

# House of Commons Defence Committee

## **Future Army 2020**

### Ninth Report of Session 2013–14

### Volume I

Volume I: Report, together with formal minutes and oral evidence

Written evidence is contained in Volume II, available on the Committee website at www.parliament.uk/defcom

Ordered by the House of Commons to be printed 29 January 2014

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### The Defence Committee

The Defence Committee is appointed by the House of Commons to examine the expenditure, administration, and policy of the Ministry of Defence and its associated public bodies.

#### **Current membership**

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The following Members were also members of the Committee during this inquiry.

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#### **Publications**

The Reports and evidence of the Committee are published by The Stationery Office by Order of the House. All publications of the Committee (including press notices) are on the internet at www.parliament.uk/parliament.uk/defcom.

The Reports of the Committee, the formal minutes relating to that report, oral evidence taken and some or all written evidence are available in a printed volume. Additional written evidence may be published on the internet only.

#### Committee staff

The current staff of the Committee are James Rhys (Clerk), Dougle Wands (Second Clerk), Karen Jackson (Audit Adviser), Ian Thomson (Committee Specialist), Christine Randall (Senior Committee Assistant), Rowena Macdonald and Carolyn Bowes (Committee Assistants), and Sumati Sowamber (Committee Support Assistant).

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### Conclusions and recommendations

### Introduction

At the beginning of our Report, we wish to pay tribute to Army personnel, including those who have left the Services, for their bravery, dedication to duty and their contribution to the nation's security. This has been an uncertain and worrying time for the Armed Forces as they undergo major changes to their structure and role while continuing to undertake operations in Afghanistan and other parts of the world. We also recognise the valuable role that their families play in supporting them as they carry out their duties. (Paragraph 6)

### The Army 2020 plan

- 2. We are surprised that such a radical change to the Army's structure, reflecting a reduction of 12,000 personnel from that announced in SDSR 2010, was not discussed at the National Security Council (NSC). Even if the overall strategic vision had not changed, as the Government claims, the military ways and means of that strategy were considerably altered under Army 2020. We are firmly of the view that the NSC should have considered the Army 2020 plan. We recommend that the NSC should be involved in the evolution and development of Future Force 2020 in the run-up to the next SDSR in 2015. (Paragraph 15)
- We have received no definitive evidence of an active experimentation programme in 3. the development and implementation of Army 2020. Furthermore we note with concern that the Chief of the General Staff's update on the implementation of Army 2020, published in July 2013, provided no detail on experimentation. The MoD should set out in more detail, with specific examples, how the plans for Army 2020 were, and are, being tested and challenged. (Paragraph 26)
- We note that the Secretary of State for Defence accepts that Army 2020 was designed 4. to fit a financial envelope. We are concerned that this consideration took primacy over the country's abilities to respond to the threats, risks and uncertainties contained in the National Security Strategy. We were also concerned to hear that it was the Ministry of Defence's Permanent Secretary who told the Chief of the General Staff the future size of the Army under the Army 2020 plan. We call on the MoD to explain the apparent lack of consultation and involvement of the Chief of the General Staff in the decision-making process that has affected his Service so fundamentally. (Paragraph 32)
- 5. In its response to this Report, we recommend that the MoD provide us with an assessment of how the Army 2020 plans will affect the "Fighting Power" of the Army providing comparable assessments of both current fighting power and projected fighting power following the completion of the Army 2020 plans. (Paragraph 34)
- We agree with the Chief of the General Staff's assessment that the security threats 6. that the UK will face in future are uncertain. We remain to be convinced that the Army 2020 plan represents a fully thought-through and tested concept which will

allow the Army to counter emerging and uncertain threats and develop a contingent capability to deal with unforeseen circumstances. The MoD needs to justify how the conclusion was reached that the Army 2020 plan of 82,000 Regulars and 30,000 Reserves represented the best way of countering these threats. We ask the MoD to clarify if the proposals were fully considered by the Defence Board before the decision was made. (Paragraph 41)

- 7. We repeat our previous recommendation that the Government should further develop a concept of "critical mass" for the Armed Forces. We note that this is a concept not only used by the Army General Staff, but also one that the new Chief of the Defence Staff used in a recent speech. The development of a concept of "critical mass" for the Armed Forces, coupled with an assessment of the Army 2020 plan against the MoD's "Fighting Power" doctrine, would enable a much better informed understanding of whether Army 2020 will enable the Army to fulfil its obligations and how it will contribute to Future Force 2020. (Paragraph 42)
- We note the acknowledgement by senior Army officers that the continuing 8. operation in Afghanistan and the current high level of change in the Army will compromise its ability to respond to unexpected events to some degree. We also note that one of the drivers for the Army 2020 plan was the recognition that the Army could not match in resource-terms the five Multi-Role Brigade enduring operation envisaged in the Defence Planning Assumptions. In an ever changing world, with uncertain and ever changing threats, and continuing uncertainty about the resources available, we are concerned that the Defence Planning Assumptions are adequate to ensure the UK's national security. In its response to our Report, the MoD should explain what account was taken of the possibility of changes to the Defence Planning Assumptions during the development of Army 2020 and how it has ensured that there is sufficient flexibility in the plan and resources available to meet any such changes. The MoD must ensure that this is taken into account as part of the work on the 2015 SDSR and that contingency plans are in place to deal urgently with this eventuality. (Paragraph 48)
- 9. Despite the current lack of public appetite, we consider it to be a question of when, not if, UK Armed Forces will have to undertake an expeditionary operation in the future. In this context, it is essential that the Army maintains its ability to undertake such operations at short notice. Any loss of such capability would have serious implications for the UK's national security. Given that, on most occasions, these operations will be carried out in cooperation with the UK's Allies, in its response to this Report we call on the Government to set out the current status of the UK-France Combined Joint Expeditionary Force. We also call on the MoD to provide us with an update on progress on the development of the new UK Joint Expeditionary Force (JEF), including how it will train and operate and the extent to which appropriate multi-national partners have proved willing to participate in JEF planning and activity. (Paragraph 52)
- 10. The smaller Army envisaged under Army 2020 needs to be innovative in the ways it works with the other Services. We call on the MoD to set out in its response to our Report how Army 2020 will improve this joint working and how it has tested, or intends to test, the proposals. We also note Lieutenant General Bradshaw's evidence

regarding the Army's greater integrated activity with other Government Departments and call on the Government to set out details of this in its response to our Report. (Paragraph 54)

### **Implementation of Army 2020**

- It is disappointing that there was a year's gap between the announcements of the Army 2020 plan and the outcome of the Reserves consultation and the Reserves basing plan. This raised the potential for a lack of coordination and hampered communications regarding the plans for the Regular and Reserve Forces. Even though the generation of Reserve Forces is complex, the number of Reservists required for Army 2020 and the challenge to recruit them was well known. We consider that the intervening time between announcements could have been utilised in making progress in recruiting the required number of Reservists. (Paragraph 59)
- We note, but remain to be convinced by, the Secretary of State's explanation as to why the reduction in the Regular Army should not be dependent on the recruitment of the necessary number of Reservists. The financially driven reduction in the number of Regulars has the potential to leave the Army short of personnel in key supporting capabilities until sufficient Reserves are recruited and trained. In its response to this Report, we call on the MoD to set out in detail its planning assumptions for the transition, over the next five years, to a new Army structure including specific examples of the different types of capability which will fall within the domain of the Reserves and Regulars in future. This would assist with gaining support for the Army 2020 plan among the Regular Army, the wider Armed Forces, Parliament and the public. The Government must also set out its contingency plans for the rapid recruitment of Regular Army personnel should there be a need for the rapid expansion of UK Armed Forces. (Paragraph 63)
- 13. While a level of 30,000 trained Reservists in the Army might not appear a large number based on historic levels, the current recruitment drive takes place against a backdrop of falling recruitment levels over several years. We note the scepticism of some of our witnesses that it will be possible to recruit the required number of Reservists in the timescale envisaged. The urgent challenge for the MoD is to ensure that it now employs effective measures and sufficient incentives to recruit and maintain 30,000 trained Reservists by 2018. Otherwise there is a danger of a gap emerging in the Army's required capabilities and real fighting power. In its response to this Report, we also call on the MoD to outline the different approaches it envisages if the data shows that the plan is not on course to be delivered. (Paragraph 69)
- We welcome the Secretary of State for Defence's commitment to publish, through the Defence Analytical Services Agency, data on the trained strength and recruitment levels of Reservists. We also welcome the recruitment targets that the Secretary of State has published. We look forward to seeing the additional data that the National Statistician has agreed to publish. This information is vital to reassure all interested parties, the Army itself, Parliament and the public, that the plan is on schedule. We hope that each of these data sets will develop over time to include performance against targets and such information as gender, age and place of recruitment. We will

- continue to monitor this data to assess whether it provides sufficient information. It is important that Parliament is provided with regular updates on progress towards recruitment targets. (Paragraph 72)
- 15. Despite the assurances we received from the Army commanders and Capita executives responsible for the Army recruitment process, we remain concerned that the targets for recruiting both Regular and Reserve soldiers may not be met. We are not convinced that the MoD's contract with Capita was properly and thoroughly considered before its implementation. For example, we were given no evidence that any trialling of it had taken place. There would appear to have been a serious breakdown in the supervision of the contract process, for which no one has been held accountable. (Paragraph 78)
- We are concerned at the IT problems encountered at this early stage in the recruitment campaign. We call on the MoD and Capita to take urgent steps to rectify these problems and the MoD should give a detailed account of the measures taken, including detailing the number of servicemen and women diverted from their normal duties in order to sustain the recruiting effort, in its response to our Report. (Paragraph 79)
- We note the difficulties encountered by the Army in obtaining the medical data of 17. potential Reservists due to their failure to comply with data protection regulations. Although this difficulty has at last been resolved, the Army and the MoD should have foreseen this problem and must learn lessons for the future. (Paragraph 80)
- We commend the MoD for employing a range of media to attract and recruit both Regulars and Reserves but it is no help when the technology does not work or applications are lost in the system. Lessons need to be learned from the initial failure of the contract with Capita, and the respective accountabilities and responsibilities of both the contractor and the Army clearly established. (Paragraph 81)
- 19. We welcome the measures in the Reserves White Paper and the related clauses in the Defence Reform Bill. We particularly welcome the Secretary of State for Defence's agreement during the passage of the Bill to the principle of making it a statutory requirement for the Reserve Forces and Cadet Association to report annually on the state of the Reserves. We will continue to pay close attention to progress on this and look forward to receiving more details on how this will be implemented and what the report will cover. (Paragraph 94)
- 20. We recognise the support many employers have given to the Reserve Forces over many years. We commend the Government's intention to give greater recognition, building on the current SaBRE scheme and the new Corporate Covenant, to leading supportive employers of Reservists and look forward to receiving more information on this proposal. We recommend that as part of the recognition scheme the Government should publish additional information about supportive employers, building on the information already published by SaBRE on its website, highlighting good practice, and providing examples of the ways individual employers support Reservists. (Paragraph 95)

- It is too early to say whether the measures in the White Paper and the Defence 21. Reform Bill will prove sufficient and be effective in encouraging the recruitment of Reservists and ensuring the support of businesses of all sizes to achieve Army 2020. We welcome the Secretary of State for Defence's commitment to review these measures if recruitment falls behind target. In response to this Report, the MoD should set out how it will assess the effectiveness of the measures and the timescale for making a decision on whether further action and incentives are necessary. (Paragraph 96)
- We welcome the Government's intention that in future Reservists, where 22. appropriate, will be able to undertake the same tasks as Regulars. However we note the concerns expressed by some employers regarding the potential for negative effects on their businesses arising from the increased use of Reservists. The MoD should continue to engage with the business community to address employers' concerns as failure to do so will impact on the Army's ability to generate and sustain the necessary capabilities. The MoD should include in its reports to Parliament on Reserves recruitment details of how many are employed by SMEs (small and medium enterprises employing under 250 employees) and any difficulties encountered in recruiting from this sector. (Paragraph 103)
- 23. We note the Army's intention to deploy formed units and sub-units of Reserves. We ask the MoD to provide greater detail on how this will be implemented, particularly given the differing timescales for the reduction in Regular strength and the increase in the size of the Reserves, and how it will ensure that these changes deliver the required level of capability. (Paragraph 108)
- **24.** We welcome the increase in the number of training days for Reservists as this is vital to their greater integration with Regulars. In its response to this Report, we call on the MoD to set out what further practical measures will be implemented to enable Regulars and Reservists to train together. We are concerned that this should not involve closing well-recruited units, or those with a large number of potential new recruits to the Reserves, to match Regular basing and welcome the Secretary of State's commitment in the House of Commons on 14 January 2014 to be flexible on the closure of such units. (Paragraph 109)
- 25. The role of specialist Reserves is invaluable to the Army and the UK's Armed Forces as a whole: we welcome the commitment to them in the Reserves White Paper. We welcome the establishment of the Joint Cyber Reserve which is of particular interest to us given our previous inquiry work on Defence and cyber-security. The potential recruits, with the required skills, may not be those who would usually consider a career in the Armed Forces. This represents both a challenge and an opportunity for the MoD which will require a flexible approach if they are to be integrated effectively. We ask the MoD to report to the Committee in six months on progress on the establishment and the recruitment of the Joint Cyber Reserve. (Paragraph 112)
- We support the Government's intention to recruit more ex-Regulars into the volunteer Army Reserve as part of the recruitment of 30,000 trained Reservists under the Army 2020 plan. We note the £5,000 commitment bonus, payable over four years, offered by the Army to Service leavers and ex-Regulars to incentivise their

- transfer to the volunteer Army Reserve. We call on the Government to review effectiveness of its efforts and the measures introduced to attract more ex-Regulars into the volunteer Army Reserve in six months and to share its findings with us. We also note the Army's work on the Regular Reserve and call for an update on this work in the Government's response to our Report. (Paragraph 116)
- We support the Army 2020 plan for an enhanced role for the Army in civil 27. engagement. Although there is great admiration and respect for UK Armed Forces, we recognise that there is currently a disconnect between the Armed Forces and public understanding of the operations they have been asked to undertake. This must be addressed. We call on the Government to take steps to ensure that the Armed Forces, particularly Reservists, play a more active role in public engagement. In response to our Report, we recommend that the Government outline the communication strategy and practical steps it will implement to take forward its plans for public engagement. (Paragraph 119)
- 28. We welcome the £1.8bn additional investment in the Reserves, but call upon the Government to provide us with a breakdown of how it plans to spend this money. We note the concerns expressed as to whether this funding will be sufficient to achieve the desired outcomes for the Reserves Forces. We note that Reservists are cheaper to employ so long as they are not called up. This will only prove to be a cost saving so long as future governments are not required to undertake operations. This will need to be closely monitored. It would be unacceptable if the UK decided not to take part in any action because of the cost of deploying Reservists. We recommend that the Government set out in detail how it will assess and report on the cost effectiveness of, and the value for money achieved by, its plans and how these outcomes will be independently examined and verified. We would welcome the involvement of the National Audit Office in this evaluation. (Paragraph 125)
- We note the evidence we have received on the recruitment age for the Armed Forces. We commented on this in our Report on the education of Armed Forces personnel and in response the Government agreed that the Armed Forces would undertake a cost benefit analysis of the recruitment of under-18s. We note that the Army is undertaking this analysis on a tri-service basis and that the work is continuing. However, we are disappointed by the lack of clarity regarding the study's terms of reference and the slow progress with the study. We call on the Government to provide us with the terms of reference for the study and an estimation of when it will be completed. We expect the Army and MoD's cost benefit analysis to be thorough and robust and call on the Government to set out how it might be independently scrutinised and verified. This would ensure confidence in the outcomes of the analysis. We also call on the Government to respond in detail to the argument that the Army could phase out the recruitment of minors without detriment to the Army 2020 plans. (Paragraph 130)
- **30.** The plans resulting from the basing review and the return from Germany are intricate and interdependent and affect all three Services. The MoD must ensure this process is managed appropriately so that it does not unravel. We call on the MoD to keep us informed on its negotiations regarding training opportunities in Germany, Canada and Kenya, and how the historically close working relations with the

- German authorities are going to be maintained during the drawdown period. (Paragraph 137)
- 31. We are concerned that the Army 2020 plan would unravel in the face of any further MoD budget reductions or further reductions in Army personnel. It is essential that the MoD's budget settlement allows for the delivery of Army 2020. If this is not the case, it must be accepted that the Army will be capable of doing less than envisaged under Army 2020 and the UK's vision of its place in the world and the Defence Planning Assumptions will have to be revised accordingly. We are also concerned about the Army's capability to expand its numbers rapidly, both Regulars and Reserves, should a national emergency require it to do so. Any plans for the structure of the Armed Forces must be flexible enough to adapt to rapidly changing circumstances. For the reasons already set out in this Report we have little confidence in the Government's capacity to rapidly expand Army numbers should the need arise. The Government must set out its contingency plan for doing so. (Paragraph 142)

### Conclusion

- 32. Army 2020 represents a radical vision for the future role and structure of the British Army. It departs significantly from the announcements made in SDSR 2010 and we have considerable doubts about how the plan was developed and tested, and whether it will meet the needs of the UK's national security. The evidence presented to date has been far from convincing. Our principal concerns are twofold:
  - First, the MoD has failed to communicate the rationale and strategy behind the plan to the Army, the wider Armed Forces, Parliament or the public.
  - Second, we remain concerned that the financially driven reduction in the numbers of Regulars has the potential to leave the Army short of personnel particularly in key supporting capabilities until sufficient additional Reserves are recruited and trained. (Paragraph 143)
- 33. The Government has said Army 2020 has to work and that there is no Plan B. The Government owe it to the Army to ensure it does work, but, crucially, if the situation changes, then the Government must be prepared to respond decisively by providing additional resources in order to guarantee the nation's security. Although we have concerns about the Army 2020 plan, we recognise that it also provides opportunities, for example in addressing the role of Reservists and developing the public defence engagement role of UK Armed Forces which will help to resolve the current disconnect between the Armed Forces and the public. (Paragraph 144)
- While we welcome the Government's commitment to publish more data on the 34. Reserves and to put into statute a requirement on the Reserves Forces and Cadets Association to produce an annual report on the state of the Reserve Forces, we believe the Government should go further and give a commitment to provide regular updates to Parliament on progress on all aspects of the Army 2020 plan. Oral and written statements while helpful are not sufficient; a detailed annual report on the Army's Fighting Power should be laid before Parliament setting out progress and

setbacks in implementing the Army 2020 plan. The first of these reports should be laid before Parliament in January 2015 to allow consideration and debate before the 2015 General Election and to inform the 2015 SDSR. (Paragraph 145)

### 1 Introduction

### **Background**

1. The 2010 Strategic Defence and Security Review (SDSR) set out the Government's initial plans for the Army element of Future Force 2020—the planned size, shape and structure of UK Armed Forces by 2020—including a proposed force structure, a reduction in Regular personnel and changes to the Army's equipment. However, the SDSR was just the start of the development of the Government's future plans and vision for the Army.<sup>2</sup> The MoD undertook further work on the structure of the Army, including the future role and use of Reservists, a redundancy programme for Regular Army personnel and a Regular and Reserves basing review. The main Army 2020 decisions were announced in July 2012 and were immediately controversial.<sup>3</sup> Further announcements, including those on the role and greater use of Reserve Forces and Regular and Reserve basing decisions were made in 2013.4

### **Timeline**

2. A timeline of the announcements on, and development of, Army 2020 is set out below:

Date	Announcements
19 October 2010	Strategic Defence and Security Review published
18 July 2011	Report of the Independent Commission to Review the Future of the United Kingdom's Reserve Forces, <i>Future Reserves 2020</i> , published.  Rt Hon Liam Fox MP, then Secretary of State for Defence, announced the outcome of the MoD internal three-month exercise which included a further reduction in the size of the regular Army and some initial basing decisions.
1 September 2011	920 personnel notified of their selection for redundancy in tranche 1
February 2012	Latest date for applicants in redundancy tranche 1 to leave <sup>5</sup>
12 June 2012	2,880 personnel notified of their selection for redundancy in tranche
5 July 2012	Army 2020 announcement
September 2012	Those selected for compulsory redundancy in tranche 1 to leave <sup>6</sup>

<sup>&</sup>lt;sup>1</sup> HM Government, Securing Britain in an Age of Uncertainty: The Strategic Defence and Security Review, Cm 7948, October 2010, pp 19-20 and pp 24-25

<sup>&</sup>lt;sup>2</sup> Ibid, pp 27-28 and pp 32-33

<sup>&</sup>lt;sup>3</sup> HC Deb, 5 July 2012, cols 1085-1110; see also British Army, Modernising to face an unpredictable future: Transforming the British Army, July 2012

<sup>&</sup>lt;sup>4</sup> Regular Army Basing Plan: HC Deb, 5 March 2013, cols 845-848; Role of Reserves and Reserves basing: HC Deb, 3 July 2013, cols 922-925, HC Deb, 3 July 2013, cols 49-53WS and HC Deb, 4 July 2013, cols 61-62WS, see also Ministry of Defence, Reserves in the Future Force 2020: Valuable and Valued, Cm 8655 July 2013

<sup>&</sup>lt;sup>5</sup> Applicants for redundancy would serve up to six months notice and non-applicants facing compulsory redundancy, 12 months

<sup>6</sup> Ibid

Date	Announcements
November 2012	Future Reserves 2020 consultation published
11 December 2012	Latest date for applicants in tranche 2 to leave
22 January 2013	Redundancy tranche 3 announced
5 March 2013	Outcome of Regular Army basing review announced (including decisions on the locations of forces withdrawing from Germany)
June 2013	Latest date for those selected for compulsory redundancy in tranche 2 to leave
18 June 2013	4,550 individuals notified of their selection for redundancy in tranche
July 2013	Reserves in the Future Force 2020 White Paper and Reserves basing plan published
	Defence Reform Bill introduced in House of Commons
	Transforming the British Army: an update published which incorporated the Reserves announcements which had not been included in the original publication in July 2012
17 December 2013	Latest date for applicants in redundancy tranche 3 to leave
23 January 2014	Redundancy tranche 4 announced with up to 1,422 Army personnel expected to be affected
12 June 2014	Army personnel to be notified of their selection for redundancy in tranche 4
June 2014	Latest date for those selected for compulsory redundancy in tranche 3 to leave
December 2014	Latest date for applicants in redundancy tranche 4 to leave
June 2015	Latest date for those selected for compulsory redundancy in tranche 4 to leave

### **Our inquiry**

- 3. In December 2012, we held a preliminary evidence session with General Sir Peter Wall, Chief of the General Staff, about the Army 2020 plan. In March 2013, the Government announced the outcome of its Regular Army basing review. On 25 April 2013, we announced an inquiry into the rationale behind the plans, the resources required and the achievability of Army 2020. We were particularly interested in:
  - The strategic rationale for Army 2020, the Army's future role and how these had been translated into the proposed structures;
  - How Army 2020 would be implemented, including how the process would be managed and how progress would be measured and costs calculated;
  - The possible impact of future National Security Strategies, Strategic Defence and Security Reviews and Comprehensive Spending Reviews;

- The key challenges in achieving Army 2020, including the outcomes of the Regular Army basing review, the withdrawal of UK Armed Forces from Germany and the role of Reserves:
- Command arrangements for Army 2020; and
- Personnel challenges, including recruitment, retention, and training (including combined training for Regular and Reserve Forces).
- 4. At the beginning of our inquiry we decided not to examine decisions on individual regiments and units or specific basing decisions. We had already questioned the Secretary of State for Defence and the then Chief of the Defence Staff on the criteria, and figures, used for the Regular Army decisions in Army 2020 when we took evidence from them in July 2012 and we have published this evidence.<sup>7</sup> Although these are matters which provoke strong feelings, we wanted our inquiry to focus more strategically on the Government's plans for the future of the Army and their implementation.
- 5. We held four evidence sessions in which we took evidence from the Secretary of State for Defence, the Chief of the General Staff, senior Army officers responsible for implementing Army 2020 and independent external commentators. We received 13 pieces of written evidence. We are grateful to all our witnesses for the evidence they have provided and to those who submitted written evidence. As part of our inquiry, we also visited the Army Recruiting and Training Division at Upavon in Wiltshire where we met the Army Recruiting Group and representatives of Capita, the private contractor managing the Army's recruitment process. We wish to thank all those who facilitated this useful visit. During the course of our inquiry, the Army Rumour Service hosted a web forum to enable us to hear the views of interested parties on the Army 2020 plan which we used to inform our questioning of witnesses. The forum received 494 comments from 171 contributors. We are grateful to the Army Rumour Service for hosting this forum for us and to all those who contributed. We are also grateful to our Specialist Advisers8 and our staff.
- 6. At the beginning of our Report, we wish to pay tribute to Army personnel, including those who have left the Services, for their bravery, dedication to duty and their contribution to the nation's security. This has been an uncertain and worrying time for the Armed Forces as they undergo major changes to their structure and role while continuing to undertake operations in Afghanistan and other parts of the world. We also recognise the valuable role that their families play in supporting them as they carry out their duties.

<sup>&</sup>lt;sup>7</sup> Defence Committee, The work of the Ministry of Defence and the Armed Forces, Oral and written evidence, 12 July 2012, HC 525-i, Qq 24-26 and Ev 15-16 and Ev 22-24

<sup>&</sup>lt;sup>8</sup> The Committee's Specialist Advisers are: Rear Admiral (retired) Chris Snow, Major General (retired) Mungo Melvin, Air Marshal (retired) Philip Sturley, Professor Michael Clarke, Dr John Louth, Mr Paul Beaver and Mr Chris Donnelly. Their declarations of interests can be found in the Committee's Formal Minutes which are available on the Committee's website.

### 2 The Army 2020 plan

### SDSR to Army 2020

7. The 2010 SDSR set out the Government's plans for Future Force 2020 which envisaged major changes to the structure and composition of each of the Services, including reductions in personnel and equipment. The Army component of Future Force 2020 would comprise:

light, specialist forces for short-duration interventions; sufficient multi-role forces to provide flexibility for larger or more complex intervention operations or to undertake enduring stabilisation operations; a contribution to our standing commitments including defending the South Atlantic Overseas Territories and UK tasks such as bomb disposal; and the ability to command UK and coalition forces at up to theatre level.9

8. The Army would be structured around five Multi-Role Brigades (MRB) plus 16 Air Assault Brigade and the Army component of 3 Commando Brigade: one MRB to be kept at high-readiness, available for an intervention operation, and four in support to provide the ability to sustain an enduring operation.<sup>10</sup> Each brigade would include reconnaissance forces, tanks and armoured infantry.11 The SDSR also announced a reduction of 7,000 Army personnel to leave a Regular Force strength of 94,000 by 2015. 12 However the SDSR also acknowledged that further work was required.<sup>13</sup> The MoD was committed to further development of its plans, most notably through an internal three-month exercise in 2011 which was intended to ensure that the Department matched its assumptions with its spending settlement.<sup>14</sup> The SDSR set out plans for a basing review, including the return of UK Armed Forces from Germany by 2020,15 and a six-month study into the future role and structure of UK Reserve Forces by an Independent Commission (the Future Reserves 2020: Independent Commission to review the United Kingdom's Reserve Forces). 16 The Commission was led by the then Vice Chief of Defence Staff, General Sir Nicholas Houghton, who was supported by Julian Brazier MP and Lieutenant General (retired) Sir Graeme Lamb. In a statement in the House of Commons on 18 July 2011, Rt Hon Liam Fox MP, then Secretary of State for Defence, announced the outcome of the MoD's three-

<sup>&</sup>lt;sup>9</sup> HM Government, Securing Britain in an Age of Uncertainty: The Strategic Defence and Security Review, Cm 7948, October 2010, p 24; The theatre level is sometimes referred to as the operational level. The operational level of warfare is the level at which campaigns are planned, conducted and sustained, to accomplish strategic objectives and synchronise action, within theatres or areas of operation. (Ministry of Defence, Joint Doctrine Publication 0-01 Fourth Edition, British Defence Doctrine, November 2011, para 218)

<sup>&</sup>lt;sup>10</sup> HM Government, Securing Britain in an Age of Uncertainty: The Strategic Defence and Security Review, Cm 7948, pp 24-25

<sup>11</sup> Ibid, p 24

<sup>&</sup>lt;sup>12</sup> Ibid, p 32

<sup>&</sup>lt;sup>13</sup> Ibid, p 32

<sup>&</sup>lt;sup>14</sup> Defence Committee, Sixth Report of Session 2010-12, The Strategic Defence and Security Review and the National Security Strategy, HC 761, paras 182-183

<sup>&</sup>lt;sup>15</sup> HM Government, Securing Britain in an Age of Uncertainty: The Strategic Defence and Security Review, Cm 7948, October 2010, pp 32-33

<sup>16</sup> Ibid, p 27

month review which included further reductions in Regular Army personnel. He told the House of Commons:

By 2020, if the Territorial Army develops in the way we intend, we envisage a total force of around 120,000, with a Regular to Reserve ratio of around 70:30. This will be more in line with comparable countries such as the United States, Canada and Australia.17

9. The MoD later clarified that the vision of an integrated Army would comprise "a trained strength of 82,000 Regulars and at least 30,000 Reserves, with a training margin of 8,00018 Reserves". 19 This equated to a further reduction in the Regular Army of 12,000 personnel. The Army expects to reach these targets by 2018.<sup>20</sup> At the same time as the July 2011 announcements, the Government-commissioned independent review of the Reserves was published, concluding that "the wider picture is one of relative neglect and decline".21 It argued for better integration of the Reserves into a 'Whole Force Concept' and made the case for an increase in the trained Army Reserve to 30,000 with an additional 8,000 personnel in training to sustain this number.<sup>22</sup> The Commission's report also noted that the overall size of the Reserve component had been steadily reducing citing the example of the Territorial Army which it said had a strength of "76,000 in 1990, yet some estimates put its trained and active strength as low as 14,000 today". 23 The report also noted that the percentage of reservists in the overall Force structure was low compared with international comparisons such as those of the US, Canada and Australia. Each of these had an Army with a 40-50% Reserve component compared to 20% in the UK Territorial Army.<sup>24</sup>

10. On 5 July 2012, the Secretary of State for Defence, made a statement to the House confirming plans for the Army to be based on the numbers of Regular and Reservist personnel set out in July 2011.<sup>25</sup> He also published the proposed force structure for the Army,<sup>26</sup> and announced that a consultation would be held in Autumn 2012 on the future of the Reserve Forces and their role in the UK Armed Forces.<sup>27</sup> During the course of our inquiry the Government has made further announcements. On 5 March 2013, the MoD announced the outcome of its Regular Army basing review.<sup>28</sup> This included further details of the arrangements for the withdrawal of UK Armed Forces from Germany. The MoD

<sup>&</sup>lt;sup>17</sup> HC Deb, 18 July 2011, col 644

<sup>&</sup>lt;sup>18</sup> The 8,000 would be additional personnel in training to sustain the overall number of 30,000 trained Reservists.

<sup>19</sup> HC Deb, 19 January 2012, col 939W

<sup>&</sup>lt;sup>20</sup> The MoD expects to reach its target for 30,000 trained Reservists by 2018, see British Army, Modernising to face an unpredictable future: Transforming the British Army, July 2012, p 9. The reduction in Regular Army personnel to 82,000 is expected to be completed by mid-2015 with the restructuring of the Regular component by 2016, Q 67, Q 125 and O 271

<sup>&</sup>lt;sup>21</sup> The Independent Commission to Review the United Kingdom's Reserve Forces, Future Reserves 2020, July 2011, p 4

<sup>&</sup>lt;sup>22</sup> Ibid, p 29

<sup>&</sup>lt;sup>23</sup> Ibid, p 12

<sup>&</sup>lt;sup>24</sup> Ibid, p 21

<sup>&</sup>lt;sup>25</sup> HC Deb, 5 July 2012, cols 1085-1088

<sup>&</sup>lt;sup>26</sup> British Army, Modernising to face an unpredictable future: Transforming the British Army, July 2012, pp 4-6

<sup>&</sup>lt;sup>27</sup> Ministry of Defence, Future Reserves 2020: Delivering the Nation's Security Together: a Consultation Paper, Cm 8475, November 2012

<sup>&</sup>lt;sup>28</sup> HC Deb, 5 March 2013, cols 845-848

published a White Paper in July 2013 setting out plans for the Reserve Forces and measures to encourage recruitment to them.<sup>29</sup> In addition to the White Paper, the Army also published Transforming Army 2020: an update which included more details of the Reserve element of Army 2020.<sup>30</sup> At the same time, the Government also published the basing plan for Reserve Forces.31

### Redundancy scheme

11. Since the 2010 SDSR, an Armed Forces redundancy scheme has been taking place. So far there have been three tranches: tranches 1 and 2 were across all Services but tranche 3 applied only to the Army. Around 3,800 Army personnel were made redundant in tranches 1 and 2, and approximately 4,500 personnel are being made redundant in tranche 3.32 A fourth tranche was announce on 23 January 2014 where it is envisaged 1,422 Army personnel will be made redundant.<sup>33</sup> Applicants for redundancy would serve up to six months notice and non-applicants facing compulsory redundancy, 12 months.<sup>34</sup> The July 2013 Army 2020 update stated that the majority of Army personnel selected for redundancy had been applicants.<sup>35</sup>

### Strategic rationale of Army 2020

12. The MoD told us that "the strategic rationale for Army 2020 was derived from the SDSR and the associated National Security Strategy which laid out what the Army would be required to deliver in terms of types, frequency and concurrency of tasking" and that "the funding envelope was set by the Ministry of Defence as a result of the so-called threemonth exercise".36 The result announced in July 2011 was that the future Army would consist of around 82,000 Regular personnel and around 30,000 trained Reservists—an integrated Army of around 112,000. In this context, General Sir Peter Wall, Chief of the General Staff, instigated a study in July 2011, led by Lieutenant General Nick Carter, "into the future structure and role of the Army in the context of the strategic imperatives for the Army to change".37 The MoD told us that these included:

- an end to the assumption that the Army would be permanently engaged on an enduring stabilisation operation (i.e. Afghanistan);
- a move from the Army's current structure and capabilities optimised for Afghanistan to a more adaptable posture to meet likely future threats;

<sup>&</sup>lt;sup>29</sup> Ministry of Defence, Reserves in the Future Force 2020: Valuable and Valued, Cm 8655 July 2013

<sup>&</sup>lt;sup>30</sup> British Army, Transforming the British Army: an update, July 2013

<sup>&</sup>lt;sup>31</sup> HC Deb, 3 July 2013, cols 922-925, HC Deb, 3 July 2013, cols 49-53WS and HC Deb, 4 July 2013 cols 61-62WS

<sup>32</sup> Ev w5 [Note: references to Ev wXX are references to the written evidence received by the Committee which is published on the Committee's websitel

<sup>&</sup>lt;sup>33</sup> HC Deb, 23 January 2014, cols 461-463

<sup>34</sup> Ministry of Defence Announcement, Royal Navy and Army release redundancy scheme details, 4 November 2011

<sup>35</sup> British Army, Transforming the British Army: an update, July 2013, p 18

<sup>36</sup> Ev w3

<sup>&</sup>lt;sup>37</sup> Ev w3

- an Army equally able to react to an enduring stabilisation operation and engaging with partner nations overseas to develop military capability to address causes of instability;
- changing the nature of the Reserves to ensure routine use as part of an integrated
- an almost completely UK-based Army to engage civil society in a new manner; and
- ensuring cost and efficiency remain a driver in the force design and optimisation of capability.38

### Role of the National Security Council

13. Given the significance and radical nature of the Army 2020 plans, we note with concern the February 2013 Report of the Joint Committee on the National Security Strategy which said:

[...] major strategic policy changes appear to have been made by individual Government Departments without discussion at the NSC. Most notably, the big decisions made by the Ministry of Defence last year—the policy shifts set out in Future Reserves 2020 and Army 2020, in particular—do not appear to have been steered by the NSC; nor have we seen any evidence that the NSC has considered the implications of those decisions for wider security strategy.<sup>39</sup>

14. In its response to the JCNSS's concerns, the Government said:

The NSC guided, discussed and endorsed the 2010 National Security Strategy (NSS) and SDSR. In so doing, the NSC set the UK's overarching strategy and directed individual government departments to implement their respective elements within an agreed resource envelope. The Future Reserves and Army 2020 initiatives were developed in accordance with this direction, in order to transform and deliver effective Armed Forces able to meet the UK's future security and defence needs.

Departments have a range of mechanisms available for consulting across government, including the NSC. In adjusting the Regular-Reserve balance and in determining the future scale and range of tasks for the Reserve Forces, the Government was broadly guided by an Independent Commission. The Future Reserves 2020 consultative Green Paper, published in November 2012, recognised the Commission's findings and also considered the wider implications of this initiative. The Green Paper was endorsed by the NSC. Army 2020 did not change the strategic direction agreed by the NSC in the SDSR.40

<sup>&</sup>lt;sup>38</sup> Ev w3

<sup>&</sup>lt;sup>39</sup> Joint Committee on the National Security Strategy, Second Report of Session 2012-13, The work of the Joint Committee on the National Security Strategy in 2012, HL 115, HC 984, para 11

<sup>&</sup>lt;sup>40</sup> Joint Committee on the National Security Strategy, First Special Report of Session 2013-14, The work of the Joint Committee on the National Security Strategy in 2012: Government response to the Committee's Second Report of Session 2012-13, HL 58, HC 179, pp 2-3

15. We are surprised that such a radical change to the Army's structure, reflecting a reduction of 12,000 personnel from that announced in SDSR 2010, was not discussed at the National Security Council (NSC). Even if the overall strategic vision had not changed, as the Government claims, the military ways and means of that strategy were considerably altered under Army 2020. We are firmly of the view that the NSC should have considered the Army 2020 plan. We recommend that the NSC should be involved in the evolution and development of Future Force 2020 in the run-up to the next SDSR in 2015.

### Army 2020 structure

16. The July 2012 Army 2020 publication stated that to meet the increasingly uncertain future security challenges, beyond the current operation in Afghanistan, identified in the SDSR required a "generational change in its vision, structure, composition and capability to ensure that it can meet the challenges of 2020 and beyond". 41 The MoD told us that the Army 2020 study redefined the core purposes of the Army and determined that it should be capable of providing:

- Contingent capability for deterrence and defence;
- Defence engagement and overseas capacity building; and
- UK engagement and the military contribution to homeland resilience.<sup>42</sup>
- 17. The components of the Army 2020 structure would be:
  - A Reaction Force (RF): that will be a higher readiness force undertaking short notice contingency tasks and providing the Army's conventional deterrence for Defence.43 It will be trained and equipped to undertake the full spectrum of intervention tasks and will provide the initial basis for any future enduring operation.
  - An Adaptable Force (AF) comprising a pool of Regular and Reserve forces that will consist of 7 infantry brigades and a logistics brigade. This will be used for a wide range of tasks, including providing headquarters and units for enduring operations, acting as the primary source of capability for Defence Engagement at home and overseas,44 as well as meeting standing tasks in the UK and abroad (e.g. Cyprus, Falkland Islands, Brunei and Public Duties).

<sup>&</sup>lt;sup>41</sup> British Army, Modernising to face an unpredictable future: Transforming the British Army, July 2012, p 2

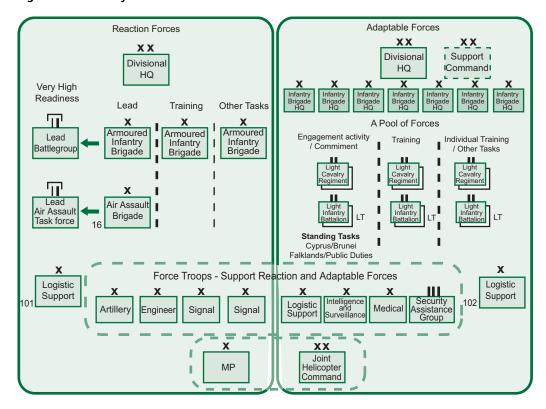
<sup>&</sup>lt;sup>42</sup> Ev w3

<sup>&</sup>lt;sup>43</sup> The Reaction Force will be designed to deploy rapidly to respond to events anywhere in the world and is designed to deter adversaries from acting against UK interests.

<sup>&</sup>lt;sup>44</sup> Overseas defence engagement is the use of defence assets and activities short of combat operations building to achieve influence. In the UK it is the Armed Forces' contribution to homeland resilience, for example supporting civilian emergency organisations in times of crisis.

Force Troops<sup>45</sup> will brigade Combat Support, Combat Service Support and Command Support in 'functional' formations, under a 2\* [Major General] HQ, to maximise efficiency and sustainability.<sup>46</sup>

Figure 1: The Army 2020 Structure



Source: British Army, Modernising to face an unpredictable future: Transforming the British Army, July 2012, p 4

Under Army 2020, General Sir Peter Wall, Chief of the General Staff, also envisaged an increased number of, and role for, contractors<sup>47</sup> (Sponsored Reserves).<sup>48</sup>

18. Although Army 2020 moved away from the five Multi-Role Brigade model announced in the SDSR, General Wall told us that the Army 2020 structure could "still deliver the five-MRB [Multi-Role Brigade] model from a mixture of the reaction and adaptable force". 49 He added:

If you took MRBs, being Multi-Role Brigades, as they were known in the early days of SDSR, each of the three armoured infantry brigades in the reaction force can provide a Multi-Role Brigade. They might do that by using their existing equipment or by drawing on special equipment, such as that which comes back from

<sup>&</sup>lt;sup>45</sup> Force Troop Brigades would provide a broad range of Regular and Reserve capabilities. These would include engineer, artillery and medical support from a centralised pool as well as a coordination and control function for key tasks such as overseas capacity building.

<sup>&</sup>lt;sup>46</sup> Ev w3

<sup>&</sup>lt;sup>47</sup> Q 321

<sup>&</sup>lt;sup>48</sup> Members of a civilian workforce who are required to join the volunteer or ex-Regular Reserves as a condition of a contract, which their civilian employer has entered into with the MoD to provide a capability under normal conditions as well as on operations. (Ministry of Defence, Reserves in the Future Force 2020: Valuable and Valued, Cm 8655 July 2013, p 66)

Afghanistan. In the adaptable force, you have three lightish brigades—smaller in size and lighter in style—that can be given notice and formed into the fourth and fifth Multi-Role Brigades, which allows you to have the harmony cycle that we were talking about earlier. Now, that is dependent on getting the right equipment and capability mix, but it is how you would meet that requirement. We should recognise in this conversation that, although we are charged with providing the capability of an enduring brigade over time, it is thought to be a less likely thing for us to be engaging with in the future than perhaps it was in the last decade. But, given the training resource and the warning, that is what we can do.<sup>50</sup>

19. As well as setting out the proposed new structure for the Army, the plan announced there would be 17 fewer major units in the Army with a reduction of 23 units from the Order of Battle<sup>51</sup> in total by disbanding and merging several units. It also included an illustrative geographical basing blueprint for the Army which would see the Reaction Force centred on the Salisbury Plain training Area and the Adaptable Force Brigades, and those Force Troop brigades headquarters with regional responsibilities, being centred close to principal population centres across the UK.<sup>52</sup> A final basing laydown would be determined by an ongoing review.

20. During his statement on Army 2020, the Secretary of State for Defence told the House that it was intended to publish a consultation paper in Autumn 2012 setting out proposals to change the relationship between Defence, employers and Reservists to ensure that the full integration of Reserves could be achieved.<sup>53</sup> In addition he announced the establishment of an independent scrutiny team (now known as the Future Reserves 2020 External Scrutiny Group) to assess progress in reforming the Reserves, led by retired Lieutenant General Robin Brims, Chairman of the Council of Reserve Forces' and Cadets' Associations, which would make its first report in the summer of 2013.<sup>54</sup>

### Army 2020 plans

21. The Army 2020 announcements caused some controversy, not just in respect of the decisions on specific units and regiments, but also on the wider strategic questions such as:

- what the drivers behind the plans were;
- how they had been developed and tested;
- how the changes to the Army's size and structure would ensure that it could undertake the roles envisaged for it; and
- what the revised role envisaged for Reservists was.

