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GENERAL COMMITTEES

Public Bill Committee

DEFENCE REFORM BILL

Fourteenth Sitting

Tuesday 22 October 2013

(Afternoon)

CONTENTS

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Saturday 26 October 2013

STRICT ADHERENCE TO THIS ARRANGEMENT WILL GREATLY FACILITATE THE PROMPT PUBLICATION OF THE BOUND VOLUMES OF PROCEEDINGS IN GENERAL COMMITTEES

The Committee consisted of the following Members:

Chairs: Mr Graham Brady, †Albert Owen

† Brazier, Mr Julian *(Canterbury)* (Con)
† Brown, Mr Russell *(Dumfries and Galloway)* (Lab)
† Colvile, Oliver *(Plymouth, Sutton and Devonport)* (Con)
Docherty, Thomas *(Dunfermline and West Fife)* (Lab)
Donaldson, Mr Jeffrey M. *(Lagan Valley)* (DUP)
† Dunne, Mr Philip *(Parliamentary Under-Secretary of State for Defence)*
† Ellwood, Mr Tobias *(Bournemouth East)* (Con)
† Gilbert, Stephen *(St Austell and Newquay)* (LD)
† Hamilton, Mr David *(Midlothian)* (Lab)
† Harvey, Sir Nick *(North Devon)* (LD)
† Hinds, Damian *(East Hampshire)* (Con)
† Jones, Mr Kevan *(North Durham)* (Lab)
† Lancaster, Mark *(Lord Commissioner of Her Majesty's Treasury)*
† Mordaunt, Penny *(Portsmouth North)* (Con)
† Pawsey, Mark *(Rugby)* (Con)
† Phillipson, Bridget *(Houghton and Sunderland South)* (Lab)
† Seabeck, Alison *(Plymouth, Moor View)* (Lab)
† Wheeler, Heather *(South Derbyshire)* (Con)
† Woodcock, John *(Barrow and Furness)* (Lab/Co-op)

Georgina Holmes-Skelton, *Committee Clerk*

† attended the Committee

Public Bill Committee

Tuesday 22 October 2013

(Afternoon)

[Albert Owen *in the Chair*]

Defence Reform Bill

Clause 44

Payments to employers etc of members of reserve forces

Amendment proposed (this day): 50, in clause 44, page 29, line 36, at end insert—

'(5A) Regulations under this section may provide for variation in payment size on the basis of the recipient company, specifically including provision for larger payments to be provided to companies defined as "small" or "medium" under Sections 382 and 465 of the Companies Act 2006 or individuals who are self-employed.'.—*(Mr Jones.)*

2 pm

Question again proposed, That the amendment be made.

The Chair: I remind the Committee that with this we are discussing amendment 51, in clause 44, page 29, line 36, at end insert—

'(5A) Regulations under this section may only provide for payments to be made to employers which meet the definition of a "small" or "medium" sized company under sections 382 and 465 of the Companies Act 2006 or individuals who are self-employed.'.

Mr Kevan Jones (North Durham) (Lab): I welcome you to the Chair, Mr Owen. As I said before lunch, these are probing amendments. We have had a good discussion, so I beg to ask to leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Clause 44 ordered to stand part of the Bill.

Schedule 7

Payments to employers etc of members of reserve forces: supplementary

Question proposed, That the schedule be the Seventh schedule to the Bill.

The Parliamentary Under-Secretary of State for Defence (Mr Philip Dunne): It is a great pleasure to have you back in the Chair for what, if we make sufficient progress, may be the final sitting in Committee, to which I am sure Committee members are looking forward. Certainly, on this schedule, I will try to keep my remarks brief.

Schedule 7 contains supplementary provisions in respect of the new power to make payments to employers of Reservists and persons in partnership with Reservists—the "etc." that the hon. Member for Plymouth, Moor View, wanted to highlight—and transitional provision.

The supplementary provisions include measures extending provisions in the Reserve Forces Act 1996 that apply to financial assistance under regulations made under sections 83 and 84 so that they apply to regulations made under proposed new section 84A. Section 85 of the 1996 Act will be amended so that regulations made under proposed new section 84A may make provisions in respect of the description of persons who are entitled to claim payments under the regulations and the sums to be paid. The existing obligation in section 85 in the 1996 Act to consult various bodies before making regulations under sections 83 and 84 is extended so that it applies to the making of regulations under proposed new section 84A.

Section 86 of the 1996 Act currently provides that regulations made under sections 83 and 84 may be suspended where a call-out order under section 52 of the 1996 Act is in force. Section 86 will be amended so that regulations made under proposed new section 84A may also be suspended where a call-out order under section 52 is in force. The criminal offences created by section 87 of the 1996 Act will be extended to apply to claims for payments not only under regulations made under sections 83 and 84, but under those made under proposed new section 84A.

Schedule 7 also makes transitional provision in connection with changes made to penalties on conviction in a magistrates court in other legislation that has not yet been commenced. When it is commenced, the changes will affect the fines and the period of imprisonment available for offences under section 87 of the 1996 Act in connection with claims under regulations made under sections 83 and 84.

Alison Seabeck (Plymouth, Moor View) (Lab): I have a general inquiry that I am sure the Minister's officials can answer. How often have those charges been brought? How many people per annum are charged with an offence under those regulations?

Mr Dunne: If I may say so, the hon. Lady shows her forensic ability to get to the bottom of the regulations. She may have confounded not only me with the level of her inquiry, but my officials. I will have to get back to her with an indication of how many times the measures have led to convictions, because the Ministry of Defence does not itself have responsibility for such cases, which are taken through the magistrates court.

In conclusion, provisions under schedule 7 will make it clear that, when commenced, the changes to penalties will also have effect in connection with claims under regulations made under proposed new section 84A. I apologise to the Committee for such a detailed explanation, but I hope that it was suitably brief and that we can now agree to the schedule.

Question put and agreed to.

Schedule 7 accordingly agreed to.

Clause 45

Unfair dismissal of reserve forces: no qualifying period of employment

Question proposed, That the clause stand part of the Bill.

The Chair: With this it will be convenient to discuss new clause 7—*Employment of members of reserve forces*—

'(1) Section 39 of the Equality Act 2010 shall apply to serving and former members of the reserve forces as if membership of such forces were a protected characteristic under section 4 of that Act.

(2) Members of the reserve forces are required to disclose their membership to potential employers upon application for employment.

(3) The Secretary of State shall within one year of this Act coming into force establish an employer engagement committee to act as an advisory body on the recruitment and retention of members of the reserve forces.

(4) The Secretary of State shall lay before Parliament an annual report of the Employer Engagement Committee detailing its activities and recommendations for the Government.'.

Mr Dunne: Reservists are currently at a disadvantage when making claims for unfair dismissal, as these claims cannot be made by those with less than two years' service with their employer, and periods of call-out do not count towards those two years. The exemption applies only when the dismissal is because of, or is connected with, the individual's service as a Reservist, so this minor change is proportionate within the current framework of employment law.

Clause 45 amends the Employment Rights Act 1996 to remove the current two-year qualifying period for claims of unfair dismissal, where the reason for dismissal is, or is primarily because, the individual is a Reservist. I emphasise that there is already protection in place to make sure that Reservists are not dismissed as a result of any duties or liabilities that a Reservist has to undertake, such as mobilisation. This protection is provided by the Reserve Forces (Safeguard of Employment Act) 1985, section 1 of which gives a Reservist who is called out for Reserve service the right to apply to his or her former employer to be reinstated after they return from mobilised service. In addition, section 17 of the 1985 Act makes it a criminal offence for an employer to dismiss an employee solely or mainly by reason of any duties or liabilities that may arise as a result of being called out.

Section 18 of the 1985 Act provides that where an employer has been convicted under section 17, the court can order the employer to pay compensation to the employee, but this is capped at five weeks' pay. However, these protections do not help a Reservist who wishes to claim that they have been unfairly dismissed because they are a Reservist. It is not normally possible to bring a claim for unfair dismissal in the employment tribunal until an individual has completed two years of continuous service with their employer. Presently, periods of mobilisation for Reservists, such as service in Afghanistan, would not count towards the two-year qualifying period, and I am sure that all here would agree that someone being disadvantaged because of their Reserve service is simply unacceptable. We are seeking to redress that through a proportionate approach to the current framework of employment law.

Oliver Colvile (Plymouth, Sutton and Devonport) (Con): May I say, Mr Owen, how welcome it is to serve under you this afternoon?

My hon. Friend the Minister makes a very powerful case, but one of the areas that he and I have talked about in the past is to do with local councillors who may be called away on deployment and on operation, and who, if they are away for more than six months, might end up losing their role on the local authority. I think it is the same for school governors, and potentially for people called up for jury service who do not find themselves able to get out of it, because they potentially might not know about it, or whatever; they could find themselves being penalised as well. Does my hon. Friend agree that perhaps we need to look at this—perhaps not today, but on Report?

Mr Dunne: I am grateful to my hon. Friend for raising these concerns; as he points out, he has raised them privately with me before. I am led to believe that councils already have the power to overcome the standing orders in their byelaws under which a councillor would be removed, if the council deems Reserve service to be an appropriate reason to waive those rules, so I do not believe that that power is required in the Bill, but I am happy to clarify that in writing to my hon. Friend before Third Reading so that it is crystal clear.

We recognise and value the contribution of Reservists, and we need to be sure that their interests are properly protected. Part of that is ensuring that their Reserve service does not negatively affect their employment prospects. We are aware from the Future Reserves 2020 consultation, and from evidence provided by Reservists, of what we hope are isolated cases of Reservists not being offered a job because of their Reserve service. We are looking to develop an incentive-based approach with employers to resolve that issue, and if that is not possible, we will consider introducing further legislation in the next Armed Forces Bill, which is anticipated in 2015.

I draw the attention of hon. Members to a website that went live on the publication date of the White Paper, surveys.mod.uk/reserve-employer-issues?. It provides an opportunity for Reservists who feel that they have been subject to discrimination by an employer to register their concern. The website was launched on 3 July, so it has been up and running for nearly four months, and we have to date received four responses raising such issues. Of course, those issues are all being addressed by staff from SaBRE—Support for Britain's Reservists and Employers—and the MOD's delivery wing. We seek to raise awareness of that website among our Reservists so that anyone who suffers, or believes they are suffering, discrimination may access it.

To date, the evidence, such as it is, on discrimination being a serious problem is not compelling. I draw the Committee's attention to the evidence of Mr Cherry of the Federation of Small Businesses. He anticipated that the issue of discrimination might be raised in Committee, and I asked him whether he had any advice for the Committee on whether it is a factor and, indeed, whether he had sought to establish that in the survey undertaken by the FSB, to which the hon. Member for North Durham referred earlier. On discrimination, Mr Cherry answered:

"We have heard the anecdotal comment, shall I say, that Reservists may feel that they have been disadvantaged if they make their employer aware of it. That certainly has not come up through our evidential base and nobody has been able to pin down that fact. I would treat it with a bit of scepticism".—[*Official Report, Defence Reform Public Bill Committee,* 3 September 2013; c. 36-37, Q81.]

That reinforces our cautious approach to legislating further on discrimination. I am sure that we might address that when we consider the new clause, but the

[Mr Dunne]

evidence we have gathered so far through the portal is not compelling. I encourage the Committee to support clause 45.

Mr Jones: Labour Members welcome clause 45, in so far as it ensures that anyone who volunteers to be a member of the Reserve forces should not be discriminated against in employment. It is a little ironic that, when the coalition Government came in, the qualifying period for employment tribunals was one year; it has now been increased to two years, mainly at the behest of organisations such as the FSB. I will address the FSB's comments in a minute.

Although we welcome the clause, if we are to attract people to joining the Reserves—there has been a sea change in the number and type of individuals required—including people from large, small and medium-sized businesses, they must be protected in law. The measures do not go far enough, although I accept the Minister's statement that they will be under review, and that measures will be introduced in the Armed Forces Bill if there seems to be a problem.

2.15 pm

I would put money on it that the present Government do not want to introduce legislation in this area because of their ideological position on employment rights, which they are inherently against. I am sceptical about whether any future Conservative-led coalition or Government would introduce any such legislation, but after the next general election, there will obviously be an opportunity for a majority Labour Government to do so.

I concur with the Minister about councils. Although a rule exists regarding people who do not attend for six months, councils have the ability to defer that for good reasons, such as illness, and I think that service in the Reserve would be a good reason. It would be a brave council that debarred any councillor from serving their nation, although there might be one idiotic enough to try.

Oliver Colvile: It is not just about local councillors; it is also about school governors.

Mr Jones: The hon. Gentleman will see that exactly the same provision applies to school governors. Again, it would be pretty unusual for a school governing body to move that someone should be debarred for non-attendance due to service to their country. I should think that, generally, schools would consider it a good thing to have a member of the Reserve forces on their governing body. I believe that they are covered, but I would welcome the clarity that the Minister has promised the Committee.

On the complaints made, it is early days. As with a lot of such things, it will be important to ensure that everyone knows about the long web address that the Minister has just given, so that any complaints or concerns are received, but that will obviously develop over time as people learn that the complaints system is in place.

