of childcare in general, and increased costs resulting from the serving person's absence or being a single serving person

I am paying for childcare in order to do my fitness test as it is at 0830 and my son doesn't start school until 0900. The family unit has to decide who works and who doesn't because childcare costs are prohibitive.

Pay does not reflect months of the year spent away and having to find additional costs of childcare.

While my husband is away we incur additional childcare costs which are not covered by the daily separation allowance.

Whilst I think we are paid fairly for what we do (compared to other public sector services) childcare for early years is particularly difficult and expensive given the nature of our jobs. I look forward to the outcome of the current childcare project and suggest this is important especially towards female retention.

Single serving parent. No help with childcare costs. I am in debt, which has gradually built up trying to provide for my child and maintaining my car etc. I am worse off then [sic] my colleagues at university on a maintenance loan.

24. Accommodation charges for people who are not married or civil partnered

As a single person with my own house in [location] which I have to maintain solely on my wage, I feel it is unfair that I have to pay accommodation charges whilst living in a cabin in [location] as part of my draft to [unit]. I pay child support on top of this I end up out of pocket each month travelling to and from my home to work as after the accommodation charges (£110 plus £12 CILOCT) have come out of my wages the GYH(M) (£180 per month) does not cover the cost of the fuel. This is one of the reasons the navy struggles to get people to leave their base port if they are single as they have to pay for accommodation in their non preference area when a married SP does not.

Why do Single personnel have to pay for SLA whereas Married Personnel do not. Surely this is discriminatory based on personnel status.

25. Additional costs faced by non-UK and Commonwealth families

Can extra financial help be given to those Commonwealth military people. If there is no increments every year, then at least put some funding aside to help them pay for this. We have being [sic] serving for the best part of our lives (14 years) and we still have to save for those passports (£6,000.00) for both adults. Saving is hard to come by especially when you have only 1 pay coming in. My navy man has done Optelic Operations to the Gulf etc, at least look after his Welfare and struggle to get his red passport done plus his wife's ILR. COVID19 should open your eyes to see that these men and women in uniform are your hands, feet etc when the nation is in Crisis so at least give them some credit financially. It is like having PTSD where the symptoms are unseen but we have being living with it and its real.

26. Quality of Service Families Accommodation

Reduce costs for SFA or increase quality (Renew contract not with Amey).

27. AFPRB independence/ability to deliver a fair pay award

I am sceptical of the true independence of the AFPRB. If truly independent, during austerity the AFPRB should've recommended a pay rise and then let the government ignore the recommendation, however, the AFPRB recommended the government's policy, that indicates a lack of independence. Also, if pay is now joint, why does one Service have additional pay scales for some ranks/rates that the other Services do not e.g. RAF has additional pay scales for SO2s above level 7?

28. Themes raised in 2019

Themes raised with the AFPRB in 2019 are listed below for comparison:

- a. Pay comparing unfavourably with similar roles in the civilian job market
- b. The cost of childcare in general, and specifically the increased costs resulting from the serving person's absence. Childcare costs in MOD settings
- c. Difficulties meeting living costs
- d. Pay not compensating adequately for time spent away from home by the Service person
- e. Specific allowances, particularly those enabling serving people to travel home to spend time with their partners and family members
- f. Pay relating to specific branches, specialisations, ranks, rates and Full Time Reserve Service (FTRS)
- g. Taxation, particularly of Recruitment and Retention Pay (RRP)
- h. Pensions
- i. Pay not compensating for the workload, stress and operational tempo
- j. Pay not compensating for the impact on spouse/partner earning power
- k. Affordability of housing
- l. RRP
- m. General comments about the pay award and the 'offer'
- n. Allowance package disadvantaging single people compared to married/civil partnered people, Single Living Accommodation (SLA) charges.
- o. Difficulties taking leave due to workload but unable to take pay in lieu
- p. Cost of using personal mobile phones for work calls when not provided with access to a work mobile phone
- q. Financial planning - more guidance requested