



OPERATIONS

PAGE 4

- British forces are in **Afghanistan** for one overriding reason: to protect our national security by helping the Afghans take control of theirs. This means building up the capability of the Afghan National Security Forces (ANSF) so that they can prevent Afghanistan from ever again becoming a safe-haven for international terrorists.
- The UK Government does not seek a perfect Afghanistan, but rather a stable Afghanistan that is able to manage its own security effectively.
- The Government believes that a stable, open and democratic Libya contributing to wider regional stability and security is in the UK's interest. That is why the UK is working closely with the US and other international partners to secure a political settlement, and has started training up to 2,000 Libyan Armed Forces personnel in basic infantry skills to help improve security.

TRANSFORMING DEFENCE

PAGE 6

- Defence must adapt to stay ahead, configure capabilities to address tomorrow's threats, build more versatile and agile forces for the future, and ensure our people have what they need to do what we ask of them. The MOD is making this happen by Transforming Defence to deliver battle-winning Armed Forces, a smaller, more professional MOD, and a hard headed approach to what we can afford.
-
- The **Reserve** Forces have a vital role in delivering the UK's national military capability and have made a substantial contribution to operations past and present. The new relationship set out in the White Paper 'Reserves in the Future Force 2020', published on 3 July 2013, is a significant step forward in the plans to create a new, fully integrated Reserve Force that is well trained, well equipped and well funded. Part 3 of the Defence Reform Act, that received Royal Assent on 14 May, puts in place the conditions for changes to the Reserve Forces.

SUPPORT TO PERSONNEL AND MEDICAL

PAGE 8

- As an organisation which is fed from the bottom up, the Armed Forces are always recruiting as there is a constant need to replace those who are promoted, or complete their service, with new talent; this must and will remain a priority as we seek to attract around 22,000 new recruits to the Armed Forces in 2014/15. All 3 services have TV campaigns running in the Sep-Nov timeframe to attract both Reg and Res candidates. There is a particular requirement to increase attraction rates for Engineers due to a national skills shortage in this area and we are proposing to explore this issue with other Government departments. We are also running other specific initiatives to better attract Engineering graduates including increasing our campus presence. There is a constant standing requirement to **recruit** around 10% of Regular personnel per year to replace those completing their service and preserve future operational capability. Additionally, the requirement to increase Reserves numbers to support FR20 remains a priority and targeted recruitment campaigns are being delivered at the local level to support this. The Armed Forces are actively recruiting to sustain manning balance across all skill sets, preserve future operational capability and to support Regular/Reserve manning ratios.
- The new Defence Relationship Management function is developing improved relationships with employers and a bespoke Civil Service recruiting campaign, including a 1% challenge is under way
- The MOD is **reducing the Armed Forces** by some 33,000 (19%) by 2020 across the whole rank structure (5,500 Navy, 19,500 Army, 8,000 RAF) and the civilian workforce is being reduced by some 32,000 (38%) by 2020. On 12 June 2014, around 1,060 Service Personnel

were notified of their selection for redundancy for the fourth and final tranche, of whom 72% were applicants.

- The **New Employment Model (NEM)** is the biggest review of the Terms and Conditions of Service for Service personnel (both Regular and Reserve) in over 40 years. It aims to deliver an updated 'offer' to Service personnel which is attractive and affordable. It covers four broad areas of policy: Terms of Service: Accommodation: Training and Education and Pay and Allowances. On 1 April 2014 a three year pilot scheme was implemented, offering Regular personnel an interest-free loan, to buy their own home. Implementation of the other NEM components is expected from April 2015 onwards, with full implementation stretching into 2020 and beyond. On 21 July 2014, MOD published the results of consultation with Service personnel and their families on the NEM. Between June 2013 and February 2014, around 30,000 Service personnel shared their views on the NEM programme via briefing sessions, an online questionnaire, focus groups and a 'targeted' survey issued to a representative Armed Forces population. The aims of the consultation were two-way communication with Service personnel on the principles of NEM and gaining specific pieces of information to help design effective policy.
- The **Armed Forces Covenant** recognises that the Government and the Nation have an obligation to the Armed Forces Community and it establishes how they should expect to be treated. A number of important changes have been made as a result of the Government's undertaking to rebuild the Covenant. So far £105M of funding has been committed to the Covenant including £75M of LIBOR fines to good causes in support of the Armed Forces Community of which £40M has been used in support of Veterans Accommodation; the Community Covenant establishes links between local authorities and the Armed Forces; and the Corporate Covenant was launched in June 2013 to allow employers and other organisations to show their support for the Armed Forces. The Prime Minister recently announced 100% of Local Authorities in Great Britain have now signed Community Covenants and over 200 Corporate Covenant's have been signed.
- All Armed Forces personnel are supported by dedicated and comprehensive **medical** services, including mental health support. The Government gives the highest priority to the care pathway for injured troops, including the role of the Defence Medical Rehabilitation Centre at Headley Court in rehabilitation. The Government has announced that Headley Court's rehabilitation capability will transfer to the Defence National Rehabilitation Centre (DNRC) in the East Midlands when it opens in 2017/18. The DNRC will ensure the continued provision of world-leading clinical rehabilitation to enable Defence to care for the injured and the sick in the best possible way.
- The **Armed Forces Pension Schemes** are designed to reflect the special features of Service life and to provide adequate retirement income and protection for dependants. As part of the reform of all public service pensions, Armed Forces Pension Scheme 2015 will be introduced from April 2015.
- The **Armed Forces Compensation Scheme** provides compensation for injuries, illness and death arising from Service since 6 April 2005. War pensions are paid to veterans with injuries caused by their service prior to this date.
- The MOD recognises the importance of providing decent living standards in maintaining morale on the front line and, despite the current financial challenges, continues to invest and target efforts on the most pressing **accommodation** issues. Military accommodation arrangements continue to represent good value for money for members of the Armed Forces, with charges well below market rates.
- The Government is committed to providing the most appropriate and effective **welfare** support to personnel and their families in recognition of the commitment that they make to the nation, with a particular focus on those serving on operations through the Deployed Welfare Package.
- **Defence Recovery Capability** is an MOD-led initiative and managed in partnership with Help for Heroes and The Royal British Legion. It is designed to ensure wounded, injured and sick

Service personnel receive coordinated support and have access to all the key services, including resources needed to help them either return to duty or make a smooth transition to an appropriately skilled civilian life.

EQUIPMENT CAPABILITY

PAGE 16

- Success in Afghanistan is the main effort for Defence and the Government is fully committed to ensuring that the campaign is properly resourced, funded and equipped.
- The publication of the Equipment Plan follows the Defence Secretary's announcement last year that the Defence budget has been balanced for the first time in more than a decade. On 31 January 2013, the MOD published its equipment plan for the next 10 years which has been scrutinised by the National Audit Office (NAO).