I take note of the comments made by Mr Cherry of the Federation of Small Businesses. My experience of the federation is that it is not actually a champion of employment rights or workers' rights—it tends to want to reduce them—so his comments did not surprise me at all. However, discrimination may be an issue in larger companies, whether in terms of employment or of lack of opportunities for promotion or other things that are easier to hide in a large organisation than in a small one. Although we welcome the clause, we think that it should go further.

New clause 7 is about protection. If we are to encourage people to join the Reserves, which I think all of us on this Committee want, we must ensure that they have maximum protection. The new clause tackles discrimination against members of the Reserve forces in job interviews. It aims to amend section 39 of the Equality Act 2010 to

"apply to serving and former members of the reserve forces as if membership of such forces were a protected characteristic under section 4 of that Act."

At the moment, the Act covers: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, and sex and sexual orientation. The new clause would add to that list to prevent discrimination against Reservists at the job interview stage.

This morning, we discussed the onus being on Reservists to inform their employers of their membership, as raised by the hon. Member for Bournemouth East. It would be completely wrong if someone going for a job interview could be asked, "Are you a member of the Reserve forces?" and be told that that would debar or in some way stop them from getting a job because they will need time off for deployment. The Minister might say that that would be a remarkable situation, but, having represented people in employment tribunals in a previous life, some of the reasons why employers large and small, from multinationals to small businesses, discriminate against people never cease to amaze me. Being a Reservist could be used to stop someone from getting a job; the new clause would make that unacceptable.

We need to get across to employers that having Reservists as members of their work forces is a positive thing. As I said this morning, measures such as learning credits will help some employers to recognise that they will gain from not only the experience of those who serve their country, but their personal development.

The new clause also states that

"The Secretary of State shall within one year of this Act coming into force establish an employer engagement committee to act as an advisory body on the recruitment and retention of members of the reserve forces."

The Minister and the Defence Secretary have said much about engaging with employers, but we need a forum that monitors these matters closely from the point of view of not only the employee, but the employer. In the light of recent stories in the press about the difficulty the Army is having with recruitment, to lay a report before Parliament every year to explore these issues would be helpful for oversight; it would also flag up whether clause 45 is sufficient protection for those who serve, which is the point that the Minister raised. Some may say that that is not a problem, but the Duke of

Westminster, who is the most senior Reservist, I think—I worked with him in the Ministry of Defence—and who is committed to the new Reserve services, was reported in *The Daily Telegraph* in September 2012 saying:

> "There is undoubtedly positive discrimination against someone who at interview says he is in the Territorial Army…It is the most outrageous form of discrimination…It has been mentioned to me by my soldiers on more than 100 occasions."

If someone with the Duke's experience of the Territorial Army is saying that, the issue needs to be addressed. We should be able to say to people who join the Reserve forces that they will be protected under the new clause; it should not be held against them.

My hon. Friend the Member for Plymouth, Moor View mentioned unemployed people joining the Reserve forces. We all agreed that that would be good for those seeking employment as it would add to their CV and career development. On occasions, however, it will not, if we have employers who discriminate against them. The measure would prevent that by making it illegal to discriminate against people who are members of the armed forces.

People will ask, "Is there a problem here?" Members of our armed forces, whether Regulars or Reservists, are rightly held in high esteem at the moment, especially after Iraq and Afghanistan, for their commitment there. Some paid the ultimate price, their lives, while others came back injured. My concern, which is shared by others, is that once Afghanistan is out of the headlines, the British Government might be fickle about ensuring that members of our armed forces and Reserve forces are not discriminated against. That is not to criticise any individual or group of individuals, but it is a matter of fact that the subject will not be in everyone's living rooms every night and in people's consciousness. New clause 7 would be a way of reinforcing that point—that individuals who wish to serve their country and to make a positive contribution to the security that we all take for granted will not be discriminated against.

I give notice that I will want to vote on new clause 7. It is important not only because of the practical implementation, but because of the message it would send to members of our Reserve forces that they will be protected and not discriminated against.

Mr Julian Brazier (Canterbury) (Con): It is a privilege to serve under your chairmanship, Mr Owen.

I will not join the hon. Member for North Durham when voting, because the Government have taken a lot of trouble, and my hon. Friend the Minister gave a good source, but I put on record that I share some of his concerns. Discussions I have had have been divided, but the Duke of Westminster certainly made a similar point, as did two other Territorials, one of them an extremely senior one who has been—indeed, still is—a big employer, and the other a barrister by profession. This is something on which the Government should consult more widely, because it needs serious consideration.

The drawback of putting the provision on a statutory basis is that when the Government are doing a great deal to get employers' organisations on side, any such measure would unquestionably be seen as a hostile act. We have all five of the main employer organisations on board—I congratulate Ministers—from the CBI onwards.

Mr Jones: I understand the hon. Gentleman's point of view, but what would a good employer have to fear from the proposed measure? Nothing at all.

Mr Brazier: The short answer is nothing in theory, but it would be different in fact. The hon. Gentleman has been through this process many times in his previous life, so he understands that the problem is the same as with any minority—concern about one more category of people, Reservists, who, because they did not get the job, feel that they are being discriminated against. The Reservist will not always be the best candidate for the job. There is a difficult balance to strike.

The Minister has got all five main employer organisations to sign up to the package and has taken a series of measures, of which the financial stuff is not the most important part—by far the most important part is the commitment to work with employers on the notice periods and so on. I can therefore understand why, on balance, my hon. Friend has come down against the proposal. None the less, it is worth looking at closely.

The hon. Member for North Durham passed over new clause 7(3) and (4) rather quickly, but there is already a good body that does what is described in subsection (3), the National Employer Advisory Board. However, I welcome the proposal under subsection (4) to put it on more of a statutory basis. Perhaps the Government will think about that.

I have stayed non-partisan because of my work on the Reserves, but a lot of what went wrong did so under the previous Government. For a very long time, individual Reservists have felt, in a variety of ways, put upon and unloved—the commission that I sat on found a ghastly picture—having given so much in Iraq and Afghanistan.

2.30 pm

Mr Jones: I do not recognise that, but does the hon. Gentleman agree that part of the problem, which may persist today, is the difficulty with the Regular Army? I certainly found that in terms of relationships, sometimes—not always—that prejudice came from members of the Regular Army.

Mr Brazier: I entirely agree with the hon. Gentleman on that last point. Many people, including the Chief of the General Staff himself, Sir Peter Wall, have really put their shoulders to the wheel and are doing everything they can to make this work. There remain—this comes out from time to time from a variety of sources—very significant numbers of people within the Regular Army who do not really understand what we are trying to do here. In some cases they are getting it wrong; in other cases they are actively hostile to this process. However, between being used as a part-time personnel service, as they were from 2009, and the cuts in the amount of money available for collective training, this is an organisation with a lot of individuals who feel put upon.

Mr Jones: People like to rewrite history, but the £20 million earmarked for savings there got lost in the fog of the last days of the previous Government. That recommendation actually came from the Army itself.

Mr Brazier: What the hon. Gentleman says is absolutely true. I said at the time that I had considerable sympathy for Labour Ministers. The point was that the proposal

[Mr Brazier]

was made by the then Chief of the General Staff, who is now retired as Chief of the Defence Staff, at the very last moment when it was too late for Ministers to find the money from any other source. The money had been spent on recruiting 1,100 Regular soldiers above the approved target. That is a good example of the point the hon. Gentleman made earlier.

Mr Jones: Will the hon. Gentleman give way?

Mr Brazier: If I allowed the hon. Gentleman, with whom I largely agree on all this, to lead me further down this path, I would exasperate you, Mr Owen, and the Committee. My point is that an awful lot of Reservists have felt very unhappy for some time and the dwindling numbers reflect that. The Government are trying in a variety of ways to put that right and have put together a package to try to make the Reserve service more attractive, not just for the individuals but for their employers too.

New clause 7 neatly identifies one of the real dilemmas in trying to carry the employers with us: do we go this extra step, as quite large numbers of thinking Reservists would like us to do, or do we say that as we are doing quite a lot already and have employers on side, so let us see if we can carry this voluntarily? I respect my hon. Friend's judgment on this, which is why I will not vote with the hon. Member for North Durham, but I urge my hon. Friend to keep an open mind and to be willing to return to it at a later stage in the light of events. Nevertheless, I think this has been a useful debate.

Mr Dunne: I reassure my hon. Friend the Member for Canterbury that, as I said earlier, we are keeping this under careful review, and I will go on to explain a little more of that in my response to the new clause tabled by the hon. Member for North Durham. Before those general remarks, I will go through the drafting of the proposed new clause, because it has a number of problems. The proposed subsection (1) of new clause 7, would apply to section 39(4),

"as if membership of such forces"

—that is, the Reserves—

"were a protected characteristic".

In my view, membership either is or is not a protected characteristic and the advice from the Government's Equalities Office is that being a Reservist would not count as a protected characteristic defined in the Equality Act. This covers age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex or sexual orientation.

There have been occasional calls for various characteristics to be given protected status, particularly during the preparations for the Equality Act. Those mostly related to some form of physical appearance, ranging from extremes in individuals' height and weight to the way people might choose to dress, apparently including as Goths, for example. However, after full consideration the list of protected characteristics was set out as I have already explained.

The Equality Act therefore does not seem to be a particularly helpful home for possible protection for Reservists. To include being a Reservist as a protected characteristic in the Equality Act would be to use a disproportionate tool to tackle the problem, and could give rise to the same argument being deployed successfully in relation to a number of the physical characteristics I mentioned. That could have the result of doubling the number of protected characteristics, which would have an exponential on-cost to businesses, public authorities and the courts.

As for subsection 2 of the new clause, individuals with protected characteristics do not need to declare them when applying for jobs, so it would seem to be an unreasonable request to make of Reservists.

Mr Jones: That runs counter to what the Minister said this morning. He said that he was trying to encourage Reservists to tell employers that they were members of the Reserve forces. Is the Minister suggesting that if a member of the Reserve forces went for a job interview and was asked the question directly they should not tell the truth?

Mr Dunne: As I said earlier today, we are seeking to encourage Reservists to declare their service to employers, but we are not intending to do that in statute as the new clause proposes. Currently, Reservists can choose whether to declare their Reserve status in an application form, which seems to work well for both employers and individuals.

Mr Jones: If we do not agree to the new clause and the Government do not bring forward some type of protection, someone could go for a job interview, tell their prospective employer that they were a member of the Reserve forces and be told that that was the reason they did not get the job above someone who was not a member of the Reserves, and that would be legal.

Mr Dunne: If that happened, we hope that it would be reported to the Ministry and form part of our consultation when we look at how to consider this matter in the future.

Mr Jones: Yes, but if that person reported the incident, there would be no legal redress at all for them. Is the Minister saying that he is quite content with a legal right for employers to discriminate against members of the Reserve forces?

Mr Dunne: We are concerned about the issue, but we do not believe that there is yet a body of evidence to suggest that the problem is as large as the hon. Gentleman seems to think it is. I heard what he said about the representations he has received from the former head of the Reserves, as well as what my hon. Friend the Member for Canterbury has indicated he has heard from his contacts. However, we would like to see a body of evidence before we rush to legislate to widen the categories for discrimination. There are good reasons for that.

Mr Jones: There are two issues here. I have raised the remarks of the Duke of Westminster, as has the hon. Member for Canterbury.

Does the Minister not think that he will be waiting a long time for the evidence he wants? If someone is told that they will not be employed, they will surely be reluctant to come forward, as doing so might debar

them from future employment with other employers. It is a little bit like declaring that you are a member of a trade union, for example—if you apply for work with certain companies that will debar you. The Minister could wait a long time for the evidence he wants. I cannot understand why he is reluctant to put the measure in the Bill.

Mr Dunne: We are not anticipating a long wait. As I said earlier, we are looking at an armed forces Bill in 2015, which will be less than two years after the Bill becomes an Act.

Mark Pawsey (Rugby) (Con): As a former employer, I cannot conceive of any applicant who would not want proudly to tell a prospective employer that they were a member of the Reserve forces, and I think that most employers would consider that to be a great positive in their application.

Mr Dunne: I am grateful to my hon. Friend for making that point. That is the attitude that most employers take. The proposals in the new clause would be for the errant employers. We think that they are few in number, but we are going to keep an open mind when drafting the next armed forces Bill in 2015.

I am going to make progress, if I may, Mr Owen. Existing policy outlines that Reservists must inform their employers of their Reserve service, except in cases where a security waiver, such as for Northern Ireland or Special Forces, has been approved by the chain of command. However, I acknowledge that awareness of that policy has been patchy.

The chain of command is also obliged to write to the employer informing them that they have Reservist employees, but again I acknowledge that application has been inconsistent. Those are two aspects that we are seeking, through the change in policy outlined in the White Paper, to tighten up.

Despite the existing policy, some Reservists have been unwilling to tell their employer of their Reserve status and so claim to be unemployed, or do not provide accurate employer details to their chain of command. While I acknowledge that application has been inconsistent, we are looking, through the White Paper, to take a more consistent approach.

As I have already highlighted, the White Paper gives an undertaking that the Government will ensure that employers are informed about their Reservists, subject to the security requirements I have mentioned. Work is under way with the single services to re-energise existing policies and ensure that Reservists and their chain of command implement them.