We sought to explore these areas with our witnesses during our inquiry.

<sup>&</sup>lt;sup>50</sup> Q 34

<sup>&</sup>lt;sup>51</sup> The Order of Battle refers to the structure of units within the Army.

<sup>&</sup>lt;sup>52</sup> British Army, Modernising to face an unpredictable future: Transforming the British Army, July 2012, pp 10-11

<sup>&</sup>lt;sup>53</sup> HC Deb, 5 July 2012 col 1092 and HC Deb, 5 July 2012, cols 65-67WS

<sup>&</sup>lt;sup>54</sup> HC Deb 5 July 2013 col 1086

22. Some commentators stated that the plans for Army 2020 were the most radical changes to the Army since conscription ended in 1962.55 The Army 2020 document itself described the Army 2020 construct as representing "a fundamental and imaginative break from the way in which the British Army is currently structured" and the "change [was] as significant as any seen over the last fifty years".56 General Wall, Chief of the General Staff did not dispute that the plans were radical. He told us:

I think it is radical, yes. The circumstances in which the plan was hatched were certainly novel by the standards of recent decades, and it called for an opportunity for a significant rethink, which we were afforded the time to do by the Department, for which I am very grateful. So I think it is radical.<sup>57</sup>

### Testing and experimentation of Army 2020

23. In its written evidence the MoD set out how the Army 2020 plans had been developed:

In undertaking the Army 2020 study, academics and historians were consulted, and comparisons were made with the US, Australia and Canada. Recent operational experience was also considered, as well as the work of those areas of the MoD who look at how those lessons might apply in the future where they are likely to be relevant for future operations.<sup>58</sup>

24. Major General Kevin Abraham, Director General Army Reform, outlined to us various activities that the Army and MoD used to test plans such as Army 2020. These included the MoD's strategic force development programme which "tests and runs evaluations against a range of scenarios and situations in different parts of the world, and draws conclusions from that".59 Alongside the MoD's programme, the Army's Agile Warrior programme, which aims to provide an evidence base, drawn from lessons, research and experiments, upon which to base decisions on the future development of land forces, "had looked at a number of different sets of circumstances and tactical scenarios, different forms of threat, adversary, enemy and so on". 60 Major General Abraham said that "our conclusion was, essentially, absolutely that of the SDSR, which, as you well know, sets an adaptable posture as our strategic framework for defence and security".61 He confirmed that this was an ongoing process:

Both the Ministry of Defence's and the Army's own force development processes are continuous. We do not seek to make major adjustments every six months or every year, but we continually review what we are postulating in the design of a force against what we learn or derive both from that sort of activity and of course lessons

<sup>55</sup> For example, see article by Brigadier (retired) Ben Barry, Army 2020: fighting for the future: The most radical army shakeup since the end of national service has the potential to transform our capability, The Guardian, 5 July 2012. Witnesses to our inquiry also thought the plan was radical; for example see Q 199 and Q 223.

<sup>&</sup>lt;sup>56</sup> British Army, Modernising to face an unpredictable future: Transforming the British Army, July 2012, p 4

<sup>57</sup> Q 1

<sup>&</sup>lt;sup>58</sup> Ev w4

<sup>&</sup>lt;sup>59</sup> O 103

<sup>60</sup> Q 103

<sup>&</sup>lt;sup>61</sup> Q 103

from operations, and lessons from operations that other nations have taken part in but perhaps we have not.62

Major General Cullen, Assistant Chief of the General Staff, added:

Indeed, even with our own plan, and accepting that the parameters within which it was designed have not necessarily changed today, we are constantly testing and evaluating. The design that we have made will inevitably with that process need to be fine-tuned and adjusted. So that is a very real and live process that is ongoing.<sup>63</sup>

25. However, this confidence in the testing of the Army 2020 plans was not shared by Air Vice-Marshal (retired) Paul Luker, Secretary, Future Reserves 2020 External Scrutiny Group,64 who said that the plans had not been "fully and properly tested, other than on paper".65 He told us that although the Future Reserves 2020 Independent Commission's proposition looked entirely achievable on paper "there are elements within it that still need to be tested more thoroughly than they currently are".66 He was concerned that implementation of the plan, although at an early stage, was happening quickly and although the Future Reserves 2020 Independent Commission had advocated a phased implementation "those phases have been blurred into a single entity".67 Air Vice-Marshal Luker highlighted recruiting as an area which showed that there were "elements [...] that are not fully tested and urgently need addressing".68

26. We have received no definitive evidence of an active experimentation programme in the development and implementation of Army 2020. Furthermore we note with concern that the Chief of the General Staff's update on the implementation of Army 2020, published in July 2013, provided no detail on experimentation. The MoD should set out in more detail, with specific examples, how the plans for Army 2020 were, and are, being tested and challenged.

### Army 2020: financial drivers

27. In our 2011 Report on the Strategic Defence and Security Review (SDSR) and the National Security Strategy (NSS), we noted "that reduction of the budget deficit [was] the Government's strategic priority" and that not to reduce the deficit "would have implications for maintaining the nation's security". 69 Although we did not discuss in that Report the measures used to reduce the deficit we had concerns about the effect on the defence budget.

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62 Q 104
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<sup>63</sup> Q 104

<sup>&</sup>lt;sup>64</sup> Air Vice-Marshal Luker is also Chief Executive of the Council of Reserve Forces' and Cadets' Associations.

<sup>65</sup> Q 227

<sup>66</sup> Q 227

<sup>&</sup>lt;sup>67</sup> Q 227

<sup>&</sup>lt;sup>68</sup> Q 227

<sup>&</sup>lt;sup>69</sup> Defence Committee, Sixth Report of Session 2010-12, The Strategic Defence and Security Review and the National Security Strategy, HC 761, para 54

28. General Sir Peter Wall, Chief of the General Staff, was candid in his description of the driving force behind the Army 2020 plan:

I remember the genesis very clearly. It was a financially driven plan. We had to design a new structure that included the run-down of the 102,000 Regular Army to 82,000, which is pretty well advanced now, to follow a funding line that was driven by the austerity with which everybody is very familiar [...] It triggered the complete redesign of the Army.<sup>70</sup>

29. Given General Wall's acknowledgement that the plan was financially driven, we asked him who made the decisions on the size of the Army contained in Army 2020. He replied:

I was told the size of the Regular Army by the Permanent Secretary. The size of the Reserve came out of the findings of the Houghton [Independent Reserves] commission.71

30. General Wall stated that he had not been "thrilled to bits" and that he "thought it was going to be a bit of a challenge to galvanise the Army into getting on with the job of shrinking and rebuilding". 72 He also confirmed to us that he did not make any representations to the then Secretary of State for Defence to ask him to review the decision.<sup>73</sup> General Wall outlined to us the process the Army followed to implement this decision:

We were allowed to take a reasonably long-term, systematic view of how to interpret the National Security Strategy and pull together the two components—the Regular and the Reserve—into what we decided should be an integrated structure. We did that in the context of the three distinct roles for the Army that came out of the National Security Strategy: a contingent capability to deliver conventional deterrence and defence; the defence engagement proposition with upstream capacity building and building bilateral relationships with regional partners; and UK resilience operations in the homeland.

What I am really saying is that after a bit of a shock, we were afforded the time to do a really thorough and systematic job, taking account of a lot of campaign lessons from Afghanistan, and experimentation and modelling, and with DSTL support to ensure that what we were doing was consistent with defence planning assumptions. What we put to the Secretary of State the following June, for announcement in July, was the product of a year's work. It was not, as tended to be the case in the previous couple of years, a series of three or four-month exercises conducted in haste.<sup>74</sup>

31. The Secretary of State for Defence accepted that Army 2020 was designed to fit a financial envelope:

<sup>70</sup> O 271

<sup>&</sup>lt;sup>71</sup> Q 282

<sup>72</sup> O 289

<sup>73</sup> Q 291

<sup>&</sup>lt;sup>74</sup> Q 290

We have available to us a fixed envelope of resources, and making the decision to proceed with the draw-down of Regular force numbers to the target of about 82,000 and to build the Reserve over a period of five years allows us to take the dividend from the reduced size of the Regular force and invest in the recruitment, training and equipment provision of the Reserve forces.<sup>75</sup>

32. We note that the Secretary of State for Defence accepts that Army 2020 was designed to fit a financial envelope. We are concerned that this consideration took primacy over the country's abilities to respond to the threats, risks and uncertainties contained in the National Security Strategy. We were also concerned to hear that it was the Ministry of Defence's Permanent Secretary who told the Chief of the General Staff the future size of the Army under the Army 2020 plan. We call on the MoD to explain the apparent lack of consultation and involvement of the Chief of the General Staff in the decision-making process that has affected his Service so fundamentally.

### "Fighting Power"

33. In our 2014 Report, Towards the next Defence and Security Review: Part One, to which the Government's response is awaited, we noted that what had been missing from the debate so far on Army 2020 was discussion of the impact of the plans on the Army's level of "fighting power".76 The MoD defines fighting power as "the Armed Forces' ability to fight" comprising a conceptual component (the thought process), a moral component (the ability to get people to fight) and a physical component (the means to fight)". 77 Our Report concluded that:

The concept of fighting power provides a useful framework for analysis of the operational effectiveness of the Armed Forces. The 2010 Strategic Defence and Security Review (SDSR) pledged that it would not entail a "strategic shrinkage" for the UK. We ask the Ministry of Defence to provide us with an assessment of the fighting power of the armed forces both prior to the SDSR 2010 and now, and to outline in the Defence and Security Review 2015, the impact of any changes on that fighting power.<sup>78</sup>

34. In its response to this Report, we recommend that the MoD provide us with an assessment of how the Army 2020 plans will affect the "Fighting Power" of the Army providing comparable assessments of both current fighting power and projected fighting power following the completion of the Army 2020 plans.

### "Critical mass" of the Army

35. Our 2011 Report on the SDSR and the NSS recommended that the MoD should develop further the concept of a "critical mass" (that is the minimum threshold of

<sup>75</sup> O 270

<sup>&</sup>lt;sup>76</sup> Defence Committee, Seventh Report of Session 2013-14, Towards the next Defence and Security Review: Part One, HC 197, para 31

<sup>&</sup>lt;sup>77</sup> Ministry of Defence, Joint Doctrine Publication 0-01 British Defence Doctrine, 4th Edition, November 2011

<sup>78</sup> Defence Committee, Seventh Report of Session 2013-14, Towards the next Defence and Security Review: Part One, HC 197, para 33

operational effectiveness) for the Armed Forces and establish a clearer measurable statement of what constitutes "critical mass" to allow verification and monitoring by Parliament.<sup>79</sup> In its response to our Report the Government stated that it did not agree "that developing the concept of "critical mass" for our Armed Forces would be valuable". However the Government did concede that:

as the Regular Armed Forces and the Department grow smaller in the next few years, we will need to understand better the full base [all those factors that contribute to military capability, for example Regulars and Reservists, MoD civilians, contractors] on which military capability depends, both within and outside Defence.80

36. Although the MoD had not accepted the value of developing a concept of "critical mass" for the Armed Forces, during our inquiry we explored whether Army 2020 represented the "critical mass" of the Army or was simply the most that could be afforded. We asked General Sir Peter Wall, Chief of the General Staff, whether the UK could still deal with the security challenges that it faced or whether the Army had been reduced too much for it to be able to do so:

That is a difficult question to answer because we do not know what sort of risks are going to present themselves and we don't know what stance the Government will take, but it has been made very clear in the strategic space that we really value our partnerships. We see ourselves doing very few operations independently. We would be working as part of a coalition. It has been stated clearly that that is very likely to be with close allies that we have been working with for the past few decades, but we also sit firmly with emphasis in the NATO envelope and so on.

There is also a clear acceptance that there are ways in which we can mitigate threats by other forms of investment, such as international development and upstream capacity building in the military space. They are funded separately, but play in the same dimension of trying to nip threats in the bud, stop potential failing states going that way and so on. If you look across the whole waterfront of upstream activity, the forces we can bring to bear and the way in which we can produce quite a resilient force for a protracted period, given notice, I think that we ought to be capable of dealing with these issues, as long as they are in the sort of envelope that has been envisaged from the SDSR.81

37. Professor Theo Farrell, Head of the Department of War Studies, Kings College London, thought it was clear that in most future scenarios the UK was likely to encounter, deployment of military force alone would not be the solution.<sup>82</sup> In his view Army 2020 was a clever design in that although the plan had a focus on defence engagement activities, such

 $<sup>^{79}</sup>$  Our Report added that this should include not just the roles and structures of Regular and Reserve Forces but should be expanded to encompass enablers such as DSTL, industry, academia, the scientific and research community and the development of the defence knowledge base especially amongst the military and civil servants (Defence Committee, Sixth Report of Session 2010-12, The Strategic Defence and Security Review and the National Security Strategy, HC 761, para 173).

<sup>80</sup> Defence Committee, Ninth Special Report of Session 2010-12, The Strategic Defence and Security Review and the National Security Strategy: Government Response to the Committee's Sixth Report of Session 2010-12, HC 1639, pp

<sup>81</sup> O 8

<sup>&</sup>lt;sup>82</sup> Q 213

as peacekeeping and capacity building, it also maintained the capability to intervene to defend UK interests or deployed UK Armed Forces.83 He added:

That seems entirely logical. Otherwise, the only other solution is: deploy forces for defence engagement, such as peacekeeping, and if the situation goes pear-shaped, you have to pull them out as fast as you can, because you cannot defend them—or you have to call on the Americans or somebody else to do it.84

38. However, Brigadier (retired) Ben Barry told us that "the Government decided to do less by having less and spending less".85 He cited events since the SDSR, such as the war in Libya, the Arab upheavals and the conflict in Syria, as demonstrating that "the risk that a very turbulent and rapidly changing world could pose to UK national security has gone up since 2010, rather than gone down".86 He concluded that:

Although the Strategic Defence [and] Security Review is very opaque about the DPA [Defence Planning Assumptions] in terms of readiness, my understanding is that readiness has been reduced, so we have fewer forces able to react very quickly, whereas world events suggest to me that we actually need forces that can react more quickly than before the SDSR, rather than less.87

39. Major General David Cullen told us that the Chief of the General Staff thought that the Army was at "critical mass for the circumstances and the tasks that have been set and proposed [for the Army] as of today". However, he added that if those circumstances or parameters changed, or the risks altered "then that critical mass can go up and down, dependent on the requirement".88

40. General Sir Nicholas Houghton, the new Chief of the Defence Staff, said in his December 2013 speech at the Royal United Services Institute:

Indeed, the one bit of Defence's future funding that has political commitment to real growth is the equipment programme. But the dawning reality is that, even if we maintain the non-equipment budget in real terms, rising manpower costs raise the prospect of further manpower and activity cuts. Unattended our current course leads to a strategically incoherent force structure: exquisite equipment, but insufficient resources to man that equipment or train on it. [...] We are not there yet; but across Defence I would identify the Royal Navy as being perilously close to its critical mass in man-power terms.89

41. We agree with the Chief of the General Staff's assessment that the security threats that the UK will face in future are uncertain. We remain to be convinced that the Army

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83 Q 214
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<sup>84</sup> Q 214

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<sup>87</sup> Q 213

<sup>88</sup> Q 105

<sup>89 2013</sup> Annual Chief of the Defence Staff Lecture at the Royal United Services Institute. Available at: http://www.rusi.org/events/past/ref:E5284A3D06EFFD/

2020 plan represents a fully thought-through and tested concept which will allow the Army to counter emerging and uncertain threats and develop a contingent capability to deal with unforeseen circumstances. The MoD needs to justify how the conclusion was reached that the Army 2020 plan of 82,000 Regulars and 30,000 Reserves represented the best way of countering these threats. We ask the MoD to clarify if the proposals were fully considered by the Defence Board before the decision was made.

42. We repeat our previous recommendation that the Government should further develop a concept of "critical mass" for the Armed Forces. We note that this is a concept not only used by the Army General Staff, but also one that the new Chief of the Defence Staff used in a recent speech. The development of a concept of "critical mass" for the Armed Forces, coupled with an assessment of the Army 2020 plan against the MoD's "Fighting Power" doctrine, would enable a much better informed understanding of whether Army 2020 will enable the Army to fulfil its obligations and how it will contribute to Future Force 2020.

### **Defence Planning Assumptions**

43. The 2010 SDSR set out Defence Planning Assumptions (DPAs) for the Armed Forces: to be able to conduct "an enduring stabilisation operation" of "up to 6,500 personnel", "one non-enduring complex intervention" of "up to 2,000 personnel", and "one non-enduring simple intervention" of "up to 1,000 personnel" at the same time.<sup>90</sup>

44. We were concerned to establish whether Army 2020 enabled the Army to meet the current Defence Planning Assumptions. While Lieutenant General Sir Adrian Bradshaw, Commander Land Forces, confirmed to us that the Army was confident that under Army 2020 it would be able to meet these assumptions, he did acknowledge that the Army was in a period of flux. He told us:

We are finishing very demanding operations in Afghanistan, and my focus and my first priority is correctly to resource those operations while they are still ongoing. We are going through a huge programme of change, which involves bringing a fifth of the Army back from Germany, reducing the size of the Army by a fifth, reorganising formations into new constructs and rebasing, so clearly our ability to respond to contingencies during all of that is to some degree compromised. However, we are confident that we will get back onto a contingency footing against the requirements laid on us by Defence.91

45. Major General Cullen added that this highlighted "the challenges that were placed on [the Army] post the SDSR, where [...] the Army solution to the enduring operation part of the defence planning assumptions was the ability to put five MRB [Multi-Role Brigade]type brigades into the field that could roll on a six and 24-month cycle to maintain that operation". He told us following the SDSR and the MoD internal three-month review, the Army was not able to match that in resource terms. This was one of the drivers for the Army 2020 plan in "seeking to be more adaptable and agile in meeting [the enduring

<sup>90</sup> HM Government, Securing Britain in an Age of Uncertainty: The Strategic Defence and Security Review, Cm 7948, October 2010, p 19

<sup>&</sup>lt;sup>91</sup> Q 119

operation part of the defence planning assumptions]." He thought the Army 2020 construct of the reaction force provided the first three of those [MRB] capabilities while the adaptable force gave the range of capabilities that the Army would need to work to and adjust at readiness, at notice, to fill the fourth and fifth roles.92

46. In our Report, Towards the next Defence and Security Review: Part One, we concluded that the imminent end of operations in Afghanistan provided an opportunity for the Government to think more strategically about the UK's place in the world in shaping the 2015 National Security Strategy and the 2015 Defence and Security Review.<sup>93</sup> The articulation of the UK's place in the world should also inform development of the Defence Planning Assumptions in the 2015 SDSR and identification of the appropriate level of resources to meet these assumptions.

47. Given the large scale changes that the Army is undertaking, we were concerned about the possible impact of any alteration to the defence planning assumptions by the 2015 SDSR. Lieutenant General Bradshaw confirmed that if the assumptions were revised upwards "the Army 2020 plan would not meet those new assumptions, and we would require an extension of capability to meet those new assumptions". 94 Major General Cullen pointed out that "of course, the opposite is true. If you change those assumptions downwards, you would revisit assumptions made across defence in the defence review equally".95

48. We note the acknowledgement by senior Army officers that the continuing operation in Afghanistan and the current high level of change in the Army will compromise its ability to respond to unexpected events to some degree. We also note that one of the drivers for the Army 2020 plan was the recognition that the Army could not match in resource-terms the five Multi-Role Brigade enduring operation envisaged in the Defence Planning Assumptions. In an ever changing world, with uncertain and ever changing threats, and continuing uncertainty about the resources available, we are concerned that the Defence Planning Assumptions are adequate to ensure the UK's national security. In its response to our Report, the MoD should explain what account was taken of the possibility of changes to the Defence Planning Assumptions during the development of Army 2020 and how it has ensured that there is sufficient flexibility in the plan and resources available to meet any such changes. The MoD must ensure that this is taken into account as part of the work on the 2015 SDSR and that contingency plans are in place to deal urgently with this eventuality.

### **Expeditionary warfare**

49. An essential requirement for the UK's military force has been the ability to undertake expeditionary operations, such as those in Iraq and Afghanistan. The Secretary of State for Defence recently acknowledged that there was currently no public appetite for

<sup>92</sup> O 119

<sup>93</sup> Defence Committee, Seventh Report of Session 2013-14, Towards the next Defence and Security Review: Part One, HC 197. para 32

<sup>94</sup> O 120

<sup>95</sup> Q 120

expeditionary operations such as that in Afghanistan, but noted that events can change public opinion in an instant.<sup>96</sup> The Army 2020 plan envisages the maintenance of this expeditionary capability:

The change in emphasis to a more adaptable and flexible Army, capable of undertaking a broader range of military tasks has required a significant change to the current structure of the Army which has most recently been optimized for enduring operations in Afghanistan. The need to maintain an Army which is structured and trained for an enduring operation is shifting to that of one held at graduated readiness for use in extremis on contingent operations,<sup>97</sup> but persistently engaged at home with UK society [for example homeland resilience] and especially overseas, to deliver the full spectrum of upstream (conflict prevention) and downstream (postconflict) engagement.98

50. In the July 2013 Army 2020 update, Lieutenant General Jacko Page, Commander Force Development and Training said:

Training for more contingent operations will require a different mindset and approach. The uncertainty of contingency will require us to re-master the skills of self-generated and delivered training. We will train as we intend to fight, as a fully integrated force prepared to operate in austere and challenging environments. The result will be a tough expeditionary Army, prepared for complexity, acting lawfully, and comfortable taking risk to exploit opportunities.99

51. The MoD acknowledged in the SDSR that the UK is likely to undertake expeditionary operations, with few exceptions, in collaboration with allies.<sup>100</sup> This was illustrated by the Government's plans to develop the UK-France Combined Joint Expeditionary Force, established under the 2010 UK-France Defence Co-operation Treaty, which is planned as an early entry force capable of facing multiple threats up to the highest intensity, and available for bilateral, NATO, European Union, United Nations or other operations. 101 A 5-year exercise framework has been put in place to achieve full operating capability in 2016. Alongside this, the former Chief of the Defence Staff also announced the concept of a UK Joint Expeditionary Force, 102 which would be a tri-Service force of undefined size which would be tailored as necessary for its mission with appropriate Headquarters support. The UK's Allies might, and are being actively encouraged, to contribute to the Joint Expeditionary Force.

<sup>96</sup> Defence Committee, Seventh Report of Session 2013-14, Towards the next Defence and Security Review: Part One, HC 197, Qq 156-160

<sup>&</sup>lt;sup>97</sup> The Reserves White Paper defines Contingent Operations as potential military operations in which members of the Armed Forces are, or may become, involved in military actions, operations, or hostilities against an opposing force (Ministry of Defence, Reserves in the Future Force 2020: Valuable and Valued, Cm 8655 July 2013, page 79).

<sup>98</sup> British Army, Modernising to face an unpredictable future: Transforming the British Army, July 2012, p 3

<sup>99</sup> British Army, Transforming the British Army: an update, July 2013, p 16

<sup>100</sup> HM Government, Securing Britain in an Age of Uncertainty: The Strategic Defence and Security Review, Cm 7948, October 2010, p. 17 (principles), p 20 (dependency) and p 59 (alliances and partnerships)

<sup>101</sup> Prime Minister's Office Announcement, UK-France declaration on security and defence, 17 February 2012

<sup>102 2012</sup> Annual Chief of the Defence Staff Lecture at the Royal United Services Institute. Available at: http://www.rusi.org/events/past/ref:E5097A2CAA2229/

52. Despite the current lack of public appetite, we consider it to be a question of when, not if, UK Armed Forces will have to undertake an expeditionary operation in the future. In this context, it is essential that the Army maintains its ability to undertake such operations at short notice. Any loss of such capability would have serious implications for the UK's national security. Given that, on most occasions, these operations will be carried out in cooperation with the UK's Allies, in its response to this Report we call on the Government to set out the current status of the UK-France Combined Joint Expeditionary Force. We also call on the MoD to provide us with an update on progress on the development of the new UK Joint Expeditionary Force (JEF), including how it will train and operate and the extent to which appropriate multinational partners have proved willing to participate in JEF planning and activity.

### Joint working with the other Services

53. The debate on Army 2020 has focused mostly on the role of Reservists, the reduction in Regular personnel and the loss of units and regiments. However, an important element to be considered is how Army 2020 would affect joint working with the other Services. Lieutenant General Bradshaw told us that the plans had elements that would make both joint activity and work with coalition partners easier. He added:

Firstly, the divisional headquarters will have an improved plug-in point for air representation, so we expect air-land integration to work more effectively. [...] I would say also that, as an Army, we are on a path towards not only more joint activity—actually we are already there: Afghanistan and Iraq over the last decade has thoroughly got us into that space—but more integrated activity with other Government Departments and Ministries. That is the requirement where we need to make more ground. Clearly, it is a cross-governmental activity. 103

54. The smaller Army envisaged under Army 2020 needs to be innovative in the ways it works with the other Services. We call on the MoD to set out in its response to our Report how Army 2020 will improve this joint working and how it has tested, or intends to test, the proposals. We also note Lieutenant General Bradshaw's evidence regarding the Army's greater integrated activity with other Government Departments and call on the Government to set out details of this in its response to our Report.

### 3 Implementation of Army 2020

55. The Army 2020 plan envisaged that the changes to the Regular Army structure would be in place by 2015.104 At the time of publication of the Army 2020 plan, Rt Hon Philip Hammond MP, Secretary of State for Defence, pledged an additional £1.8 billion in spending on the Reserves over the next ten years and announced an ambitious plan to grow the trained strength of the Reserves to 30,000 by 2018. However there was still work to be undertaken to implement the Army 2020 plan and further announcements to be made, particularly on the role, use and recruitment of Reservists and both the Regular and Reserve basing plans (see paragraph 2 (timeline of announcements) and paragraphs 7–10).

56. The MoD published its proposals for the Reserve Forces, Reserves in the Future Force 2020: Valuable and Valued, in July 2013.<sup>106</sup> Its central theme was the new relationship Defence would seek to build with Reservists and their families, employers and society. Specifically, the MoD is seeking to make serving as, and employing, a Reservist more appealing, challenging and financially rewarding. At the same time as publication of the White Paper, the MoD announced its Reserve basing plan, 107 the Regular Army basing plan having been announced in March 2013.<sup>108</sup>

### **Recruitment of Reserves**

57. Given that the Reservists element, particularly recruitment of the required numbers, of Army 2020 has been the biggest area of contention on the Army 2020 plan, we explored whether the delays between the announcements on Regulars and Reserves, had impacted on the implementation of the plan. In July 2013, Major General David Cullen, Assistant Chief of the General Staff, told us that there were two reasons for the delays between the announcements:

The first and most fundamental was that, following the production of the Future Reserve 2020 proposition, which was done separately, the Secretary of State agreed that there was a need for consultation and the production of the Green Paper to map a journey; that was inevitably going to take a certain amount of time longer than the Regular component's proposition, which was easier in many ways to come to, not least because the manner of the generation of our Reserves over time is complex, so the detail required was very much greater to go through. All of which came together, as you well understand, with the White Paper announcement on the Reserves last week.109

58. In July 2013, we asked Lieutenant General Bradshaw, Commander Land Forces, what progress had been made on the recruitment of Reservists since the announcement of Army

<sup>104</sup> O 200, O271 and Ev w4

<sup>&</sup>lt;sup>105</sup> Ministry of Defence Announcement, Future Reserve Forces 2020, 5 July 2012

<sup>&</sup>lt;sup>106</sup> Ministry of Defence, Reserves in the Future Force 2020: Valuable and Valued, Cm 8655 July 2013

<sup>&</sup>lt;sup>107</sup> HC Deb, 3 July 2013, cols 49-53WS

<sup>108</sup> HC Deb, 5 March 2013, cols 845-848

<sup>&</sup>lt;sup>109</sup> Q 97

2020. He pointed out that the announcements on Reserves, including measures to encourage Reservist recruitment, had only just been made and that the recruitment campaign was in its early stages:

The announcement has only just happened [July 2013], so we are only just embarking on the process of energising that recruiting effort. We are not in a position to map out exactly what the progress will be like. My own expectation is that recruiting figures will start to lift more gently in the early days and as people see the reality of the new integrated army, they will find the Reserves a more attractive proposition and numbers will grow. I would expect something of a curve. 110

59. It is disappointing that there was a year's gap between the announcements of the Army 2020 plan and the outcome of the Reserves consultation and the Reserves basing plan. This raised the potential for a lack of coordination and hampered communications regarding the plans for the Regular and Reserve Forces. Even though the generation of Reserve Forces is complex, the number of Reservists required for Army 2020 and the challenge to recruit them was well known. We consider that the intervening time between announcements could have been utilised in making progress in recruiting the required number of Reservists.

### Relationship between the reduction in Regulars and the increase in Reservists

60. It has been suggested by the former Secretary of State for Defence, Rt Hon Liam Fox MP,<sup>111</sup> and others, including those contributing to our forum on the Army Rumour Service website, that the reduction in the Army's Regular strength should be contingent on the recruitment of the required number of Reserves by 2018.<sup>112</sup> In the House on 10 October 2011, the then Secretary of State, Rt Hon Liam Fox MP, said:

Perhaps the biggest challenge is the fact that we are pouring £400 million into the reserves over this Parliament [...]. There will be challenges in absorbing that amount of money and, of course, the rate at which we are able to build up the Reserves will determine the rate at which we are able to change the ratio with the Regulars.<sup>113</sup>

61. When the Army 2020 plan was announced in July 2012, the link between the Regular reductions and the increase in Reserves had been removed. The reductions in Regular Forces were to be completed by 2015 while the target date for the recruitment of the Reservists was 2018. Rt Hon Philip Hammond MP, Secretary of State for Defence, told us why:

We have available to us a fixed envelope of resources, and making the decision to proceed with the draw-down of Regular force numbers to the target of about 82,000 and to build the Reserve over a period of five years allows us to take the dividend

<sup>110</sup> Q 150

<sup>111</sup> BBC News website, Liam Fox raises doubts over regular Army cuts, 25 October 2013

<sup>&</sup>lt;sup>112</sup> For example see HC Deb, 20 November 2013,col 1273 [John Baron MP] and Lord Bramall, The Telegraph, We're fighting bean counters now, says man who helped beat Nazis, 26 October 2013

<sup>113</sup> HC Deb, 10 October 2011, col 9

from the reduced size of the Regular force and invest in the recruitment, training and equipment provision of the Reserve forces. Within the Army's budget [...] it simply would not have been deliverable or sustainable to propose retaining a larger Regular force and investing in the build-up of Reserve forces in the way we are now doing.<sup>114</sup>

Asked whether it would not be better to retain a contingent link between the increase in the Reserves and the reduction in the Regular Army, the Secretary of State replied:

I recognise the line of questioning, but I am afraid that I do not see the logic of suggesting that we should hold the Regular forces that we have decided to draw down and restructure in their old configuration at their old numbers, rather than getting on with the job of reconfiguring them for their future role—a contingent posture, post 2014.<sup>115</sup>

- 62. The Secretary of State argued that it was critical to understand that the Army was "not simply replacing Regulars with Reservists". 116 Army 2020 was about changing the structure of the Army so that "more of the supporting capabilities are held in the Reserves". In future the Army would have different types of capability in the Reserve and Regulars. 117
- 63. We note, but remain to be convinced by, the Secretary of State's explanation as to why the reduction in the Regular Army should not be dependent on the recruitment of the necessary number of Reservists. The financially driven reduction in the number of Regulars has the potential to leave the Army short of personnel in key supporting capabilities until sufficient Reserves are recruited and trained. In its response to this Report, we call on the MoD to set out in detail its planning assumptions for the transition, over the next five years, to a new Army structure including specific examples of the different types of capability which will fall within the domain of the Reserves and Regulars in future. This would assist with gaining support for the Army 2020 plan among the Regular Army, the wider Armed Forces, Parliament and the public. The Government must also set out its contingency plans for the rapid recruitment of Regular Army personnel should there be a need for the rapid expansion of UK Armed Forces.

### Reservist recruitment challenge

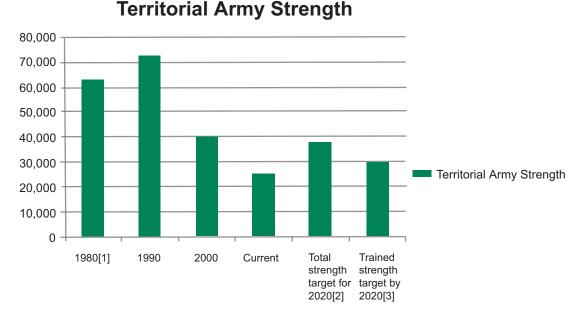
64. Historically the size of the Territorial Army has been larger than that envisaged by Army 2020, as illustrated in the graph below:

<sup>114</sup> Q 270

<sup>115</sup> Qq 270-271

<sup>116</sup> Q 278

<sup>&</sup>lt;sup>117</sup> Q278



Source: Ministry of Defence: Future Reserves 2020: Delivering the Nation's Security Together: A Consultation Paper, Cm 8475 Annex B, p 45

Notes: (1) Trained and untrained (2) Total strength of trained and untrained Reserves (3) Reservists who have completed their Phase 1 (initial) and Phase 2 (specialist) training

65. However, although a trained Territorial Army of 30,000 would not appear large in historic terms, the biggest challenge identified during our inquiry was the recruitment of the required number of Reservists to fulfil the Army 2020 plan. Several witnesses expressed doubts as to whether this could be achieved. Professor Theo Farrell identified it as the one flaw in the plan:

the whole thing is predicated on the ability to raise 30,000 Reserves and then progressively integrate them in a deployable force, starting from individual augmentees to whole units. And while, for instance, the Americans have been able to use Reserve forces in this way, in recent history the British have not been able to deploy whole units into the field.

More to the point, as we know they are encountering very significant problems with Operation Fortify—the operation to raise the Reserve force. So that's the flaw: if you cannot raise the size of the Reserve force that you require and you cannot get the flexible contracts you need to use them in a certain way, the whole of Army 2020 is crashing.118

66. When they gave evidence, Rt Hon Phillip Hammond MP, Secretary of State for Defence, and General Sir Peter Wall, Chief of the General Staff, expressed confidence that the required number of Reservists could be achieved, highlighting that the number of trained Reservists envisaged was significantly lower compared with historic and many international comparisons. The Secretary of State said:

The number of trained Reserves that we are targeting is significantly smaller than the number we have traditionally held in this country. We will have 30,000 trained Army Reservists by 2018, which compares with around 72,000 trained Army Reservists as recently as 1990. It is a significantly lower proportion of our Armed Forces than our English-speaking allies typically expect to hold as Reservists in their mix, and we are confident that we will be able to deliver it.119

### General Wall told us:

[...] in recent memory we have had a much more significant Reserve force than we aspire to grow in this period. [...] I am not suggesting it is like for like. In terms of the sheer size of it, we have been there before [...]. 120

67. Lieutenant General (retired) Brims, Chair, Future Reserves 2020 External Scrutiny Group, agreed that the target was achievable but said that it would be helpful to have metrics for the plan that allowed progress to be measured and if necessary mitigating action to be taken if recruitment fell behind schedule:

In view of the timescale challenge, we said in our report that there was a need to be more metric, so that you could measure how the build-up was going. If you have some way points, you can take mitigating action to get things to a better end. I have no doubt that this is an achievable plan. The question is whether it is achievable in the timescale given.<sup>121</sup>

68. The Secretary of State acknowledged that if the measures did not deliver the required number of Reservists then the plan would need to be revisited:

If there is a persistent significant discrepancy [between targets and delivery], clearly the plan will have to be revised. The plan will not be delivering. However, I would not like the Committee to get the impression that there is a single set of possibilities for delivering this target output. There are many strands to the recruiting programme. The CGS and I have discussed with each other and with many other people the things that we might introduce if we find that elements of the current plan are not delivering what we expect them to deliver.

There will be pilots of different approaches to see what works and what does not work. The introduction of Capita as our recruiting partner will deliver us far more analysis of the process. Because of the commercial environment in which it operates, it is used to analysing the results delivered by different approaches. We do not have, in the Department at the moment, what I would call "proper data" showing what the response to difference types of marketing approach and pitch to potential recruits is. We do not know what we are good at doing, or what we are not good at doing. 122

69. While a level of 30,000 trained Reservists in the Army might not appear a large number based on historic levels, the current recruitment drive takes place against a backdrop of falling recruitment levels over several years. We note the scepticism of

<sup>&</sup>lt;sup>119</sup> Q 271

<sup>120</sup> Q 312

<sup>121</sup> Q 230

<sup>&</sup>lt;sup>122</sup> Q 309

some of our witnesses that it will be possible to recruit the required number of Reservists in the timescale envisaged. The urgent challenge for the MoD is to ensure that it now employs effective measures and sufficient incentives to recruit and maintain 30,000 trained Reservists by 2018. Otherwise there is a danger of a gap emerging in the Army's required capabilities and real fighting power. In its response to this Report, we also call on the MoD to outline the different approaches it envisages if the data shows that the plan is not on course to be delivered.

### Recruitment and Target Data

70. The MoD acknowledges that the recruitment of the required number of Reservists is a challenge.<sup>123</sup> Since the Army 2020 announcement there have been calls for the MoD to publish recruitment figures and its recruitment targets for Reserves to assess progress of the Army plan. The Secretary of State for Defence has committed to publish statistical data on Reservists.<sup>124</sup> The first data set was published by the Defence Analytical Services Agency on 14 November 2013.<sup>125</sup> During the debate on the Defence Reform Bill on 20 November 2013, the Secretary of State committed to make more data available including the MoD's targets:

The statistics that were published last week were on trained strength and on recruitment into the Reserves. Those are the statistics for which the National Statistician is responsible. She has indicated on her website that she intends to publish further data series once she is confident of their robustness. Separately, I have undertaken to publish for the House the targets to which we are working and I will do so before the end of the year. 126

71. On 19 December 2013, the Secretary of State published the target recruitment figures for Reservists and the target strength of Reservists for each Service. 127 The Army targets were as follows:

	Target	End Financial Year 2012–13	End Financial Year 2013–14	End Financial Year 2014–15	End Financial Year 2015–16	End Financial Year 2016–17	End Financial Year 2017–18
Army Reserve	Trained Strength	18,800	19,900	20,200	22,900	26,100	30,100

<sup>124</sup> HC Deb, 3 July 2013, col 934 and HC Deb, 16 July 2013, col 958

<sup>125</sup> Defence Analytical Services Agency, Ministry of Defence UK Armed Forces Quarterly Personnel Report 1 October 2013, 14 November 2013

<sup>126</sup> HC Deb, 20 November 2013, col 1286

<sup>127</sup> HC Deb, 19 December 2013, col 124WS; Paper deposited in the House of Commons Library by the Ministry of Defence Future Reserves 2020, 19 December 2013 (Ref: DEP2013-2063), available at: http://www.parliament.uk/business/publications/business-papers/commons/deposited-papers/

	Target	Financial Year 2013–14	Financial Year 2014–15	Financial Year 2015–16	Financial Year 2016–17	Financial Year 2017–18
	Trained Entrants	1,300	1,270	1,270	940	910
Army Reserve	New Recruits	3,600	6,000	8,000	8,000	7,000
	Total	4,900	7,270	9,270	8,940	7,910

Table 2: Recruitment targets for the Army Reserve up to end of Financial Year 2018<sup>128</sup>

72. We welcome the Secretary of State for Defence's commitment to publish, through the Defence Analytical Services Agency, data on the trained strength and recruitment levels of Reservists. We also welcome the recruitment targets that the Secretary of State has published. We look forward to seeing the additional data that the National Statistician has agreed to publish. This information is vital to reassure all interested parties, the Army itself, Parliament and the public, that the plan is on schedule. We hope that each of these data sets will develop over time to include performance against targets and such information as gender, age and place of recruitment. We will continue to monitor this data to assess whether it provides sufficient information. It is important that Parliament is provided with regular updates on progress towards recruitment targets.

# **Army recruitment contract**

73. As part of our examination of the Reserves recruitment challenge, in December 2013 we visited the Army National Recruiting Centre at Upavon in Wiltshire. The purpose of the visit was to examine concerns surrounding the system of recruitment to both the Regular and Territorial Army since the signing in March 2012 of a 10 year contract with Capita plc to work in a partnering arrangement to deliver recruitment services for the Army. We had received reports that monthly recruitment targets for Reserves were being missed by a considerable margin. The MoD confirmed this when it published its target data in December 2013. It said:

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

the introduction in January 2014 of a new Army recruitment web application;

<sup>128</sup> It also provides a breakdown between trained entrants (who immediately count against the trained strength–largely former Regulars) and new recruits.

- a simplified on-line application form;
- more streamlined medical clearance processes; and
- greater mentoring of recruits by local Reserve units through the application, enlistment and training process.

From early 2015, the management of the recruitment process will be further improved with the introduction of the advanced IT system currently being developed in partnership with Capita. 129

74. Throughout our inquiry we have heard concerns regarding the performance of Capita and the Army Recruiting Group while operating the contract. These have centred around IT problems, difficulties with medical data and data protection compliance, time delays, loss of paperwork, opening hours of recruiting centres and reports of the redeployment of Regular personnel into recruiting posts.

75. During our visit, Senior Army leaders and Capita executives admitted that neither party was content with contract performance since it became operational in March 2013. An IT system which had not proved fit for purpose was the principal reason given for the difficulties which had been experienced with the processing of applications. We were told that Capita was now going to take responsibility for the IT infrastructure with a view to introducing a fully capable system in April 2015. In the meantime, a plan was in place to improve the performance of existing systems through process changes and an increase in staffing. However concerns have continued to be raised about the IT systems since our visit. In response to an Urgent Question regarding problems with the IT system in the House on 14 January 2014, the Secretary of State for Defence informed the House:

As we move forward, we are looking at further ways of improving the management of the recruiting process in the intervening period before the introduction of the advanced IT system now being developed in partnership with Capita, which is expected to be deployed in February 2015. We have just launched a new recruitment drive for the Army, both Regular and Reserve, which will remind the House and the public that the Army is always recruiting and continues to offer exciting and rewarding careers in both the Regular and Reserve forces. 130

76. In terms of other contact methods for potential applicants, the Army National Recruiting Centre also handles telephone inquiries, email and web chat. We were told that as recently as October 2013, of the 5,000 telephone calls made to the Centre each week, 40 per cent were not answered by staff. By December this situation had improved with close to 90 per cent of calls answered.

77. Unfortunately, we were not provided with detailed figures for the number of applications received in recent months, but we were told that recruitment is still below

<sup>&</sup>lt;sup>129</sup> HC Deb, 19 December 2013, col 124WS; Paper deposited in the House of Commons Library by the Ministry of Defence Future Reserves 2020, 19 December 2013 (Ref: DEP2013-2063), available at: http://www.parliament.uk/business/publications/business-papers/commons/deposited-papers/

target. We were told that a multi-channel marketing campaign will run from January to March 2014 in an effort to drive up applications.