SCOTLAND AND FURTHER DEVOLUTION

PAGE 18

- On 18 September 2014, the Scottish Independence Referendum took place and Scotland voted to stay part of the United Kingdom.
- Scotland will remain as part of the United Kingdom, with its own Parliament. The UK and Scottish Governments will continue to make the changes to the powers of the Scottish Parliament that were agreed in the Scotland Act 2012.
- The Prime Minister's 19th September statement set out that "Lord Smith of Kelvin has agreed to oversee the process to take forward the devolution commitments, with powers over tax, spending and welfare all agreed by November and draft legislation published by January."
- The UK Government has already set out our strong commitments for the future of defence in Scotland. By 2020, Scotland will be home to one of three Royal Navy main bases, including all its submarines, one of the British Army's seven Adaptable Force Brigades and one of three Royal Air Force fast jet main operating bases.

-- CTRL + click titles / topics in bold to follow links to the relevant sections --

SECTION 1 – OPERATIONS

AFGHANISTAN

- The UK is part of a UN-mandated, NATO-led international mission in Afghanistan supported actively by 45 other countries.
- The international strategy involves protecting the civilian population from the insurgents, building up the ANSF and supporting more effective governance at every level.
- The UK's force level in Afghanistan has reduced from 9,000 at the start of 2013 to around 3000 at the beginning of October 2014.
- By the end of 2014 there will be no British personnel in a combat role in Afghanistan.
- The Afghan National Security Forces' (ANSF) capability continues to improve; today they are leading 99% of all security operations and delivering over 90% of their own training.
- Consequently, within the ISAF mission, the focus of the UK's efforts has evolved from leading combat operations to training, advising and assisting the ANSF.
- As at 3 October 2014, a total of 453 British forces personnel have died while serving in Afghanistan since the start of operations in October 2001. As at 31 August 2014, 305 personnel have been very seriously injured or wounded, and 310 have been seriously injured or wounded..

ANSF / Transition

- The ANSF is now taking the lead for security throughout the country – all provinces, all cities, all borders – and for all of Afghanistan's 30 million citizens. This represents a significant milestone for Afghanistan and its people.
- Assuming the security lead nationwide clearly demonstrates that progress in Afghanistan is real and tangible. Though challenges remain, the ANSF continues to grow in confidence, capability and capacity.
- ISAF reporting shows that the ANSF is sustaining its surge strength target of 352,000 personnel and is currently manned to 97% of this target. As of the end of July 2014, there were around;
 - 173,524 in the Afghan National Army;
 - 150,509 in the Afghan National Police, and;
 - 6,756 in the Afghan Air Force.
- The vast majority of Afghan Army Brigades are operating either independently or with ISAF support in an advisory role. Afghan security forces are leading 99% of all operations and are carrying out over 90% of their own training.

Post 2014 Commitment

- The UK has announced it will contribute £70 million a year until at least 2017 to help sustain the ANSF in the years following the end of the UK combat mission. This level of funding will be kept under review and is expected to decrease as the Afghans' ability to fund their own security forces increases. The UK's contribution will form part of a wider funding pool of \$4.1 billion that the international community and the Afghans are putting together to ensure that Afghan forces can maintain their national security beyond 2014.
- The UK has taken the coalition lead at the Afghan National Army Officer Academy (ANAOA), helping to develop the future leaders of the ANA. On 16 February 2014, the second male cohort commenced training at the ANAOA, following the first intake last October. There are now around 500 cadets currently undertaking training.
- The UK's goal is that Afghanistan will be able to stand on its own feet, but it will not stand alone. The NATO Status of Forces Agreement (SOFA) and US/Afghan Bilateral Security Agreement were signed on 30 September 2014, and now provide the legal permission for the UK to help underpin Afghanistan's future security and stability post-2014, and give the Afghans the best possible opportunity to build a viable state, with our contribution to the broad NATO Resolute Support Mission..
- The UK remains committed to supporting the Government of Afghanistan in its efforts to achieve an inclusive and sustainable political settlement. This is a challenging process which will take time. It requires a political process which ensures that all Afghans - if they give up

violence, renounce terror and respect the Afghan constitution - can play a part in shaping a strong, democratic and constitutional state.

Insider Attacks

- As with all UK military casualties, those incurred through insider attacks are deeply tragic. The UK, ISAF and the Afghan Government take these attacks extremely seriously and we are cooperating on a broad range of initiatives to tackle them.
- Force protection measures are constantly reviewed and where necessary adjusted by operational commanders.
- The threat of insider attacks is as real for the ANSF as it is for ISAF personnel, with numbers of attacks against ANSF personnel exceeding those against ISAF.
- Every day there are tens of thousands of successful interactions between ISAF and Afghan forces, without incident. We share the same mission and the same goals. But the UK accepts that no matter what precautions are taken, the risk of insider attacks can never be removed completely.

Return of Equipment from Afghanistan

- Work on managing the recovery of UK equipment from Afghanistan is underway. Equipment will be returned in a way that achieves good order and value for money.
- The redeployment of kit and equipment from Afghanistan is on track and we have redeployed more than 80% of all vehicles, major equipment and materiel.
- The UK does not underestimate the scale of the effort that is required. Considerable work and personnel are in place to support it. A cross-Defence planning group has been established to oversee the process.
- Our current estimate is that redeployment will cost in the region of £300-£350M. This includes the cost of preparing assets for transportation, and the cost of the transport itself. This amount is to be charged to the Special Reserve.
-

LIBYA

- On 19 June 2013, the Prime Minister informed Parliament of the Lough Erne G8 summit agreement to train more than 7,000 troops to help the Libyan Government disarm and integrate militias and improve security and stability of the country.
- As part of this effort, the UK has offered to bring up to 2,000 Libyan Armed Forces personnel into the country in smaller groups to be trained by British Armed Forces personnel in basic infantry skills and junior leadership training. On 11 June the first group of over 300 Libyan Armed Forces personnel started training at the Basingbourn Barracks in Cambridgeshire. This further assistance builds on the UK's planned support to Libya on such areas as security and building accountable and human rights-compliant security and justice systems. The Libyan Government specifically requested the UK to provide this training for the Armed Forces because of the UK's vast expertise in this field. The Libyan Government has agreed to pay for this training.
- Since August 2014, Defence staff have remained outside of Libya due to the security situation. However, the Government remains committed to the transition to a stable, open and democratic Libya principally through the General Purpose Force initiative and the work on a political settlement led by the Prime Minister's special envoy to Libya, Jonathan Powell.

NIGERIA

- The UK continues to work with the US, France, Nigeria, its neighbours and international partners to provide advice and assistance to the Nigerian Government to help them secure the safe release of the schoolgirls and to defeat Boko Haram.
- Together with our allies we have provided surveillance support to the Nigerian authorities, including satellite imagery.
- The UK has a close and long-standing defence relationship with Nigeria. This includes a small British Military Advisory and Training Team (BMATT) which provides strategic advice and facilitates a programme of niche training and military education to the Nigerian Armed Forces.

