

FUTURE RESERVES 2020
EXTERNAL SCRUTINY TEAM

2014 REPORT

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EXECUTIVE SUMMARY

1. We remain convinced that the FR20 plans for the three Services are viable, albeit - for the Army especially - a range of factors are now making them more challenging. The concepts of employment that are emerging make sensible use of the Reserves and should deliver a usable and effective component within an integrated 'Whole Force'. The RN and RAF have made good progress beyond the conceptual and are now building the structures, including new units and infrastructure, which suggest that they will meet their targets by 2018 for trained strength, with demonstrable collective capability by 2020 onwards. Delivery for the Army carries more risk. We believe the underpinning concepts and plans are sound, and it likely that the Army ought to be able to man to required strength by 2018 or shortly thereafter, but we judge that full trained strength and operational capability will take longer.

2. Central policy development and programme governance has progressed well but not without unexpected problems (most of which would have been necessary for Reserves whether or not FR20 was being implemented). During the course of the year the decision was made to align reserve terms and conditions of service more closely with those of regulars through provision of accrued pension rights for training as well as mobilised service and through the introduction of a paid leave entitlement for Reservists. Neither would have been particularly strong inducements to service for many Reservists thus, although both will be welcomed by serving personnel, they are unlikely to have any seismic affect on recruiting. The Defence Reform Bill, which received Royal Assent on 14 May 2014 and will come into force on 1 October 2014, contains most of the provisions necessary to deliver the main parts of the FR20 programme. More comprehensive measures, for convenience bundled under Whole Force and the New Employment Model work, will still be needed to enable better integration and, in our view, may require a further consideration of whether the Armed Forces' Act and the Reserve Forces' Act should be merged in time. Work to deliver the proposition from the employers' perspective has also been impressive, with an entirely reinvigorated national and regional operation reaching an initial operating capability on 1 April 2014, with high confidence of bringing a further reinforced capability at steady state by 2015.

3. During our visits to units we have been very impressed with the levels of energy being demonstrated locally and the evident commitment of the longer serving Reservists and Regulars on whom the day-to-day burden of enthusing recruits falls. While there is undoubtedly some frustration at the pace of growth in numbers, there is no doubting how well other enhancements have been received (equipment and collective training particularly so). Our strong belief is that local management of the programme is where investments are most likely to pay early dividends; the more empowered the local unit and sub-unit the more likely it will be that retention in the recruiting and training pipeline will be enhanced.

4. Our major concern rests with the extremely poor start made to Army Reserve recruiting in the first 18 months of the programme. Although we have observed improvements in the overall numbers being attested in the latter months of the reporting year, the initial poor performance has been worrying both because it

compounds the challenge to reach targets for later years and because it has been so widely publicised that it may well have become a disincentive to potential recruits in all three Services. Some early decisions on basing have compounded the manning risk; more attention needs to be given to local factors such as recruiting viability before further changes and closures are instigated. Recent adjustments are providing some comfort but we remain convinced that more improvement is still needed to the model and process. Finding empirical data to test the appetite for Reserve service is difficult but our own anecdotal evidence, attitudinal surveys and the experience of other comparable volunteer groups (such as retained firemen and police volunteers) suggest that within a national population of over 60 million there is an excess of suitable and willing candidates. Given that we believe that the proposition on offer is very good and far better than in recent years, our view is that the current weaknesses are most likely to be found in poor marketing, unambitious application-to-attestation timelines and processing weaknesses.

5. We have a sense that in some areas of development the urgency of growing numbers is dominating more holistic thinking and planning for the longer-term Reserve component. There is also very little evidence that ameliorative measures are being tested for effectiveness or value. Elsewhere simplistic integration is occasionally too coarse, in some instances looking more like assimilation or absorption. A better understanding of the separate eco-systems of Regulars and Reserves is needed to ensure that the two components are realistically and ultimately integrated: racing at this will cause problems; taking a more measured approach while understanding grows should reap dividends. We also sense that too many changes have been made with little regard to where the true expertise lies or with sufficient regard to understanding the circumstances from which the Reserves are recovering: most senior Reservists carry this knowledge and expertise; many senior Regulars do not. And to some extent this is evidenced by the way more senior Reserves are organised, appointed and used. Until these points are addressed cultural risk will remain high. Consequently many improvement measures carry a broad or generic intent, but some parts of the Reserves almost certainly need specific and not generic treatment. Many of these points were made in our first report and we remain to be convinced that some have been fully appreciated.

Handwritten signature of Robin Brims in black ink.

R V Brims
Lieutenant General (Retired)

23 June 2014

**FUTURE RESERVES 2020
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2014 REPORT

INTRODUCTION

1. In July 2013 we made our first report on initial progress with the Future Reserves 2020 programme (FR20), having been invited by the Secretary of State for Defence to provide independent external scrutiny¹. This, our second report, will be the last in this guise; future reports will be produced under the statutory provisions of the Defence Reform Bill 2014 which comes into force on 1 October 2014.

2. In our first reporting period we concentrated on identifying areas of work which we judged merited closer inspection during the early stages of the programme, confining recommendations mainly to those issues which we felt might prejudice early success. At the end of this 2013/14 reporting period the MOD has not yet provided any consolidated response to our first report². Hence in this report, in addition to reporting on the additional areas identified for study this year, we have also revisited our 8 preliminary recommendations to assess acceptance of them and progress³.

Background and annual context

3. Unsurprisingly following the White Paper announcement of July 2013, FR20 has attracted considerable political, public and media interest during this year for a variety of interwoven reasons.

a. First, the FR20 programme had been some 3 years in gestation, following the inception of the Strategic Defence and Security Review (SDSR) in May 2010. Decisions on the size, shape, roles, Order of Battle and lay-down of the Reserves took time to emerge and encouraged extensive speculation, not least from the Reserves themselves.

b. Second, reductions in the strength of Regular Forces, especially within the Army, were frequently and often inaccurately conflated with anticipated Reserve Forces' plans. Notwithstanding the conflation, there was unquestionably a disconnect between the FR20 Commission's strong recommendation that adoption of their proposals should be phased (first to stem Reservist outflow, then stabilise the Reserve, before finally growing its trained strength over time), to synchronise with Regular force drawdown. In the event MOD elected to fuse the three FR20 phases into one, in the face of budgetary pressures to accelerate Regular drawdown.

c. Third, external sentimentality for the deletion of some Regular Army units overshadowed more strategic issues.

¹ Convening letter and Terms of Reference: RF&C/FR20.5.5 dated 20 Jul 12. Attached at Annex A.

² CRFCA/532/5 dated 12 June 2013: External Scrutiny Group 2013 Report.

³ For convenience our first report recommendations and further work proposals are attached at Annex B and C respectively

d. Next, emerging global instability has placed UK's ability to respond militarily to international crises under the spotlight, opening to public and media scrutiny many of the assumptions made in the 2010 SDSR - and inevitably calling into question what the Regular/Reserve balance should be.

e. And finally, other pressures, notably basing issues related to return of the Army from Germany, were assumed to have a major bearing on future Army Reserve plans, which would need to be harmonized.

4. Consequently all eyes have been on the perceived necessity and ability of the three Services to attract and recruit new Reserve blood to make good the 'vacuum' of reducing Regular forces - and in particular for the Army which carries by far the largest recruiting task. Too often this has been represented as the sole determinant of FR20 success, notwithstanding that the Commission made clear - reinforced by our first and others' reports - that the temporal dimension of FR20 would be significant: what was conceived as a 10 year programme had been condensed to some 7 years but was to a great extent being judged on the first year of implementation. Unsurprisingly, because such external judgements represent unexpected strategic risk to the programme, this formed a major element of our examination throughout this reporting year.

PROGRAMME DESIGN

5. The FR20 programme is unquestionably complex, partly because of other inter-related change programmes, partly because of the number of bodies charged with its delivery and partly because of factors which have changed since the original recommendations of the FR20 Commission.

6. The Armed Forces are undergoing significant change, not just in their size and capability but also in their ways of working, lay-down and structure. Given the extent and nature of the change set out in the 2010 SDSR - coupled with the further work directed on FR20 - it is understandable that much of the initial focus was on effecting key decisions for the Regular component. Early on this was compounded by a budgetary imperative to accelerate the draw-down and rebase, especially for those forces currently in Germany.

7. We have a clear sense that consequently plans for Reserves were too often predicated upon thinking for the Regulars and in a number of key areas this was neither necessary nor optimal. For example, with hind-sight it is now evident that very few decisions on Regular Army basing had any meaningful impact on Reserve basing, other than for follow-on decisions related to pairing between Army units. Nevertheless the assumption that Regular basing needed to be decided first probably led to needless delay in settling the Army Reserve order of battle, in turn creating a sense of limbo for many units. Similarly, new initiatives such as the Army's recruiting partnership seem to have been established on a model more suitable for recruiting Regulars rather than Reservists, and then taking too long to discover and remedy. We cover both of these aspects in greater detail below (paragraphs 24 to 35).

8. Since its inception the programme has also been exposed to a number of external factors which will make additional demands on funding provision. These largely stem from later European legislation calling for Reserve service to be dealt with

in the same way as part-time employment: first, by the opportunity for Reserve service to qualify as pensionable and, second, for training days to earn a commensurate leave entitlement. Moreover, as other measures explored in the earlier Green Paper consultation⁴ have matured, some have also imposed greater costs than originally anticipated. In our view it is inevitable that the programme will need to remain responsive to external factors which could lead to a requirement for re-thinking aspects of the plan and may already need to do so now: any changes arising from the Independence Referendum in Scotland and the impact of an upturn in the UK economy on full employment (for both Regular and Reserve recruiting) should arguably already be the subject of contingency thinking.

