



Ministry
of Defence

THE ARMED FORCES COVENANT ANNUAL REPORT 2012



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FOREWORD

The Rt Hon Philip Hammond MP, Secretary of State for Defence

This is the first formal Annual Report since the Armed Forces Bill received Royal Assent in November 2011. It marks an important step in the process of repairing and strengthening the Armed Forces Covenant – a commitment that we have given legislative form and which we intend will endure.

From operations in Afghanistan to the smooth delivery of security at the London Olympics in the summer, the men and women of our Armed Forces, including Reservists, continue

to demonstrate their professionalism and commitment to keeping the people of this country safe. In preparing this report, I have considered their unique obligations and the sacrifices they make; the principle that it is desirable to remove disadvantages arising from membership, or former membership, of the Armed Forces; and the principle that special provision for Service people may be appropriate in some cases.

This report clearly states where Service personnel are considered to be at a disadvantage and sets out where special provision is considered to be justified. In accordance with the legislation, it covers the effects of membership of the Armed Forces in four fields – education, healthcare, housing and the operation of inquests – throughout its chapters. It also sets out the new commitments that we have made in the last year together with a progress report for each of the previous commitments, enabling the Government to be held to account over time.

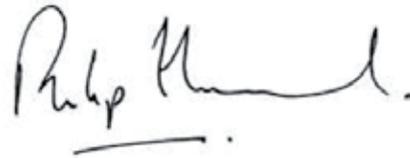
We have already made significant progress. By enshrining the principles of the Covenant in law and establishing a Cabinet-level Committee to oversee progress, the Covenant is becoming irreversibly embedded across Whitehall. We have already introduced significant policy changes, such as doubling the operational allowance, quadrupling council tax relief for forces on operations and establishing the Community Covenant. Last month, we announced plans to go further, increasing and extending the scope of the Service Pupil Premium, launching a new Defence Discount Service and providing an additional £35 million to be spent through Service charities on addressing some of the priorities identified in this report.

However, there remains much more to do and one of the areas in which we will look to make early progress in the future is on home ownership. Currently, rates of home ownership among current and former members of the Armed Forces are comparatively

low, reflecting an element of systemic disadvantage. I am determined to tackle that disadvantage by increasing access to home ownership for service people, in parallel with improving the standard of Service accommodation.

Delivering on the Covenant is a cross-Government responsibility – but it also goes wider: the Covenant exists between the Government, the Nation and the Armed Forces Community, and we all have a duty to do our bit. I would like to pass on my thanks to all those who have helped to implement the Covenant during the last year, many of whom have also contributed to this year's report. I am conscious of the significant help we have received from the Devolved Administrations, Families Federations, Service charities and local authorities – especially those which have signed Community Covenants. Finally, I should like to thank businesses and, in particular, those that are participating in the Defence Discount Scheme.

In keeping with the commitment given when the Armed Forces Bill was considered by Parliament, this annual report includes the comments that we have received from the external members of the Covenant Reference Group. I am most grateful for all that they have done, and continue to do, in support of this important work.

A handwritten signature in black ink, which appears to read "Philip Hammond". The signature is written in a cursive style and is positioned above a short horizontal line.

EXECUTIVE SUMMARY



Prime Minister David Cameron meets Bomber Command Veteran pilot Leslie Valentine and presents a Defence medal for services in the Second World War

This is the first statutory report on the Armed Forces Covenant since we enshrined the Covenant principles in law. It is the beginning of a process to re-build the Armed Forces Covenant and we have set out the current landscape, both good and bad, including unedited comments from the independent members of the Covenant Reference Group.

As required by the Armed Forces Act 2011, this report considers the two key principles of the Covenant. These principles were first set out in the Armed Forces Covenant, published in May 2011, which stated:

“Those who serve in the Armed Forces, whether Regular or Reserve, those who have served in the past, and their families, should face no disadvantage compared to other citizens in the provision of public and commercial services. Special consideration is appropriate in some cases, especially for those who have given most such as the injured and the bereaved”.

The report sets out what we said we would do, what we have done so far and what comes next. The report paints a relatively upbeat picture of achievements UK-wide, including by the Administrations in Scotland and Wales, as well as the over 200 Local Authorities who have signed Community Covenants to reduce disadvantage and in some cases offer special provision. However, importantly, the report also identifies where there is more to be done. This includes work in areas such as housing, spousal employment and Reserves mental health.

To draw attention to the different needs within the Armed Forces Community, we have chosen to present the report by groups: Service personnel, Reservists, the injured, families, the bereaved, Service leavers and Veterans. Around one in ten of the adult population in the UK are Veterans. The report sets out for each group what we said we would do

to reduce disadvantage and apply special treatment where appropriate, what we have done so far and what comes next. This has the additional aim of making the report more accessible to these groups.

The Armed Forces Act 2011 says the report must look at the four key themes of healthcare, education, housing and the operation of inquests, but we think it is important, particularly as we are at the beginning of this process, to analyse what has been done and what comes next for all fifteen themes that make up the full scope of the Armed Forces Covenant¹. Coverage of these fifteen themes is woven throughout the chapters as appropriate, but this summary concentrates on the four key themes that are listed in the legislation.

Healthcare

The report covers a range of initiatives to support the health needs of the Armed Forces Community. These include the integration of mental health assessments into routine Service medicals, IVF treatment for those who suffer infertility as a result of injuries in Service and prosthetic provision from the NHS at the same high standard as that provided by the MOD. We have continued to develop the Defence Recovery Capability and the Care Quality Commission acknowledged the high quality of service provided by the Defence Medical Services generally. The Cabinet Sub-Committee on the Armed Forces Covenant has also re-affirmed the Government's commitment that Veterans accessing NHS services in England will be given priority treatment for Service-related conditions with similar arrangements in Scotland and Wales. The report identifies that more work is to be done implementing recommendations from the Care Quality Commission review and in establishing a unified MOD Defence Primary Healthcare Service. We also commit to looking at what more can be done on Reserves' mental health.

Education

Good progress has been made in the area of education. We have improved the provision of training and education opportunities for Service personnel and Service leavers. For example, Service leavers are now exempt from paying tax when using Enhanced Learning Credits earned during Service to continue their studies. We have also reduced the disadvantage faced by Service children by altering the Schools Admissions Code to allow all schools in England to allocate a place in advance of a Service family arriving in the area and to enable infant schools in England to admit Service children over the class size of 30. The £6M provided to schools to help them mitigate the effects of exceptional mobility and deployment has been well received; as has the Service Pupil Premium, which is being increased in value and expanded in scope. In addition, the Armed Forces Bereavement Scholarship Scheme provides university and further education scholarships for the children of Service personnel who have been killed on duty. We need to continue to monitor these funds to make sure they are providing the maximum benefit in the future. We also recognise the need to review the impact of the changes made to the Schools Admissions Code once they have had time to bed in.

¹ The Armed Forces Covenant, published in May 2011, defines fifteen themes within the scope of the Covenant: Terms and Conditions of Service, Healthcare, Education, Housing, Benefits and Tax, Responsibility of Care, Deployment, Family Life, Commercial Products and Services, Transition, Support After Service, Recognition, Participation as Citizens, Changes in Defence and Recourse.

Housing

Housing remains a key issue for the Armed Forces Community. The report outlines that some progress has been made on improving the standard of accommodation provided for Service personnel and their families, but acknowledges there is much more to be done. Chapter one outlines how this will be incorporated as part of the New Employment Model (which is also addressing terms and conditions of service), including consideration of a replacement for the Long Service Advance of Pay, which helps Service personnel purchase their own property. In an important step for those who require non-Service housing, Local Authorities in England are now required to frame their housing allocation schemes to give additional preference to members of the Armed Forces Community who have urgent housing needs. There is more to be done however to encourage disabled Veterans to apply for the ring-fenced Disabled Facilities Grant and to look at whether there is a need to provide 'halfway' housing for Veterans who fall on hard times. We also recognise the impact of the three-year funding pause on the Single Living Accommodation modernisation programme and on Service Family Accommodation, and we will continue to seek additional funding and make improvements where affordable. The Chancellor's announcement in March of an additional £100M for Service accommodation was welcome in addressing some of this shortfall.

Inquests

In September 2012, the first Chief Coroner of England and Wales was appointed to monitor investigations into Service deaths and ensure coroners are suitably trained to investigate such deaths. Additionally, investigations into the operational death of a Service person killed overseas can now be carried out in Scotland to reduce additional stress on bereaved families based in Scotland. The average time taken to conduct an inquest into an operational death where there is no Service Inquiry has fallen steadily since 2003. Importantly, from next year, coroners will be required to notify the Chief Coroner of any investigations that last more than 12 months, and the reasons for delays. We will continue to do all we can to support the bereaved and work with them to identify what more can be done to provide new or enhanced means of support.

Other Covenant Issues

The other themes of the Covenant, listed in the earlier footnote, have not been neglected. The report sets out further achievements in these areas. These include the exemption from the assessment for Universal Credit of payments made under the Armed Forces Compensation Scheme and the War Pensions Scheme, and changes to Jobseeker's Allowance for spouses returning from overseas postings with their Service partner. We have introduced postcodes for British Forces Post Office addresses, which enable better access to commercial products and services. The report also outlines where we need to do more. This includes identifying where we can do more to support employment opportunities for spouses of Service personnel.

INTRODUCTION

This is the first annual report to be produced after the Armed Forces Act 2011 received Royal Assent and was brought into force, placing a statutory duty on the Secretary of State to produce a report each year to Parliament. In preparation for this, an interim report on the Armed Forces Covenant was published on 20 December 2011. This first statutory report covers the period since then, and each chapter also contains a section that looks to the future in terms of actions required to uphold the principles of the Covenant.

Also in 2011, the Government announced the establishment of a new Cabinet Sub-Committee on the Armed Forces Covenant. The purpose of this new Committee – chaired by Oliver Letwin, Minister for Government Policy at the Cabinet Office – is to keep up momentum and oversee work related to the Covenant. The Committee has met several times and has discussed a range of topics related to the Covenant. The Prime Minister has attended two of these meetings, including one held jointly with the Covenant Reference Group to consider the content of this annual report.

Many areas of the Covenant fall to the Devolved Administrations to deliver in Scotland, Wales and Northern Ireland. Our contacts with those Administrations have developed as we have sought to ensure consistent provision for the Armed Forces Community. As a result, we have forged good relationships with officials in Scotland and Wales. The Devolved Governments in Scotland and Wales have published their own documents emphasising their support for the Armed Forces Covenant and making their own commitments to Service personnel and members of the Armed Forces Community. We have also sought their views in the production of this report, and included their inputs where provided.

The Scottish Government published its report on the Armed Forces Covenant “Scottish Government support for the Armed Forces Community in Scotland” on 5 September 2012. This report sets out much of the work that has been done to support the Armed Forces Community in Scotland and makes commitments for the future.

The Welsh Government’s Package of Support for the Armed Forces Community in Wales was launched in November 2011. This set out the Welsh Government’s commitments to the Armed Forces Community in Wales on devolved matters, including ongoing work as well as new commitments and ranging across healthcare, housing and education.

In contrast to Scotland and Wales, it has not been possible to make the same progress in building support for and delivering the Armed Forces Covenant from within the Northern Ireland Executive. The suggestion that the Covenant could provide preferential access to cross-government services for serving and former members of the Armed Forces could be seen as running counter to their strict equalities legislation. We will continue to make the case for the Northern Ireland Executive to adopt the principles of the Armed Forces Covenant where it is possible to do so. For this year’s annual report, the views of the Northern Ireland Executive have been sought but not obtained. Where services are provided by the MOD, these are provided consistently throughout the UK.

Local Government delivers a fifth of all public services and is very much in the front line in meeting the needs of Service personnel and their dependents. Housing, social care, public health, recreation, schools, transport and economic development are critical

issues for the Armed Forces Community. As at 1 December 2012, 196 local authorities in England have signed up to the Community Covenant, with 27 in Scotland and seven in Wales. The Covenant should not be seen as appropriate only in areas where there are significant Service bases. Every council in the country has members of the Armed Forces, their families and Veterans among their electors and every council has a role to play in supporting the Covenant principles. However, signing a Community Covenant is only the start: the real work for local authorities lies in ensuring those principles are embedded in their organisations and represented in policies for delivering each and every one of their services.

Community Covenants are supported by the Community Covenant Grant Scheme, which delivers financial support to projects designed to strengthen the ties or the mutual understanding between members of the Armed Forces Community and the communities in which they live. Since the implementation of the Grant Scheme in 2011, some £5M has been allocated to support local initiatives. Examples of the good work Community Covenants are delivering are included throughout this report.

One of the key factors in preparing this annual report is the provision of evidence to show where Service personnel, Veterans and their family members are experiencing disadvantage, where they might deserve special consideration or where a policy change has made a positive difference. At the start of the year, we examined what information was available to underpin the annual report and determined that hard data identifying specific disadvantages was not available in many areas. This year's report relies instead on two sources of established evidence: the Armed Forces Continuous Attitude Survey and the Service Families Continuous Attitude Survey. For the future, we are working with the Office for National Statistics to explore whether a household survey might include an Armed Forces Community identifier and we are adapting other surveys to elicit more evidence of where disadvantage is present.

This report is mainly intended to inform debate. Its chief purpose is to update Members of both Houses of Parliament on the progress that is being made to remove the disadvantages that are experienced by members of the Armed Forces Community and where further work is required. We hope that many others, not least members of the Armed Forces Community themselves, will also be interested to read this report.

However, we recognise that we need to improve awareness of the Covenant's aims and the link between the Covenant and improvements that are made in the future, and relying on publication of this report is not enough. We have therefore taken steps during the year to improve our communication with members of the Armed Forces Community. As part of this, we have made significant improvements to the relevant part of the MOD website (www.mod.uk/covenant); produced a series of articles for magazines and periodicals; introduced a regular newsletter; raised our online profile using stakeholder social networking sites; and hosted a conference on the Armed Forces Community Covenant. Similarly, in Scotland, the Scottish Government has played a full part in the Firm Base Forum, which examines how Defence and Scottish Government policy impacts on the Armed Forces Community; addresses issues that impact on the welfare of the Armed Forces Community; and tackles the difficulties faced by the Armed Forces Community in accessing public services and support at the local level. The Welsh Government, in partnership with the Welsh Local Government Association, hosted an Armed Forces Conference in February 2012. Following the conference, the Welsh Government Minister for Local Government and Communities wrote to local authorities reiterating his commitment to the introduction of Armed Forces Community Covenants across Wales and reminding local authorities

to consider the needs of the Armed Forces Community as part of their work. The Welsh Government has also established an Armed Forces Expert Reference Group, which involves key stakeholders in identifying the public service needs of Armed Forces personnel, their families and Veterans in Wales and whether existing service delivery meets those needs.

We hope that the structure of this annual report, which is based on the groups for whom the Covenant work is intended, and the surrounding publicity will also help raise awareness amongst the Armed Forces Community.

OBSERVATIONS BY EXTERNAL MEMBERS OF THE COVENANT REFERENCE GROUP

Naval Families Federation, Army Families Federation and RAF Families Federation

The three Service Families Federations have been actively involved in the production of this Annual Report. We have been consulted extensively on the content and are grateful for the opportunity to input to those elements of the Report relevant to the military family members we represent.

In commenting on this first annual report, we would like to acknowledge that the vast majority of military families are incredibly resilient and understand better than anyone that their spouse or partner's job demands considerable commitment and often great sacrifice, often at short notice and often in harm's way. They provide incredible and unstinting support in helping them to manage that. They also understand that the current economic circumstances impact on everybody, military or not. Like the majority of civilians, military personnel are experiencing significant changes to pensions, a pay freeze, reductions in allowances and increases in charges. Indeed, many Servicemen and women have wives, husbands and partners who are civil servants, nurses and the like, and are seeing a "double whammy" of price rises, redundancies, and belt tightening. The military community does understand the pressures on "Civvy Street." But the acknowledged disadvantages that come from serving in the military are unique. That the Covenant seeks to remove or at least mitigate them is of great importance to families and that is why on their behalf we warmly welcome the Covenant work, both to date and that planned for the future.