- 78. Despite the assurances we received from the Army commanders and Capita executives responsible for the Army recruitment process, we remain concerned that the targets for recruiting both Regular and Reserve soldiers may not be met. We are not convinced that the MoD's contract with Capita was properly and thoroughly considered before its implementation. For example, we were given no evidence that any trialling of it had taken place. There would appear to have been a serious break-down in the supervision of the contract process, for which no one has been held accountable.
- 79. We are concerned at the IT problems encountered at this early stage in the recruitment campaign. We call on the MoD and Capita to take urgent steps to rectify these problems and the MoD should give a detailed account of the measures taken, including detailing the number of servicemen and women diverted from their normal duties in order to sustain the recruiting effort, in its response to our Report.
- 80. We note the difficulties encountered by the Army in obtaining the medical data of potential Reservists due to their failure to comply with data protection regulations. Although this difficulty has at last been resolved, the Army and the MoD should have foreseen this problem and must learn lessons for the future.
- 81. We commend the MoD for employing a range of media to attract and recruit both Regulars and Reserves but it is no help when the technology does not work or applications are lost in the system. Lessons need to be learned from the initial failure of the contract with Capita, and the respective accountabilities and responsibilities of both the contractor and the Army clearly established.

### **Reserves White Paper**

82. The July 2013 Reserves White Paper acknowledged that the institutional integrity of the Reserves, particularly in the Army, had been damaged due to the focusing of resources on individuals about to deploy to augment Regular Forces on operations primarily in Afghanistan and Iraq.<sup>131</sup> The White Paper said this needed to change. The Reserves needed to have a meaningful role as in future Reservists would be involved in almost all military operations, sometimes as formed sub-units or units. However to achieve this new role, the MoD accepted that further measures would be required to achieve the Reserves element of Army 2020, particularly the required number of Reservists for Army 2020. The White Paper set out the measures and incentives to be implemented.<sup>132</sup> These included:

- better collective training;
- access to similar equipment to that used by their Regular counterparts;
- the introduction of MoD paid annual leave when undertaking Army training as well as when on operations;

<sup>131</sup> Ministry of Defence, Reserves in the Future Force 2020: Valuable and Valued, Cm 8655 July 2013, p 17

<sup>132</sup> Ministry of Defence Announcement, Plans for future Reserve Forces unveiled, 3 July 2013

- for the first time, generous Armed Forces pension entitlements, when training and on operations, under the Armed Forces Pension Scheme, are to be introduced in April 2015;
- access to key defence health services when training and on operations;
- transferable skills and academic qualifications;
- an Army Reserve training commitment of around 40 days per year, up from a current average of 35; and
- legislation to ensure access to employment tribunals in unfair dismissal cases against Reservists, without a qualifying employment period.

83. In addition to these measures, the White Paper also included incentives for employers to allow their employees to be Reservists:

- a £500 per month, per Reservist, financial award targeted at small and medium enterprises on top of the allowances that are already available when their Reservist employees are mobilised [i.e. preparing for, or on, operations];
- more notice so employers are able to plan for the absences of their Reservist employees;
- greater recognition for leading supportive employers; and
- a national relationship management scheme to strengthen the MoD's relationships with larger employers. 133

84. Lieutenant General Bradshaw, giving evidence shortly after the publication of the White Paper, said that the chain of command's reaction to it had been positive, but thought it was too early to gauge reaction from employers. Giving evidence a few months after its publication, Lieutenant General (retired) Brims, Chair of the Future Reserves 2020 External Scrutiny Group, thought the White Paper set out a model which could be commonly adopted across all Services:

One of the things that we majored on in [the Future Reserves 2020 External Scrutiny Group annual] report was the need for a narrative as to what the Government's plan is. We have seen that narrative on the day that the White Paper was announced, within the White Paper and within the announcements of the Army on its pairing and basing. Pull those together and there is the start of a narrative. That is beginning to seep out. It has to get to today's Reservist, today's Regular, tomorrow's Reservist, tomorrow's Regular, employers and commentators.<sup>134</sup>

<sup>133</sup> Ibid

<sup>&</sup>lt;sup>134</sup> Q 251

### Defence Reform Bill

85. A few of the Reserves White Paper's measures require legislation. These were included in the Defence Reform Bill introduced in the House of Commons in July 2013. The four measures included in the Bill were:

- Changing the name of the Territorial Army to the Army Reserve and the name of the Army's ex-Regular Reserve Force from the Army Reserve to the Regular Reserve:
- Expanding the powers in the 1996 Reserve Forces Act so that members of the Reserve Forces may be called out for any purpose for which Regular Forces may be used (although the Bill provides for current Reservists to opt to remain under the call out obligations of the 1996 Act);
- Introducing new financial incentives to the employers of Reservists; and
- Exempting Reservists from the statutory two-year qualifying period required to bring an unfair dismissal case to an Employment Tribunal.

The Bill's measures would affect the Reserve Forces of each of the Services, although the greatest impact is expected to be on the Territorial Army due to the plans for greater integration with the Regular Army announced under the MoD's plans for Army 2020.

86. The passage of the Bill in the House of Commons saw a variety of views expressed on the viability and cost-effectiveness of the plan to increase the size of the Reserves. The Government did accept the principle of an amendment that the Reserve Forces and Cadets Association (RFCA) should report annually to the House on the state of the Reserves and the Secretary of State for Defence, Rt Hon Philip Hammond MP, confirmed his intention that this obligation should be placed on a statutory basis:

We have already made arrangements to receive independent reports from the RFCAs on an annual basis; my hon. Friend [Julian Brazier] is suggesting placing that requirement in statute. On reflection, we consider that to be a sensible idea that will strengthen the programme for the growth and reinvigoration of our Reserves.<sup>135</sup>

87. The MoD noted that the Armed Forces Bill in 2015 would provide an opportunity to legislate further if required, particularly in respect of discrimination against Reservists in their workplace.136

### Recognition for employers

88. In the Secretary of State for Defence's introduction to the Reserves White Paper, he said that the results of the November 2012 Reserves consultation "showed a lack of awareness about Reservists among many employers or of the potential benefits Reserve service can offer them" and that "feedback showed that Defence needs to articulate a more balanced

<sup>&</sup>lt;sup>135</sup> HC Deb 20 November 2013, col 1263

<sup>136</sup> HC Deb, 16 July 2013, col 966

business case on the impact of Reserve service on employers". 137 While the Government acknowledged the historic contribution of employers in supporting Reservists, the White Paper outlined steps to achieve a better relationship and understanding between Government, employers, employers' organisations and trade unions in respect of Reservists. As part of this, the Government plan, by March 2014, to develop a system to give greater recognition to supportive employers which would build on the existing recognition given by the SaBRE organisation. 138 Employers are currently recognised by the award of a SaBRE certificate with additional material available to support in house publications and websites. Information is also published on the SaBRE website about the ways individual employers have supported Reservists. 139

89. The Government's proposed approach will use the new Corporate Covenant<sup>140</sup> as an initial step for employers to indicate their support for Reservists. The second step will be to give proper recognition to employers who demonstrate levels of commitment which will "reinforce the established SaBRE approach in order to provide proper and appropriate recognition for employers at the organisational level". 141 This would include the continuation of the issuing of certificates to employers and updated material for employers to use on their websites and company letterheads. A third level of recognition will be for employers "who are able and willing to take a more proactive approach to encourage Reserve service amongst their employees". 142

## Response from employers

90. Employers' organisations were keen to emphasise their historic and continuing support for the Reserve Forces. Mike Cherry, National Policy Chairman, Federation of Small Businesses did not see the Government's plans as radical. He told us:

I do not personally feel that it is radical in terms of employers supporting their Reserves. I think it needs to be recognised that they need adequate training, adequate kit and everything else to make this work. In that respect, we have gone through these feast and famine cycles over time with the Reserve forces, and there needs to be

<sup>&</sup>lt;sup>137</sup> Ministry of Defence, *Reserves in the Future Force 2020: Valuable and Valued*, Cm 8655 July 2013, p 7

<sup>&</sup>lt;sup>138</sup> Ministry of Defence, Reserves in the Future Force 2020: Valuable and Valued, Cm 8655 July 2013, pp 47-48. Supporting Britain's Reservists and Employers (SaBRE) is an organisation that aims to build support for members of the Reserve Forces from employers. It seeks to explain to employers the benefits, rights and obligations associated with the employment of a Reservist, as well as promoting the transferable skills that Reservists receive through their military training and take back to their workplace. SaBRE is funded by the Ministry of Defence and acts as a means for relaying employers' views to the Department on the employment of Reservists.

<sup>&</sup>lt;sup>139</sup> SaBRE list employers' support under the following categories: HR Policy (employers who have a written HR policy on the employment of Reservists); Time off policy: additional time off (paid, unpaid, or considered on a case by case basis for Reservists to attend 2-week annual training session); Employee mobilised (employers who have previously released a Reservist for mobilisation). Available at: http://www.sabre.mod.uk/Employers/Supportive-Employers/Employers-who-have-publicly-pledged-their-support.

<sup>&</sup>lt;sup>140</sup> Announced by the Government in June 2013, the Corporate Covenant is a written and publicised voluntary pledge from businesses and charitable organisations who wish to demonstrate their concrete support for the armed forces

<sup>&</sup>lt;sup>141</sup> Ministry of Defence, Reserves in the Future Force 2020: Valuable and Valued, Cm 8655 July 2013, p 48

<sup>&</sup>lt;sup>142</sup> Ministry of Defence, Reserves in the Future Force 2020: Valuable and Valued, Cm 8655 July 2013, pp 47-48

a strong recognition that the support has to be there, and the right kit and everything else has to be in place to make this happen.<sup>143</sup>

- 91. However Mr Cherry emphasised the importance of the connection between the MoD and wider society which was crucial "if we are to get this underpinned by society at large and to get most employers to support it as the MoD would wish". 144
- 92. Alexander Ehmann, Head of Government, Parliamentary and Regulatory Affairs at the Institute of Directors, thought that the plans were radical in respect of the expectations on employers and on workplaces in general. He pointed to the changing nature of employment habits, for example working for more than one employer and the possible impact this might have:

if you are working two or three jobs, you probably have two or three employers. That means that there are more employers now who, in the instance of one individual, are effectively employers of Reservists, or will be employers of Reservists. That does mean that the ramifications of the policy as set out here will be greater than they have been in the past.<sup>145</sup>

93. Mike Cherry acknowledged that the £500 per month, per reservist, financial award to small and medium enterprises was higher than expected by employers.<sup>146</sup> Although Mr Cherry welcomed this, he pointed out another concern:

It is the support that the business needs to find and recruit a replacement that is pretty critical to our members, particularly the smallest micro-businesses.

- [...] Part of the parcel that is offered to employers is the benefits that the Reservist brings back into civilian employment as a result of the service they undertake. We have to make absolutely certain that whatever accreditation is given to skills in the military is well understood and equal to what is needed in civilian employment. I think that is not the case at this moment in time, but it has to happen if you are to have that general overall package. That is fundamental to how we see things helping and benefiting small businesses going forwards. 147
- 94. We welcome the measures in the Reserves White Paper and the related clauses in the Defence Reform Bill. We particularly welcome the Secretary of State for Defence's agreement during the passage of the Bill to the principle of making it a statutory requirement for the Reserve Forces and Cadet Association to report annually on the state of the Reserves. We will continue to pay close attention to progress on this and look forward to receiving more details on how this will be implemented and what the report will cover.

<sup>143</sup> Q 224

<sup>&</sup>lt;sup>144</sup> Q 224

<sup>&</sup>lt;sup>145</sup> Q 234

<sup>&</sup>lt;sup>146</sup> Q 260

<sup>&</sup>lt;sup>147</sup> Q 260

95. We recognise the support many employers have given to the Reserve Forces over many years. We commend the Government's intention to give greater recognition, building on the current SaBRE scheme and the new Corporate Covenant, to leading supportive employers of Reservists and look forward to receiving more information on this proposal. We recommend that as part of the recognition scheme the Government should publish additional information about supportive employers, building on the information already published by SaBRE on its website, highlighting good practice, and providing examples of the ways individual employers support Reservists.

96. It is too early to say whether the measures in the White Paper and the Defence Reform Bill will prove sufficient and be effective in encouraging the recruitment of Reservists and ensuring the support of businesses of all sizes to achieve Army 2020. We welcome the Secretary of State for Defence's commitment to review these measures if recruitment falls behind target. In response to this Report, the MoD should set out how it will assess the effectiveness of the measures and the timescale for making a decision on whether further action and incentives are necessary.

### Role of Reservists

97. The Reserve Forces Act 1996 limits the reasons for which Reservists can be mobilised, for example in response to imminent national danger, if warlike operations are in preparation or progress, or for the protection of life and property outside the UK. 148 The Defence Reform Bill provides that in future Reservists would be able to be used for any purpose for which the Regular Armed Forces are used.

98. The greater use of the Reserve Forces was one of the Future Reserves 2020 Independent Commission's main recommendations. According to the Reserves White Paper, over the last decade, resources have been focused on those Reservists about to deploy to augment Regular Forces on operations, primarily in Afghanistan and Iraq. The White Paper argued that "while this ensured that the right numbers of Reservists were available to support current operations, it [had] damaged the institutional integrity of the Reserves, particularly in the Army". 149 The MoD's intention is that this will change. Reservists will be required for almost all military operations, often as small numbers of individuals but also, principally in the Army's case and as the situation demands, as formed sub-units or units. Reservists will now be deployed on a far wider range of military operations, including homeland resilience and standing commitments abroad. Table 3 below summarises the range of roles that the White Paper says Reservists could be expected to fulfil.

<sup>&</sup>lt;sup>148</sup> Reserve Forces Act 1996, sections 52, 54 and 56. Section 56 was amended by the Armed Forces Act 2011 to enable Reservists to be mobilised in the UK in circumstances short of a great emergency or an actual or apprehended attack to allow mobilisation in the event of "work national importance."

<sup>&</sup>lt;sup>149</sup> Ministry of Defence, Reserves in the Future Force 2020: Valuable and Valued, Cm 8655 July 2013, p 17

Table 3: Tasks that the Reserves will be required to undertake

### Abroad:

- Short term operations such as the evacuation of UK citizens from Lebanon in 2006 and the 2011 Libya operation.
- Longer term stabilisation operations such as in the Balkans, UN missions, Iraq and Afghanistan.
- Standing commitments abroad such as the Cyprus garrison and the defence of the Falkland Islands.
- Deployments overseas aimed at Defence engagement, conflict prevention, security sector reform and capability building in priority countries, such as the British Peace Support mission in East Africa and the EU operation in Mali.

### At Home in the UK:

- Playing a general role in homeland security, including activities such as support to the Olympics and Paralympics, or specialist roles such as cyber.
- Delivering national resilience such as responding to the foot and mouth crisis, flood relief, and communications support to crisis management.
- Standing national commitments, such as defence of the UK's airspace.

Source: Ministry of Defence, Reserves in the Future Force 2020: Valuable and Valued, Cm 8655 July 2013, Box 3, p

99. The three Services use Reservists differently and the mobilisation changes will have less of an effect on the RAF and the Royal Navy than for the Army. Army Reservists can expect one six month deployment in any five year period. This could amount to a maximum of 12 months when pre- and post-deployment training and leave are taken into account.<sup>150</sup> Army Reserves will move through a training and readiness cycle to try and give both Reservists and their employers greater clarity on when these mobilisation periods are likely to occur.<sup>151</sup> The MoD's intention would be to give at least a year's notice of when an Army Reservist was entering their minimum warning period (when they are liable for mobilisation).<sup>152</sup>

100. For an enduring operation the White Paper commits to giving nine months' notice for Army Reservists and three months notice for Maritime and Royal Air Force Reservists. 28 days' notice will be given for unplanned contingency operations, if possible. 153

101. Prior to the publication of the White Paper and the Defence Reform Bill, ADS expressed some concerns to us about the greater use of Reservists:

2.1. The proposal would oblige employers to be prepared to release employees who are members of the Reserve Forces for one year in every five. Any negative incentive for employers to employ Reservists can be mitigated by improving the communication links between Government employer and civilian employer. The emphasis must be on building a transparent and mutually beneficial relationship between the two stakeholders.

<sup>150</sup> These periods may be exceeded in times of national emergency or outbreak of war.

<sup>151</sup> Ministry of Defence, Reserves in the Future Force 2020: Valuable and Valued, Cm 8655 July 2013, p 19, p 21 and p 51

<sup>&</sup>lt;sup>152</sup> Ibid, p 51

<sup>&</sup>lt;sup>153</sup> Ibid, p 51

2.2. Under the proposals, Reservists will continue to back-fill Regular units on a planned basis. There must be a robust, transparent and rapid appeal process in place for employers faced with losing an employee to Reserve mobilisation at a time when the employee is critical to the company. 154

102. After publication of the White Paper, the Federation of Small Businesses told us:

The FSB has had concerns regarding the intention to extend the call-out powers in the Reserve Forces Act 1996 so that members of the Reserve forces may be called out for any purpose for which Regular forces may be used. On average FSB members employ approximately 7 employees, so if one is a member of the Reserve forces and called out, instantly a significant proportion of the workforce becomes absent. There are mixed views from the small business community with regard to the likely impact on businesses of the proposed changes to increase the commitment of Reserve forces; two in five of those open to employing Reservists believe the proposed changes will negatively impact on their business and reasons for this focus upon the difficulties in planning and arranging suitable cover for the extended training periods or deployments, whereas 43 per cent claim there will be no impact. 155

103. We welcome the Government's intention that in future Reservists, where appropriate, will be able to undertake the same tasks as Regulars. However we note the concerns expressed by some employers regarding the potential for negative effects on their businesses arising from the increased use of Reservists. The MoD should continue to engage with the business community to address employers' concerns as failure to do so will impact on the Army's ability to generate and sustain the necessary capabilities. The MoD should include in its reports to Parliament on Reserves recruitment details of how many are employed by SMEs (small and medium enterprises employing under 250 employees) and any difficulties encountered in recruiting from this sector.

# Formed units and sub-units of Reservists and partnering with Regular units

104. As an integral part of the Armed Forces, Reservists could be required for almost all military operations, often as small numbers of individuals but also, principally in the Army's case and as the situation demands, as formed sub-units or units.<sup>156</sup> The Future Reserves 2020 Independent Commission Report was in favour of the idea of the deployment of formed units or sub-units of Reserves. 157 Lieutenant General Bradshaw expanded on how this might work:

[...] I will give you an example of one of the combat arms that will very definitely be employing people in formed sub-units: the support squadrons for the Army Air Corps. [...] They will deploy and be employed collectively, and that is absolutely our intent.158

<sup>&</sup>lt;sup>154</sup> Ev w18

<sup>156</sup> Ministry of Defence, Reserves in the Future Force 2020: Valuable and Valued, Cm 8655 July 2013, p 17

<sup>&</sup>lt;sup>157</sup> The Independent Commission to Review the United Kingdom's Reserve Forces, Future Reserves 2020, July 2011, p 7

<sup>&</sup>lt;sup>158</sup> Q 159

Lieutenant General Bradshaw pointed out that the plan for the future deployment of Reservists remained to be tested in order to prove that it was deliverable. 159

105. Professor Theo Farrell, Kings College London, supported the deployment of formed units or sub-units of Reservists which, under Army 2020, would be on a sliding scale dependent on the risk and complexity of the operation. He cited the experience of the US which had deployed National Guard units to replace Regular units in Iraq and Afghanistan. He told us their performance varied depending on a number of factors:

Sometimes they perform better, actually, than the Regular unit, although it depends on how permissive the environment is. If there is a lot of combat, sometimes they do not perform so well. So it is certainly possible to imagine whole units going in, depending on the complexity and how much combat is involved, and Army 2020 allows the time for the Army to prepare a Reserve unit for such a tour. It is in the designs. It is a perfectly reasonable, clever design, actually. 160

106. The Army's intention is that "Reserves will be paired with Regular units for training during peacetime in order to prepare to form an integral element of the paired Regular unit when required to deploy on operations. To enable this integrated capability, Reserve units will undertake training which is aligned with the three-year operational readiness mechanism of their Regular counterparts". 161 The training requirement for Army Reservists will increase from around 35 to 40 days per year, while the training commitment for the maritime and RAF Reserves will largely stay the same. 162 Army Reserves will be required to attend certain core training events to help achieve the collective capabilities for Regulars and Reservists envisaged under the Army 2020 plan. 163 To assist with the realisation of better integration between Regulars and Reservists, as part of the July 2013 announcements on the Reserves structure and basing, the MoD said:

This restructuring will require changes to the current basing laydown of the Army Reserve. The Army has taken the opportunity to review the laydown not only to reflect the structural changes, but also to address the need to optimise recruitment and to facilitate effective training in the future. 164

107. Concerns have been expressed to the Secretary of State for Defence that this restructuring could potentially damage units in areas with a good potential level of recruits for the Reserves. 165 In response to these concerns, the Secretary of State told the House of Commons on 14 January 2014 that although the plans for Reserve basing had been

<sup>159</sup> O 159

<sup>160</sup> Q 221

<sup>&</sup>lt;sup>161</sup> Ev w4

<sup>162</sup> An increase from approximately 35 to 40 days per year for Army Reserves; Training commitments for the Royal Navy Reserve are 24 days, 34 days for the Royal Marines Reserve and 35 for the Royal Auxiliary Air Force (Ministry of Defence, Reserves in the Future Force 2020: Valuable and Valued, Cm 8655 July 2013. P 11).

<sup>163</sup> Ministry of Defence, Reserves in the Future Force 2020: Valuable and Valued, Cm 8655 July 2013,p 11

<sup>164</sup> HC Deb, 3 July 2013, col 52WS

<sup>165</sup> For example, see Parliamentary Question from Sarah Newton MP to the Secretary of State for Defence, HC Deb, 14 January 2014, col 721.

announced, he acknowledged the need for flexibility in the plan to assist with recruitment.166

108. We note the Army's intention to deploy formed units and sub-units of Reserves. We ask the MoD to provide greater detail on how this will be implemented, particularly given the differing timescales for the reduction in Regular strength and the increase in the size of the Reserves, and how it will ensure that these changes deliver the required level of capability.

109. We welcome the increase in the number of training days for Reservists as this is vital to their greater integration with Regulars. In its response to this Report, we call on the MoD to set out what further practical measures will be implemented to enable Regulars and Reservists to train together. We are concerned that this should not involve closing well-recruited units, or those with a large number of potential new recruits to the Reserves, to match Regular basing and welcome the Secretary of State's commitment in the House of Commons on 14 January 2014 to be flexible on the closure of such units.

### Specialist Reserves

110. The 2010 SDSR stated that the Reserve Forces should be an integral part of Future Force 2020, providing additional capacity as well as certain specialisms which it would not be practical or cost effective to maintain as Regular capability. 167 The Reserves White Paper reflected on specialist Reserves capabilities, especially medical and cyber. Medical Reservists are an essential and fully integrated component of the Defence Medical Services (DMS), representing 38% (5,170) of the total 13,530 DMS manpower requirement.<sup>168</sup> The White Paper set out the future operations on which medical Reserves might be deployed: humanitarian relief response, health sector reform in fragile states, UK resilience response, hazardous area response teams, public and environmental health, and medical command and control.169

111. The Future Reserves 2020 Independent Commission Report said that better use should be made within the Reserve Forces of individuals' skills gained from their civilian experience, with cyber named as one area where this might be achieved.<sup>170</sup> The White Paper also highlighted Cyber Reserves as a key requirement.<sup>171</sup> In September 2013, the Secretary of State for Defence announced the creation of a Joint Cyber Reserve which would be a combined unit across the Services with Reservists working with Regulars. He said

<sup>&</sup>lt;sup>166</sup> HC Deb, 14 January 2014, col 721

<sup>&</sup>lt;sup>167</sup> HM Government, Securing Britain in an Age of Uncertainty: The Strategic Defence and Security Review, Cm 7948, October 2010, p 20; see also Ministry of Defence, Reserves in the Future Force 2020: Valuable and Valued, Cm 8655 July 2013, p 11

<sup>&</sup>lt;sup>168</sup> Ministry of Defence, Reserves in the Future Force 2020: Valuable and Valued, Cm 8655 July 2013, p 73

<sup>&</sup>lt;sup>169</sup> Ibid, pp 75-76

<sup>&</sup>lt;sup>170</sup> Ibid, p 76

<sup>&</sup>lt;sup>171</sup> Ibid p 76

In response to the growing cyber threat, we are developing a full-spectrum military cyber capability, including a strike capability, to enhance the UK's range of military capabilities. Increasingly, our defence budget is being invested in high-end capabilities such as cyber and intelligence and surveillance assets to ensure we can keep the country safe.

The Cyber Reserves will be an essential part of ensuring we defend our national security in cyberspace. This is an exciting opportunity for internet experts in industry to put their skills to good use for the nation, protecting our vital computer systems and capabilities.<sup>172</sup>

In evidence to us in November 2013, the Secretary of State told us 800 expressions of interest in working for the unit had already been received.<sup>173</sup>

112. The role of specialist Reserves is invaluable to the Army and the UK's Armed Forces as a whole: we welcome the commitment to them in the Reserves White Paper. We welcome the establishment of the Joint Cyber Reserve which is of particular interest to us given our previous inquiry work on Defence and cyber-security. The potential recruits, with the required skills, may not be those who would usually consider a career in the Armed Forces. This represents both a challenge and an opportunity for the MoD which will require a flexible approach if they are to be integrated effectively. We ask the MoD to report to the Committee in six months on progress on the establishment and the recruitment of the Joint Cyber Reserve.

## Ex-Regular Reserves

113. In its written evidence, the MoD told us that "in line with the requirement to increase the trained strength of the Reserve, policy and processes have been reviewed to make it easier for Regular Army personnel to join the Reserves". Early indications of the level of take-up were encouraging. The MoD added that as part of this review, those transferring from the Regular Army into the Reserves may choose between two incentive schemes that potentially impact on TA mobilisation liability: a Reduced Commitment Scheme where individuals are offered a reduced call out liability, which remains extant for three years following their last day of Regular Service and a Commitment Bonus Scheme which is a financial incentive. Personnel choosing this option are subject to the usual call out liability, stipulated under Reserve Forces Act 1996.<sup>174</sup>

114. The July 2013 Reserves White Paper noted that former Regular service personnel in the volunteer Reserve brought their experience and training to improve and sustain the capability of the Reserve Forces. They also improved the institutional robustness of the Reserves and contribute directly to capability. The transfer of service leavers and ex-Regulars also reduced the initial training cost of the volunteer reserves. The White Paper stated that:

<sup>&</sup>lt;sup>172</sup> Ministry of Defence Announcement, New cyber Reserve unit created, 29 September 2013

<sup>&</sup>lt;sup>173</sup> Q 303

<sup>&</sup>lt;sup>174</sup> Ev w5

The Army is therefore incentivising the transfer of service leavers and ex-Regular soldiers and officers by offering a £5,000 taxable commitment bonus on top of their other pay and allowances, payable over a four year period of service in the Army Reserve.

115. Although the White Paper focussed mainly on the volunteer Reserve, it did outline some plans for the ex-Regular Reserve. Ex-Regular Reserves are former members of the Regular Forces who retain a liability to be called up for service. 175 The Reserves White Paper acknowledged the value, contribution, skills and utility of ex-Regular Reserves and noted that they have been used, and continue to be used, on operations, principally for specific operational requirements. The consultation process prior to the White Paper indicated the need for "Defence better to explain the requirement and role for ex-Regular reservists as part of the Whole Force". In addition, with the move towards an integrated force, the MoD would consider the arrangements that would enable its maintenance and the conditions under which ex-Regular Reservists would be called out in support of operations. In respect of the Army, given the reduction in its overall size and the transfer of capacity and some capabilities from the Regular to the Reserve components, the White Paper highlighted that "assured access to ex-Regulars in certain areas to support front-line services has become more important. This is particularly true for a range of complex military systems and equipment (such as armoured infantry crews)". 176 The White Paper identified a requirement to retain the Regular Reserve as a distinct Reserve Force.<sup>177</sup> Work is under way in the Army to determine how to facilitate better access to ex-Regular Reservists.<sup>178</sup> As part of this work, given the MoD's aspiration to increase the number of ex-Regulars in the volunteer Reserves, the MoD is considering "removing further liability for recall for an ex-Regular Reservist who undertakes a fixed length of limited liability service in the Army Reserve". 179 In a further piece of work, to assist with the rebalancing of the Army as an integrated force of Regular and Reservist, the Army is:

scoping how better to secure Regular service leavers in pinch-point trades, niche capabilities or operating complex equipment. This work is considering how to recruit, train and equip ex-Regular officers and soldiers into a discrete and active element of the Regular Reserve, enabled by appropriate legislation and terms and conditions of service. 180

116. We support the Government's intention to recruit more ex-Regulars into the volunteer Army Reserve as part of the recruitment of 30,000 trained Reservists under the Army 2020 plan. We note the £5,000 commitment bonus, payable over four years, offered by the Army to Service leavers and ex-Regulars to incentivise their transfer to the volunteer Army Reserve. We call on the Government to review effectiveness of its

<sup>&</sup>lt;sup>175</sup> Ministry of Defence, Reserves in the Future Force 2020: Valuable and Valued, Cm 8655 July 2013, p 65; On completion of the period of liability for recall, all become members of the Long-Term Reserve up to the age of 55, or on completion of 18 years in the Regular Reserve. The Long-Term reserve may only be recalled for national danger, great emergency or attack in the UK.

<sup>&</sup>lt;sup>176</sup> Ministry of Defence, *Reserves in the Future Force 2020: Valuable and Valued*, Cm 8655 July 2013, p 65

<sup>177</sup> Ibid

<sup>178</sup> Ibid

<sup>179</sup> Ibid

<sup>180</sup> Ibid

efforts and the measures introduced to attract more ex-Regulars into the volunteer Army Reserve in six months and to share its findings with us. We also note the Army's work on the Regular Reserve and call for an update on this work in the Government's response to our Report.

# Role of Reservists in reconnecting the Armed Forces and the public

117. During our inquiry, Towards the Next Defence and Security Review: Part One, we examined public support for defence spending and for expeditionary operations. 181 While we recognised great public respect for Armed Forces, we concluded that there was a disconnect between the Armed Forces and the public "caused by a lack of understanding of the utility of military force in the contemporary strategic environment" and that "without a proactive communications strategy, there was a serious risk of a lack of support for defence amongst the public". 182 The future role of Reservists is seen by the MoD as part of meeting this challenge. In evidence to our inquiry, Towards the Next Defence and Security Review: Part One, the Secretary of State for Defence told us:

Our Reserves agenda is partly—not primarily, but partly—about building the links between the military and civil society in a way that perhaps has been lost to some extent since the end of the cold war. 183

118. The July 2013 Army 2020 update outlined a "firm base" concept and one of the main parts in delivering this is civil engagement. The update said:

This includes all activities with the wider public that generate mutual understanding, focus support to the Army community (current, future and past) and by which the Army community fulfils its responsibilities to society. Civil engagement activities provide the critical link between the Army community and society, and includes the Army Cadet movement. The outcome of successful Civil Engagement is public support, better recruitment for both Regulars and Reserves, and the contribution to National Resilience by providing support to the nation in times of need. 185

119. We support the Army 2020 plan for an enhanced role for the Army in civil engagement. Although there is great admiration and respect for UK Armed Forces, we recognise that there is currently a disconnect between the Armed Forces and public understanding of the operations they have been asked to undertake. This must be addressed. We call on the Government to take steps to ensure that the Armed Forces, particularly Reservists, play a more active role in public engagement. In response to our Report, we recommend that the Government outline the communication strategy and practical steps it will implement to take forward its plans for public engagement.

<sup>&</sup>lt;sup>181</sup> Defence Committee, Seventh Report of Session 2013-14, Towards the next Defence and Security Review: Part One, HC 197, paras 19-24

<sup>&</sup>lt;sup>182</sup> Ibid, para 24

<sup>183</sup> Defence Committee, Seventh Report of Session 2013-14, Towards the next Defence and Security Review: Part One, HC 197. O 158

<sup>184</sup> The Army 2020 July 2013 update defines "Firm Base" as "A secure home front that sustains the Army, enables training for and deployment on operations, and ensures the support of the public" (British Army, Transforming the British Army: an update, July 2013, p 22)

<sup>&</sup>lt;sup>185</sup> British Army, *Transforming the British Army: an update*, July 2013, p 22

# Cost and budget for Reservists

120. When announcing the outcome of the Reserves consultation in July 2013, the Secretary of State for Defence confirmed the additional £1.8bn investment in Reserve Forces announced in 2011:

In 2011, the Future Reserves 2020 Commission reported that our Reserves were in serious decline. This Government responded by committing to revitalise our Reserve Forces as part of Future Force 2020 [...] growing their trained strength to 35,000 by 2018 and investing an additional £1.8bn in them over 10 years. 186

121. A central part of the debate on Army 2020 has been on the cost effectiveness and value for money of the plan centred particularly around the comparative costs of Regulars and Reservists. The MoD does not produce statistical data on the whole life costs of Service personnel and pointed out to us that this, coupled with the differing terms and conditions of Regulars and Reservists plus different training regimes, made cost comparisons complex.<sup>187</sup> With these caveats, the MoD told us the following cost information was available:

- **Annual Cost**. The difference in per diem cost for Regular and Reserves differs only in the X Factor element<sup>188</sup> of the military salary which is currently 14.5% for Regulars and 5% for Reserves;<sup>189</sup>
- **Recruitment.** The cost per recruit is broadly similar for the recruitment of Regular Officer, Reserve Officers and other ranks (both Regular and Reserve).
- **Basic Training.** Training for commissioning in the Regulars and Reserves differs in delivery, intensity and duration. The same is the case for soldiers basic (Phase 1) and subsequent (Phase 2) training. For these reasons, and as Regular training is residential, comparison of cost is of limited meaning.
- Collective Training. The Army has assessed the cost of training both Regular and Reserve infantry company and, if manpower is excluded, the costs are broadly the same for a like for like comparison of training activity levels to achieve the established Collective Training Competence Levels 1, 2 and 3.190

122. Comparison is complicated; Reserves get paid only for the days they train, or are recovering from injuries sustained on operations or training, plus in future a 10% leave

<sup>&</sup>lt;sup>186</sup> HC Deb, 3 July 2013, col 921

<sup>188</sup> The pay section of the British Army website explains the X Factor as: "The main reward package is called the X Factor. It's an adjustment to your pay that makes sure you're getting a fair deal .It compares your Army job to a similar civilian job and weighs up the extra challenges you face as a soldier, such as time away from your family and working under pressure. It also considers the perks of Army life, such as job security and 38 days' paid leave every year. The X Factor normally means soldiers take home an extra 14.5% compared to the closest civilian job".

<sup>&</sup>lt;sup>189</sup> The MoD provided the following additional information: Presently only Regular pay attracts a Superannuation Charge Attributable to Experience (SCAPE - the cost of pension) which is 42.8% for officers and 30.8% for soldiers. The FR20 proposition will see Reserve salary becoming pensionable leading to a SCAPE levy in the order of 25% while the application of Working Time Directives will see an additional payment, in the order of 10.2%, to Reserves. That said, not all Reserve attendance based pay will attract Employers National Insurance Contributions.

allowance, whereas Regulars get paid 365 days a year including weekends, on leave and during periods of sickness and injury (whether related to their duties or not). In addition, most Regulars receive subsidised accommodation, all accumulate an entitlement to terminal payments and pensions. Reservists qualify for a bounty subject to attendance and passing various annual tests. A new pension scheme is planned for Reservists related to actual days spent training.

123. In oral evidence to us, Lieutenant General Bradshaw commented on the costs of employing Reserves:

They are cheaper to employ on a long-term basis. They are more expensive to employ for particular requirements. If we call them up, we end up paying for their man training days and for their employment. So, overall, the restructuring of the Army represents a considerable saving, but in order to realise that saving it is very important to understand that we must be prepared to resource the employment of Reservists in circumstances where we would not normally have employed them in the past.191

He added that "overall, of course, the reduction in the regular manpower represents a very significant saving for defence". 192

124. Some of our witnesses have expressed doubt as to the cost effectiveness of Reserves against Regulars. In a detailed submission, John Baron MP commented that "the extent of the financial savings generated by the proposals [was] also unclear". While he accepted that there would be an overall cost reduction, he argued it was unlikely to be as great as the Government expected. He stated that "if the savings prove marginal, then the subsequent loss of capability may beg serious questions about value for money".193

125. We welcome the £1.8bn additional investment in the Reserves, but call upon the Government to provide us with a breakdown of how it plans to spend this money. We note the concerns expressed as to whether this funding will be sufficient to achieve the desired outcomes for the Reserves Forces. We note that Reservists are cheaper to employ so long as they are not called up. This will only prove to be a cost saving so long as future governments are not required to undertake operations. This will need to be closely monitored. It would be unacceptable if the UK decided not to take part in any action because of the cost of deploying Reservists. We recommend that the Government set out in detail how it will assess and report on the cost effectiveness of, and the value for money achieved by, its plans and how these outcomes will be independently examined and verified. We would welcome the involvement of the National Audit Office in this evaluation.

# Recruitment age

126. As part of our inquiry, we received evidence from Child Soldiers International and others regarding the recruitment of persons under the age of 18 into the Armed Forces and

<sup>191</sup> Q 176

<sup>&</sup>lt;sup>192</sup> Q 176

<sup>&</sup>lt;sup>193</sup> Ev w38

its cost effectiveness.<sup>194</sup> Child Soldiers International argued that the phasing out of the recruitment of minors would:

- Save approximately £94 million per year on training and recruitment;
- Increase operational effectiveness, including improving the ratio of deployable personnel;
- Have a positive effect on recruits' education and long-term career prospects;
- Reduce incidence of mental health problems amongst soldiers and veterans; and
- Ensure "the best interests of the child" are prioritised, in line with international legal obligations. 195

127. Child Soldiers International argued that the recruitment of minors could be phased out without a detrimental effect on the Army 2020 plan. 196 First, they said that as Reserve Forces became more integrated with Regular Forces, the difficulties of ensuring effective age screening in units deploying under time pressure would be alleviated as Reserves already have a minimum recruitment age of 18 years. Secondly, they contested that the Army 2020 plans would see a large number of Regular personnel replaced with Reservists and that assuming the rates of adult recruitment remained at current levels, Army 2020 would eliminate the need to recruit minors. 197

128. In our Report on the education of Armed Forces personnel we asked the Government for "further information on why the Army is so dependent on recruiting personnel under the age of 18 years compared to the other two Services, and whether steps are being taken to reduce this dependency". We recommended that the Government should "carry out a thorough cost-benefit analysis of the policy of recruiting Armed Forces personnel under the age of 18 years old" and provide us with this cost-benefit analysis. In response to these parts of our Report the Government said:

In offering challenging and constructive education and employment opportunities to those who have reached the school leaving age (16), the Armed Forces are mindful of the requirement to provide a supportive environment which takes account of the care and welfare needs of young people whilst offering them the opportunity to discharge up to the age of 18 years. Intake into the Armed Forces is spread across the eligible age range, however the Government agrees that the Armed Forces should undertake a cost-benefit analysis of the recruitment of U18s and work has been set in hand with the Army to look at this.

129. In November 2013, in answer to a parliamentary question, the MoD told the House of Commons that the Army had been tasked to carry out the cost-benefit analysis study on a tri-service basis and to provide an interim report early in 2014. 198 In a further answer in

<sup>&</sup>lt;sup>194</sup> Ev w24; see also Ev w20 [Peace Pledge Union] and Ev w34 [Forces Watch]

<sup>&</sup>lt;sup>195</sup> Ev w24

<sup>&</sup>lt;sup>196</sup> Ev w24

<sup>197</sup> Ev w28

<sup>198</sup> HC Deb, 18 November 2013, col 696W

December 2013, the MoD gave more information about the study. Anna Soubry MP, Parliamentary Under-Secretary of State, said:

As recruitment is an activity where the cost of recruiting junior entrant (JE) or standard entrant (SE) individuals is the same, the scope of the study is focused on the costs of additional training provided to under-18s on the JE scheme.

As a result of scoping carried out by the Army, the timetable for this study is now becoming clearer but it is too soon to set a publication date for the report. It is also apparent that the detailed terms of reference will require more development and a decision has yet to be taken on publication.<sup>199</sup>

130. We note the evidence we have received on the recruitment age for the Armed Forces. We commented on this in our Report on the education of Armed Forces personnel and in response the Government agreed that the Armed Forces would undertake a cost benefit analysis of the recruitment of under-18s. We note that the Army is undertaking this analysis on a tri-service basis and that the work is continuing. However, we are disappointed by the lack of clarity regarding the study's terms of reference and the slow progress with the study. We call on the Government to provide us with the terms of reference for the study and an estimation of when it will be completed. We expect the Army and MoD's cost benefit analysis to be thorough and robust and call on the Government to set out how it might be independently scrutinised and verified. This would ensure confidence in the outcomes of the analysis. We also call on the Government to respond in detail to the argument that the Army could phase out the recruitment of minors without detriment to the Army 2020 plans.

# **Basing and Germany**

131. As well as announcing decisions on the structure and manning of the Army, SDSR 2010 also included a commitment to an Armed Forces basing review and the redeployment of British forces personnel from Germany to the UK.<sup>200</sup> The MoD announced the outcome of an initial Basing Review in July 2011, based on the decisions made in the SDSR.<sup>201</sup> Its decisions included the transfer of a number of RAF stations to the Army, the locations of the five Multi-Role Brigades and the expectation that approximately 6,500-7,000 personnel returning from Germany would be based in Scotland. This announcement also included further reductions in personnel numbers. The Army 2020 announcement in July 2012 identified the units that were to be disbanded or merged to establish the Army 2020 configuration based on three distinct elements: a Reaction Force, an Adaptable Force and Force Troops.<sup>202</sup>

132. The outcomes of the Army Basing Review were announced on 5 March 2013. Two key principles guided the Review: that the armoured infantry brigades should be centred

<sup>&</sup>lt;sup>199</sup> HC Deb, 18 December 2013, col 633-634W

<sup>&</sup>lt;sup>200</sup> HM Government, Securing Britain in an Age of Uncertainty: The Strategic Defence and Security Review, Cm 7948, October 2010, p 28 and pp 32-33

<sup>&</sup>lt;sup>201</sup> HC Deb, 18 July 2011, cols 645-646

<sup>&</sup>lt;sup>202</sup> HC Deb, 5 July 2012, cols 1085-1088

<sup>&</sup>lt;sup>203</sup> HC Deb, 5 March 2013, cols 845-848

round a single location, and the Army should retain a UK-wide presence. The Basing Review envisages an Army increasingly consolidated around seven centres in the UK with the closure of a number of bases, a faster withdrawal from Germany and an end to the culture of routine rotation in the UK. The Government has committed £1.8 billion to the new basing plan, of which £1 billion would be spent on new accommodation. The seven centres around which the Army will be consolidated will be:

- Salisbury Plain Training Area (Tidworth, Bulford, Larkhill, Warminster, Perham Down and Upavon) – 15,000 personnel.
- North East centred on Catterick but also including York, Dishforth, Topcliffe and Harlow Hill. 7,500 personnel.
- Aldershot 4,200 personnel.
- Edinburgh and Leuchars 4,000 personnel.
- East of England Colchester and Swanton Morley 3,500 personnel.
- West Midlands Stafford and Donnington 3,200 personnel
- East Midlands Cottesmore and North Luffenham 5,800 personnel.

133. A presence will also be maintained in other parts of the UK, including Wales and Northern Ireland where overall personnel numbers are expected to reduce by 400.204 It is intended that consolidation around a small number of locations will end the culture of routine rotation in the UK and provide greater stability to Service personnel and their families, with benefits for children's education, spousal employment and increased home ownership.