9. Such complexity requires a rigorous governance regime and we have seen ample evidence that this is now in place, both centrally and within the single Services. Additionally we have good evidence that many of the areas of improvement identified in the White Paper⁵ are well on route to delivery⁶. Other measures will necessarily take longer, being far more integral to over-arching change programmes such as the New Employment Model (NEM) and Whole Force work. Over time it will remain important to check frequently that Whole Force evolution does not lose sight of the fact that Reserves and Regulars come from and are nurtured by very different eco-systems; while much can be done to improve integration at (and on the way to) the point of use, some systems and processes will always need to be managed differently. We sense that this was initially ignored in too many FR20 measures; future governance should constantly test to avoid a slavish and counter-productive approach in the name of integration. We assess that this will be crucially important in work on terms and conditions of service (TACOS) and recommend that the Department keeps under review whether Whole Force interests are best served by bringing together the Armed Forces' and Reserve Forces' Acts at some future date.

Recommendation 1. Further work on Whole Force and the New Employment Model, coupled with the desirability of easier transfers between Regular and Reserve service, suggest that the necessity of merging the Armed Forces' Act and the Reserve Forces' Act should be kept under review.

PREVIOUS RECOMMENDATIONS

10. Before turning to the results of this year's work, we believe that the absence of any Defence management response to last year's report merits an assessment of whether our recommendations have been adequately considered.

11. The FR20 Narrative (R1⁷). We have seen some evidence that the narrative used to support the FR20 White Paper (and extracts from it) is being used and has some traction internally within parts of the Services. Senior Reservists and former Reservists whom we have consulted believe it sets out an excellent proposition and adequately defines the purpose of the Reserve; we concur in respect of the internal Reservist audience at all levels. However, we still believe that the language used too often falls

⁴ Future Reserves 2020: Delivering the Nation's Security Together; November 2012.

⁵ Reserves in the Future Force 2020: Valued and Valuable; 3 July 2013.

⁶ Some critical measures are contained within the Defence Reform Bill which received Royal Assent as this report was being drafted.

⁷ The "R number" correlates to the 2013 report recommendation.

back on military terminology and is liable to be interpreted pessimistically by those outside the Services (crucially the potential recruit and employer); for example, our discussions with employers suggest that they are being led to believe that, because of the improved availability of Reserves, mobilisation will occur routinely more often than is likely to be the case - or indeed could reasonably be the case given the UK's reduced appetite and capacity for enduring operations. More seriously, we see little sign of the narrative being used across government to promote Reserve service or to counter ill-informed media coverage.

12. Manpower metrics and MIS (R2 & R3). At the time of our last report action was already in hand to improve metrics and, provided data capture continues to improve, this will give better assurance to the programme. Joint Personnel Administration (JPA), the MOD personnel management information system, still requires improvement for Reserves data and for use in other applications. Remote access for Reservists would provide significant advantage, especially for reporting and appraisal. The time taken to effect JPA changes restricts assurance of end-to-end progress in the recruiting/training pipeline; visibility of the preparedness and availability of Reservists; and awareness of the utility of their skill sets for operations.

13. "Manning churn" (R4). (Loss rates in the recruiting/training pipeline). We have seen little material evidence that objective measurement is being made on the reasons for outflow during recruiting and initial training, such that qualitative ameliorative action can be initiated to reduce pipeline losses. There is some evidence that improvements are being made at the early stages of the pipeline, but focus on later stages is still required to ensure gains in the initial stages are not subsequently lost. It would be easy to explain this away because of the relative novelty of the new FR20 recruiting process but the reality is that there were already recruits in the Phase 1 and 2 stages of training whose progress should be tracked more assiduously.

14. Pairing (R5). We have witnessed pairing in action on Army (Combat) training activity and can report enthusiasm on both sides; in our judgement this is beginning to work well. The sample size for this is small and it will be important to monitor how it is carried through in other capability areas; is managed beyond training (such as in administration, equipment support and the like); and sustained over time. We understand that not every Army Reserve unit has an identified paired Regular unit but that this is now being addressed. The different Service approaches to Reserve employment persuade us that, in this context, pairing is an exclusively Army issue (but see also the section on contractual constraints, paragraphs 40 to 42).

15. Basing (R6). Such is the impact of basing on Reserve recruiting and retention that it has been a constant theme in this year's work. It is therefore covered in more detail below; suffice to say that we believe that neither the Commission's nor our own observations have been adequately taken into account and consequently some basing decisions have been precipitate to the degree that basing now poses an unnecessary risk to retention of trained personnel (contributing to unintended self-harm).

16. Enhanced Terms and Conditions of Service (TACOS) (R7). Other than lodge the point for the future, we had not anticipated that there would be time in 13/14 to achieve radical changes to TACOS to facilitate the employment of niche skill Reservists.

Axiomatically as these roles develop it will be important to remain agile with their TACOS; it thus remains on our watch list.

17. Cultural change (R8). Throughout our senior briefings and meetings we have had impressed upon us how alive to the cultural change risk the Department and Services have become. We are therefore content that it is being appropriately addressed in programme terms. At the next level down we nevertheless see and hear examples of how that message has still to permeate all levels of the Services and therefore will continue to monitor for improvements. We also have a sense that more avenues could be explored to insinuate aspects of cultural change more subtly as much as direct it; this is again covered in more detail below.

THE LEGACY OF NEGLECT

18. The FR20 Commission put very bluntly the reason for decline in the Reserves: implicitly several decades of institutional neglect. The MOD did not demur from these reasons and, from a strategic perspective, redressing this neglect strongly underpins the FR20 programme. During our work this year we have become aware that at the practical implementation level some of the legacy issues may not be as widely appreciated and feel that until they are the programme may not be carried forward as effectively as possible.

19. Since the Cold War the rationale for the Armed Forces' structure (its roles, size and shape) has been anchored in planning assumptions and strategic guidance. Consequently every unit - its readiness, strength, equipment holdings, tasks and subordination - is justified in the same way. But assumptions are just that: a best guess at what the future holds. Most assumptions made for the Reserve were mainly related to best effort for a large scale intervention: the least likely scenario. Hence the Reserves, especially those with ill-defined roles or low-readiness postures (typically in combat service support (CSS) units), were the natural recipients of programme pressure and more often than not subjected to the extremes of budgetary constraint (manning caps, recruiting embargos, reductions of equipment holdings and suspended training programmes - the lifeblood of the Reserve). Consequently numbers dwindled, hollowing out the Reserve's own ability to sustain itself. The external scrutiny team is painfully aware of this history; some of its members were closely associated with the application of deliberate neglect when they were serving.

20. FR20 now seeks to redress all these headline issues and put in place measures to ensure the Reserve does not deliberately or inadvertently fall back to this behaviour. This is to be welcomed and the introduction of a statutory requirement for external scrutiny of the Reserve reinforces the Government's determination to ensure permanence.

21. Our view is that other ramifications of the neglect legacy need also to be equally understood as remedial action is taken throughout the programme life.

a. The narrative. Only recently has the media begun to understand that FR20 is restoring the Reserve to health, not creating something entirely new. Too often reporting carried a sense that "the Army needs to recruit 30,000 Reserves to substitute for cuts to the Regulars". Even within the last six months

the message has only slightly changed: "The Army Reserve is being expanded to 30,000 to offset cuts of 20,000 troops in the Regular Army."⁸ Such reporting ignores the key messages of the Commission and the reality that the establishment (as distinct from the trained strength) of the TA has actually also been modestly reduced⁹. It also fails to appreciate that the roles and tasks of the Reserve have been updated and rebalanced but not substantively increased.

b. Capacity. Hollowing out of numbers¹⁰ has occurred across the rank range within the Reserve. The Services are clearly aware of this and moved to improve the situation by creating permanent and temporary Regular staff posts within units to compensate. Nevertheless most units are, of necessity, currently operating on limited capacity and this is particularly acute in positions where Regular muscle cannot compensate for Reservist knowledge and experience. Management capacity within units will continue to be a local constraint until such time as new Senior Non Commissioned Officers (SNCOs) and officers can be developed. This also suggests to us that despite the ultimate desirability of reshaping the Reserve demography, old blood needs to be retained until new blood is fully oxygenated.

c. Attribution. We mention above the modelling that leads to Armed Forces structure. While that largely holds good for Reserve unit structures (and is important in giving purpose to the unit role and hence training), we believe that a more flexible approach needs to be taken with unit manning. This pertains both for the period of growth to full trained strength and to some extent in steady state beyond that (Reserve manning is more fluid than Regular manning). We also detect that at staff level there is a resurgent programming temptation to rigorously bear down on personnel attribution, which we would counsel needs to be resisted. Countless times we hear from middle-level staff officers the opinion that the Commission applied little science to the numbers; but the Commission made clear¹¹ (and the Government has clearly agreed) that the Reserve roles should not just be narrowly attributed against fixed planning assumptions but should also be founded as a Reserve for the unexpected - to a great extent its enduring role.

d. Special Measures. The current and future viability of each Reserve unit and sub-unit is heavily predicated upon how they came through this neglect era. We have a strong view, for example, that many CSS units will have suffered a compound effect, such that although they now sit in a good recruiting catchment, now anticipate an excellent role and should now be able to attract recruits on the basis of a first-rate proposition, some may have institutionally lost the habit, capacity for and joy of managing this. This manifests mainly in units where they struggle to exist on current manning levels at or below 50%, from which it is immensely more difficult to grow than in a unit manned at, say, 75%. They may also be attempting to manage growth under a transforming headquarters, within which there is little corporate understanding of the

⁸ BBC web news; 5 Nov 13.

⁹ The establishment of the TA in 2010 stood at c.39,000, notwithstanding that its strength had dwindled to some 25-26,000.

¹⁰ Both of experienced Reservists and of Regular support staff

¹¹ FR20 Commission Report paragraph 57 (and Annex A, recommendation 5).

circumstances that led to the situation (see paragraphs 22-23 below). As with a failing school, the goal here is to recover the habit, not abandon it. In the same way we sense that a Special Measures approach could also be adopted in the programme, whereby those units and sub-units most in need are given additional focussed assistance and resources to get back on their feet quickly, rather than expecting a generic measure to generate the change. Such measures should not reflect any leadership failure locally; our experience is that local commanders are often doing their utmost but the depth of their problems - with so much change around them – is not always appreciated. We single out CSS units here, mainly because their future importance and size suggest they probably have the largest hill to climb, but there may well be even more deserving cases in other disciplines.

