



Ministry  
of Defence



DE&S Secretariat



DESSec-FOI@mod.uk



Defence Equipment & Support  
Maple 0A, #2043  
MOD Abbey Wood  
Bristol, BS34 8JH



Ref: FOI2018/10768

Scott Asbury  
Request-511494-  
74b88d16@whatdotheyknow.com

16 October 2018

Dear Mr Asbury,

Thank you for your email, dated 20 August 2018, which asked for the following information:

*I would like detailed information on the benchmarks and bench marking process used to work out DE&S staff pay awards for 2016/17/18 as the information has been refused by DE&S several times.*

I am treating your correspondence as a request for information under the Freedom of Information Act 2000 (FOIA). A search has now been completed within the Ministry of Defence, and I can confirm that information in scope of your request is held.

#### Benchmarking Data

As advised in our letter of 18 September 2018, benchmarking information falls entirely within scope of Section 43(2) (Commercial Interests) of the FOIA. This provides that information is exempt if its disclosure under the Act would, or would be likely to, prejudice the commercial interests of any person (including the public authority holding it). A public interest test was conducted which concluded that, while disclosure of benchmarking information would facilitate public sector pay transparency, release of information that DE&S has procured from a third party would compromise the commercial interests of the company involved (Willis Towers Watson). Disclosure could also allow benchmarks to be estimated and reveal DE&S' pay profile to competitor organisations, which would also undermine DE&S' commercial interests. As such, the information you have requested relating to pay benchmarks has been withheld. I have set the level of prejudice to the higher level of 'would'.

#### Benchmarking Process

For the 2016-17 and 2017-18 pay awards, DE&S procured the benchmarking information through Willis Towers Watson; a world-leading benchmarking organisation. Willis Towers Watson uses a standard survey set to which DE&S and other private sector organisations provide input. The company holds this data, and organisations then pay to extract the information they need. The DE&S benchmarks are therefore derived from Willis Towers Watson information, which pertains to a range of suppliers.

Our benchmarks are set in the context of 'total reward', which includes base pay, allowances, incentives, pension and other benefits. We also consider market competitive levels of incentives such as annual bonuses in setting our benchmarks. This includes items such as recruitment and

retention allowances, but does not include ad hoc allowances such as additional hours payments. With regard to pensions, a figure of 21% has been used to value the employer contribution rate to the Defined Benefit CARE pension scheme (ALPHA). This figure has been confirmed by the Government Actuary's Department as being the average employer contribution rate that is made to the scheme.

If you have any queries regarding the content of this letter, please contact this office in the first instance.

If you wish to complain about the handling of your request, or the content of this response, you can request an independent internal review by contacting the Information Rights Compliance team, Ground Floor, MOD Main Building, Whitehall, SW1A 2HB (e-mail [CIO-FOI-IR@mod.uk](mailto:CIO-FOI-IR@mod.uk)). Please note that any request for an internal review should be made within 40 working days of the date of this response.

If you remain dissatisfied following an internal review, you may raise your complaint directly to the Information Commissioner under the provisions of Section 50 of the Freedom of Information Act. Please note that the Information Commissioner will not normally investigate your case until the MOD internal review process has been completed. The Information Commissioner can be contacted at: Information Commissioner's Office, Wycliffe House, Water Lane, Wilmslow, Cheshire, SK9 5AF. Further details of the role and powers of the Information Commissioner can be found on the Commissioner's website at <https://ico.org.uk/>.

Yours sincerely,

DE&S Secretariat