134. In July 2013 alongside publication of the Reserves White Paper, the MoD announced the outcomes of the Reserves basing review which it said would result in the net vacation of 26 Army Reserve sites across the UK and that there would be an overall reduction of three major units in the future structure.<sup>205</sup>

### Withdrawal from Germany

135. Central to the basing review is the withdrawal of UK Armed Forces from Germany. UK Armed Forces have been stationed in Germany since 1945. Consideration has been given to withdrawing UK Armed Forces since the end of the Cold War and the process has been underway for several years. For example 4th Armoured Brigade moved from Osnabrück to Catterick in 2008. Project Borona, commissioned by the previous Government in 2006, resulted in the move of Headquarters Allied Rapid Reaction Corps to Innsworth, Gloucestershire in 2010. In the 2010 SDSR, the new Government announced that all 20,000 personnel remaining in Germany would be withdrawn by 2020 with half

<sup>&</sup>lt;sup>204</sup> A significant proportion of those reductions in Wales and Northern Ireland will be the result, however, of the civilianisation of search and rescue from 2015-2016 onwards.

<sup>&</sup>lt;sup>205</sup> HC Deb, 3 July 2013, cols 922-925, HC Deb, 3 July 2013, cols 49-53WS and HC Deb, 4 July 2013, cols 61-62WS

returning by 2015.206 The Government argued that "there is no longer any operational requirement for UK forces to be based there, and the current arrangements impose financial costs on the UK, disruption on personnel and their families and opportunity costs in terms of wider Army coherence."207 This also meant that the Army would be almost completely UK-based for the first time in many years. The Regular Army basing review of March 2013 announced that the withdrawal of UK Armed Forces from Germany would be accelerated. It is now intended that only 4,400 personnel will remain in Germany by 2016, with the withdrawal being completed by 2018-19.<sup>208</sup>

136. The implementation of the basing review and the completion of the withdrawal of UK Armed Forces from Germany are a vital and complex part of the implementation of Army 2020 and will require a high level of planning and coordination between all of the Services. Lieutenant General Bradshaw acknowledged that financial considerations were the rationale behind the withdrawal from Germany.<sup>209</sup> The MoD would have to spend £1.8 billion on infrastructure to facilitate the returning forces. However, the MoD asserted that alongside the costs of rebasing from Germany, there were savings to be gained. In respect of Army Basing Programme Savings, the Department estimated that "operating savings of £100m per year would be generated by 2015-16 and this would rise to £240m net benefit per annum by 2022-23". 210 Lieutenant General Bradshaw also saw other benefits from the plan such as having the "three combat brigades of the reaction force around their main training area on Salisbury Plain" which would enable "a very cohesive arrangement in terms of command and control and [which would be] much easier to administer than having a large part of the Army in Germany." However he also acknowledged that the training estate in the UK would be "stretched".211 In an attempt to alleviate this shortage, the MoD was studying the continued use of training sites in Germany, Canada and Kenya.<sup>212</sup> At our final evidence session General Wall confirmed that the dialogue with the German and Canadian authorities was continuing.<sup>213</sup>

137. The plans resulting from the basing review and the return from Germany are intricate and interdependent and affect all three Services. The MoD must ensure this process is managed appropriately so that it does not unravel. We call on the MoD to keep us informed on its negotiations regarding training opportunities in Germany, Canada and Kenya, and how the historically close working relations with the German authorities are going to be maintained during the drawdown period.

<sup>&</sup>lt;sup>206</sup> HM Government, Securing Britain in an Age of Uncertainty: The Strategic Defence and Security Review, Cm 7948, October 2010, p 28 and p 32

<sup>&</sup>lt;sup>208</sup> HC Deb. 5 March 2013, cols 845-848

<sup>&</sup>lt;sup>209</sup> O 185

<sup>&</sup>lt;sup>210</sup> Ev w10

<sup>&</sup>lt;sup>211</sup> O 185

<sup>&</sup>lt;sup>212</sup> Qq 185-189

<sup>&</sup>lt;sup>213</sup> Q 338 and Q 341

# SDSR 2015 and beyond

138. During our inquiry, we heard concerns regarding the impact of the 2015 SDSR on the realisation of Army 2020, for example concerns were expressed by Professor Theo Farrell and contributors to our Army Rumour Service forum regarding the possibility of further reductions in the size of the Regular Army.<sup>214</sup> Some media reports suggested reductions to a level of 60,000 personnel. General Wall told us that a reduction to 60,000 Regular Army personnel "would not have been a feasible way of achieving the defence planning assumptions that underpin the work we had done". 215

139. Another area of concern was the potential impact of any possible changes to the MoD budget. The Secretary of State for Defence told us during our inquiry, Towards the Next Defence and Security Review: Part One, that:

Based on SDSR 2010 and based on the budget that we have at the moment, and on the assumption we have made of flat real [terms increases] into the future—that is our budgeting assumption inside the Department—plus 1% real-terms increase per annum on the equipment plan from 2015 through to 2020, we are confident and the Armed Forces Chiefs are confident that we can deliver the required output.<sup>216</sup>

However the Secretary of State did acknowledge that, if funding decreased in the next Parliament, post-2015, serious questions would need to be addressed regarding the type of force that could be maintained:

In my judgment, if the amount of money available for the defence budget decreased significantly, we would reach the end of the process by which we can simply take salami slices off. We would have to ask some serious structural questions about the type of forces that we were able to maintain.<sup>217</sup>

140. A further impact on the MoD's budget would be the movement of Urgent Operational Requirement (UOR) commitments, funded by the Treasury, into the MoD core budget after the withdrawal from Afghanistan. The Secretary of State was confident that this would not impact on the Army 2020 plan:

UORs provide support for equipment that is delivered for a specific operation. They do not provide us funding to hold that equipment in core, so where we are bringing equipment that was delivered as a UOR into Afghanistan back into core at the end of the campaign, we have to provide from within our core budget a funding line to support that equipment once it is returned to core. Our planning assumptions absolutely do not include provision of UOR equipment for our standing capability in the future.218

<sup>&</sup>lt;sup>214</sup> Q 221

<sup>215</sup> O 300

<sup>&</sup>lt;sup>216</sup> Defence Committee, Seventh Report of Session 2013-14, Towards the next Defence and Security Review: Part One, HC 197. O 183

<sup>&</sup>lt;sup>217</sup> Defence Committee, Seventh Report of Session 2013-14, Towards the next Defence and Security Review: Part One, HC 197, Q 185

<sup>&</sup>lt;sup>218</sup> Q 329

141. We also explored with senior Army officers what might happen to the Army after 2020. Lieutenant General Bradshaw told us:

The answer is that we always need to be thinking ahead. There are people who are engaged in blue skies thinking about where the whole business of combat goes in future decades. However, there are so many unknowns there that we need to go forward on the basis of being able to morph flexibly into new approaches. The construct that we have, particularly with the adaptable force which we can tailor to the precise requirements, is the right way to go forward.<sup>219</sup>

In terms of expansion of the Army after 2020 he added:

The very important thing to remember is that the 2020 construct allows for expansion. We have a construct which has part of the collective capability based on the Reserves which could, with the right resourcing, be shifted back to rely on regular forces. So we have the command and control structure and the right neural network for expansion. Positive choice was made to go for an organisation with the right number of points of command to allow for expansion, rather than blobbing things up into larger collective organisations, which gives us less flexibility.

It is also part of the thinking that this shift, as we have stated, was driven for very real economic reasons. We all recognise that defence had to take a hit along with everybody else, in view of what the nation is facing. Equally, if we get into different territory economically when the next defence review comes along, there are areas where we have taken a bit of a capability holiday, and areas of risk and perhaps there will be a good case for a bit of add-back.<sup>220</sup>

142. We are concerned that the Army 2020 plan would unravel in the face of any further MoD budget reductions or further reductions in Army personnel. It is essential that the MoD's budget settlement allows for the delivery of Army 2020. If this is not the case, it must be accepted that the Army will be capable of doing less than envisaged under Army 2020 and the UK's vision of its place in the world and the Defence Planning Assumptions will have to be revised accordingly. We are also concerned about the Army's capability to expand its numbers rapidly, both Regulars and Reserves, should a national emergency require it to do so. Any plans for the structure of the Armed Forces must be flexible enough to adapt to rapidly changing circumstances. For the reasons already set out in this Report we have little confidence in the Government's capacity to rapidly expand Army numbers should the need arise. The Government must set out its contingency plan for doing so.

<sup>&</sup>lt;sup>219</sup> Q 194

<sup>&</sup>lt;sup>220</sup> Q 195

# **4** Conclusion

143. Army 2020 represents a radical vision for the future role and structure of the British Army. It departs significantly from the announcements made in SDSR 2010 and we have considerable doubts about how the plan was developed and tested, and whether it will meet the needs of the UK's national security. The evidence presented to date has been far from convincing. Our principal concerns are twofold:

- First, the MoD has failed to communicate the rationale and strategy behind the plan to the Army, the wider Armed Forces, Parliament or the public.
- Second, we remain concerned that the financially driven reduction in the numbers of Regulars has the potential to leave the Army short of personnel particularly in key supporting capabilities until sufficient additional Reserves are recruited and trained.

144. The Government has said Army 2020 has to work and that there is no Plan B. The Government owe it to the Army to ensure it does work, but, crucially, if the situation changes, then the Government must be prepared to respond decisively by providing additional resources in order to guarantee the nation's security. Although we have concerns about the Army 2020 plan, we recognise that it also provides opportunities, for example in addressing the role of Reservists and developing the public defence engagement role of UK Armed Forces which will help to resolve the current disconnect between the Armed Forces and the public.

145. While we welcome the Government's commitment to publish more data on the Reserves and to put into statute a requirement on the Reserves Forces and Cadets Association to produce an annual report on the state of the Reserve Forces, we believe the Government should go further and give a commitment to provide regular updates to Parliament on progress on all aspects of the Army 2020 plan. Oral and written statements while helpful are not sufficient; a detailed annual report on the Army's Fighting Power should be laid before Parliament setting out progress and setbacks in implementing the Army 2020 plan. The first of these reports should be laid before Parliament in January 2015 to allow consideration and debate before the 2015 General Election and to inform the 2015 SDSR.

# **Formal Minutes**

# Wednesday 29 January 2014

### Members present:

Mr James Arbuthnot, in the Chair

Mr Julian Brazier Mrs Madeleine Moon Sir Bob Russell Mr James Gray Mr Dai Havard Ms Gisela Stuart Mr Adam Holloway Derek Twigg

Draft Report (Future Army 2020), proposed by the Chair, brought up and read.

Ordered, That the draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 145 read and agreed to.

*Resolved*, That the Report be the Ninth Report of the Committee to the House.

Ordered, That the Chair make the Report to the House.

Ordered, That embargoed copies of the Report be made available, in accordance with the provisions of Standing Order No. 134.

[Adjourned till Tuesday 4 February 2014 at 2.00 pm

# Witnesses

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12	Brigadier (retired) Ben Barry OBE, Senior Fellow Land Warfare, International Institute for Strategic Studies	Ev w43
13	David Lyon former Colonel Commandant, Special Air Service	Ev w46

# List of Reports from the Committee in Session 2013-14

The reference number of the Government's response to each Report is printed in brackets after the HC printing number.

### Session 2013-14

First Report	MoD Supplementary Estimate 2012–13	HC 291 (HC 644)
Second Report	Ministry of Defence Main Estimates 2013–14	HC 517 (HC 670)
Third Report and First Joint Report	Scrutiny of Arms Exports and Arms Control (2013): Scrutiny of the Government's UK Strategic Export Controls Annual Report 2011 published in July 2012, the Government's Quarterly Reports from October 2011 to September 2012, and the Government's policies on arms exports and international arms control issues	HC 205 (Cm 8707)
Fourth Report	The Armed Forces Covenant in Action? Part 3: Educating the Children of Service Personnel	HC 586 (HC 771)
Fifth Report	The Armed Forces Covenant in Action? Part 4: Education of Service Personnel	HC 185 (HC 759)
Sixth Report	The Defence Implications of Possible Scottish Independence	HC 198 (HC 839)
Seventh Report	Toward the Next Defence and Security Review: Part One	HC 197
Eighth Report	Ministry of Defence Annual Report and Accounts 2012–13	HC 653

# Oral evidence

# Taken before the Defence Committee on Wednesday 5 December 2012

### Members present:

Mr James Arbuthnot (Chair)

Mr Julian Brazier Penny Mordaunt
Thomas Docherty Sandra Osborne
Mr Jeffrey M. Donaldson Sir Bob Russell
Mr Dai Havard Bob Stewart
Mr Adam Holloway Ms Gisela Stuart
Mrs Madeleine Moon

#### **Examination of Witness**

Witness: General Sir Peter Wall, Chief of the General Staff, MoD, gave evidence.

**Chair:** Order, order. I am told I must say that. Welcome to this afternoon's session, CGS.

General Sir Peter Wall: It is a great pleasure to be here, Chairman.

**Q1 Chair:** It is very good of you to come to talk about the robustness of the plans for the Future Army 2020. Some people have described it as the most radical change we have seen since the end of conscription. Do you agree with that?

General Sir Peter Wall: I think it is radical, yes. The circumstances in which the plan was hatched were certainly novel by the standards of recent decades, and it called for an opportunity for a significant rethink, which we were afforded the time to do by the Department, for which I am very grateful. So I think it is radical.

**Q2 Chair:** Was there a lot of appetite for it in the Army? Was it driven by a need to change the way the Army appeared to the outside world because of money, or was it because of a change of threat, or what?

General Sir Peter Wall: If we had been going forward from roughly where we are now, with two years to run until the end of combat operations in Afghanistan—three years at the point at which we were having these discussions—on a level budget with the prospect of certainty on where we were going to be based, how we were going to train and how our equipment would play, we would have had to have done a considerable amount of recalibration to tune the Army for the post-Afghan environment, but the need for the radical change was really driven by three things that conflated into a big transformation opportunity, in addition to the need for post-Afghan recalibration to a broader approach to the future nature of conflict.

Those three things are, first, the Government's direction that the Army should reduce by 20,000 people, which equates roughly to 20%. Secondly, the Reserves Commission, which reported at the same time as the announcement about the reductions in the Regular Army, heralded the need for a reform programme to make the Reserve 50% larger, and to

make it a more usable, committed Reserve, and therefore, by implication, integrated into the Regular part of the Army to make a useful whole. The third thing that played into this space was the Government's direction that we should withdraw from Germany, where at that point we still had three brigades-worth of people, or 20,000 in total, plus their dependants.

**Q3** Chair: You almost make it sound as though the Army had little say in either the direction that there should be a reduction of 20,000 people or the withdrawal from Germany. Was there any consultation, or was it a direction from Government? If it was a direction from Government, on what was that direction based?

General Sir Peter Wall: The direction from Government on the size of the Regular Army was very clearly about reducing manpower costs as that segment of the defence budget was also going to be slightly reduced.

**Q4 Chair:** So it was about money rather than the forces we needed to counter any threats that we might face?

General Sir Peter Wall: I did not look at it from that perspective.

Q5 Chair: Should you not have done?

General Sir Peter Wall: Our job is not to interfere with Government decisions about the amount of resource devoted to defence or the Army as a share of the defence budget; it is to find the best way of delivering the most useful and effective capability to meet the envisaged military demands of the time.

Q6 Thomas Docherty: General, I am slightly puzzled by that last answer, and I am wondering if you can help me understand it better. You say that it is not your job to interfere with Government decisions. Isn't it your job to advise Ministers, who then make a political decision based on the best military advice and finite resources?

General Sir Peter Wall: That is absolutely right. Perhaps "interfere" is pejorative, but the insinuation was that we had volunteered to have the Army

reduced by 20%, which certainly was not something that we would have found attractive. It was therefore our job to combine that with the uplift in the Reserve and the opportunity for efficiencies provided by getting the Army into a tauter basing perimeter, primarily on the UK mainland—obviously, with some out-stations here and there—to come up with the most efficient way of running the Army to deliver the optimum capability within the resources available.

Q7 Chair: I was not meaning to insinuate that you had volunteered a reduction of the Army. What I meant to suggest was that you, as Chief of the General Staff, would have some input into the threats that you thought that this country faced, and therefore the forces that might be needed to counter those threats. Is that a fair assumption for me to make?

General Sir Peter Wall: I think it is a very reasonable approach to take if you can be very specific about the threats to the national interest and the ways you might meet them, but we are in a less clearly defined security environment. We are well aware that the world is not necessarily a safer place. It is not likely to impact more favourably on UK national interests, the interests of our close partners and so on. But that is a general statement. We cannot identify or quantify specific-sized threats and specific-sized responses to them with quite the sort of refined accuracy we could in the days of the Cold War, for example. There is an element of choice. There is a risk-investment balance and those conversations clearly happened. The original plan in the Defence Review—you will recall, Chairman—was that the Army would reduce manpower by 7%. It was about nine months later, when I think the fiscal predicament had become clearer, that it was decided that it should reduce by more. Implicit in that is a deduction that, had it been affordable, it would have been desirable to have a slightly larger force.

**Q8 Mrs Moon:** Given the reduction and the anxiety that you are portraying at the proposed reduction that we are now facing as reality, do you feel the Government have gone too far? Are we still capable of meeting whatever risks are out there, or have we pared ourselves too close to the bone?

General Sir Peter Wall: That is a difficult question to answer because we do not know what sort of risks are going to present themselves and we don't know what stance the Government will take, but it has been made very clear in the strategic space that we really value our partnerships. We see ourselves doing very few operations independently. We would be working as part of a coalition. It has been stated clearly that that is very likely to be with close allies that we have been working with for the past few decades, but we also sit firmly with emphasis in the NATO envelope and so on.

There is also a clear acceptance that there are ways in which we can mitigate threats by other forms of investment, such as international development and upstream capacity building in the military space. They are funded separately, but play in the same dimension of trying to nip threats in the bud, stop potential failing states going that way and so on. If you look across the whole waterfront of upstream activity, the forces we can bring to bear and the way in which we can produce quite a resilient force for a protracted period, given notice, I think that we ought to be capable of dealing with these issues, as long as they are in the sort of envelope that has been envisaged from the SDSR.

Q9 Mr Havard: As I understand it, there are assumptions about threats, which clearly need to be taken into account, and there is the question of how much money might be able to be expended over time. There is also the question about relative composition, with a greater emphasis on Reserves. Those are the background things.

There were attempts to look at what an Army might look like going forward. Then there was a discussion about those criteria. There was a series of iterations here; it is not something that you did in one go. Then you come up with a structure that is adaptable that you can fill up or empty and transfer. So you have an Army structure that fits in with the whole force structure, as I understand it. There are security forces as well in relation to what an Army might do. Those were all givens, but they were contributing factors. Not one or any of those was a determining factor. Is that correct?

General Sir Peter Wall: Yes, that is absolutely right. There was a hierarchy of thinking that started with the National Security Strategy, went down through the Strategic Defence and Security Review and so on and so forth, obviously looking at this in a pan-defence context. The reason why, in my earlier answer, I talked about the decision to reduce the Army by 20% was because for me that was the main trigger for an absolutely fresh look at the way in which the Army should be designed and structured.

Q10 Mr Havard: The structural composition is meant to endure as opposed to the detail at any given time?

General Sir Peter Wall: Yes, that is a very important point. We did not, in a sense, design this thing solely to meet a single and specific resource point. It is a concept for the Future Army that is scaleable to resource. It would benefit from resilience if more investment could be made, but it could also be scaled back with attendant implications if that were required.

Q11 Thomas Docherty: At the risk of returning to this point because, as you know, I struggle to understand things sometimes, at its most fundamental level, and the assumptions that were made in the National Security Statement and the SDSR in 2010, do you have the minimum level of personnel in Regulars and/or in Reservists to meet those assumptions that were made?

General Sir Peter Wall: Yes, I think we do, but we should be clear that those assumptions are quite generic. They are not about a specific number of people at a specific place in the world with specific notice against a specific task. They are quite broadly stated ambitions, and I think we can, handled properly, deal with them.

Q12 Thomas Docherty: I am going to press you, though. I know that you are trying to avoid numbers, but there must be a figure when you look at the size at the Army and say, "If we fall to such a level, we can't meet those assumptions." Are we approaching

General Sir Peter Wall: Yes, we probably are approaching it, but I think that we are above it now, subject to our ability to deliver by 2018 the integrated Reserve and Regular components into the Army 2020

Thomas Docherty: I will come back to it later on.

Q13 Bob Stewart: General, as the professional head of the Army, how do you view the morale within the Army when it looks at 2020? How do you feel the people in the Army feel when they look at it?

General Sir Peter Wall: I think that they are enthusiastic about it. Let me be very clear. I didn't wish to imply by anything that I have said up till now that I don't think we have come up with anything other than an extremely innovative and implementable pragmatic solution to the challenge we have been given. When all those changes have been made—and it will take a few years—we will have an Army that we can all be extremely proud of and that will provide very worthwhile careers for talented people.

That has been detected by the rank and file, and the officer corps of the Army, who clearly are interested in the path that has to be taken to get to that state and are never attracted by the attendant uncertainties of any change programme. We are working through how we implement that in a way that gives them confidence. While they do have one or two particular worries about the robustness of terms and conditions of service and things like that, as we go out into the future, which have been affected by the sorts of savings package that we have had no choice but to implement as part of the national issue, for the most part they are very attracted by the military intellectual dimension of this design. It is not a multi-tier Army; it is something that has a number of different facets, each of which has its own appeal.

Q14 Chair: Just to encapsulate, the planning assumptions set out in the SDSR say that we should be able to conduct an "enduring stabilisation operation...(up to 6,500 personnel)...one nonenduring complex intervention (up to 2,000 personnel) and one non-enduring simple intervention (up to 1,000 personnel)". Will Army 2020 be able to deliver on those planning assumptions?

General Sir Peter Wall: Yes, it will, Chairman. It will do it in two guises: first, it will provide the land element of those contributions; and secondly, it will provide the elements of capability that come from elsewhere in defence that, in many cases, involve Army personnel. The size of the Army isn't just the bit that works for the Army; it is everybody in defence in terms of the 82,000 ceiling. It meets both those requirements, and we work very hard to make sure that's the case.

Q15 Chair: How do you envisage all of this fitting in with the Royal Navy and the Royal Air Force?

General Sir Peter Wall: In the joint construct, the 6,500 force, for example, could well be alongside a naval component, quite closely integrated with an Air Force component, providing surveillance capability, strike capability and so on; it could have other elements of the Joint Force Command from all three services, and perhaps even Special Forces; and it could be under a Joint Force headquarters. It is all designed to fit into that sort of set of plugs and sockets.

Q16 Sandra Osborne: Lord Astor said in the Lords that despite the cuts that have been announced, Army 2020 will deliver approximately 90% of current combat effect. What did he mean by that and where did the other 10% go?

General Sir Peter Wall: What we are actually saying is that if you look at what we have at the moment, we have an Army of 102,000 with a Reserve that is nominally 38,000 to 40,000, but actually it only has about 20,000 useful people in it. So that's 120,000 people Regular, with Reserves of varying degrees of utility and commitment—that is our problem, not theirs. If you compare that with what the future heralds, which is 82,000 or so Regulars and 30,000 more usable Reservists, the delta is not nearly as significant as a 20% reduction in the regular Army would have suggested.

Let me just say if I may, however, that this is not just about numbers of people; it is about capability in the round—equipment, logistics and so on. An important element of that is that in the future construct, the Army has quite a way to go in making better use of contractors on operations as part of its planned design, rather than doing it in a slightly more ad hoc way, as we do in Afghanistan at the moment.

O17 Sandra Osborne: Could I ask about the future structure of the Army in relation to the reaction and adaptable forces, with sets of troops supporting both those forces? Can you explain how those would operate in any given circumstance?

General Sir Peter Wall: Your point is absolutely critical to how we have gone about getting broader utility of a slightly smaller organisation. We have effectively split the force into two bits. We are talking big handfuls. First, there are those forces that are bestmanned, best-equipped and best-trained to be at relatively short readiness for emergencies that might involve a deployment of up to a brigade on a more routine and repeatable basis, and very occasionally— "best effort" as we call it, and with notice—a division. That is the sort of thing we did at the beginning of our time in Iraq, for example, with Operation Telic. The other part, which is organised rather differently and held at lower readiness, is called the adaptable force. Given notice it can, on the one hand, replicate the capabilities of the reaction force, but on the other it can do a number of other tasks in the United Kingdom or abroad, like defence engagement—that is the upstream capacity-building idea, which you may want to talk about. It is having this force of utility players, for want of a better word, who can adapt one way or another, given notice and training resources,

that allows us to cover this broader range of tasks

from a smaller size of force. That is the clever trick. Obviously there are risks, such as not getting the notice or the training time. It is an appealing part of the Army for people to serve in, because it provides that diverse range of opportunities.

The third part that you mentioned was the force troops, which essentially covers all of our enabling activities and is split into two. Half supports the adaptable force and the other half will be at high readiness, and highly manned and highly trained, to support the reaction force.

On how it will be used, it is fair to say that we are getting more of a sense of that as we do the detailed work on implementing it, and we now have our younger officers and NCOs talking about it. We are starting to understand that the potential of this mix of forces is perhaps even greater than at the point when we designed it. There has been a perception that, if there is a situation like Afghanistan, that will be dealt with by the reaction force. If there is a UK resilience task, a UK operation or something that involves UK engagement with the TA-or, indeed, doing training teams in another part of the world, such as Africa or Asia—that will be the preserve of the adaptable force. I think we will find that these two things co-exist, cohabit and support one another in varying degrees, depending on the situation.

**Q18 Sandra Osborne:** Will the adaptable force take over all the stabilisation operations?

General Sir Peter Wall: No, I don't think it will. I think there will be certain niche capabilities held in the adaptable force that will be used on stabilisation operations, but if an operation has gone into the stabilisation phase, as in Afghanistan at the moment, there will be a lot of reaction force capability used on that as well.

Q19 Sir Bob Russell: Sir Peter, other colleagues will probably ask about the reaction force more widely. I will ask about the specific area of Reservists. We are told that the reaction force will provide the high readiness force that will undertake short-notice contingency tasks and provide the conventional deterrent for defence. We are told this will be based on three armoured infantry brigades and an air assault brigade—I assume 16 Air Assault Brigade—and they are going to provide the basis for future enduring operations. Given the high readiness nature of such a force, what type of Reservists will make up the projected 10% of such a reaction force?

General Sir Peter Wall: That is a key question, because there has been a general assumption that the Reserve only played into the adaptable force at longer notice, and that is not the case. You will be aware from your recent visit and from other experiences that the operations we have been doing for the last 10 years plus in Iraq and Afghanistan have relied heavily on—it varies by cap badge and function; from, for example, the inventory and inspection to the medics—7% to 10% of the force, and I don't think that will change. So there will be some TA individuals—not formed units—who will find themselves marching towards the reaction force to deploy on those sorts of operations. The proportion will be slightly smaller at

the very highest readiness, but by the time you have got up to three months' notice or you are three months into an operation, I would imagine that the Reserve component will be about the same as it is at the moment.

**Q20 Sir Bob Russell:** But you would envisage individuals rather than units.

General Sir Peter Wall: Yes. The critical difference is that in the adaptable force the resilience provided by this integration of the Reserve comes at company level.

**Q21 Mrs Moon:** Given the description that we have had of the reaction force, it will need to have quite a high level of training and also quite specific equipment. Have you considered what equipment will be needed to ensure the success and the support of the reaction force?

General Sir Peter Wall: Yes. A lot of it is our existing corps equipment suitably upgraded over time-for example, upgrading the Challenger tank and the Warrior armoured fighting vehicle. There is also the acquisition of a new Scout vehicle to replace our reconnaissance vehicles, and the bringing into service from Afghanistan of quite a lot of our urgent operational requirement-driven fleets, which you have seen on your recent visit—bringing them into the core equipment programme to equip both the reaction force and the adaptable force. Inevitably in the way of modern operations, there will be a heavy reliance on surveillance systems and on high-speed broadband networks and all those sorts of things, which we have the experience of using in a sophisticated way on a day-to-day basis in Afghanistan, right down to company level. We will be bringing those back and applying them in a sort of manoeuvre brigade context for the reaction force. A lot of those systems, at slightly lower notice, will be available to the adaptable force, too.

The equipment programme is not absolutely guaranteed at the moment to meet all our requirements. Because the Secretary of State still had some outstanding decisions about how to commit the Reserve element of that, he has held back. That is money that would be spent in the later years, anyway, so I am content with that, but also we are anxious to see that we get the requisite share of that reserved funding—part of the capital equipment programme—to be able to answer your question as fulsomely as we would like to.

**Q22 Mrs Moon:** Would losing the Apache helicopters affect the capability of the reaction force? *General Sir Peter Wall:* Yes, it certainly would. Although the Apaches are held in 16 Air Assault Brigade, as the last few years have shown us they are supporting everybody in a number of roles, and there is no plan to remove them. They have a funded upgrade programme as part of the equipment investment you alluded to earlier.

**Q23** Chair: They were a brilliant purchase, weren't they?

General Sir Peter Wall: They have been a very fine purchase, yes. They have stood us in very good stead. Since they came into operational use they have been used almost exclusively in Afghanistan, with the odd maritime excursion, including of course in Libya. I think we have further to go in exploiting their potential in a broader range of scenarios.

Q24 Mrs Moon: You briefly mentioned equipment coming back from Afghanistan. How quickly are you looking to have that brought back so that you have it in readiness? Perhaps you could outline in a little more detail what you think is going to be of particular importance to the reaction force.

General Sir Peter Wall: I think it is important to the Army as a whole. The logic we laid out in our Army 2020 design notwithstanding, I would not be at all surprised if we found some light forces in the adaptable force component taking post-Afghan equipment away on operations quite soon, or at quite short notice. We certainly have not ruled that out.

However, in terms of the component of capability over there, we clearly have to sustain the effort right out until it is no longer needed in that theatre. That is still the main effort. We are not intending to put people at risk there by withdrawing that equipment any earlier than we should. Equally, I am sure that we would love to have it in another place at the same time, because we could then train on it. These fleets were bought specifically for use in Afghanistan. They are tailored in size to Afghan requirements, and some of the capabilities are quite scarce. We should be redeploying that as fast as we can to elements of the reaction force, particularly the light elements of the reaction force, 16 Air Assault Brigade, and also to parts of the adaptable force, to make sure that our contingency capability is up to the standard of our current operations in Afghanistan as soon as we can get to that.

Q25 Mrs Moon: Money is very tight. As you have said, you would like to have some of the equipment in two places at once. Are you happy that you have the processes, and the recording and tracking capability, to make sure that some of that equipment indeed quite a lot of that equipment—coming back from Afghanistan will not be lost or stolen?

General Sir Peter Wall: I do not think it will be lost or stolen. I think the question will be how rapidly we can recondition it for use in other theatres.

**O26** Mr Brazier: I have a brief question. CGS, what you are saying about bringing the equipment back and getting it back into use very quickly, particularly for the contingent force, obviously made sense. But the query that has been raised several times is about the armoured vehicles in Afghanistan being specifically optimised around protection against IEDs without particularly good protection against anti-armoured vehicle weapons. Clearly, for quite a large range of jobs, the emphasis would be at least as much on the latter as on the former. This clearly makes it more complicated, doesn't it?

General Sir Peter Wall: Yes. Any future theatre is going to have a mixture of those sorts of threats. We might reasonably expect it to have more of the antiarmour direct fire-type threat than what we are witnessing with the insurgency in Afghanistan where, as you highlighted, the counter-IED and sniping are really the principal threats. But, of course, most of our armour is therefore not in Afghanistan; it is back in Germany, destined to move back to the UK as and when, and it is also being used by our brigades on Salisbury Plain as part of their core equipment. What we will have to do, as we always have done, is to come up with the right force mix for the situation that pertains. When compared with how we found ourselves in 2003 to 2005, when we first started coming up in Iraq, and to a lesser extent in the early days in Afghanistan, against IEDs as the most awkward threat to deal with, we are now superbly equipped—not to the point of eliminating all risks, but most of them-against that threat. We anticipate that in many of the theatres we go to in the future, that threat will be there, so we have the ability to mix and match as the situation demands.

Q27 Mrs Moon: The reaction force will provide a full spectrum of intervention tasks. Is there specific training that you think the force is going to need?

General Sir Peter Wall: Yes, I think it is going to have to do much more of the traditional manoeuvre training that was our staple before we got very much focused on framework operations in Afghanistan, but it is also going to have to bring with it a number of the Afghanistan-style skill sets, tempered and broadened to a wider range of situations, climates, environments and so on. Therefore, in a sense, we are going to have to come up with a training model that covers both those areas of activity, which will have cost and complexity implications, and put demands on equipment. Some of that can be done through simulation, but a lot of it, at least once in a while, has to be done using the equipment out on the ground, for which we are going to have to find the right training areas. We have a lot of people working on that and I am confident that its an achievable outcome, but of course it is also linked to levels of resource.

Q28 Penny Mordaunt: Will harmony guidelines be the same for reaction forces?

General Sir Peter Wall: I think they will. We are not absolutely hard and fast on a deduction from the last few years that people should only be deployed for six months, but it is a very useful benchmark around which we should plan and structure the force, particularly if you get into operations that go on to the point where you are starting to draw the adaptable force into the force generation cycle, so at the 18 month to two-year point, when you get round to your fourth brigade, you are using an adaptable force brigade that has quite a significant reserve component. That starts to fix the tour length at six months because of the practicalities of drawing on the reserve viz their relationship with their employers and everything else. That is actually the habit that we have at the moment. To answer your question in a purist sense, harmony is not just about tour length; it is about how long you have between tours. We would see the six-24 model as being about right.

Q29 Ms Stuart: Just a tiny topical question in relation to harmony guidelines and deployment. What is your view on taking off an extra five days over Christmas?

General Sir Peter Wall: That is essentially a common-sense solution to a particular problem—or opportunity, depending on how we look at it—to make sure that as many people in the Army have the best chance to take their annual leave, or their postoperational-tour leave, in the context of the fact that the Olympics distracted a lot of people from doing that. When we made the plan to draw people back from Germany and various other places in the force to support the Olympics, there was always the assertion that we would guarantee that they got their leave, and this is just one of the mechanisms to make that happen. It is a cost-effective and organisationally effective way of pulling that through.

Q30 Ms Stuart: That is a very generous interpretation. You don't think it is a rather panicky saving on electricity?

General Sir Peter Wall: No, the decision was mine and General Parker's. It wasn't about saving electricity, it was about getting leave off people's leave cards. It might have an attendant benefit, as long as people don't leave the lights on.

Q31 Mrs Moon: Can I get this clear? This is not a generosity issue of, "We're giving you five extra days' leave." This is, "You will take five days' leave at this point of time in the year."

General Sir Peter Wall: Yes.

Mrs Moon: So there is nothing generous about it— General Sir Peter Wall: Unless you volunteer for guard, in which case I am sure that we could make another arrangement.

To be very clear, this is an internal Army arrangement, independent of the rest of defence, to get around this particular problem of post-operational-tour leave having been interrupted by the Olympics. I think it has gone down quite well in the Army.

Chair: We will now get on to the adaptable force.

Q32 Thomas Docherty: The document that was published by the Secretary of State for the Regulars has quite a lengthy description of the role of the adaptable force. I don't intend to repeat it but it says, for example, that it will deliver standing commitments to Cyprus, Brunei and the Falklands, to ceremonial duties and to the UN, in addition to undertaking challenging tasks including overseas, military and follow-on. Is that a fairly comprehensive list of the requirements that you expect the adaptable force to undertake? Is there anything missing? Are there any of those tasks that, after a few months' reflection, you think that the adaptable force won't be able to do at this stage?

General Sir Peter Wall: No, I think they will generally have to cover all of those bases. What they won't be doing—and it is not implicit in any of the things that you mentioned—is suddenly taking on other people's equipment and driving tanks or Warriors. Unless they get posted as individuals, they will be constrained within their units to the equipment, roles and modus operandi of the adaptable force, which is mainly at the light end of the spectrum but does have a lot more protection than would have been the case a few years ago in light of our Iraq and Afghanistan experiences. I do see it being prepared to operate across the spectrum that you articulated, but at notice. We are not expecting people to change overnight from mode A to mode M.

Q33 Thomas Docherty: That is very helpful. There are also references to homeland resilience. Do you envisage any change in the nature of the military support that is provided to homeland resilience as a result of the adaptable force?

General Sir Peter Wall: No, I think this will be demand-led and so, too, will the defence engagement task. It is just that there is a more conscious sense of the demand, and we now have people who will be better equipped to do it well. In the UK operations and resilience base we have seen examples this year: Operation Escalin, which was around the prospective fuel distribution strike that didn't happen, but for which we trained 3,000 tanker crews across defence, but with the majority from the Army; Operation Quickthorn, which is our response to prison strikesnot prisoner facing tasks, but support to the Prison Service—and, of course, the Olympics, which isn't going to happen that often but is an example of something coming out of left field which we were able to respond to reasonably adroitly, and with quite large numbers of people. So I think it will be demand-led.

Thomas Docherty: This is where I begin to struggle to understand, and I apologise because it is probably more my fault than the Army's. The Olympics was a relatively certain event. Although you didn't necessarily know the level of commitment, you knew for seven years that it was coming. With something like a prison or fire brigade strike, there isn't that much notice. If the adaptable force is not supposed to be an instantaneous reaction, how will it be able to step up at relatively short notice?

General Sir Peter Wall: The key to this is complexity, scale and the level of integration you're talking about. When we talk about the reaction force going with a brigade, that is 6,500 people—a very large orchestra with everybody playing their role in a fairly fastmoving situation. The sorts of situations in the UK resilience base tend to be about numbers of individuals with specific skill sets that match the requirement. For example, in the case of the putative tanker strike, which fortunately did not manifest itself, that involved four or five days' training for people who already had their high-end articulated driving licences. It was a question of getting those individuals together into a force, but they were then dissipated as individuals to fulfil their ties. Provided it is not a really unforeseen, complex, sophisticated task, the adaptable force would be able to respond to it pretty quickly.

Q34 Thomas Docherty: You will be aware that there is a lot of political interest north of the border in the future of defence. I think many of us had just about got our heads around what an MRB was going to look like when the new Secretary of State tore up that plan

and introduced the current plan. Could you help me to understand the footprint and the roles you will be able to serve? I am struggling to get my head around how this is going to work.

General Sir Peter Wall: It is a key question actually, because we can still deliver the five-MRB model, from a mixture of the reaction force and the adaptable force. If you took MRBs, being multi-role brigades, as they were known in the early days of SDSR, each of the three armoured infantry brigades in the reaction force can provide a multi-role brigade. They might do that by using their existing equipment or by drawing on special equipment, such as that which comes back from Afghanistan. In the adaptable force, you have three lightish brigades—smaller in size and lighter in style—that can be given notice and formed into the fourth and fifth multi-role brigades, which allows you to have the harmony cycle that we were talking about earlier. Now, that is dependent on getting the right equipment and capability mix, but it is how you would meet that requirement. We should recognise in this conversation that, although we are charged with providing the capability of an enduring brigade over time, it is thought to be a less likely thing for us to be engaging with in the future than perhaps it was in the last decade. But, given the training resource and the warning, that is what we can do.

Q35 Thomas Docherty: Again, apologies, but there are seven infantry brigades in the adaptable force, and you are talking about three of those. Are they three specific ones?

General Sir Peter Wall: Three specific ones, yes.

Q36 Thomas Docherty: And will one of those be

General Sir Peter Wall: One of them, yes. Which of the seven fulfil the role I have ascribed to the three is driven solely by where our garrisons are. We are going to have one in Scotland and one around Catterickboth of those exist—and then we are going to expand our presence quite significantly in some of the airfields astride the A1 around Cottesmore, which will be where the third one will be.

**Q37 Thomas Docherty:** Finally, lots of figures are bandied around by politicians, and I am sure that sooner or later one of them will be true. If I look at the current Army footprint in Scotland and compare it with when you finish this process, will it be larger or smaller than at the moment?

General Sir Peter Wall: On the current plan, it will be one unit larger, and slightly bigger in numbers terms.

Q38 Thomas Docherty: As a layman, what would a unit be?

General Sir Peter Wall: Well, they vary a lot in this new structure. A unit is typically 200 to 500. I will furnish you with the precise figures. Certainly for defence as a whole in Scotland, the numbers are slightly greater, and for the Army I think they are also slightly greater. That actually provides us with an excellent opportunity to have one of these lowerreadiness combined arms brigades in the adaptable Q39 Mrs Moon: Given the range of tasks that the adaptable force is going to be called upon to do, and given that it is adaptable to be called on to do things that you can only imagine it being called on to do, I suppose, what sort of equipment do you think the force is going to need and how much of that are you going to need to have brought back from Afghanistan? General Sir Peter Wall: We will be bringing everything back from Afghanistan that we can make good use of, which I think is pretty well most of it. That will be run on a fleet-managed basis. We have not got enough to give each unit a standard holding for its whole existence, so basically they will pick up equipment when they need to train on it, and it then will be handed back, maintained by somebody and then issued to the next regiment or whatever. That is what we mean by fleet management. It is an important element of making the Future Force affordable for us. They will tend to be equipped with far fewer, if any, tracked vehicles or wheeled vehicles of the sort you will be familiar with from your Afghan visits, in terms of quite heavy personnel carriers and heavy protector mobility vehicles, down to new vehicles like the Foxhound, which is an extremely successful addition to our infantry. They will have the same personal weapons and direct fire combat equipment and dismounted combat equipment as the reaction force, including night sights and that sort of thing, although their holdings might be slightly different because they are at lower readiness. They will have the same communications suite and the same access to surveillance capabilities, including drones and so on, just on a slightly less enriched and less frequent basis. When they need to train with it, they will have it.

They will retain, in this adaptable force, the same core skills for understanding the way the various parts of the Army integrate and interact on the battle space, as part of their generic understanding of military business. It will be the same sort of training, to a less intense degree, as the reaction force, because that is actually part of everyone's core education.

Q40 Mrs Moon: How do you think you are going to integrate the training between Reservists and the permanent members of the adaptable force, given that they will have different schedules and you will need to keep that variety of skills, ongoing?

General Sir Peter Wall: That is a key question. It is primarily an opportunity rather than a problem. Although Regular units and Reserve and Territorial units have trained together in the past, that has tended to be ad hoc, and has never been part of the base plan for the way in which we deliver capability in an organisation like the adaptable force—certainly not in my service. For all of the parts of the Army and cap badges that are relevant to the adaptable force, from the light cavalry, through the light protective mobility infantry and dismounted infantry, to gunners, engineers, logisticians and medics, I would see a pairing mechanism at the regimental level: battalion X, Regular, will be paired with battalion Y, Reserve, and those two commanding officers will have a responsibility to provide a fully fledged working battalion at a level of readiness that is commensurate with their point in the three-year cycle. For one year,

that will be quite high readiness, and for the other two it will be less high readiness, and more tick-over training. There will still be the opportunity to go on deployments, if people want to use individuals, but their collective responsibility will be less for the other two years than it will be in the high readiness year. We will provide the resources and the opportunities for those people to achieve their individual and collective skill sets, all of which are mandated in well tried and tested documentation. We will clearly have to get to the right standards, by providing the right amount of ammunition, training space, time and so on. It will be for the commanding officers themselves to work out whether this is happening on Wednesdays or Sundays. That goes to the crux of your point. Part of the arrangements that we envisage for the new Reserve commitment is that a chunk of the training year will be a continuous period—probably a fortnight. There could be scenarios where it is more than that, given our ability to harness the support of employers and things like that, but that would be a key period for testing these things and making sure that the integration at the personal and unit level comes together. Our people are enthusiastic about that. We want to get some pilot schemes running very quickly to make sure that we can test the best way of doing it.

Q41 Chair: The changes to the Army inevitably involve the loss of some battalions and you have told us that the changes were driven by the fewest number of cap badges being lost, long-term manning and sustainability based on recruiting demographics and not more than one battalion being removed from any one regiment. How many units have been lost altogether?

General Sir Peter Wall: Twenty-three out of 142.

**Q42 Chair:** Because we have had changing figures on that over the course of recent weeks I gather, but it is 23 is it?

General Sir Peter Wall: My understanding is that it is 23.