Clearly there is more to be done and, in setting priorities for scarce resources, we recognise that Service families are but one element of the Armed Forces Community and that all members merit due consideration, with the needs of those still serving, and their families, to be balanced against the needs of those who have served, or have been bereaved or wounded as a result of Service.

In response to the key conclusions, on the financial and non-financial offer, we strongly support the continued need for the Armed Forces Pay Review Body; families genuinely value its role and its independence. We remain deeply concerned at the cumulative effect of the impact of the pay freeze for many, allowances cuts, including significant and sudden reductions in overseas allowances that have been imposed on families' mid-tour, and changes to pensions indexing. We recognise the work being undertaken to develop a New Employment Model (NEM) aimed at providing more stability and better career management, and we were particularly pleased to learn that this will be a cost neutral exercise and not another exercise in cost cutting. But we do not yet have the detail of NEM to be able to judge its impact. What we do know is that communicating the outcomes and the options for families as openly and as honestly as possible as they emerge will be absolutely crucial.

With regard to the Service family, our key area of interest, we will not only monitor progress on the NEM but will also continue to assess commitments made to support employment of Service partners, improve childcare accessibility, enhance access to schools and health services, and improve the benefits system so that it better reflects the inherent mobility of Service families. Anything that the commercial sector can do to support the Armed Forces family would be welcomed, as would the continued support of so many excellent Service charities, which often step in when the public sector fails to provide.

Housing continues to be the most-reported issue to all three Federations and dominates our workload, despite varying levels of occupation across the three Services. In particular, we still have very real concerns about DIO Transformation, where the pace of change and the high level of staff rationalisation continue to raise genuine concerns as to the quality of customer service, despite the more recent signs of improvement. Moreover, the availability of SFA in some areas is insufficient and rebasing is likely to increase the problem unless more funding is made available. While we acknowledge the "additional" funding that has been returned to the housing budget for critical maintenance and repair, we continue to be disappointed by the 3-year "pause" in funding for SFA upgrades and feel that higher priority must be given to maintaining and enhancing the quality of Service-provided accommodation: How and where an airman/soldier/sailor lives has a direct impact on his or her operational effectiveness and willingness to serve. Whilst we welcome efforts to ease the transition of Service families into privately owned or rented accommodation, we emphasise the continued need for families to have a choice and to be able to serve accompanied in good quality, affordable accommodation if that is their choice and it contributes to operational effectiveness.

We are also worried about the Next Generation Estate Contract and the potential impact on Service families living in SFA and we will monitor developments here with great care. People are also beginning to log concerns about the Future Accommodation Workstream. In short, we must ensure that we have a good, affordable house purchase option in place before we see any changes to entitlement to Service Family Accommodation and Single Living Accommodation, or changes to accommodation charges.

Much progress has been made in Healthcare but we remain concerned at the impact of mobility on Service family members required to cross either PCT or country boundaries as a result of an assignment and who find themselves faced with differing funding provision and eligibility criteria. We acknowledge that health is a highly devolved function and that policies for funding of treatment and eligibility criteria are based on local considerations. However, we would urge that more is done to encourage all UK health practitioners to recognise the impact of Armed Forces mobility and be as flexible as possible in terms of funding and eligibility for treatment. More specifically, with regard to mental health services, the Big White Wall is an excellent development that has been very well received. But it is for over-16s and we would welcome the development of something similar for the under-16 community. Similarly, the Armed Forces Health Partnership is heavily directed towards Veterans health care and we would ask if more information could be made available for serving personnel and families.

In April 2013 NHS Primary care Trusts will be replaced by GP Commissioning Groups (CCGs). These consortia of GP practices will commission the great majority of NHS services on behalf of patients, including elective hospital care and rehabilitative care and mental health services. It will be vital to ensure that they are aware of the disadvantages that military families so often face when frequently posted and that their circumstances are taken into account. We are also concerned that, under NHS reforms, patients will be able

to register wherever they like regardless of their address. Patient 'rating' may produce an 'Ofsted' type phenomenon where forces families may only be able to register with the less well thought of practises. This another potential issue that we would wish to see addressed.

On the impact of family mobility on children's education, we have also seen good progress to address identified disadvantage for Armed Forces children and the allocation of school places – School Admission Coders 2012 – is well received and is being used effectively to allow a reception age child to be accepted into a full class. It is also helping children who are applying outside of the normal admission round. Equally, the transfer of Statement of Need plans would be revolutionary for many families in achieving continuity of care and education for their children. We have welcomed the Service Pupil Premium but families want more evidence that the Pupil Premium is being used effectively before judging its impact on enhancing support to Service children. We have anecdotal evidence that the premium is sometimes not being used, or that other funds are being cut by local authorities "to compensate". Similarly, on childcare, we would seek confirmation that Childcare sufficiency audits are being done – we have no evidence to that effect.

On benefits and tax, we have been pleased to note progress in removing clear disadvantage experienced by the partners of serving personnel, particularly when accompanying the uniformed partner overseas. And on Employment, changes to Job Seekers Allowance (JSA) have made it easier for spouses to claim JSA when returning from an overseas assignment. We are also pleased with the progress being made in developing the role of Armed Forces Champions but more understanding is needed about how they will liaise with the military community and the local services/organisations. We would also welcome more effort being expended on helping employers to understanding the needs of military family employees when the Service person is deployed – the good practice exhibited by the Scottish National Trust is a good example of what is needed.

We have seen good progress in the delivery of welfare support, particularly to those deployed and the families they leave behind. However, those deployed as Individual Augmentees, particularly those with families living "beyond the wire", can sometimes slip between the safety nets of provision. We have particular concerns that Reservists and their families, and Foreign and Commonwealth personnel and their families, receive appropriate welfare support, shaped to their unique circumstances. We continue to hope that a Joint Personnel Administration process can be developed that would allow welfare staffs direct access to non-serving family members in order to enhance communication and raise awareness of the support that is available, particularly during deployments. Getting the message out to families is crucial and is also key to our ability to monitor progress. For the many Foreign and Commonwealth military personnel and their families, we continue to be dismayed at the lack of progress with regard to visa application processes and the Army Families Federation in particular receives regular and continued complaints that families receive inconsistent advice from UKBA. We hope that new changes to allow families to be treated like any other family applying for visas will help. Finally, we would caution that the understandable and correct focus on Operations and operational capability should not come at the expense of those Service personnel and families who are "keeping the home fires burning", working longer and longer hours and often (and at best) having to do more with the same.

A general observation we would make is the need for all parties to continue working towards equity of treatment across the boundaries of the Devolved Administrations. Given the mobile nature of Armed Forces life, disadvantage can be created simply by responding to an assignment order that takes a serving person and his or her family across

a country border, where different rules and processes apply. Anything that can be done to harmonise treatment across the UK would ease the transition of mobile Armed Forces families. We recognise that implementing the principles of the Armed Forces Covenant in Northern Ireland is more complicated, but we are concerned that as the tangible evidence of its worth grows in England and the other two devolved administrations, that its absence in Northern Ireland will become more obvious.

Finally, with regard to Transition and Support After Service, we re-emphasise the point that, at the end of a Service career, no matter what the duration, it is often not just a Serviceperson transitioning back into civilian life but the entire family. Support to partners and children, particularly in terms of finding employment and family accommodation is essential. Due consideration must also be given to the mental health of family members as they leave the relative security of the Service environment, often taking with them unresolved issues arising from the impact of deployment and separation on the family.

It is evident that as the Armed Forces Covenant is developed, it is changing attitudes to the provision of services to the military community and providing a structured approach to ensuring that personnel and their families are not disadvantaged. We welcome the progress it has made and, as Members of the Covenant Reference Group, we will continue to monitor implementation of the many and varied Covenant commitments. We look forward to reporting on progress from a families' perspective next year.

COBSEO, RBL, SSAFA, WWA and Professor Hew Strachan

This first statutory annual report on the Armed Forces Covenant highlights much that is to be welcomed. Progress is being made across many fronts to address disadvantage in line with the core Covenant principle of no disadvantage as a result of Service in HM Armed Forces. Particularly encouraging is the obvious high priority given to Covenant issues by the Prime Minister, the Cabinet Office and the MoD and, indeed, many parliamentarians, as the considerable number of references to the Covenant in both Houses demonstrates.

Equally heartening is the fact that the Armed Forces Covenant is not just on central government's agenda to an unprecedented degree; it is also an increasingly high priority at every level of government, including in local authorities and the devolved nations of Wales and Scotland. This is also very welcome. (It is noted that the sensitivity of the historical situation in Northern Ireland underlines the importance of a cross-community consensus on Covenant issues.)

The key challenge one year on from the Armed Forces Bill passing into law is how we, as a nation, build on that progress and sustain momentum, so that both the principles of no disadvantage and, crucially, of special treatment (where justifiable, e.g. in the case of Service related injury) are applied in practice at every level of government. The structure of this year's annual report, with its almost exclusive focus on no disadvantage, highlights the importance of defining what is meant by 'special treatment' as soon as possible. Not to do so would be to risk the core principle of special treatment becoming overlooked and that of no disadvantage, which should be the bare minimum, becoming the gold standard by which access to statutory and non-statutory services is judged. It is vital that this does not happen if the nation is genuinely to honour the Covenant.

The annual report covers many issues affecting the welfare of the Armed Forces Community. We would highlight several which continue to give cause for concern and which we feel deserve special attention in the year ahead.

Accommodation remains a big issue for Service personnel and their families. While we welcome the Chancellor's announcement of £100 million of additional investment in Service accommodation (Chapters 1 and 4), we also agree that this does not mitigate the effects of the three-year pause from April 2013 in the Single Living Accommodation modernisation programme. We continue to hope that, in line with the 2010 Coalition Agreement, the Government will use any efficiencies and other monies that become available within the MoD budget, to invest in what represents, to many Service personnel and their families, the physical embodiment of the Covenant – a decent home in return for their Service and sacrifice. Notwithstanding the fact that work on the New Employment Model (which will include accommodation) is on-going, we urge the Government to produce a transparent assessment of the impact of the freeze both on the condition of accommodation and on how the needs of Armed Forces personnel and their families are being met, particularly given the imminent relocation of our Forces from Germany. It is essential that the MoD publishes a refreshed Defence Accommodation Management Strategy, outlining exactly when and how the Department intends to upgrade all accommodation, single and family, to the highest standard by 2020. The strategy should also demonstrate that serious consideration has been given to the wider impact on recruitment and retention of any changes to accommodation entitlements.

We welcome consideration being given to focusing on reservists' health issues in the next phase of research by the King's Centre for Military Health Research (Chapter 2). However, the impact of the planned increased integration of reservists with regular forces should be the subject of a wide review of the welfare and health needs of this increasingly important group in line with the MoD's 2009 report, *Report on Strategic Review of Reserves*. This should include an examination of their access to priority treatment, which anecdotal evidence suggests is poor. Service charities look forward to responding to the Reserves Green Paper consultation.

Support and care of wounded, injured and sick personnel has to be a priority at a time when operations in Afghanistan continue to claim fresh casualties and those already injured rebuild their lives. While it is good to note the valuable work being undertaken through the Defence Recovery Capability in collaboration with the Royal British Legion and Help for Heroes as well as SSAFA Forces Help's mentoring project (Chapter 3), this does not lessen the need for a thorough, annual analysis of the effect of the Transition Protocol for Seriously Injured Veterans. This is especially important because the current protocol was developed to work with Primary Care Trusts, which have been abolished as part of NHS reforms. The MoD and Department of Health need to ensure that progress made in developing the protocol is not lost, to the detriment of our injured personnel.

The appointment of a Chief Coroner, following the belated, but welcome, decision by the Government to remove the position from the Public Bodies Bill, is hugely significant and should be of real, long-term benefit to bereaved Armed Forces families (Chapter 5).

An issue of particular concern in relation to Service leavers is the treatment of Foreign and Commonwealth Service personnel. We welcome the announcement that the Home Office will work with the MoD to ensure that new guidance is available to case officers considering applications for settlement and naturalisation to clarify, for both case officers and applicants, how Service will affect an application (Chapter 6). In the light of disturbing reports in the media about the UK Border Agency's treatment of several Foreign and Commonwealth Service personnel - which appear at odds with the principle of no disadvantage and any recognition of the unique nature of Service - we believe the guidance should be produced and disseminated as a matter of urgency. The current

situation, whereby applications for settlement and naturalisation can be rejected on the basis of military offences which would not incur a conviction in civilian life, is surely an example of disadvantage and does not reflect well on the UK. At the very least, current cases should be resolved in keeping with the Covenant principles as soon as possible.

Welfare reform directly affects Veterans (Chapter 7), not just older Veterans but also Veterans of more recent and on-going conflicts. We therefore welcome the exemption from the financial assessment for Universal Credit of compensation paid under the War Pensions Scheme and the Armed Forces Pension Scheme and the exemption of Guaranteed Income Payments from the financial assessment for social care provided by Local Authorities. We also welcome the announcement that severely injured personnel will not be required to undergo tests for Personal Independence Payments. We do have some concerns, however, that not all local authorities will continue to disregard military compensation payments when charging Council Tax.

Increasingly, it is at local government level that the benefits of the Covenant principles are being felt most acutely. We welcome the number of local authorities that have signed a Community Covenant (more than 200 at the time of writing) and hope very much that the remainder will have signed by Armed Forces Day 2013 and that existing signatories will announce further measures as part of their Community Covenants next year as well. As the Legion's Best Practice Guide to Community Covenants (published Autumn 2012) demonstrates, there is already a wealth of good practice.

Ultimately, as with developments at every level of government, the challenge will be to develop and embed best practice so that the Covenant principles become an integral part of the culture and delivery of services, not just in local authorities, but eventually, across all statutory and non-statutory services.

Finally, whilst not falling within the terms of this report, we wish to briefly make reference to two employment related issues that will have implications for the way in which the government is judged to be giving effect to its covenant commitments. The first concerns the introduction of the New Employment Model. Whilst much remains to be done, the MoD is to be congratulated for its willingness to take a fundamental look at all aspects of employment within the armed forces. This is a major, but long overdue, undertaking which is an essential element of delivering the planned armed forces structure and operational capability.

Planned reductions in the size of the regular forces have inevitably led to compulsory redundancies and many more are to be announced. Some personnel have been made redundant mere days before they would have been entitled to immediate pensions by virtue of length of service. This has understandably attracted negative publicity and led to a sense of betrayal of the spirit, if not the precise terms, of the Armed Forces Covenant among those affected. We recognise the difficulty of designing a selection process that avoids any criticism but the government should carefully examine how it can avoid a repeat of such circumstances in future rounds of redundancies by, for example, excluding anybody within (say) 12 months of being entitled to receive an immediate pension and also review how it can restore pension rights to those who have been disadvantaged so far.

We look forward to seeing our concerns addressed and further progress being made in the year ahead.

1 SERVICE PERSONNEL



What we said we would do

Service personnel give up some of the freedoms most of us take for granted, placing themselves in danger on our behalf, but also with limited choices on day-to-day issues such as where they work and when they take leave. A year ago, we acknowledged that the key concern for Service personnel was the financial and non-financial offer, which should be a fair return for the commitment we ask of them. The effects of the pay freeze, changes to allowances and reforms of the Armed Forces Pension Scheme for the second time in ten years continued to be a concern at a time when demands on the Armed Forces remain high. We have previously said that the different strands of the New Employment Model programme – including plans to look at the provision of accommodation – would be considered by the Defence Board during autumn 2012.