SECTION 2 – TRANSFORMING DEFENCE

Transforming Defence is delivering:

- **Battle-winning Armed Forces**, smaller than before but able to reach across the world and operate across the spectrum from high-intensity combat to enduring stabilisation activity, who work with each other and with allies, equipped and trained for their task, their families well supported, trusted to shape their own future and manage their own resources within Defence;
- **A smaller, more professional Ministry of Defence** that supports Ministers in setting clear priorities for the outputs required of the Armed Forces and the Department, and holding them to account for meeting them; supports the Armed Forces in delivering what they are tasked to do; and reports honestly and openly to Parliament and the public;
- **A hard-headed approach to what we can afford**, now and in the future, getting the most value we can from each pound of taxpayers' money.

This is all underpinned by people who lead at every level, who work together to make Defence as a whole stronger, and who use modern, innovative ways of doing business.

Transforming the front line: Battle-winning Armed Forces

- The UK will remain one of the very few countries that can deploy and sustain a brigade sized force together with its air and maritime enablers, capable of both intervention and stabilisation operations almost anywhere in the world. All three Services have implemented the early force structure and capability changes set out in the Strategic Defence and Security Review (SDSR).
- **Army 2020** optimises the Army to deliver three core purposes within a reduced level of resources – a contingent capability able to conduct high intensity war fighting for deterrence and defence; overseas engagement and capacity building to support Government policy now and to prepare our people for potential future operations; and UK civil engagement and homeland resilience to support civil society in times of crisis. To achieve this, Army 2020 involves transforming the Army to function effectively within its new structures, entailing:
 - Doing the same or more with less - more efficient
 - Being agile to respond more flexibly to change - more adaptable
 - Being able to meet our obligations - more focused
 - An integrated Army - a Whole Force Approach of Regulars, Reservists, civilians and contractors.
- **New basing plan:** Around 70% of the Army will be brought back from Germany by the end of 2015 with the final 4,300 to return by the end of 2019 – a move expected eventually to save £240 million a year. Troops returning from Germany will be based across the UK with major concentrations around Salisbury Plain, Edinburgh, Leuchars, Catterick, Aldershot, Colchester, Stafford and the East Midlands (see Section 3: Accommodation).
- We are upgrading maritime, land and air equipment to ensure the Future Forces have state-of-the-art capabilities (see Section 4: Equipment Capability).
- **Future Reserves 2020:** Reserves will play a greater role in the future. We are investing an extra £1.8 billion in the Reserves over the next 10 years. Reserves trained strength will grow by at least 50% by 2018 to 30,000 in the Army Reserve, 3,100 in the Royal Navy and Royal Marine Reserves and 1,800 in the Royal Auxiliary Air Force. As set out in the Reserves White Paper the Territorial Army is now the Army Reserve, reflecting its enhanced role and full integration into the 'whole force'. £80 million is being invested in the Army Reserve estate to accommodate larger numbers, with £110 million across the tri-Service Reserve estate. Other steps include:
 - the introduction of paid leave for time on training as well as when on operations;
 - for the first time, entitlement to Armed Forces pension benefits for time spent in training as well as on operations from April 2015 under Armed Forces Pension Scheme 2015
 - better training and access to the equipment used by their Regular counterparts
 - access to key Defence health services when training and on operations
 - Developing directly transferable skills and academic qualifications, as well as developing the behavioral skills and attitudes required for both operational and organisational success
 - an Army Reserve training commitment of around 40 days per year, up from a current average of 35

- legislation to ensure access to employment tribunals in unfair dismissal cases for Reserves, without a qualifying employment period
Employers will benefit from:
- Financial assistance to cover additional salary costs incurred and certain non-recurring costs such as agency fees or advertising costs
- An additional financial award of £500 per month per Reserve for small and medium enterprises on top of the allowances that are already available when their Reserve employees are mobilised
- more notice of mobilisation or training so employers are able to plan for the absences of their Reserve employees
- greater recognition for leading supportive employers
- a national relationship management scheme to strengthen relationships with larger employers
- **Reserves basing:** By integrating Reserves more within the Whole Force, Future Reserves 2020 presents an opportunity to rationalise the estate occupied by the Army Reserve. The Army plans to vacate 35 Reserve Centres and will consolidate its presence in nine existing MOD sites. MOD sites to be vacated will be offered to other Government Departments or sold. Future Reserves basing plans will also take into account the need to ensure that a local cadet presence is maintained.

Transforming the organisation: A smaller, more professional Ministry of Defence

- **Defence Reform:** The delegated operating model recommended by Lord Levene's 2011 Defence Reform Review is now in place. It is described in "How Defence Works" (on gov.uk).
- It is supported by more efficient and customer-focused corporate service organisations drawing on private sector best practice: **Defence Business Services** working in partnership with Serco and the **Defence Infrastructure Organisation** with a Capita-led strategic business partner.
- A core element of the Transforming Defence programme is reforming the acquisition system, delivering lasting improvement in the management of the MOD's ten-year £160 billion equipment and support programme: Defence Equipment and Support (DE&S) is now a bespoke trading entity. This innovative structure will give the governance and freedom needed to deliver real improvement. DE&S staff remain Crown servants, but we are also bringing in tailored private sector support to the organisation, through a series of contracts known as Managed Service Providers. DE&S will remain accountable for its outputs with the MSPs providing strategic support and assistance.
- These reforms represent a real change to how the Ministry of Defence conducts its business, delivering a more effective and efficient way of providing the equipment and capabilities the Armed Forces need to keep the United Kingdom secure.
- The long-term challenge is to change behaviours, align incentives and shift the culture to increase trust through improved top level decision making and increased personal accountability, better communication from leaders and simpler, more transparent processes. This is the key task for the leadership of Defence.

Transforming the budget: A hard headed approach to what we can afford

- Addressing the black hole in the defence budget, contributing to reducing the deficit and ensuring an affordable and deliverable equipment programme has meant reducing the defence programme by about £74 billion over ten years. In May 2012 the Defence Secretary announced that the Defence budget had been balanced. Since then the MOD's prudent financial discipline has allowed it to absorb further pressures on the Defence budget without an effect on the core programme.
- Those pressures included reductions made in the 2012 Autumn Statement, and further reductions in the 2013 Budget. However, in recognition of improved financial management, HM Treasury has allowed the MOD to carry over significant sums of money from this financial year into the next two.
- The Spending Review outcome protects military manpower and military capabilities. As promised, the MOD will be increasing spending on the equipment programme by 1% above inflation from the 2015/16 baseline, as well as delivering further efficiencies to save around £875 million of running costs.
- The MOD must provide the Armed Forces with the equipment they need. This is a moral imperative. Around £160 billion will be spent on equipment and equipment support over the

next 10 years, covering current commitments, the major SDSR equipment programmes, the Deterrent, and equipment support costs to deliver Future Force 2020.

- **MoD is investing £1.1Bn in capabilities for the Armed Forces announced by the PM on July 14 2014.**

New investment in equipment for our Armed Forces:

- £800M in Intelligence, Surveillance, Target Acquisition and Reconnaissance capabilities, which will extend the range and flexibility of our options in responding to the threat of global terrorism and hostage taking; and
- £300M of other investment including in next generation capabilities (E-Scan radar for Typhoon, and the Future Combat Air System), and improved protection and communications for our Armed Forces operating in the Gulf.