Recommendation 2. The narrative developed for the White Paper should be updated to take account of FR20 delivery to date and used more extensively to market the value of Reserve service and the recruiting offer. It should also be used more extensively cross-Government .

Recommendation 3. FR20 measures which seek to bring down the average age of Reservists should be phased to follow those measures which will rely heavily on Reservist knowledge and experience for their introduction.

Recommendation 4. The single Services should examine the scope to apply a ‘special measures approach’ to turning round those units and sub-units most in need of assistance in reaching FR20 targets.

CORPORATE MEMORY

22. In an associated way, we also detect the absence of any depth to the Reserve corporate memory within the Services or MOD, capable of recalling in detail why and how the measures which led to neglect were initiated; whether there had been any intention or planning to recover the *status quo ante*; and therefore making it more difficult to understand what did or did not work in healthier times in order to apply them now. Consequently while there is a clear determination to put things right, we are doubtful that some of the ameliorative measures have been able to draw sufficiently on previous experience. Occasionally this view has been rebuffed on the basis that we live in a new world with new ways of doing things. While in some instances that is indisputable, it is not always the case and there are clear examples (such as the initial recruiting experience, covered in more detail below) where we need to guard against emperor's clothes syndrome.

23. Our view is that more effort needs to be applied to preserving the corporate memory. To some extent the new oversight obligations will ensure that Reserve history is not lost or neglected. But we also feel that in a wider sense across Defence there is a more fundamental point here. In-year budgetary pressures and operational exigencies in the last two decades may well have led us into a habit of constantly changing the plan

for the short-term without keeping in mind the longer- term objectives. We were more disciplined in Cold War days; the convenience of a constant, identifiable and technologically evolving foe meant that we could not avoid contingency planning to recover our edge, even when facing similar pressures. More recently we have introduced often painful measures without addressing how we might recover to steady state later in the programme. It might well be worth considering for future programming processes that mitigation and impact statements should also include whether a position is intended to be recovered and, if so, how. Such an approach would almost certainly have avoided the neglect from which the Reserves are now recovering.

Recommendation 5. The single Services should examine a range of measures which better preserve the corporate memory of their Reserve components, including procedures for recording whether and how savings measures are planned to be restored during programming.

MANNING

24. Concerns about Reserve manning - and specifically recruiting - have dominated FR20 programme work thus far. We have been extensively briefed throughout the year on progress with recruiting and have been grateful for the candour in which briefings have been given. On the basis of this year's briefings and our own investigations, we continue to stress our belief that achieving full manning to the desired trained strength is wholly achievable. But we also strongly believe that the recruiting approach, system and processes still need further overhaul.

25. Early efforts in growing the size of Reserve, most notably the Army Reserve, were lamentable. We would point to four main reasons. First, the Army had introduced a new recruiting contract (the recruiting partnership) and held a mistaken belief that their commercial partner could effectively manage recruiting risk. Second, the partnership collectively believed that a system and processes which were already in place under previous arrangements would easily migrate to a new commercial model. Third, the partnership did not address the specific requirements of Reserve recruiting, believing instead that the Regular processes would map across easily. And fourth, there was too heavy a reliance on central marketing, backed up by a web-based recruiting process, without understanding the critical importance for Reservists of securing the sale 'on the forecourt'.

26. Reality in the early months highlighted this. Too much faith had been placed in the commercial partner's role with too little reliance on the Service element of the partnership. Consequently a crucially important information management system was not available in time (and is still at least a year away from being workable). The national call centre was significantly under-gunned to be able to cope with the volume of enquiries and the competence to then manage follow-on relationships with potential recruits. A system which was arguably optimised for Regular recruitment (to a large degree modelled on One Army recruiting, which had previously already failed the Reserve in the 'neglect era'), once brought into operation exposed that it was markedly sub-optimal for Reserves: too great a reliance was placed on applicant self-processing in the face of horrendously cumbersome application processes. Moreover, candidates

were submitted to a protracted medical questionnaire and screening process. And, because this was rigidly sequential, until each step was achieved further passage along the pipeline was placed on hold¹². To make matters worse, throughout this process candidates tended to be kept isolated from the units they were interested in joining. Prospective candidates were held for far too long in the pipeline, with many losing faith and walking away. Much of this might have been avoided had greater use been made of experienced Reservist subject matter experts (SMEs) and greater heed paid to them in the design stage.

27. While slow to recognise this at the outset, the Services are now gripping these issues comprehensively and, with Ministerial direction, applying considerable energy and resource to change the process. There is no room for complacency though. We firmly believe that the whole system and supporting process will need further adjustment and needs to be kept under close review. Throughout this reporting year the consistent message we received on every unit visit (of all three Services) has been the continuing very poor performance of the medical screening process, despite other aspects of pipeline management being adjusted to compensate for it. This has been so lengthy and widespread that it cannot be mainly due to inertia on the part of the candidates. We understand that such has been the delay for some, because they had previously been held at that point with no concurrent activity, that they withdrew from the pipeline. But we have also spoken to recruits who did persist. Almost all of them report a system which might reasonably be described as 'computer says no'; any queries or history of previous (trivial and minor) medical conditions defaulted to a fail mode, until the candidate could demonstrate full fitness. **More recently we have also heard of persistent major variances in regional performance, not just in medical screening but also between assessment centres. During the coming year we would like to see detailed reporting on regional performance to assess the reality here and, if this has substance, it suggests to us that more stringent quality control is called for, which can eradicate inconsistent application of pass/fail criteria and export best practice.**

28. Such has been the subsequent energy and range of change that it has been impossible thus far to make objective judgements on which measures are working best, well or not at all. Amongst the measures recently adopted we understand that more emphasis is now being placed on the local unit/sub-unit role, with funding allocated to undertake more local recruiting (and employer engagement) activity. We judge this to be a game-changer. Throughout our visits we have been told repeatedly of the importance of units getting alongside potential recruits and nurturing them through the pipeline. In doing so the recruit and the unit has the informal opportunity to test whether they suit each other and, if they do, the unit can then prepare the individual for selection (in the language of a seasoned recruiter, "touching the green"). Consequently we urge that once healthier inflow is restored, the recruiting operation does not revert automatically to an enhanced but fundamentally sub-optimal process but instead continues to reinforce local success. All that said, there will still remain a reliance on some central processes and these must be challenged to reduce timelines; we are not at all persuaded, for example, that a 56 day pipeline target is acceptable¹³ and if allowed to

¹² At the time of drafting recruiting web pages still indicate that the process is similarly sequential.

¹³ We were frequently told that, prior to 2006, Reserve units aimed to turn round expressions of interest into enlistment within 14 days.

rest on that laurel too many Reservist applicants will decline to stay with the programme.

29. These system flaws tended to disguise whether or not the public appetite for Reserve service was sufficiently strong, with some critics suggesting that low recruitment was a direct consequence of a poor proposition and/or very limited appetite to take it up. Our experience suggests a quite different environment. The flaws also tended to avert attention from the marketing and advertising campaigns. At unit level we have been roundly advised that some of the material initially used had not adequately told the story of what the Reserves were about or for - particularly in the combat support and combat service support roles¹⁴ - and that some of the material contradicted aspects of what employers were being told. Unsurprisingly, partial and mixed messages may well have had a negative impact on potential recruits and gatekeepers; we are pleased to note that more coherent messaging and recruiting campaigns are now being addressed.

30. Clearly much of this is isolated to the Army Reserve experience. On limited evidence we understand that the RN and RAF experience has been better. That is not to say that it could not also be improved, but from what we have seen of both Service approaches we believe that they have examples of best practice to offer up. Perhaps because of its novelty, we have seen at first hand an excellent Royal Auxilliary Air Force (RAuxAF) initiative to establish a completely new unit, which is well ahead of its expected target milestones. This augurs well for the further squadrons that are now being established. Nevertheless, both Services have experienced problems in the length of time taken to process to the point of attestation, with both expressing frustration at the time required for medical screening. **The RN has therefore piloted measures to compensate for this by taking risk in order to bring candidates into the unit as quickly as possible. On face value this sounds eminently sensible and we will visit the pilot unit early in next year's programme to judge results.**

31. To test public appetite we have also looked at other comparable voluntary service organisations and note that they have met and often exceeded their goals for volunteer numbers. For example, Hampshire Constabulary has grown its volunteer component from 48 in 2009 to some 1,050 by March 2014; in the same period its Special Constable strength had grown to 558, each Special delivering a monthly average of just under 24 hours of operational work, with very low wastage rates (1.25%). And tempting as it is to believe that the attraction of voluntary part-time service entirely correlates to the new methods for full-time police recruiting, the monthly outflow to full-time service routinely averages less than 1%. It would be fair to say that the challenges of Reserve service are more acute than for police volunteers, but so too are the financial rewards. The blue light services are clearly doing something right and it would be worth shadowing what works best for them; central direction coupled to local empowerment is almost certainly a key factor. But the main point to make here is that we should not be deflected in our recruiting goals by a mistaken belief that the public has lost any appetite to volunteer for challenging roles.

32. Within manning issues, we draw a distinct linkage between basing and retention. We have stated previously that we understand the imperative to reduce the overhead

¹⁴ And initially this might also have been the case for the RN and RAF as well.

costs of the Reserve and that rationalisation of the estate has a part to play here; indeed we promote the concept of keeping Reserve costs as low as practicable. However, we are aware of instances where some basing rationalisation has led to self-harm and of further plans in train which will do likewise. Just one example (we are aware of others), arising from a decision to reduce the number of small detachments, serves to make the point. The mortar platoon of the London Regiment, based in Catford, is planned to relocate to its parent company in central London. This mortar platoon is one of the best recruited platoons¹⁵ within the Army Reserve. The site it vacates will continue to be occupied by another Reserve sub-unit; there will be no consequential savings from estate rationalisation and moreover no savings in staff, as the dedicated training posts will also transfer to the new location. As we understand that few if any of the existing platoon personnel will transfer cap-badge to join the remaining Catford unit or contemplate a routine commute to their parent sub-unit, there seems to us to be little sense in progressing this basing change. While main effort is to grow trained strength, it seems perverse that a measure such as this could actually achieve the reverse. Notwithstanding the ultimate goal we strongly urge that basing changes are managed with particular regard to local circumstances and tempered accordingly; recruiting viability should be tested, not assumed, before Reserve Centres are closed.