The White Paper also makes a commitment that employers will be notified of their Reservist's training plans each year, and we are using that commitment as an opportunity to remind employers that they employ a Reservist, through an annual letter enclosing the individual's training plan. However, the process will still rely on individual Reservists providing accurate and timely information. The focus will be on ensuring that the existing rules are communicated effectively and that senior Reservists lead by example, promoting and encouraging compliance.

Turning to subsections (3) and (4) of the proposed new clause, we have already taken steps to develop our engagement with employers and build our relationships with them. We have already introduced a corporate covenant, which we touched on this morning, as the framework for employers to engage with defence on the full range of personnel issues, including Reserve service ones. By April 2014 we will have a national relationship management function to provide a single point of contact for the largest external stakeholders on defence personnel issues. It will establish a mechanism by which relationships can be managed and sustained across our departmental and tri-service boundaries.

Defence will continue to seek informed independent advice from the National Employer Advisory Board about how the MOD can most effectively gain and maintain the support of employers for Britain's Reserve forces. Our employer support helpline and web pages have been updated to include a new employer toolkit. We also have an external scrutiny group for the Future Reserves 2020 programme, of which my hon. Friend the Member for Canterbury is well aware, to review the change programme and the overall health of the Reserves. I believe that we are effectively and systematically engaging with employers and interested groups on the range of Reserves matters.

We are also aware, from the Future Reserves consultation and the website that I mentioned, of what we hope are isolated cases of Reservists being disadvantaged in their main employment because of their Reserve service. We have also informally canvassed the service chiefs for their views on making discrimination against Reservists a criminal offence. Their view is that they have been clear that they would not welcome that approach, as it would single out members of the armed forces for special treatment, which is something that the chiefs do not feel is appropriate.

We are looking to develop a partnership approach with employers to resolve that issue, but we are also gathering evidence through the portal and would encourage any Reservist who has been disadvantaged, or feels so, in the workplace as a result of their Reserve service to provide details through that channel. If a partnership approach is not possible, and the evidence were to suggest that we had a real issue, then, as I have already said, we will consider introducing legislation in the next Armed Forces Bill in 2015.

Mr Brazier: On that basis, I am happy to support my hon. Friend, who seems to have thought it through carefully. However, may I allude back to the exchange he had on the last clause with the hon. Member for Plymouth, Moor View? It is quite a complicated area, as some of it is to do with employment tribunals and some with magistrates courts and so on. The complaint that I have had back is that it is all too complicated for a Reservist to get into and that it is not at all clear how Reservists get their rights.

2.45 pm

My hon. Friend the Minister has announced this new website which I hugely welcome as a first step. Could he copy the whole Committee in on his answer to the hon. Lady about what cases there have been in the past, as I would be very interested to know that? The allegation I

heard was that there had not been any in which the MOD had itself become involved. I do not know whether that is true. Let us hope that the website will change it.

Mr Dunne: I can certainly try to provide a little bit more information to members of the Committee on the responses we have received to the website. I am not sure that I made a commitment to the hon. Lady to do very much more than what I have said. I think we were talking about the Department for Work and Pensions in relation to benefits being withheld.

Alison Seabeck: The Minister did, in response to my—as he described it—forensic picking over of the regulations, promise to come back to me. It links into the point that the hon. Gentleman makes.

Mr Dunne: I am grateful to the hon. Lady for reminding me about that. I will certainly write to the Committee. I am grateful to my hon. Friend for his support in resisting the amendment, which I would encourage the rest of the Committee to do.

Question put and agreed to.

Clause 45 accordingly ordered to stand part of the Bill.

Clause 46

EXTENT

Mr Jones: I beg to move amendment 52, in clause 46, page 30, line 21, at end insert 'and British Overseas Territories'.

We touched on the overseas territories earlier and I tabled this probing amendment to explore the Government's thinking on the matter. A number of overseas territories have defence forces, including Bermuda, and they are different in the sense that they are not part of the Army list. Gibraltar is slightly different in that in 1996 it was added to the Army list. That was at a time when Regular forces withdrew from Gibraltar and the main function of the Royal Gibraltar Regiment is the protection of Gibraltar itself. However, as we said this morning, members of the Royal Gibraltar Regiment have served with distinction in Iraq and in Afghanistan, and in other theatres, alongside members of the UK armed forces. They regularly exercise jointly with the UK armed forces, notably in north Africa, which is useful not just for the regiment, but for members of our own armed forces.

Gibraltar is also the only overseas territory that occasionally provides the guard of honour at Buckingham palace, which it did a few years ago. That is clearly right and shows the importance that we attach to Gibraltar and to the work of the Royal Gibraltar Regiment. The Royal Gibraltar Regiment comprises three companies: headquarters (Thompson) company, G company and I company. There is also B company, which is a Territorial company. I understand from the Minister that there is no proposal to extend the Bill to Gibraltar, but we talked this morning about the use of the word "Reserves". We could still have a Territorial Army, but it would be based solely in Gibraltar. What consideration has been given to changing the name? Obviously, that is a matter for the Government of Gibraltar, but the Territorial Army would still be alive and kicking if the name was not changed.

The Royal Gibraltar Regiment, which I have visited, finds it useful for its members to serve with members of the UK armed forces—it served with distinction in Iraq and in Afghanistan—so what opportunities will there be for members of the Territorial, or Reserve, company in Gibraltar to train alongside our armed forces and get involved in deployments, abroad and in the UK?

I accept that the conditions in the Bill are draft conditions. If there was another flood in Whitehaven we would not want people from Gibraltar being drafted to help the good people of Cumbria, but we should try to ensure that the Gibraltar Regiment, which is small but very important, has consistency in training and the ability of its members to go on deployment with members of the UK armed forces.

Mr Dunne: I am grateful to the hon. Gentleman for explaining that the amendment is probing; it gives us the opportunity to cover some of the ground we discussed earlier and he made it clear to the Committee why he tabled it. I shall first explain why the amendment would not work, then address the points he made.

The amendment would mean that all three parts of the Bill extended to, or formed part of the law of, the British overseas territories. As the hon. Gentleman will appreciate, Acts of Parliament may extend directly to the British overseas territories, but that is unusual, and when they do the locally elected territory Governments must be fully consulted. More commonly, if legislation must be extended to the British overseas territories, that is done through a permissive extent clause, which enables the extent of an Act to be applied in modified form through an Order in Council.

Extending legislation to the British overseas territories is unusual and done only when necessary. For example, neither the Companies Act 2006 nor the EU procurement regulations extend to overseas territories. The amendment is therefore unnecessary as there is no reason why parts 1 or 2 should be extended to the British overseas territories. Part 1 makes arrangements for a GoCo to provide defence procurement services, and provides specific rights and exemptions to enable the GoCo to operate effectively if those arrangements are made. If a GoCo is established, it will be able to carry out its functions, as set out in the contract, anywhere in the world. Any contract that the GoCo negotiated with, for example, a supplier based in Gibraltar would be made by the Secretary of State, and would be expressed to be under the law of England. Similarly, we do not need to extend part 2 to overseas territories. There is simply no reason why parts 1 and 2 should form part of the law in British overseas territories.

The amendment is also not needed for part 3. Subsection (2) provides that the amendments and repeals made by part 3 have the same extent as the provisions that they amend or repeal. Therefore, where part 3 amends an Act that extends only to the UK, those amendments will extend only to the UK. Where part 3 amends an Act that extends beyond the UK, those amendments will extend beyond the UK.

Clauses 43 and 44 and schedules 6 and 7 amend the Reserve Forces Act 1996, which does not extend to the British overseas territories, so it is not necessary or appropriate for those amending provisions to extend to those territories.

Clause 45 amends the Employment Rights Act 1996. Again, that Act does not apply to the British overseas territories, so it is not necessary or appropriate for those amending provisions to extend to those territories.

Clause 42 includes provisions that update references in legislation to the names of the Army's Reserve forces. It replaces references to the current names with references to the new names.

Clause 46, "Extent," updates references to the names of the Army's Reserve forces for the purposes of all the jurisdictions where those references have effect. Legislation that contains references to those names includes the Reserve Forces Act 1996, which does not form part of the law of the British overseas territories. For that reason, the amendments made by the Bill to update references in the 1996 Act to the names of the Army's Reserve forces do not extend to the British overseas territories.

The legislation that contains references to the Army's Reserve forces also includes the Armed Forces Act 2006, which, by contrast, does extend to the British overseas territories. It might be that the hon. Member for North Durham alighted on the 2006 Act alighted when considering the amendment. It is therefore appropriate for the updating of references in the 2006 Act to the names of the Army's Reserve forces to extend to the British overseas territories.

It is appropriate to consider why the Bill does not extend to Bermuda and Gibraltar, where Reserve force units are raised. The amendments and repeals made by part 3 have the same extent as the provisions that they amend or repeal. In the main, part 3 amends the Reserve Forces Act 1996, but those amendments do not extend to Bermuda or Gibraltar because the 1996 Act does not form part of the law of the British overseas territories, nor did its predecessor, the Reserve Forces Act 1980. Although members of the British overseas territories' forces—including the Royal Gibraltar Regiment and the Bermuda Regiment—may serve with United Kingdom forces, British overseas territories' forces are raised under the law of those territories.

The hon. Gentleman correctly said that the Royal Gibraltar Regiment forms the armed forces of Gibraltar. It is raised under its own law, the Gibraltar Regiment Act 1998. The regiment includes a reserve unit, as he correctly identified. Gibraltar has its own law governing the unit, which is officially called the Volunteer Reserve, although it is commonly referred to in Gibraltar as the Territorial Army.

The Reserve Forces Act 1996 does not form part of the law of Gibraltar, because of which the changes made by the Bill to update references in the 1996 Act to our Territorial Army do not extend to Gibraltar. Whether in due course Gibraltar updates references in its own law to its own Reserve to align such references with the new name for our Army Reserve is a matter for Gibraltar. By contrast, the Armed Forces Act 2006 does form part of the law of Gibraltar. Accordingly, changes made by the Bill to update references to the Territorial Army in the 2006 Act extend to Gibraltar.

Mr Jones: I am grateful to the Minister for giving way. Will he clarify the issue of Reservists being deployed with members of the armed forces?

Mr Dunne: Yes. Reservists may serve with members of the UK armed forces. The decision on whether it is appropriate for them to serve will be taken by the British Army in consultation with the regiment in Gibraltar. Nothing in the Bill prevents them from continuing to serve alongside British Regular or Reserve forces. I hope that that satisfies the hon. Gentleman, and that he will withdraw his amendment.

Mr Jones: I thank the Minister for his reply. We have had a good discussion, which has put on the record the importance of Gibraltar. Given his assurances, I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Clause 46 ordered to stand part of the Bill.

Clauses 47 and 48 ordered to stand part of the Bill.

3 pm

New Clause 2

CODE OF CONDUCT FOR RELATIONSHIP BETWEEN DEFENCE CONTRACTORS AND MOD EMPLOYEES OR SERVICE PERSONNEL

'(1) A code of conduct shall be prepared by the Ministry of Defence governing contact between members of the armed forces and Ministry of Defence officials and employees or representatives of defence contractors.

(2) The code of conduct shall contain the following provisions—

(a) employees of the armed forces or the Ministry of Defence at or above the rank of Brigadier General or the equivalent Civil Service grade, shall be prohibited from undertaking paid employment with a defence contractor unless two years or more have elapsed since the termination of their contract with the armed forces or Ministry of Defence;

(b) the appointment of an individual as described in subsection (1) by a defence contractor shall be treated as a public appointment;

(c) individuals employed under the terms of subsection (a) shall not, whilst in the employment of a defence contractor, undertake any activity that brings them into contact with the Ministry of Defence;

(d) defence contractors shall publish on an annual basis a list of current employees whose appointment was under the terms of subsection (a);

(e) a register of gifts and hospitality shall be published quarterly by the Ministry of Defence;

(f) any gift or hospitality to an employee of the Ministry of Defence, member of the armed forces at or above the rank of Brigadier General, or Civil Service equivalent, or spouse or partner of such, of a value greater than £660 from a defence contractor must be placed on the register prepared under subsection (e).

(3) "Defence contractor" means a company, organisation or person whose main business is in the manufacturing or provision of equipment, works or services for defence purposes.'.—*(Mr Jones.)*

Brought up, and read the First time.

Mr Jones: I beg to move, That the clause be read a Second time.

The Chair: With this it will be convenient to discuss new clause 3—*Duty of Secretary of State to report increases in costs of defence contracts to Parliament—*

[The Chair]

'(1) Where it is proposed that the total price payable for the provision of goods, works or services, procured from another person for defence purposes under a contract entered into by the Secretary of State, or a contractor acting on behalf of the Secretary of State under the provisions of section 1, should rise beyond that detailed in the original terms of the contract, the Secretary of State shall—

(a) lay before both Houses a report detailing the circumstances requiring the increased price,

(b) withhold approval of any adjustment of the total price for the contract until the report has been laid, and

(c) write to the chairs of the relevant parliamentary committees indicating that such a report has been laid.'.

Mr Jones: I shall speak to new clause 2; my hon. Friend the Member for Plymouth, Moor View will speak to new clause 3. As hon. Members will know, we are back to what some people have referred to as the boring bit of the Bill. *[Interruption.]* I am glad I have woken up the Government Back Benchers. Throughout our consideration of the first parts of the Bill, most were asleep, doing their Christmas card lists or getting their correspondence up to date. *[Interruption.]*

The Chair: Order.