Other effects identified included disadvantage in managing personal finances, for example accessing commercial products such as loans; maintaining a credit rating whilst at British Forces Post Office addresses; and fair application of taxation liabilities. We also highlighted the review being undertaken into the Service complaints process and, in relation to recognition, the review of the rules governing the award of Service medals.

What we have done to reduce disadvantage and apply special consideration as appropriate

On the **financial and non-financial offer**, we have retained pay increments for Service personnel throughout the public sector pay freeze. In March 2011, the final report by Lord Hutton's Independent Public Service Pension Commission recommended the reform of public service pension schemes, including the Armed Forces. In March 2012, the Ministry of Defence launched a consultation exercise to take into account the views of Service personnel and other interested parties when setting up a new Armed Forces Pension Scheme, to be introduced from April 2015. Many of the changes to the current Armed Forces Pension Scheme reflect Lord Hutton's recommendations, which have been implemented across all public service schemes. Although satisfaction with pension benefits amongst serving personnel is down 10% compared with last year, from 50% to 40% satisfied, we have sought to ensure that Service personnel are not disproportionately affected by the changes and have secured some important advantages in the design of the new scheme. Accrued rights to benefits earned under the current schemes have been protected and importantly linked to final salary at the point of departure, not the point of transition to the new scheme. The normal pension age for the uniformed Services is set at 60 (at least five years less than the other non-uniformed public services); the early departure payment has been retained; the pension will continue to be non-contributory; and a more generous pension accrual rate has been agreed. As a result, the new pension scheme will continue to recognise and reward the unique commitment of all Service personnel by remaining among the best available.

We have also taken forward work on the **New Employment Model** which, as a key initiative in supporting Service personnel, is covered in a separate section at the end of this chapter.

On **accommodation**, some progress has been made in improving the condition of both Service Family Accommodation (see chapter four) and Single Living Accommodation (see table opposite). The Single Living Accommodation modernisation programme delivered 4,600 modernised bed-spaces (single rooms with en-suite facilities) in 2011-12 and, while funding has not yet been secured in later years, we are still on track to meet the Defence Accommodation Management Strategy target of 50% of trained personnel housed in the highest standard by March 2013. Whilst we know there is more to be done, it is encouraging that levels of satisfaction with the overall standard of Service accommodation have increased since 2007, from 48% to 56%.

The Department for Communities and Local Government in England (DCLG) has placed members of the Armed Forces at the top of the priority list for all Government-funded home ownership schemes and officials have visited units to help Service personnel who wish to buy a home of their own. In Scotland, the Scottish Government continues to provide priority access to its Open Market Shared Equity Scheme, New Supply Shared Equity Scheme and the New Supply Shared Equity with Developers Scheme.

Single Living Accommodation

The MOD owns some 145,000 Single Living Accommodation bed-spaces of which 126,000 are in the UK and 19,000 are overseas (as at March 2012).

SLA Physical Condition (as at 1 Apr 12)

	Standard 1 Condition & Scale	Standard 2 Condition & Scale	Standard 3 Condition & Scale	Standard 4 Condition & Scale
UK	31%	13%	19%	37%
Overseas	18%	8%	10%	64%
Total	29%	13%	18%	40%

Substitute SLA (SSSA) (as at 1 Sep 12)

The MOD has 3,625 SSSA properties housing 5,176 Service personnel. This housing is provided when SLA is not available.



Members of the Armed Forces are being placed at the top of the priority list for the Government's £500m FirstBuy scheme. HMS Ledbury Leading Chef Graeme Murdoch has used the scheme to buy his own place in Bootle with his wife Gemma, who he married earlier this year. Graeme, 28, spends six months of the year away on tour with the Navy. He and Gemma have also had a new addition to the family this year with baby Caiden.

"We've been looking to buy our own property for a few years as we were sick of privately renting, and living in Portsmouth with the other Navy families just hadn't been right for us. We knew we wanted to be close to family and ideally we wanted a new build property. I heard of HomesHub through a magazine at work, and they helped us access Firstbuy.

We looked at a couple of sites in the area but we fell in love with this house we've got, and we got a really good deal with an upgraded kitchen and free carpets. Gemma calls our home the little Duchess!

The Navy really promote home ownership and I think it's great that these schemes are there to help people like me and my family. I've been recommending it to all the sailors back on ship. The process was so simple and straight forward – we moved in within two months of viewing the property. We're already saving on gas and electric bills as the house is so well insulated."

Gemma: "I've got a great circle of friends in Bootle, we all work at the same pub and have young children so we all chip in and help look after each other's kids. It's a great help when Graeme is at sea."

On **personal finances**, we have worked with the financial sector to develop guidance for Service personnel on access to secured (mortgages) and unsecured (mobile phone contracts, motor finance, credit cards) loans. This was published in January 2012 alongside a commitment from organisations representing the financial services industry to raise awareness among their members of the unique nature of Service life to avoid disadvantaging Service personnel. Working with the Royal Mail, we introduced 'shadow postcodes' in March 2012 so that Service personnel and their families have equal access to online services and shopping opportunities, and overcome credit reference difficulties arising from the lack of a recognisable UK postal address. Additionally, the MOD has taken steps to improve financial awareness among Service personnel, including financial awareness training for trainees. The Royal British Legion (RBL), in partnership with The Royal Air Force Benevolent Fund, Citizens' Advice and Citizens' Advice Northern Ireland, has provided a Benefits and Money Advice Service, which RBL judges has put £70 million back into people's pockets through increases in benefits, writing off debts and gaining grants. We have also worked with the RBL and Standard Life Charitable Trust to develop web-based financial capability training. The website is planned to go live in 2013.

We have also considered the unique position of Service personnel in relation to **taxation**. In July 2012, the DCLG, which has policy responsibility for council tax in England, wrote to all local authorities in England to raise awareness of the payments that Armed Forces personnel make in lieu of council tax when they live in Service accommodation so that local authorities take this into account when they make a decision on applications for a council tax second homes discount. In Wales, regulations came into force ensuring that billing authorities in Wales give a 50% council tax discount on second homes owned by Service personnel who live in accommodation provided by the Ministry of Defence. Service personnel who deploy on operations overseas such as in Afghanistan may also claim the MOD's Council Tax Relief for the period that they are away. With effect from 1 April 2012, the Government doubled this payment to around £600 for an average six month deployment. Finally, Her Majesty's Revenue and Customs (HMRC) has worked with the Confederation of Service Charities (COBSEO) and the Soldiers, Sailors, Airmen and Families Association (SSAFA) to develop briefing material on the introduction of new penalties for late filing and late payment for not meeting Self Assessment tax deadlines. HMRC has agreed a new category of "reasonable excuse" specific to Service personnel on active service overseas. This allows for penalties to be cancelled where the new category of reasonable excuse for Service personnel applies.

A member of the Armed Forces was very pleased when the Welsh Government introduced council tax relief for Serving personnel in Wales. He and his family own a home in West Wales, but being part of the Armed Forces Community means being mobile so the property is vacant for most of the year.

"The Council tax relief in Wales has been invaluable – it's worth around £1,000 each year to us. My family and I bought the house there because it's where we want to settle when I retire, but because of my job we're mobile so we don't live there. Most of the problems the Armed Forces face can't be resolved by the MOD alone, and this is an example of government, including the Devolved Administrations, working together to get a result for Service people.

It makes sense for everyone involved – the council may have lost out on half of our rates, but we don't produce 52 weeks' worth of rubbish a year. And when we are there we're spending money there, and when we settle there in the future we'll be spending our pensions there!

Cross governmental policies like these definitely help morale in the Armed Forces. 'Thank yous' for what we do are nice, but they ring hollow if we don't get concrete measures too."

There has been a 15% increase in the number of personnel satisfied with the amount of time it takes to resolve a Service complaint. The review of the **Service complaints** process, which reported in June 2012, has enabled us to see whether the design of the system is benefitting or hindering fair and effective complaints handling; how the chain of command is operating the process; and to identify areas for improvement. Details of the changes that are being made as a result of the review are set out later in this chapter.

On **recognition**, in May 2012 the Prime Minister appointed Sir John Holmes, a former senior diplomat, to undertake a review of the rules applying to the award of Service medals. Sir John completed an initial review, concluding that there was no good reason to change the basic approach underlying our policy: that medals should be issued sparingly on the basis of genuine risk and rigour. However, Sir John felt that there was scope for greater transparency and flexibility on how the rules were applied. In announcing the results of the review in July, the Prime Minister welcomed the report and said that he had asked Sir John to lead a second stage and to make further recommendations. This second stage is now underway and includes further consideration of the main long-standing medal controversies, based on criteria set out in the earlier review. The results of this second stage are expected before the end of the year.

Also on recognition, a number of Community Covenant projects are focused on explaining the story of Service life to the local community. One example is in North Yorkshire, where a grant of £26,000 is funding an innovative project to tell the story of Catterick Garrison through the eyes, ears and mouths of the people who have lived and worked there, including current members of the Service community.



Where the effects of Service continue to place Service personnel at a disadvantage or where further special consideration is required

Issues of fairness and flexibility in the **financial and non-financial offer** continue to be a concern for Service personnel. The Armed Forces Continuous Attitude Survey states that satisfaction with basic pay is at the lowest level in four years (from 50% in 2009 to 40% in 2012) and the number of people who consider the 'X factor' element of their pay to be sufficient compensation for the demands of Service life is unchanged at around 28%. During the public sector pay freeze and the years of pay restraint in 2013-14 and 2014-15, the Armed Forces' Pay Review Body will retain a fundamental, independent role in ensuring that the remuneration package for Service personnel is sufficient to recruit and retain the right people. We expect the Armed Forces' Pay Review Body to continue to advise the Government on a range of remuneration matters relating to the Armed Forces. Its contribution continues to be greatly appreciated by the Government, the MOD, Service personnel and their families.

Accommodation remains a concern for Service personnel and the provision of good quality, affordable and suitably located accommodation is part of the fair treatment that Service personnel should expect under the Armed Forces Covenant. In addition to striving to improve the subsidised public provision of accommodation, we are also seeking to encourage home ownership. As part of this, the MOD is considering a replacement for the Long Service Advance of Pay, which helps Service personnel to purchase their own property. The exact details of the new significantly enhanced scheme and how it will be delivered have yet to be finalised.

In the 2012 Budget, the Chancellor announced £100M of additional investment in Service accommodation between April 2013 and March 2014. Around £40M of this will be spent on the construction of some 600 new Single Living Accommodation rooms. We acknowledge that this does not mitigate the three-year pause from April 2013 in the Single Living Accommodation modernisation programme, and we will therefore continue to seek additional funding and make improvements where affordable. On Single Living Accommodation, our aim has been to have 70% of trained personnel in the highest standard of accommodation and 30% in the second highest standard, with all trainees accommodated at the highest grade, by 2020. However, this aspiration is dependent on funding and is unfunded at present. The MOD has therefore commissioned work to establish a definitive Single Living Accommodation management information system, which from next year will be used to provide critical information on the condition of the estate and inform key investment decisions based around a firm future requirement.

We will continue to work to address concerns in relation to the **support provided to individual augmentees** who are deployed on operations without their parent unit.

On **council tax discounts** for unoccupied private properties owned by Service personnel residing in Service accommodation (whether in the UK or overseas), reports have continued of local authorities failing to apply a discount. It is perhaps too soon to see the impact of the DCLG's July 2012 letter. The MOD will reinforce the importance of this through Community Covenant partnerships.

Another issue resulting from the mobile nature of Service life relates to some costs of education. The Armed Forces have traditionally been major customers of the Open University (OU), taking advantage of distance learning but, since September 2012, changes in Government funding have meant that Service personnel living in England and studying with the OU and other higher education establishments have faced higher tuition fees compared with personnel residing in Scotland, Wales and Northern Ireland studying the same OU course. In order to reduce this disadvantage, the MOD will work with the OU to explore how regional pricing differences could be overcome for the courses most popular with Service personnel.

The **review of the Service complaints process** concluded that recent incremental improvements were starting to bear fruit, but more needed to be done to reduce undue delay, with performance found to be affected most by three main factors: demand and resources (the volume of complaints in the system and the sufficiency and efficiency of available resources to respond to them); delay (its causes, and whether they are system-generated or result from the action or inaction of individuals); and appeals (the lack of restriction on what can be appealed and the number of levels available). Actions were agreed to tackle these issues, with progress against them to be reported to the Service Complaints Commissioner (SCC) in time to inform her next annual report in early 2013. At the same time, the review concluded that there was more benefit to be gained for improving timeliness and tackling undue delay if the SCC were engaged whilst complaints were still live rather than her post becoming an ombudsman acting after the event. A new way of working with the SCC will be implemented from January 2013, aimed at giving the SCC greater insight into the causes of undue delay and the effectiveness of the Services' monitoring of cases, and enabling us to gain evidence for learning lessons.

We continue to be alert to the dangers of the misuse of alcohol. Policy and guidance on dealing with excessive alcohol consumption involves different administrative, disciplinary and healthcare procedures, as well as practical measures that commanding officers wish to adopt for their unit. We are also doing some research to understand how effective our policy on alcohol consumption is, and what more needs to be done to promote responsible drinking. The Services are seeking to introduce a new alcohol and drug testing regime under the Armed Forces Act 2011 for Service personnel carrying out safety-critical duties in the course of their employment. These changes will complement the current deterrence provided by random testing under Compulsory Drug Testing, and we aim to implement them in 2013. Together these measures will enhance the Services' ability to deter and detect the misuse of alcohol and drugs, and strengthen our commitment to promoting awareness of the risks involved.

The New Employment Model

The New Employment Model (NEM) is intended to better meet the needs of today's and tomorrow's Armed Forces. The NEM signifies the Government's commitment to deliver a modernised offer to personnel, while maintaining the fundamental ethos and capability of our Armed Forces. It will be designed to meet the expectations of a generation that has yet to join, but it must be delivered in a way that continues to support and motivate existing Service personnel. It will necessarily be a long-term, incremental change programme. It will help us to make the best possible use of planned resources for Service personnel, but it is not a savings exercise.

The NEM should implement changes which:

- deliver an offer to Regular Service personnel that increases personal choice, reduces the impact of Service life on families and supports partner employment;
- enable the individual Services to operate more effective manning controls, within a common framework that supports delegated decision-making;
- provide conditions of service that reflect greater differentiation between Service personnel in terms of experience and ability;
- enable substantially closer alignment of Regular and Reserve terms and conditions of service, enabling the concept of a 'Whole Force' to be realised; and
- deliver a coherent, holistic accommodation strategy that:
 - supports genuine lifestyle choices;
 - increases levels of home ownership;
 - improves Service accommodation standards and choice; and
 - is fair and attractive to our people.

Under the next stage of the NEM, intensive work will be carried out in the following areas:

- An assessment phase of the pay options which will best support the NEM. Work so far has identified the potential benefits of a pay system, which will provide greater differentiation in pay based on knowledge, skills and experience, with somewhat less emphasis on rank and seniority. The costs, risks, and cultural change associated with such an approach need to be more fully understood, and alternative, less radical pay system reforms have not been ruled out. The Armed Forces Pay Review Body will be kept fully informed as this work proceeds, and any proposals for pay reform will be subject to their review and recommendations.
- Development of options for substantially increasing support to home ownership and for improving standards of domestic accommodation. The latter will be closely related to decisions the Government will make on the future basing footprint for the Armed Forces.
- Design and testing of a much simplified allowances structure, which has the potential to further reduce the 'back office' costs of personnel administration.
- Detailed design and implementation of a new employment framework, reflecting clearly defined career stages and rank-related tiers. This will provide the basis on which the single Services can determine engagement structures to suit their needs and to match the structure of the new Armed Forces Pension Scheme and its early departure payment element.
- Design of a through-life development and career support programme for Service personnel, extending beyond Regular service. This may include a tailored personal development programme for all personnel that complements their professional development; a resettlement package that better considers individual need in addition to time served; an enabling service for personnel to flow between employment in the Regulars or Reserves; and improved support for career transitions for Service leavers to sustainable employment.