This package consists of approximately:

- £30M on E-Scan Radar
- £55M on Ice Patrol Ship (HMS Protector)
- Over £100m Future Combat Air System

International Defence Engagement Strategy (IDES)

- The IDES has been developed from the National Security Strategy and the Strategic Defence and Security Review 2010, which set out a vision for an integrated approach to achieving the UK's international objectives by focussing Government efforts where national interests are most at stake and where the greatest effect can be achieved. It aims to shape the UK's International Defence Engagement over a 20-year horizon, developing the relationships and influence and by using non-operational Defence assets and activities to contribute better to wider UK objectives and goals through a cross-Government approach.

The UK in NATO

- NATO is continuing to transform, the agreement of the Readiness Action Plan (RAP), at the Sept 2014 NATO Summit in Wales, adds to the transformational activity already underway as a result of the ending of the combat mission in Afghanistan. Post-2014 NATO will move from a counter-insurgency, land forces posture to one of contingency. The establishment of the Very High Readiness Joint Taskforce (VJTF) will be a key focus during 2015 as NATO seeks to evolve to better address the changing geostrategic security situation in Europe. NATO has a new, leaner command structure. The UK has the operational experience and economic positioning to continue to exert a prominent role in leading the Alliance, shaping further transformation and defining NATO's future reach. The UK staffs the post of Deputy Supreme Allied Commander Europe and provides nearly 1,000 personnel for the NATO Command Structure.

SECTION 3 – SUPPORT TO PERSONNEL AND MEDICAL

RECRUITMENT

- The combined recruiting requirement in Financial Year 2014/15 for the three Services is circa 22000. The increase is due to the ongoing need, as the Services achieve manning balance, to recruit in order to replace personnel at the end of their contracts, combined with the significantly increased numbers of Reserve Forces needed in order to meet the vision of Future Reserves 2020. There is also a requirement to address the shortfalls in 2013/14. In particular, as a result of the national shortage of engineers, the Services are examining improved ways to engage at all levels with those studying engineering in HE and FE – any and all opportunities should be exploited.
- New campaigns aimed at both Regular and Reserve forces have been launched in autumn 2014 with ongoing digital media campaigns a particular focus of activity. All Regular

campaigns will be national whilst Reserves campaigns are more effective when they are regional and based around live events at Reserves units. Recruiting Groups are working hard to shorten the recruiting process and convert more expressions of interest into applications, then entrants. Additionally, FR20 Employer Engagement is continuing to champion a cross Government campaign aimed at establishing the Civil Service as an exemplar of support for Reserves. Sir Bob Kerslake has issued his 1% challenge aimed at achieving 1% of Civil Servants as serving reservists. The MOD's relationship with private sector employers will be improved as the new Defence Relationship Management organisation continues to develop.

- The Armed Forces needs to develop its own leaders; it cannot bring people from the outside into leadership roles without the necessary military experience. Because of this, the Armed Forces need to replace those who are promoted every year with new talent. Even while it is reducing in size and has surpluses in some ranks, the Armed Forces must continue to recruit into its junior ranks every year to provide its future leaders.
- The Armed Forces are continually seeking ways to encourage applicants from the UK Ethnic Minority Communities and those from more diverse backgrounds in particular to increase their representation. We recognise that this is a significant pool of talent that the Armed Forces do not fully benefit from at present.
- A vast range of qualifications is on offer in over 300 specialist employment areas and the MOD hosts the largest apprenticeship programme in the UK delivering about 13,000 completed apprenticeships per year, of which some 2,000 are advanced apprenticeships.
- Despite the challenge of meeting the combined recruiting target, the Armed Forces are looking to ensure that recruiting is conducted as efficiently as possible and the Army are in a partnering arrangement for the next 10 years with Capita under the Recruiting Partnering Project contract. This will ultimately deliver the right quantity of recruits at the right quality for the Army to meet its operational commitments and will achieve savings in the order of £250 million. There have been recent challenges in the provision of the Tri-Service ICT support to recruiting operations but these are easing and progress is being made to deliver the full required system in mid 2015, which will include enhanced Customer Relationship Management.
- The requirement for expensive recruitment offices on the high street is being reviewed as evidence is proving that more of the recruiting operation is moving online. This follows the Government's digital policy and better reflects the expectations of young generations. Face to face interviews will still be retained as an important part of the process, but the attract function is proving more effective online.

RESERVES

- Following the decisions the Government has taken regarding the force structure of the future Armed Forces, the MOD launched a formal consultation on Future Reserves 2020 between November 2012 and January 2013. The White Paper detailing the future policy for the Reserves was published on 3 July 2013 (see Section 2 on the Reserves White Paper).
- The MOD will make more use of the talents of Reserves, expand their roles and deliver enhanced training and supporting equipment, in order that they can be better integrated with the Regular Force.
- At the same time, the MOD is developing a closer relationship with employers, based on a partnership approach, to better meet the needs of Defence, employers and Reserves. The public sector, as a major employer of Reserves, will play its full part in this.
- We are very encouraged that the recent ResCAS survey showed that 91% of the Reserves are proud to be in the service. It is this commitment that will make a success of the flexible and integrated force envisioned in the FR20 proposal.

REDUNDANCY

- Whilst offering fewer extensions of service to those who are leaving at the end of their engagement will account for some of the reductions, a redundancy programme is also underway to ensure the right balance of skills is maintained across the rank structures. Between September 2011 and June 2013, 11,080 Service personnel were notified of their selection for redundancy in **Tranches 1, 2, and 3**, of whom 74% were applicants. All of those selected have now left the Armed Forces..

- On 12 June 2014, around 1,060 Service Personnel were notified of their selection for redundancy for the **fourth and final tranche**, of whom 72% were applicants. Applicants are due to leave by 11 Dec 14 with non-applicants due to leave by 11 Jun 15.
- We will continue to encourage personnel to **transfer** from areas of surplus to areas of shortage. Specific vacancies have been identified across all three Services and those who have been selected for redundancy are being encouraged to transfer to areas for which they have appropriate skills, and will be offered re-training, as necessary.
- Service personnel selected for redundancy will receive the resettlement package to which they would have been entitled if they had completed their entire engagement in order to assist their transition to civilian life.
- As an organisation which is fed from the bottom up, the Armed Forces are always **recruiting** and this must and will remain a priority; there is a constant need to replace those who are promoted or complete their service with new talent. The Armed Forces require a constant flow of young, fit recruits to maintain the structure required
- For the **civilian workforce**, the Department is committed to achieving the necessary reductions without recourse to compulsory redundancy wherever possible.
- As a result of specific establishment closures, drawdowns and other discrete business changes, some redundancies are occurring where the required reductions cannot be made by voluntary early release. The Trade Unions are being consulted as these arise.