Mr Jones: Having been in their position, I know that the role of Government Back Benchers on these Committees is to be seen and not heard.

New clause 2 addresses conflict of interest, which we touched on a week or so ago. There is a particular issue, to which my hon. Friend the Member for Plymouth, Moor View referred, about the revolving door—the transfer of people from the MOD and DE&S to defence contractors. There has been a lot of publicity about whether something could be put in place to prevent the practice or to ensure that the information that individuals have learned while they work in defence procurement is not transferred to a competitor. Some of the industry rightly has concerns about that.

There has been a lot of concern about the existing arrangements. It has put particular focus on the GoCo, which will have access to a lot of information that might be of use to competitors, who might gain from those individuals moving from the GoCo to work for another company. Although the Minister gave assurances about intellectual property and criminal acts if information was divulged or used, without new clause 2 there is not a great deal of assurance that we will protect intellectual property or avoid conflicts of interest.

Reference has been made to the Advisory Committee on Business Appointments, which most people think is a toothless tiger, although that is perhaps unfair to tigers. People have a period of grace before they move to an employment related to their former life, but that does not stop them moving during that period. Concern over that has been the subject of press speculation. Through a freedom of information request, *The Guardian* found that 3,500 former officials and senior military personnel have made the journey—it is, in some cases, a very profitable one—from the MOD to defence contractors since 1996. Between 2011 and 2012, 231 jobs went to former officials and senior military personnel, which was a rise of some 101 from the previous year.

The GoCo will be responsible for defence procurement. I have raised concerns about these individuals already and, if I were a company, I would be a bit more concerned. Stopping such a practice—for example, barring someone from working in a defence-related industry if they had worked for a GoCo—would be difficult without restraints on trade. That would be very difficult to do. The Minister needs to be clear that industry has raised the issue with me, my hon. Friend the Member for Plymouth, Moor View and others.

I support the introduction of the code of conduct and the Minister's involvement with defence industries. I do not think that Ministers should be sealed in polythene and not allowed to talk to anybody from industry. That would be a naive approach and counter-productive. Clear codes are laid down for how the Minister and his officials conduct such relationships. They are important for the GoCo, which acts on behalf of the MOD. It is important that a similar code of conduct is in place and is monitored. If it is not, a charge could be levelled, possibly unfairly, at individuals who were providing hospitality or who were in contact with the GoCo, that they were trying to buy undue influence.

The code of conduct that covers Ministers and senior civil servants is open. Hospitality, gifts and suchlike have to be published, which is right. It is important that that type of approach is applied to the GoCo, because, in effect, the GoCo will be acting as an agent—the Minister used the word—on behalf of the MOD. In many cases, it will be acting with delegated powers from the MOD, so the same rules need to apply. If we are to have openness and transparency, the new clause is important. In its absence, there might be suspicion, and contractors might fear that their confidential information and the way in which the GoCo works and operates would put them at a commercial disadvantage.

Alison Seabeck: This is the last measure with which I am involved. We tabled new clause 3 partly as a response to concerns that arose when we were considering the early clauses in part 1. We believed that there was a need for tighter ministerial oversight and parliamentary scrutiny of projects as they progressed. The Minister attempted to reassure us and spoke about the scrutiny and oversight provided by the major projects report and the National Audit Office, and by the potential role of the governor sitting above the GoCo. Our intention therefore was to find out whether the Minister has considered producing, for example, a version of the US Nunn-McCurdy Act, whereby a programme is terminated if it goes beyond the original baseline—for example, if it goes over budget by more than 50%.

The new clause does not specify such an outcome. It merely ensures that a moratorium can be called until such time as the issues within a contract have been fully considered. That would, of course, include a cost that the taxpayer would have to meet. It enables the Secretary of State to withhold approval for adjustments to the total price for the contract.

In responding to questions about the GoCo and the Single Source Regulations Office, the Minister assured us that the type of oversight and parliamentary scrutiny that we sought was already possible. If my memory is correct, he also pointed out that, in a crisis, the time required to go through the process that we suggested could be damaging and costly. What the UK tends to do

and the US certainly does is pull contracts that exceed projected costs. Clearly, given the size of the US defence budget and range of defence equipment options, such a mechanism is much easier to apply in a US scenario than a UK one without significant loss of capability. We fully understand that, and that the UK does not have the luxury of some of those choices.

We do not intend to press the new clause to a vote. We rather wanted the opportunity to emphasise a couple of things: the need in future to monitor and scrutinise projects tightly while ensuring that the taxpayer receives value for money without excessive risks. There is something that all of us in this Committee come back to: making absolutely sure that our armed forces have the equipment they deserve to ensure that they can carry out the vital and dangerous work they do on our behalf, and that they have it in the time they need to use it. That is the logic behind having an opportunity to discuss the matter.

Mr Dunne: I am grateful to the hon. Members for North Durham and for Plymouth, Moor View for their new clauses. I have slightly more to say about new clause 2 than new clause 3, but I will cover them both together.

I fully accept the critical importance of protecting the interests and integrity of decision making in the MOD and wider Government by maintaining the highest standards of propriety of those Crown servants within the MOD, including civilian staff as well as members of the armed forces, who interact with defence contractors. I strongly believe that the integrity and propriety of those Crown servants who may be in a position to influence decision making should be seen to be beyond reproach. However, I must resist the new clause as I believe that the issue is already effectively addressed and that it is, therefore, not necessary.

I must also resist new clause 2 because it would make the proposed GoCo option, which relies on the TUPE transfer of several thousand existing MOD civil servants into the GoCo operating company, unviable. As hon. Members know, under the GoCo option, former DE&S staff will become employees of the GoCo if we go down that route. As that provides services for defence purposes, they could be caught by the definition of defence contractor in the new clause. The new clause would therefore, first, prevent the transfer of DE&S staff for up to two years and, secondly, prevent them from having any contact with the MOD. These two constraints would clearly make the GoCo option by definition unworkable.

I am sure that the hon. Gentleman was not seeking to use this as a wrecking proposal, although it would have that effect. The code of conduct that the hon. Members wish to include seeks to address general concerns, expressed on Second Reading and during the oral evidence sessions, that some senior Government officials could be perceived to be in conflict, or have vested interests, when dealing with defence contractors in their day-to-day work.

Lord West of Spithead, in his evidence of 3 September, also referred to title 10 of the US code, the section of the code related to the armed forces of the United States. The code of conduct now being proposed, in our view, already exists within the MOD. It does so, not by name, but through two aspects of our governance rules. First, the Business Appointment Rules, or BAR. As the hon. Gentleman well knows, the MOD uses acronyms at every opportunity. The BAR in this context means the Business Appointment Rules rather than any other kind of bar. Those rules govern situations whereby Crown servants wish to take up a relevant offer of employment within two years of leaving the MOD. The other set of rules governs gifts, reward and hospitality. Those cover situations where Crown servants are offered a gift or hospitality. Taken together, those two important rule sets are in place to set out the standards of conduct expected of Crown servants in the Ministry of Defence.

3.15 pm

For civilian officials, both the business appointment rules and the gifts, reward and hospitality rules are contained within the civil service management code, which was issued under part 1 of the Constitutional Reform and Governance Act 2010. For military officials, the rules are contained within the Queen's regulations for each of the services, and the provisions of the BAR have been in effect since July 1937.

The civil service code states that civil servants must not accept gifts, hospitality or benefits of any kind from a third party that might be seen to compromise their personal judgement or integrity. The Queen's regulations lay down the conduct and procedure to be observed by service personnel on the acceptance of gifts, rewards and hospitality. In all cases, any offers of gifts or hospitality must be registered by the individual in receipt of the offer. The provisions of the BAR for both military and civilian officials differ depending on the seniority of the individual, with the most senior officials requiring permission from as high up as the Prime Minister to take up an appointment following the end of their service with the Ministry of Defence.

I would be interested to know whether the hon. Gentleman has had representations from any former service chiefs or three-star or above generals about the application of the rules preventing them from gaining employment after their service in the MOD, because in my short period in office I have had such representations.

Mr Jones: In practice, that shows that the rules do not work. The GoCo will be different: it will create a set of circumstances in which what happens now could be perceived as a conflict of interest.

Mr Dunne: The hon. Gentleman has already conceded that there is a quite proper and appropriate two-way flow between industry and serving personnel and the Ministry of Defence, which facilitates effective dialogue and conduct of business between the procurement function and industry. I do not think there is a principled disagreement about the efficacy of having such a flow. We need to ensure propriety and proper conduct at the most senior levels.

I will come to the GoCo aspects in a moment, but I want first to rehearse the provisions of the business appointment rules. For the most senior officials in the civil service—at three-star level or their military equivalent—the rules require them to submit an application, which the Department must refer to the Advisory Committee on Business Appointments, or ACOBA, which will provide advice to the Prime Minister to enable a decision to be taken. Because of their role at the highest level of Government and their access to a

[Mr Dunne]

wide range of sensitive information, all permanent secretaries will be subject to a minimum waiting period of three months between leaving paid civil service employment and taking up an outside appointment or employment.

As a general principle, there is a two-year ban on civil servants at three-star and above lobbying Government—for example, communicating with a view to influencing a Government decision or policy in relation to their own interests. For civil servants at two-star level and their military equivalents, the rules require that an application be made to the permanent secretary, who is responsible for making a decision and providing a written recommendation to ACOBA. Applications from one-star level and below, and their military equivalents, are considered internally within the MOD. An application at these levels is required only if the individual's circumstances mean that they have been subject to one or more specific aspects of work in their last two years of service. I will not go into those in detail; however, for the benefit of the Committee, they can be found on the Ministry of Defence website.

The number of applications made under the business appointment rules is relatively modest and has averaged about 200 a year. The hon. Gentleman referred to a larger number, but that is the average over the last five years across the one to four-star grades. As he said, in 2012-13 there were 258 applications, of which 172 were approved with conditions. The rest were approved unconditionally.

The rules on acceptance of gifts and hospitality set out that, even where acceptance is not unlawful, it can still be improper and, in serious cases, may lead to internal misconduct action being taken. This can be a particular risk in the Ministry of Defence, where many areas of departmental activity bring Crown servants into regular contact with outside organisations and, in particular, defence contractors, who may regard it as normal practice or social convention to offer hospitality and sometimes gifts.

It is impossible to set out rules to govern every conceivable circumstance in which a gift or hospitality might be offered and accepted. Much will depend on the nature of the relationship between the Department and the organisation, and the role of an individual Crown servant in that relationship. However, a number of clear principles are applied to all cases and are intended to enable Crown servants to act with propriety when deciding whether or not acceptance is appropriate. If there is any doubt, the individual is expected to consult their supervisors before accepting any gifts or hospitality. This consultation can be elevated as necessary in the Department if there is any unresolved doubt. I do not intend to go into the categories of gifts or hospitality unless hon. Members press me to do so, but Crown servants should have regard not simply to whether they feel themselves to have been influenced, but to the impression that their actions could have on others. Where acceptance of gifts may be acceptable, they must be deemed to be trivial in nature and non-contentious, and must not exceed £50 in value. Typically, gifts include things such as calendars, diaries or pens—perhaps for signing ceremonies and the like.

To answer the concern about the application of the rules to employees in a GoCo, we are considering what provisions might be required to align employment terms in a GoCo to the business appointment rules. As the BAR formed part of the terms and conditions of service of civilian staff currently in DE&S, and as such provisions would typically transfer to a new employer under the TUPE regulations, we anticipate that the rules will be taken across in the event of employees transferring into a GoCo.

Mr Jones: That is very interesting; it is the first I have heard that those types of codes of conduct are covered by TUPE, which usually involves people's remuneration, work hours and things like that. Because it is not part of the contract of employment, I cannot see how a code of conduct can be part of the TUPE regulations.

Mr Dunne: As I have said, we believe that they form part of the terms and conditions of service of the civilian staff, but if the hon. Gentleman continues to have doubt about this, I would be happy to write to him to clarify before Third Reading. In our view, new clause 2 has the effect of a wrecking amendment and is unnecessary. I encourage the hon. Gentleman not to press it.

Let me turn to new clause 3. It is a pleasure to see the hon. Member for Plymouth, Moor View, speaking for the Opposition, in Committee once again, having a final outing in our last sitting, which is entirely fitting. Her new clause, which she has clarified is a probing amendment, seeks to require the Secretary of State to withhold approval on any price change within a relevant contract until a detailed report has been laid before both Houses setting out why the increased price is required. The new clause also seeks to require the Secretary of State to write to the Chairs of the relevant parliamentary Committees—which I take to be the Defence Committee and the Public Accounts Committee—telling them that the report has been laid. I fully support the principle of being transparent with Parliament about the performance of the defence equipment programme, but since the SDSR 2010 and the commitment to publish an annual 10-year forward-looking equipment programme, this Government are being more transparent with Parliament than any previous Government.

I do not believe that new clause 3 is appropriate, for a number of reasons. First, it would significantly constrain the operational freedom of the Secretary of State and the Department. Secondly, the performance of the equipment programme is already regularly reported on, as I have said. Those reports are reviewed and critiqued by the National Audit Office, whose reports can be scrutinised by the Public Accounts Committee and by the Defence Committee, should it chose to do so. Thirdly, new clause 3 would raise significant practical issues. Under the hon. Lady's proposal, every change of price within a contract managed by the GoCo would require a report to be laid before both Houses. That is clearly impractical, not least given the thousands of contracts managed by the GoCo. The new clause also provides no mechanism for approving contract price changes while Parliament is in recess. The hon. Lady made it clear that she tabled new clause 3 to raise her concerns with the Committee. I therefore hope she will not press it to a vote.