Design of the NEM and definition of the key options on pay and accommodation should be sufficiently mature to enable consultation on the proposals to take place next summer. In the meantime we will be keeping key stakeholders, and personnel themselves, appropriately informed of developments. Given its importance and relevance, this is a topic we expect to review in annual reports on the Armed Forces Covenant over the coming years.

2012 Report Commitments

Work undertaken jointly with the Royal British Legion and Standard Life Charitable Trust to develop web-based financial capability training will lead to the creation of a website, which is planned to go live in 2013.

The MOD will establish a Single Living Accommodation management information system to provide critical information on the condition of the estate and inform key investment decisions.

A new way of working with the SCC will be implemented from January 2013, aimed at giving the SCC greater insight into the causes of undue delay and the effectiveness of the Services' monitoring of cases.

Under the Armed Forces Act 2011, the Services are seeking to introduce in 2013 a new alcohol and drugs testing regime for Service personnel carrying out safety-critical tasks in the course of their employment.

2 RESERVISTS



What we said we would do

Recommendations from the Future Reserves 2020 review envisaged the Reserve Forces having a greater role and being more integrated with the Regular Armed Forces. The review recognised the remarkable contribution that our Reserve Forces make to operations and set out early plans for implementation of the various measures in two phases, with the first phase incorporating work to stabilise, rejuvenate and significantly improve the state of the Reserve Forces.

We have previously noted the need to do more for individual augmentees, who are often Reservists, particularly on return from deployment with a focus on their mental health; and we said that we would consider shortening the time to settlement for Foreign and Commonwealth personnel who deployed as Reservists.

What we have done to reduce disadvantage and apply special consideration as appropriate

Following publication of the **Future Reserves 2020 review**, the MOD has started work with other Government departments on the first phase of the Future Reserves Implementation Programme beginning with terms and conditions of service, employer support and legislation. One specific example was that a Reservist's entitlement to Jobseeker's Allowance ends when he or she attends 15 days annual continuous training because they are not available for employment during that period and their earnings may exceed their benefit entitlement. The entitlement could sometimes take a number of weeks to re-instate, which affected entitlement to benefits such as Housing Benefit and Council Tax Benefit. To remove this disadvantage, the Department for Work and Pensions introduced special measures in July 2012 enabling Reservists to keep a claim for Jobseeker's Allowance open for up to 15 days without having to start a new claim on their return. These measures have been welcomed by Reservists.

The Department for Work and Pensions has also made changes to allow members of the Reserve Forces who have been mobilised in the last three years to have access to the Work Programme after they have been claiming Jobseeker's Allowance for a minimum period of three months. Access is normally given after nine months of claiming Jobseeker's Allowance for jobseekers aged between 18 and 24; and after 12 months for those aged 25 and above.

On support for Reservists' **mental health**, the MOD has continued its efforts to improve care. The Veterans and Reserves Mental Health Programme has been established at Chilwell in Nottinghamshire, as the Medical Assessment Programme has moved to join the Reserves Mental Health Programme. The relocation will ensure that high standards of clinical oversight are maintained. The number of Reservists using the programme has remained relatively steady at around 40 per year. We have also implemented changes as a result of the Army review of post operational stress management for members of the Reserve Forces, including greater information on support to families and the creation of a homecoming DVD.

In terms of wider health issues, the Departments of Health in England, Scotland and Wales have taken steps to promote awareness of Reservists' needs among GPs. In England, the Department of Health, working with the Royal College of General Practitioners has introduced an e-learning package for GPs providing advice and guidance on the health needs of the Armed Forces (including Reservists). In Scotland, a leaflet has been issued to GP practices on NHS entitlements for Armed Forces personnel, Reservists and Veterans; and a page with links to the Reserves Mental Health Programme has been added on the NHS Inform website. While they are mobilised, the healthcare needs of Reservists will of course continue to be met by the Defence Medical Services.

Some measures aimed at other areas of the Armed Forces Community have included specific references to Reservists. For example, changes to the Department for Communities and Local Government's housing regulations ensure that seriously injured and disabled Reservists are not disqualified from social housing waiting lists by lack of a local connection and those with urgent housing needs are always given 'additional preference' (high priority) for social housing. The qualification regulations came into force in August 2012 and the additional preference regulations were laid in Parliament in October 2012.

The Government itself is keen to lead the way in being an exemplary employer of Reservists and the Head of the Civil Service has agreed with central government departments to provide an improved and consistent approach to Reservists within the Civil Service. Civil Service Employee Policy have worked with the MOD to develop a central best practice policy to support employees in all departments who are Reservists and this was launched on 30 November 2012. The policy sets out the processes and responsibilities before, during and after training and mobilisation, which includes the granting of more paid special leave to support Reservists to meet their training commitments and provides continuous service during mobilisation.

The Community Covenant is also benefitting Reservists. In Devon, for example, the County Council has identified their staff members who are Reservists and established a staff group to represent their views and needs. They recognise and value their Reservists by inviting them to wear their uniforms to work and so break down barriers and increase understanding of the issues affecting our reserve personnel.

Where the effects of Service continue to place Reservists at a disadvantage or where further special consideration is required

As explained above, the implementation of the Future Reserves Programme, starting with a thorough review of terms and conditions of service, including issues related to the health and welfare of Reservists, has already enabled us to identify and address disadvantages faced specifically by Reservists. However, there is more to do to engage public, private and charitable sector employers so that the needs of potential and existing Reservists can be understood, respected and balanced with MOD requirements, including the Armed Forces Covenant. A formal consultation period began on 7 November 2012 with the publication of a Green Paper, which will enable us to gather feedback on our developing approach. Following analysis of responses, a White Paper setting out the way forward will be published in the spring of 2013.

Reservists' mental health continues to be an area where we want to do more. Important next steps include increasing awareness of the Veterans and Reserves Mental Health Programme among NHS GPs and determining whether access can be extended to Reservists who deployed before January 2003. The MOD is doing some work to establish whether there is a need to augment or improve awareness among the civilian and Service medical systems, commanders and Reservists themselves of the existing level of provision. It is expected that the conclusions of this will be available in early 2013. We will continue to look for ways in which the NHS, the MOD and the Devolved Administrations can work together with organisations such as Combat Stress to ensure that the Reserve Forces receive the support they need, particularly as we work through the implications of the Future Reserves Programme. Reservists remain a crucial component of the Service cohort being studied by the King's Centre for Military Health Research, and we are considering focusing on Reservists' health issues – as well as post-deployment resettlement and social support – in the next phase of research.

The occupational healthcare arrangements for Reservists are not consistent throughout the UK in terms of delivery, cost and governance. New arrangements are therefore being made with effect from March 2013 for members of the Royal Naval Reserve, Royal Marines Reserve and Territorial Army to receive a common standard of occupational healthcare, with units having access among other things to employment medicals and medical boards. Members of the Royal Auxiliary Air Force will obtain occupational health assessments from affiliated RAF Medical Centres. The new arrangements will of course not change the primary healthcare provision which, for non-mobilised Reservists, will remain with the NHS.

Last year, we recorded that the Home Office and the UK Border Agency were considering shortening the journey time to settlement for Reservists who deploy. It has not been possible to make progress in this area as quickly as we had wished but we are planning to address this by counting time spent by Reservists on operational deployment, who are on a route to settlement, towards the five year probationary period.

2012 Report Commitments

The MOD will publish a White Paper in spring 2013 setting out its detailed proposals for the future Reserves.

MOD has initiated a review of Reserve Forces' mental health issues in order to identify ways to improve their reintegration after demobilisation. We expect the outcome of this review to be available in spring 2013.

New arrangements are being made during 2013-14 for members of the Royal Naval Reserve, Royal Marines Reserve and Territorial Army to receive a common standard of occupational healthcare.

3 WOUNDED, INJURED AND SICK



What we said we would do

Last year we said that we had asked the independent Care Quality Commission to carry out a review of the work of the Defence Medical Services in the UK and overseas. In general, satisfaction with Service-provided medical and dental treatment was high. Main areas of work included implementing the range of mental health initiatives recommended by Dr Murrison,² in particular integrating mental health assessments into routine medicals; ensuring that those who suffer infertility as a result of Service injuries were able to access three rounds of IVF treatment and those who have lost limbs were able to access replacement prosthetics of the same quality as those provided by the MOD; and making sure that close working with all four UK Departments of Health continued to facilitate the Defence Recovery Pathway and the smooth transition of wounded, injured and sick personnel to NHS care at the appropriate time.

What we have done to reduce disadvantage and apply special consideration as appropriate

The Covenant sets out the need for special consideration for those who have given the most such as the injured and a number of measures introduced this year have been in response to this principle.

² Dr Andrew Murrison MP's report "Fighting Fit: A Mental Health Plan For Servicemen And Veterans" was published on 31 August 2010.

The **Care Quality Commission** completed its review of the Defence Medical Services in June 2012. The Commission acknowledged the high quality of the service provided, highlighting the exemplary management of trauma at the Camp Bastion Hospital in Afghanistan and the rehabilitation of patients, both at regional level and at Headley Court. The Armed Forces Continuous Attitude Survey reflects this, with 79% of Service personnel reporting satisfaction with their ability to access care and similar numbers happy with both the facilities and the way they were treated.

In responding to Dr Murrison's report on the **mental health** of Service personnel and Veterans, we have also made significant improvements and mental healthcare provision is highly regarded by Service personnel. The MOD and the Department of Health in England have worked to implement the inclusion of a structured mental health assessment as a routine part of medical assessments. They have also funded the Big White Wall, an online early intervention service which combines social networking principles with clinically informed interventions free to members of the Armed Forces Community. As at September 2012, just over 2,500 members of the Armed Forces Community have joined the Big White Wall. The Department of Health in England has extended its funding of the Combat Stress and Rethink 24-hour mental health helpline for Service personnel, families and Veterans until March 2013. Access to the helpline is available from anywhere in the world. The Scottish Government is also engaged in a number of related but separate initiatives to improve the mental health care of Veterans in Scotland. As part of its work for the British Forces in Germany, SSAFA has provided a number of community psychiatric nurses, who are linked to different units and work with both the chain of command and individuals.

A particular example of special consideration, in England, the Department for Health has made arrangements for personnel who have suffered serious genital injuries and who are in receipt of compensation to be entitled to receive up to three cycles of **IVF treatment**. Advice to Service personnel has also been published on the use of commercial services to store sperm samples prior to deploying on operations. Scottish Ministers have also committed to provide up to three cycles and to establish a maximum waiting time of 12 months for IVF treatment by the end of the current Scottish Parliament. Also in Scotland, the extended use of community health index numbers as patient identifiers will allow eligible Armed Forces personnel to participate in health screening programmes, such as those for breast and bowel cancer. In Wales, all patients who satisfy the access criteria are already entitled to two cycles of IVF and Welsh Ministers are reviewing provision in the light of the arrangements elsewhere. SSAFA Forces Help, acting as a registered adoption agency, provides support to Service couples who are unable to have children of their own.

We have taken forward Dr Murrison's recommendations that the NHS should do more to ensure that amputee Veterans receive a similar standard of **prosthetics** and prosthetic care to those still serving. The Department of Health in England has made £4M available with effect from April 2012 to fund prosthetics for individual Veterans during the current year, whilst plans for specialist centres are developed. A further £11M has been allocated over the remainder of the current Spending Review to continue this service. The Scottish and Welsh Governments have both taken steps to ensure that injured Veterans can receive state of the art prosthetic limbs which are of an equivalent standard to those issued by the Defence Medical Services. Working groups have been established in Scotland and Wales to determine the best way of ensuring this is achieved.

We have continued to develop the **Defence Recovery Capability**, the process by which a wounded, injured or sick Service person either returns to full duty or moves into civilian

life with the least amount of turbulence. Since the original concept, the scale has increased with support from our charitable partners, RBL and Help for Heroes. Full operating capability is expected to be achieved by April 2013. All three Services have arrangements in place and, at present, around 1,000 personnel are moving through the system, of which 500 will require specific or special areas of support. Together we have enhanced the facilities at HMS Drake to deliver an accommodation block for 60 people and a state of the art gymnasium, including a hydrotherapy pool. Since September 2010, 337 Royal Navy and Royal Marines personnel have been returned to duty and 436 have made the transition to civilian life. Similarly the Army has established five Personnel Recovery Centres in Tidworth, Colchester, Edinburgh, Catterick and Sennelager to offer residential facilities to those wounded, injured and sick personnel from across the Armed Forces undergoing recovery, as well as providing facilities for day attendees. Since December 2010, 254 Army personnel have been returned to duty and 317 have made the transition to civilian life. Since January 2011, the Royal Air Force Recovery Capability has supported 17 RAF personnel in their return to duty and 26 in the transition to civilian life.



Guardsman Dave Watson from the 1st Battalion Scots Guard lost both legs and his right arm in an explosion while serving in Afghanistan. One of the key principles of the Armed Forces Covenant is making sure that, where it's appropriate, Service people receive special treatment. The MOD funds essential parts of adapted housing for personnel injured during service on a case-by-case basis, according to their needs. It starts with an occupational therapist assessment and is followed by site meetings with the person involved and MOD and Service representatives who then turn the recommendations into a design proposal. Non-

essential features such as the conservatory were funded privately. Dave got the keys to his new adapted home in Preston, Lancashire, earlier this year.

"It's been very hard adapting to life, but I have had to do it. The staff at Headley Court teach you how to do everything; if they had not been there it would have been much harder.

The three-bedroom bungalow was the biggest in the area with a bit of land attached which meant I could do whatever I wanted with it. So I had an extension, a wet room, I've had a few doors widened so I can use the wheelchair, and the back of the house has been opened out into a kitchen and dining area. I've also put on a conservatory and I still have lots of land so I'm planning on a patio and a carp pond – I'm really into my fishing.

It will change the way I live. In my old terraced house there was no room for me to walk around; I had to shuffle around and use a stair lift. Now I'm here I'll be walking around every day. It's important to me because it will get me onto my [artificial] legs more often.

It will be brilliant to have my own place. Back at my old house I would go out with my mates and I would come in late and have to wake my mum and dad to open the door. Here I can come and go whenever I please, it will make me more independent."

It is important to note that the Defence Recovery Capability is for all those wounded, injured and sick whatever the cause. At present, around 25% of its capacity is used by those injured on operations in Afghanistan or Iraq. The Defence Recovery Capability construct is an enduring commitment to all who serve and underwrites an important element of the Armed Forces Covenant.

In October 2011, SSAFA launched a pilot project to mentor 42 wounded, injured and sick Service leavers as they transitioned to civilian life. This small cohort will allow rigorous external evaluation and development of the mentoring service, prior to a predicted roll-out in April 2013. SSAFA has selected and trained 49 volunteers each of whom will give at least one hour of his or her time each week, and more if necessary, to mentor an assigned Service leaver for a minimum of one year. If the pilot is successful, mentoring could be increased to support a significant number of wounded, injured or sick Service personnel in the future.

SSAFA also run a support group for families of injured personnel. About 200 families have joined this group. Other groups have been established to support siblings and these groups cater for children and young people of different ages, enabling them to engage with each other and share emotional concerns.

In September 2012, Their Royal Highnesses The Prince of Wales and The Duchess of Cornwall opened the £17M UK Government-funded Jubilee Rehabilitation Complex at the Headley Court Defence Medical Rehabilitation Centre. The new complex comprises a 48-bed ward and a separate therapy building.