NEW EMPLOYMENT MODEL (NEM)

- The **New Employment Model** (NEM) signifies the Government's commitment to deliver a modernised terms and conditions of service offer. It covers four broad areas of policy: Terms of Service: Accommodation: Training and Education and Pay and Allowances.
- Some changes have already been introduced under NEM. A three year Forces help to Buy pilot scheme was implemented on 1 April 2014. The scheme enables personnel to borrow up to 50% of their salary (up to a maximum of £25,000) to buy their first home or move to another property on assignment or as their families' needs change. Implementation of other NEM components is expected from April 2015 onwards, with full implementation stretching into 2020 and beyond.
- The NEM is being designed with the three qualities in mind:
 - Attractiveness – addressing the personal, social and domestic impacts of Service both now and beyond 2020 so that personnel of the right quality continue to be recruited and retained in the Services.
 - Agility – enabling the Services to respond more quickly to changing requirements.
 - Affordability – the NEM is not a cost cutting exercise: it is about getting better value for money with the same resources.
- On 21 July 2014, MOD published the results of consultation with Service personnel and their families on the NEM. The consultation ran from June 2013 until February 2014, during which time approximately 30,000 members of the Armed Forces shared their views on the NEM programme via briefing sessions, an online questionnaire, focus groups and a 'targeted' survey issued to a representative Armed Forces population. Consultation had the twin aims of two-way communication with Service personnel on the principles of NEM, and gaining specific pieces of information to help design effective policy.

THE ARMED FORCES COVENANT

- The **Covenant**, published in May 2011, has two key principles: (1) that the Armed Forces Community should not face disadvantage compared to other citizens in the provision of public and commercial services; (2) and that special consideration is appropriate in some cases, especially for those who have given most, such as the injured and the bereaved.
- The Covenant is a matter for the whole of Government. Close working across Whitehall is enabled by a Cabinet sub-committee led by the Cabinet Office Minister for Government Policy.
- The Government has made good progress in delivering the commitments made under the Covenant. Some of the achievements so far include:

- Changing the Schools Admission Code to allow infant schools in England to exceed class sizes to accept a Service child and providing extra money to schools attended by Service children;
- Putting hundreds of millions of pounds into improved Service accommodation [and introducing a new system to ensure that repairs are properly done];
- Providing £17.5M to establish facilities at Headley Court and nine other locations in England to provide state of the art prosthetics;
- Doubling the Families Welfare Grant, Council Tax relief and the Operational Welfare allowance.
- The Chancellor allocated an initial £35 million from fines levied on banks for attempting to manipulate the LIBOR interest rate to the Covenant Reference Group (CRG). All of this has now been allocated. In December 2013, the Chancellor announced the successful projects from the third tranche of bids, including £1.94 million to build houses for disabled ex-Service personnel in Scotland, £996,000 for Change Step's peer mentoring service for hard to reach Veterans in Wales, and £575,000 to help Combat Stress set up a 24 hour helpline for members of the Armed Forces community dealing with mental health related issues.
- In February 2014, the Veterans Minister launched the £40M Veterans Accommodation Fund, which aims to fund projects supporting Veterans with a housing need - The fund recently closed with all funds being allocated to 16 projects across the UK. 8 projects were announced by the Prime Minister on 17 July with further announcements in due course. The money for the fund came from further LIBOR fines
- The Chancellor announced that permanent funding of £10M per annum would be made available to support the Covenant from 2015/16.
- 100% of Local Authorities in Great Britain have now signed Community Covenants. £30 million was been assigned to the Community Covenant Grant scheme over the four financial years from 2011-12 to 2014-15, and some £16 million has already been allocated.
- The Corporate Covenant was launched in June 2013 and allows businesses to demonstrate their support for the Armed Forces Community through a number of commitments, including on the employment of Reserves, Veterans and Service spouses. In October 2013, the Prime Minister announced the first 50 organisations who had signed Corporate Covenants. To date well over 100% of Local Authorities in Great Britain 200 organisations have signed a Corporate Covenant with many more expressing an interest in doing so.
- The Defence Secretary reports annually on the disadvantages faced by the Armed Forces Community. The second report was published in December 2013 and highlighted a number of achievements while also setting out areas where progress is still needed.

MEDICAL SUPPORT

Seriously Injured Personnel

- The extraordinary quality of care given to the Armed Forces was recognised by the House of Commons Defence Committee in its December 2011 report. A Care Quality Commission (CQC) report in June 2012 recognised as exemplary the management of trauma at the field hospital in Afghanistan and the subsequent rehabilitation of patients, both at Regional Rehabilitation Units and at the Defence Medical Rehabilitation Centre (DMRC) at Headley Court. Overall the CQC found areas of good practice across all of the services inspected with the highest levels of compliance with standards relating to respecting and involving people, the provision of effective, safe and appropriate care and treatment, and in all aspects of dental and mental health services.
- Operational casualties whose injuries are serious enough to require further treatment back in the UK are aeromedically evacuated. The Queen Elizabeth NHS Hospital in Birmingham is the primary reception hospital for military patients evacuated to the UK from overseas. The state-of-the-art facilities, operating in partnership with the NHS, offer injured troops the best possible care in a Military Ward, subject to clinical need.
- Patients requiring further rehabilitation care (including prosthetics) can be referred to the DMRC at Headley Court in Surrey. The DMRC offers access to all aspects of rehabilitation with on-site consultants; remedial instructors; occupational and physiotherapists; speech and language therapists; social workers and welfare services; and mental health, psychology and cognitive therapy specialists.

- The former Secretary of State for Defence announced on 10 July 2014 that the MOD will transfer Headley Court's rehabilitation capability to the Defence and National Rehabilitation Centre (DNRC) at the Stanford Hall estate in the East Midlands when it opens in 2017/18. Building on the success of Headley Court and the tremendous support it has received from Help for Heroes, The Royal British Legion, SSAFA and the many other Service charities, the DNRC will ensure the continued provision of world-leading clinical rehabilitation to enable Defence to care for the injured and the sick in the best possible way.

Prosthetics

- In February 2013, the Government allocated £6.5 million from the Special Reserve to guarantee that all personnel and veterans injured while serving in Iraq or Afghanistan will, where clinically appropriate, have access to the most technologically advanced prosthetics available. This programme of upgrades is due to be completed within 2 years.
- In addition, the Department of Health is currently rolling-out nine specialist centres across England to improve prosthetic and rehabilitation services for ex-Service personnel. This is part of the Government's work to implement the key recommendations of Dr Andrew Murrison MP's report 'A better deal for military amputees', commissioned by the Government and published in June 2011.