33. Finally, we remain concerned at the Services' ability to attract and retain high-calibre young Reserve officers. We have been briefed on current progress and measures to improve it; certainly the situation is far better than in the previous 3-5 years (but the baseline then was parlous). Recruiting and retention of officers is heavily dependent on a clear, refined officer proposition; potential good recruits are well aware of other opportunities and therefore need to be courted more attentively (whereas traditionally potential Regular officers might be expected to prove their commitment from the outset and throughout the recruiting process). The increased engagement with the University Officer Training Corps (UOTCs)¹⁶ which is now in hand will go a long way to enable this, but parallel effort is also needed for direct entry applications. **Although reassured that this issue is being addressed, a strong officer cadre is such a fundamental element of a healthy, self-sustaining Reserve that it will feature prominently in our work in coming years; officer recruiting and development is of such importance that it deserves special attention.**

34. On 19 December 2013 the Secretary of State announced trained strength and recruiting targets for the three Services. We believe that the targets for 2013/14 were modest but pragmatic, given the problems which were still being addressed in the recruiting process. The tables at Annex D show these targets and Annex E reports achievement this year; after a poor start the inflow vectors for the final quarter are now approaching the rate that will need to be sustained over the next 4 years¹⁷. Therefore, while future years are much more demanding, our view is that the MOD and the Services are now beginning to turn the corner on Reserve manning. **That said we will continue to keep the whole recruiting and training pipeline under close scrutiny, not least to monitor improvements in medical and assessment stages.**

¹⁵ We believe a current trained strength of 26.

¹⁶ And also University Royal Navy Units (URNUs) and University Air Squadrons (UAS)

¹⁷ These figures demonstrate that this year's annual targets have been met but are disproportionately bolstered with necessary and welcome transfers from Regular to Reserve (probably inflated by redundancy outflow), such that confidence in *ab initio* recruiting remains lower than it should be.

35. We are more confident that the RN and RAF are likely to meet their trained strength targets for 2018 on the basis of current performance and are optimistic that this will translate relatively quickly into an integrated capability. The situation for the Army is more challenging; it will have to maintain and increase effort to sustain an increased inflow and this will consequently put increased strain on the training machine for several years to come. As the training machine absorbs this additional pressure, it must also remain sufficiently adaptive and inventive in delivering an ever-increasingly good balance of achievable challenge and trade training in progressing to Phases 2 and 3 levels of competence. This approach may achieve some trained strength increments early but it might also call for some expectation management as well, as results are tested. While we are nevertheless reasonably confident that the Army Reserve will be manned to target by 2018, we are less sanguine about whether it will be at full trained strength by then; this might take a year or more longer to achieve. Provided that the recruiting and training pipeline suffers no further set-backs, when set within the force generation model and the readiness cycle for Reserve units now being introduced, we judge that this should have negligible or no impact on the overall ability of the Army to meet its operational readiness targets.

Recommendation 6. Recruiting processes should be subject to continuous improvement measures, with recognition that central marketing and advertising campaigns must be complemented by appropriately funded local/unit activity to nurture and retain applicants through the process.

Recommendation 7. Final decisions on Reserve Centre laydown and unit/sub-unit closures should be re-tested against local recruiting capacity and retention factors.

THE MEDICAL RESERVE

36. We intended to look more closely at Medical Reserves this year but have been able only to achieve a largely superficial view. This is no reflection of unwillingness on behalf of the Services but more to do with limited opportunity and competing pressures.

37. Medical Reserves will make up a major element of the Reserve component. Defence's reliance on them is sobering. By 2018 they are intended to constitute some 35% of the overall Defence Medical capability and around 10% of the total Reserve component of all three Services. We were briefed by Defence Medical Services (DMS) early in the reporting year that such is their difference from other Reserves that alternative approaches would be needed for their management. For example, and for obvious reasons¹⁸, DMS is obliged to draw on the NHS operating model to set its operational requirement and thereby define its medical establishment. Practically this leads to the necessity for a form of partnership between MOD and the NHS.

38. This sits at odds with other Reservists who are drawn from an array of professions and trades, often wholly unrelated to their Reservist roles. Consequently recruiting, training, managing and retaining Reservists tends to be a generalist activity;

¹⁸ Although not completely the case, to all intents and purposes the NHS is the sole supplier of medical Reservists.

dealing with medical Reservists is a far more focussed business. Medical manpower is 'owned' by the single Services - their Reservists wear the uniform, observe the regulations, are routinely tasked and are administered by their parent service - but are professionally directed and, importantly, technically deployed by DMS (in the sense that DMS defines the operational structures and sets the single Service manning requirements; the single Service then recruit and fill the billets).

39. Clearly, there is scope for tension in this arrangement, not least if recruiting processes are so generalist that they fail to access the niche specialisations required (of which there are many). While we have no cause to believe that such tension is evident or unmanageable, **we will assess progress more closely with Medical Reserves in the next two years because of their overall importance and to ensure that a tailored approach to their development is in hand.**

CONTRACTUAL CONSTRAINTS

40. On our visits we have been surprised by the constraining influence of many of the support contracts that now proliferate and the apparent inability to modify or adjust them to meet emerging Whole Force requirements. In some respects this refers to finding resources to extend contracts but in others it relates to little more than adjusting operating hours within resources.

41. As an example of the former, many academies, schools and training establishments now operate around the state school calendar. This has enabled more affordable contracts and sits comfortably with Regular students and staff, who get an all-too-rare opportunity to harmonise their working and family lives. But for Reservists this can be a major impediment, especially for those who are only able to attend Service courses around their working commitments and by taking scheduled holidays. As an example of the latter, we were struck with how difficult it can be for Reservists to access even a modest level of support, even when living on some of the most operationally committed bases. Reservists are seen as doing their business "out of hours" (surely terminology that we would want to see expunged in the Whole Force era!), at best being seen as analogous to shift workers. The difference is that shift workers vary their working hours and can access the whole gamut of support services while on a day shift; Reservists are far less able to do the same. Thus we have seen Reservists, training and working on a main operating base or garrison, unable to use medical and sports facilities, draw clothing or access routine administrative support.

42. We commented on this last year in another regard (the opening hours of recruiting offices). **This year we believe that a more forensic and comprehensive examination is necessary to ensure that existing support contracts are tested against requirement (rather than requirement being tempered by the contract) and that future support contracts make adequate provision for the flexibility to sustain a whole force.**

PERSONNEL MANAGEMENT

43. We have commented previously about the need to differentiate between integration and assimilation; we have also made the point that the eco-systems that support Reserves and the Regulars are very different. For example, while a Regular

serviceman will have concerns about his next posting, Service housing, dependants' schooling, spousal employment and the like, little of this would resonate routinely with his or her Reservist colleague. By contrast a Reservist will have little common ground with a Regular over his or her concern over relationships with employers and work colleagues (and hence job security), family's and colleagues' s tolerance for absences or the legal implications of Reservist duties (for example for a professional driver). At unit level this seems to be well recognised and the provision of additional permanent staff provides evidence of it. At headquarters/formation level we are not convinced that such nuanced understanding is reflected to the same degree across all staff branches and especially so in the field of personnel management.

44. Most aspects of personnel management need to accommodate those differences and not try to force them into a single mould. To do otherwise is to impose disadvantage on one group or the other. But in talking to Reserve officers and other ranks we get a real sense that they believe this is on the cusp of happening. Moreover they believe that either the Reservist voice is absent from the debate or is suborned within it. Why would they think this? Because they see that increasingly the traditional staff posts and branches which carried a responsibility for managing Reserve matters have been removed in favour of providing generalist posts with more integrated mainstream responsibilities or relegated to the role of advisor. We understand both the drive for integration and the associated desire to improve career opportunity by the provision of competitive staff appointments for Reserves. But to do this in all personnel management staff roles is a mistake, as is any neglect in the provision of some dedicated posts requiring Reservist subject matter expertise within specific staff branches. Indeed, in some functions¹⁹, it is imperative that staff branches are manned predominately from and led by Reservists with executive authority. Within the Army, following several evolutions of restructuring, the loss of dedicated Reserve Military Secretary branches first at Divisional level and then at the Army Personnel Centre and seems to have been acutely felt and detrimental.

45. Commanders at all levels need a special relationship with those staff responsible for their peoples' (and their own) career management. They turn to these staff for guidance and advice, in the previously well-found belief that they have both an insight into how personnel initiatives are being handled and an empathy for the circumstances of their people. Senior personnel managers also have an expectation that they can turn quickly to empathetic specialist staff for unvarnished and insightful briefings – and with confidence that routine business is in the hands of those who are most knowledgeable and experienced in the business. Detailed understanding by the staff officer of the specific eco-system is fundamental to these relationships; this requires employment of those with practical experience of the respective eco-system, not a just experience related to an Arms, Service, Branch or Trade background. We therefore believe that there is a compelling case to retain an element of career management for Reservists in the hands of Reservists - and we are aware that we are not alone in this view. Given the tautness of most headquarters manning, it would seem sensible to establish such branches within the main Service personnel centres.

¹⁹ Including Formation Assistant Command and aspects of training, not just personnel management, where they can be easily side-lined as an adviser, rather than more widely integrated with executive responsibilities.