Q43 Chair: Right. We said that minimising the number of cap badges being lost was one of the factors. Did that distort the Army's structure as a

General Sir Peter Wall: No, I don't think it has. The way we went about this was not to assume that the future structure should just be 20% reduced in every part of the Army, every function, every cap badge, from what we are currently doing. One reason for that, for example, is that there are certain trades, tasks and functions that are better suited to the TA than others. There are therefore places where the Reserve can play a more credible role in substitution for Regular manpower and others, and there are also places that lend themselves to the use of contractors much more than others. When you take this total support force idea and meld it with your requirement you can see the places where you can afford to reduce Regular manpower by more and those places where you can afford to do it by less. Therefore there are some organisations that have actually got bigger. There are some that have got bigger pro rata, such as the armoured infantry, where we have gone from five battalions to six in the Army as a whole. Then there are a large number who have gone down in terms of raw manpower by around 20%, plus or minus a bit, and then the percentage of unit reductions is, as the 23 out of 142 suggests, less than 20% because of the way we have chosen to organise ourselves. Part of that is because, typically, those adaptable force units that are going to draw on the Reserve for a significant part of their operational output can afford to be smaller in number, but they have got to provide the framework for part of the Reserve to come under their wings. That is how we did it.

Q44 Chair: There are various campaigns running to save battalions on the basis, partly, of the strength of the recruitment in those battalion areas. How will you manage to sustain the regimental system and take advantage of strong recruitments from some demographic areas?

General Sir Peter Wall: I think those two things are reinforced. Inevitably, the battalions that unfortunately contributed to the reduction in the size of the infantry from 36 battalions to 31, and it is unfortunate—some of them at the moment are reasonably well manned for reasons I could go into. Some of it is about the need to man them up with people from recruiting areas other than their own traditional recruiting grounds to meet the requirements of Afghanistan, something that we have always done to a greater or lesser extent. But au naturel, without that effect, it was relatively easy for us, taking a view going back a decade and going forward in terms of the Office for National Statistics demographic projections, on the assumption of no changes to our recruiting areas, to predict those who would find it more difficult than others. Those were the places we had to go, unfortunately. For the most part, it was reasonably clear cut.

Q45 Chair: Was a decision taken to spare Scottish

**Thomas Docherty:** There is only the Royal Regiment of Scotland.

Chair: To spare Scottish battalions.

General Sir Peter Wall: No, because the rubric that said that we will only take one battalion from each regiment was applied.

Q46 Chair: As Thomas Docherty quite correctly reminded me, the fact that there is only one regiment militated in favour of Scotland, did it not?

General Sir Peter Wall: Or the Rifles, or other organisations that might have found themselves deficient of manpower, taking the 20-year view.

Q47 Thomas Docherty: This is something where, again, I think, there are perspectives on the Scots, because they are going from five battalions to four battalions and a public duty incremental company. When you do, as an Army, your count about how many battalions you have lost, do you count that as a lost battalion?

General Sir Peter Wall: I do, effectively. If we look at what is going on in Scotland, and we ask ourselves whether the Army 2020 demand on infantry manpower in Scotland will be delivered, because of the roles that the Scottish battalions are fulfilling their current manpower demand for five battalions is something like 3,250 people, and they are going to be required to produce about 25% less of that to produce four battalions of the sort that we are asking for: one in the reaction force; three in the adaptable force; and a small increment for the public duties company—it looks very achievable to me.

**O48 Thomas Docherty:** But there is a lot of confusion in Scotland, because we have this changing structure. Am I right in thinking that the way you are going to do Scotland is that the public duty company will be a company drawn as a whole from one of the other four battalions and then badged as this, whatever title you have settled on-I'm not sure I am clear what the title is-and then it will be deployed to, say Edinburgh castle?

General Sir Peter Wall: Yes. The reason why we have alighted on this idea of an incremental company is to mirror the way we do public duties and ceremonial in London. It works very well in London, and it is even more apposite in the context of adaptable force battalions that have had their manpower suppressed, because that is going to be provided on transition to operations by the Reserve. We have done it that way. In the particular case of the Royal Regiment of Scotland, its four battalions all draw their manpower from all of Scotland, and they all wear the Royal Regiment of Scotland cap badge. When people come out of the recruiting depot, they will go to a company in one of those four battalions; equally, they might go to this incremental company for a short period.

Q49 Thomas Docherty: Let's say it is a six-month tour in the incremental company. Am I right in thinking that that whole company goes back to a battalion?

General Sir Peter Wall: No. That company exists and people go to it and leave it.

Thomas Docherty: Right. So it will not be 120 from one battalion, but it might be 30, 30, 30 and 30. They go for six months and then they come back.

General Sir Peter Wall: It is a standing organisation populated on a sort of trickle basis.

Q50 Mr Donaldson: This touches partly on the Reserves. On this question of adaptable force, there is no doubt that some regions are far more successful, when it comes to recruitment, than other regions, particularly in relation to the Reserves. I think it is important that where there is success, you follow success.

We are not going to get into a regional debate here, but Northern Ireland regularly produces 20% of Reserves on operational deployment, despite only accounting for 3% of the UK population; I certainly will be making a strong pitch for strengthening our Reserve base in Northern Ireland. Adaptable force can work, but it is important that where there is evidence of successful recruitment, that is not taken for granted and you go to other areas where there isn't such recruitment.

General Sir Peter Wall: Without going into the specifics of particular regions of the United Kingdom—I completely agree with you on Northern Ireland—it would not be in our interests not to take maximum advantage of those places that have a very strong habit of not only being recruited into the TA, but also deploying on operations.

Q51 Bob Stewart: I have got to speak for the English; we have had Scotland and Ireland. Assuming that you have five battalions in Scotland, and there are 5 million people, 1 million people support one battalion. In England and Wales, it is 2 million people to provide the number of battalions. I am just looking at pro rata. Would it be fair to say that the Scottish and the Irish are twice as likely to enlist as the English and the Welsh? If you look at the numbers in England, and the number of battalions in England and Wales against that, it seems that you get better recruitability in Scotland and Ireland than in England and Wales by a factor of two. That is perhaps the logic of the

General Sir Peter Wall: I would look at it from a similar, but slightly different perspective, which is that the infantry is 25% of the Army, and we want to populate the whole lot. The Scottish have a strong representation in all parts of the Army-arms corps, the Scottish regiments, obviously, and the Scottish cavalry regiments and so on. I think it is true that we get 19% of our manpower from 12% of the population-Scotland. There may well be some similar phenomenon going on in Northern Ireland.

**Bob Stewart:** Which I think was my point.

General Sir Peter Wall: If you look at it from that perspective, it is very important, and it might explain why, from time to time, Scottish infantry battalions have been less well manned, because many people are heading in other directions within the Army.

Q52 Bob Stewart: There was a percentage there that I did not quite hear.

Chair: 19%

General Sir Peter Wall: 19%, but I will check the figures. I should say that we do not actually know precisely how many Scottish people we have in the Army, because it is the British Army. We do not go around carrying that sort of data. However, that was the figure that stuck in my mind. You only have to walk around the tank park of most regiments to spot that this is a disproportionate number.

Chair: And you might be forgiven for thinking that someone called Bob Stewart was Scottish.

Bob Stewart: Half.

Q53 Mr Havard: I was not intending to get into this, but I think 8% of the Army comes from 3% of the population as far as Wales is concerned. Perhaps that is because we step forward a bit earlier.

The point that Jeffrey was making earlier about where there is recruitment is important. You are looking forward to 2022 in terms of the demographics, and this is, as you say, going with where you have had success. It is less nationalistic to me than it is about

efficiency and dealing with it on that sort of basis. I would just simply say, because my colleague would probably have made the point better than I, that the question about ceremonial and how you deal with that sort of stuff is exciting people in Cardiff equally as much as those in Edinburgh. It was not a point that I was particularly going to make today. It was not another male voice choir that I needed to get off your lawn, but it is a real point and I know that you are looking at that as you move forward over the next eight years. This is not something that is necessarily going to happen tomorrow, is it?

General Sir Peter Wall: No, and we have some issues that we have to deal with in a more structured way now than perhaps we have had to in the past. If, for example, you have a cavalry regiment that recruits from Wales, where should it live? Should it live in Wales, a long way away from Wales or a reasonable distance away from Wales? Ditto all the other people who recruit from specific areas. Some actually fancy getting away. Others fancy being close to home. It varies with individuals and with where they are in their careers.

There is another interesting issue over how we get the pairing mechanism right for the Regular and Territorial infantry, for example. If you take Mr Donaldson's point about 2 Royal Irish, would most want to be paired up with 1 Royal Irish on the UK mainland? Is that sensible? I think it probably is because they are very keen and they travel, but it would make sense to get this cap badge allegiance as geographically sensible as possible. We are working on how we do all that, and we will not be absolutely clear on the optimum plan until we know how the Regular Army basing is going to be delivered.

**Chair:** We will come on to that in a moment. We will now move onto Reserve forces.

**Q54** Mr Brazier: CGS, how is the recruitment of Reservists going? I ask because since April, we have had reports in the media about the new system, for which there is obviously the good objective of achieving a common standard. However, the reports are of considerable, bureaucratic delays in the system, with potential recruits waiting months. Is there a get well package coming to sort it out?

General Sir Peter Wall: There are a number of things going on here. The first is the move to single Army recruiting, so that the same standards are applied to Regular recruits and Reserve recruits. That has to be case if they are going to be doing the same sort of job in the same exacting places. Secondly, there is the fact that, coincidentally, we are moving to a new recruiting system in partnership with a commercial provider. That will give us far better reach to the younger cohort that we are trying to recruit through social media and so on. That inevitably has a bedding-in issue, and there are some risks in delivering it.

It has come to our attention that it is not as easy to convert from the Regular to the Reserve, or to join the Reserve, as it should be. We are giving the system a pull-through at the moment because we cannot afford to have any obstacles to growing our numbers. However, neither can we afford to have what was happening before, which is that because we were not scrutinising potential Reserve recruits in as much detail as we did for Regulars, we had something like a 60% fall-out rate before people became qualified through phase 2 training and became fully-fledged soldiers. We clearly cannot afford to have resources dissipating in that way. So it is all hands to the pumps to sort those things out.

Q55 Mr Brazier: What sort of support are you getting from employers? It is obviously early days, but there have been a number of initiatives, one or two of which I think you have been personally involved in. General Sir Peter Wall: The macro answer to that will come with the responses to the Green Paper, which was launched on 8 November by the Secretary of State, and for which responses are expected from all quarters by the end of January-28 January, or something like that. It is important that employers, in particular, articulate in a genuine way how they view this, in terms of opportunities and concerns and what mechanisms and measures they would need to give them confidence that this was the right strategic path to go down. As we all know, without not just their tolerance but their enthusiasm, this proposition is not going to fly as well as we would like it to.

The people I have spoken to are, by dint of my personal engagement so far, more at the corporate end of the spectrum—the private sector—but it also applies to elements of the public sector as well. I think there is a significant chance that this is being viewed as an opportunity, rather than a hazard; something to lean in to, rather than avoid; and something that is an opportunity, rather than an imposition. We have got to keep it that way.

Q56 Mr Brazier: That's good. You have already said quite a lot in answer to Mr Donaldson, Mr Havard and others on encouraging the ideas you have for developing pairing between Regular and Reserve units. Could I just push you a bit further on the detail of how basing works with that? As Mr Donaldson pointed out, there is an uneven degree of recruitablility. Of course, people travelling to Reserve training periods, whether it is weekends or evenings, are always travelling during the rush hour. What is local to someone may only be a very small number of miles. Given that the Regular Army is heading towards an ever smaller number of ever larger basesto simplify slightly—how is that to be reconciled with a lay-down of Reserves, which, if it is to succeed, will have to be very distributed? How do you see pairing coming through that?

General Sir Peter Wall: First of all, in macro terms, we have to get the right battalions, which inevitably have a dispersed recruiting area if they are Reservist, paired with the right, Adaptable Force Regular battalions. In the fullness of time, it might be attractive to morph the lay-down of the Reserve gradually—but without scaring the horses, because there are a lot of people who feel that this is a threat—to a slightly more consolidated version of where it is at the moment, which is aligned better with conurbations. But we would not want to do that if it gave us a step down in availability of people because

they hold dear particular drill halls, TA centres or regions of the country.

There is no simple solution; we have to feel our way very carefully, and do it gradually over time. There are opportunities for estates rationalisation, but that would not be a key driver. The driver at this stage would be to have the right numbers of TA units prepared to meet the assured commitment challenge that has been laid out.

It is not straightforward. There will be travel involved. It may be that the drill night has less of a place than slightly longer periods of concentrated training, such as long weekends. These are things that we shall have to work out when we get the pilot schemes going, but we all know that those who are determined to be Reservists have a resilient approach to this sort of thing, and without breaking down the current system, we can move towards something that is more efficient and that serves their interests better. But we would not want to reduce the local appeal of a particular drill hall, TA centre or cap badge, or regiment or role in the process.

Q57 Mr Brazier: Could I ask who you would principally look to for advice on that?

General Sir Peter Wall: Yes, I would look to the commanding officers of the regiments and the regional brigade commanders of the brigades that are dealing with this.

**Mr Brazier:** And the RFCAs?

General Sir Peter Wall: Yes, the RFCAs are

inevitably involved. **Chair:** RFCAs meaning?

Q58 Mr Brazier: Sorry, Reserved Forces and Cadets Associations.

There seems to be a discrepancy—albeit a welcome one—between the earlier paper and the Green Paper on reserves. If I read the Green Paper correctly, there is going to be an uplift, typically of about five man training days per year.

General Sir Peter Wall: The minimum will be uplifted, but I think that there will be a more significant uplift in the case of those people who are at the high-readiness end of the cycle. I think the minimum is being uplifted from 35 to 40 man training days per year.

Q59 Mr Brazier: How easily will you be able to recruit, train, deploy and form units/sub-units? Could I put a second question in with that? If I were a TA CO thinking about this 10% for the Reaction Force, how will that play against potentially having some of their best people stripped off them to go in the first wave in terms of then getting ready for a subsequent wave?

General Sir Peter Wall: This is another one where we are feeling our way. Ideally, when it came to providing the individuals, you would avoid drawing those from the high-readiness part of the Reserve footprint that is trying to form companies. How easy will it be to form companies? Well, if you are prepared to mix and match, as we do quite often now, it will be very easy, but that is not ideal. We want to have the cohesion that goes with people having lived and worked together, and that is going to be a function of the tolerances of employers, how much notice we can give people and what proportion of the footprint of a given town it would be. There is no guaranteed, straightforward answer to that, but we have done it before with gunner units, sapper units and infantry units. We know that we can do it, but it is a question of the most efficient way of getting to the right level of assured commitment.

Q60 Mr Brazier: Moving away from Reserves for a moment, you gave us a very clear picture of the three Reaction Force brigades and what three of the seven Adaptable Force brigades will be doing, but I do not think we have had very much of a picture as to what the other four Adaptable Force brigades are. Can you

General Sir Peter Wall: They essentially are slightly more like the regional brigades of today. They will still be responsible, in keeping with the three I mentioned earlier and in keeping with the Reaction Force brigades, which will probably all be based around Salisbury plain. They will have, in common with those, slightly smaller brigades, which may only have one or two Regular combat units and a handful of TA units in their area. It is essentially defined by the geography and the current lay-down.

Take, for example, Wales: brigade headquarters, one Regular battalion, one TA battalion, one big training area and a lot of other TA elements. They will have the responsibility for training to the required standard, once in the three-year cycle, the whole battalion including its TA component. They will be, as the regional brigades are at the moment, the primary focus for engaging with the first responders on issues of UK resilience and UK operations-flooding, or whatever it may be. The details are still being worked on, but they will probably have a defence engagement role where they will be the focus and centre of expertise for a particular region of the world where we provide training support to allow others to build up their military capability. They will certainly be the key organisation for engaging with the community, both for general Army purposes and more specifically for the whole business of the relationship between Regular and Reserve. They might have a small footprint, but they have still got quite a lot of responsibilities.

**Q61 Mr Holloway:** In terms of integrating Reservists with Regular units, in my minuscule experience of working with Reservists on operations, while they were capable of doing every task, the difficulty came down to working with specific bits of communications equipment or to the fact that they did not have the breadth of training on different weapons systems and so on. You have said that you will have different levels of training at different states of readiness, but is there a possibility that you will have to restrict the roles of Reservists because they quite simply will not have been able to go through all the different bits of technology?

General Sir Peter Wall: I think there is a distinct possibility that not everyone in either the Regular or the Reserve is going to be trained on everything. The

nature of operations and the assurance we have to apply to managing risks means that Regular sub-units might equally find themselves operating in a restricted part of the spectrum with restricted access to certain equipment systems. I do not think that that will be a phenomenon unique to the Reserve. The ambition in better-trained, more assured, organisation—certainly formed up to company level—is that the groundwork and basic training will have been more thorough, more extensive and more relevant in terms of exposing people to the same equipment that the Regular force is using. These are now in the same force, and the distinction between Regular and Reserve should get dissolved. These are companies in the same battalion. One of the real challenges is making sure that the command structure in these organisations has had the opportunity to gain the same experience, for the most part, as its Regular counterpart. This reform is a big challenge, but it is a whole new undertaking, so extrapolating too much from the current experience could be misleading.

**Q62 Mr Holloway:** I know that unlike the naysayers, you are very bullish about this. How will it work, partnering Reserve units with Regular units?

General Sir Peter Wall: I think that is the relatively straightforward piece. Talking about all this Reserve proposition in the abstract is complicated. If you and I are the two commanding officers in question, that is where the conversation starts; that is where the planning gets made. No one is going to second-guess the best way to do this for our particular group of companies, our role, our equipment set. You will have contacts and ways of solving problems, so will I. Obviously, the staff work is going to be done primarily by the Regular HQ rather than the Reserve one, but not exclusively so. When we start getting the juices flowing on these propositions we will realise that this is a very compelling idea.

**Q63 Thomas Docherty:** In response to points from Mr Brazier earlier, you appeared to make a very eloquent case for why, when we eventually get the basing announcement that we are supposed to get at the end of the year, it will only cover the Regulars. It seems that there is a vast amount of work that has not yet been done and won't be done in time for that announcement. Am I right in my thinking?

General Sir Peter Wall: Yes, until we have certainty over the Regular basing and the timing of delivery of Regular basing, because there is clearly an issue of investing in infrastructure—the faster we invest, the faster we can move people out of Germany, which is what we want to do. Most of the change—90% of it—is driven by getting people out of Germany. We would be ready to do that in the time frame between 2014 and 2018. That is the peak period for change.

Then we can start to connect the linkages and take a view on the best basing plan for the Reserve. In the short term, the best basing plan for the Reserve is no change. The real issue is about roles and affiliations in the early stages. As I said earlier in my response to Mr Brazier, there will be a case in parts of the landscape for refining it, but not to the extent that it is going to cause a negative reaction.

Q64 Thomas Docherty: But isn't it a negative reaction that having taken great pains to say that we are one Army-Regulars and Reserves are all part of the same Army—there will be many in the Reserves who will think of themselves as an afterthought? Whether or not that is your intention, that is how it may well appear to many. What of those communities who will go through another period of uncertainty, having done what they thought was the basing review, but it turns out to be just the Regular basing review? General Sir Peter Wall: People will always find reasons to be discontented with this thing. We are undergoing a major reform. In the case of the relationship between the Regular and the Territorial force it is as significant as anything for many decades—way back before conscription. These sorts of reforms need to be sequenced. We could rush to satisfy those people who feel that this is slightly discriminatory, but all we would be doing is giving them false confidence, because if it was a rushed plan we would be changing it within weeks probably. I think we just need to hold our nerve.

**Q65** Thomas Docherty: There are not many people who would regard a two-year process as a bit rushed. *General Sir Peter Wall:* It isn't a two-year process.

**Q66 Thomas Docherty:** The SDSR was October 2010. It is now likely to be January 2013.

General Sir Peter Wall: I don't accept that. The redesign of the Army started in August 2011. The announcement was made in July this year. If we get this done by next Easter that will be good work.

**Chair:** Moving on to the implementation of Army 2020, Sandra Osborne.

**Q67 Sandra Osborne:** Can I ask about the redundancies? Are you on track to achieve the level of redundancies required to reduce the Regular strength to 82,000?

General Sir Peter Wall: As you know, we have already had two relatively small tranches of redundancy for the Regular Army that have been done in step with the other two services, the Navy and the Air Force. The next tranche—tranche 3—of redundancy should be announced early next year. After that will be the final one, tranche 4. Those will run respectively; in the case of tranche 3 for the first half of 2013. What I mean by that is that the sort of fields of people, of ranks and trades who are liable to be made redundant will be announced in January. Those individuals who are going to be made redundant either as applicants or non-applicants will be notified in June. That is the time frame. The fourth tranche of redundancy will be a repeat of that in 2014.1

There are a number of well thought through rules and conditions that apply, depending on whether you, as an individual, are due to go on an operation or not, or whether you are a volunteer or not and so on. The complete process will be over by the middle of 2015.

Note by witness: The precise details of the redundancy programme beyond Tranche 3 remain subject to agreement, depending on the final outcome of Tranche 3 and the manning conditions that apply at the time.

At that point, we will have released another 9,500 people from the Regular Army by the end of tranche 4 on current plans.

If there are any changes in our manning conditions and we get a large increase in voluntary outflow, for example, we might be able to modify those numbers, but approximately half of that 9,500 will be prepared for tranche 3, which is coming up. That has been announced to the Army at large, although they are waiting for confirmation. Obviously, it is a very awkward time for everybody. It creates a lot of uncertainty, but this is the nature of reducing the size of a Regular Army.

O68 Sandra Osborne: Those in the fourth tranche will have waited a long time to find out their fate.

General Sir Peter Wall: It is a source of great concern to me, and it is to all those individuals who are likely to be in scope for that sort of thing, some of whom may unfortunately find themselves liable in both tranche 3 and tranche 4.

**Q69 Sandra Osborne:** How is the uncertainty that is caused by the redundancies and reduced career opportunities affecting morale?

General Sir Peter Wall: It's not enhancing it, that's for sure. It is causing a lot of worry. In terms of career prospects, eventually the whole point of reshaping the manning structure of the Army is to get promotion prospects back on track for those who are part of the Future Force. For everybody, and a greater proportion of the Army is affected by the proposition than actually will be directly affected by redundancy when selections are made, it is a very worrying and destabilising time.

Q70 Sandra Osborne: Do you think that with what has been happening with the redundancies and the new structure, there will be problems recruiting people in the future?

General Sir Peter Wall: That is what often happens. When we shrink the Army, the natural assumption around the population is that if we are laying people off, we will be abating our recruiting or not even recruiting at all. Nothing could be further from the truth. The people we will be making redundant will, unfortunately, be in the middle swathe of their careers. There will be a minimum length of service in the five to six-year bracket, below which people will not be made redundant, and there will still be the same need to pull people in at the bottom-officers and soldiers—to populate the future structure.

We will, of course, be reducing the number of people we take in to balance off the future demand. Our recruiting figures are already being toned down to make sure that the future structure is in balance, but we still need, roughly, 80% of the people we were drawing in before-slightly more, actually. The message to anybody listening is that we are still recruiting and very keen to have talented people.

Q71 Sandra Osborne: And will it still be seen as an attractive career?

General Sir Peter Wall: I think it will be once we are back in steady state. In fact, for people joining now, they are joining the steady state so it should not deter people, providing that is understood. It is not always the easiest message to get out.

In terms of, "Is it an attractive career?", it is going to be different when we don't have a guaranteed operation, which is a stimulus for many people to join. It is our job to make sure that the way of life of the future Army has the variety and challenge that it always has had to a greater or lesser extent. If you look at the opportunities and the Reaction Force and the Adaptable Force, there is something in that for everybody—and so it should be.

Q72 Ms Stuart: You started to address some of my concerns about how you reduce and regenerate at the same time, but there is one bit in the 2020 Army brochure that I am simply puzzled by and do not understand. I wonder whether you could rephrase it for me. It is the listing of the Force Development

General Sir Peter Wall: Ah, figure 1.

Q73 Ms Stuart: Yes. Quite frankly, I do not understand some of the headings.

General Sir Peter Wall: Normally, you need a special lexicon to follow this sort of stuff. How can I help?

Q74 Ms Stuart: You could give me a broad paraphrase of what this is meant to say.

General Sir Peter Wall: Do you know what? I rather agree with you.

**Q75 Chair:** Do we take it you did not write this? General Sir Peter Wall: No, but I know who did. I won't mention his name; it would be unfair.

It is essentially talking about the nature of modern military organisations and modern conflict, for which we need to organise. So, first of all, it is talking about the fact that this is not just about the Army; at the tactical level it is about the Army in the context of a joint force with the other two services, and with other nations, and with other agencies—for example, DFID. That is the accepted norm, and I do not think we are going to step back from that. The emphasis on sophisticated surveillance and reconnaissance networked through a military broadband system, or a military internet-

**O76 Ms Stuart:** It puzzled me that it said Force Development Deductions, so it gave me the impression that we are going to do less of something. General Sir Peter Wall: No, no. What it means is that we have conducted a number of experiments that have led us to believe that these are the parameters of the force. While General Carter and his team, working independently of the Army chain of command down in Warminster, were doing the work on designing Army 2020, there was a parallel exercise called Agile Warrior, which was an experiment, a development exercise. They were taking soundings from that; they were taking lessons from Afghanistan and lessons from other armies on the way we think the future is going to play. They drew up this list of design parameters, if you like.

**Q77 Ms Stuart:** For the benefit of the future, how about you and Nick Carter getting together and using BabelFish to translate that little box for us, and send us a note? Would that be possible?

General Sir Peter Wall: I tell you what, that is a really good idea. Maybe we could call on your help to make sure we are using pure and plain English. My apologies.

Ms Stuart: That would be very helpful, thank you.

**Q78 Bob Stewart:** CGS, there are rumours around this place, although probably not at the MOD—so you can put me into touch, as it were, as you are chairman of Army rugby—that 82,000 may not be the last of it. Some people have suggested that it may go down below that. Are you in a position to put me straight into touch on that matter?

General Sir Peter Wall: I have heard nothing along those lines. My view is that we need all of those people to do the right sort of job in the context of Army 2020. There has been a sense that there might be more efficiency savings that can easily be achieved. I am absolutely sure that is not the case.

There has been a particular drive in defence against both military and civil service manpower in what is called the non-front-line space—those people who are thought to be just doing back-office functions, but of course everything they do is vital to the delivery of capability. In fact, the distinction between non-front-line and the front line is getting more and more blurred, with the fact that a lot of our thinking can be done by reach-back and that sort of thing.

Take for example our Operational Training Advisory Group, which you might normally think is non-front-line. Actually, it spends more of its time in Afghanistan working out how techniques are evolving than in does sitting back in the UK training people. You are familiar with that, the old NITAT.

So there are not easy ways we can slim this organisation down further. The enhancement and reform of the Reserve are quite demanding on Regular manpower; that is not a place you can go if you want the Reserve proposition to work. There are other parts of defence that call on Army manpower in quite large numbers, such as UK Special Forces, the Defence Intelligence Service and other niche areas such as the Defence Academy, DNS and the DIO. All those provide vital expertise to allow us to deliver our end outputs and capabilities. So I am not at all optimistic that we could achieve manpower savings below 82,000 without forgoing capability.

**Q79 Chair:** CGS, can you take it that we would be quite unhappy if we heard that—as a result, for example, of today's announcements in the Autumn Statement—there were a need to reduce below 82,000? Would you share that unhappiness?

General Sir Peter Wall: Yes, I would share it. I am sure it is not what is intended.

Chair: Thank you.

**Q80 Mr Havard:** May I first ask a question on behalf of my colleague, Penny Mordaunt, who wanted to raise this question about how people find out? She is a Reservist and she is concerned about how people

within the Forces understand the process as it goes forward on a day-to-day basis. There seem to be practical issues about getting into computers and getting access to information at particular times and so on. There is a communication difficulty, it would appear, in people fully understanding exactly what is intended and how they move forward. There are practical difficulties in their getting access to that information. I do not know whether you are aware of that, but you might have more detail on it. It is important in terms of taking people with you that they have a good understanding, not runic papers.

General Sir Peter Wall: I accept your point. To be honest, getting ahead of the rumour mill, particularly on propositions that are not immediately attractive, is challenge enough in the Regular force. With the dispersed Territorial Reserve cohort, it is even more challenging. We are trying to de-layer and remove the uncertainty in discrete chunks of information-most recently in the case of the Regular force to do with roles, shortly to do with basing, and then very soon, on the heels of that, by Easter, a roles and basing announcement for the Reserve. But I acknowledge that even when we have done those relatively big handful-type announcements, there will still be a lot of scepticism about how it is going to work: how it affects me personally, whether my employer will buy into it and all that sort of stuff. Some of that, I am afraid, we will just have to live with, but where it is within our gift to remove that uncertainty and drive things forward positively, that is firmly our intention.

Q81 Mr Havard: Can I ask you about the money? Always a difficult question. Are you confident that you have enough current funding to go on this trajectory that you are setting out? I know it is an impossible question to some degree, but there are going to be various iterations along the way. This is a plan that is taking you to 2020. There will be a Comprehensive Spending Review next year, or in 2014 or whenever. There is meant to be a Defence and Security Review again in 2015. You have certain funding set aside for transition until 2018, as I understand it, in relation to Reserves. So there is a series of milestones and watersheds that do not necessarily guarantee the process until 2020 as it currently stands. It would be useful if you could say something about that.

General Sir Peter Wall: I can. It is interesting. We had this process in the MOD called Programming Round 12. The Department was very generous to us. It allowed us essentially to take a bye throughout that programming round to go off and re-design the Army on the assumption that we would come in within the resource envelope that had been allocated in the PR12 process. So we were compliant in big handfuls at the end of PR12. The new programming round, which is called Annual Budget Cycle 13—ABC 13—is going through at the moment. I have done my first full cut of that with my Army Board colleagues and we are pretty confident that it is in the right ballpark.

I mentioned earlier that there were some decisions that the Secretary of State had yet to take on the final allocation of the equipment programme, and also, separately, some discussions about the front-loading

of the infrastructure plan, which were important to getting us to a good place, but in terms of the stuff that we directly control at the moment, I am pretty confident that when Lord Levene's recommended delegations click in, which they will on 1 April next year, it will be a real boon to us to be able to run our own business, identify the trade space and work out where we can make the right adjustments—do things in a different way, make better use of contractors, use substitute civilian manpower, whatever it might be. We will find a way through this. I do not yet fully understand the implications of what has been announced today.

Q82 Mr Havard: I am interested to hear you mention that there have been changes, because you are going to have a different budgetary set up. We will be asking questions about that in the stuff we are doing on procurement and acquisition. I was concerned to get a view from you on that, so what you say is interesting. I was wondering whether you might get into a position where you have to start trading certain things against other things.

General Sir Peter Wall: We are bound to have towe always have. If we weren't making those sorts of trading considerations, I don't think we would be doing our job. Even if we had a guaranteed surplus of resource, we would still be doing trades. That is even more necessary when you are at an appropriate margin. We have designed this force to the resource that we understood we were going to have-we designed it with contingency, but not a lot of float, if you know what I mean. So I think that owning the trading process is a real bonus to us. In terms of whether we will be ready to receive this delegation, I have been having briefings this week from my gurus in the equipment support space. These are quite large sums of money, and with more resolution on the detail I am sure we can do things more cost-effectively to deliver the same capability.

Q83 Mr Havard: Regarding the people plan, as it were, you aren't going to be in the invidious position of trading people for kit in this process, and, if you are, you have the controls to do that for yourself. Is that what you are saying?

General Sir Peter Wall: I think we might well be making adjustments, but in big handfuls. No, not trading people for kit. Essentially, the size of the Army is a Government-endorsed number, and we need all those people. But there are places where we can make trades: for example, what we spend on contractors versus what we do through other channels in-house, or the way we do our training model—the extent to which we invest in simulation versus live firing, with ammunition savings in prospect. Those are just examples of the sort of places we can go. The number of vehicles of a given type that we buy, compared with our training model-again, that is linked to simulation and that sort of thing. These are big sums of money, and there is inevitably more than one way of skinning any of those cats, and that implies trade space.

Q84 Mr Havard: So the pace and shape will change, but presumably there are milestones, and not only the financial ones that I outlined earlier.

General Sir Peter Wall: The organisational issue is very significant. The senior officer responsible for bringing the whole change programme together for the Army is General Everard, the Assistant Chief of the General Staff in the office next door to me. He runs all the programmes to make sure that they do not interfere with each other or clash. I would say what I have said to the Army, which is that while we are getting these programmes to run as smoothly as possible as projects in their own right, ultimately, success is gauged by meeting the next operational challenge properly, not just by re-organising.

Q85 Mr Havard: Okay. Well, our question was really about where you go post-2015, but we will come back to that—no doubt this will not be the last of it

Can I ask you about basing, because it is a major element? At the start, you said it was one of the big three factors. There is the issue of bringing people back from Germany, and there is an ancillary issue with the Falklands as well. There is the whole business about where you put them when you bring them back, and the relationship with training. Could you say a little more about what the pace and shape of that transition is likely to look like? We had initial declarations about timing for Germany; can you tell us whether that is going to be met and how it will shape up?

General Sir Peter Wall: The 50% out of Germany by 2015 is quite likely to be met not least because, sensibly, quite a lot of the units that are disbanding, rather than amalgamating, are going to be disbanded in Germany. Although that gives us a challenge in looking after the individuals properly, that is a price worth paying for knowing that we have come to the end of our occupation of those barracks and garrisons in Germany, thanks to the huge generosity of the German nation. So that is something we will achieve. The other half is the bit that needs the most infrastructure investment and, of course, it needs places to train. So you are absolutely right if I may say so, Mr Havard, to highlight the linkage between training and basing as an infrastructure entity, rather than one and the training as an afterthought. On the training areas we have access to at the moment, some are in Germany for low-level armed manoeuvre training; there is our training presence in Canada at Suffield, which you may have been to; and then there are other options in and around the UK, including Salisbury plain, which is where most of the heavy armoured equipment is headed for, assuming the infrastructure can be built there.

There is an aside to that; this heavy equipment is the most expensive to run and an efficient fleet management system with those vehicles allows us to save quite a lot of money. So that is an important feature. I think we will still be doing that sort of training in a mixture of the UK and Canada, and possibly seeking permission from the Germans to retain a presence close to NATO facilities in northern Germany. We have not yet bottomed that out. There are obviously cost implications but it is a very attractive place to train.

For the lighter forces and probably more the adaptable force we would like to sustain a vibrant portfolio of training opportunities at company and battalion level, for example—all cap badges, but company battalion for ease of discussion—in Africa and in other places. So we have a very developed opportunity in Kenya, which we see as being a core location. There are a few other places where we have trained in the past, and for reasons of the pressures of Afghanistan or particular facilities, we may have let those arrangements lapse. We might want to re-invoke those, as it would be very important to sustain the enthusiasm of young people joining the Army who don't have an immediate prospect of going on operations. That training of the adaptable force brings with it defence engagement opportunities because, frankly, any training nowadays that is not partnered in the way we are currently partnered with the Afghan forces on operations is falling short of the requirement. So we are looking not just for space but for people to train alongside.

**Q86 Mr Havard:** It will be interesting to see what happens to Cyprus, the Falklands and one or two other places.

General Sir Peter Wall: In terms of external to UK permanent basing, clearly we have a garrison liability in the Falklands which is done by sending people down on six-month tours, or thereabouts. Some people live there permanently. We anticipate that Cyprus will be a permanent base for two battalions with accompanied service, and there is also Brunei where we still have a battalion of the Royal Gurkha Rifles.

**Q87** Mr Havard: Can I couple this with my last question, which is about your ability to recruit but also to retain the 30,000 Reserves you are going to get to this position? A lot of elements have already been covered, but there is the question of the tempo at which things will be happening and how much you need to mix in for different things at different times. You are looking a long way ahead here. The duration of activities obviously come into play. How confident are you that at the end of the day we will have something that is not just recruitable but sustainable? It is the retention part that we want some confidence about.

General Sir Peter Wall: I think we know we always have challenges at the margin in sustaining the Regular force at the strength and level of talent we need. If anything, the talent required in a slightly smaller force that is doing the full spectrum of diverse things is not going down. It is certainly demanding. We need to market ourselves properly and get the right sort of relationship with the nation, so that people understand the opportunities we are offering, but that situation is no different from the one going back many decades. Pretty well whatever size the Army is pitched at, it is always difficult having it absolutely at full strength. It is uncommon as it is at the moment, but we should expect in a period of nonoperational intensity such as this to have to work hard to get that.

In the case of the Reserve, it is a much more open question. This Reserve reform proposition could take off. Critical to it is your point about retention. We do not want to be running to keep it up to strength, but with a level of experience that does not grow over time. There are opportunities in the way we integrate the regular Reserve with the future TA part of the Reserve structure, because you have people there who might be slightly older, but they have careers of experience. We have to play all the tunes we can to make sure that we do not end up in the situation you are describing, where we might be hitting the numbers but not hitting the experience levels and the assured commitment levels that we will need.

Our relationship with employers, as an Army and as part of something that is an Army-owned strategic proposition—admittedly under Government direction—is very important. That starts to become a more manageable idea when you disaggregate it from an abstract conversation such as this to one where you know which companies, which commercial organisations, which public sector organisations you are talking about and what TA capabilities you are trying to derive from that. You can bring in the Regular folks as well, who are going to provide the training, and start having that three-way conversation. At that point, we will be able to gauge precisely why we are not catching the wave—if that is the case and work out what to do about it.

**Q88** Mr Havard: A concern is that you don't really get sufficient money post-2015 to complete the plan, so the structure is there but the numbers are different. Even if you do get the numbers, if they are not as usable as you would like them to be in quality terms, that transfers the pressure back to the diminished number of Regulars, who now have to work at a higher tempo and take the strain. That is not necessarily going to be helpful.

General Sir Peter Wall: That is a wicked circle that one could get into, but we will be working hard to stay in the right place and to stay balanced.

Q89 Mr Brazier: Could I take you back, CGS, to the questions about redundancies? Sitting down with the little group who have become known as the unpensionables—the people who retired immediately before pension age—with a professional actuary, one was struck by the fact that the number of people involved is absolutely tiny, but the disaffection it is causing in the Army is quite disproportionate. Has the possibility been considered of having a very small levy across the board, which could produce a costneutral solution, or simply saying for subsequent batches that nobody within one year of drawing pension will be picked on for compulsory redundancy? The figure is less than 2% of the total. General Sir Peter Wall: I absolutely share your view that this has a disproportionate impact, because even when looked at hard it is a very difficult phenomenon to explain to oneself as something that is fair and sensible. The route out of this is not constrained by lack of money. This is not about saying, "If we apportioned the money differently, we could give those people a better deal." It is about the fact that

we have to have a systematic pension-plan-legitimised way of defining the boundaries of this. If you were to say, "We are not taking anybody within a year of their pension point," you are, by implication, therefore taking somebody else and it is unfair on them. That one year would be arbitrary. You would open up the whole system to scrutiny and to some sort of legal challenge. That has been our dilemma. Using the best advice that we can get in the commercial legal sector, we have looked for ways of avoiding this very awkward conundrum. We have not yet found one that will not be more open to legal challenge and one where legal challenge would succeed.

We have not made people's pension conditions a factor in the selection of individuals for redundancy. It has been about their relative competence to do the job compared with other people who are liable for redundancy in that field, of the same rank, trade, age and experience. That is because a justification for the redundancy programme in the first place is to adapt to the new structure of the Army in terms of its precise make-up of trades, ranks and everything else. The constraint is not one of finance; it is one of finding a legally acceptable mechanism to avoid this awkward issue.

**Q90** Chair: We have been talking about the whole of the Army 2020 progress. What is the thing that concerns you most about its implementation as we

General Sir Peter Wall: There is nothing that keeps me awake at night. There are inevitably some potential frictions that might afflict us. As I was suggesting earlier, we can do all the change programmes as professionally as we like, but the real test is whether we are ready for the next operation. If that comes too adjacent to our extraction and recalibration with Afghanistan, that will be a challenge. We are already making provisions to minimise the risk of that happening. Significant changes to our funding streams will have an impact on our capability. None of those things, however, are clear and present dangers. They are just things that are in the back of our minds that we may have to

**Q91 Chair:** If there is anything that this Committee can do to be constructive and to help with the process of transforming the Army, we would be very eager to

General Sir Peter Wall: Thank you very much. I have really appreciated the opportunity to explain all this today, so keeping you abreast of things as they unfold will be important for spotting places where you might be able to assist us.

O92 Chair: You won't thank me for this, but, nevertheless, last week we had an extremely valuable visit to Afghanistan and while we have you in front of us, there is one issue that we would like to raise with you. It may be that some of the things you might want to say in response to the issue of the insider attacks are things that you might wish to say in private, which is why we have left this right to the end. Nevertheless, I first want to thank you for having facilitated what I regard as the best visit to our armed forces deployed in Afghanistan during the course of my time on the Defence Committee. Having said that, I want to hand over to Bob Stewart.

General Sir Peter Wall: It was my great pleasure. I am delighted that it worked well. We have a lot to be proud of out there. You have seen it more recently than I have. I am going at some stage reasonably soon. It will be easier to talk about the insider threat offline.

**Q93** Chair: You would prefer to do that in private. General Sir Peter Wall: Yes. If there are any other wider questions about the operation, I am happy to do those, within reason, in this forum.

**Chair:** I think that we had such a good opportunity to talk to everybody at all levels that that is probably not necessary. If you would prefer to talk about the insider threat in private, I propose that we now thank everyone who has attended to listen to this for coming and move into private session.

# Wednesday 10 July 2013

#### Members present:

Mr James Arbuthnot (Chair)

Mr Julian Brazier Sir Bob Russell Thomas Docherty Bob Stewart Mr Adam Holloway Ms Gisela Stuart Penny Mordaunt Derek Twigg

#### **Examination of Witnesses**

Witnesses: Lieutenant General Sir Adrian Bradshaw, Commander Land Forces, Major General David Cullen, Assistant Chief of the General Staff, Major General Kevin Abraham, Director General Army Reform, and Major General Ranald Munro, Deputy Commander Land Forces (Reserves) gave evidence.

Chair: Welcome to this evidence session on our inquiry into Future Army 2020. I was trying to work out whether this was our first evidence session, but I am reminded that we had the Chief of the General Staff here in December last year, which seems an awfully long time ago now. Anyway, you are all most welcome to this session. Would you introduce yourselves and state your current position?

Lieutenant General Sir Adrian Bradshaw: Lieutenant General Adrian Bradshaw, Commander Land Forces, based in Army headquarters in Andover. Major General Munro: Major General Munro, Deputy Commander Land Forces. I am a reservist.

Major General Cullen: Major General David Cullen, Assistant Chief of the General Staff. I work in London and Andover for General Peter Wall.

Major General Abraham: Major General Kevin Abraham, Director General, Army Reform. I work for the Chief of the General Staff in London and Andover.

**Q94 Chair:** Now let us begin. What is the strategic rationale behind the plans for Future Army 2020? Lieutenant General Sir Adrian Bradshaw: I think I should hand that to ACGS, who was instrumental in the formulation of those plans.

Chair: Okay, ACGS.

Major General Cullen: It is the product of the security and defence review of 2010 and the detailed discussions that followed that on bringing the defence budget into balance and shaping defence for the future contingencies as we saw the world. So it is the product of the defence review, driven by operational requirements in the world and the evolving complexity of the world situation, but also of the very strategic requirement nationally to deal with the greatest threat, which was the economic situation.

Q95 Chair: To what extent were you able to start with a blank sheet of paper?

Major General Cullen: Through the defence review itself—it was not a blank sheet of paper.