Mental Health: Service Personnel

- The Armed Forces Mental Health Strategy provides a framework for the chain of command, personnel and training staff and the Defence Medical Services to coordinate policy and focus efforts and resources to optimise levels of mental health in the Armed Forces. It also covers the duty to ensure that Service families receive appropriate support and that veterans in need of help are appropriately cared for through the NHS and in partnership with others.
- The MOD provides mental health care for those Armed Forces personnel who need it, primarily through 16 military Departments of Community Mental Health (DCMH) across the UK (plus centres overseas), providing out-patient treatment. In-patient care, when necessary, is provided in specialised psychiatric units under contract with the NHS.
- In May 2010 King's College London published a study into the effects of deployment on mental health which confirmed continuing low incidence rate of probable post-traumatic stress disorder (PTSD) for the UK Armed Forces. Alcohol misuse and common mental disorders were the most prevalent mental health problems. Service personnel were generally no worse off as regards mental health disorders compared with available data for the civilian population. Deployment on operations was associated with a small increase in symptoms of PTSD in Reserves, and Regular personnel in combat roles were more likely than those in support roles to report probable PTSD. The number of times that a member of the Armed Forces deploys to theatre did not increase the risk of developing common mental health disorders.
- MOD endorsed the key themes and recommendations of Dr Murrison's 'Fighting Fit' report, published in Oct 2010. We have worked closely with the Departments of Health, the NHS and charitable organisations to implement the recommendations ensuring that they are appropriate and beneficial for the individual and the Armed Forces as a whole. In Service implementation includes a post operational mental health screening study; Structured Mental Health Assessments; use of the Big White Wall and DCMH access for Service Leavers for up to 6 months after discharge. Post service implementation includes an increase in NHS mental health professionals across England; a GP e-learning programme and a 24 hour telephone help line.

Mental Health: Veterans

- The NHS delivers veterans' healthcare, with priority treatment for Service-related conditions, subject to the clinical needs of all patients.
- The MOD complements NHS services by providing the Veterans and Reserves Mental Health Programme (VRMHP) and funding for treatment by the Combat Stress charity for war pensioners with service-related mental health disorders caused before 6 April 2005 where funding is not provided under other UK legislation. In FY 2013/14 this amounted to some £1.5 million.

- The VRMHP provides a full mental health assessment by military specialists at the Department of Community Mental Health Chilwell, Nottinghamshire for Reserves who have deployed on operations since 2003 and veterans with operational service since 1982.
- Armed Forces Networks bring together the NHS, MOD and military charities in their respective areas. They champion the members of the Armed Forces, their families and veterans, ensure veterans are able to access services, that they are not at a disadvantage and, where appropriate, that veterans are given special treatment in accessing health and social care services. The Armed Forces Networks, the MOD and the Department of Health work closely with the Devolved Administrations who have their own arrangements.
- Where a Serving person has had a mental health problem identified at the time of discharge that requires referral to a DCMH, that person may access care in a UK DCMH for up to 6 months beyond their discharge date.

PAY AND ALLOWANCES

- The 2014 report of the independent Armed Forces' Pay Review Body (AFPRB) was published on 13 March. The Government has accepted the recommendations, effective from 1 April 2014, in full. The recommendations include an annual pay award of 1%, an increase of 1% to Compensatory Allowances, Reserve Bounties, Call-Out Gratuity and most Recruitment and Retention Payment categories. In addition, there are targeted increases aimed at providing higher levels of compensation to those with the greatest levels of separation during their military careers. There are also increases to food and accommodation charges.

ARMED FORCES PENSION SCHEME

- A new Armed Forces Pension Scheme 2015 (AFPS 15) will be introduced from 1 April 2015. A consultation exercise took place in early 2012 involving over 25,000 Service personnel as well as external stakeholders, including the Central Advisory Committee on Pensions and Compensation, the Forces Families Federations and the Forces Pension Society.
- Final agreement on the design of the new Armed Forces Pension Scheme was announced on 16 October 2012. Rights to benefits already earned in current Armed Forces Pension Schemes, up to the point of transition to AFPS 15, will be protected and paid at the same time as they would be under the current scheme rules.
- Reserve Forces will be members of the same pension scheme as Regular Service personnel from 1 April 2015, thereby making the transition between Regular and Reserve service much easier. The only significant difference will be that service in the Reserves will not qualify towards Early Departure Payment (EDP) benefits.
- MOD officials have drafted the Scheme Legislation and this was put to public consultation in May 2014. The legislation was laid in Parliament on 4 September 2014. Work continues to define the accrued rights to pension benefits earned under the current pension schemes and the accrued rights legislation is due to be laid in Parliament during early 2015.
- IT systems are being updated in order to enable the transition to AFPS 15.
- The Team are also engaged in establishing a formal Pension governance system, in accordance with the Public Service Pensions Act 2013, to ensure that all Armed Forces Pension Schemes are managed and administered efficiently and effectively and with transparency. Recruitment for the Non-Executive Director who will Chair the pension board is now underway.
- MOD is also in the process of updating the Redundancy Scheme policy to fit with both the transition to AFPS 15 and the new Manpower Control Mechanisms under the New Employment Model (NEM). The new policy should be in place by 1 January 2016.
- The online Pension Calculator was upgraded in June 13 to enable Service personnel to obtain a forecast of benefits accrued under current pension schemes and future benefits under AFPS 15. A future upgrade will allow members of the Reserve Forces to produce a forecast of their benefits.
- MOD recently launched a video explaining what AFPS 15 means for Service personnel. The video can be accessed on DII and also on YouTube.

ARMED FORCES COMPENSATION SCHEME (AFCS)

- The AFCS provides compensation for members of the Armed Forces where illness, injury or death is caused by service. All awards provide a tax-free lump sum, the size of which reflects the severity of injury or illness. Lump sum awards range from £1,200 to £570,000.
- For those with serious injuries and illness, the AFCS also provides a tax-free, index-linked monthly payment, paid from discharge until death known as the Guaranteed Income Payment.
- The AFCS also provides benefits to eligible partners and children of Service personnel who die as a result of service.
- On 8 April 2013 the MOD, in conjunction with the Department for Work and Pensions (DWP), introduced a new benefit called the Armed Forces Independence Payment (AFIP) for seriously injured service personnel. AFIP is an alternative for service and ex-service personnel to Personal Independence Payment, which DWP has introduced.
- An Independent Medical Expert Group (IMEG) was established in 2010 to advise on the appropriate levels of compensation for several specific injuries and illnesses, including mental health. The IMEG First Report was published on 9 May 2011. The IMEG also looked at how to best compensate for hearing loss, mental health problems, facial scarring and illnesses arising from service. Its findings were published in the IMEG Second Report on 17 May 2013.