46. Perhaps by association, we sense an increasing trend to make excessive demands on Reservists in some senior posts. For example, anecdotally we have heard of unit command appointments being made conditionally on an undertaking by the appointed officer to commit to, say, 150 to 200 man training days (MTD) annually. Moreover, we have been told directly by Regular COs in command of Reservist units that they believe that effective command can only be achieved by that level of commitment. Paradoxically, we have been provided with no evidence that part-time COs committing to a lower number of MTDs have in any way failed in their duties. If there is substance in this, we believe that such an approach is ill-advised. A Reservist commanding officer is a significant role model to more junior Reservists; his ability to command whilst retaining the normality of his civilian life is a major influence on their ambition and commitment to the Reserve. By contrast, and perhaps counter-intuitively, not every Reservist officer seeks to command at the highest levels; it is important to take account of differing ambition amongst the Reservist officer cadre when determining the Reservist career path models.

47. We also doubt the practicality of, say, a 150-200 MTD commitment (other than for those who are able to take an unprejudiced sabbatical, are managing a portfolio career or are unemployed). For most employees this is unmanageable without a significant salary sacrifice (and expecting a Reservist to manage solely on a MTD reward alone is wholly unreasonable when compared to his Regular counterpart). We are also unconvinced that Reserve command calls for this degree of full-time commitment. When questioned in detail about what duties a Regular CO of a Reserve unit undertakes, it emerged that much of their work is more associated with peripheral and staff responsibilities rather than a pure command role (for example by compensating for Reservist subordinates' availability and gapped support posts). For the future we suggest that this would be better managed by a more holistic appointment regime, where the make-up and gapping policy of the whole command team was conditioned by whether the incumbent CO was serving on full or part-time terms.

48. Notwithstanding the anecdotal nature of this issue, for many Reservists current perception is more important than actuality. **We will therefore want to look more closely at how personnel management is evolving in the next few years and how this is being accommodated in New Employment Model and TACOS work (and whether this could subsequently lead to a merging of the Armed Forces' and Reserve Forces' Acts, to facilitate flow between full and part-time service).**

Recommendation 8. In order to ensure that necessary differences between Regular and Reserve service are appropriately managed, the single Services should consider the reintroduction of a dedicated Reserve career management staff branch (predominantly manned and led by Reservists) within their Personnel Headquarters.

Recommendation 9. Command appointments of Reserve units should continue to provide opportunity for part-time volunteer officers. When part-time volunteers are appointed, command team manning of the unit should be reviewed to ensure that the commanding officer is fully supported with no gapping in key headquarters posts.

EMPLOYERS

49. Throughout the year we have had extensive engagement with employers, in part through our Reserve Forces' and Cadets' Associations' responsibilities. The MOD and Service initiative to work more closely with employers has been one of the demonstrable early successes of FR20. Employers tell us that they appreciate the manner in which they are now being treated and that they can see the efforts that are being made to create a more open relationship with them. In our view the department has largely been successful in delivering what it promised within the White Paper²⁰, acknowledging that there is still more planned. The Programme Board has been made aware of our views on where refinement would be helpful and we are pleased to see that action is already in hand in responding to them.

50. For the future the Services will need to take care not to over-face employers; after a widespread and somewhat demanding approach at the start, all the signs are that they are now alive to that fact. With a few notable and welcome exceptions, most employers will not wish or feel able to become the Reserves' recruiting sergeant. Ultimately it takes the Reservist to commit to Reserve service, not his employer. For the majority of employers - who have been remarkably supportive of the Reserves over the past 12 years of operational mobilisation - their critical role is to maintain a supportive environment in which Reservists can be recruited in greater numbers, retained for longer and which responds readily to support mobilisation when required. Our sense is that there are plenty who are willing to do so, recognising that while the net benefit will be for Defence, they will also see returns from doing so as well.

RESERVE UTILITY

"Train us then use us"

51. The FR20 Commission set out a clear vision that they expected the Department to create a Reserve fit and able to be used. The Reservists we have spoken to universally share that view. While they are enthused by challenging and meaningful training, they are even more energised by the prospect of putting that training to good use. It was therefore extremely reassuring to see Reservists widely involved in flood relief work in early 2014, with many of them having their commitment recognised by their own communities and workplaces.

52. We are aware of the potential problems associated with mobilisation for this sort of work, where it stops short of the tasks for which the Reserves are attributed. Nevertheless, all the Reservists we have met tell us that such obstacles must be overcome as the Reserve becomes more integrated. We agree. The Commission recommended that a funding reserve should be established to ensure that there was provision for the Reserve to be used for similar contingencies. For affordability reasons this has been eroded to ensure other provisions of FR20 could be met. We believe that as soon as practicable this should be restored. We also suggest that in many instances the experience gained by Reservists involved in such operations - particularly in leadership and personal development - probably merits a legitimate use of MTDs to support the operation. But over time it is likely that the Department would benefit by

²⁰ For example, employer notification, payments to SMEs, more coherent management of employer engagement, enhanced Defence Relation Management, etc.

holding an annual contingency fund that could be used for "man operating days" rather than relying on the diversion of MTDs.

Recommendation 10. The MOD should consider the option to restore the FR20 Commission's proposal that a contingency reserve fund should be established to be available for short duration domestic operations making use of Reserves.

RISK & RISK MANAGEMENT

53. Throughout the year we have noted variances in the ways in which the single Services have approached risk. Where we have seen the application of mission command at its most effective (essentially local units given the task and resource within broad guidance on requirement), there seems to be a clear correlation with strong results. We should not be surprised at this; it is now the norm for how our forces behave on operations so the culture of managing business in this way is well established. We would therefore encourage a more devolved and forward-leaning risk approach, including greater use of pilots to assist experimentation and testing. We also believe that greater exposure of best practice should be encouraged and more widely adopted.

54. On the employer front, we have also noticed that improved tri-service ways of working at regional and local level (directed through the Regional Employer Engagement Boards) has improved cooperation and coordination; made better use of resources; and avoided mixed messages. Although counter-intuitive (in the sense that Services and units might regard themselves as being in competition with each other for recruits), local recruiting effort might also better manage local risk by similar approaches. For example, could there be potential to cross refer individuals who might not fit the model for one unit to another cap-badge or service based in the same locality or region?

55. Finally, as the programme develops we also suggest that risk registers make greater use of confidence factors in forecasting, such that forecast outcomes can be more comprehensively assessed against actual achievement. In this way it would be easier to assess what does and does not work and identify measures that would benefit from adoption across the whole Reserve piece.

56. Our own assessment of programme risk remains unchanged from last year. In the short term there is an absolute requirement to increase Reservist numbers quickly. This is far more than a presentational issue; without a strong critical mass at unit and sub-unit level it is far harder - sometimes impossible - to deliver the essential quality training upon which Reservists thrive. Thus improved recruiting is not just important in growing the strength; it is as important in retaining those already serving.

57. We also believe that our initial assessment of long-term risk remains valid. Changing culture (Regular, Reservist and civilian) takes time and in the case of FR20 will be achieved occasionally in the face of previously entrenched attitudes. We have no doubt that the senior military and political leadership understand this. And the most junior levels, who are already growing up in a more integrated environment, are probably untroubled by the prospect. But it will be inevitable that a hard core of longer-serving, middle ranking officers and SNCOs may not yet realise the imperative for change and the essential role they will play in achieving it. The make-up of the defence

family nowadays casts this net wide. For example, many of our training establishments rely heavily on contract delivery which in turn draws extensively on former Service personnel for experienced instructors (many of whom served in times when the Reservist/Regular relationship was quite different). Given that they have a major influence on impressionable trainees, they must be encouraged not just to buy into cultural change but to lead on it in many ways.

58. Are these risks manageable? We believe so. The Armed Forces have frequently changed and adapted; there is no reason apparent to us they should not continue to do so here. But there should be no doubt of the nature of both short and long term challenge - and the sustained effort and resource necessary to mitigate it.

Annexes:

- A. Terms of reference.
- B. 2013 Report recommendations.
- C. 2013 Proposals for further work in 2014.
- D. MOD targets for strength and recruitment.
- E. Defence Statistics tables detailing manning achievement.
- F. Summary of recommendations.
- G. Priorities for future EST work.
- H. External Scrutiny Team – Membership.

FR20 IMPLEMENTATION EXTERNAL SCRUTINY
COUNCIL OF RESERVE FORCES' AND CADETS' ASSOCIATIONS
SCRUTINY TEAM TERMS OF REFERENCE

INTRODUCTION

1. The FR20 Report²¹ was commissioned by the Prime Minister in October 2010 in recognition of the relative decline and neglect of Reserve Forces. The Independent Commission concluded that the state of some elements of the Reserve was so fragile that resources and action were required immediately to arrest their decline; also, it sought to promote a wider vision to be realised over several years.

PURPOSE

2. The Commission identified²² a requirement for an annual report on the overall health of the Reserve Forces. It recommended that the Council of Reserve Forces and Cadets Associations (CRFCA) was best placed to meet this requirement given its existing provision by (non-discretionary) statute to provide independent advice to the Defence Council and Ministers on Reserve Matters.

ROLE

3. The CRFCA External Scrutiny Team is to report to the Secretary of State for Defence on implementation of the Future Reserves 2020 (FR20) Programme and provide independent assurance to Parliament.

MEMBERSHIP

4. Lt Gen (Retd) Robin Brims CB CBE DSO DL is appointed to chair the CRFCA External Scrutiny Team to provide external assurance on the implementation of the FR20 Programme.

5. Membership of the External Scrutiny Team should comprise no more than six, to be decided by the Chair after consultation with the MOD through VCDS. It should provide representation from the three single Services, appropriate Regular and Reserve experience and independent expertise. Whilst its composition may change over the course of the five years, the External Scrutiny Team must retain the expertise that enables the Chair to perform his duties effectively.

SCOPE

6. The External Scrutiny Team's work is to be set in the context of the ability of the Reserves to deliver capability required by Defence, and is to assess:

- a. Progress against delivery of the FR20 Mandate²³

²¹ Future Reserves 2020: The Independent External Scrutiny Team to Review the United Kingdom's Reserve Forces. July 2011.