Mr Jones: I appreciate that we have rules, which the Minister outlined, on conflicts of interest. They are robust and are obviously there for very good reasons.

I agree with him: it is not just that something might be a conflict of interest; it is the implication that it might put someone in that position. We are moving to a new situation with the GoCo. We will have a private entity acting on behalf of the Government, as Government agents. The Minister obviously sees the need to ensure that the GoCo has similar rules to those that the MOD quite rightly has in place, so I do not understand why new clause 2 should be considered a wrecking amendment.

This is the first time I have heard that these arrangements will be covered by TUPE. I might be out of date, but my understanding is that TUPE usually covers terms of employment for contracts, but would not cover codes of conduct, which will not always apply in all situations. When the Minister writes to me about this, I will be interested to learn whether the codes of conduct will be covered under the TUPE arrangements, which I do not think they are.

It is important to give assurances to industry and others about these arrangements. As the Minister rightly says, we now have more transparency in these sorts of relationships, so I cannot see what is wrong with adopting new clause 2. Whether we like it or not, openness and transparency are important parts of public life these days, and people expect them. If those aspects are not covered by TUPE and the new clause is not passed today, no doubt he will come back with an amendment at a later stage.

Mr Dunne: I would like to give the hon. Gentleman a little more reassurance. In the discussions we are having, in parallel to the passage of the Bill, about the GoCo competition, we have inserted an anti-poaching clause with respect to GoCo employees in the draft contract that has been provided to the consortia. Through the invitation to negotiate, we have also asked bidders to detail the arrangements that will be put in place to achieve the objectives of the BAR for the operating company work force, including for civil servants transferring under TUPE, new joiners and staff seconded, for example, from parent companies. However, I have committed to write to the hon. Gentleman about the TUPE point. I hope that will satisfy him; if not, he will have the opportunity to raise the issue again on Report.

3.30 pm

Mr Jones: I am grateful to the Minister for that information. However, the Committee has been at a disadvantage in not being able to see those draft agreements. That has been part of the problem throughout our sittings, and certainly when it comes to the GoCo. A lot is still to be negotiated. This issue will be very important, and I do not think it is covered in the Bill. I do not think we can have just an assurance that it will somehow be added in the draft contract later; it needs to be in the Bill. I would therefore like to press new clause 2 to a vote.

Question put, That the clause be read a Second time.

The Committee divided: Ayes 6, Noes 9.

Division No. 4]

AYES

Brown, Mr Russell	Phillipson, Bridget
Hamilton, Mr David	Seabeck, Alison
Jones, Mr Kevan	Woodcock, John

NOES

Brazier, Mr Julian	Hinds, Damian
Colvile, Oliver	Lancaster, Mark
Dunne, Mr Philip	Mordaunt, Penny
Gilbert, Stephen	Pawsey, Mark
Harvey, Sir Nick	

Question accordingly negatived.

New Clause 4

RECOVERY OF UNPAID AMOUNTS

'(1) This section applies where—

(a) the SSRO determines by virtue of section 18(3)(b), 20(6) or 21(3)(b) that the price payable under a qualifying defence contract is to be adjusted, and

(b) as a result of the adjustment—

(i) the Secretary of State is required to pay an amount to the primary contractor, or

(ii) the primary contractor is required to repay an amount to the Secretary of State.

(2) If all or part of the amount mentioned in subsection (1)(b)(i) or (ii) is not paid or repaid before the payment date, the unpaid balance carries interest from that date at the rate for the time being specified in section 17 of the Judgments Act 1838.

(3) The "payment date" is the date determined by the SSRO, in making the determination in question, as the date by which the amount must be paid or repaid.

(4) The person to whom the amount is required to be paid or repaid ("the creditor") may recover from the other person as a debt due to the creditor the unpaid balance and any unpaid interest.'.—*(Mr Dunne.)*

Brought up, read the First and Second time, and added to the Bill.

New Clause 5

SINGLE SOURCE CONTRACT REGULATIONS: TIME LIMITS AND DETERMINATIONS

'(1) Single source contract regulations may make provision imposing limits in relation to the time within which an application, reference or appeal to the SSRO under this Part or the regulations may be made.

(2) Single source contract regulations may specify matters to which the SSRO must have regard in making a determination under this Part or the regulations.'.—*(Mr Dunne.)*

Brought up, read the First and Second time, and added to the Bill.

New Clause 6

PUBLICATION OF DATA ON RESERVES

'(1) The Secretary of State shall publish quarterly recruitment figures and trained strength numbers against adjusted quarterly targets.'.—*(Mr Jones.)*

Brought up, and read the First time

Mr Jones: I beg to move, That the clause be read a Second time.

This important new clause seeks to ensure that the Government are held to account on the progress of recruiting Reservists. We had a good debate in the Chamber last week on Reservists initiated by the Backbench Business Committee. I counted at least 10 blue-on-blue

[Mr Kevan Jones]

attacks criticising the way the Reserve expansion is going. When the right hon. Member for North Somerset (Dr Fox) was Secretary of State for Defence, he made it clear that the reduction in Regulars would only take place once the Reserves came up to complement. This may not be an issue so much for the other two services, but it certainly is for the Army and the Government need to be held to account to ensure that these targets are met. The Opposition feel that the only way to do that is to ensure that information is in the public domain on a regular basis.

I do not want to give the Committee a history lesson but we started with the strategic defence review in 2010, when the Prime Minister announced that the Army would be reduced by 7,000. That obviously changed. The figure is now down to 82,000 Regular forces in the Army. What changed in that period? Clearly, the constraints that the Treasury has put on the Ministry of Defence, including the 9% decrease in budget, have meant that it has had to get rid of people. There are, unfortunately, only two ways in which defence can get instant cash: by getting rid of people or by getting rid of equipment. That has led, rightly, to a lot of cynicism among the Regular armed forces that the increase in Reserves is being used to plug that gap. I accept that that is not the intention of the hon. Member for Canterbury and others, but it concerns those in the Regulars. That came across loud and clear from Conservative Members' contributions on Thursday. In order to hold the Government to account, we must ensure that recruitment figures are regularly reported to Parliament, as proposed in new clause 6.

We know that the ambitious targets for recruitment of Reservists, particularly to the Army, are a gamble. I was pleased to attend the Royal Engineers' recruitment event last week, and I am not sure that there will be a real problem in those areas, because specialist traits are needed and people might see some benefit from joining the Army or the armed forces. I am more concerned about infantry numbers. Will that type of recruitment be given the same importance, and will the same effort be put into it?

The other issue that the MOD faces is that, at a time when we are making people redundant—in some cases compulsorily redundant—we also want to recruit people, not only to the Regulars but to the TA. That might create a mixed message in terms of the public understanding that recruitment doors are still open. There is a good reason for that policy. I know that some journalists have been asking why the MOD is still recruiting Regulars while making people compulsorily redundant, but it is doing so to avoid the chaos that the previous Conservative Government created in the 1990s under "Options for Change". Even when I was in the Ministry of Defence, that chaos was still being felt, because there were manning gaps throughout the armed forces, which created problems. I recognise that recruitment needs to continue, but the language that is being used sends out the message that new people are not welcome in the Regulars, and that is having an effect on TA recruitment as well.

If that was not bad enough, the other problem is that the Government are doing things in a hurry. I do not know whether they are doing so because they think they will only get one shot at government, and therefore it is better to do everything that they can and wreak complete havoc before the electorate decide otherwise in 2015. We have increasingly seen a number of initiatives across Government, from the green deal to universal credit, which are ill thought out and rushed, and which seem to have been put in place quickly and without much thought. There is a suspicion that the same is true of the defence reforms. They are very ambitious targets. With the green deal, for example, does it really matter if the targets are not met? No; the fact that somebody has not had a solar panel or a new boiler installed will not affect the nation's defence. This initiative is different. We are talking about the nation's capability to project power and defend itself.

There are clearly concerns at the senior level of the Army that the targets are too ambitious and may not be met. This is a difficult issue for some people to understand: the constraints were put forward because there is not enough money, but the Secretary of State for Defence announced a £1.8 billion surplus. I am not sure what his tactics are. In my dealings with the Treasury, in both central and local government, I never thought it was a good idea to tell the Treasury that I could not spend my budget because it always made it harder the following year to argue for an increase. I would love to be a fly on the wall when the Secretary of State argues with the Chancellor for an increase in subsequent defence budgets. My experience of local treasurers and the Treasury in Whitehall is that they are not exactly sympathetic with Departments that come in under spend.

The Minister may say that there are teething problems with the targets that have been put forward. However, in August, *The Sunday Times* reported that between April and June this year only 367 soldiers had enlisted in the Reserves—just a quarter of the overall target of 1,432—and an MOD source predicts that only 50% of the target of 6,383 will be recruited. Again, we must ask why. Partly, it is due to the eagerness of the Government to do new things and get things in place. Things used to be piloted to see whether they worked before resources and people's time were committed to them.

I have been told that the use of Capita in recruitment offices is a reason why the targets are not being met. It must seem strange that at a time when we are trying to increase both Reserve and Regular recruits the number of Army recruitment centres is being cut. Some 62 have closed in England, seven out of 12 in Wales, and 14 out of 19 in Scotland. The Secretary of State said that we are going to regional geographical areas.

The right hon. Member for Berwick-upon-Tweed (Sir Alan Beith) made a good point in the debate on Thursday. He represents a large constituency, whose population is in one corner and at the top. He said that people in Reserve units will be expected to travel not only to recruitment centres but to what are now going to be called Reserve centres. They may have to travel 50 or 60 miles, which will be difficult for them. We must give some thought to how much of a barrier that will create. Realistically, after a long day's work, will people be willing to travel 40 miles there and 40 miles back, if not further, to attend a TA centre? In the rush to save money—that is what it is; we cannot get away from that fact—barriers may be erected that turn people off.

There is another school of thought on this matter. I understand that, as part of the Capita contract, armed force personnel were to be taken out of recruitment

centres and redeployed. That has now been turned round and people have been put back in. I always thought that it was a strange decision, because the last person that a young man or woman wanting to join the British Army would want to see is someone from Capita with a clipboard and computer. They would rather speak to someone who has actually done the job. The same will be true for Reservists. They would want to meet and talk to individuals who know the opportunities that are there in order to make an informed decision on which part of the Reserves to join, but also to find out what some of the drawbacks are with regard to the work-life balance and the commitments that people are asked to make when they are in the Reserves.

There is another element. I am not sure whether this is the case or not, but I did refer earlier to resistance in the Regular Army, at some levels, to Reservists. I think that there has been anecdotal evidence that in some cases people in the Regular Army are not being as helpful as they could be in terms of ensuring that recruits to the Reserves—

Mr Brazier: I am listening carefully to what the hon. Gentleman is saying. I have a very good example of the last thing that he mentioned—it is a systemic example, not just an individual or anecdotal example. To this day, Army recruiting offices are open Monday to Friday from 9 to 5.30, which suits only those who want to join the Regular Army and the unemployed, instead of being open, say, Tuesday to Thursday from 9 am to 9 pm, so that part-time applicants who have civilian jobs can visit them.

Mr Jones: The hon. Gentleman makes a good point. There is a tendency to think that the new generation of people who want to join will do everything by means of websites, Twitter and so on, but I agree with the hon. Gentleman that face-to-face contact—talking to people about their experiences—is key. I think that the MOD realises the problem that it has. Certainly *The Daily Telegraph* of 16 October gave some evidence of that in giving details of a leaked report. I know that as usual the Minister will say, "We don't comment on leaked reports," but we read that the memo says that

"'disappointing' recruitment to the new Army Reserve means that targets for a larger part-time force will not be reached.

The recruitment crisis means the Army faces 'increased risk to its structure and operational capability', according to the document, which has been seen by The Telegraph."

It goes on to say:

"The Army is currently failing to attract and recruit sufficient Army Reserve personnel. Reserve info numbers in Quarter 1 are disappointing. If this continues the Army will miss its challenging inflow targets both this year and next'".

There is another aspect that I think it is important to understand. It is not just about numbers. It is about how these people are integrated, not just in terms of training but in terms of what the objective is—a seamless joining up with the Regulars. If there are these delays or there is this missing of targets, that prompts the question of how we will get the training strength that we need in certain areas. It is not just about people going for their initial training—about ensuring that they get that initial assessment. It is about the ongoing training and the very close working that the new formation will involve. The formed units will work alongside and very closely with Regular units. That is not just about ensuring that the unit is formed in the first place, but about ensuring that it works and trains with the Regular units.

I still think that this will be very challenging anyway, in terms of the task that the Army has set itself. I hear and have heard enthusiasm for this from senior members of the armed forces, including from General Wall when he spoke downstairs last week at the event involving the Royal Engineers. I do not doubt their commitment, but they have to do this because it is the only game in town owing to the budget constraints imposed on the MOD by the Chancellor. If formed units are not trained—and, more importantly, trained alongside Regular units—we could face the difficulty not only of not having the numbers but of not having enough trained individuals in formed units that can interact and work alongside members of the Regular armed forces.