ACCOMMODATION

- The Government is investing £1.8 billion in the new basing plan and £1 billion of this will be spent on building brand new accommodation. This will see around 1,900 new family homes built and more than 7,800 new rooms for single soldiers, along with over 800 upgraded rooms for single soldiers and over 450 upgraded homes for families. The rest of the investment will be spent on technical infrastructure.
- The Secretary of State has agreed an incentive plan which will significantly improve the support available to Service personnel buying their own home. Forces Help to Buy which was launched on 1 April 2014, offers an interest-free salary advance of 50% of annual salary, up to a maximum of £25,000, making home ownership a more realistic option for many. The scheme rules are detailed in JSP 464.
- A separate, but related, Forces Help to Buy scheme for regular Personnel leaving the Armed Forces under Tranche 4 redundancy programme, whether applicant or non-applicant, was launched in June 2014. Eligible personnel can apply for a short-term loan of up to 90% of their redundancy lump sum, up to a maximum of £68,000 in order to buy their first home, modify their existing one or move locations. The loan amount will automatically be deducted from their redundancy lump sum when they leave the Service.
- The Single Living Accommodation Modernisation project (SLAM) is a tri-Service programme delivering grade 1 accommodation for Armed Forces personnel across Great Britain. The project has completed more than 19,400 bed-spaces on over 120 projects, spread across some 40 sites in Great Britain. The MOD continues to develop Single Living Accommodation where funding permits and has a world-wide stock of around 160,000 bed-spaces.
- In the 2012 Budget, the Chancellor announced £100 million of additional investment in Service accommodation in FY 2013/14. Around £40 million of this will be spent on 600 new Single Living Accommodation rooms, with the remainder being invested in Service Family Accommodation.
- 96% of UK Service Family Accommodation (SFA) is at the top two standards (of four) for condition. The MOD no longer allocates the lowest two standards, although some military personnel choose to remain in them. When these properties become vacant, they are removed from the allocation stock pending improvement or disposal. The MOD is also in the process of purchasing some 700 new properties from developers, some of which have already been delivered and allocated earlier this year, in areas of high demand to reduce reliance on privately-rented substitute SFA.

EDUCATION

- **Free Further or Higher Education:** Service leavers with six years' service, and who have previously been members of the Enhanced Learning Scheme, can apply for funding to cover

tuition fee expenses for an additional qualification. This is up to and including degree level courses.

- **School Place Allocation:** The School Admissions Code is designed to recognise the needs of Service children.
- **Special Educational Needs:** Local authorities and schools have received guidance reminding them of their obligation to ensure continuity of support.
- **Troops to Teachers:** As part of the Schools White Paper, released in November 2010 by the Department for Education, the Government has developed a 'Troops to Teachers' programme which is sponsoring Service leavers to train as teachers.

WELFARE

- The Armed Forces have long-standing welfare structures in place to support Service personnel and their families, including the chain of command, welfare officers, information and advice offices, chaplains, trained social workers, and other specialists.
- **Operational Welfare:** the Deployed Welfare Package is kept under constant review to ensure it meets the needs of both the Service person and their dependants. Free phone calls are available for 30 minutes per week. Wi-Fi access has been extended in operational areas, texting and internet facilities have been improved in Forward Operating Bases and the Families Welfare Grant was doubled in 2012 to support families of those deployed.
- **Post:** MOD and the Royal Mail continue to operate the Enduring Families Free Mail Service (EFFMS) for friends and families to send packages of up to 2 kg to named personnel in Afghanistan as well as HM Ships in support. The GOV.UK website contains the up to date BFPO information including available mobile phone applications and existing contracts for companies that are able to deliver items via the BFPO system. The Royal Mail issued 'shadow post codes' for all BFPO locations to help personnel serving overseas or on ships and submarines, and families by improving access to products and services from the internet. This will also help personnel maintain a UK credit history recognised by financial service providers.
- **Financial Awareness:** The MOD continues to work with the Royal British Legion to further develop the MoneyForce.org.uk financial awareness and support website. This is specifically for the Service community, to help them better manage their finances and plan for their financial future to overcome specific financial challenges that arise in Service life. The MOD is also working with the DWP and the Association of British Credit Unions Ltd to explore how an Armed Forces Credit Union might be created to serve the Armed Forces community, although the MOD does not see itself playing a part in the operation of such a mutual organisation.
- **Supporting Families:** The MOD recognises the importance of families as a part of the Armed Forces community, providing the essential support to our Service personnel that enables them to undertake their military duties. The MOD continues to review its support to families and has commissioned new research into the support provided to families of the injured and separately into the support needs of geographically dispersed families, both of which will help inform further improvements. Additionally, the MOD is undertaking a review of the impact of Service life on the employment of partners with a view to introducing measures to help partners overcome some of the difficulties they face in maintaining their desired employment pattern
- **Reserves:** As part of the Future Reserves 2020 project the MOD has improved access to welfare support for Reserves and their families.
- **MOD Veterans Welfare Service:** the MOD has some specific responsibilities for ex-service personnel, including pensions and compensation payment and retains an interest in the longer-term outcomes of the veterans' population; however, veterans necessarily rely on other departments of state for other specific support such as health and social care. The VWS is a nationwide service. It is part of Veterans UK and gives support to veterans, their families and dependants. It also offers some specific in-service support in relation to compensation. They are the subject matter experts on the War Pension and the Armed Forces Compensation Schemes and can advise on the Armed Forces Pension Schemes and Department of Work and Pension (DWP) benefits. They can make appropriate referrals to other government departments, ex-service and other voluntary organisations. It focuses upon providing support that will enable the seamless transition from Service to Civilian life, assist bereaved families or respond to key life events that present welfare needs. It achieves this by adopting a single central coordinating role that facilitates access to all appropriate services. VWS is heavily engaged with Personnel Recovery Units and Personnel Recovery Centres to ensure that

transitional support is available and maintained to successfully meet welfare requirements. It also has tri-service protocols in place available to assist those identified in-service who may require additional support on transition.

- **Veterans UK Helpline** – A new number – 0808 1914 2 18 or +44 1253 866043 from overseas – provides help and advice on queries regarding the War Pension Scheme, Armed Forces Compensation Scheme, Medals, Veterans Badges. The Helpline deals on average with 15,000 calls per month. Opening times were extended in Jan 14 to 7:30 – 18:30 Monday to Thursday and 7:30 – 17:00 on Friday.
- **Defence Recovery Capability** is an MOD-led initiative and managed in partnership with Help for Heroes and The Royal British Legion. It is designed to ensure wounded, injured and sick Service personnel receive coordinated support and have access to all the key services, including resources needed to help them either return to duty or make a smooth transition to an appropriately skilled civilian life. This care is delivered across the Defence community by the combined efforts of the Services and the Service charities responding to carefully tailored individual recovery plans.