²² Para 104 (p. 43)

²³ DCDS Pers/RFC/FR20/5/09 dated 5 Jun 12.

And in the context of the Recommendations of the FR20 Report:

- b. The condition of the Reserves.

BASELINE AND METRICS

- 7. 1 April 12 is to be taken as the baseline date from which progress will be assessed, and anniversaries of this date thereafter, to baseline their findings.
- 8. The FR20 Programme Management Office (PMO) will undertake coordinating activity with the single Services to ensure that the External Scrutiny Team has the assistance it requires to enable them to assess trends based on monthly manning and demographic information (such as age). Metrics to be routinely monitored are to be agreed in consultation with the MOD but may include:
 - a. Outflow rate and return of service;
 - b. Fit for Employment; Fit for Role; Fit for Deployment;
 - c. Percentage achieving bounty;
 - d. Gapping levels of Regular, Reserve, FTRS and Civilian Permanent Staff who support the Reserve community.

ASSESSMENT

- 9. The External Scrutiny Team's report should assess the state of the programme including:
 - a. Progress against the Plan and milestones;
 - b. Risk management and corporate governance;
 - c. Definition of benefits and progress in delivering them;
 - d. Communication with key stakeholders;
 - e. Effectiveness of application of resources under the Programme.
- 10. CRFCA will be involved in the development of the Plan through the Reserves Coordination Group and the FR20 Programme Board.

ACCESS

- 11. The FR20 PMO will assist in facilitating access to serving military personnel, sites and furnishing additional data as required.

2013 REPORT RECOMMENDATIONS

Recommendation 1. (Link to the Commission's recommendations 3, 4 & 8).

As a matter of priority the Department should issue a plain-English narrative which sets out the Reserves proposition: a narrative which is commonly adopted across all the Services and, as a minimum, covers the purposes of the Reserves; the manner in which they are likely to be used; and individual levels of obligation. (Paragraphs 6-9²⁴)

Recommendation 2. (Link to the Commission's recommendations 6 & 12).

FR20 manpower metrics should be more granular for the period to 2018 to demonstrate changes within the recruit inflow pipeline and should not concentrate solely on the achievement of Phase-2-trained Reservists. (Paragraph 18)

Recommendation 3. (Link to the Commission's recommendation 26)

Priority must be given to fund and introduce quickly an effective management information system which accurately captures Reservists numbers; states of training, preparedness; availability; attendance; and skill sets. (Paragraph 19)

Recommendation 4.

More analysis is undertaken to determine the causes of 'manning churn', to better inform how retention measures could be better targeted. (Paragraph 31)

Recommendation 5. (Link to the Commission's recommendations 2 & 21)

In parallel to development of pairing/parenting responsibilities, further analysis is needed for scaling of equipment and vehicle holdings at Reserve unit level, including the provision of low-tech simulation alternatives. (Paragraphs 37-39)

Recommendation 6. (Link to the Commission's recommendations 5, 6, 17, 18 & 23)

FR20 Army basing should take account of regional capacity to recruit, not just to facilitate proximity, and should also be phased to initially preserve current TA manpower until such time as alternative inflow is more fully developed. (Paragraph 44)

Recommendation 7. (Link to the Commission's recommendations 8, 22 & 23)

That work is initiated to look at the potential to employ Reserves with critical skills, where their employment was best served in a reach-back rather than deployed role; and that their TACOS be examined for appropriate adjustment. (Paragraph 62-63)

Recommendation 8. (Link to the Commission's report, Annex C, paragraph 8.)

That senior military and political leadership initiate a comprehensive information campaign with the Services' middle management to address the cultural change necessary to secure FR20, drawing on the narrative we recommend above. (Paragraphs 64-65)

²⁴ Reference paragraphs cross-refer to the 2013 report

2013 PROPOSALS FOR FURTHER WORK IN 2014

1. To bring DMS Reserves into scope for scrutiny, to ensure coherence with single Service plans. (5²⁵)
2. Manpower metrics. (19)
3. Manpower MIS. (20)
4. Unit and sub-unit leadership and management. (21)
5. The recruiting & training pipelines and process effectiveness. (28)
6. Development of integrated training and (where relevant) pairing mechanisms. (34)
7. Harmonisation of training directives and resources. (36)
8. Enhanced measures for engaging with employers (47)
9. Improved relationships with employers. (53)
10. Families' welfare. (55)
11. Terms and Conditions of Service. (57)
12. Cost of Reserves. (56 & 61)

²⁵ Paragraph numbers refer to the 2013 report.

MOD TARGETS FOR RESERVE STRENGTH AND RECRUITING

This paper sets out the planned growth of the trained strength of the Reserve Forces, together with the enlistment targets for the next five years to support that growth. Recruitment figures have, historically, shown significant short-term variation but, across the five year time horizon, we are confident that we have the measures to deliver this growth.

Maritime Reserve

The Maritime Reserve plans to deliver a modest growth in trained strength between now and Financial Year (FY) 2015, which will be achieved by maintaining current output from the training pipeline, whilst improving retention, and increasing the number of personnel transferring to the Reserves after completion of Regular service. More rapid growth in trained strength from FY 2016 will be achieved by enhanced recruitment activity and initiatives to reduce both the length of, and drop out rate during, training.

Army Reserve

As anticipated, recruitment in FY2013 has been well below historic levels. We currently expect 2,500 enlistments this year made up of circa 1,750 untrained recruits and 750 former Regulars. Our estimates for this year are informed by the difficulties experienced in the recruiting organisation as the Army moves to a new recruiting structure in partnership with Capita and, in particular, the problems with the IT system supporting the application and enlistment process. These issues are being addressed with a range of initiatives that will make it progressively easier and quicker for an applicant to enlist. In 2014 these include:

- the introduction in January 2014 of a new Army recruitment web application;
- a simplified on-line application form;
- more streamlined medical clearance processes; and
- greater mentoring of recruits by local Reserve units through the application, enlistment and training process.

From early 2015, the management of the recruitment process will be further improved with the introduction of the advanced IT system currently being developed in partnership with Capita.

Currently those in the target recruitment group have a low awareness that the Army Reserve is expanding. The general impression of the Army is one of restructuring and downsizing. Whilst the Regular Army has had a redundancy programme, both the Reserves and Regulars are actively recruiting. It will take some time after the redundancy process ends in 2014 to reverse this perception. A focus on strategic communications will help during FY 2014, but the targets reflect the likely residual impact of this perception through 2014 and into 2015.

The Army is already improving the experience for Reservists through better and more challenging training, the pairing of Army Regular and Reserve units, increased access to modern equipment, improved administrative support and enhanced terms and conditions of service. This new offer will underpin the growth in the Army Reserve that is required between FY 2014 and FY 2018 and will be promoted through a recruitment campaign that will be launched in January 2014. The trained strength of the Army Reserve is expected to fall to 18,800 at end FY 2013, before reversing the long term trend with an increase by end FY 2014. The target for recruits to the Army Reserve in FY 2014 is 4,900 made up of 3,600 new recruits and 1,300 former Regulars. Recruitment is expected to improve through the year, as the measures set out in this paper progressively take effect. Enlistments of new recruits in the first quarter of the year are expected to be around 600, rising to around 1,200 in the final quarter.

Refinements to the training regime and the introduction of an accelerated stream, providing more flexible courses that allow those who are able to do so to complete their training and join the trained strength more rapidly, will make an important contribution to enlistments. If required, targeted incentives – both to Reservists and to employers – could be used to encourage increased accelerated training in later years of the programme.

The Army will also continue to encourage more former Regulars to join the Army Reserve. This is already showing early signs of success.

Royal Auxiliary Air Force (RAuxAF)

The RAuxAF's recruiting campaign has been successful to date, with applications currently running at twice the normal rate. We expect to maintain this over the next two years. The RAuxAF is also seeking to improve retention including by increasing adventurous training and offering more challenging operational training opportunities. Additionally, the RAuxAF intends to recruit more ex-Regulars.

Employer Engagement

Engagement and support from employers across the public and private sectors is key to the success of the Reserves agenda. We will continue to work with major employer organisations, such as the Confederation of British Industry, the Federation of Small Businesses and the Business Services Association. We will also encourage individual employers to support the Reserves agenda by signing the Corporate Covenant and working with us to recruit and manage Reservists in their workplaces.

During FY 2014, we will roll-out a programme of workplace-based recruiting initiatives that we expect will have an increasing impact on enlistments as the financial year progresses.

Projected Growth

The tables below set out the targets for trained strength and recruitment.

Table 1 shows trained strength targets for the Maritime Reserve, Army Reserve and Royal Auxiliary Air Force up to FY 2018.

Table 1	Target	End FY 13	End FY 14	End FY 15	End FY 16	End FY 17	End FY 18
Maritime Reserve	Trained Strength	1,780	1,790	1,900	2,320	2,790	3,100
Army Reserve	Trained Strength	18,800	19,900	20,200	22,900	26,100	30,100
Royal Auxiliary Air Force	Trained Strength	1,200	1,400	1,600	1,860	1,860	1,860
Total	Trained Strength	21,780	23,090	23,700	27,080	30,750	35,060

Table 2 shows recruitment targets for the Maritime Reserve, Army Reserve and Royal Auxiliary Air Force up to FY 2018. It also provides a breakdown between trained entrants (who immediately count against the trained strength – largely former Regulars) and new recruits.