**Q96 Chair:** So how were the parameters prescribed? Major General Cullen: They were prescribed through the defence review in the initial agreement and the White Paper that followed, so in close consultation with the National Security Council and with Government, meeting the requirements as set. Of course, what happened at the back end of that defence review was that there was a requirement to bring the budget into balance and a further review was required. In the Army space, that meant that we needed to take a much more transformational view of the manner in which we delivered the outputs that were required of us. That was much more in the blank sheet of paper space, but not absolutely, because at that time we were engaged in operations around the world; we had forces committed in various roles. So it was not absolutely a blank sheet of paper, but it was an opportunity for the Army to go away, own a proposition itself and come back recommendations to Ministers as to how we should meet the challenge.

Q97 Chair: The plans for the Regulars were announced comparatively early, but the plans for the Reservists were announced only recently. What was the cause of the delay?

Major General Cullen: I would say that there were two reasons. The first and most fundamental was that, following the production of the Future Reserve 2020 proposition, which was done separately, the Secretary of State agreed that there was a need for consultation and the production of the Green Paper to map a journey; that was inevitably going to take a certain amount of time longer than the Regular component's proposition, which was easier in many ways to come to, not least because the manner of the generation of our Reserves over time is complex, so the detail required was very much greater to go through. All of which came together, as you well understand, with the White Paper announcement on the Reserves last week.

**O98 Chair:** Will the plans make it easier for the Army to work jointly with the other services or less easy, and how?

Lieutenant General Sir Adrian Bradshaw: Perhaps I can take that one. Firstly, the divisional headquarters will have an improved plug-in point for air representation, so we expect air-land integration to work more effectively. In terms of working with partners as well, you will be aware that the plan anticipates that the adaptable force will be quite heavily engaged in defence engagement overseas, so what we hope to do is build up a body of experience of working with overseas partners, which we can then play into operational contingencies if required. Therefore, in both in the joint and the coalition

partners, there are elements built into the plan that make life easier. I would say also that, as an Army, we are on a path towards not only more joint activity—actually we are already there: Afghanistan and Iraq over the last decade has thoroughly got us into that space—but more integrated activity with other Government Departments and Ministries. That is the requirement where we need to make more ground. Clearly, it is a cross-governmental activity.

Q99 Chair: Would you say that there would be a similar enhancement with the Royal Marines?

Lieutenant General Sir Adrian Bradshaw: I could not comment on their precise plans, but we certainly anticipate working with them very closely on defence engagement. I have already been in communication with my opposite number in the Royal Marines on precisely that area. I see us working closely with

Q100 Thomas Docherty: What were the risks and threats to the United Kingdom that informed the plans you have drawn up?

Lieutenant General Sir Adrian Bradshaw: Again, I will pass over to ACGS, who was in on the formulation, and perhaps General Abraham may have a comment. Foremost in my mind as we take the plan forward is the requirement to build a contingency capability that covers off against the range of threats and scenarios that were identified in the Future character of conflict work. I am sure that you are all aware of the work done by the Commander of Force Development and Training before the last SDSR. It was a very thorough, academically supported piece of work that was endorsed by the MOD. It paints a picture of future conflict in which we may be required to operate across the spectrum of conflict, dealing with combat situations, counter-insurgency, humanitarian support and peace support operations, all at the same time, all in the same theatre. Clearly, as we move to contingency, we are covering off against a wide spectrum of requirements.

Q101 Thomas Docherty: Before the other generals come in, has anything-for example, the Arab spring—developed since that academic work was produced that you think requires that work or, indeed, the Army Force Plan to be revisited?

Lieutenant General Sir Adrian Bradshaw: I think the instability that has come out of the Arab spring merely reinforces the fact that future contingencies are likely to be amongst populations and within populations of a different culture from ourselves. That just reinforces the requirement not only to cover off against that spectrum of operational scenarios, but to be ready to work within populations-in and amongst the people—and ready to work alongside other cultures; and within the 2020 plan, we do have measures specifically to cover off against that requirement.

Major General Abraham: In addition to that which General Bradshaw has mentioned, there was of course both the analysis given in the strategic defence and security review and that laid out in the national security strategy. Those of course provided the broad order parameters, the strategic calculus, of the problem. In terms of more military detail, as we finished off the work associated with the SDSR of 2010, the Army instituted a specific force development and experimentation programme called Agile Warrior, which did a lot of futures analysis against a range of scenarios and drew a number of conclusions from that, and those were duly reflected in the Army 2020 design.

Q102 Thomas Docherty: Looking back at the CGS's December evidence session, which I am sure you have all had a chance to reflect on, he certainly gave us the impression that some of those risks and threats were uncertain or very uncertain. If you accept CGS's assessment, how certain can you be that Army 2020 is going to be robust enough?

Lieutenant General Sir Adrian Bradshaw: What CGS may have been reflecting on is the lack of certainty about exactly what sort of situation we might be facing in any particular contingency, and therefore the requirement to be able to cover off against a number of requirements. What we have built into the plan is the adaptable force, which, in the time that the reaction force responds immediately to an emerging contingency, can adapt itself to meet the specific requirements of the contingency that we are facing. The reaction force has elements that are trained for immediate reaction against a standard training package and construct; the adaptable force can then be adapted to the specific requirements of that theatre as we learn more about it. We morph the force to tailor it specifically to the requirements.

Q103 Thomas Docherty: It sounds as though you have thought through quite a range of operational scenarios. How were these plans and scenarios tested in the preparation?

Major General Abraham: There is a range of activities in which you test these things. The Ministry of Defence, for the whole of defence, runs a strategic force development programme, which tests and runs evaluations against a range of scenarios and situations in different parts of the world, and draws conclusions from that. Our own work in the Agile Warrior programme, which is effectively a complement to that done at MOD level, with more focus on the land environment problem, again looked at a number of different sets of circumstances and tactical scenarios, different forms of threat, adversary, enemy and so on. Our conclusion was, essentially, absolutely that of the SDSR, which, as you well know, sets an adaptable posture as our strategic framework for defence and security. Below the strategic level, the ability to adapt to a range of circumstances—because we do not face a monolithic threat, as we did in the cold war daysand institutionalising your ability rapidly to adapt against a very broad range of circumstances, adversaries, threats or whatever, was a very important conclusion; hence the introduction by design of the adaptable force and Army 2020.

Q104 Thomas Docherty: Is that testing an ongoing process? If so, does that mean or suggest that these plans themselves are under revision?

Major General Abraham: Yes. Both the Ministry of Defence's and the Army's own force development processes are continuous. We do not seek to make major adjustments every six months or every year, but we continually review what we are postulating in the design of a force against what we learn or derive both from that sort of activity and of course lessons from operations, and lessons from operations that other nations have taken part in but perhaps we have not.

Major General Cullen: Indeed, even with our own plan, and accepting that the parameters within which it was designed have not necessarily changed today, we are constantly testing and evaluating. The design that we have made will inevitably with that process need to be fine-tuned and adjusted. So that is a very real and live process that is ongoing. The other thing that I should say, of course, is that as part of this adaptable posture, and a fundamental tenet of Army 2020 and indeed the way defence is looking at the world, is the need to be out there and engaged in the world in a different way-to try to understand better what is happening and evolving and head off the circumstances that might otherwise take us to a less attractive place in terms of commitment.

Q105 Thomas Docherty: I promised a club fine if I said TA and not Army Reserve, so does the 82,000 Regular and 30,000 Army Reserve represent the critical mass of the Army, or is that the maximum that could be afforded?

Major General Cullen: The CGS, I think, answered that question at the evidence session that was suggested. He feels that we are at critical mass for the circumstances and the tasks that have been set and proposed for us as of today. Change those circumstances, change those parameters, adjust the risks or any of those factors, then that critical mass can go up and down, dependent on the requirement. As set for today, against a range of tasks that we have been given today, his feeling is that we are at about critical mass

Q106 Thomas Docherty: If Scotland became independent, would that fundamentally change any of the planning assumptions that you have made about the tasks and threats that you face?

Lieutenant General Sir Adrian Bradshaw: We are not carrying out any contingency planning for an independent Scotland.

**Q107 Thomas Docherty:** That was not quite what I asked. Are the risks, threats and so on that you facethe objectives for the Army-affected by whether or not Scotland is independent?

Lieutenant General Sir Adrian Bradshaw: As I suggested, we have not looked at whether those would be affected.

Q108 Thomas Docherty: If there were a yes vote in the referendum, would that impact on the implementation of Army 2020?

Lieutenant General Sir Adrian Bradshaw: We would have to look at how that would affect us.

Q109 Thomas Docherty: So you would cross that bridge on 19 September?

Lieutenant General Sir Adrian Bradshaw: indicated assent.

Q110 Thomas Docherty: What contingencies are in place if, for example, you cannot reach the 30,000 strength for Army Reserve?

Lieutenant General Sir Adrian Bradshaw: We are not working on the basis that we are not going to achieve it. We have a robust plan in place—I can lay out some details of the plan, if you like-and the working assumption is that we will recruit what is required. Clearly, if other factors intervened to make that not possible, there is a defence review in 2015 when we will review progress against objectives and recommend any adjustments required, but as I say, we are confident that we will recruit the right numbers of people. It is, after all, less than half of the strength of the old TA during the cold war, and a very small proportion of the working population of the country, so it should be an achievable target. As I said, if you would like me to lay out some of the measures that we are putting in place to ensure we do recruit, I would be happy to expand on them.

Thomas Docherty: I think there are some reserve questions later.

Chair: I am sure we can get on to it, in one way or another.

Q111 Thomas Docherty: Finally from me, what was the role of our allies and the institution of NATO in forming and developing the plan?

Major General Abraham: I will talk Regular and Reserve in answering that, if I may, and I will deal with the latter first. The independent commission on Reserves did a very detailed evaluation of comparator nations with a Reserve, so we looked at what they had done. In the Army 2020 project, we did some additional work—largely against the US, Canada, Australia, New Zealand-and what we did was informed by that. The heavy lifting in terms of that reviewing was done by the commissioners on the independent commission, including Mr Brazier.

In terms of the Regular component—this is not an answer only about the Regular component, but I will treat it as if it were—we have of course been, for over a decade, committed to multinational operations, and lessons from those operations were significant inputs and constituted important design principles in the Army 2020. We now have a deep habit of doing multinationality on arduous operations, and that consistently reflected through into the Army 2020 force design work.

Q112 Thomas Docherty: Because I am a politician, I am going to break my promise and ask another final question. You mentioned the multinationals. All the countries you mentioned are English languagespeaking countries. I am surprised that we did not do any work with the French, in particular. What plans

have you to increase our language skills as part of that multinational work?

Lieutenant General Sir Adrian Bradshaw: Why don't you have a go first, and then I will come in? Major General Abraham: The ones I mentioned that we specifically looked at were indeed multinational. The independent commission looked more broadly, including, for example, at Singapore, if I remember

rightly. In terms of the French, we talk-there are French officers in the room here—but their start point, as an army that ended conscription much later than we did and has a different tradition of reserve service, means that there are limited reference points on that. As for language training—General?

Lieutenant General Sir Adrian Bradshaw: I was going to say, specifically in terms of getting alongside the French, that I am sure you are aware that we are working with them on a combined joint expeditionary force; we have done quite a bit of development work already, based on a force with a brigade headquarters and a battle group each from UK and French forces. That work is ongoing, and we are looking at stepping it up a level and exercising the deployment of two brigades under a divisional headquarters, so we are taking forward our working arrangements with the French.

On language training, you will be aware that we have had a pretty extensive language programme to support operations in Iraq and Afghanistan. I am aiming to expand upon that by setting hard targets for units and formations, depending on where they are oriented in the Army 2020 construct and depending on what activities they are engaged in. For example, in the training activity that we expect to be carrying out with the Libyans shortly, which was announced yesterday<sup>1</sup>, part of the programme for the trainers will be to gain language skills as they are training their Libyan counterparts. There will of course be language skills on the training force anyway, but that will expand the depth of our language capability.

Q113 Chair: General, what research capability does the Army possess, in terms of evaluating future threats?

Lieutenant General Sir Adrian Bradshaw: Well. within the force development and training world, we have the capability to look at how our training works, look at the outcomes of training scenarios and then learn lessons from that to improve our tactical procedures and our organisation; during the past decade or so, we have grown the capability in that area quite markedly. One of my priorities as we transition from a permanent combat engagement in Afghanistan is to ensure that that lessons learned process and machinery stay intact and keep working, again focusing on training activity. Perhaps I could ask ACGS to expand on other areas of research capability?

Major General Abraham: The MOD's own Strategic Force Development process uses the Defence Science and Technology Laboratory, which is set a range of tasks for modelling. I cannot tell you the numbers involved off the top of my head, but there is a strong link there. The Army, in its own force development and training role, has its own DSTL representatives. Some of the research capacity is in exploring ideas and evidence with other people—at things such as study groups at RUSI, Chatham House or the IISS, you exchange ideas, get new stimuli and then go away and think about them. In terms of those who are dedicated solely to doing that, the force development part of the Army headquarters is absolutely the core of that, and within the arms of the Army there are also people who do trials development and training development stuff as well. So it is quite a broad range. I cannot give you a figure for how many people in total are involved.

Q114 Chair: You referred to the core of that. Are you able to say how large that capability is?

Major General Abraham: I think the core of it is under an organisation called the Directorate General Capability, which sits in the Army headquarters. It has undergone a lot of reorganisation to do these things in the future. I cannot tell you the figure, but it is hundreds.

Major General Cullen: It is about 750.

Lieutenant General Sir Adrian Bradshaw: The population involved in this sort of activity varies, because we allocate force elements to resource exercises. I will give you an example. I visited an exercise recently being done by 3 Division headquarters under a project known as Project Horrocks, where the divisional headquarters was researching different constructs for a new contingency headquarters. That was extensively supported by contractors; there was quite a lot of simulation involved in the work that they were doing, and the material derived from that exercise is then taken away by the contractors, worked up and then fed back to us with recommendations and observations. For that period, clearly, the entire exercise population was drafted into the effort. Similarly, when we carry out big formation exercises, we will almost always have some element of experimentation or research attached to that activity. We try to make best use of ongoing standard training activity to push the envelope and to research new options.

# Q115 Chair: Do you do this multinationally?

Lieutenant General Sir Adrian Bradshaw: We have multinational representation on a lot of these activities-certainly, at the higher level, I would say most of them.

**Q116** Chair: Are you able to benchmark the research capability that you have against that possessed by other countries?

Lieutenant General Sir Adrian Bradshaw: Well, we look with perhaps some jealousy at the research capability held by our American counterparts, which is very well resourced. Of course, we benefit from the products of a lot of their research, so that is very good for us. In terms of benchmarking our interoperability with partners, it is important to continue to benchmark against the Americans, who have been senior partners

<sup>&</sup>lt;sup>1</sup> Note by witness: FS W<S on 9 July 2013 (Column 8WS)

in the two major theatre operations of the last decade or so.

**Q117 Penny Mordaunt:** The SDSR said the armed forces should be able to conduct "an enduring stabilisation operation" of "up to 6,500 personnel", "one non-enduring complex intervention" of "up to 2,000 personnel", and "one non-enduring simple intervention" of "up to 1,000 personnel" at the same time. Is that still the case?

Lieutenant General Sir Adrian Bradshaw: That is still the case—indeed, the Army 2020 plan was built against precisely that requirement.

**Q118 Penny Mordaunt:** Thank you. Will this be revisited at the next SDSR?

Lieutenant General Sir Adrian Bradshaw: I would imagine that, in the next SDSR, the assumptions will be revisited at the political level. Clearly, if they change, the force requirement changes. If they become more ambitious—for example, if it is determined that an ongoing stabilisation operation might require rather more than 6,000 people—that would have implications for the size of the force required.

**Q119 Penny Mordaunt:** Are you confident that you will be able to deliver against the current assumptions?

Lieutenant General Sir Adrian Bradshaw: We are confident that we will be able to deliver against them, although right now we are in a period of flux. We are finishing very demanding operations in Afghanistan, and my focus and my first priority is correctly to resource those operations while they are still ongoing. We are going through a huge programme of change, which involves bringing a fifth of the Army back from Germany, reducing the size of the Army by a fifth, reorganising formations into new constructs and rebasing, so clearly our ability to respond to contingencies during all of that is to some degree compromised. However, we are confident that we will get back onto a contingency footing against the requirements laid on us by Defence.

Major General Cullen: If I may, the question also highlights all the challenges that were placed on us post the SDSR, where you may remember that the Army solution to the enduring operation part of the defence planning assumptions was the ability to put five MRB-type brigades into the field that could roll on a six and 24-month cycle to maintain that operation. Post that defence review and the threemonth exercise within the building, we simply were not able to match that in resource terms. That was one of the aspects at the heart of the Army 2020 proposition: seeking to be more adaptable and agile in meeting it. So we have come up with a construct that in the reaction force gives us the first three of those capabilities, but in the adaptable force gives the range of capabilities that we would need to work to and adjust at readiness, at notice, to fill the fourth and fifth roles, if indeed we were required to do so.

Q120 Penny Mordaunt: Given that we are gearing up now for the next SDSR, if those planning

assumptions were revised, what are the implications for Army 2020?

Lieutenant General Sir Adrian Bradshaw: As I say, if the planning assumptions are revised upwards, then the Army 2020 plan would not meet those new assumptions, and we would require an extension of capability to meet those new assumptions. We are already pretty taut. I think CGS has indicated that the plan does involve a little more risk than we were taking before. That is to be expected, but it makes much more efficient use of our Reserves, which I think is entirely the right thing to do.

*Major General Cullen:* And of course, the opposite is true. If you change those assumptions downwards, you would revisit assumptions made across defence in the defence review equally.

Q121 Chair: Now, rather controversially, we are using the Army Rumour Service to gain feedback on this enquiry, and we are gleaning a little bit of scepticism on that website about the prospects of actually achieving Future Army 2020. I wonder whether you could tell us what milestones you have in place to ensure that there is proper momentum and it is achieved on time?

Lieutenant General Sir Adrian Bradshaw: May I comment on the scepticism first? I think it is entirely healthy that we have a cohort of officers and soldiers who look at our plans and question them in a healthy manner. When I go around the Army and talk to audiences, I do not expect to be told what I might wish to hear; I expect to be told what people think, and I am happy to say that that is exactly what happens. Long may that be the atmosphere that pertains in our army.

**Chair:** And I am sure that that is exactly what we will get from you as well.

Lieutenant General Sir Adrian Bradshaw: You will indeed. I think that, given the changes we are going through, in particular the cuts to the Regular part of the Army, it is hardly surprising that one would encounter some scepticism from Regular soldiers and officers; but the fact is that we have a good plan, which we think will deliver. We have a clear logic behind it, and we are getting out and telling people along the chain of command how it is going to work, and persuading them that it will. I have to report to you that those audiences who are now more familiar with the pairing arrangements for Reserves and Regular units, which you will be familiar with, are now getting in behind the plan in precisely the way that I expected. The thing about the British Army is that we get huge energy from the bottom up—that is where many of the bright ideas are generated. You have a meeting of the big plan, with lots of initiatives from the bottom up, and particularly at the commanding officer and sub-unit commander level now, people are getting in behind the pairing arrangement and exercising their imagination.

As I say to people: in two years' time, we will be surprised at the direction we find ourselves going, because there will be ideas that nobody has thought of now which will emerge from the bottom up and energise this whole process, plus a lot of other things

that we are already delivering from the top down. So I am very confident that, over time, the scepticism will be replaced with enthusiasm to get behind the plan and make it work. I see the evidence of it happening already, but long may we have a questioning audience.

# Q122 Chair: And milestones?

Lieutenant General Sir Adrian Bradshaw: In the 2020 plan, there is a whole series of milestones which are being actively monitored, in particular by ACGS, so I will get him to talk in a moment. We have the move of elements back from Germany on a rolling timeline, which is happening already; we have the standing up of new brigade headquarters under the new titles, the fusion of some headquarters, moving to new locations, and the two divisional headquarters stepping up in their new role with responsibilities. We have a whole series of waypoints along the route and we are monitoring those very actively. Perhaps I should hand over to ACGS now.

Major General Cullen: It is self-evident that as the Assistant Chief I have direct responsibility to CGS for delivering this fundamental change, but I am also the senior responsible owner to the permanent undersecretary for the Army 2020 programme. As such, I have a project team and a programme office based in Andover that seeks to drive some 35 different projects to bring about this transformation—35 at their inception, but that number is changing. I have a programme board again tomorrow afternoon. The first half of those are very much in the structural adjustment and training space; the second half are much more in the transformational space in bringing about change in culture and in our engagement with society, in particular in the means by which we attract and sustain an improved proposition for the Reserve component of this integrated Army into the future. With that comes a very complex schematic of change across a number of lines of activity, which we will happily furnish you with, so that you can see.

The core activity in terms of structural change will be brought about in the course of the next 18 months; the transformational change, as you will well understand, will take a number of years. We are about growing capability in a new way—this is not just about 82,000 and 30,000; it is about true integration and true capability. It is as important to the equipment line of development and the infrastructure line development as it is to simply recruiting a certain number of people.

Q123 Chair: I think if you were able to provide that very complicated schematic it would give us reassurance. Thank you.

Major General Cullen: Not at all.

Q124 Penny Mordaunt: Following on from that, could you give us some more detail of the key milestones for the development of the reaction and adaptable forces?

Major General Cullen: Do you have anything specific in mind?

Q125 Penny Mordaunt: Presumably a large chunk of the projects you mentioned deal with those two individual forces, so any detail that you provide to the Committee after this meeting would be helpful, but if you would talk us through-

Major General Cullen: Give you some headlines now?

**Penny Mordaunt:** Yes.

Major General Cullen: In terms of restructuring the Regular component, we anticipate achieving that by 2016, and for the Reserve component structures by 2018. The move and relocation of the units from Germany—the brigade and divisional headquarters coming back from Germany—will occur from now, to be complete by 2019. The initial operating capability of the reaction force and the adaptable force divisional headquarters is milestoned at January 2015, with the formation of initial operating capability established between March '14 and July '15. Elements of it will move more quickly. Inevitably it is the move out of Germany that constrains in particular the final disposition of the adaptable force.

Lieutenant General Sir Adrian Bradshaw: I think it is worth pointing out that the transition to the 2020 plan also involves rolling out a new training and commitment cycle—a three-year cycle. milestones will be achieved as each of the new formations comes through that cycle, gets through their training year and is available for either commitment or standing tasks. Therefore there will be a series of waypoints which are fairly clearly mapped out, and we can furnish you with the details of when those way points occur.

Q126 Bob Stewart: General, you have just answered the first bit: by 2016 we will be down to 82,000 Regulars. That is a two year gap, assuming that the Reserve Army will not be up to strength until 2018. I understand that—the Secretary of State has already outlined that there will be fits and starts, so I accept that; I am not going to ask that question. Can I ask whether you think that there has been a bit too much emphasis on going for targets for Reserves? Has that had an impact on the Regular Army, in so far as the Regular Army is saying, "We are really the boys, and actually you are concentrating all your efforts on the reserves. Don't forget us"?

Lieutenant General Sir Adrian Bradshaw: First, I would like to point out that there is at times a little too much attention on the numbers, without relating that to the development of capabilities. As we grow the Reserves, of course numbers are vitally important, but it goes with capability, so the equipping needs to be right, and the training needs to be correct; and all of that needs to be properly resourced. I am as focused on those issues as I am on raw numbers.

On your main point, I do not think that our attention on transforming the Reserves-integrating the Reserves with the Regular Army—is distracting us from the normal requirements of overseeing the Regular cohort. All of that work continues. There are small adjustments in manpower against staffing priorities, as you would expect. We have reinforced certain areas in the recruiting and training domain to

service the requirements of growing the Reserve, but I do not think that materially diverts attention from the Regular Army. So I do not get feedback that the Regular Army is feeling left out. What I do get, though, is feedback from the Reserves that they appreciate the attention they are getting.

Over the weekend we had a big meeting of a couple of hundred mainly commanding officer-level at Sandhurst, to launch the Reserves initiative. We got very positive feedback there from the Reserve commanding officers that they appreciate the direction we are going in. Incidentally, as one looked around the room, most of the Reserve commanding officers seemed to be sitting next to their Regular counterparts, already living the spirit of the pairing arrangement and talking between themselves on how they cooperate and make integration not just a buzzword but a reality.

**Q127 Bob Stewart:** Thank you for that answer. It is the last part that I was particularly interested in. Do you think the idea of Army 2020 will make it more attractive for young officers and soldiers?

Lieutenant General Sir Adrian Bradshaw: I think the prospects that we face in the post-Afghanistan world are just as exciting as they are now.

**Bob Stewart:** Oh Lord, are they? We have to pay for that.

Lieutenant General Sir Adrian Bradshaw: They present opportunities for potentially very interesting, demanding and relevant employment. The area that I see expanding to provide some of that is the whole defence engagement area, where we have the prospect now of a more orderly orchestration of our activity in regions around the world, particularly those where instability is rife. We can then draw together what is already quite a large programme of defence engagement activity into a more coherent structure against defence and national policy. For junior commanders, being a part of that will be very satisfying stuff.

**Q128 Bob Stewart:** How many people do you think you will need to recruit a year for 2020 in rough terms? Let us just take soldiers, forget officers.

*Lieutenant General Sir Adrian Bradshaw:* I do not have the precise recruiting figures, but ACGS may be able to help on targets.

**Major General Cullen:** I will give you a feel for this year. For soldiers this year, we still need to recruit or get in through the door, over 10,000 regular and over 6,000 reserves to meet our targets.

**Q129 Bob Stewart:** That seems quite a lot actually. For an Army coming down to 82,000, you really need to recruit something like 12% or 13% of the strength of the Army each year.

Major General Cullen: That is absolutely correct. It is a vibrant and changing organisation, and the opportunity of restructuring and reconditioning is that you are able to maintain the youth aspect of that in a vibrant structure that is going forward. That is the message that is lost out there at the moment. One of the challenges that we face in our recruiting is persuading the population of young men and women

in this country that that opportunity is still there. They have a sense of something quite different because of the messaging of decline and reduction.

Lieutenant General Sir Adrian Bradshaw: It is worth reinforcing that point. As we go through a programme of redundancy, there is a perception in some places that, with a reducing Army, we might not be recruiting. Nothing could be further from the truth. We need to keep new, fresh blood coming in at the lower level, if the structure of the Army is to remain healthy over the coming years. It is vitally important that, even as we make people redundant, we bring people in at the bottom end. Getting people to understand that is quite difficult. Clearly, we are advertising actively, but anything that members of your Committee can do to spread the word on that would be much appreciated.

Q130 Bob Stewart: It is a comment, not a question: I think the Committee totally understands that, but we probably feel—I speak, perhaps unbidden—that it is something that the Army will have to concentrate quite hard on to make sure that the message gets out into the public. Of course, we will do our very best in our constituencies and elsewhere, but it may well be something that we have to change—an attitude.

Major General Munro: Chair, may I go back to Mr Stewart's penultimate question? Is the Army 2020 construct exciting to soldiers and officers? I can certainly tell you from a reserve perspective that they are hugely energised by Army 2020 and all that it has to offer. In my travels around the country visiting reserve units and, indeed, recruits, they too are energised by the new integrated Army. But we need to keep that message going in the face of the basic message out there, which seems to be that the Army seems to be getting smaller, and not recruiting. It is recruiting. It is changing shape, but the shape will be very exciting in the future for both the regular component and the reserve component.

Q131 Bob Stewart: I do not want to hold it up, General Munro, but I think that the Army reserve is a good idea. I may have criticised parts of it in the past. Particularly exciting for the Army reserve is some of the specialist roles that the Army reserve is going to do, which the regular Army is probably not very good at. Of course, we are thinking of cyber, particularly intelligence and other things like that. It was a comment. Thank you, Chairman.

Q132 Chair: You heard it here first.

**Q133 Derek Twigg:** What is your current assessment of the number of regulars fit to deploy?

*Lieutenant General Sir Adrian Bradshaw:* I have some figures on that. Deployable at the moment from regulars is 84%.

**Q134 Derek Twigg:** 84% of the whole of the regular force?

Lieutenant General Sir Adrian Bradshaw: Of the regular force. That is within the field Army.

Q135 Derek Twigg: Can you just be clear, in terms of the actual numbers of people in the Army, what percentage of them is currently deployable?

Lieutenant General Sir Adrian Bradshaw: I am giving you figures for the deployable part of the Army—the 74,000 that are the deployable part of the Army; 84% of those are my latest figures. Some of them have some limitations against them-about 13%.

Q136 Derek Twigg: And the number of reservists that are deployable?

Lieutenant General Sir Adrian Bradshaw: I do not have good figures for the reserves. The last figure that I had is 81% deployable, with some limitations, but I would have to do some more research against that because our figures are not so reliable in the reserve space. However, they will be as we go through the process of integration, and we will have a better ability to be able to measure off against that. So I would put a heavy caveat against that.

Q137 Derek Twigg: So we do not know the exact figure, but currently about 81% of all reserves, not a particular section.

Lieutenant General Sir Adrian Bradshaw: That is the best figure that I can give you at the moment. That would have to be subject to confirmation, but as I say, we fully expect to be able to deliver more accurate figures in the future, particularly because we will be doing better health assessments against the reserves as we integrate.

Q138 Derek Twigg: It will certainly be more important to have accurate figures in future, given the reliance on reserves.

Lieutenant General Sir Adrian Bradshaw: It will. Major General Munro: I think that a facet of the reserve service right now is that, because we have never really had to understand the numbers, we have not had a system to collect that data.

Q139 Derek Twigg: Sorry, you never had to understand the numbers?

Major General Munro: We never really had to understand the deployability of the reserves because the pre-Army 2020 construct had them deploying in extremis only, pretty much, until the past 10 years when we have been deploying to Iraq and Afghanistan. Clearly, that process has forced us to understand the data much better than we did previously. Army 2020 and integration will take us further down the path to truly understanding the data so that it can be an integrated Army.

Q140 Derek Twigg: So since the start of the Iraq conflict, and obviously Afghanistan, you still don't have a full understanding?

Major General Cullen: I think you have to understand the reason for that. That was because the need to draw on the reserve was limited, but also, the manner in which we drew and mobilised that reserve was very structured. One was given a period of time and grace to bring in, assess, change the deployability, assess medically, assess dental states—remember, their primary health is dependent on the nation's national structure, whereas those in the regular programme are much more dependent on that which was embedded within. So there was not the fundamental need. The point for the future, which you made yourself, is in the integrated structure: where the routine use of the reserve in that integrated mechanism is much more dependent, that analysis and those figures need to be at hand.

Q141 Derek Twigg: So moving to the future, what is your assessment of the number of regulars and reservists that need to be fit for deployment in 2020. Lieutenant General Sir Adrian Bradshaw: The figure that we are currently working on is 83%. That is the figure we work to, so that would be the target that we set ourselves.

Q142 Derek Twigg: Can we just be clear: that is 83% of what?

Lieutenant General Sir Adrian Bradshaw: That is of the deployable part of the Army-the field Armyand it is fully or partially deployable.

Q143 Derek Twigg: And in 2020, in terms of the deployable part of reserves and regulars, that will total what?

Major General Cullen: 83% of 112,000.

Lieutenant General Sir Adrian Bradshaw: 83% of 74,000.

Major General Cullen: Sorry, of 74,000. That is the deployable element of the Army. And of course, it is dependent on the readiness of those particular elements of the Army. For those at very high readiness, the requirement is higher-greater than 83%—because they have to go at very short notice. For those at longer readiness—six months or whatever—the percentage can be lower.

**Q144 Derek Twigg:** So it will be 74,000 in 2020. Major General Cullen: 74,000 is the deployable element of the Army from within the overall construct of 112,00, at any given time.

Q145 Chair: Are you suggesting that it should be 83% for the regulars and 83% for the reservists?

Lieutenant General Sir Adrian Bradshaw: As we integrate the Army together, we are looking at one Army, so ideally we will be using the same figure. Of course, the difference with the reservists under Army 2020 is that they are employed collectively, in collective organisations, rather than as individuals. If you are employing a platoon, it is pretty important that the platoon as a whole is fit—you are not just relying on individuals.

Major General Cullen: I think this is really important. This is an integrated structure. The days of two separate parts of the Army are now history in our terms. These are properly interdependent and integrated organisations delivering to the outputs required of us. So the 83% figure absolutely applies to both of those elements.

Q146 Derek Twigg: Which means that it is all the more important that this figure, whether we talk about numbers or not, is actually going to be achieved in

Major General Cullen: Absolutely.

Q147 Derek Twigg: Because clearly, if it were not, that would have major implications for the deployment of our forces. Can I come on to the more basic issue—I want to test the logic of the position of the capability and effectiveness of reserves, as opposed to the full-time regulars? Basically, how can the training for a part-time reservist be as good as the training for a full-time regular? The logic of that is if you have got a full-time regular who is doing it full time, surely their capability and effectiveness must be greater.

Lieutenant General Sir Adrian Rradshaw: Absolutely.

# Q148 Derek Twigg: And?

Lieutenant General Sir Adrian Bradshaw: And that limits the employability of the reservist. One would not expect a reservist platoon or company to be able, for example, to switch from one task to another with the ease with which you could switch a regular cohort. I will give you an example from the Balkans. We had armoured combat troops in the Balkans who were deploying on main battle tanks, which had a role in giving a certain profile to the NATO force and demonstrating capability. Those troops were switched, as Mr Holloway will remember well, to counter-coup operations in some instances, and to supporting peace support operations. They were engaged in all sorts of different activities, and they switched from one activity to another.

We will have to train the reservist cohort for a specific role, and there will be less flexibility in how we then employ them. That is part of the risk you take in moving to this structure. However, I would point out that we start to employ them collectively at the fourth or fifth term of an enduring operation, when we have some expectation that we will be able to identify how the operation is settling down, and can more clearly identify roles. There is flexibility to employ Regulars from elsewhere in the Army Order of Battle if that is not the case.

Major General Abraham: That is a deliberate design in the Army 2020 construct. The front end-the highest readiness end-is predominantly regular, plus some reserve specialists, because, as you say, it is easy to train and maintain high readiness with regular forces. The reserve was designed on the principle of generating more collectively later, and at the front end, largely on the basis of individual augmentation. The training bill for an individual augmentee is less than it is to provide a company or a regiment. Thus, in the design, the reserve collective bit comes later, as General Bradshaw said. It is largely at roules three and four of the enduring stabilisation. Of course, you have an additional opportunity after mobilisation, but before deployment, to tailor the training and specific top-up skills for the reservists, as you do for the regulars, in a period of mission-specific training, so they are trained to be fit for the particular role that they will fill on the operation.

Q149 Derek Twigg: Have you made a judgment analysis of the capability we will have in 2020, based on the fact that we all understand that the reservists will not be as capable and effective—early on, anyway-as the regulars? Have you got a way of putting that together and giving the Committee an idea of the difference in effectiveness of today's Army and that of 2020?

Lieutenant General Sir Adrian Bradshaw: I would not characterise it as being not as capable. I would say that they are more specialised in their employability. Within that specialisation, we expect them to be very capable. Yes, we are aware that the new construct imposes certain limitations on us, in terms of how we will employ those forces.

Q150 Derek Twigg: Two quick questions. It is a year since the announcement, more or less. Could you let the Committee know what progress has been made on increasing the 30,000?

Lieutenant General Sir Adrian Bradshaw: The announcement has only just happened, so we are only just embarking on the process of energising that recruiting effort. We are not in a position to map out exactly what the progress will be like. My own expectation is that recruiting figures will start to lift more gently in the early days and as people see the reality of the new integrated army, they will find the reserves a more attractive proposition and numbers will grow. I would expect something of a curve.

Q151 Derek Twigg: So in a year's time, where would you expect to be?

Lieutenant General Sir Adrian Bradshaw: I think we are just going to have to see where we get to in a year's time and then project from there. We have an expectation that recruiting will pick up from this time forward, as the new recruiting organisation gains effectiveness.

Q152 Derek Twigg: So you are not setting a yearly target then?

Major General Cullen: We know what we need to achieve. By way of example, this year, 6,000 reserves through the door; next year that rises to something like 11,000 through the door, which is a significant challenge. Are we achieving our target this year in either the regular or reserve space? It is looking tough, so that only exacerbates the challenge of next year. That is why, as General Adrian has said, we are increasing our resource to this, and as our messaging improves in this space—the point made by Mr Stewart—we anticipate that this will grow.

Lieutenant General Sir Adrian Bradshaw: I am sorry to come back straight away, but I think that the important point to register is that until we have got this properly launched, on the back of the announcement where everybody understands how they are going to be employed, where they are going to be based, what their role is going to be, who they are going to be paired with, which has just been

announced, and we move forward on that basis, we have not really fired the starting gun. Measuring progress from today is really not relevant to where we are going. We have set quite ambitious targets, and interestingly, the recruiting contractors have taken those targets and accepted them, and they know that they face financial penalties if they do not meet them. I think that is quite an indication of their confidence, but we will have to map our progress and see whether we need to accelerate or increase our uplift to the recruiting organisation on the basis of how things go

Major General Munro: If I could just reinforce that point. We know that we cannot meet the challenge by doing what we currently do harder and faster; we need to do it very differently, hence the partnership with Capita as our partner in the recruiting space. Operation Fortify, which is the army planning and standing ready to support the recruiting and training surge that we hope will come now that the gun has been fired, i.e. the White Paper and the structures in the basic announcement. It is a challenge, but it is doable because we are doing things differently.

In terms of the numbers, you heard our estimate at this time just now from General Cullen, and the targets this year are looking pretty keen, but we think, and we anticipate, to better what we had done previously in the old system. Although we might still fall short of the 6,000, we are going to do better than we did last year in the older system.

If I may come back to a comment about standards because I think it is really important to get this point across. Of course, generally speaking, a reservist will not meet the standards of a regular in steady state. I say generally speaking because clearly there will be individuals, cohorts and units who might be, based on their operational experience, just as good as a regular

Q153 Derek Twigg: Based on operational experience they may not have any for many years.

Major General Munro: Correct. Generally speaking in steady state they would not have the same standards, not least because they are balancing employers, families and so forth. The key is that during steady state they get the equipment and the training. We are doing a lot of work right now to modernise the training so that it is sufficient, with a top-up at readiness, to cross the line of departure that is, on operations, whether it is in the UK, Cyprus or kinetic somewhere like Afghanistan—at the same standard as a regular so that whoever he or she is on the line of departure can look left and right and know that they are all trained to the same standard.

Q154 Derek Twigg: What evidence have you that closing TA centres' barracks is going to help you to recruit more reservists in what you have already admitted is a very difficult situation anyway?

General Abraham: One recommendations of the independent commission on reserves was that we needed to look at rationalisation of the TA estate sensitive to local matters. It rightly laid out that we needed to improve the efficiency of force generation of reserves, and that rationalisation of the estate needed to be factored around that. We need the reserve that we need under Army 2020, and we have to make some change to do that. We need to have a basing system that allows them to train collectively and at appropriate readiness to be force generated. That means a degree of consolidation around fewer bases.

Q155 Derek Twigg: So it is not based on helping to recruit people; it is based on estate strategy.

Major General Abraham: The Secretary of State said in the House that this was not being driven by economics and money, and my words now are that it is significantly about changing the basing laydown to conform to the new structure of the Army reserve, which is different from the old structure of the Territorial Army, and, potentially, about increasing the efficiency of force training and force generation.

Q156 Derek Twigg: So there is no evidence that it will help increase the recruitment of reserves?

Lieutenant General Sir Adrian Bradshaw: I rearticulate the point that the reserves will be used in collective groups. Having small detachments based separately from their company locations or their squadron locations is not an efficient way of force generating for the future. While the removal of some of the TA centres will make it less convenient for some people to be in the Army Reserve and may result in a small dip in numbers, the fact is that to deliver this new reserves experience, where people have more collective training and are more closely integrated with the regular cohort, has required a certain reorganisation.

We may see a small dip as some people leave because it is less convenient for them to be in the Territorial Army. I hope that we do not, because there is still a good spread of TA centres across the country. When we are under a new organisation, the fact that the reserves will be integrated into the regular force will make it a more attractive proposition. In the long term, it will aid recruiting, but I acknowledge that you may see some people leave in the short term.

Major General Munro: The other point is that we are reducing our infrastructure from 36,500 to 30,000, so we do not need as many sites as we had previously. A lot of work was undertaken with a number of stakeholders, including the reserve forces and cadets associations, the chain of command, regional forces and others-it was chaired by an independent chairman-to work out where was best to have sites, based on a number of criteria: recruitability, access to specialist skills, pairing with regular units and so on. We have come up with a pragmatic solution, which is not driven by dogma. Most of the changes are changes that the capability directors, the commanding officers and the regional commanders wanted to make to achieve a balance between those criteria that I mentioned. It looks messy sometimes on paper, but pragmatism does look a bit messy.

Q157 Mr Holloway: General Munro, are you going to have a limit on the number of days—obviously not

when they are deployed on operations or whatever that people are able to do as a reservist? Are you in danger, given that this is quite a big commitment for people and that this is a time of quite high and probably rising unemployment, of ending up with a cohort of full-time reservists who do not have much time to develop another career?

Major General Munro: We are very keen on and understand the benefits of having volunteers within the service. It is not only about full time and part time—part time in the legal sense. It is also about volunteers who have a dual career. That is my first point. It is important to maintain the volunteer ethos within the reserves and have reserves in there who are volunteers and not just part time.

The requirement is currently 27 days, although in actual fact a lot of soldiers and officers do way more than that and the average is 40 days. The White Paper refers to 40 days, and that is a judgment based on what is do-able, what is happening on the ground and what the capability directors are saying is required to get the standard of training to the level where it only needs a top-up for them to go into operations. There is a limit right now—that is 40 man training days on average for a soldier and an officer-and some will do more than that anyway. The limiting factor will be the reserve's place in society, and employers and families in particular. That is why the White Paper was so critical. To start the narrative with the country that we are doing defence differently, we need everybody to buy into it-not just reservists, but families and employers.

In a sense, to answer your question, I do not think we are stretching it too far. We are formalising what we currently do in terms of 40 man training days including a two-week camp. We will be limited to go any further only by the position, the story and the narrative that we manage to construct with society.

Q158 Mr Holloway: But in 10 Para, presumably you had some people who did very many more days than the rest of you because they were not developing a career, perhaps, in the same way as you are. I ask again: is there a danger of you having lots of people who do not really have very much else going on career-wise filling your reserve?

Major General Munro: No, I do not think so. I think we will always have people in the reserves who are regular attenders beyond the 40 days or 60 days that you are talking about. Indeed, some of those whom we have now are on either full-time reserve service, as we call it, or additional duties commitment. I think I am an embodiment of a reservist who has got another career. I am a lawver in the City and, other than an operational tour in Iraq, I have always been a reservist. I have not done full-time reserve service to the exclusion of my civilian job, so it can be done.

Q159 Mr Brazier: May I take you back, General Bradshaw, to the rather welcome remarks that you and some of the others made about the importance of formed bodies? The Secretary of State said in his statement in November about the deployment of formed bodies: "If we cannot support them to be able to deploy in formed sub-units and units, they will regard this as a pyrrhic victory"—strong words. I was a little surprised to see that the White Paper talks at some length about using formed bodies of combat support, combat service support and information systems and intelligence, and then has the following, rather strange, sentence: "Reserve combat units will continue to provide augmentation, resilience and depth to regular units." Are we committed to formed units and sub-units of the combat arms as well, or not? Lieutenant General Sir Adrian Bradshaw: Yes, we are, and I will give you an example of one of the combat arms that will very definitely be employing people in formed sub-units: the support squadrons for the Army Air Corps. That is just the example that I give of reserves being absolutely as reliable as regulars in a specialist field. They will refuel and rearm helicopters in the combat zone, if necessary, at forward arming and refuelling points. It is a cracking role for reservists, many of whom are transferring into that role from infantry organisations at the moment. They will deploy and be employed collectively, and that is absolutely our intent.