SECTION 4 - EQUIPMENT CAPABILITY

Equipment Procurement

- Through a series of tough but necessary decisions combined with radical reforms of the MOD's financial processes, the vast black hole in the defence budget has now been eliminated.
- This means the MOD's fully funded core equipment programme can provide the Armed Forces with the stability and assurance they need for the future and it means the MOD can confidently invest in new equipment, knowing its delivery is guaranteed.
- The MOD will spend around £164 billion on equipment and equipment support over the next ten years, investing in cutting edge equipment across the spectrum of capability areas, including:

Afghanistan Operations

- As at the end of November 2013, more than £6.1 billion had been approved through the Urgent Operational Requirement process on equipment to meet emerging requirements in Afghanistan since the operation began. The total amount approved through the UOR process for operations in Iraq and Afghanistan is more than £8.1 billion.
- The MOD has spent £20 million on state-of-the-art hand launched nano- unmanned aircraft systems. **Black Hornet** is equipped with a tiny camera which gives troops reliable full motion video and still images.
- The Department continues to bolster capabilities to **counter Improvised Explosive Devices** (C-IED) and work to institutionalise C-IED within wider defence is progressing well.
- The **helicopter** fleet in theatre currently includes the Chinook, Sea King helicopters and the Apache Attack helicopter.
- Forces in Afghanistan have benefited from more than £2.8 billion of investment in **protected and armoured vehicles**, significantly improving protection levels for those troops deployed.
- **UK Unmanned Aircraft Systems / Remotely Piloted Aircraft Systems** (UAS / RPAS) are used in support of UK and ISAF ground forces in Afghanistan, predominantly for intelligence, surveillance and reconnaissance. Reaper is the UK's only armed RPAS. **All** UK attack systems operate under the legal authority of UN Security Council resolutions. The policy for the use of RPAS is the same as that for manned aircraft.

JOINT EQUIPMENT CAPABILITY AND CYBER

Expenditure over the next 10 years:

- Information Systems over £15 billion
- Naval Bases £4.3 billion
- Joint Supply Chain £1.1 billion
- Logistics & Commodities £400 million
- Safety & Engineering £300 million

ROYAL NAVY

Expenditure over the next 10 years:

Ships - £18 billion

- Completion of the two Queen Elizabeth aircraft carriers;
- Design and development of the Type 26 frigate, which will replace the Type 23;
- Further work on the Maritime Afloat Reach and Sustainability programme, which will provide a fleet of new, modern vessels for the Royal Fleet Auxiliary.

Submarine and Deterrent - £37 billion

- This covers all costs relating to the submarines themselves, nuclear propulsion costs and the costs of the strategic weapon system, as well as necessary costs arising from the requirement to replace the Vanguard class ballistic missile submarines, subject to a decision to be taken in the next Parliament.

UK nuclear deterrence policy

- The first duty of the Government is to defend the interests and citizens of the United Kingdom. Our nuclear deterrent exists to prevent, at the extreme, any threat to our national existence, or nuclear blackmail from a nuclear-armed state against the UK homeland or our vital interests. We hope never to use nuclear weapons, but, to deliver deterrent effect under all foreseeable circumstances, our ability to do so must be credible and assured at all times; and this depends on there being no doubt in the mind of a potential adversary about our ability and determination to employ our nuclear weapons if necessary.

ARMY

Expenditure over the next 10 years:

Land Equipment - £12 billion

- £6.7 billion on the Army's core armoured vehicle programme over the next ten years. This includes the Warrior Capability Sustainment Programme, the SCOUT Specialist Vehicle, a Utility Vehicle, and improvements to the Challenger 2 Main Battle Tank.
- Continued development of Scout specialist and Utility vehicles, which will replace a wide range of legacy armoured and protected vehicles.
- Around 2,000 protected mobility vehicles, among them Jackal and Mastiff, which were introduced rapidly into service in Afghanistan as part of the Urgent Operational Requirement process, are to be brought into the MOD's core equipment programme. The estimated cost for the minor work, conversions and support is thought to be in the region of £300 million over four years.

Helicopters: - £13 billion

- 14 additional Chinook helicopters.
- Completion of the Life Extension Programme for Puma.
- Programme to sustain the Apache attack helicopters through to 2040.
- Completion of the Wildcat programme, which will replace existing Lynx helicopters, with separate variants for the Navy and Army.

ROYAL AIR FORCE

Expenditure over the next 10 years:

Combat Air - £18 billion

- The RAF continues to move towards a combined fleet of Joint Strike Fighter – a fifth-generation stealth aircraft which will represent a step-change in the UK's combat air capability – and Typhoon aircraft, with enhanced multi-role and Intelligence Surveillance Target Acquisition and Reconnaissance (ISTAR) capabilities.
- A growing investment in Unmanned Aerial Vehicles, including through co-operation with France.
- Military flying training, including procurement of training aircraft.

Air Support (including transportation, air-to-air refuelling, ISTAR) - £14 billion

- The A400M Atlas future generation of strategic/tactical air transport aircraft.
- RAF pilots and ground crew who will operate the UK's new A400M Atlas aircraft are to benefit from state of the art training facilities thanks to £226 million in MOD investment into a specialist training school at RAF Brize Norton where the fleet of aircraft will be based.

- Bolstering the strategic airlift capability with the purchase of an additional C17 to bring the fleet up to 8 aircraft.
- The brand new Voyager aircraft, which has replaced the VC10 and TriStar fleets.
- New Rivet Joint Intelligence, Surveillance and Reconnaissance aircraft with state of the art airborne signals and intelligence collection capability.

Weapons - £11 billion

- Around £7 billion investment in the complex weapons sector, including the Future Local Area Air Defence System (based upon a common missile to provide both Ground Based Air Defence and Maritime Air Defence).

SECTION 5 – SCOTLAND AND FURTHER DEVOLUTION

What's happened?

- On 18 September 2014, the Scottish Independence Referendum took place and Scotland voted to stay part of the United Kingdom. Voters in Scotland were asked to answer Yes or No to the question "Should Scotland be an independent country?" 55.3% voted No and 44.7% voted Yes. 84.6% of the electorate participated in this historic vote to decide Scotland's future.

What happens now?

- Scotland will remain as part of the United Kingdom, with its own Parliament. The UK and Scottish Governments will continue to make the changes to the powers of the Scottish Parliament that were agreed in the Scotland Act 2012.

What are the next powers to be devolved?

- As laid out in the Scotland Act 2012, further devolution of financial powers to the Scottish Parliament will come into effect from April 2015 and April 2016.

What is the timetable for devolving further powers to the Scottish Parliament?

- The Prime Minister's 19th September statement set out that "Lord Smith of Kelvin has agreed to oversee the process to take forward the devolution commitments, with powers over tax, spending and welfare all agreed by November and draft legislation published by January."

How does the result affect me?

- Scotland will continue to be part of the United Kingdom family of nations. More of the decisions that matter to Scots will be taken in Scotland, backed up by the strength, stability and security of the United Kingdom.

How will UK defence in Scotland be affected?

- The UK Government has already set out our strong commitments for the future of defence in Scotland.
- As at 1 July 2014, there were nearly 10,500 Regular Armed Forces (7.5% of the UK total) and around 4,000 MOD civilian (full-time equivalent) personnel (7.6% of the UK total), at around 50 MOD sites throughout Scotland, as well as an around 2,700 trained volunteer reserves.
- By 2020, Scotland will be home to one of three Royal Navy main bases, including all its submarines, one of the British Army's seven Adaptable Force Brigades and one of three Royal Air Force fast jet main operating bases.

How can I find out more?

- Visit www.GOV.UK/scottishreferendum for latest updates on the referendum news and devolution developments.
- Find out more about the [Scottish devolution settlement](#)
- Read more about Scotland's place within the UK in [Scotland in the UK](#)