There is a misnomer, as the Minister will understand. When Whitehall Departments ask the Army or any of the armed forces to do something, they sometimes expect—Prime Ministers fall into this error all the time, irrespective of political party—that the military can turn its capabilities on and off like a tap according to political necessity. However, the Minister understands, as do I and many members of this Committee, that it takes a lot of training and time to get that capability in place. One must work with individuals and ensure that people are retrained and refreshed on numerous occasions. As new equipment comes in—new Reserve members will be expected to have their own equipment—people will have to be trained in it, as well as training alongside Regulars. It is important that those targets are not missed.

Unless there is scrutiny and the figures are known on a quarterly basis, Parliament will not be able to judge whether the scheme is working, unless we have access to the leaked e-mails that seem to be issuing from the MOD like confetti at the moment. I am not suggesting that I condone that in any way, but people clearly have serious concerns. Those internal memos and documents raise concerns that might be embarrassing to Ministers, but it should be of concern to us all that something that this Government rushed into is not producing what it was aimed at producing. If it is the green deal, it does not matter, but this matters, because it concerns the defence of our country and our armed forces' ability to deploy and protect the nation. That is their main reason for being, and we politicians sometimes take it for granted. It is no good taking it for granted if the numbers of people are not there to be deployed when we need them.

Mr Brazier: May I express my pleasure at speaking under your chairmanship, Mr Owen, for the first time apart from in interventions? I have listened carefully to the hon. Gentleman, and I have sympathy with some of what he said. I imagine that this is a probing new clause, although perhaps he will force a vote on the publishing of statistics. I will offer a few thoughts on the substance of the points that he made.

I said earlier today that the Bill will stand or fall depending on whether we end up with something integrated or something assimilated. Two examples of going in the right direction came up in the hon. Gentleman's speech. One is our re-commitment to training to develop the capability to use formed sub-units and units. That is what makes it worth while for officers and NCOs to

[Mr Brazier]

make all the sacrifices involved in Reserve service. I would not have joined the TA so that, at the end of a hard-working week, I could simply augment the teeth of the Regular army for the last few years. That is a good example of moving from an assimilated to an integrated model.

The second thing that the hon. Gentleman mentioned as moving in the right direction was the pairing of units. Oddly enough, one of my great military heroes—the 19th-century Garnet Wolseley, Gilbert and Sullivan's model of a modern major-general and the victor in so many wars abroad—was director of Reserve forces. The Reserve had a different title then; I am trying to remember its name. He introduced the pairing of Regular and Reserve units for the first time. This was long before Haldane, but a number of elite Reserve units, including the one I mentioned, the forerunners of my regiment, the Artists Rifles, were very much part of that pairing process. Indeed, his name appears seven times in our regimental history in his relatively short tenure in that job. So those are both good examples of getting back to formed bodies, the pairing of Regular and Reserve units and integration at work.

The main business of the hon. Gentleman's new clause addresses recruiting where we have gone in exactly the opposite direction. In 2006 it was assimilated into Regular recruiting and it is becoming more and more assimilated in a way that is frankly unhelpful. If we are going to break out of this, I suggest—I will not go back to this morning's debate—that we give an enhanced inspection role to the RFCA and put it on a statutory basis. The RFCA can really get at the detail of what is wrong. It exposed the point about the recruiting offices and a whole string of other issues.

Given that the hon. Gentleman has taken us down this important and interesting avenue, it is worth touching on the central point about recruiting. To make volunteer Reserve recruiting work involves something that is fairly easy to describe but quite difficult to make happen. I was a recruiting officer for a TA unit for two years. It is all about getting together an enthusiastic body: in those days it was young men; in these days in some units it would be young men and young women. We get a critical mass of them together every, say, three months. We put them through a weekend when they get wet and cold and miserable together which is a sort of selection. It is as much a mental selection as a physical one. Out of that comes the comradeship which then persuades them to start phase 1 training and then phase 2 training and so on.

That is the heart of it. In Australia, Canada, the National Guard or anywhere, they all have that approach. The assimilation of our recruiting and phase 1 training into Regular training has been a disaster. What happens is they go off and they are then told at the end of the weekend, "Well, we've got to do security checks on you now. That's going to take six weeks so don't come back for six weeks." I will not go into the nonsense over medicals and a system which is frankly unworkable: taking a chit along to a local NHS doctor and expecting him to fill it in and send it off without any guidance and it being a breach of the Data Protection Act if the unit rang up and tried to help. Fortunately, that was sorted out by Ministers last year but it caused a terrible dent in recruiting.

There are problems with security checks. There is a struggle to deal with the computer program. It is nothing to do with Capita but the interface with Capita has made it even more complicated. It is a computer program that cannot be reached online. It can only be reached from certain designated terminals, some of which are in the recruiting offices, which are not open at a time when potential recruits to the Reserves who have civilian jobs can access them. I could go on. I do not want to bang on. I am conscious of the fact that my hon. Friend the Minister has worked enormously hard on this Bill. He has brought a great deal to it. I have huge admiration for him. He has already been extremely helpful on the important subject of senior appointments, which is being looked at. We will return to the RFCA issue on Report.

As the hon. Gentleman was setting out his concerns in this area, I thought it important to point out that these are not ambitious targets. The number is very small. Compared with any other English-speaking country, both as a proportion of working population and as a proportion of the total armed forces, it is right down at the bottom of the league. On both the measures, America, Canada, Australia, New Zealand and Ireland all have far more ambitious targets. The National Guard, astonishingly, at a time when most of the US regular armed forces were under strength, put out a press release to say that it had gone over strength. These things can be done. The problem is in the mechanism; it is not in the footfall or enthusiasm.

4 pm

Mr Jones: I accept what the hon. Gentleman is saying, but this is a step change in what we accept Reservists do, so it might take longer for people to get up to speed. However, we cannot draw a comparison with the National Guard, because people join the National Guard in the United States—it is a long tradition and part of the constitution—and get access to certain medical and health-care benefits. That is a driver that we do not have in this country.

Mr Brazier: I entirely accept that, but as far as I know, the only English-speaking country that has integrated recruiting for Regulars and Reserves is Australia. The Australians saw a very significant drop in recruiting when they did so, and they stayed with the system but made it work by putting generous resourcing into it. It is not integrated in America, nor is it, I believe, in Canada, New Zealand or Ireland.

Before 2006, when recruitment was firmly separate and the RFCA controlled it, it worked a great deal better. I am not asking to go the whole way back to before 2006, but we need to go through all these detailed matters. One very simple principle underlies all this: to make the volunteer Reserves system work, essentially, people have to trust what the guy through the door says and do the checks afterwards. It really is just as simple as that. If the person can complete a run and a simple physical test, and if he says that he is fit, then we have to wait for the medical to come in later. If he says that he does not have a criminal record and he is told eyeball to eyeball that this is going to be carefully checked, and if he says, eyeball to eyeball, "No, I genuinely haven't," he should not be sent away for six weeks; he should be taken while the test is taking place. A bit of resource

and effort would be wasted on a few people who came in and lied, but that is how we get that essential critical mass, which has always traditionally been the way to get volunteer reserves.

As three or four different units have said to me again and again—all people I know and respect—it is heartbreaking to see those guys come in, and we drop them into this new hopper and they do not come out the other end. They turn up weeks later and the paperwork is still lost; or in one case that came up only last week, it finally surfaced after four or five months in the wrong unit, somewhere the other end of London. That is the reason for poor recruiting; it is nothing to do with it being an ambitious target.

Mr Dunne: The presence of my hon. Friend the Member for Canterbury on the Committee has been really valuable—[Hon. Members: "Hear, hear!"]—particularly in the context of this part. I had not appreciated, until he just told us, that he was a recruiting officer when he was serving, and he has given us a real insight, informing the Committee that the issue being raised in the press and in the outside world about the challenges in achieving the numbers is something that we have to address, but it is addressable. Some of the specifics that he referred to about improving the process are achievable and doable. We are working on that, and I share his confidence that we will be able to achieve the numbers that we have set out to achieve for 2018.

Taking us back to the new clause tabled by the hon. Member for North Durham, it is important that we have this debate. It follows on from the debate that took place on the Floor of the House last week, where some of these issues were raised. It is therefore perhaps rather more topical than much of the rest of our deliberations on the Bill. For that reason, it is important that we have the opportunity to discuss the matter, so I am grateful to him for his new clause.

Our Reserves have always made an essential contribution to national security, and that contribution is set to increase through our proposals. We believe that we are offering exciting opportunities, not only for individuals, but for the formed units that my hon. Friend the Member for Canterbury referred to—one of the attractions of our proposals. Reserves will be an integrated part of the whole force required for all operations, both at home and abroad. To do that, we plan to grow our Reserves to 34,900 across all three services by 2018, and we are investing an additional £1.8 billion over 10 years. Our plan is to grow the Army Reserves from the current 19,230 to a trained strength of 30,000; the Royal Auxiliary Air Force from 1,335 to 1,800; and the Royal Naval Reserve, including the Marines, from 2,526 to 3,100. As the Secretary of State said last week, this is a challenging target, but one that we think is credible and that we are committed to achieving.

These requirements are challenging, but as we heard earlier today, they are well within the historic levels of Reservists. While my hon. Friend took us back pre-first world war to give some indication of the scale in which Reservists could be recruited in those days, we do not have to look quite so far back to have seen substantially higher numbers of trained strength in the Territorial Army. In 1997, it was over 50,000 strong. It was reduced to around 40,000 by 2000; and by 2009, it was down to just 26,000. As I have said today, we have just over 19,000 trained Reservists in the Army.

We should not be surprised if the growth that we want to achieve is neither uniform nor smooth. It will be somewhat jerky. Given the time taken to train Reservists, the trained strength improvement will lag behind recruitment.

Members of the Committee will no doubt be aware that, recognising the interest in the progress of Reserves recruitment, the Secretary of State made a commitment to the House on 16 July to publish quarterly Reserves recruitment figures. We intend to publish the figure for the quarter to 1 October next month. I am sure that everyone will agree that, with this commitment, there is no specific need to enact legislation as proposed in the new clause. In fact, by the time that the Bill receives Royal Assent, we will have had a further two or three iterations of this data release.

We are currently publishing trained and untrained strength data for each category of Reserves on a quarterly basis. The last figures were available in July 2013, released on 15 August, and this information goes back to 1 April 2012. So from the beginning of 2012 that was the figure for the first quarter. We have committed to publishing quarterly recruitment figures without any need for legislation. I recognise that the issue of targets was raised both in the debate last week and in the hon. Gentleman's proposed new clause, and I can assure the Committee that the Ministry of Defence is considering carefully whether it is appropriate to publish recruitment targets as well as our achieved recruitment figures. We recognise that they may provide a fuller picture, but our fear is that the growth is unlikely to be uniform or smooth and therefore that individual targets for quarters may be as misleading and unhelpful as some hon. Members may regard them to be helpful.

This programme is still in its early stages. The hon. Gentleman said that I would use the expression "teething problems" and it is an appropriate expression to use as we roll out both the plans and the recruitment process. I accept that, as my hon. Friend the Member for Canterbury said, most of the issues at the moment are in the administrative processing of the system that we are introducing. A combination of the change to the increase in the Reserves that we are planning and a change to the process in which we take on recruits is giving rise to the current year's issues.

We are working with Capita, which is our delivery partner in this recruitment process, and the senior Army leadership actively to address these processing issues, and both Ministers with responsibility and the service chiefs—in particular, the Chief of the General Staff—believe that we can work through them. Temporary adjustments have been made to the application process to ensure that we can continue to process new recruits.

Mark Pawsey: I am listening carefully to the Minister. He speaks of the work being done to increase the number of new recruits, but does he share my disappointment that the TA centre at New Bilton is unfortunately about to be closed, which will make it more challenging to find new recruits in my constituency?

Mr Dunne: Clearly, in the small number of cases where assessment centres are closing, or the small number cases where TA facilities are closing—less than 10% of the total—there will be some dislocation, but the plan

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was designed to allow recruits to find an accessible place not too far away. I am not sufficiently familiar with the geography of my hon. Friend's constituency to alert him to the alternative centre, but I hope that his constituents will find somewhere to go without having to travel too large a distance in the future.

The recruitment campaigns, which we launched following on from the White Paper proposition, have only just started. The Army's campaign began a month ago on 16 September. The Army is encouraging all its Regular and Reservist units to participate in the campaign of increased engagement.

The maritime Reserves have stabilised their numbers and are working both to ensure the retention of trained personnel already in the Reserve and to reduce wastage during the training programme by tailoring the training methods to suit the Reservist experience better. Unfortunately, my hon. Friend the Member for Portsmouth North, who is going through the final stages of her Reservist training, is not here at this point to give us the benefit of her experience. She is, however, a member of the pilot cohort of Reservists who are going through changes to their training regime as a result of these proposals.

Alison Seabeck: I gather that the hon. Lady has gone off to a drill session, which is why she is not here.

Mr Dunne: I am grateful to the hon. Lady for pointing out that, even as we discuss the significance of recruiting and training our Reservists, one of our number is undergoing training.

Oliver Colvile: The Minister makes a good point. From earlier on, we understand that a good 40% of Reservists come from student backgrounds and others like that. Does he therefore think that it would be a good idea to ensure a recruitment presence at universities at freshers fairs and similar events? I suspect that, in my constituency, Plymouth university would be interested in that.