The intent also is that within the combat arms, elements are employed collectively, but I think we must always allow, depending on the numbers required and the precise role in which people are being employed, for some judgment on precisely how they are employed. I would say that if you are flicking between roles unexpectedly, or if you are relying on a smaller number of reservists, I would not discount the idea that on some occasions you might employ reservists as you do now, in a proportion in each of the organisations. The desirable position is that they are employed collectively. This is new ground that we are breaking. We have a plan and we are confident that it will be delivered. Frankly, we have now got to get on and test it, and prove that it is deliverable.

Q160 Mr Brazier: Thank you for that answer. I have a quick double observation to put to you. It is not entirely new ground; a number of deployed infantry companies were used in Afghanistan. The Londons, a company that went over there, are supposed to have killed 45 Taliban, to take one example. For what it is worth. I did a quick ring round after reading the White Paper, and got rather positive responses from the yeomanry: "Yes, our cavalry counterparts do get this." Sadly, I did not get equally positive responses from some of my infantry contacts. Are you satisfied that the regular infantry are up to play with their TA

Lieutenant General Sir Adrian Bradshaw: We will work our way into this and I am very satisfied that. just as they appreciate exactly how Army 2020 works. they will understand the new construct. When I say "new ground," I mean not that we have not done it before in isolated instances, but that it will be the standard way of operating, which is new ground. A propos my comments about some scepticism, clearly there will be people in the regular cohort who need to see how the regulars perform in that context and satisfy themselves that it will work. I would expect them to be sceptical to a degree until they see that.

We will soon see, because we will be into a training cycle where people will be training alongside each other, operating collectively, so it will soon be demonstrated one way or the other.

Major General Munro: That view does not corroborate the feedback that I am getting when I go on visits to both regular and reserve units. Far from it—it is exactly the opposite. They are feeling now that we are definitely moving from "having to do this" to "wanting to do this," because there are clearly benefits on both sides to adopting a new way of going about business. That view does not accord with the feedback that I am getting.

Q161 Mr Brazier: I am very pleased to hear it. As you say, a culture shift will clearly be needed. I have already heard some very positive reactions to Sandhurst.

I want to ask a final question that really goes to the heart of the matter. The biggest single difference between us and all our other English-speaking counterparts is that the vast majority of reserve units in America, Canada and Australia are commanded by reservists. They are also in brigades commanded by reservists. The last national guard brigade I visited was commanded by a banker, who was presumably sheltering from the recession. Are we going to see a higher proportion of unit commanders who are genuine part-time reservists, as abroad, in the future? Lieutenant General Sir Adrian Bradshaw: I would expect that we would see a higher proportion, but I still foresee some circumstances where regular officers are put in command of reserve units. I think that will continue. It will depend heavily on the quality of people in the field for promotion or appointment to that role. It is only right for the reservists employed in that organisation that they have the right quality of person, so where the right quality exists from within the reserve field, we would prefer to recruit a reservist into the position, but where there is a clear difference in quality, then, as I say, we have to do the right thing. Of course, there can be benefit in a flow of experience from the regular into the reserves, because of the spread of experience that a regular officer will have by dint of the fact that he has spent 20 years full-time getting to that point. We cannot be completely dogmatic about this, but I would expect to see an uplift and I do recognise that it is incredibly important for reserve officers to see career progression ahead of them.

Q162 Chair: We have heard of a report that the number of reservists resisting call-up for service is at an all-time high. Is that report accurate or not?

Lieutenant General Sir Adrian Bradshaw: I also have seen that report. We have scratched our heads about that and our conclusion is that it refers to the period last year when we called up unexpectedly a large number of reservists to support the Olympics. Our assessment is that the number of appeals against call-up was proportionately about the same as it normally is, but clearly there was a larger number, because there were larger numbers being called up. That is what we think that refers to.

Major General Munro: General Bradshaw was also referring to the fact that we don't know—this is what we were scratching our heads about with those numbers—whether that was caused by employer appeals or soldier appeals. We don't know that answer, but there is a positive message there, which is that it is still possible to appeal, especially for employers, if it does not suit them to allow their reservists to deploy at that time.

Q163 Chair: I am scratching my head a bit about your answer, because I thought that last year's Olympic call-up was based purely on volunteers. Major General Munro: It was, but the employer still has a voice, even if the soldier says, "I want to go."

Q164 Chair: I am with you. Since the White Paper came out last week, what reaction has there been from families and employers, and across the piece?

Lieutenant General Sir Adrian Bradshaw: I can give you the reaction from the soldiers themselves. As I said, the response we got last weekend at Sandhurst from the chain of command was very positive. It is a little early to get the feedback from employers and families, but we will be testing that response over the coming weeks, as the full impact of all the detail of what was in the White Paper is really taken on board. I would say that we would expect that the initiative to get employers to buy in more positively to the whole reserves deal will have an impact.

Q165 Chair: But it is too soon to say?

Major General Abraham: By way of example, next week our Chief of General Staff and others are leading a day at the Royal Military Academy at Sandhurst, where we have over 60-it may be 70, nowrepresentatives of major employment companies coming. We are going to talk through the White Paper and some of the initiatives that the Army are running with, and so on. It is not just going to be us broadcasting at them; they will have the chance to give us their views on that. That is our first opportunity to get a reasonable cross-section.

Q166 Chair: A very good idea. What use will be made of the regular reserves? What use will they be put to-will it be exactly the same as the use of the other reserves?

Major General Abraham: In the future we are going to rely on the regular reserve in three broad cases. The first is the provision of specialists: we could have a shortfall in the regular Army, in specialisms that do not routinely come out of the TA or Army reserve, so things like high threat IED operators—improvised explosive device operators—or the driver of an AS90 gun or a tracked platform. It will be things like that. That is really just filling gaps in the structure.

The second is that we maintain a regular reserve for when the Army is required to act significantly beyond the scale or the readiness set out in the defence planning assumptions: we need to generate more mass than was envisaged before. Operation Granby in Iraq in the early 1990s was an example of that.

The third use to which they can be put is probably a transitional measure. This goes back to Mr Stewart's question about the crossing lines of the reduction in the regular Army and the growth of the Army reserve: if a contingency comes our way soon, we would probably need to use the regular reserve to mitigate gaps in the structure against the nature of the operation. We need to do a bit more work to redefine the regular reserve in the context of Army 2020—how it operates, and so on. Our priority has been the volunteer reserve—the Army reserve. That is the broad answer.

**Q167 Chair:** Understood. How big is the regular reserve, or how big do you expect it to be? Is it about 4.000?

*Major General Abraham:* It goes up and down. I will have to come back to you, Chair. I do not want to give a wrong figure.

Chair: Give us a ballpark figure when you come back to us.

**Q168 Mr Holloway:** You mentioned employer appeals. Is there any special legislation at the moment, or is any needed, so that action could be taken against employers who discriminate against people in terms of recruiting them in the first place or promoting them because they are in the TA—sorry, the reserves?

Major General Abraham: This subject was widely trailed in the Green Paper. On the basis of the consultation we got an equivocal answer. So the approach laid out in the White Paper is that the MOD and the services will monitor this very carefully over the next few years but that at present there will not be the introduction of legislation. But if we think that there is a problem that can be dealt with by legislative means, then we would look to introduce legislative measures in the Armed Forces Act revision in '15, '16

Major General Munro: I am sensitised to that issue. So on my visits I look and ask questions about that to try to get some feedback to build a picture that can inform the next steps. That is the stick, if you like. The carrot is changing that compact between society generally, and employers in particular, about the use of reserves and their place within the Army construct.

Q169 Sir Bob Russell: This has got to work, hasn't it, because the Secretary of State in answer to my question last week said that there was no plan B? So I wish you well. The other observation I will make before I put a question is that we assume that the United Kingdom in 2020 will have the same composition in the four nations as today. Again, that is something we may need to return to, should the result of the referendum in Scotland next autumn be a yes vote for independence. Do you have the necessary funding to implement Army 2020?

Lieutenant General Sir Adrian Bradshaw: The straight answer to that is that we believe we have got the required funding, but it is taut. There is an element of risk there. In response to your point about there being no plan B, that is true. However, there is some flexibility within our responses. It has already been

observed that the 2015 defence review gives an opportunity to review progress against the plan.

**Q170 Sir Bob Russell:** So there could be an A+, if not a plan B?

Lieutenant General Sir Adrian Bradshaw: There is the flexibility there.

**Q171 Sir Bob Russell:** Have Ministers been advised by you that the money is taut?

**Lieutenant General Sir Adrian Bradshaw:** The Secretary of State is fully aware of the financial situation. It has been discussed between him and the CGS.

**Q172 Sir Bob Russell:** Is there anything the Defence Committee should be doing to help make sure that you have sufficient funding to implement Army 2020 or do you think everything at the moment is—

**Chair:** What we do doesn't usually have that effect, I suspect.

**Q173 Sir Bob Russell:** I was just wondering. I am asking the generals. I am concerned, Chairman, as you know, that this may not work. That is where I am anxious.

Lieutenant General Sir Adrian Bradshaw: The answer to your question is that there is sufficient risk in the programme for us to conclude that if the current resourcing were to reduce again we would be in the business of looking at whether these plans are achievable.

Q174 Sir Bob Russell: I am grateful for that as it leads me into my next question. What happens if you do not get a real-terms increase in your funding from 2015, in other words after the next general election? *Lieutenant General Sir Adrian Bradshaw:* I think the degree of risk then increases and we would have to look at that stage at whether the plan was deliverable. *Major General Cullen:* That is then a matter for defence. That is not purely a matter for the Army and Army 2020 per se.

Q175 Sir Bob Russell: That would be the defence across all services?

Major General Cullen: Absolutely.

**Q176 Sir Bob Russell:** Finally, what cost savings do you expect, if any, from Army 2020? I assume that will be through the increased use of reservists. In other words, are reservists cheaper than regulars?

Lieutenant General Sir Adrian Bradshaw: They are cheaper to employ on a long-term basis. They are more expensive to employ for particular requirements. If we call them up, we end up paying for their man training days and for their employment. So, overall, the restructuring of the Army represents a considerable saving, but in order to realise that saving it is very important to understand that we must be prepared to resource the employment of reservists in circumstances where we would not normally have employed them in the past.

If I may labour this point slightly, because it is a hugely important one, if we are going to deliver the experience that we feel we must for the reservists in the future, they need to know that in every substantial activity that the Army does, they have a part to play, so when we go training, they are with us, and when we go on defence engagement tasks, they are with us. When we are training Libyans, you will find reservists in the training cohort, and that will represent an extra cost to that task, which would not have been there had we used regulars. If we do not do that, we will not deliver the experience and we will not succeed in our recruiting targets. We must be prepared for marginal extra costs from time to time when commitments come up, in order to give the reserves the experience that we are promising to deliver. Overall, of course, the reduction in the regular manpower represents a very significant saving for defence.

Chair: May I say that the answers you have been giving, particularly that last one, have been very illuminating and extremely helpful? We are now moving into a stage where we might worry about falling behind, so I ask for snappy questions, please, and snappy answers.

Q177 Mr Holloway: Adrian, have you worked out what percentage of the cost of a regular soldier a reservist is, in a similar role and at the same rank? Lieutenant General Sir Adrian Bradshaw: I have not done that precise calculation. We could get it to you very easily.

Q178 Mr Holloway: Is it in the order of 50% or

Major General Munro: As with all things in numbers, you can read them whichever way you like, but we were working on the numbers of a TA soldier roughly, in a steady state and, currently, for the TA, which I use specifically—being about 24% or 25% of a regular. When mobilised for operation, as my colleague said, a TA soldier is more expensive, and you need to top up that 25% to somewhere like 84% or 94% of a regular deployed on operations. Clearly, the reserve of the future—not the TA, the reserve of the future—will cost more than 24% or 25%, because we will demand more of it: routine use, higher level of training and more training integrated with the regular component.

Q179 Mr Brazier: One of the concerns that has come up from reservists on the Army Rumour Service—though I think all of us support the strategic outline you have given us-is that there is a danger that, in the detail, we slide from integration of what are fundamentally two different ways of approaching defence, one full time and one by people with jobs, into simply assimilating part-timers into a structure designed for regulars. Clearly, that will not happen in the next year or two, while the political spotlight is on it and it is the high priority that it is, but what are we doing to make sure that long term this means, as it does abroad, integration of two groups of people who are coming at it from a different angle?

Lieutenant General Sir Adrian Bradshaw: I do not see that as being such a danger. Again, I can well imagine that there are some questions out there, because it is a fairly fundamental change and it represents quite a significant change for the reserves' anticipated experience, but they will still be reservists, the majority of them with other forms of employment. They will bring their culture and ethos into the regular space. There will be a trade of ethos there, and a fusion process, so I am fully expecting the arrival of reservists into the regular units to make a difference and to effect change in the overall ethos of that integrated organisation. It could hardly fail to be the

Quite how it works out remains to be seen, but if we look at the ways in which people are anticipating leveraging the pairing, it is not just a one-way flow; it is a two-way flow, and people are already looking at it that way. "We give you a bit of help with administration to sort out some of your backlog; you give us a bit of help on adventure training instructors, because you have some great people in your organisation. You come and train with us on this exercise; we will send a few people to train with you on that exercise." I think it will genuinely be a twoway flow.

Q180 Ms Stuart: In a sense, you have started to answer the question in your response to Sir Bob Russell, but I want to explore a little further how you will adapt, on the one hand, the current training structures, which were very much geared towards operations like Afghanistan, and a future, more flexible structure. How will you change that in terms of marrying the reservists and the permanent forces together? What changes will you have?

Lieutenant General Sir Adrian Bradshaw: The training organisation at the moment, as you suggest, is very much orientated, as its strong priority, towards generating forces ready for operations in Afghanistan, and so it should be. But as we transition from combat operations in Afghanistan, we will be looking to contingency, and I have already indicated that that has us looking more widely at a wider spectrum of tasking. We will also see a renewed emphasis on a combined arms combat manoeuvre, which I think is very important as the sort of foundation for all that we do, and we will see reserves being integrated in that training in collective organisations, as implied by the commitment cycle to which we are moving.

In future, you could see regular organisations going on overseas training exercises to Kenya with a reserve company integrated within a battalion. That is quite different from their current experience.

Q181 Ms Stuart: Within that context, how do you think the change from the current average of 35 days requirement to 40 days will help you? Can you say a little about that?

Lieutenant General Sir Adrian Bradshaw: Clearly, in order to get away on some of the longer exercises, reservists may have to be prepared to give a little more of their time. We are looking to be flexible on this. For example, for longer exercises, we are looking at

windows where the reserves can come and do their piece for a shorter time in the context of a longer exercise, and then leave. We have to be more flexible in their employment.

Major General Munro: May I come back on that, Chairman? I know you are looking at snappy answers. I think what we recognise is that we have to do things differently, and that applies to the training establishment—how we do our training and how we modularise the training—but that change also has to come from the reserves. As has been said, they will be required to train perhaps at different times, not just at weekends, but sometimes during the week when they can. These are the changes. It is not about the regular Army assimilating the reserves; it is both parts coming to the middle and doing it differently from how we do it now. That is the work that is ongoing as we speak.

**Q182 Bob Stewart:** The rebasing plan is quite complicated, obviously, and it is quite risky. That is clear. It is not risky strategically, but quite a difficult task to achieve. Who is in overall charge of it and are you in full co-ordination, with some of the units coming back and going to a new location, with the local authorities for schools and medical services, for instance?

Lieutenant General Sir Adrian Bradshaw: As the coordinator of Army business, I suggest ACGS answer. Major General Cullen: The lead within the Army is General Nick Pope, Master General of the Ordnance, who will move to become DG Capability, and this will be contingently one of his portfolios come September. Of course, the Defence Infrastructure Organisation will actually help us deliver this. As we now move from a detailed and complex plan, as you alluded to, into its execution, there is no doubt that a number of the challenges are very much coming to the fore. But they are actively engaged with the local communities: everything from the build down in Larkhill-a significant build—and moving the armoured infantry brigades back into that area, but also the growth in some of our other conurbations where, as you rightly point out, this is much more-

**Q183 Bob Stewart:** By building schools, for example?

**Major General Cullen:** Absolutely, as part of that overall plan, and costed within the attribution of the £1.9<sup>2</sup> billion to achieve.<sup>3</sup>

**Q184 Sir Bob Russell:** As a supplementary to Bob Stewart's question on the new school buildings, is the Ministry of Defence funding that capital work?

Major General Cullen: The discussion on that is ongoing between ourselves, the Defence Infrastructure Organisation and the Department for Education as to the manner in which that will be funded. There will inevitably be adjustments in the two spaces.

Lieutenant General Sir Adrian Bradshaw: We talked about sceptical questioning and I can assure you that I have been asking those questions of the people responsible, because one is acutely aware of the tight timelines and the amount of work that has to be done. I have received pretty good assurance that the plan is deliverable and that people do expect schools, medical facilities and suchlike to be in place in time.

**Q185 Ms Stuart:** Can you give us an update as to what extent you are within your time scale and budget and just a little background on the thinking behind why we were withdrawn?

Lieutenant General Sir Adrian Bradshaw: The rationale behind it was, I think, mainly financial; over the longer term it represented a pretty substantial saving to defence by bringing our forces back to the UK. There was also resonance with a new employment model which looked to an Army that is, in the future, to be home based and more integrated into the community, with people rather more living in their own houses and educating their children in local schools—that sort of model. It all fits that.

As I say, the main rationale was financial. Of course, in order to realise those savings, we are having to spend £1.96 billion on infrastructure to allow for this move back. In doing so, we will be giving up some excellent training facilities, some really superb accommodation and some great brigade garrison locations where we have very cohesive brigades that are well and generously supported by the local population. That will be very sad, but, of course we come back to three combat brigades of the reaction force around their main training area on Salisbury Plain: a very cohesive arrangement in terms of command and control and much easier to administer than having a large part of the Army in Germany, so there will be very definite benefits.

It will stretch training real estate in the UK. For that reason, we are currently in the middle of studying the availability and suitability of some training areas in Germany that we might continue to use on a visiting basis. The results of our work on that will be available in the autumn.

**Q186 Ms Stuart:** So, because there are some facilities over in Germany that you really cannot replicate here, by this autumn you will know whether you will still be using them?

Lieutenant General Sir Adrian Bradshaw: We have other options, of course; we have training estate available in Canada, Kenya and a number of different countries, but there is some very good training estate in Germany and it would be good to be able to keep a leg on the ground. As we make the break from Germany, it is also very important that we solidify our links with the German armed forces. I am very keen,

Note by witness: £1.8 billion

Note by witness: This is not the case. The MOD will not be funding the building of schools in Wiltshire. Rather, we have engaged with the Department for Education on the provision of local services and are actively engaging on this issue with local authorities and devolved administrations.

<sup>4</sup> Note by witness: Schools are the responsibility of the Department for Education.

Note by witness: MOD will provide this for serving personnel, but for families this is the responsibility of the Department of Health.

<sup>&</sup>lt;sup>6</sup> Note by witness: £1.8 billion.

for example, to make our arrangements on exchange of doctrine more solid, so that we do not lose the links that have been very easy for us, frankly, while we have been based there.

Q187 Ms Stuart: You mentioned the £1.97 billion, which is a lot of money. Currently, in terms of budgeting and keeping within the time scale of the withdrawal, are you within budget or are you facing any other unforeseen extra costs?

Lieutenant General Sir Adrian Bradshaw: As far as I am aware, we are on budget and on time.

Major General Abraham: It is within the overall budget of the Defence Infrastructure Organisation, which does the costing and the provision of money for the rebasing programme. It now does defence estate for each of the three services.

Q188 Chair: If you are talking of having some access to training areas in Germany, would that include leaving behind elements of our equipment that would be used there?

Lieutenant General Sir Adrian Bradshaw: We still have to work through this, but it is not inconceivable that we might leave a small training fleet and a small number of permanent staff. But if that were the case, it would be very small numbers, and we are at a very early stage in determining whether it might be the

Q189 Chair: Would the small number of permanent staff include, say, the British Forces Liaison Organisation? As I understand it, just at the moment when we are breaking some of these links, we are also breaking up that organisation. Is that right?

Lieutenant General Sir Adrian Bradshaw: I cannot give you the detail, because, as I said, we are at a very early stage in our planning on this particular front.

Q190 Chair: Is anybody able to say anything about the British Forces Liaison Organisation?

Major General Cullen: I think it will inevitably be adjusted, because the requirements will be very different in future. At the very least, it will downscale, but I cannot give you the detail. I can certainly do so following this meeting, if that is helpful.

**Chair:** Could you do that, please? Major General Cullen: Yes.

Q191 Thomas Docherty: General Cullen, when you referred to the Department for Education in talking about the engagement that you are having, I am assuming you also meant to refer to the three devolved Administrations. How is that going?

Major General Cullen: I am not able to say how it is going, because I simply do not know. Those discussions are ongoing, I am afraid.

Q192 Thomas Docherty: What do you think are the main challenges and risks that you face in trying to implement Army 2020?

Lieutenant General Sir Adrian Bradshaw: If I can step in there, I think that as we roll out 2020, one of

<sup>7</sup> Note by witness: £1.8 billion.

the areas that we need to watch very carefully is how we respond to contingencies that might occur within the next two or three years as that huge amount of change is taking place. If there is a risk, it is that we are faced with a large contingency requirement right in the middle of a reorganisation. We will have to face that if it occurs, but we are confident that if we can get through the next couple of years and get on to the new training cycles with all the right pieces in the right place, we are well set to meet future requirements.

Major General Cullen: If I may, it is the sheer scale of the challenge of this change programme, alongside everything else General Adrian has just said, but there are three specific risks. We have discussed one of them: the execution of the basing plan. That is what it is at the moment: a plan. Just so we are clear, I am not sure whether the money allocated to that is £1.6 billion or £1.98 billion, so we would need to be absolutely clear for you, which we will do. Therein lies the first significant risk: the execution, to time, of a very complex basing plan.

The proposition which is absolutely at the heart of 2020 is an integrated structure. We are entirely positive, but we are not naive. It is a major challenge, and we have to prove the principle as we go.

The third area is in our equipment programme. We are bringing urgent operational requirements back into core as we speak that do not meet the full range of capability but most certainly meet the capabilities, as we perceive them today, on the scale required of us by defence today. Ensuring that we properly secure the £4.7 billion assured but not guaranteed to us in the equipment programme to bring some of our core provision to life would be the third most significant risk. They are not in priority order, but those are the three big ones.

Q193 Chair: Can I put to you another risk that you have not mentioned? When the SDSR came out in 2010, I think the Prime Minister was clear that it required a real-terms increase in defence spending from 2015 onwards. Yet in 2014 we will withdraw our combat troops from Afghanistan and it may well be that the armed forces fall out of the visibility of the British public and therefore perhaps out of the sympathy and support that they currently enjoy. Do you regard that as a risk to this process?

Lieutenant General Sir Adrian Bradshaw: We have already discussed the financial risk that we face and I have indicated that any reduction in resourcing this plan would require a relook. So we acknowledge the point that you make, that there is risk there.

Q194 Sir Bob Russell: Gentlemen, you have obviously some very demanding targets and challenges: the 2015 strategic defence and security review and Army 2020. Do your thoughts ever wander off to, "What happens after 2020?"

Lieutenant General Sir Adrian Bradshaw: The answer is that we always need to be thinking ahead. There are people who are engaged in blue skies thinking about where the whole business of combat

Note by witness: £1.8 billion.

goes in future decades. However, there are so many unknowns there that we need to go forward on the basis of being able to morph flexibly into new approaches. The construct that we have, particularly with the adaptable force which we can tailor to the precise requirements, is the right way to go forward. *Major General Cullen:* I was talking to the Chief of the General Staff on this only a couple of days ago. There is a danger that one becomes so consumed by this all-consuming change programme and its demands that you lower your sights from a horizon that is for ever moving. There is a determination on his part to ensure that that does not happen. So beyond 2020 is self-evidently 2030, 2040 and the evolution into that space—unquestionably so.

**Q195 Sir Bob Russell:** If everything goes according to plan in 2020—our successes and your successes—we will have an Army worthy of the name and one which arguably could be enlarged should there be a need then?

Lieutenant General Sir Adrian Bradshaw: Yes. The very important thing to remember is that the 2020 construct allows for expansion. We have a construct which has part of the collective capability based on the reserves which could, with the right resourcing, be shifted back to rely on regular forces. So we have the command and control structure and the right neural network for expansion. Positive choice was made to go for an organisation with the right number of points of command to allow for expansion, rather than blobbing things up into larger collective organisations, which gives us less flexibility.

It is also part of the thinking that this shift, as we have stated, was driven for very real economic reasons. We all recognise that defence had to take a hit along with everybody else, in view of what the nation is facing. Equally, if we get into different territory economically when the next defence review comes along, there are areas where we have taken a bit of a capability holiday, and areas of risk and perhaps there will be a good case for a bit of add-back.

**Chair:** I realise now that I cut Thomas Docherty off in his prime.

**Q196 Thomas Docherty:** On basing, could you quickly say a little about Cyprus and what its role will be post 2014?

Lieutenant General Sir Adrian Bradshaw: As you know, the theatre reserve battalion for Afghanistan is based in Cyprus. That provides the ready reserve of trained forces to go in if there is some sort of dramatic change to the situation requiring a UK reinforcement. When we cease combat operations in Afghanistan, the question is: does that have a role specifically as a high-readiness reserve in the Middle East region? We are looking at its potential employability, but we anticipate the two battalions that are currently in Cyprus remaining there, and of course that does give us a very good platform for regional contingencies. We are actively looking at those options at the moment. Nothing has been presented to Ministers at this stage.

Q197 Thomas Docherty: When the Secretary of State was last before us—actually, the last time was in Scotland. When he was before us the time before last, he suggested that some serious thinking was being done about whether it was practical to hold in Cyprus the equipment that was being returned from Afghanistan. Can you update the Committee on how that thinking has developed?

Lieutenant General Sir Adrian Bradshaw: It is very important to understand that, when the equipment comes out of Afghanistan, it needs to be properly refurbished. Quite a lot of it will need modifying and updating. Some of the vehicles need to be modified to be driven legally on British roads, for example, and we need to bring a series of marks of some sort of vehicle up to a standard fleet specification. It is frankly more efficient to do that in the UK, at one location, or at least to process those vehicles through, but one of the options we are looking at is this: having processed those vehicles through, we might, for example, send some of them to Germany to use spare capacity at our workshops there. That is one of the options that could be quite an attractive and efficient way of doing refurbishment. It is just a possibility at this moment, but I think that leaving equipment in Cyprus would be possible only for equipment that is in a condition to be put straight into storage. We do not have the facilities there, at this stage, to carry out modifications.

**Q198 Thomas Docherty:** My final question, and perhaps the Committee's final question, is: what can the Committee do to help to deliver Army 2020?

Lieutenant General Sir Adrian Bradshaw: I am glad you asked this question, because we have made much of the large degree of change that we are going through. This is an ambitious plan. I happen to think that it is the right plan to meet the circumstances that we face; I am quite convinced of that. I think it is absolutely right that we are going full-out to get more utility and employability from the reserves; it is absolutely right to integrate them. Wherever we go with this plan—we talked about the flexibility that we need to have in terms of nudging it and the possibility that we might make modest adjustments at the next defence review—integrating the reserves and using them more effectively is the right thing to be doing.

I think we need you collectively to get behind the plan and sell it against a background where there will inevitably be people who have local concerns and more tactical considerations. People need to understand that there might be some pain, some uncertainty and, in some locations, a requirement for some flexibility, but the plan, in its entirety, takes us to a better place. We need to get behind that, and your support is most important.

On the recruiting of reserves, we could not afford to go to an entirely transactional relationship between employers, reservists and defence, or frankly we would not have delivered the efficiencies that we were aiming for. There needs to be, frankly, a little of the national spirit in this—the loyalty to nation—and a little public-spiritedness from employers to get behind the plan. Any encouragement would be gratefully

received. We have seen very good take-up by, very good support from some employers, but as I said, any help that you could give would be gratefully received. Chair: What an excellent point to end on. We will do all that we possibly can. To the extent that people listen to politicians, we will try to help.

Lieutenant General Sir Adrian Bradshaw: Thank you very much, Chair.

Chair: Thank you very much indeed, gentlemen—all of you-for an extremely useful and interesting session, which will help us with our report.

# **Tuesday 8 October 2013**

### Members present:

Mr James Arbuthnot (Chair)

Mr Julian Brazier Mr Jeffrey M. Donaldson Mr Dai Havard Mr Adam Holloway Mrs Madeleine Moon

Penny Mordaunt Sir Bob Russell Ms Gisela Stuart Derek Twigg

# **Examination of Witnesses**

Witnesses: Brigadier (retd) Ben Barry, Senior Fellow for Land Warfare, International Institute for Strategic Studies, Professor Theo Farrell, Head, Department of War Studies, Kings College London, and Brigadier (retd) Allan Mallinson, historian and defence commentator, gave evidence.

**O199** Chair: As I understand it, I am obliged to say, "Order, order." Welcome to this afternoon's session, which is about Army 2020. It is helpful to have all of you here to give an external view, compared with that of the Ministry of Defence, about the proposals the armed forces have for Future Army 2020.

We have been told by General Wall that this proposal is a radical one. How radical would you say it is?

By the way, each of you does not have to answer every question. I am afraid we are going to have to get through this first session by about 2.50 pm, because we have conflicts with the Defence Reform Bill Committee, which is also sitting today, and there is a further panel to come. How radical are these

Brigadier Barry: In my view, they are very radical. They are more radical than the changes being made to the US and French forces. The three armoured infantry brigades are not in themselves radical, but some of the organisations in Force Troops are. The whole concept of the adaptable force partnership and regional alignment is radical, as are the reduction in the number of HQs and building an increased dependence on the reserves. The changes in the past 50 years in the Army have all been evolutionary, but this is a hard yank of the steering wheel and a significant change of direction.

Professor Farrell: I would also say, by comparison to the previous iterations of organisational restructuring, that Future Army Structure, Future Army Structure: Next Steps and the Transformational Army Structure are all just tweaking the organisation—taking a brigade off, adding another one on and changing the name of the brigades. This is the first restructuring that actually does something different, and it takes seriously what the Army has been saying: the need to upstream engagement and downstream engagement much more seriously. So it restructures the Army to undertake this wider range of tasks. As an outsider, I was incredibly surprised at just how radical the proposal was.

Brigadier Mallinson: Well, it is radical, but it is not radical enough, if you want to go further on that. It is radical in the sense that the Regular Army will no longer be able to do its job-everything that is expected of it-without the reserves. It has never really been in that situation before, except medically.

That was never really planned; we drifted into that unhappy position.

But where it is not radical enough, in my view, is that we are trying to cling on to a structure in the reserves that was there for an entirely different purpose. It was correct 100 years ago, when the emphasis was on putting formed units into the field to fight as formed units, whereas, really, the Regular Army needs fleshing out to replace the hollowing out that the reduction in the 20,000 means. That means, really, individual reservists or small groups; not a structure of a TA that was originally planned for the defence of these islands against, initially, a French invasion and then a German invasion, through developments in the 1930s and during the cold war, at maximum effort to go and fight in Germany. In retrospect, that probably would not have been a great success story. That will be my starting point, Chair.

Q200 Chair: Yes, it is certainly very different but, from what Professor Farrell says, not necessarily bad as a result of being very different.

If you were part of a red team saying, "This is all up for questioning and we want to point out where the flaws are in this plan," what would you be saying?

Brigadier Barry: Shall I start? The context, of course, is that the Government are seeking to spend less by having fewer forces that do less, so defence planning assumptions, at the outset of the Strategic Defence and Security Review, were ratcheted down. This is important because the organisation envisages producing less boots on the ground in whichever scenario you envisage. There are some scenarios you can envisage where that does not matter, but for stabilisation, counter-insurgency and operations in difficult and complex terrain—the jungle, for example, and the urban fringe of a jungle—less boots on the ground is going to be a limitation.

It is also clear that the Army's NBC defence capability has significantly reduced, which in the light of events in Syria may represent a weakness. It is also very dependent on the delivery of the capability by reserves and the modernisation of the helicopter and armoured vehicle fleet. Also, there is a lag between the reduction in the size of the Regular Army and the adoption of the new organisations, both of which are going to be complete in 2015, and the full delivery of the reserves capability in 2018, and also the plans for the

modernisation for the armoured vehicle fleet, particularly the Scout programme and the utility vehicle programme that replace armoured vehicles that are essentially obsolete. Those, of course, are not coming in until the end of the decade, if not beyond. So I think that represents some of the major risks.

Professor Farrell: I think there is only one flaw that we can see at present, which is that the whole thing is predicated on the ability to raise 30,000 reserves and then progressively integrate them in a deployable force, starting from individual augmentees to whole units. And while, for instance, the Americans have been able to use reserve forces in this way, in recent history the British have not been able to deploy whole units into the field.

More to the point, as we know they are encountering very significant problems with Operation Fortify—the operation to raise the reserve force. So that's the flaw: if you cannot raise the size of the reserve force that you require and you cannot get the flexible contracts you need to use them in a certain way, the whole of Army 2020 is crashing.

Brigadier Mallinson: Going on from Professor Farrell's point, what is the plan B if it is clear in two or three years' time that we are not going to raise these numbers and yet, at the same time, we are taking the economy measures—sending away experienced troops, disbanding battalions and cutting the ORBAT very significantly?

I would have liked to have seen an overlap period, although I understand why there has not been one. Nevertheless, I think there is room at an early point to suggest that perhaps the rate of attenuation of the Regular forces needs to be slowed down somewhat. I think that getting back capability, once you have laid it off, is a much longer business than people sometimes think. For example, I have heard it saidsadly, I have heard it said by people in uniform—that if we need to raise a couple more infantry battalions, come the day, that won't be too difficult. Funnily enough, in my view, it takes longer to produce good infantry than almost any other part of the Army. It is an art, not just an industrial skill. It is on the infantry that the burden of most operations falls, so I would like to see some sort of bridging contingency plan.

Going on from my earlier point about trying to retain an old structure—the old TA—the other thing I would say is that I hear the voices that say that the structure would be the basis for regeneration, if necessary, but I am not convinced that the reserves are the right basis to regenerate. We have not had demonstrable success in that area in the past 100 years. I would like to see a much more centralised focus on recruiting, and on training and administering recruits, rather than having your lay-down of a platoon, company and battalion based all over the country. We are finding that a lot of them, at great expense, are in fairly barren areas as far as recruiting is concerned and are administratively difficult, while in other areas they are almost dealing with too many interested parties.

I was talking to the commanding officer of a logistic regiment three weeks ago who explained to me just this problem. He had his lay-down, as given to him. Two of the areas—parts of the industrial north—were, for curious reasons, totally unproductive. There was one centre where unemployment was high and there was no other game in town, and that particular squadron of his was over-recruited and he wasn't allowed to take on any more. Had he the flexibility to run the operation as a whole, his entire effort would be put on to that productive area. Does it matter where they come from in the end, as long as they are in uniform and accessible?

Chair: We will come on to some of these issues during the course of the next few minutes.

Q201 Mr Havard: You talk about a bridging plan, and then you are talking about sequencing various things such as equipment and the periods of time for things to come together to make the whole for 2020. It seems to me that you are suggesting, therefore, that, in terms of the planning process and the sequencing of the events that come together, there is a vulnerability in making it from now until 2020, and that there are weaknesses in achieving that process. For example, 2018 presumes that you will have completed the reserve recruitment. There are a series of assumptions in the process that gets you to 2020. Can you say something more about that? In 2015, there will be a defence review and a general election—if not before—so there are other things that may well cause a revision of the plan. Is the plan a complete plan, or is it actually a set of aspirations towards a plan, with weaknesses and vulnerabilities before you get there?

Professor Farrell: The plan was very well developed and carefully developed, and it was properly based on operational experience and a very large amount of experimentation. That was all well and fine, but the Army has been enduring a succession of cuts, with more coming, and that is where the problem lies. The next round of cuts, which are bound to come and which will reduce the Regular force further, is the point when you begin to ask, "Is this workable?" The key question is: can you achieve Army 2020 in the context both of a failure to achieve reserve targets and of further reductions to the Regular force?

Q202 Mr Havard: So the weakness is in the application of the plan, not in the plan? Professor Farrell: Correct.

Q203 Chair: So that is your question. What is your

Professor Farrell: Go back to the drawing board.

Q204 Chair: You would go back entirely to the drawing board.

Professor Farrell: Put it this way: unless there is significant progress in terms of the future reserves recruitment and unless the cuts that we can anticipate down the line to the Regular Army are modest—they are probably at the scale of another 15,000 to 20,000—sure, you have to go back and look at this thing much more carefully.

Brigadier Barry: On reserves, I am a glass half full man, because 10 years ago I had the privilege of commanding a brigade in Bosnia that had substantial numbers of US army reserves and national guard, and also Australian and Canadian reserves, and those were

#### 8 October 2013 Brigadier (retd) Ben Barry, Professor Theo Farrell and Brigadier (retd) Allan Mallinson

much closer, in many ways, to what is now envisaged for the Army reserve than the then model of the TA, although I also had a TA signals squadron and medical squadron. To a certain extent, I have seen the future and know that it can work.

We should not forget that in a country where hundreds of thousands of people volunteered for the Olympics and where there is a thriving voluntary sector, the reserves have a unique selling point that is almost alone among voluntary organisations—they offer pay and a bounty. But the sequencing of the plan, you have identified, and if there is one thing the Army is always pretty good at, it is planning in exhaustive detail. I am conscious that that is going on in Army Headquarters and the General Staff in London.

There are two higher-level risks, however, and one of them is funding. In the short term, it has been agreed that there can be a 1% increase to equipment and support, and also the Government are now implementing the recommendations of the Armed Forces Pay Review Body. Of course, in a fixed budget, those have the potential to squeeze out other stuff including, for example, infrastructure, training, barracks and conditions of service.

In the long term, of course, Army equipment programmes have historically often been squeezed out by cost growth in the other two services' equipment programmes. We are now into a new model of financial management and if there is cost growth in air and maritime programmes or, for that matter, in the future deterrent, it will be interesting to see whether those organisations will have to swallow their smoke and the Army budget will not be raided. But that is a historical risk.

Clearly, as other speakers have alluded to, funding in the next Strategic Defence Review is a factor, but there is an important operational factor: the Army that is being created to go on operations will depend on more timely political decision making to mobilise the reserves and, indeed, to get the adaptable force to be adapting in whichever direction it is required to adapt for the operation. That requires time, so there is a premium on early political decision making. Of course, a decade ago, we had the penalties of the lack of appropriately timely decision making illustrated to us with, for example, the logistic problems for Operation Telic. It is built in now.

**Chair:** I have to say that you are answering some of the questions we were intending to ask before we ask them.

**Q205 Sir Bob Russell:** Gentlemen, what happens if the Army fails to recruit those 30,000 reservists?

**Brigadier Barry:** If you want to meet the operational output, you have two choices: either stretch the elastic band of the Regular Army so they all become much busier and go outside tour intervals and harmony guidelines; or rebuild the capability of the Regular Army, although you would not need to rebuild it by 30,000.

**Q206 Sir Bob Russell:** At what point does the Ministry of Defence have to tell the Government it is not working and that 30,000 reservists are not being recruited?

Professor Farrell: There are two things here. One is that you go back and really look again at defence planning assumptions. Army 2020 is predicated on the planning assumptions in the SDSR, and that was for a Regular Army of 95,000. We are now at an Army of 82,000 and we may go down to 72,000 or 62,000. So the first thing you do is go back to defence planning assumptions and say, "Okay, these aren't going to work any more." Of course, the Government will be slow to do this. It is quite likely that the Government will want to be able to maintain, in policy terms, the claim they can achieve certain things for domestic and international political reasons and simply ignore the problem. The other is whether you look again at the harmony guidelines, because the only way you can stretch the Army is by being honest with troops and saying, "We're going to have to deploy you on a more regular basis and we have to renegotiate that."

**Q207** Sir Bob Russell: Are you telling me that Army 2020 is not of a sufficient size to deliver what is intended?

Professor Farrell: In the SDSR? Of course.

Q208 Sir Bob Russell: It is or it is not?

**Professor Farrell:** It is not. Certainly, if there are any more cuts, it will not be. That is fairly obvious.

**Q209 Sir Bob Russell:** Gentlemen, have you had any reaction from allies and NATO about what is happening and what may happen if the reservist numbers are not reached?

Brigadier Barry: I spent a week in Washington DC in March, and the experts I talked to, think-tanks and people in the Pentagon were concerned with the overall reduction in capability of the British armed forces. They were not particularly interested in the granular detail. Indeed, with the size of the national guard, the Army reserve, the Marine Corps reserve and the air national guard, they would find it very surprising were the UK not to be able to meet this relatively modest target. I pray in support of the changes that are being made to the reserve that they do take them more in the direction of some of the strengths of the reserves in the US armed forces.

We are talking about a scenario where the Army fails to meet its target for the reserves by a significant margin, which clearly would cause there to be an uncomfortable conversation between the Army and the Government. Does there not need to be a conversation now between the Army and the Defence Secretary and the whole of Government? If Government is to make this work, the whole of Government needs to put its shoulder to the wheel. To his credit, Secretary of State Hammond has been talking about this and doing his best to project the image, but do you see the image from the other Government Departments? Do you see the Transport Secretary encouraging major transport companies to contribute people to the reserves? Do you see the Health Secretary really congratulating the significant contribution that people from the NHS make to reserves? To deliver the whole package as is

envisaged requires more than just the Ministry of Defence and the Army.

Q210 Sir Bob Russell: You are calling for joinedup government.

Brigadier Barry: Yes.

Brigadier Mallinson: It is very interesting, if you want to take a historically informed look at this, 100 years ago, when that great man Haldane—a Liberal was restructuring everything, what really strikes you is the degree to which Ministers across the Government are committed. They get out and into the highways and byways to advance this new organisation that has been set up and to encourage recruiting. Ministers of all persuasions are out there opening new OTCs, and whatever. There is total commitment, and real evidence of belief in this. You read diaries and letters, and they are communicating with each other in a truly interested way. It is not just an initiative of one Department that is being run with. There are two other things, if I may. I think senior officers are in a difficult position, because they are part of the delivery of this—although going out and finding the reservist recruits is not a military task but for them to say it is failing is indicative of a failure on their part, it might be thought. What is the incentive to make a noise? That is what would worry me. I see no independent judging criteria that can say whether this thing is working or not. It is going to rely on people standing up and saying so, and that will not be without penalty.

Professor Farrell: May I say, very briefly— Chair: Very briefly, please.

Professor Farrell: Very briefly, I think most American observers in the think-tank world of policy do not care. They are not really interested in this detail, until it comes to a future operation, when they will want us to deliver capability; and then, when we cannot do it, they will care. Right now, they are not bothered.

Chair: The issue of funding has already been considered a bit. Julian Brazier, do you want to pick that up?

**O211 Mr Brazier:** Yes, I want to ask a question on funding, which ties in to some of the things that you have just been saying. Brigadier Barry, in your very interesting submission, you comment that MOD spending on land equipment is at an all-time low. You also made the point earlier that Americans, Canadians and Australians are all already in the kind of profile that we are trying to move towards—although we are only going halfway there, we will end up with a much smaller proportion of volunteer reservists. In all three of those countries, it is recognised that you cannot afford the equipment for a reasonable-sized overall force if you try to do it with a nearly-all professional Army—it is just too expensive. Do you think we should be having a go at trying to move in the same direction as the other English-speaking countries? Or do you think we should simply say that within the current funding envelope we accept that there is not enough money for equipment, and we try to have a bigger regular Army, whatever it costs us? Can we start with your thoughts, and then obviously your colleagues can come in?