Where the effects of Service continue to place the wounded, injured and sick at a disadvantage or where further special consideration is required

As a part of its review, the Care Quality Commission recommended a series of improvements, primarily to the infrastructure of medical and dental centres, and the process for safeguarding vulnerable patients. The MOD accepts all of the Commission's recommendations and is implementing them in full. While the majority have now been addressed, it will take longer to make infrastructure improvements. These are planned through a combination of refurbishments and new buildings.

Additionally, the MOD plans to establish a unified Defence Primary Healthcare Service to: replace the three single Service organisations and improve patient care through more coherent policy making and direction; reduce costs by eliminating duplication and making more efficient use of resources; and ensure more effective linkages with the NHS. An interim organisation is planned to be in place from April 2013. The new organisation will be in full operation from April 2014.

Evidence shows that the incidence of mental health problems among Service personnel has remained steady in recent years, but we are far from complacent and are committed to do all we can. We have already taken a number of steps to improve mental health within the Armed Forces, and are examining ways to further develop the support provided,

including the use of ongoing health surveillance and a post-operational screening tool. Moreover, the MOD will respond to any evidence of future problems and ensure that any new measures are appropriate and beneficial to both individuals and the Armed Forces as a whole.

In October 2012, the Secretary of State announced that £5M will be spent on improvements to the Defence Medical Rehabilitation Centre at Headley Court, including refurbishing wards and accommodation. The investment will refurbish part of the Peter Long Unit; comprising wards and a day room; significantly improve accommodation in both the Officers and Combined Mess kitchens; upgrade the Single Living Accommodation; and replace carpets and heating systems.

The Cabinet Sub-Committee on the Armed Forces Covenant has asked MOD, together with the Department for Work and Pensions (DWP) and other interested parties, to look into whether there is a shortfall in the provision of specialist vocational training for those with brain injuries and establish whether the level of provision is adequate in this important area.

We are also concerned that families of the wounded, injured and sick are sometimes not aware of how they can access the respite care that is provided by their local authority. This issue has been discussed by the Cabinet Sub-Committee. The draft Care and Support Bill, published in July 2012, includes provision for a new duty on local authorities to meet carers' eligible needs for support, putting them on the same footing as the people for whom they care. Social care funding is devolved to local authorities, and existing Armed Forces Networks and Community Covenant partnership agreements can do much to raise awareness. As a result of discussion with the Families Federations, we support the need for a study into the support for the bereaved and the families of those who have been injured. We are at present in the process of seeking funding for such a study.

In England from April next year, we will see the roll out of a longer-term solution for prosthetics provision, which will include a network of multi-disciplinary prosthetic and rehabilitation centres, as recommended in Dr Murrison's report. In Scotland, a working group has been established to consider the most appropriate approach to fulfilling the recommendation for a multi-disciplinary prosthetic centre to meet the needs of Veterans across the country and ensure sustainable high quality care as locally as possible. In Wales, the outcome of the working group set up in 2012 will be taken forward.

From April 2013 in England, in line with Dr Murrison's recommendations on prosthetics, the NHS Commissioning Board will take over statutory responsibility for commissioning specialist healthcare, including prosthetics. It will also commission healthcare for eligible members of the Armed Forces Community. The MOD and UK Departments of Health will continue to work together – through the MOD and UK Departments of Health Partnership Board which meets three times per year – to ensure that the new arrangements maintain the world-class secondary care that is provided to Service personnel.

2012 Report Commitments

The MOD will take forward work to implement all of the recommendations contained in the Care Quality Commission review of the Defence Medical Services.

The MOD will work with DWP and other interested parties to review the requirement for and provision of specialist vocational training for those with brain injuries.

The MOD will establish a unified Defence Primary Healthcare Service, with the interim organisation in place from April 2013.

The MOD will seek to obtain funding for a study into support for the bereaved and the families of those who have been injured.

From April 2013, the Department of Health will establish a longer-term solution for prosthetics provision, including a network of multi-disciplinary prosthetic and rehabilitation centres, in line with the recommendations in Dr Murrison's report.

4 FAMILIES



What we said we would do

Last year, we confirmed that we take very seriously the effects of Service on the quality of family life. We noted that progress had been made in responding to these effects, but that there was more to be done in particular to address the impact of mobility on Service children in areas such as childcare, education and the ability of schools to respond appropriately to children from the Armed Forces Community. A key issue was the ability of a highly mobile Armed Forces Community to access consistent NHS health services across the four administrations of the UK. We also acknowledged the need to make improvements to the provision and upkeep of accommodation for families, a key issue for morale, as well as help families get on the housing ladder if that was their aspiration.

We also undertook to work on the issues that prevent spouses and partners of Service personnel from getting jobs; improving communications on National Insurance credits; continuing to improve the service provided to the Armed Forces Community by Jobcentre Plus; and looking at what more could be done to support Foreign and Commonwealth families more effectively.

What we have done to reduce disadvantage and apply special consideration as appropriate

On measures to address the **impact of mobility** on children, the Department for Education (DfE) has specifically introduced a provision into the new Schools Admissions Code, which came into force in February 2012, to enable infant schools in England to treat the children of UK Service personnel as a permitted exception to class size regulations. This means that infant schools may admit Service children and go above the class size of 30, if they feel they have the resources to do so. The Code also allows local flexibility so that individual admission authorities can give higher priority to the children of UK Service personnel in their oversubscription criteria. It is for admission authorities to decide whether to adopt these measures, taking account of local circumstances. The school, and any appeals panel, will still need to balance the request for a place against the resources available and the impact of this on Service families therefore remains to be seen.

The Schools Admissions Code for Wales indicates that admission authorities should allocate places to Service children in advance of an approaching school year when return dates are declared by an official letter. The Code stipulates that the needs of children of Service families must be taken into account; that admission authorities must allocate a place in advance if the applicant would meet criteria once the move occurs; and invite a Service representative to join the local admissions forum in areas where there is a significant concentration of Service personnel. The admission authorities are also required to accept a unit postal address for applications from Service personnel in the absence of a new home postal address.

In Scotland, web pages containing guidance for Service families on interrupted education, transition, wellbeing and additional support needs went live earlier this year on the Education Scotland website.

The support fund for state schools with Service children to make special provisions to mitigate the effects of exceptional mobility and deployment has now allocated £6M of grants to 261 applicants throughout the UK. The use of the fund has been varied, with better use coming as a result of sharing existing best practice. For example, £46K issued to Forres Associated Schools Group provided welcome packs for new families, children's activities over the move-in period and a welcome event, identifying issues which could be rectified before they became a problem. Eggbuckland Vale School in Plymouth developed a peer support and mentoring group as well as a "Family Together" group to help raise self esteem and develop a sense of community and belonging. A grant to RAF Benson Community Primary School helped refurbish a room where targeted pastoral support can be provided. In Scotland, legislation and the Code of Practice "Supporting Children's Learning" recognise that children or young people may require additional short or long term support, for a variety of reasons including if they have interrupted learning.



Last year Mrs Cording, Head Teacher at Egguckland Vale Primary, won funding from the MOD's State School Support Fund to help the Service children in her school through a community project. The work has grown and grown and the school has just received its second round of funding to develop it.

"Service children make up around 25% of our school, and whilst statistically across the UK they achieve more academically than other children, in our school that isn't the case. So we wanted to think of a way that gave them the pastoral care they need along with helping with their attainment.

So we asked a group of Service children in Year 6 to be in charge of organising a community event. They decided on staging an art gallery and (with some professional help!) got to grips with event planning, taking part in artist workshops, printed postcards to sell and sorting out the tea and coffee stands. All 95 Service children in the school took part on the day, and we got young people in from the secondary school who acted as peer mentors to the younger ones. The event has given them organisational skills and boosted their writing and their creativity. But it's also given them an identity within the school community, and raised their profile with the other students.

This time round we are bringing in the local HIVEs to work with the vulnerable Service children in the school who struggle because of their parent's deployment with an eight-week programme building resilience. At the end they will work with professional designers to develop a product like a board game to help other children who have the same problems. We even plan to market the design to generate an income that will be ploughed back into the project so we can continue to run it."

This has also been the second year of the Service Pupil Premium which in 2012-13 will benefit just over 52,000 pupils. The Service Pupil Premium is provided by the DfE to schools in England to deliver additional - mainly pastoral - support. Originally set at £200, the Service Pupil Premium was increased to £250 in 2012-13. On 8th October 2012, the DfE announced a further increase of Service Pupil Premium to £300 from 2013-14. The announcement also included an extension of eligibility to children of Armed Forces personnel who have died in Service, as well as provision to ensure Service children continue to qualify for the Service Pupil Premium after their parents have left the Armed Forces, up to a maximum of six years. The DfE has worked with the MOD's Directorate for Children and Young People and the National Executive of the Service Children in State Schools Network (SCISS) to identify effective uses of Service Pupil Premium funding in its first year at a rate of £200. The premium has been used in a variety of ways, including to provide extra assessment and induction when Service children first arrive at a school; releasing the Pastoral Support Officer to support children and families during deployment; and help for schools which also need to meet the needs of a single Service child. Best practice on use of the Service Pupil Premium has been shared at conferences and made available on the DfE website.



Naphill and Walters Ash School in Buckinghamshire has a 50% Service child population. Mrs Gwynn, the headmistress, used the Service Pupil Premium money they receive to help Service children struggling to settle in to the school.

“At Naphill, our main concern for our forces pupils is that we not only meet their academic needs, but can fully support the pupils with the other factors many of them have to contend with, like mobility and parents being posted abroad. We also believe that Service families often need extra support as each county has different policies and procedures.

We decided to use our Service Pupil Premium to ensure that all new arrivals have a proper induction process, which ensures they know things like school rules and expectations and where everything is (including most importantly the toilets!). This process uses a Passport which allows them to tell us about their likes and dislikes, previous schools and identifies the things they are worried about. Right from the start, new pupils get small group or individual support to help them settle. Pupils whose parents are deployed abroad are given time out of class to contact their parents through e-blueys. The children really enjoy this time and many of their messages are lovely and I know are appreciated by those receiving them.

We also have special help for our Nepalese Service children. A Nepalese pupil started in Year 2 having come straight from Nepal. We already employed a dinner lady who was Nepalese, but we used the Service Pupil Premium to extend her hours at school to support new arrivals. She helped the school to assess that this pupil’s Nepalese was as poor as his English so we could identify his issues were wider than just the language barrier. More widely, she has helped with translations for children and she can also explain processes to parents in their own language.”

In order to help Service Children’s Education (SCE) schools meet the needs of children with Special Educational Needs (SEN) in schools in Germany and Cyprus, the DfE has taken steps to extend the training given to Special Educational Needs Coordinators to those working in these schools. SCE wrote to overseas schools asking them to make use of SEN transfer documentation from September 2012 onwards. SCE and the DfE will review how well the SEN transfer documentation has been implemented by all SCE schools and maintained schools concerned. Separately, the DfE has committed to consult the MOD’s Directorate for Children and Young People on drafts of the Children and Families Bill and its related guidance, particularly in relation to the sections on SEN matters.

For older children, the MOD has worked with other Government departments and the Young People Learning Agency to make changes to the Residential Support Scheme, which helps with the accommodation costs of learners aged 16 and over who need to live away from home because their course is not available locally. Previously the scheme required all applicants to be resident in England for the three years preceding the start of the course. Young people whose parents, spouse or civil partner are members of the Armed Forces serving outside the UK are now able to access the scheme from overseas. Fewer families

are reporting problems as a result of having to move location, with 9% of families reporting problems accessing further or higher education in 2012 compared to 11% in 2010.

The Scottish Government has agreed to extend tuition fee loans so that Service families who would normally be identified as Scottish domiciled are treated no differently from Scottish domiciled students. In Wales, regulations used to assess a student's eligibility for student support (including the funding of university fees) provide for children of serving members of the Armed Forces to be treated as ordinarily resident in Wales. Students are required to provide evidence that they would have been ordinarily resident in Wales except for the family moving as a result of a Service posting.

The DfE in England has reviewed and published the education attainment results of Service children in state schools in 2011. This report confirmed that Service children continue to do better than the national average with 63% (56% in 2009) achieving five or more A* to C grades at GCSE including English and Maths, compared with 59% of non-Service children.

Over the last year, the MOD has worked with the Department of Health in England to ensure that the Armed Forces Community is taken into account in NHS reforms and that Service families are not disadvantaged in **accessing NHS services**. In Wales, Healthcare Inspectorate Wales published a report in May 2012 into service provision for serving personnel, their dependents and Veterans. The report was broadly supportive, but made a number of recommendations to improve service delivery, which will be taken forward in conjunction with local health boards.

SSAFA provides a number of child and adolescent Mental Health Nurses as part of the MOD services contracted in Germany and Cyprus. The work undertaken includes assessment and risk management programmes, therapeutic intervention and treatment programmes for children and young people in the Armed Forces Community serving in those locations.

On **Service Family Accommodation**, changes have been made to the allocation process including the centralisation of allocations at the Housing Allocation Service Centre (HASC) to standardise processes and improve overall efficiency; increased transparency and the enhancement of the online system which allows Service personnel to view 'estate agent' style details, register preferences for accommodation matching their entitlement and process their application electronically; and the rolling out of regional offices providing customer assistance. Whilst the initial telephone answering service provided by the HASC during the transition period fell well short of an acceptable standard, because we had no choice but to reduce the telephone opening hours to allow staff to prioritise the key task of allocating accommodation to families, the introduction of the self-preference arrangements allowed the HASC performance in this area to improve considerably. The self preference system is now running successfully, and feedback from Service families about the HASC has been more positive. This provides a platform on which to deliver further improvements to the level of support provided to Service families. We will continue to monitor the system closely to ensure this is the case.

Progress has also been made on the quality of housing provided for Service families in the UK, with 94% now in the top two of four standards. Housing in the lowest two standards has not been allocated to Service families in the UK since January 2012. During financial year 2011-12, around £60M was spent upgrading 714 Service family homes to the top

Statistics on Service Family Accommodation

The MOD manages some 64,000 properties for Service Families Accommodation of which 49,000 are in the UK and 15,000 are overseas (as at March 2012).

Service Family Accommodation Stock Physical Condition (as at 1 Sep 2012)

	Standard 1 for Condition	Standard 2 for Condition	Standard 3 for Condition	Standard 4 for Condition	Not recorded
UK	45%	49%	1%	<1%	4%
Overseas	32%	21%	28%	17%	2%
Total	42%	43%	8%	4%	3%

Substitute Service Family Accommodation (SSFA) (as at 1 Sep 12)

The MOD has 1,908 SSFA properties. This is property provided when SFA is not available

standard, with a further 4,000 properties benefiting from other improvements such as new kitchens and bathrooms, boilers, double glazing and improved insulation. A further £28M was spent on the purchase of 128 new houses in areas of high demand. These properties will provide high quality housing and reduce our reliance on costly short term rentals from the private sector. As with Single Living Accommodation, the three year pause in funding from April 2013 has not yet been mitigated for Service Family Accommodation, but the £100M investment in Service accommodation between April 2013 and March 2014 covers the first year and will be used to make major improvements to approximately 650 SFA properties (£55M) and purchase 25 new properties for use as SFA in areas of high demand with the remainder used for Single Living Accommodation.

There are different schemes to help Service families get on the housing ladder and the Families Continuous Attitude Survey indicates an increase in home ownership amongst the Armed Forces Community from 55% in 2010 to 60% in 2012. This compares to around 68% of the civilian population. The Armed Forces Home Ownership Scheme was introduced in January 2010 to enable full-time members of the Armed Forces, who had served between four and six years, to buy a property in England. As at June 2012, 219 Service personnel had completed the purchase of a property through the scheme. Service personnel have also been given the highest priority for access to the Department for Communities and Local Government's FirstBuy scheme, which is designed to assist first time buyers. Between September 2011 and March 2012, this scheme helped 127 members of the Armed Forces to buy a home of their own.