Mr Dunne: Frankly, I am surprised to learn that there is not already a presence at freshers fairs at universities such as Plymouth from, in particular, the maritime Reserves. In fact, I think that my hon. Friend's constituency neighbour will enlighten us further.

Alison Seabeck: If I may offer some enlightenment, that does happen. Indeed, the young man who was in charge of Labour's students was also a Reservist and had been at freshers fairs.

Mr Dunne: I am grateful for that. If I may crave your indulgence for a second, Mr Owen, when I attended freshers week at my university, I signed up to join the university air squadron at that very event. That was, of course, some years ago now, so I admit that that may be ancient history, but I am fairly confident that my university's freshers fair would continue to have a strong representation from all services to recruit students.

Mr Brazier: At the risk of overstretching a theme, it is significant that university units—university officer training corps, air squadrons and university royal naval units—are the last part left of the old system where people can still go in and get the paperwork, medicals and the whole lot all fixed in one weekend. That is a model of how it should be. I am sorry to say that the Army recruiting group has struggled to bring them under their new system, although I gather that that has been headed off.

4.15 pm

Mr Dunne: I am again grateful to my hon. Friend. I will bring the Committee back, kicking and screaming, to the topic that I was on, which was the Maritime Reserve. From the most recently published figures for the quarter to 1 July, the Maritime Reserve trained strength had increased by 10 over the previous quarter. I am pleased to say that the untrained strength increased by 90 over the previous year. That is just an example of how recruitment in some of our services is going to plan.

Alison Seabeck: The Minister is obviously about to move on, but before he does will he comment on the joint cyber-Reserve and how it will work? There was an announcement yesterday by the Secretary of State, including that people with a criminal record for hacking may be taken on. How does the Minister envisage that the Reserve will fit in around the other Reserve forces?

Mr Dunne: I anticipated that a member of the Committee might refer to the joint cyber-Reserve unit, and I am delighted that the hon. Lady is not disappointing us. We intend to draw on specialist expertise from industry and civilian life, and we do not preclude individuals who have a criminal record from joining our Reserve forces. Once their sentence has been served they should have the opportunity to serve in any of our services.

The Secretary of State was last night responding to a question from a television journalist about whether there would be a particular role in the cyber unit for those who have been convicted of hacking offences; and he quite properly sought not to discriminate against that category of individuals, who may well have something very specific to offer. We look forward to raising the cyber-Reserve unit, and will look for suitably qualified personnel from civilian life, as well as Regular Reservists who have developed experience through their service within the armed forces.

I want to move on to the Royal Auxiliary Air Force, which had also increased its trained strength by the end of July. It looks likely to meet its end-of-year ambitions for its strength, and is seeking authority to allocate extra resources to marketing, to improve its recruitment rate even further.

Recruiting activity itself is better co-ordinated now, across the services, than it has been in the past, and that should ensure a much more joined-up approach to recruiting. The recruiting campaigns are carried out at regional level, following planning and guidance from the national level. We are developing links with other Departments, including the Department for Work and Pensions, as has been touched on, and the Cabinet Office; and those are being exploited to help achieve the maximum effect for the recruitment campaigns.

We are working hard to deliver the message through internal communications across Government that the Reserves are recruiting, and to demonstrate that the civil service is taking the lead in the public sector in recruiting Reserves from among our own ranks.

The additional costs of recruitment associated with growth of the Reserves are all factored into the Future Reserves 2020 programme. Should recruitment be slower than planned, some funding earmarked for paying the personnel who are not, in fact, recruited could be switched to increase the recruitment effort through marketing or other means.

The recently announced redundancies are not new. They were announced initially in 2010, and again in 2012. Following last year's redundancies, which were 84% voluntary, it was clear that there could be a fourth tranche; but no final decisions have been taken. The Army started a major recruitment campaign on 16 September, which it is confident will begin to deliver the required numbers of recruits to reach our target for 2018.

Using data from a period before publication of the Reserves plan and before the recruitment campaign is fully under way, as the hon. Member for North Durham—mentioned in a newspaper article—did the other day, does not give a credible picture of the growth in our Reserves.

Those who leave the Army through redundancy are being encouraged to consider a part-time military career in the Reserves. For the Army, ex-Regulars who enlist into the Army Reserve within three years of leaving Regular service can enjoy a number of incentives and benefits such as a reduced Army Reserve commitment and training requirement or, alternatively, a commitment bonus worth some £5,000, paid over four years. There is a comprehensive information campaign to ensure that all service leavers, not just redundees, are aware of the opportunities and benefits of joining the Reserves. It would be mathematically completely possible for our entire increase in Reserve requirements to be met from those leaving the forces, whether through voluntary redundancy or requirement, over the coming years. It is a logical pool from which to seek to fill those places. We believe that the 3 July announcement will have a positive effect on Reserve recruiting. Our Reserve forces have always attracted highly motivated individuals, and the assurance that the Reserves will play a more routine and assured role within the whole force concept will act to broaden appeal and encourage those looking for such an opportunity, and their employers.

Achieving the combined SDSR 2010 and the three-month exercise reductions is likely to require a further tranche for Army personnel at a later date, which may include a small number of medical and dental personnel from the Royal Navy and the Royal Air Force as the outcome of the Defence Medical Services 2020 project is implemented. Aside from those planned reductions, we expect to move the Future Force 2020 ambition and plans for personnel growth on to a much more positive footing. Ending the negative talk and commentary on what is happening to recruitment will start to have a benign and positive effect on recruitment and retention in the armed forces, which is so important for the continued performance of our armed forces and the defence of the nation.

Mr Jones: This has been a good debate, as was Thursday's debate in the main Chamber. I have to say that I am a little disappointed in the Minister's final comments, which strike me as shooting the messenger. They seem to suggest that people pointing out that targets have not been met and that the Government's decisions are putting the capability of our armed forces at risk are the reason why people are not joining. A huge part of the responsibility must be laid at the Government's door for their handling of not only Reserve recruitment but the defence budget since 2010. I am slightly concerned that more redundancies may be coming down the track later this year or early next year, which will do nothing to reinforce the point.

It is wrong to blame others. The Government must take a lot of the blame for the way in which the message has been communicated, and for rushing to use what they term civilian partners in recruitment. As has been demonstrated this afternoon, that has not been tested and has clearly run into problems. Even the Defence Secretary has commented that this is a risky way forward, and I do not think it is acceptable to take such risks with the security of our nation. In Thursday afternoon's debate, the hon. Member for Basildon and Billericay (Mr Baron) said that he wanted to stop the redundancies in Regulars until the TA strength had been built up.

I heard what the Minister said about the Defence Secretary's commitment to publish the quarterly figures. I do not wish to doubt that commitment, but unless there is some change in the MOD or in the political settlement in this country, the right hon. Gentleman will not be the Defence Secretary for ever. That commitment needs to be in the Bill, so that the onus is not simply on him. The way in which he has dealt with the finances in the MOD suggests that his true calling is not in the MOD but in the Treasury. If he were to leave or if the Minister were to leave his post—not wishing to see that date, at least not until 2015. *[Interruption.]* Sorry, does the hon. Member for Bournemouth East want the job as well?

Mr Ellwood: No, I am saying that he will be there longer.

Mr Jones: Oh, that he will be there longer. The hon. Gentleman is more optimistic than many in his party.

The measure needs to be in the Bill. The Minister cannot give a commitment for future Defence Secretaries or in the case of a change of Government. Including such a provision in the Bill is the only way that we can be sure that this important change is not only embedded but continues in future. I have no faith that a future Defence Secretary or future Government will provide this information.

Mr Dunne: Is the hon. Gentleman willing to give a commitment in the event of a change of Government? If he or his colleagues took the position that I and my colleagues have taken today, whereby we are committed to publishing this material on a quarterly basis, would he make a similar commitment?

Mr Jones: That is an easy one, because in opposition, one can say anything. The Minister's Government, when in opposition, promised a larger Army, more naval

[Mr Kevan Jones]

ships and a bigger Air Force. The only problem is that they were all broken promises once they got the keys to the door. We got a smaller Army, smaller Navy and a contracting Air Force. I can make that commitment, but I think it is better for it to be in the Bill.

It is not just about changing the political nature of the Government; it is about future Defence Secretaries. Unless the Minister knows something that I do not, that the Secretary of State will be in that role for evermore, I do not think we can have that. The safest place to put such a commitment—to get the commitment that the Minister clearly needs and wants, following the events of 2015 and a change of Government—is in the Bill. For that reason, I will press the motion to a vote.

Question put, That the clause be read a Second time:—

The Committee divided: Ayes 6, Noes 10.

Division No. 5]

AYES

Brown, Mr Russell	Phillipson, Bridget
Hamilton, Mr David	Seabeck, Alison
Jones, Mr Kevan	Woodcock, John

NOES

Brazier, Mr Julian	Harvey, Sir Nick
Colvile, Oliver	Hinds, Damian
Dunne, Mr Philip	Lancaster, Mark
Ellwood, Mr Tobias	Pawsey, Mark
Gilbert, Stephen	Wheeler, Heather

Question accordingly negatived.

New Clause 7

EMPLOYMENT OF MEMBERS OF RESERVE FORCES

'(1) Section 39 of the Equality Act 2010 shall apply to serving and former members of the reserve forces as if membership of such forces were a protected characteristic under section 4 of that Act.

(2) Members of the reserve forces are required to disclose their membership to potential employers upon application for employment.

(3) The Secretary of State shall within one year of this Act coming into force establish an employer engagement committee to act as an advisory body on the recruitment and retention of members of the reserve forces.

(4) The Secretary of State shall lay before Parliament an annual report of the Employer Engagement Committee detailing its activities and recommendations for the Government.'.—*(Mr Jones.)*

Brought up, and read the First time.

Question put, That the clause be read a Second time.

The Committee divided: Ayes 6, Noes 10.

Division No. 6]

AYES

Brown, Mr Russell	Phillipson, Bridget
Hamilton, Mr David	Seabeck, Alison
Jones, Mr Kevan	Woodcock, John

NOES

Brazier, Mr Julian	Dunne, Mr Philip
Colvile, Oliver	Ellwood, Mr Tobias
Gilbert, Stephen	Lancaster, Mark
Harvey, Sir Nick	Pawsey, Mark
Hinds, Damian	Wheeler, Heather

Question accordingly negatived.

4.30 pm

New Clause 8

MENTAL HEALTH PROVISION FOR MEMBERS OF THE RESERVE FORCES

'(1) The Secretary of State shall publish annually an analysis of mental health provision for members and former members of the reserve forces.

(2) The report shall include information on annual spend on such services.

(3) The Secretary of State shall within one year of this Act coming into force bring forward proposals clarifying provisions for the transfer of medical records belonging to former members of the reserve forces to the NHS and for the monitoring of the health needs of former members of the reserve forces.'.—*(Mr Jones.)*

Brought up, and read the First time.

Mr Jones: I beg to move, That the clause be read a Second time.

New clause 8 calls on the Secretary of State to publish an annual analysis of the mental health provision for members and former members of the Reserve forces, and also to report the annual amount spent on such services. Subsection (3) speaks for itself.

The mental health of both Regulars and Reservists has been the subject of great media debate and interest over the past few years, particularly since our involvement in Iraq and Afghanistan. When I was the Under-Secretary of State for Defence, I was quite pleased that we made a sea change in the way we dealt with service personnel. We made some proper advances in treatment and in recognition, in that people felt not only that they could report mental illness but that they could access treatment.

I must congratulate the Government on following through on some of those issues and building on the work done by the now Minister for international security strategy, the hon. Member for South West Wiltshire (Dr Murrison), who reported on mental health in the armed forces for the coalition Government in 2010. That built upon a lot of work. Mental health in the armed forces is not an issue on which there are any party political differences, and it must be addressed, although it is difficult on occasions. It is sometimes difficult to separate the facts from the headlines, which sometimes I am not sure are very helpful—certainly not those to do with post-traumatic stress disorder—in ensuring that individuals who suffer from mental illness and conditions such as PTSD get the treatment and support that they need.

A key issue outlined in the aforementioned 2010 report, and that I saw as well, is the interface between the MOD and the national health service. A lot of comparisons are made with how the Veterans Health Administration in the United States deals with mental illness issues. The suggestion is that somehow we should reinvent a similar system. I have never thought that that was the case and nor did the hon. Member for South

West Wiltshire in his report. We must ensure that the health services provided in service can address the issues that arise, but also that the NHS can.

The issue is particularly relevant to Reservists because, unlike Regulars, after they are deployed—we heard this morning about the key role many of them played in Afghanistan and Iraq—and then demobilised, they do not go back to their units for a period of retraining. They go back to the civilian world. That can lead to isolation, so it is important that the NHS and the MOD are able to track those individuals and ensure that they get the support that they need.

The debate around combat mental health has been controversial in the past few years, in that people have concentrated on PTSD. PTSD is a personal tragedy for each individual who suffers from it, and their families, and we need to ensure that they get a diagnosis and treatment. That is important, but it is also important to put it into perspective. The King's Centre for Military Health Research study is important in looking at what is happening. The incidence of PTSD among Regulars is less than 3%, but it is higher among Reservists. If anyone here has not read the study, I can tell them that it is worth reading. Anyone who has heard Professor Sir Simon Wessely speak on the subject will know that he deals with facts and the follow-through.