Table 2	Target	FY 14	FY 15	FY 16	FY 17	FY 18
Maritime Reserve	Trained Entrants	100	120	170	230	230
	New Recruits	640	640	630	550	540
	Total	740	760	800	780	770
Army Reserve	Trained Entrants	1,300	1,270	1,270	940	910
	New Recruits	3,600	6,000	8,000	8,000	7,000
	Total	4,900	7,270	9,270	8,940	7,910
Royal Auxiliary Air Force	Trained Entrants	100	100	100	100	100
	New Recruits	500	420	380	380	380
	Total	600	520	480	480	480

Notes on Tables

a.) All Maritime Reserve, Royal Auxiliary Air Force targets and Army trained entrants targets are rounded to the nearest 10. Other Army Reserve targets are rounded to the nearest 100.

b.) The relationship between trained strength (Table 1) and recruitment (Table 2) is complex. Trained entrants will normally join the trained strength immediately. New recruits, however, will first need to undertake both phase 1 (initial) and phase 2 (specialist) training. It takes longer to train an individual for some roles than for others, but the norm is around two years, with the constraint typically being the availability of the individual to be trained. Inevitably some individuals will fail the training or drop out during it. Work is in hand to look at how to reduce both the length of, and the drop out rate during, training. Trained strength is also affected by the number of people who leave the Reserves.

c.) Progress against these targets will be reported as part of Table 9 of the Defence Statistics publication 'UK Armed Forces Quarterly Personnel Report' (QPR). The targets for Army trained entrants, in Table 2 above, refer only to those former Regulars who join the Army Reserve within six years of leaving Regular Service; the definition of trained entrant in Table 9 of the QPR is slightly broader and so the number reported may be slightly higher.

DEFENCE STATISTICS - RESERVE MANNING ACHIEVEMENT & TRENDS²⁶

Headline figures

<u>Volunteer Reserve (FR20)</u>	As at 1 Apr 2012	As at 1 Apr 2013	As at 1 Apr 2014	Change 2013-2014
<u>All Services</u>				
Overall strength	29,380	28,670	27,270	-1,400
Trained strength	22,210	22,050	22,480	+430
<u>Maritime Reserve</u>				
Overall strength	2,570	2,620	2,850	+230
Trained Strength	1,830	1,770	1,860	+90
<u>Army Reserve</u>				
Overall strength	25,460	24,690	22,910	-1780
Trained Strength	19,410	19,230	19,400	+170
<u>Royal Auxilliary Air Force</u>				
Overall strength	1,360	1,370	1,510	+140
Trained Strength	970	1,050	1,220	+170

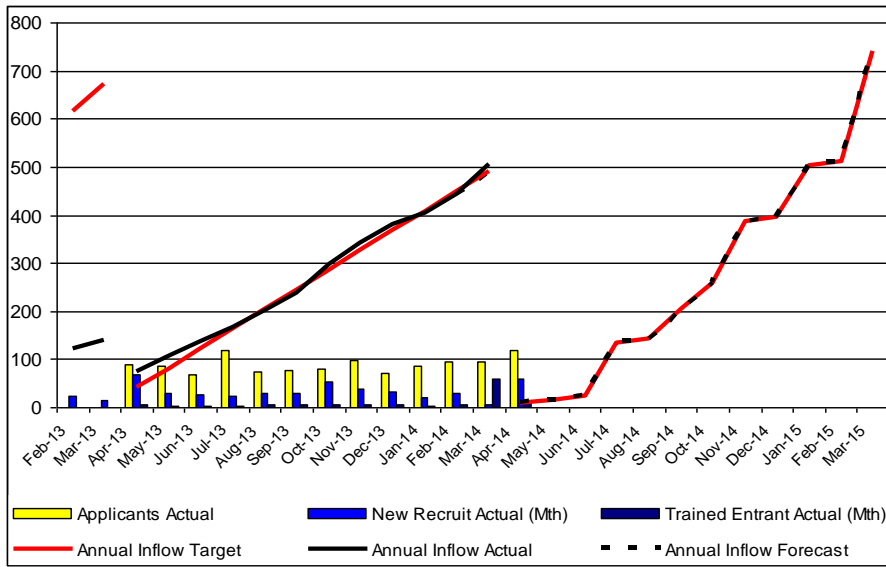
Notes:

1. All figures contained in this table are categorised as 'provisional' while Defence statistics conducts further data validation exercises. This perhaps explains why "All Services" data does not correlate with the sum of individual Service totals (there appears to be a standing discrepancy of 10 in overall strength figures until after 1 April 2013).
2. In recent years the inability of MOD to release fully validated figures (and Defence Statistics continued qualification of the figures) reinforces our observations relating to data and metrics reliability and our concerns over the suitability and quality of JPA as a vehicle to manage these forms of data.

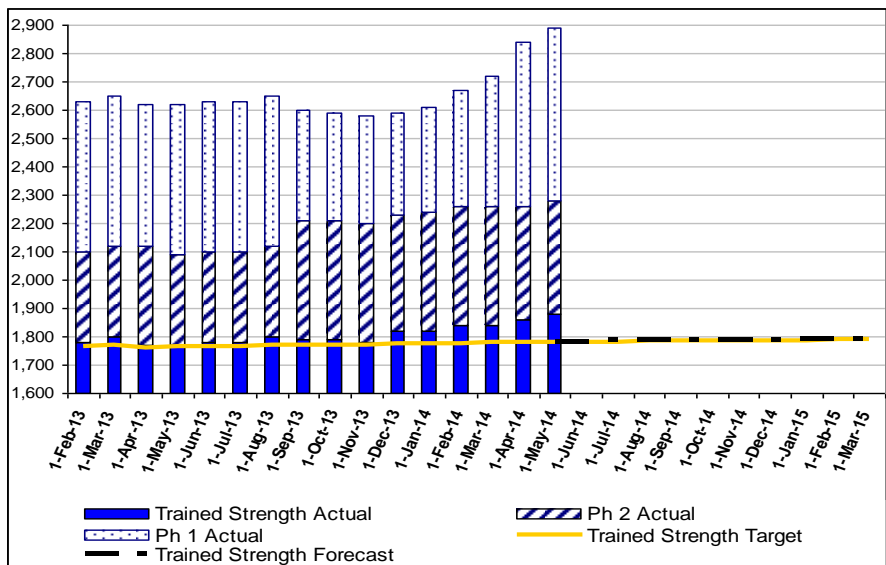
²⁶ Data is drawn from Defence Statistics Quarterly Report as at 1 Apr 2014, presented in the dashboard format used by the FR20 Programme Board. The full Defence Statistic report can be found at: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/314795/uk_reserve_for_ce_cadets_2014.pdf