On **spouses and partners' employment**, despite the generally difficult economic situation, we have seen increased levels of full time employment – from 34% in 2011 to 38% in 2012 – and the number of partners reporting difficulty finding a job because of employment history has decreased from 25% in 2010 to 16% in 2012. In response to the disadvantages faced by spouses and civil partners who accompany Service personnel posted to a new location overseas, the Department for Work and Pensions introduced changes which help spouses and civil partners to claim contributory Jobseeker's Allowance

or contributory Employment and Support Allowance, when they return to the UK. The changes help to remove the disadvantages that prevented spouses and civil partners from claiming these benefits where they had not paid sufficient National Insurance contributions in the previous two years due to the overseas posting and the associated difficulties finding employment abroad. The MOD has also worked with the DWP to raise awareness amongst the Armed Forces Community of the Armed Forces Champions based in each Jobcentre Plus district. Some good work has been done by the Champions in the north west and north east of England, although data suggests awareness remains low. As part of this scheme, information has been provided to Service families on local labour markets, training opportunities and details of benefits for which they might be eligible, as well as help finding and applying for jobs.

Efforts have been made to support Foreign and Commonwealth families more effectively. The UK Border Agency has agreed to a transitional period until spring 2013 for the Armed Forces and their families before a number of new rules are introduced, including the application of a minimum income threshold, English language testing and a five year probationary period in the UK. Various other measures have been taken forward by the UK Border Agency: for example, sympathetic treatment for dependents of Service personnel who wish to end the relationship due to domestic abuse; and a fee waiver for the second visa application required for dependents of Foreign and Commonwealth personnel.

We have also improved the support offered to families when the spouse or partner is on operations. The Families Welfare Grant was doubled in April 2012 to £4.40 per person per week deployed. This provided an additional £2M per year for local commanders to enhance the direct support they provide to around 30,000 families while their loved ones are away.

The Community Covenant Grant Scheme has funded a number of projects to support families one of which, an RAF-themed playground in Carterton, Oxfordshire, was recently opened by the Prime Minister. The playground is located between the MOD and town housing, and has helped to bridge the gap between the two communities through play. Play is a proven method of reducing barriers and building bridges, and it is hoped through using this park members of the two communities will come together and learn about each other and their respective needs.



Where the effects of Service continue to place families at a disadvantage or where further special consideration is required

On **children's education**, it is too early to know the extent to which revised Schools Admissions Codes have been effective at addressing the problems faced by many families, and we will continue to monitor the situation to understand to what extent disadvantage remains. The number of Service families reporting difficulty continuing a child's education without a gap when changing schools remains unchanged from last year at 8%. There is also still some evaluation of the Service Pupil Premium to be undertaken to determine the impact of the funding and ensure it is used in the most effective way. The MOD will review the Support Fund for State Schools with Service children to ensure it continues to be used to mitigate the effects of exceptional mobility and deployment on schools, academies and free schools in the UK. The Residential Support Scheme beyond 2012-13 is subject to a review by the DfE and the Department for Business Innovation and Skills, so we will monitor this to ensure Service families are not disadvantaged by any changes.

Additionally, with the increase in academies and free schools in England, we have identified a need to ensure that these types of schools are included in Covenant initiatives and therefore do not disadvantage Service children. We will begin work to communicate their needs to this community of establishments. Separately, we are gathering evidence of the particular needs of Service personnel when it comes to childcare provision within the UK to identify whether there is any disadvantage due to the nature of their work. And we are seeking clarification as to whether the process being adopted regarding higher education funding within the Devolved Administrations will disadvantage Service personnel who are posted there.

On **Service Family Accommodation**, the key concern for families is the planned pause in expenditure, and the MOD will continue to look for opportunities to mitigate, in whole or in part, the impact of this in the next two years. Although there is sufficient accommodation to meet normal demand, there are some hot spots where substitute accommodation is rented from the private sector resulting in families being separated from the main living areas and increased costs for the MOD. In some locations, the demand for increased housing will not be known until the location of Service units is further developed, so this practice will have to continue to avoid the MOD entering into long term financial commitments. The MOD has made available a further £131M to buy properties from developers in this financial year for use as SFA. These will be purchased in areas of high demand or where we believe significantly more SFA will be required in the future. These properties will become available for allocation to Service families from mid 2013 onwards, and will help to reduce the use of costly substitute Service Family Accommodation. The MOD has made a further £5M available to upgrade Service Family Accommodation by 31 Mar 2013. This will help bring long term empty properties back into use and reduce the use of costly substitute SFA. We are also investigating how best to extend the policy governing the circumstances in which personnel may retain Service Family Accommodation, to include the situation where the spouse or partner of a Service person has a fixed term of employment or is in higher education and the Service person is moved to a new location sooner than expected. We also acknowledge that entitlements to Service Family Accommodation do not fully reflect the expectations of modern families, for example unmarried couples not generally being entitled to a house. This will be considered as part of the Future Accommodation Workstrand, within the New Employment Model.

On the ability of spouses and partners to gain employment or access to **Jobseeker's Allowance**, it is not clear that the measures we have put in place are having the desired effect. The DWP and the MOD will work together to improve understanding and communication of the special rules in place for spouses and partners of Service personnel. Also important for employment of spouses and partners, the increased portability of Criminal Record Bureau checks was included in the Protection of Freedoms Bill, which received Royal Assent in May 2012. The portability of these checks is predicated on a new continuous updating system which is expected to be introduced in spring 2013. Details of the new arrangements are being developed by the Home Office.

Concerning support to Foreign and Commonwealth families, we acknowledge that progress has been slow on the disadvantages we identified last year. In addition, foreign spouses who accompany British Service personnel on an overseas posting are disadvantaged because current regulations do not allow them to apply for settlement from overseas. Discussions with the Home Office are ongoing to ensure that where legally possible to do so, serving Foreign and Commonwealth citizens and family members of Service Personnel who are non-EEA nationals are treated on accompanied assignments overseas as if they were in the UK. For example, allowing family members of Service personnel who are subject to UK immigration controls and suffer domestic violence to make an application to enter the UK.

2012 Report Commitments

The MOD and DfE will jointly review the impact of the revised Admissions guidance to ensure that it is removing disadvantage, where possible, to Service personnel in achieving their school of choice in England.

The DfE and MOD will continue to review the use of Service Pupil Premium and publish examples of best practice to ensure that it is addressing disadvantage to Service children's education.

The MOD will review the Support Fund for State Schools with Service children to ensure it continues to be used to mitigate the effects of exceptional mobility and deployment on schools, academies and free schools within the UK.

The MOD will monitor any changes to the Residential Support Scheme to ensure that Service children are not disadvantaged.

The MOD will continue to work with the relevant education departments to ensure that the specific needs of Service children are recognised in particular with the new academies and free schools in England.

The MOD will gather evidence of the particular needs of Service personnel when it comes to childcare provision within the UK to identify whether there is any disadvantage due to the nature of their work.

The MOD will work with the relevant education departments to seek clarification on how higher education will be funded, identify if this will disadvantage the children of Service personnel posted to them and seek to address disadvantage if it does exist.

The MOD has made a further £5M available to upgrade Service Family Accommodation by 31 Mar 2013. This will help bring long term empty properties back into use and reduce the use of costly substitute SFA.

The MOD will extend the circumstances in which personnel may retain Service Family Accommodation to include when the spouse or partner of a Service person has to give a specified period of notice to an employer or is in higher education.

The Department for Work and Pensions and the MOD will work together to see what more can be done to enhance the understanding of the special rules in place for spouses and civil partners in relation to Jobseeker's Allowance.

The MOD will continue to look for opportunities to mitigate the impact of years two and three of the planned pause on improvements to Service Family Accommodation.

The MOD has made available a further £131M to purchase new properties from developers for use as SFA in areas of high demand or where we believe significantly more SFA will be required in the future. These properties will become available in 2013 and will reduce the use of costly substitute SFA.

5 THE BEREAVED



What we said we would do

Last year we acknowledged the importance of ensuring bereaved families are provided with an accurate account of how their loved one died and set out a number of planned improvements to the operation of inquests, in order to minimise the additional distress that can be caused to families. We said that the Government would appoint a Chief Coroner and publish a new National Charter for the Coroner Service. We also said the Government would establish a group of bereavement organisations who will be able to advise the Chief Coroner on issues affecting the bereaved and who will have a specific remit in monitoring the impact of the Charter. We noted the Independent Inquest Advice Service, run and part funded by the Royal British Legion, and committed to review this formally in summer 2012 when start up funding came to an end. Whilst noting that the timing of an inquest is a matter for the coroner, we said we would provide support to coroners with a view to concluding the inquest within nine months or within 18 months for a complex case involving a Service Inquiry.

What we have done to reduce disadvantage and apply special consideration as appropriate

The MOD takes very seriously its obligations towards bereaved families, who like the injured are offered special consideration under the Armed Forces Covenant. We must never forget the sacrifices they have made. We try constantly to ensure that bereaved families are treated with the respect and sympathy they deserve. As part of our work to support them, the Bereaved Families Working Group meets every six months to ensure that any concerns arising from notification, repatriation and commemoration are properly addressed.

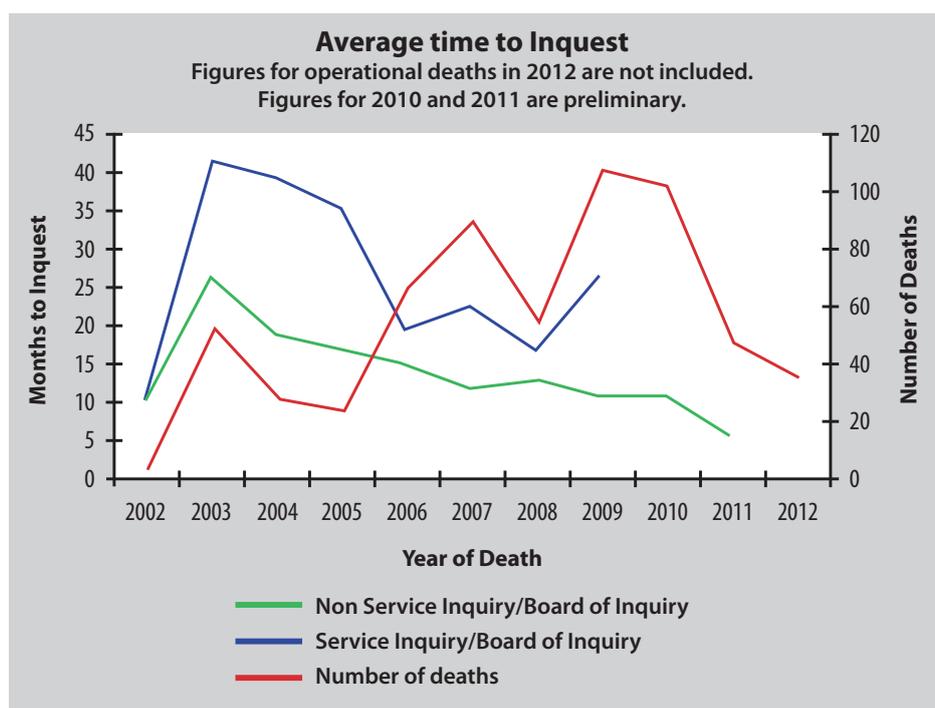
The Repatriation Centre at RAF Brize Norton has now been in operation for a little over a year. The Centre provides chapels of rest where family members may spend time, together with other accommodation and facilities to help ensure that the repatriation of Service personnel is conducted with proper dignity.

In September 2012, His Honour Judge Peter Thornton QC became the first **Chief Coroner** of England and Wales. He has a number of powers in relation to Service personnel inquests, including the duty to monitor investigations into Service deaths and to ensure coroners are suitably trained to investigate such deaths. The Ministry of Justice intends to bring these powers into force alongside other coroner reforms in 2013. In advance of that, the Ministry of Justice implemented a key Chief Coroner power in September 2012 to request that an investigation into the operational death of a Service person killed overseas be carried out in Scotland where appropriate. This reduces additional stress for bereaved families based in Scotland by ensuring that they do not have to travel to England or Wales to attend inquests. The Chief Coroner is also required to report annually to the Lord Chancellor on the operation of the coroner system, including an assessment of consistency of standards between coroner areas. The first report is expected in July 2014.

The national **Charter for Coroner Services** which sets out the standards that bereaved family members and other interested parties should expect to receive and explains how someone can complain about the service they have received was published in March 2012. The Charter will be revised when the majority of coroner reform provisions in the 2009 Act are implemented in 2013. The Government is working with the Chief Coroner to establish a group of bereavement organisations which will assess the impact of the Charter and provide advice on issues affecting bereaved people.

The review of the **Independent Inquest Advice Service** this summer confirmed that it was meeting a clear need for the families facing the prospect of an inquest into the death of a loved one. Between May 2010 and July 2012, the Independent Inquest Advice Service assisted 144 bereaved Service family members in relation to 74 Service deaths. The RBL will continue to offer this service. We have also updated the information that the MOD provides to bereaved families about what to expect from an inquest, so that it now also covers **Fatal Accident Inquiries**, which are held in Scotland. This will enable families of Service personnel with close links to Scotland to decide whether they wish the investigation to be conducted in England and Wales or in Scotland.

The graph below shows that the average time taken to conduct an inquest into an operational death where there is no Service Inquiry has fallen steadily since 2003.



The MOD's Defence Inquests Unit continues to work closely with coroners and those conducting Service Inquiries to understand any reasons for delay and to identify where improvements can be made. From next year, coroners will be required to notify the Chief Coroner of any investigations that last more than 12 months, and the reasons for any delays. The Defence Inquests Unit held its annual briefing for coroners and Scottish sheriffs in Warminster in August 2012. The event provided briefings on current operations in Afghanistan and demonstrations of equipment including radios, night vision equipment, counter improvised explosive devices, body armour and vehicles. Feedback from attendees has been very positive.

There are other issues that have been a concern to the bereaved. On social housing, the DCLG's new housing regulations ensure that bereaved spouses and civil partners of Service personnel who leave Service families accommodation following the death of their spouse or civil partner are exempt from a local connection requirement and that those with urgent housing needs are always given high priority. The DCLG also allows priority status for Government-funded home ownership schemes, including FirstBuy, to be transferred to bereaved spouses and civil partners. In Wales, Service personnel and Veterans have priority status under the Homebuy scheme. The Welsh Government interim Homebuy Guidance is being reviewed at present to extend the priority status to widows and widowers of personnel killed in Service. It is anticipated that the document will be reissued by December 2012.

Bereaved children continue to receive additional support and recognition, mainly through charities such as the Child Bereavement Charity, Winston's Wish and Scotty's Little Soldiers, and through the creation of bursaries for further education and the establishment of places in independent schools. The Armed Forces Bereavement Scholarship Scheme continues to provide university and further education scholarships for the children of Service personnel

who have been killed on duty since 1990, funded by the Department for Business, Innovation and Skills (BIS), DfE and the Devolved Administrations in Scotland, Wales and Northern Ireland. The grants available under the Scheme to university students have been increased to meet the higher fees charged from September 2012.



Four years ago, Kelly Thompson's father Gary, RAF Reservist senior aircraftman, died serving in Afghanistan when the vehicle he was travelling in hit an IED. He had told his family he would be doing a desk job there to stop them worrying, and Kelly and her family describe him as a hero. Kelly has just started a degree in educational studies at Derby University using the MOD's Bereaved Scholarship

Scheme (BSS). The scheme is funded by the Department for Education, BIS and the Devolved Governments in Scotland, Wales and Northern Ireland. She will graduate in 2015 and she hopes to become a teacher. She lives at home with her sister Jade and her mum Jacqueline.