I have picked a snapshot of Professor Sir Simon's study—I understand that he has done another one—"The Long-Term Consequences of Military Deployment: A 5-Year Cohort Study of United Kingdom Reservists Deployed to Iraq in 2003". It is a great piece of work that looks at not only effects on Reservists, but the deployment of individuals to combat situations. It is good, in that it follows a cohort of 552 Reservists who were deployed to Iraq in 2003 and 391 who were not deployed, so there are two comparative groups, which is important in a clinical study. I have heard people criticise the work of King's and say that the figures are not correct, but that view cannot be justified because the papers are peer-reviewed before they are published. It is the most comprehensive study. The advantage of such work is that it is ongoing, and I hope we can look over a long time at the effects of combat on mental health.

The study, published in 2012, shows that there is a significantly elevated rate among Reservists of common mental disorders and PTSD. The debate around mental illness must not only be about PTSD. The 2012 study and others show that the incidence of other types of mental illness is greater than the incidence of PTSD, and that is also true for Regulars. PTSD is a nice handle for the press and others to get hold of, but I want to concentrate on other things as well. The study also highlights the fact that Reservists have considerably more difficulty with post-deployment social functioning, and that such post-deployment difficulties appear to be important not only to mental health, but in fitting back into the family and so on.

The hon. Member for Plymouth, Sutton and Devonport mentioned families this morning, and we should not forget them when talking about Reservists. In the Regulars, families are used to people going away on long deployments—I know they are in the Royal Navy—and that is part of life, but it is not part of life for Reservists. We ask, under Army 2020, for people to be deployed more regularly—not necessarily into conflict situations. We need to monitor the effects of deployment on not only the individuals' mental health, but their families. I hope the Minister can reassure us that the excellent work being done at King's will continue to be supported.

Oliver Colvile: One of the lessons I learnt during the summer is that in some families, stepchildren also find themselves being excluded. They have to deal with the step-parent who returns from duty as well. Perhaps that area needs to be looked at.

Does the hon. Gentleman agree that the Government might also consider putting a letter after the national insurance number or the national health service number of Reservists, so that people who have served in the Reserves can be easily identified?

Mr Jones: The hon. Gentleman's remarks remind me of a proposal of the previous Government that has not been followed through by this Government. One plan for doing what he suggests was through the identity card system. ID cards would have been issued to members of the Reserve forces and the Regular forces when they left, which would have identified them as veterans so that they could access benefits and other services that this Government have brought in under the armed forces covenant. Alas, as we know, those proposals were thrown on the bonfire in the early days of the coalition. I do not want to reopen the issue of ID cards, but they would have been one way of ensuring that people could be identified as veterans.

In April 2010, along with Mike O'Brien, who was then a Health Minister, I announced a proposed system for flagging up medical records and transferring them to the NHS. There is a possibility, not just for Reservists but for veterans in general, that without that sort of system in place, many people will present to GPs without their full medical history. I have raised the matter with the Minister for the Armed Forces, whom I think has come up against the same civil service gobbledegook that I came up against, which was about data protection. If I remember rightly, we got around that by saying that all we needed was to get a tick in a box when someone left to say the record could be transferred. That proposed system is important, not just for mental health issues but for injuries that develop only after people have left the armed forces. The Government need to follow through on that proposal.

The new clause focuses on transferring the medical records of Reservists because they are in a unique situation. It will be difficult for the NHS to develop services and make sure that it responds to Reservists' health needs without measures such as those in the new clause. As we have said throughout these proceedings, we are now asking for more commitment from Reservists and for a different type of commitment. We have made advances in the Regular Army, Navy and Air Force with regard to mental illness. More effort is needed for the Reserve forces.

The previous Government introduced the medical assessment centre at St Thomas's hospital. It was run by Dr Ian Palmer, who did some great work, and it was open to all veterans, including Reservists, to present there to get a medical diagnosis of their mental illness if they wished to. The Minister can correct me if I am wrong, but I understand that that centre ceased to exist in that form, but continues in some form at Chilwell.

[Mr Kevan Jones]

There was an open-door policy for the centre: anyone could ring up, get an appointment and go along, so that if people were reluctant to go to their GP—I know a lot of people are when it comes to mental illness—they could get a professional such as Dr Ian Palmer to assess them properly and ensure that they got the right treatment afterwards. If that arrangement has ceased we need to look at it again, as a lot of Reservists used it. He dealt with not only Reservists who have been deployed in recent conflicts, but a whole host of individuals going back to conflicts in the 1940s and 1950s. Without such a measure in place, the mental health of veterans and Reservists will not get the priority that this Government have put such store by. Certainly, it is something I am personally committed to. If we are calling up people more often, we need to have a system in place, and the only way we can do that is by having some reference to it in the Bill. That will avoid mental health becoming the poor relation of other forms of health care, which it is and has been in the NHS.

4.45 pm

Mr Dunne: I am grateful to the hon. Gentleman for giving us the opportunity to discuss the new clause. He has been a consistent champion of the issue, both during his time in office and subsequently. He spoke with great conviction on this sensitive subject, and I am grateful to him for that.

I am also grateful to the hon. Gentleman for his generous comments about the work of the Under-Secretary of State for Defence, my hon. Friend the Member for South West Wiltshire, in his review of mental health provision in the armed forces. The Government are absolutely committed to improving the mental health of serving and former members of the Regular and Reserve forces, and acknowledge the work that was done under the Labour Government, who had a similar commitment.

We have worked closely with the UK Department of Health, the NHS and third-sector organisations to implement the recommendations of the my hon. Friend's "Fighting Fit" report. Our work has been backed by £7.4 million of Government money. Defence is already open about the mental health of the armed forces population and the provisions we make to address issues. A great deal of information is already in the public domain, including the covenant annual report, which contains a chapter on health care, and official defence statistics, such as those relating to the veterans and Reserves mental health programme. Defence is engaged with and supports ongoing independent research programmes in the health arena, which are publicly available.

The hon. Gentleman also referred to the King's Centre for Military Health Research, which has undertaken a further phase of its longitudinal cohort study that includes Reservists.

I do not believe that any additional benefit would be derived from providing a further annual report on mental health provision for Reserve forces, but we are not complacent and continue to work in partnership with our stakeholders to monitor the provision of services.

The Ministry of Defence has established strategic partnerships with other Departments, devolved Administrations and charities through, for example, the Confederation of Service Charities executive steering group and the Combat Stress strategic partnership. Such forums provide the opportunity to identify shortfalls in health care, support provision to Reserves and veterans, and allow us to work towards potential solutions.

On the annual spend, which is referred to in subsection (2) of the new clause on the mental health provision for serving and former members of the Reserve forces, it would not be practicable to produce meaningful financial data. In part that is because it would be difficult to separate that cost from the cost of provision for Regulars. Moreover, much of the provision for serving and former Reservists is provided by NHS bodies at local level, and extracting that financial data for a subset of patients would be problematic and potentially burdensome.

On medical records, once demobilised, it is a long-established tradition that the medical care of Reservists becomes the responsibility of their own local NHS services and the majority of their physical and mental health needs are met by that provision. However, the MOD recognises that we have an expertise to offer in certain specific circumstances, and, as the hon. Gentleman mentioned, in November 2006 the Labour Government launched the Reserves mental health programme.

We are working closely with the Department of Health to ensure that the civilian GPs of Reservists have all the relevant information they require, when they require it. That can be done only in step with the NHS, and we will continue to work with it to improve the process. It also relies on the individual Reservist to engage with their civilian GP. We are actively encouraging them to do that, as part of our Future Force 2020 work.

As well as engaging with the Reservists, we have worked with the Department of Health to provide an electronic training package for GPs. That will help GPs become more familiar with the Reserve forces and the veterans community and allow them better to recognise and monitor the needs of their patients. In addition, current and former Reservists are entitled to attend the veterans and Reserves mental health programme, and can engage with any one of the 10 NHS veterans mental health teams that have been established across the country. Those services link back to the individual's GP and together help to monitor their health and mental health.

The RMHP element of the veterans and Reserves mental health programme is open to any current or former member of the UK volunteer and Regular Reserves who has been demobilised since 1 January 2003 following an overseas operational deployment as a Reservist and who believes that the deployment might have adversely affected their mental health. Under the RMHP, we liaise with the individual's GP and offer a mental health assessment. If the individual is diagnosed with a combat-related mental health condition, we offer out-patient treatment via one of the MOD's departments of community mental health. If more acute cases present, Defence Medical Services will assist access to NHS in-patient treatment for those suffering. I hope the hon. Gentleman appreciates that the work we are doing, which follows the work he did when he was in office, obviates the need for the new clause.

Mr Jones: It is important that we have this debate, because it highlights the specific issue of mental health services for veterans. The new clause was tabled to

ensure that we debated the issue and that we could not only hold the Government to account on following through what has been promised, but reassure those who want to join the Reserves that there are programmes in place, if they need to call on them, and that the Government see those programmes as a priority.

I hear what the Minister says about medical records, but a more proactive approach is needed for Reservists and Regulars. I would be happy to talk to him privately about how that could be done. People are at a disadvantage once they have left the armed forces if that full history is not in place. The more we can get the information out and connect the NHS and the service history, the better.

On future reports on the Reserves, I hope the Government see fit to include mental health in the reporting mechanism. We have talked about reports on recruitment numbers. It is important that we ensure that the key work done by King's and others is published and highlighted by the Government, so that if changes need to be made, either when someone is in service or when they return to their families, that support is in place.

Had we been sat here 10 years ago, the issue would not have been a high priority for many, either in the Government or in the armed forces. Change has taken place, not only with the recognition of the role we ask Reservists to perform in Afghanistan and Iraq, but more broadly in society's attitudes towards mental health. That change means that people can more openly discuss these issues.

Mr Dunne: I should like to reassure the hon. Gentleman that we are looking at revising and updating the welfare policy on the support for families of those service personnel who have had medical issues to ensure that support is available for all those who need it. That policy revision is due in the middle of next year.

Mr Jones: I thank the Minster for that. I have succeeded in what I wanted to achieve, which was to get the subject debated. We may return to it on Report to ensure that it gets another airing so that people are aware of its importance. I beg to ask leave to withdraw the clause.

Clause, by leave, withdrawn.

Alison Seabeck: On a point of order, Mr Owen. I want to put on the record my sincere thanks to you and to Mr Brady for the way you have chaired proceedings. We have not been particularly riotous, so I do not think your task has been altogether onerous, but there is certainly a knack to chairing a Committee and we have been fortunate to have two very good Chairs.

I thank the Minister for playing his part. He was patient, answered the questions and did not duck any issues, and the Opposition are grateful that he took time to answer our queries. I also thank the *Hansard* writers and the attendants and officials, particularly the Clerk. I might have gone slightly mad if she had not been there calmly to explain process and procedure and to offer advice on how to word amendments correctly. I am eternally grateful to the Clerk and to my long-suffering researcher, who deserves a medal. We look forward to consideration on Report.

Mr Dunne: Further to that point of order, Mr Owen. I want to echo those thanks. The hon. Lady spoke for us all, but I cannot resist saying the same thing. I thank you, Mr Owen, and Mr Brady, and I must make special mention of Mr Amess, who stood in one afternoon at a time when he had other things on his mind, which, unfortunately for him, did not come to fruition. You have all kept us to order very well and we have every prospect of finishing the sitting by the 5 o'clock deadline, which several colleagues were keen to meet. Colleagues have conducted themselves with great professionalism all round.

I also echo the hon. Lady and give thanks to the Clerk for keeping us in order and to the *Hansard* writers for, I hope, faithfully recording what we have said, even if some of us would wish that we had not said it. I thank the Doorkeepers for ensuring that the votes went the right way by keeping the doors closed at the right time. In particular, I thank my friends from the Ministry's own Public Bill team, who gave me sufficient inspiration to keep going as required throughout proceedings.

I particularly want to thank the hon. Lady. She was gracious enough to admit that she had relatively little research support from her own side. Indeed, not many colleagues were helping her out—with one notable exception—on some of the more detailed elements of parts 1 and 2. She handled herself extremely well, if I may say so, and it was, as always, a pleasure to see the hon. Member for North Durham in Committee. He led on part 3, on which he has considerable expertise. It is a shame that my hon. Friend the Member for Canterbury is not here for me to thank him in person, but we had the benefit of his expertise on that part of the Bill. Hon. Members from all parties brought to the Committee not only constituency interests, but detailed knowledge of aspects of defence, and I am grateful to them all for their contributions. I look forward to our debate on Third Reading.

The Chair: I am grateful to the Minister. He is right—we probably will finish by 5 o'clock. I want to add my special thanks to the Clerk and the Assistant Clerk. Their guidance has been invaluable to me and everyone in Committee. I thank Front Benchers and Back Benchers, and give special thanks to the Whips—Government and Opposition—and to *Hansard* for recording what has been said. I also thank Mr Amess, who, as the Minister rightly said, stood in at very short notice to help us out.

Bill, as amended, to be reported.

5 pm

Committee rose.

Written evidence reported to the House

DR 11 Vice-Chief of the Defence Staff, Air Chief Marshal Sir Stuart Peach