Maritime Reserve

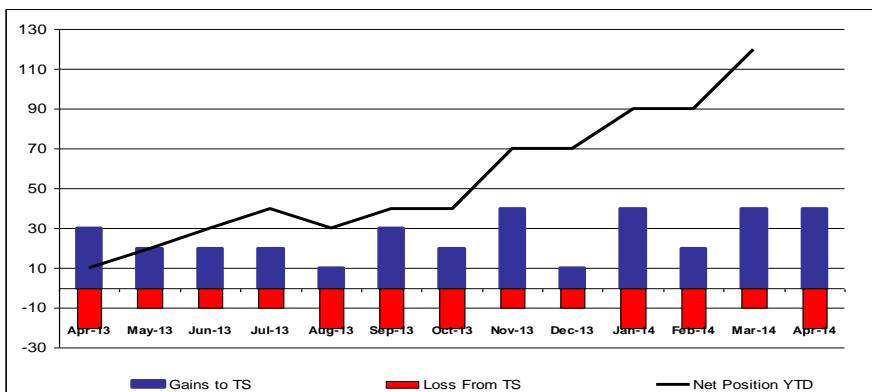
Inflow Metrics



Strength Metrics

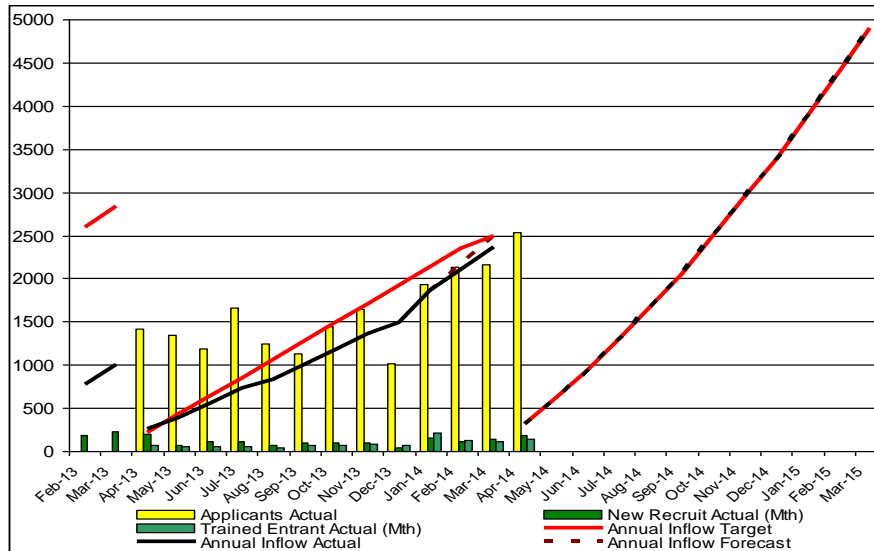


Gains To Trained Strength Metrics

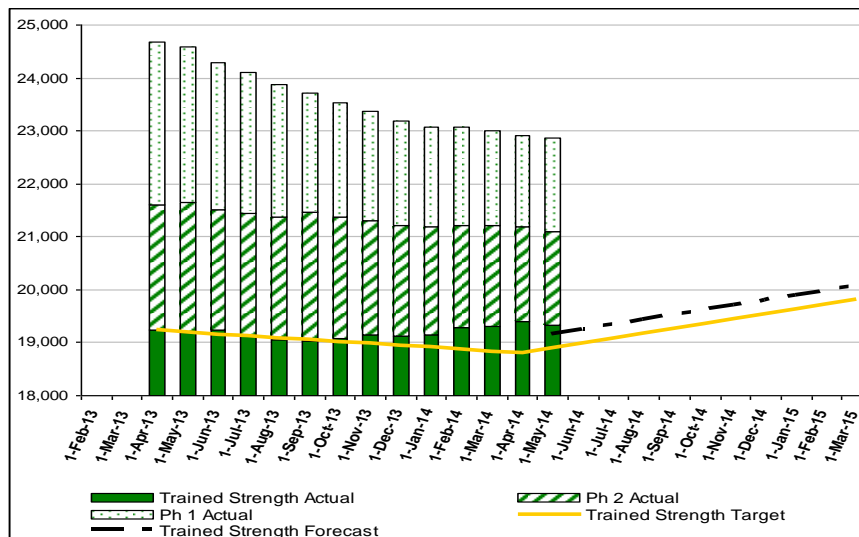


Army Reserve

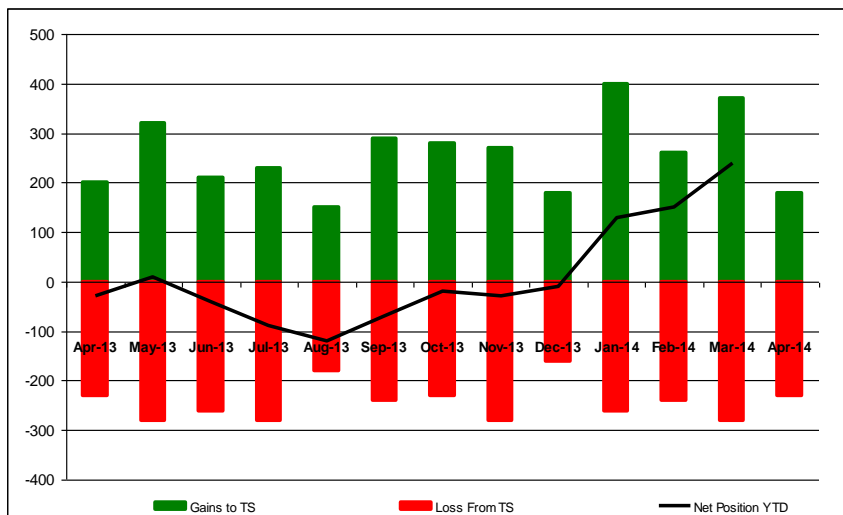
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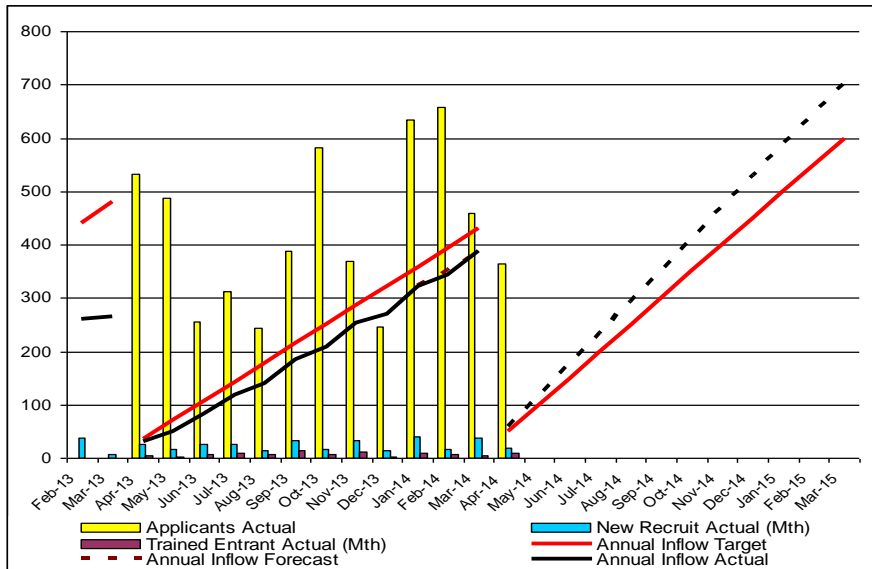
Strength Metrics



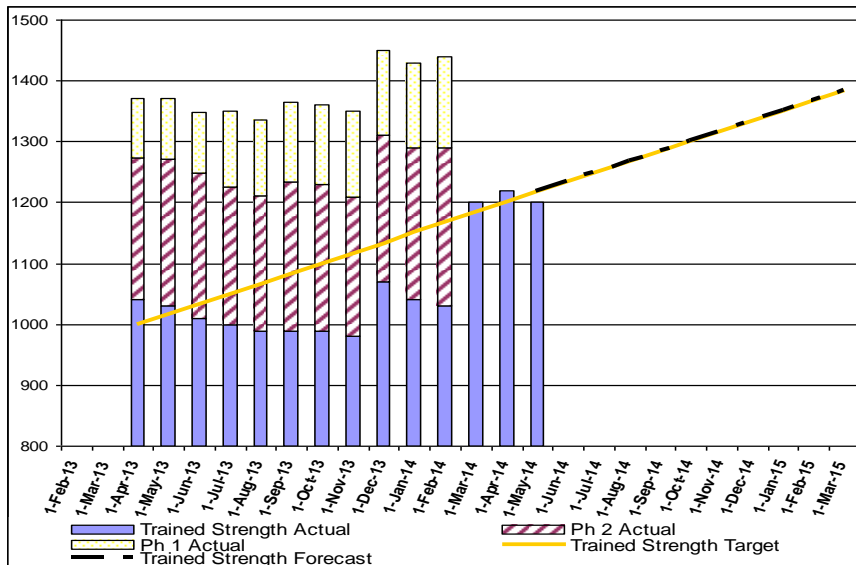
Gains To Trained Strength Metrics



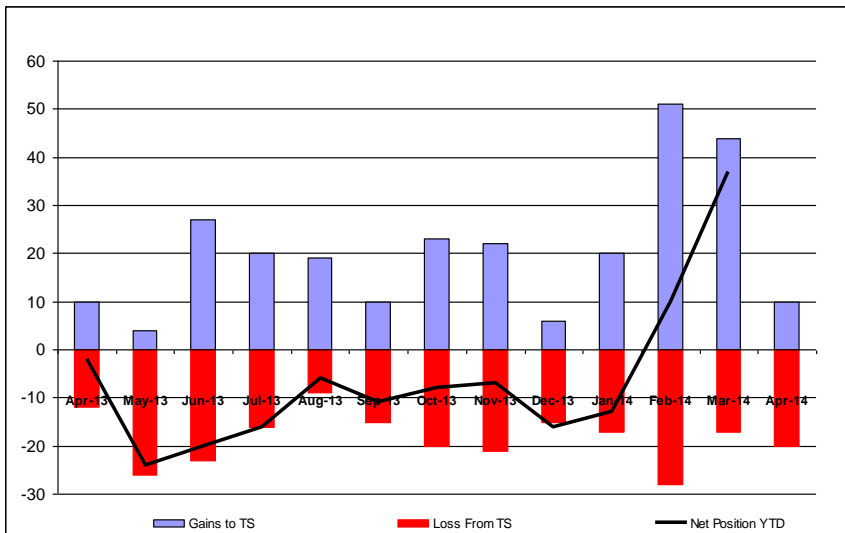
Inflow Metrics



Strength Metrics



Gains to Trained Strength Metrics



SUMMARY OF 2014 REPORT RECOMMENDATIONS

Recommendation 1. Further on work on Whole Force and the New Employment Model, coupled with the desirability of easier transfers between Regular and Reserve service, suggest that the necessity of merging the Armed Forces' Act and the Reserve Forces' Act should be kept under review.

Recommendation 2. The narrative developed for the White Paper should be updated to take account of FR20 delivery to date and used more extensively to market the value of Reserve service and the recruiting offer. It should also be used more extensively cross-Government.

Recommendation 3. FR20 measures which seek to bring down the average age of Reservists should be phased to follow those measures which will rely heavily on Reservist knowledge and experience for their introduction.

Recommendation 4. The single Services should examine the scope to apply a 'special measures approach' to turning round those units and sub-units most in need of assistance in reaching FR20 targets.

Recommendation 5. The single Services should examine a range of measures which better preserve the corporate memory of their Reserve components, including procedures for recording whether and how savings measures are planned to be restored during programming.

Recommendation 6. Recruiting processes should be subject to continuous improvement measures, with recognition that central marketing and advertising campaigns must be complemented by appropriately funded local/unit activity to nurture and retain applicants through the process.

Recommendation 7. Final decisions on Reserve Centre laydown and unit/sub-unit closures should be re-tested against local recruiting capacity and retention factors.

Recommendation 8. In order to ensure that necessary differences between Regular and Reserve service are appropriately managed, the single Services should consider the reintroduction of a dedicated Reserve career management staff branch (predominantly manned and led by Reservists) within their Personnel Headquarters.

Recommendation 9. Command appointments of Reserve units should continue to provide opportunity for part-time volunteer officers. When part-time volunteers are appointed, command team manning of the unit should be reviewed to ensure that the commanding officer is fully supported with no gapping in key headquarters posts.

Recommendation 10. The MOD should consider the option to restore the FR20 Commission's proposal that a contingency reserve fund should be established to be available for short duration domestic operations making use of Reserves.

SUMMARY OF PRIORITIES FOR 2015 WORK

In addition to the formal requirements now set out in the Reserve Forces Act, the following areas will be subjected to particular scrutiny during the 2014/15 statutory reporting period:

Terms and Conditions of Service for Reserves (paragraph 16).

Medical screening process and regional performance (paragraph 27).

Maritime Reserves pipeline improvement pilots (paragraph 30).

Reserve officer recruiting, training and development (paragraph 33).

The Reserve recruiting and training pipeline to Phase 2 (paragraph 34).

Concepts of employment and manning for the Medical Reserves (paragraph 39).

Contractual constraints (paragraph 42).

Single Service arrangements for personnel and career management of Reserves (paragraph 48).

EXTERNAL SCRUTINY TEAM – MEMBERSHIP

Chairman:

Lieutenant General (Retd) R V Brims CB CBE DSO DL

Members:

Major General (Retd) S F N Lalor CB TD

Captain I M Robinson OBE RD RNR

Colonel T S Richmond (Retd) MBE TD DL FCA

C N Donnelly CMG TD BA

Secretary:

Air Vice-Marshal (Retd) P D Luker CB OBE AFC DL