"There are six girls in my family, five sisters and my mum. One of my sisters is studying nursing, one is an account manager, one is a primary school teacher and the eldest is married with two little girls. I started at Derby University doing educational studies this year and I also work part-time at a cinema.

I did go to uni in London back in 2010 for a bit, but it was too soon to leave my family and it was very emotional so I came back. And I wouldn't have gone back to uni if I hadn't been able to use the BSS – I'd already spent £8,000 on the first time round. It's been a massive weight off my shoulders because I can do something I really want to do without being held back, and without worrying about debt.

Dad was always so pro our education, and so is Mum. He would be so happy to know I'm studying at university. He would have been happy whatever I'd done because he was always so supportive, but he really cared about making sure we had the opportunities if we wanted them. And it makes me so proud of myself, for him.

When I graduate I want to be a teacher, and I'd really like to work in a Youth Institute for kids who have had to leave mainstream school because of their behaviour, so I can help people who haven't had a good start in life. It's like Dad – he wanted to serve in Afghanistan because he wanted women there to get the same chance of an education as all his girls have.

I've had a massive loss in my life, but I'm so lucky really. I want kids who've been kicked out of school to know that there are people who don't give up on them, and I want to help people who haven't had the same privileges as me".

The Bereaved Families Support Group offers bereaved families the opportunity to meet and talk to others in similar circumstances. It is open to spouses, parents and members of the wider family and provides mutual support, reduces isolation and signposts people towards the appropriate welfare support or counselling either by regular contact or through a secure on-line web forum, regular meetings and a newsletter. At present, about 240 families have joined this group. Two other groups have been established to help bereaved siblings and bereaved children. There are separate support groups which cater for children and young people of different ages. The groups allow affected children and young people to meet regularly, to engage each other on the issues at hand and to share emotional concerns.

The three Services continue to keep under review the training they provide to Casualty Notification Officers and Visiting Officers to ensure it is consistent and high quality. Each Service also provides a Family Guide which contains appropriate contacts, advice and guidance within the Service and externally.

Where the effects of Service continue to place the bereaved at a disadvantage or where further special consideration is required

We can never do enough to compensate for the loss of a loved one, but we will continue to do what we can to support the bereaved. We will conduct structured engagement with bereaved families' groups to identify where the MOD or other Government departments can provide new or enhanced means of support. We will continue to work closely with the Royal British Legion and other organisations to identify areas where our support to bereaved families can be improved. We will continue to engage with Coroners hearing the inquests in order to ensure that they fully understand the operational context and to help them to hold full and frank inquests that will enable families to understand how their loved one died.

We plan to increase the Funeral Expenses Grant from £500 to a new level of £1,000 at the end of this year. The grant was originally established to help bereaved families with the cost of incidental expenses associated with a funeral. The increased sum is intended also as a contribution towards the cost of family members attending events, such as a memorial service at the National Memorial Arboretum in Staffordshire. The changed grant will now be paid to each Service family that suffers a bereavement, regardless of whether a Service funeral is held.

The Chief Coroner is considering further options aimed at improving consistency and timeliness in Service personnel investigations. In his speech to the Coroners' Society Annual Conference on 21 September, the Chief Coroner announced that he is considering developing a cadre of coroners specially trained in Service deaths who could travel to the area of the next of kin to investigate and hold the inquest. In taking this work forward, the Chief Coroner will consult the MOD, the RBL, other Service organisations, and coroners and local authorities who have worked in this field.

War widows and Service widows will be eligible to join the Defence Discount Service. There is more detail about the scheme in chapter seven.

2012 Report Commitments

The MOD will conduct structured engagement with bereaved families' groups to identify where the MOD or other Government departments can provide new or enhanced means of support to bereaved families.

The MOD will increase the Funeral Expenses Grant from £500 to £1000 to help families with the incidental expenses associated with a funeral. The changed grant will now be paid to each Service family that suffers a bereavement, regardless of whether a Service funeral is held.

6 SERVICE LEAVERS



What we said we would do

Recognising that departure from the Armed Forces can seem like a daunting step, last year we noted housing, employment and education as key issues for Service leavers. In the context of redundancies, we said that bespoke support was to be provided for those who needed it. We acknowledged that the MOD and other Government departments are joined by the voluntary and community sector in supporting a successful transition, and we looked forward to working with COBSEO and the Forces in Mind Trust to develop a key project to support the psychological well-being of Service leavers. We noted that work would continue on when Foreign and Commonwealth personnel can apply to settle in the UK to ensure that it is at the earliest appropriate time in order to alleviate the problems encountered with lack of employment, housing or access to public funds while they await a decision.

What we have done to reduce disadvantage and apply special consideration as appropriate

In September, the Prime Minister appointed Lord Ashcroft to be his Special Representative for Veterans' Transition. Lord Ashcroft is working with departments across Government to ensure that Service personnel get the support they need when making the transition to civilian life. He will carry out a review and take

a fresh look at the package in place for personnel leaving the Armed Forces, liaising with charities, industry and Government departments and championing the cause of Service men and women making the transition to civilian life.

The MOD provides support which enables the majority of Service leavers to make a smooth transition to private accommodation. The Department for Communities and Local Government has allowed Service leavers to retain priority status for home ownership schemes, including FirstBuy, for up to 12 months after discharge. However, for those few who are unable to make a successful transition to their own home or privately rented accommodation, the Department for Communities and Local Government brought regulations into force in August on the allocation of social housing stipulating that, where the application is made within five years of discharge, local authorities in England must not disqualify Service leavers on the grounds that they do not have a local connection.

Following Parliamentary approval, local authorities are required to frame their allocation schemes to give additional preference to Service leavers who have urgent housing needs. Local authorities have been encouraged to give sympathetic consideration to family members who might themselves have been disadvantaged by Service life. Community Covenants are also addressing needs on a local basis, for example Birmingham Council has a dedicated Armed Forces Housing Officer to support those leaving the Services.

In Scotland, housing legislation has been amended so that former Service personnel can now seek social housing in an area where they previously served. A national housing guide for Service leavers has been published and more than 14,000 copies have been distributed. In Wales, Service personnel and Veterans have priority status under the Homebuy scheme and the guidance to local authorities on Allocation of Accommodation and Homelessness was published in August 2012. This outlines to local authorities what consideration should be given when framing allocation policies, including 2008 legislation amending local connection.

A number of strands of work are in hand to increase opportunities for personnel leaving the Services to gain **employment** or enter further education. MOD, through the Career Transition Partnership, already provides support including pre-employment training and advice, and help with job search, and of the 95% of eligible personnel who use the CTP, 92% of them tell us they succeed in becoming settled or gain employment within 6 months of leaving. This figure increases to 97% after 12 months. Trials of enhanced resettlement provision for Early Service Leavers (defined as personnel who leave the Armed Forces having served less than four years) were launched in February 2012. These will be assessed on the basis of how many early Service leavers enter employment, education or training between 12 and 18 months after the trials began. The Troops to Teachers programme, led by the DfE with the MOD working in partnership, allocated an additional 50 places for the 2012 Graduate Teacher Programme specifically for the exclusive use of Service leavers. In addition, the Military to Mentors scheme, conducted by Skillforce on behalf of DfE, is recruiting Service leavers to its programme for working with children in schools. From 2013, the DfE plans to allocate exclusive Service leaver places on the Schools Direct programme (which replaces the Graduate Teacher Programme). The number of ring-fenced places will be reviewed on the basis of the 2012 take up but is likely to be around 50 places per year. The MOD and DfE continue to work to deliver the main aspect of Troops to Teachers, which will recruit 150 outstanding Service leavers to the Troops to Teachers Initial Teacher Training (ITT) programme in September 2013. Subsequent years are likely to see similar numbers recruited to the ITT. Once it is finalised, full details of the programme will be communicated to members

of the Armed Forces. In Wales, eligible Welsh domiciled graduates leaving the Armed Forces are encouraged to apply for postgraduate initial teacher training courses and are able to access the full range of student support arrangements on the same basis as undergraduate students, including access to the non-means tested tuition fee grant.

An example of where the Community Covenant has helped address the problems of finding employment is Hull, where a work club has been created within a Territorial Army centre supported by Jobcentre Plus funding in order to help Service leavers re-enter the workforce.

On financial support to Service leavers for **education**, the Statutory Instrument which will remove the need for Service leavers to pay tax when using Enhanced Learning Credits to access studying at Level 3 or above was ratified by Parliament in September 2012. Across the UK, the Enhanced Learning Credit scheme gives financial help to qualifying Service leavers towards the cost of achieving a qualification at level 3 or above. In addition the Further and Higher Education Commitment (FHEC) Scheme pays the tuition fees of those Service leavers living in England, Scotland or Wales when they study for a first full level 3 qualification, a first undergraduate or foundation degree, or a first HNC or HND. The help available to undergraduates under the FHEC scheme has been increased to meet the higher fees charged from September 2012.

Good progress has been made in providing accelerated access to the Jobcentre Plus Work Programme for Service leavers. The Department for Work and Pensions has altered its policy to allow personnel who left the Armed Forces within the last three years to have access to the Work Programme after claiming Jobseeker's Allowance for three months. Previously personnel had to have served for a minimum of three months in the previous three years. As mentioned in chapter two, access to the Work Programme is normally given after nine months of claiming Jobseeker's Allowance for jobseekers aged between 18 and 24; and after 12 months for those aged 25 and above.

In November 2011, the Big Lottery Fund agreed to provide a £35M endowment to establish the Forces in Mind Trust. Initially delivered by a COBSEO partnership as the preferred bidder, the Trust is now an independent charity with a focus on improving the wellbeing of the Armed Forces Community through successful and sustainable transition. The endowment allows the Trust to fund not only activities centred on the transition process, but also research into transition and the wellbeing of the Armed Forces and Veterans community. Research is expected to consume the larger share of annual grants for the first 2-3 years, but the evidence obtained will be essential to determine need and guide the sector forward. So far, the Trust has funded one of the Early Service Leaver trials (discussed elsewhere in the report) called Future Horizons Project (FHP). The FHP trial duration has been extended from January 2013 to August 2013 in order for the MOD to evaluate and apply lessons learned to enhance further the resettlement support it offers to personnel. The Trust has also provided funds for two other schemes: a mentoring trial run by SSAFA Forces Help for 42 Wounded, Injured and Sick, Service leavers; and a project by Royal British Legion Industries to support ex-Service offenders and create the conditions necessary to ensure successful transition from prison into a home and work. These trials may provide significant benefit to the wellbeing of Service leavers or those who have been out of the Armed Forces for a longer period. For the future, the Trust is examining options to establish an independent Veteran Research Foundation.

For those Commonwealth personnel and Gurkhas in the first tranche of redundees, we arranged for the UK Border Agency to offer them briefings and roadshows about the

immigration and settlement processes. We also negotiated permission for Commonwealth personnel and Gurkhas to apply for settlement six months before discharge, as opposed to the usual ten weeks, and arranged a dedicated tracking process for all settlement applications to the UK Border Agency. We propose to put the same arrangements in place for Commonwealth personnel and Gurkhas in the second tranche of redundees.

The MOD, Home Office and Department for Communities and Local Government launched a jointly funded £1.5M scheme in 2011 to support the integration of retired Gurkha soldiers who wish to settle in the UK. The aim of the scheme is to help in areas affected by increased numbers of Gurkhas arriving to live in the UK with their families as a result of the 2009 immigration changes for pre-1997 Gurkha Veterans. The scheme is administered on a grant basis and has already given funds to several areas which have experienced a strain on resources.

Where the effects of Service continue to place Service leavers at a disadvantage or where further special consideration is required

We are aware of concerns that have been raised in relation to the Armed Forces Redundancy Schemes. In mitigation, we will ensure that personnel selected for redundancy will qualify for the full resettlement package to which they would have been entitled had they completed the commission or engagement on which they were serving when they were made redundant. In order to ensure that the redundancy programme is fair to all involved, clear and objective eligibility criteria were drawn up, including such things as rank, arm, length of service and career employment group in areas where a surplus of manpower exists. The proximity to an individual's immediate pension point was not included in the redundancy criteria. It is therefore possible that individuals might be made redundant either just before or just after the length of service at which they qualify for an income on leaving. The Armed Forces Redundancy Schemes reflect this by paying significantly larger tax free compensation lump sums to those who miss out on immediate incomes. Where people leave before the qualification point, any pension rights that have been earned will still give them a preserved pension and a further tax free lump sum which they will receive at age 60 or 65, depending on which pension scheme they are on. Whereas the majority of other ranks normally have to serve for 22 years before receiving an immediate income, the Armed Forces Redundancy Schemes reduce this requirement to 18 years. This four year concession will enable many redundees to receive an immediate income for which they would not have otherwise qualified.

The transition from MOD provided accommodation remains a challenge for some Service leavers. The new arrangements introduced by the Department for Communities and Local Government and supported by local authorities are an important step, but the lack of available social housing in some areas means that the prioritisation of Service leavers does not always result in provision of accommodation. The Department for Communities and Local Government Specialist Homelessness Advisors will continue to work with the MOD and its Joint Services Housing Advice Office to see how we can best improve the advice given to Service leavers and the support they receive from local authorities.

To facilitate the transition to employment, the MOD recognises that Service leavers are disadvantaged because the skills and experiences they gain while serving are

not always recognised by external employers. In one specific example, the Ministry of Defence and UK Departments of Health Partnership Board is sponsoring work to enable Service leavers with medical skills to be recognised by external bodies such as the NHS. Initially, the intent is to deliver and recognise lower-level training that can provide a springboard for higher education qualifications in the longer term. Similar discussions are required with other industries, to look at groups such as HGV drivers.

For Foreign and Commonwealth Service personnel, disadvantage remains for those who wish to remain in the UK after discharge as settlement can still take several weeks, meaning that Service leavers are unable to make themselves available for employment on the same basis as UK citizens or those already settled in the UK and might struggle to obtain accommodation. They also need to be able to access public funds (for higher education funding or for routine medical issues) and seek local authority housing support. Achieving settlement as soon as possible after discharge is therefore very important and the Cabinet Sub-Committee has endorsed UK Border Agency plans to extend to all Foreign or Commonwealth personnel the speedier consideration processes which have already been introduced for those Service personnel facing redundancy who wish to apply for settlement. The objective is for settlement to be granted on the day of discharge or the day after with effect from spring 2013. The Agency has also amended the Indicative Letter issued to Service personnel and Employers Guidance to make clear that Service personnel can be interviewed for jobs and employers can make all relevant work checks even when they are awaiting the outcome of their settlement application.

There is a concern that Foreign and Commonwealth Service personnel may be disadvantaged in the immigration decision making process where they have a penalty recorded on the Police National Computer as an unspent conviction, where a similar offence may have been dealt with in civilian life by way of a police caution. Although the number of cases where this might apply is thought to be small, the Home Office is working with the MOD to make sure that new guidance is available to case officers considering applications for settlement and naturalisation to clarify for both case officers and applicants how military convictions will affect an application. This will also provide advice on options for regularising stay in the UK where there is an unspent conviction where there is no civilian equivalent as well as where a civilian might have been treated differently for the same offence.

2012 Report Commitments

The MOD will work with the UK Border Agency to ensure that special arrangements are made with effect from Spring 2013 to allow Foreign and Commonwealth Service personnel to be granted settlement on the day or the day immediately after they leave the Armed Forces.

The Home Office will work with the MOD to make sure that new guidance is available to case officers considering applications for settlement and naturalisation to clarify for both case officers and applicants how military convictions will affect an application.

7 VETERANS



What we said we would do

Several important issues for Veterans were set out last year, including changes to pensions; managing the interface between compensation schemes and the provision of social care, Universal Credit and Personal Independence Payments; improvements to Veterans' mental health care, including the development of the Veterans' Information Service; and the introduction of a Veterans' discount card. We also noted the ongoing work on housing and the need to ensure that Veterans are supported where necessary.

What we have done to reduce disadvantage and apply special consideration as appropriate

As key policies have been developed this year, we have made a number of special arrangements, enabled by the work of the Cabinet sub-Committee on the Armed Forces Covenant, to ensure that Veterans who are wounded, injured or sick as a result of Service are not disadvantaged in accessing benefits where this is appropriate. **Compensation** paid under the War Pensions Scheme and the Armed Forces Compensation Scheme will be exempted from the financial assessment for Universal Credit by the Department for Work and Pensions. From October 2012, ongoing income from the Armed Forces Compensation

Scheme (known as a Guaranteed Income Payment) has been exempted from the financial assessment for social care provided by Local Authorities. Arrangements are also being made to ensure that seriously injured Service and ex-Service personnel with an Armed Forces Compensation Scheme award do not suffer financial detriment as a result of the introduction of Personal Independence Payments by the Department for Work and Pensions in April 2013. This will be known as the Armed Forces Independence Payment.

Improving support to veterans' **mental health** has also been a key area of work. It was planned, through Dr Murrison's initiative, that ten NHS Armed Forces Networks each received £150K from the Department of Health in England to enhance mental health services to veterans in their areas. Although these services are not fully operational in all areas, they have already provided additional mental health professionals with responsibilities for veterans' mental health, going further than Dr Murrison's recommendation of 30, and more recruitment is expected. In five areas, a Veterans' Mental Health Service has been established in partnership through a Memorandum of Understanding or contract with Combat Stress. Elsewhere, in three areas, a signposting service to Improving Access to Psychological Therapy Services has been put in place, again working in collaboration with Combat Stress. In addition, South Staffordshire and Shropshire Healthcare NHS Foundation Trust has established a Veterans' Mental health Network that brings together NHS clinicians, Service charities and others to identify good practice and consider next steps. One of the key outcomes expected from this Network will be an audit of the effectiveness of Dr Murrison's Fighting Fit initiatives.

Plans are maturing for the **Veterans' Information Service**, which is a means of engaging with Veterans 12 months after their discharge from the Armed Forces. The engagement with Veterans will include a questionnaire on health issues as well as advice on the range of services available locally and how to obtain support for health issues related to Service.

The Scottish Government will continue to fund the provision of specialist mental health services at around £1.2M for the next three years and consider what further developments can be made to improve outcomes for Veterans who need specialist care, treatment and support. They also continue to fund the Veterans' First Point service at £200K for 2012-13. Veterans' First Point is a signposting and advice centre designed to help Veterans and their families who may need additional guidance and support during the transition to civilian life. The Scottish Government will also explore with NHS Lothian and other Health Boards how the service could be extended to other areas of Scotland.

In Wales, the All Wales Veterans' Health and Wellbeing Service is providing additional local access to very specialist outpatient care, and helping to signpost Veterans and their families to other support they may require. The initiative establishes a unified care pathway joining up statutory and non-statutory sectors. It offers access to therapists with expertise in Veterans' mental health to provide assessment, suitable treatment and referral or signposting. Treatment options include commissioning the services of Combat Stress, which works with the service to provide a number of nurse-led community support groups. Veterans also have access to mainstream mental health services, such as the NHS Traumatic Stress Service. Wales has developed an e-learning module for primary healthcare staff to raise awareness of PTSD. Armed Forces and Veterans' Champions in each Local Health Board also act as advocates for the healthcare needs of this group within their areas. The Welsh Government is also developing a pathway to care for Veterans with substance misuse problems, with the aim of securing a seamless transition from referral through to treatment completion. This is due to be implemented by March 2013.

More generally on health, the Cabinet Sub Committee re-affirmed that Veterans accessing NHS services in England should be given priority treatment for conditions related to Service, subject to the clinical needs of others. The Scottish and Welsh Governments accord the same priority to Veterans. General Practitioner registration forms in England Scotland and Wales encourage Veterans to declare their status at the point of registering with a doctor's practice, providing an opportunity to discuss the health needs of Veterans. The Scottish Government has just completed the first phase of a two year study of anonymised health records to examine how the health of Veterans compares to that of the general Scottish population in terms of rates of heart disease. There are plans to extend this study over the coming months to examine outcomes for other diagnoses.

We know, from the Combined Homelessness and Information Network Street to Home annual report for 2011-12 which records the number of rough sleepers seen in London, that those claiming to have an Armed Forces background stood at 4% of the total London rough sleeping population. This percentage is low, given that Veterans make up 8% of the population generally, but we acknowledge that it could be lower. It is therefore reassuring that revised regulations on the allocation of social **housing** will ensure that serving or former members of the Armed Forces who need to move because of a serious injury, medical condition or disability sustained as a result of their Service and who have urgent housing needs will always be given high priority by local authorities.

The Department for Communities and Local Government is also working with specialist agencies, including voluntary homelessness organisations and the Service Personnel and Veterans' Agency, to tackle homelessness among Veterans, who usually only experience homelessness several years after they leave the Armed Forces. The Scottish Government is working in partnership with Scottish Veterans' Housing Association to provide a £2.3M Housing Association Grant in order that it can build a facility in Glasgow comprising 50 housing units with access to outreach support for Veterans. It is anticipated that homes will be available for occupation towards the end of 2013. The Welsh Government has developed a website in partnership with Cymorth, the housing support and homelessness organisation, as a resource for people working with homeless Veterans. The Welsh Government is also consulting with local authorities on a Housing White Paper which includes proposals for strengthening the prevention of homelessness and will work with Veterans' organisations to support the implementation of those proposals.

The Department for Communities and Local Government set aside £1.7M this year for home adaptations so that ex-Service personnel returning from active duty with serious injuries can live independently at home with dignity and respect. The Welsh Government has amended the housing renewal grants regulations to disregard war pensions and Armed Forces compensation payments in the means test for Disabled Facilities Grants. Local authorities are able to target resources to suit local needs. This helps disabled ex-Service personnel to continue to live in their own homes in comfort and security.

It is important to recognise that, as Veterans are integrated in communities across the UK, numbering around one in ten of the adult population, a great many measures to address areas where Veterans might be disadvantaged or where special consideration is appropriate have been taken forward by local authorities. In Hampshire for example, support for Veterans is an important aspect of Community Covenant work. Partnerships have been established between Hampshire County Council, SSAFA, the Service Personnel and Veterans' Agency, civilian voluntary sector organisations and the RBL to improve joint working and outcomes for Veterans of all ages. In north west England, the charity Live At-Ease has established support for former

Service personnel and their families in housing, training and employment, money management and drug and alcohol dependency. In Stockton, the Council is tapping into employment forums to help communicate the valuable transferable skills held by Armed Forces personnel and promote the employment of former Service personnel.

An independent report by The Howard League, published in June 2011, concluded that ex-Service personnel are less likely to be in prison than civilians. The majority of personnel who leave the Armed Forces each year successfully transition to civilian life and support is available for any who may experience particular difficulties in transitioning. Chair of the inquiry, Sir John Nutting QC, said: "The reality is that most ex-Servicemen resettle into the community without problems but that for some, issues arise later in life which can lead to offending. The issues that lead ex-servicemen to offend appear to be much the same as most adult male prisoners."

The new contract for the UK wide **Defence Discount Scheme** was awarded in June and went live in October 2012. As part of the scheme, membership cards feature for the first time, including cards for Veterans. These cards will allow Veterans and other scheme members to identify themselves to service providers and to claim discounts offered under the scheme. It is expected that the cards will be available from the end of 2012.

Armed Forces Day was again a great success when it was held on Saturday 30 June 2012. Now in its fourth year, Armed Forces Day is an opportunity for the public to show their support and appreciation for all those who serve and have served in Her Majesty's Armed Forces.

Where the effects of Service continue to place Veterans at a disadvantage or where further special consideration is required

Since 2010-11, the Department for Communities and Local Government (DCLG) has held back some £1.7M of the annual Disabled Facilities Grant budget for the provision of adaptations for disabled ex-Service personnel. So far, DCLG advise that uptake of this funding has been low, with around £225,000 being claimed by local authorities each year in 2010-11 and 2011-12. This low uptake has largely been because local authorities do not have accurate information about the number of disabled ex-Service personnel living in their areas. To combat this, the Department for Communities and Local Government has asked Foundations – the national body for home improvement agencies – to work with the Royal British Legion and local authorities to raise awareness of the money set aside for the provision of adaptations for ex-Service personnel and to gather information about the number and distribution of disabled ex-Service personnel in their regions. The Royal British Legion has written to all local authority Chief Executives; and Foundations has advertised the availability of this funding at its regional Disabled Facilities Grant workshops. We are hopeful that this will result in a greater uptake of funding in the coming months.

Last year we noted the provision of supported accommodation for former Service personnel who fall on hard times. To understand whether these arrangements are enough, the Cabinet sub-Committee has sought evidence from the charitable sector with a view to reviewing provision if evidence suggests this is necessary.

The Scottish Government will consider how to improve the recording of Veteran status on General Practitioner records, where the Veteran so wishes. This will ensure that GPs are better placed to identify Service related conditions

In Wales, following the November 2011 report into Veterans' Needs, the Welsh Government considers that further research in Wales should include the evaluation of novel interventions, and qualitative research into the reasons why help is not sought.

2012 Report Commitments

Depending on the evidence provided, the Government will review the need for halfway housing for former Service personnel.

TABLE OF EXISTING COMMITMENTS

This table lists the commitments that were made in The Armed Forces Covenant: Today and Tomorrow published in May 2011 that were not completed by December 2011 and those additional commitments made in the interim annual report published in December 2011.

Key to progress status

Completed since December 2011	
To be completed before 2013 annual report	
To be completed post 2013 annual report	

Terms and Conditions of Service

Commitment	Applies to	Status
Annual pay awards for lowest ranks while the public sector pay freeze is in force	UK	
Inclusion of Armed Forces in the Hutton Fair Pay Review	UK	
Development of a New Employment Model	UK	

Healthcare

Commitment	Applies to	Status
Building a greater focus on mental health into routine service and discharge medical examinations	UK	
Midlands Medical Accommodation Project	UK	
IVF treatment for seriously injured Veterans	ENG	
NHS Reform England – plans take account of Service families	ENG	
Launching a Veterans' Information Service	UK	
Implementation of the Mental Health Pilots Evaluation Report	ENG	
The Scottish Government is considering the potential to extend community outreach services to areas in Scotland beyond Ayr	SCO	
The Welsh Government is currently in discussion with the Welsh Deanery and Health and Wellbeing Service for Veterans about training health staff on the health needs of Veterans	WAL	

Education

Commitment	Applies to	Status
Expansion of training opportunities for under 18s	ENG and WAL	
Improvements to the Army's education programme: establishing a single personal development fund	UK	
Improvements to the Army's education programme: qualifications linked to military service	UK	
Improvements to the Army's education programme: alignment with emerging Government initiatives	UK	
Improvements to the Army's education programme: senior soldiers to gain teaching qualifications	UK	
Development of a new strategy to address the impact of mobility on the education of Service children and young people	UK	
Ensure uninterrupted Special Educational Needs provision	UK	
Allow training in Service Children's Education schools overseas to count towards Qualified Teaching Status for Service partners	ENG	
Match the qualifications held by Foreign and Commonwealth Service personnel with recognised UK equivalents	UK	

Housing

Commitment	Applies to	Status
Develop an alternative approach to the provision of accommodation for Service personnel and their families	UK	
Next Generation Estates Contract (NGEC) programme	UK	
Continued support to the Armed Forces Home Ownership Scheme	UK	
Raise awareness of the Government's low-cost home ownership schemes	ENG, SCO, WAL	
Improvements to Defence Infrastructure Organisation Customer Care	UK	
Give "additional preference" for social housing to those who have a pressing housing need when they leave the Armed Forces	ENG	
Service personnel who have to move from base to base retain their qualification rights to social housing	ENG	
The Scottish Government will consider whether giving local authorities more flexibility and responsibility to determine their own approach to meeting need would help social landlords to address the housing needs of former Service personnel and ensure they are not disadvantaged	SCO	

Benefits and Tax

Commitment	Applies to	Status
Take account of Veterans' needs in the development of the Universal Credit	UK	
Provide guidance to local authorities on the provision of council tax discounts	ENG	
Resolve issue of access to benefits for dependants of serving Foreign and Commonwealth personnel	UK	

Responsibility of Care

Commitment	Applies to	Status
Consider applications for permission to remain in the UK from dependants of Foreign and Commonwealth relating to domestic violence on a case by case basis	UK	

Deployment

Commitment	Applies to	Status
Consultation with the single Services will take place to explore how to resolve the issue of supporting individual augmentees and unit sub-elements who are deployed on operations overseas	UK	

Family Life

Commitment	Applies to	Status
Balance demands on Service personnel and their families through a New Employment Model	UK	
Improving portability of Criminal Records Bureau checks to improve Armed Forces families employability	ENG, SCO, WAL	
Removing residency requirements for Blue Badges for disabled Service personnel and their families who are posted overseas	ENG	
Childcare Sufficiency Assessments	UK	
Review of public transport issues affecting Service families living in remote areas	ENG	
Flexible career options in the Public Sector	ENG	
Private Sector Support: Pilot on supporting spousal employment	ENG	
Ensure spouses of Service personnel can claim Jobseeker's Allowance after they have given up their job voluntarily to accompany their serving partner overseas	UK	

Commercial Products and Services

Commitment	Applies to	Status
Make BFPO a recognised UK postcode	BFPO addresses	
Working with the banks and building societies on lending to Service personnel	UK	

Transition

Commitment	Applies to	Status
Improving resettlement support for Early Service Leavers	UK	
Launching a Troops to Teachers scheme	ENG	
Attracting Service Leavers into the Volunteer Reserves: Future Reserves Study 2020	UK	
Work with the Forces in Mind Trust to support Veterans and their families	UK	
Consider opt-out rather than opt-in for contact with Service charities	UK	
Take forward research into the transition of those leaving the Armed Forces	UK	

Support after Service

Commitment	Applies to	Status
Implement changes to Service pensions reflecting unique role that Service personnel fill	UK	
An improved Veterans' online portal	UK	
AFCS Compensation payments and link to other benefits	UK	

Recognition

Commitment	Applies to	Status
Rules governing the award of medals	UK	

Participation as Citizens

Commitment	Applies to	Status
Improving the ability of Service personnel to vote	UK	
Life in the UK Test will be made available overseas	UK	
Foreign and Commonwealth Citizens – Time spent in service outside the UK	UK	
UK Border Agency Review of fees for Armed Forces Dependants	UK	
Shortening journey time to settlement for Reservists	UK	
Resolve the issue that foreign spouses of British citizens serving in the Armed Forces are not able to submit an application from overseas to settle in the UK		
Resolve the issue of the English language test for all Armed Forces dependants who require a visa		

Changes in Defence

Commitment	Applies to	Status
Managing the return from Germany to the United Kingdom	UK	

Recourse

Commitment	Applies to	Status
Programme of Ombudsmen Familiarisation	UK	

The Covenant and Wider Society

Commitment	Applies to	Status
A Veterans' card – access to commercial discounts and privileges	UK	
Launch a CDS Commendation Scheme	UK	
Working with Service Charities to identify how they can best use their resources	UK	
Sharing Service facilities with civilians	UK	
Encourage Olympic involvement	UK	
Links between Reserve Forces and Cadet Associations and youth groups – conduct review of Youth Engagement	UK	

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