Brigadier Barry: The Army's equipment capability, as planned, is going to modernise important areas, particularly armoured warfare and helicopters, as well as taking into core various urgent operational requirement capabilities that have proved their worth in Afghanistan.

I sense, though, that like many other aspects of the Army it is at its critical mass. It is difficult to envisage further capability being taken away without it being a real hit on capability overall. If there were extra money available, my personal priority would be to accelerate the armoured vehicle modernisation programme, particularly to replace as quickly as possible CVRT and 432 in their reconnaissance and utility roles.

Those other English-speaking armies you describe share many similarities with ours, but there are also important differences. The US army is in some respects culturally very different, so there is a limit to how much you can benchmark from them.

Mr Brazier: But why-

Chair: We have to move on. Does anybody else want to comment on that?

**Q212 Derek Twigg:** Do you think that what is being proposed, and the whole politics and commentary around changes and cuts, has given a negative message to people out there that the Army and defence are not very important any more, and that what is more important is what it costs?

Professor Farrell: Yes. I entirely agree. It is quite striking. My own view is that it is in part a general under-appreciation of the campaigns in Afghanistan and Iraq. Iraq is obviously deeply clouded by the politics surrounding it.

Mr Brazier: Sorry, Professor Farrell, could you speak up, please?

Professor Farrell: I'm sorry; I will lean forward.

I think it has partly got to do with the politics surrounding Iraq and Afghanistan. Obviously, the politics in Iraq are very troubling. In terms of Afghanistan, the Army has delivered a huge capability—far in excess of the allies. The comparison with Canada and Australia simply does not apply. They are minions in comparison with what the British Army has delivered into Afghanistan, both in terms of command and special forces, but especially land

What we are really asking is, "Do you want to have an Army with the capability to deliver a division-level force at strategic distance?" Because, aside from the United States, Britain is the only western country that could do so. You have to ask questions about whether it is useful, and whether Britain in the future might require that as a capability in its national interest. Army 2020 was, and is at the moment, the only realistic plan to continue to have that capability. Unfortunately, further cuts are going to mean that it may no longer be affordable in its current figuration. In part, I think it is just astounding how this country and the Ministry of Defence are so reluctant to promote what has been achieved in Afghanistan.

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There seems to be an immense nervousness around it. Instead this is all about cuts, cuts, cuts.

**Q213 Derek Twigg:** Do you think that, partly because of Iraq but also Afghanistan—we heard what Karzai said in the past 24 hours—we are actually running away from it? You mentioned our division size, which I agree with. You say that the only game in town is obviously Army 2020. Do any of you think that what is proposed is going to safeguard the country's interests in future?

Brigadier Barry: If I may, I shall return to my opening remark. The Government decided to do less by having less and spending less. There have been events since the SDSR-the war in Libya, the Arab upheavals and the conflict in Syria-and it seems to me that the risk that a very turbulent and rapidly changing world could pose to UK national security has gone up since 2010, rather than gone down. The other thing we have observed at the institute is that for some of the upheaval we have seen in the past two and half years, the rate of change has been much greater. The Arab upheavals happened much faster than the upheavals in eastern Europe in the late '80s. This is because the world is much more connected. So although the strategic defence security review is very opaque about the DPA in terms of readiness, my understanding is that readiness has been reduced, so we have fewer forces able to react very quickly, whereas world events suggest to me that we actually need forces that can react more quickly than before the SDSR, rather than less.

**Professor Farrell:** In most of the scenarios that Britain is likely to face in the future where it wants to deploy military force, military force alone will not be the solution. That is abundantly clear. You are going into situations where you are trying to stabilise them, build capacity and—

**Q214 Derek Twigg:** I think I know that; what am I saying is: what do you think we should have in terms of a military force? What do you think actually stands up and is credible? I understand that there are a whole range of other people in an organisation—

Professor Farrell: If I can finish my point, when we went into Bosnia to do peacekeeping, we sent in forces that were not configured to defend themselves. What Bosnia showed is that even if you go in to do peacekeeping or peace operations where you are building capacity and handing over or stabilising a country, a situation can develop where you have to deploy combined task forces with armoured infantry. What Bosnia showed is that you have to have the ability to send in forces very fast—either pull all your troops out or send in an armoured unit that is able to defend your forces and then stabilise the situation.

This is why 2020 is a clever design. The focus is clearly on defence engagement, but it maintains an armoured infantry core that, if necessary, can go in and defend Britain's interests or Britain's troops. That seems entirely logical. Otherwise, the only other solution is: deploy forces for defence engagement, such as peacekeeping, and if the situation goes pear-shaped, you have to pull them out as fast as you can,

because you cannot defend them—or you have to call on the Americans or somebody else to do it.

**Q215 Derek Twigg:** Can I make two quick points? First, Brigadier Barry, you mentioned the issue of reservists, and Americans, Canadians and so on. Isn't it true that there is a different culture in the US, which we do not have? My second and final question—I do not know who wants to answer this—is: what does this mean for our special forces and our ability to recruit high-calibre people and deliver the sort of operation we want?

Brigadier Barry: There is no doubt that the culture is different in the US, but what is planned will only succeed if the culture in the reserves and the regular forces, and in the wider public sector and society, moves in a direction closer to the US. On special forces, clearly, with armed forces that have fewer people and an Army that is 20% smaller, the recruiting base from which special forces are drawn is going to get smaller.

However, anecdotally, there are many people who have had their share of adrenaline and got their sense of achievement from the combat operations that they have been doing in Iraq and Afghanistan. In the event that after 2015 the British Army is not substantially engaged in high-tempo operations, I think there will be extra people putting themselves forward for selection for the special forces, because they will want the excitement and the additional challenge that in many respects they have been getting in the First Rifles or the Second Duke of Lancaster's over the last decade.

**Q216 Mrs Moon:** Following on from Derek's question, are we moving into an era, following the number of deaths in Iraq and Afghanistan, the Government are looking for reduced casualties and more remote warfare so that we stand back at a further remove, perhaps using ISTAR and cyber-drones to fight our wars rather than boots on the ground?

Professor Farrell: That is a fair question, but I do not think it is the case at all. Until Iraq and Afghanistan, the dominant view in academia was that the west had lost its appetite for war and that we were moving into an era of war from a distance, spectator-sport warfare and so forth. But in Iraq and Afghanistan, western armies—particularly the British and the Americans have sustained very considerable casualties, but have demonstrated preparedness to continue operations. Of course the Government and the military have every reason to want to reduce casualties, but there seems to be a continued willingness to put troops in harm's way in the interests of national policy and security. I do not think the evidence supports that at all, actually. What it does show is that there is massive investment in force protection capabilities: in our case, for instance, the very large programme to acquire Mastiffs, which we are now stuck with, in our equipment programme. There are questions around the extent to which money will be spent to protect troops, but that seems reasonable enough. The only thing that might speak to what you are saying is the Supreme Court ruling that gives families the right to sue the Government for negligence. That could open the door

a bit, but not in terms of the military's appetite or the Government's.

Brigadier Barry: I slightly take what I think is your proposition that there is a bit of an aversion right now to boots on the ground because that is seen as carrying a risk of messy escalation and indeed a risk of casualties that would be difficult to explain. Of course, the reason is the ever-increasing unpopularity of the Iraq war and the way the Afghanistan war was contaminated with that, which led to extraordinary measures of force protection being implemented that had not been seen in Northern Ireland or the Balkans campaigns. I sense that there is a great risk of that becoming the default setting and part of the cultural landscape not just in the armed forces, but in the Ministry of Defence, the Government and the media. To me, the interesting example is the recent French operation in Mali, where my understanding is that we had not only very rapid political decision making in Paris, but operations conducted by French ground troops and special forces that were well outside the risk envelope of recent British operations in Afghanistan and the successful role of British forces in Libya. That is part of getting back to contingent operations in a new theatre, rather than routine operations in a mature theatre. It seems to me that military commanders of all three services will need to be empowered to make those hard judgments on risk without having to refer them through long processes to PJHQ in London or the environmental health adviser.

Q217 Mrs Moon: May I take you back to your assessment of the role envisaged for reserves in Army 2020? How will that role affect the Army's ability to work collaboratively with the other two services?

Brigadier Barry: I don't think it will reduce it at all. There have been tremendous advances in air-land integration and in air weapons and capabilities that enable precision strikes. I detect a thirst on the part of the Army and the Air Force to keep those skills alive. The embedding of the joint air-land organisation in air command, rather than the Army, is symbolic of that. I do not think the proportion of reserves will make any difference to that. Where I think there is a possible lacuna is that in the past decade the Army has hardly worked with the Royal Navy, and indeed the plugs and enablers that would enable a brigade, division or corps Headquarters to work alongside an Air Force don't seem to exist at the same level to an Army land force that had a coastal flank that the Navy was operating on.

It is also the case that, compared with the Army and the Air Force, the Royal Navy seems to have underinvested in UAVs and precision firepower to attack land targets, so it strikes me that there is a bit of work to be done, mostly by the Navy in making itself better able to support a land force.

Q218 Mrs Moon: Capita is said to have run out of capacity to recruit the required number of reserve forces and I understand that we are diverting 1,000 troops by sending them out on recruiting duties. How do you feel about that? Is it an appropriate use of 1,000 members of our armed forces?

Professor Farrell: There are two problems with the reserves and Operation Fortify. The first is precisely that, as has been suggested, you are comparing this with countries such as the United States, where there is a completely different culture. The United States is at war and has been for over a decade. People believe that they are going off to war, and that is the culture in the population, so they are prepared to mobilise and to go overseas for long stretches. Their families tolerate that, and it is valued by society. Here in Britain, we do not talk about being at war; we talk about being on campaign, so we must fundamentally change how people view current campaigns and military service. That requires political engagement at the highest level—by the Prime Minister—but as yet we have not seen that. We have not seen the Government throw their weight behind the reserves. That is not for the Army to do; simply it is for the Ministry of Defence, and also No. 10, actually.

The second is just an IT problem: Capita is having an IT problem integrating with the DII, so it is quite a technical thing. In other words, it is partly this technical issue of the integration between Capita's IT database and the DII defence database. So if the solution is to get 1,000 troops out and they are to spare, sure—why not? This is critical. If it does not work by 2018 or even by 2020, you have got a major problem, so if you could have solved the problem by getting 1,000 troops out, yes, it is a good use of them. Brigadier Mallinson: If I may say so, the line of that question suggests that reserves and Regulars are still separated by a brick wall, but I think that a lot of the young Regulars I talk to, while very realistic about the limitations of a reservist, are surprisingly open to the idea of integration. They will see that wall as, yes, perhaps a little ditch in the ground, but with plenty of logs lying across it over which you can cross in both directions. I do not see it as anything that would strike any alarm note.

Q219 Mrs Moon: I was not referring to any conflict between the Regulars and the reservists-

Brigadier Mallinson: No, no.

Mrs Moon: It was much more a case of, given the stretch that we have got and the cuts the Army has faced, is the use of 1,000 soldiers in recruitment an appropriate use of those 1,000 personnel when we are cutting personnel?

Brigadier Mallinson: I do not know what the verb "not to stretch" is, but we are not as stretched now-I say we, but I have been out for so long. Let's face it, there are regiments now that are getting back to the routine of training and discovering the challenge of training generically, rather than as mission-specific. I had an e-mail this morning from a commanding officer who had just finished training on the prairie in Canada, full of enthusiasm, saying, "My goodness, you should see this regiment getting back to just training, rather than training for Afghanistan."

**Q220 Chair:** That again is a question we were going to ask about: preparing for a war, rather than the war. So thank you; we no longer need to do that and that is very helpful evidence.

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What is your view about the partnering of reserve units with Regular units?

Brigadier Barry: I think it is a brilliant idea. I spent five years in the General Staff with responsibility for reserve policy more than a decade ago, and one of my frustrations then was that the handling of reserves suffered by having too little time spent on it by the key top-drawer people in the Army—it was often a province of the staff officers from the bottom drawer. The concept of partnering makes sure that the chain of command has to roll its sleeves up and get involved in helping the reserves and helping them to deliver their capability, so it becomes a main effort for the Ateam. It has to be good news.

**Q221 Chair:** What about the deployment of formed units, or formed sub-units?

**Professor Farrell:** That would happen. In the Army 2020 design, the assumption is that you have a sliding scale, depending on risk and the complexity of the operation. If it is an enduring operation that requires you actually to deploy whole units into an operation that is very complex, it would happen over time—over a number of six-month cycles. That seems like a reasonable plan. It gives you enough time to gear up a reserve formation for training, to get it into training and then to deploy it.

The experience of the Americans, by the way—they have done this for years in Iraq and Afghanistan—is they will take out whole Regular units and drop a national guard unit in its place. Sometimes they perform better, actually, than the Regular unit, although it depends on how permissive the environment is. If there is a lot of combat, sometimes they do not perform so well. So it is certainly possible to imagine whole units going in, depending on the complexity and how much combat is involved, and Army 2020 allows the time for the Army to prepare a reserve unit for such a tour. It is in the designs. It is a perfectly reasonable, clever design, actually.

**Q222 Chair:** How realistic is it to deprive a work force or employers in one particular area of an entire formed unit from that area?

Brigadier Barry: Perhaps I could answer that. Is that not what has happened with the provision of field hospitals over the past decade? It has been managed, and it has not brought the NHS or the private health sector to a grinding halt. I have seen this done: 10 years ago, I had not only a TA signal squadron that had been given 18 months' notice, but a British Army medical squadron that had been mobilised with three months' notice from a relatively benign stable operation in Bosnia and a Canadian infantry company. Platoons and company-sized units have performed pretty well in a wide variety of roles in Iraq and Afghanistan over the past 10 years.

The two key things are, first, that you have the relevant baseline of training and readiness in the unit from which that capability is drawn and, secondly, that it has sufficient warning time and a decent opportunity to do the training, administration and everything else that is necessary. It has been done, however, by other Commonwealth armies, so it should not be a problem in the future, provided that the reserve is comprised of people who have gone into it with their eyes wide open and knowing that this is what is involved. People who cannot make that commitment should perhaps be not in the reserve, but in some other voluntary activity, if that is what they want to contribute to the community.

Chair: I think that we could go on with this evidence session for at least another hour without any difficult on our part or, from the looks of things, on yours. I am sorry that we have to draw it to an end now, but we have other witnesses that we have to see. We are most grateful to you. Many thanks.

#### **Examination of Witnesses**

Lieutenant General (retd) Robin Brims CB CBE DSO DL, Chair, Future Reserves 2020 External Scrutiny Group, Major General (retd) Simon Lalor CB TD, member, Future Reserves 2020 External Scrutiny Group, Air Vice-Marshal (retd) Paul Luker CB OBE AFC DL, Secretary, Future Reserves 2020 External Scrutiny Group, Mike Cherry, National Policy Chairman, Federation of Small Businesses, and Alexander Ehmann, Head of Government, Parliamentary and Regulatory Affairs, Institute of Directors, gave evidence.

Q223 Chair: I have just been admonished for being headmasterly, but we still have a lot to get through. We are starting this second session a bit earlier, so you have been rather bounced. Welcome to this session on Future Army 2020. This panel is to discuss the reserves element, which is obviously a huge factor. I will not ask you each to introduce yourselves, because we have to finish this within an hour to allow those members of the Committee who are also members of the Defence Reform Bill Committee to get to that meeting. May I begin by saying that General Wall has told us that the plans for Future Army 2020 are radical? How radical would you say they were? For those of you who were not here for the beginning of the previous session, I should say that you do not each

have to answer every question, which will no doubt be a relief to you.

Lieutenant General Brims: I would agree that they are radical, because the world has changed and the way in which we prepare our forces has had to change with that. It is about how we structure the Army. At one level, you have gone back as a result of the independent commission to a balance between Regulars and reserves that was hitherto more normal than it became in the last 10 to 15 years. There are other aspects of it, which you touched on in the last session. The pairing of units has not happened before. The vast majority of armed forces will be based in this country, rather than overseas. Many different changes are taking place at the same time, and the

reserve component and the move towards a whole force are big changes.

Air Vice-Marshal Luker: I concur with everything that Robin says, but, in saying that it is radical, I would add that some aspects are a continuation of what we have seen as common and best practice in the past 10 or 20 years, and even more decades than that. One needs to register that, for example, reliance on the reserves goes in and out of vogue, but the one thing that has been clear to me in the last 50 years is that the Army has always relied on them to some extent. The thing that makes this radical is a proper recognition of them and the ability to draw on them in a way that is more pragmatic than might always have been the case in the past.

Major General Lalor: I think I am in the Air Vice-Marshal's camp. I do not think that what we are asking of the reserves is necessarily radical. I think that the commitment that the Army has made is radical. There have been many reviews in which we have talked about integration and more useable reserves, and that has not been translated into fundamental change. That commitment to whole-force manning is radical, but what we are asking our reservists to do-and all the components thereof, including employers—is not necessarily that radical if you look at what we have been doing since the Balkans, and indeed even before that with the commitment to the cold war.

Q224 Chair: And from a business point of view, Mr Cherry and Mr Ehmann, do you see it as radical? Do you see it as a major change, or have you not seen sufficient evidence of that yet?

Mike Cherry: I do not personally feel that it is radical in terms of employers supporting their reserves. I think it needs to be recognised that they need adequate training, adequate kit and everything else to make this work. In that respect, we have gone through these feast and famine cycles over time with the reserve forces, and there needs to be a strong recognition that the support has to be there, and the right kit and everything else has to be in place to make this happen. I think society has changed as well. We highlighted this in our submission. Society generally these days has lost contact. The MOD has been working in its own silos, and we need to make that connection work properly if we are to get this underpinned by society at large and to get most employers to support it as the MOD would wish.

**Q225** Chair: Would the IOD approve of that?

Alexander Ehmann: I have a slightly different take; I would say they are radical. The expectations are pretty radical on employers and on workplaces generally. On the positive side, that radicalism is well intentioned. I can see the objectives, but—perhaps we will get on to this later—I do think in some cases there are elements of poorly evidenced reasons for some of the actions that have been taken. There are instances in the proposals put forward that seek to deliver greater levels of employer participation in the efforts to garner more reservists, but in some cases the energies are being allocated to the wrong areas.

Q226 Chair: We will come on to that, but if we do not, could you insist somehow that we do?

Alexander Ehmann: Yes.

Q227 Chair: If you were being critical of these plans, which I will not require you to be, would you say that they have been fully and properly tested? Air Vice-Marshal Luker: I don't think they have been fully and properly tested, other than on paper. The proposition that was set out at the start, which the commission produced, looks as though it is entirely achievable on paper, but there are elements within it that still need to be tested more thoroughly than they currently are. The real implementation of the plan is relatively young, but it has happened quickly. Whereas the commission recommended a phased approach to the introduction of this change, from our perspective those phases have been blurred into a single entity. That has prevented some proper experimentation and development in areas where there has been an urgency to press on. As a result, we are already seeing practical problems, but, from our perspective, there is no lack of commitment from the senior levels of both the political and military leadership to make it work. If you were to focus on one thing—I am sure you will—namely the achievement of recruiting at the moment, you can see that there are elements of that that are not fully tested and urgently need addressing.

Q228 Chair: Each of the three of you military men is on the external scrutiny group, so when you say "from our perspective", is that from the point of view of that group?

Air Vice-Marshal Luker: It is. We had about six months over the course of the last year in which we looked at this, and such problems were hinted at but had not yet manifested themselves. In the course of this year, they are becoming more obvious.

Q229 Chair: As you suggested, we will be coming on to recruiting.

If you were in a red-team mode and looking for successes and flaws in this plan, what would you say they were?

Major General Lalor: The only concern, as Paul Luker has said, is that—I do not have a problem with the substance of the plan, the Commission's report or its translation into the plan. The timeline is the key issue. With the experience of a reservist, I do worry that not enough consideration was taken in the SDSR of where the Territorial Army was. The Commission referred to the TA having been in decline. Indeed, our report said that the decline was due to policy and management. What concerns me is that everything is eminently deliverable, but I worry about the time scales, because it was not factored in that it would take considerable time, effort and resources, which are being applied, to get the TA back to the steady state that it enjoyed before resources, for justifiable reasons, were taken away for the greater importance of operations in Iraq and Afghanistan.

**Q230 Mr Havard:** Are you therefore concerned that a push to make the numbers might sacrifice the quality?

Major General Lalor: That is always a danger when you are putting people through the sausage machine—whether it be Regular or TA. That is not really what I am concerned about, but I am concerned about the command and control of TA units. As a result of this decline, particularly in those combat service support units, which really were not needed for Afghanistan, there has been a considerable reduction in the capability of the officer corps and the senior NCOs, because there was no purpose to serving in those regiments. That takes a long time to recover from. After recruiting, you get lots of phase 2 trained soldiers, but to get those senior NCOs and those good TA commanders back up to that level, you are definitely talking about 2020 as opposed to 2015.

Mr Havard: I agree.

Lieutenant General Brims: In view of the time scale challenge, we said in our report that there was a need to be more metric, so that you could measure how the build-up was going. If you have some way points, you can take mitigating action to get things to a better end. I have no doubt that this is an achievable plan. The question is whether it is achievable in the time scale given.

If I was on the red team, the other piece would be that a certain amount of the re-organisation that has been done has involved some re-rolling, usually of subunits. There is a danger that people may not step up to be re-rolled and choose to leave. That could be a problem, and it is something that should be looked at. The other half of your question was about the positives. There are positives, the foremost of which is that there is now a proposition to make this an attractive proposition for the reservist and, I hope, for his or her employer in turn. The other big positive as part of that proposition is the whole force. That changes things very significantly. A wholly integrated force will itself take time to change because some of the things that go in with that are to do with cultural change, and cultural change takes time.

**Q231 Chair:** Air Vice-Marshal Luker, do you want to add to that?

Air Vice-Marshal Luker: I would reinforce the point about the cultural change, because the challenge will be different at different levels within the services. Essentially, you are talking about growing out of the minds of reasonably well established senior NCOs and middle-ranking officers the idea that there is a division between the two. They have to work in unison in a way that has not been the fashion over the past couple of decades.

**Q232 Derek Twigg:** Some of the contributors on the Army Rumour Service forum have expressed scepticism within the Army about whether this can be achieved. How committed do you think senior officers are to achieving this?

*Lieutenant General Brims:* We have been briefed by the senior officers of the Army and there is no question: they are committed to this. This plan has got

to work. They are committed to it, I have no doubt. That message is going to take time to percolate down to the more junior ranks. We have certainly seen, in our official capacity and for most of us in unofficial capacities, and we have heard doubtful remarks made in the more junior end of the Army. Equally, sometimes they do not necessarily know what the plan is themselves—the bigger picture.

I frequently find myself talking to young officers who have returned from Afghanistan unaware that reservists have been deployed with them in their unit. There is a positive and negative in that, because if they are unaware, clearly the reservist performed perfectly satisfactorily. But the fact that they were not aware is the negative side. That is part of the cultural change. That is the reservist view.

Major General Lalor: It is quite difficult, because I have a lot of sympathy for those soldiers. They are not interested in the plan; they are looking forward to a change in their circumstance in their TA centre, subunit or regiment. One of the problems is that—I will go back again to my example of a CSS unit-you did not have a role before SDSR and you actually still do not have a role. Three years later, we still do not have new operational roles to give a sense of purpose so that we can deliver the proposition. If you are a soldier on the proverbial gun park, you are still waiting. Great words from great men are tremendous and, for the record, I would like to say that we were very impressed with CLF's plan, DG reform's work. It is a very credible plan, but of course the issue is the delivery of that plan and the effect that the proposition will have on our soldiers' lives.

Q233 Derek Twigg: Can I ask one final question? In recent years, there have been major changes in the way people are employed. Zero-hours contracts, temporary contracts, agency work, people having two or three part-time jobs—there has been a significant change over the past five years or so. Do you see any way in which that might hinder the recruitment of people into the reservists? In the past we had very large companies that were able to work much more closely with the TA. We have had SMEs taking the greatest part of the employment market for quite some time now. Do you think that the way people are employed has implications for recruitment?

**Major General Lalor:** Personally, on balance, I think that it is a positive rather than a negative, although I accept that you could argue either way. One message that I have always got—

**Q234 Derek Twigg:** Sorry, how is it a positive?

Major General Lalor: It is positive because there is a lot more flexibility in people's time. If you look at the TA, at least 50% is judged to be self-employed, unemployed or in further education. Even those who are in employment are looking to change job quite frequently, much more so than in my generation. They are not beating themselves up that they are looking for employment continuity. In that respect, they have a lot more flexibility. Is one of their part-time careers their military service? Are they going to volunteer for mobilisation? Are they going to volunteer for full-time

reserve service? They are working that within the portfolio of modern employment that you describe. Alexander Ehmann: I would add one thing to that. I agree with everything the Major General said, and I think there are greater opportunities for flexibility. However, if you are working two or three jobs, you probably have two or three employers. That means that there are more employers now who, in the instance of one individual, are effectively employers of reservists, or will be employers of reservists. That does mean that the ramifications of the policy as set out here will be greater than they have been in the

Air Vice-Marshal Luker: May I add to that? I think that is absolutely right, but I also think that one of the things that is yet to work its way through, which I certainly saw hinted at if not promised in the White Paper, is the obligation of the service to employers to make deployment opportunities more flexible to accommodate the individual, the employer and the requirements of defence.

Chair: We will come on to that later in this session.

Q235 Mrs Moon: Will the £5,000 bounty be successful in encouraging ex-regulars to re-engage as reservists?

Air Vice-Marshal Luker: I don't know that the £5,000 bounty in its own right will, but there is some evidence already that ex-Regulars are moving across into the reserve. The numbers are relatively small typically half a dozen a month at the moment—but it will certainly alert people to the possibility of doing it in a way that a basic advertising campaign would not. I also suspect that it will very much depend on what type of regular we are looking for to move across. The £5,000 is hugely attractive to some; it probably will not make an enormous difference to others, depending on what second career they are moving into.

Q236 Mrs Moon: Capita is said to have run into difficulties in recruiting reserves, and 1,000 soldiers have been redeployed to take on recruiting roles. Do you see that as an appropriate use of our soldiers?

Lieutenant General Brims: From our point of view, we were charged with reporting on the plan to expand the reserve, so I can't really answer that question because it outside our remit. But we are fully aware that there is a problem with recruiting at the moment. In the report that we produced in the summer, we deliberately didn't go into the numbers—that is something we will be looking at in the second half of this year—because the baseline was still being sorted out and the plans were being created.

I don't know about the problem with the partnership between the Army and Capita for recruiting, but clearly it is there. I am not aware of any evidence that people don't want to join. That is a separate thing. We have anecdotal evidence throughout our RFCA structure that there are people who want to join the reserves but have difficulty getting through the mechanical processes for doing so. I am pleased to see that somebody is taking action to mitigate the problem, and I hope that, if the numbers aren't there in the short term, there is a mitigation plan to make the greater numbers that will need to be there at a later stage, with the knock-on effects in the plan.

Q237 Chair: Mr Cherry, my intuition tells me that Mrs Moon is about to ask you a question directly in any event, but would you like to answer that question as well?

Mike Cherry: I am not aware of the issues that Capita may or may not have, but the FSB has always held the view that the Government need to recognise the contribution that small businesses do make and could make if they reached out to them far better and did not just use providers to deliver what they think are the numbers they require.

**Q238 Mrs Moon:** We are told that there are purely technical problems with this shortfall; that is the evidence we have been hearing across the board. What is your view about why there is a shortfall, and what can we do about it?

Mike Cherry: I think, as clearly came out in the discussions we had with the MOD, the MOD has for far too long been working in a silo mentality. It has not reached out to employers. I think that is a fundamental sea change that has been recognised. We have yet to see it implemented and put into practice.

Q239 Mrs Moon: In what way? Can you expand on that?

Mike Cherry: Business organisations can help support the Government by informing our members, but collectively we probably only represent around 500,000 members out of the 4 million-plus that are supposedly out there. You have to take that fact into account. Whether it is the IOD, the FSB or the other business organisations, we can but inform our members. We can but get the information in front of them. But we are only touching the surface, quite frankly. Government has a duty, I feel, to communicate far more effectively on a lot of policies, not just on this.

Q240 Chair: We heard from Professor Farrell just before your evidence session that there was a role for all Government Departments, particularly for No 10. Brigadier Barry said the same thing. Do you agree with that? Do you think that there is not enough shouting about the national importance of this plan? Mike Cherry: We highlighted the fact again in our submission that there needs to be public recognition of those reservists and particularly of those employers who were supportive of this plan. We have the initiative that is in place now. But there has been no communication publicly about that as far as I am aware. The Government has to step up to the mark on this.

Alexander Ehmann: If I might add something on this. It was quite a few years back now, but we researched among our members their relative views on the different types of outside work activity of their employees. Reservist service was held in the highest esteem of all of those types of activities. It was something I am sure we will get on to. But I think this is tied into your question. One of the assumptions that is unfortunately made in the proposals here is that significant obstacles are placed by both employers and employees in partaking of reservist service. Certainly on the employers' side, I see no reason why employers are not supportive in wanting to assist as pre-proposals stood. So one of the key things I would emphasise is that this is about facilitating demand. That requires a great deal of noise to revivify the need to recruit individuals into reservists roles, rather than necessarily assuming there are some significant policy or procedural hurdles that stop that taking place.

**Q241 Chair:** So not enough noise. *Alexander Ehmann:* Yes.

**Q242 Mr Holloway:** This is a question for Mr Ehmann and Mr Cherry. I know a young person with a first-class degree and five years of extraordinary working life thus far who was trying to get a job with one of the big headhunting firms. They got to the final chat with the partner figure and was asked what they did in their spare time. This person replied that they were joining the TA and the offer was not forthcoming. They are absolutely convinced that it was at that moment that the interest disappeared. How can you make it more attractive to grown-up employers like that to take people who are going to be in the TA but who will inevitably take a lot of time off if they are going to do what the Government are after?

Alexander Ehmann: That is a good question. First off, I would be very interested in that person's details. I am sure that some of our members would be very keen to have that person work for them.

Chair: I suspect you will be getting an e-mail about this.

Alexander Ehmann: I am happy with that. One of the things that I would say is that I hear your example but I cannot help but feel that the examples I have heard of this type of activity still remain anecdotal. The vast majority of the evidence I hear is that employers frankly hear that type of contribution being made outside work, outside studies, and are very enthusiastic. I can say this-again slightly anecdotally—I was a reservist myself for five years and with the engagement I have always had with employers, I have never had any problem with employers and being honest about my reservist activity. I would make one point here too, which is important. It may not come up later. There remains a more significant problem: the willingness, rightly or wrongly, of many individuals to say to potential or present employers anything about their reservist activity is a major issue. In terms of delivering the proposals set out here, I would argue that one of the problems is employers knowing who among their work force are reservists.

**Q243 Mr Holloway:** Can I ask about this from the other end of the spectrum—the small business, perhaps owned by the proprietor, with five or 10 employees? How do the Government make it more attractive to the sort of members that you have many

of to take people who will then be dragged off and cost them money?

Mike Cherry: I'm sure this will come out in the support package that is available from the Government when we come on to that later, but I think it is important to make you aware, if you have not already got this, that a lot of the evidence, as Alex says, is anecdotal. We tasked the MOD to come back at us on this one, because we had not heard it as an organisation. Indeed, nearly 90% of our members in our questionnaire said that they wanted to be told whether the individual was a reservist, so that they could give adequate support.

**Q244 Chair:** Your organisation is the Federation of Small Businesses.

Mike Cherry: Indeed.

Q245 Mr Havard: There is this whole area where someone might have two or three employers, and there was the question earlier about people's understanding of that and whether they make it available to the employers they have already got, so training of employers and support to employers in understanding is going to be in greater need than it has ever been before, presumably. What is your attitude towards the proposal that is being made for that training for employers? One reservist might have two or three employers that need to understand and to support that individual in terms of right to return or whatever.

*Mike Cherry:* I wasn't aware that training was being given to employers to support—

**Q246 Mr Havard:** Well, do you think that training should be given to employers?

**Mike Cherry:** No, I don't, basically. I think what the Government has to do, as we said a moment ago, is to communicate what it wants far more effectively than it is doing and get employers behind it.

**Q247 Mr Havard:** So the business Department and possibly people such as ACAS and others should not necessarily have advice and guidance for employers about how to proceed.

Mike Cherry: I think you've already got the advice and guidance, certainly on the support that SaBRE offers to employers. I think that creating far more awareness of SaBRE actually being in existence, as well as of what it can offer in support, would go a long way to help to overcome that problem.

Alexander Ehmann: If I may say so, being very candid about this, I feel that much of what has been proposed here does make the environment more complicated for employers. The ideas that we may get on to later of domestic mobilisation requirements and so on do, I think, present challenges that are unwelcome, but as things stood, I agree with Mike. I think that the vast majority of our members would not feel the need for training, but simply for an understanding ear in respect of how policy is developed, in terms of assisting their wholesale and supportive endeavour to employ reservists where they can.

**Chair:** We will be coming on to these issues in just a moment, with Gisela Stuart particularly asking that question.

Q248 Sir Bob Russell: Gentlemen, do you not accept that the dialogue is two-way and therefore employers should be encouraged by organisations such as yourself? With regard to those who join the reserve we do need more to join if the strategy is to workemployers should be advised of the benefits, the advantages, the skills, the training and the work ethic that members of Her Majesty's armed forces have brought upon themselves and can bring back into the workplace when they are back as civilians.

Mike Cherry: I think we are very supportive of making our members aware of some of the advantages, but I am equally sure that they are very much aware of that themselves. I think what we need to be doing is making sure that, as I say, the Government gets behind this and communicates it properly to employers—what is available and what support is there in particular. That isn't necessarily always financial support.

Q249 Sir Bob Russell: But it is a two-way dialogue. Would you agree?

Mike Cherry: I think it is a two-way dialogue to a certain extent, but you cannot expect organisations to force their members to do something if they do not wish to do that. You can only inform them of what is available to them.

# Q250 Sir Bob Russell: And encourage them?

Alexander Ehmann: I think that is a challenging proposition. I am not saying it is not worth pushing on the area. As I said, many of our members are supportive; the vast majority are supportive of people's reservist activities outside the workplace. But I think to ask employers to become active promoters of that type of activity runs quite significant risks of causing friction within the workplace. I do not think they can advocate. I think they can say, "We provide a platform for you to do this as well as other types of activities if you so wish," but, unless it is compatible with your business, your own personal ethos, the work environment and the employees you have, to become an active, strident, ardent advocate of reservist service is a pretty significant ask.

O251 Sir Bob Russell: Well, widen it to the voluntary sector in general, then.

Alexander Ehmann: That is an even more significant ask because you are asking employers to have to commit to a whole range of activities.

Sir Bob Russell: I am just making an observation. I think employers have to accept that there is more to life than the workplace and their work force contribute to more than life in the workplace.

Chair: The point has been made.

Lieutenant General Brims: One of the things that we majored on in our report was the need for a narrative as to what the Government's plan is. We have seen that narrative on the day that the White Paper was announced, within the White Paper and within the announcements of the Army on its pairing and basing. Pull those together and there is the start of a narrative. That is beginning to seep out. It has to get to today's reservist, today's regular, tomorrow's reservist, tomorrow's regular, employers and commentators.

I heard it for the first time last week in County Durham, when the Army engagement team gave a presentation and there were about 100 employers present, plus people from schools, academies and the universities. It was really good. It involved local Army reserve soldiers of a range of different ranks, playing their part and engaging. It was a presentation followed by a two-way discussion, and it was first class. In my view, that was the start of it seeping out. We need to get much more.

# **Q252** Chair: More noise?

Lieutenant General Brims: More noise, and it needs to be communicated. An awful lot of people I have talked to make an off-the-cuff remark about the plan, and then you explain the plan to them and they say, "Ah, now I understand what the plan is I think it might be able to work." They are arguing against something that isn't the plan.

Air Vice-Marshal Luker: I am largely in support of a couple of the things that the employers' representatives have said. My point is that is perfectly possible to find examples of really good corporate social responsibility policies in supportive companies that absolutely favour reservists, beyond what we would have expected them to do. So there are a lot of good examples out there. Where they do tend to go further is where there is a mutual defence interest. But there are other practical ways in which we can also demonstrate benefit, and have done. A decade ago we used to run a fairly extensive programme of real exercises to take employers and junior managers out to watch their own reservists work. That has fallen into decline in recent years, but it is the sort of thing that contributes to the noise that educates.

O253 Penny Mordaunt: We often talk a lot about the private sector, but anecdotally I have picked up a lot of concern from public sector employers, in particular with regard to teachers: it always seems to be a recurring theme that people in that profession can't get the time off because of the pressures that the public sector is under. Have you encountered anything like that? Do you want to make any comments about public sector employers?

Vice-Marshal Luker: There have been examples—and I think there will continue to be examples until the sort of thing we have just been talking about becomes more evident-where what happens in Whitehall is presumed then to percolate all the way through local government as well, and it doesn't. It is not just at that level. It isn't sufficient to have, for example, a dialogue with the national health service; it is absolutely essential to have a dialogue with local trusts as well, to make sure that the policy that is being discussed in Whitehall is the one being executed down on the ground. It is probably not the right place to say this, but of course we have to work with three devolved Administrations as well, and

again, what Whitehall says does not necessarily carry in all regards. So there is still quite a lot of work to do there. However, I don't think that is institutional resistance; I think it is just the passage of information that largely gets in the way.

Q254 Mr Brazier: I was going to ask you a question about the scrutiny group itself, but first, as Madeleine has had to go, can we just come very quickly back to the Capita contract and current enlistment thing? I am surprised we went over that so quickly. One unit has told me that every single applicant they have had since the new system came in has disappeared into the system without trace. General Lalor, you are a former senior head of the reserves. What are you hearing anecdotally about it?

Major General Lalor: Well, not good, that's for sure—in fact, the opposite of that. To put it in context, because I think it is important to do so, my understanding of the Capita contract is that the TA, the reserves, was never part of the original scope of works; that presumably the scope of works was written a long time before FR2020 was conceived, so the whole concept of them recruiting for the reserves was an add-on. This is not ideal in any situation.

I suspect Capita, or indeed any of the other bidders, really did not have the sort of detail they neededtechnical specialist detail—of what were the challenges to recruiting to the Fundamentally, in the Territorial Army, you recruit locally. Your sales force is your soldier. He goes out there and sells the experience of being in that TA subunit or major unit; so the concept of centralising all the effort—particularly if it is going to be exclusively an IT-based system-

Sir Bob Russell: Was mad.

Major General Lalor: Was questionable. Of course, going back to Mrs Moon's question, the application of manual labour to correct that flaw was a sensible command decision made by CLF, presumably—he has given evidence before-because he knew it was not working. I do not think that is a criticism of Capita, because I don't know what the scope of works were, and I don't know what the expectations are-what the MOD had to deliver from an IT systems point of view. This is not a criticism of Capita; but what I do know is you can create a jolly good policy and marketing environment with campaigns and with a Government narrative, but at the end of the day, your recruiting, the vast majority of it, is done by your motivated Territorial Army soldiers, supported by their local RFCAs and the like.

Q255 Mr Brazier: And it would help, presumably, if the recruiting offices, with their precious terminals. were open on Saturdays and not Monday to Friday, 9

Major General Lalor: The whole of the anecdotal evidence is that the IT system is not working; so if you are recruiter, from whatever yeomanry regiment, and you bring in, or one of your soldiers brings in, a very enthusiastic young man or woman, you then completely lose that person, because that person is then making an input on a computer, and the unit has no ability to track it and mother that person. Certainly, when I was the Commanding Officer, or the unit recruiting officer, I would do everything possible to massage that person's flow through the system, and, until they were in my unit in uniform, the job was not done. They cannot do that under the current system. That is of course, as I say again, why CLF is trying to override that with manual resources, to try and get that effort working.

**Q256** Mr Brazier: Thank you. A depressing thought. The group itself: could you tell us what the powers are—the external scrutiny group? Can you tell us a tiny bit about the background?

Air Vice-Marshal Luker: The basis of our work so far was largely last year and the last half of last year. In terms of the sorts of interest you may have, the first thing is to make the point that we are not an executive group; we have no authority other than the authority to report.

Our report was submitted under Lieutenant General Brims's signature, and was received, and we had a response to it. The question really is something that would be most answered in the course of this here, I think, when we see how people respond to the observations and recommendations that we have made. At the moment, in certain areas, it is difficult to see that they are being carried through. I think what is important, within all this—and I think we share the view-is that in order to be effective and to be listened to, it has to remain independent. That is the added governance strength that I think we provide.

As you know, there are levels of governance that were recommended and were introduced. As far as we can see, the internal governance through the programme board—I was at a programme board meeting yesterday—is gripping its problems. I still think it is important that there should be some form of external oversight that allows a genuine independent view on how this is being progressed.

Lieutenant General Brims: In our report, we have trailed those areas that we are going to look at in this next round.

Q257 Mr Brazier: A very quick supplementary. The commission report was quite clear that this should be a permanent arrangement. Were you surprised to hear-was it the first you had heard of it-the White Paper suddenly announce that you only have a lifetime of up to 2018, while this process is going on? Lieutenant General Brims: Our terms of reference actually say until 2018 or when FR20 is completed. Air Vice-Marshal Luker: Can I add to that? I think while everyone at the moment is rightly focused on delivering things like numbers, and 2018/2020 becomes the target, it is clear why they would see 2018 as being the life of this group. Actually, the other thing that will emerge, I am certain, over time is that the circumstances that surround a reservist will still remain different from those surrounding a regular when it comes to their life support mechanisms. It will be quite important to make sure that those are not just lost in the noise of integration, and that recognition remains different.

Chair: Getting back to the issue of the offer to employers, I call Gisela Stuart.

**Q258** Ms Stuart: Thank you—I had just enough time to open the page. It was interesting that you talked about developing a narrative, and that the recruitment is going to be very local. The White Paper suggests some incentives to make it worthwhile for the employer to take part, including financial incentives. It recognises that you require more notice as to what the deployment is. Do you think the package that they have put together is sufficient, or is there more that could be offered to make it attractive to employers?

Air Vice-Marshal Luker: I relate it to one of my earlier answers, which was that there was little time and little opportunity to test a lot of this or to have any experimentation. Although the White Paper proposes measures that are a good start and I am certain that a good many of them will and should endure, over the life of Future Reserve 2020 we have got to keep open minds about being able to adapt, change and increase if we have to. I do not think there is any evidence yet to suggest that they are not the right ways to be going at the outset.

Alexander Ehmann: From an employer's point of view-from the point of view of the members of the Institute of Directors—the reason why some are not enthusiastic about reservist service, or are not offering or acting aggressively in this area, does not relate to money. It seems strange for me, on behalf of our members, to turn down the very kind and generous offer of an additional financial incentive, but I do think it is the wrong incentive.

If you were to go down the financial incentive route, I have always felt—this is not dog-in-the-manger stuff—that reservists derive two separate incomes, one as a reservist and one in their employment, so they are already benefiting at a much higher level than their employer is from that relationship. It struck me that some kind of basis around sharing the bounty that they receive annually with their employer would entrench a bit more of a relationship between employer, and employee and reservist that at present does not exist. Rather than a Government handout, as it were, much more of a direct relationship with the reservist activity strikes me as a more positive endeavour.

Q259 Ms Stuart: Do you have a specific view on the national relationship management scheme—Relate for reservists and employers? Is that something that registered?

Alexander Ehmann: Not particularly, it has to be said. I have engaged, over the years. In a previous job, I did public relations work for the British Army for recruitment purposes. I have to say that the organisations that existed—the RFCAs and SaBRE strike me as perfectly reasonable vehicles for delivering most of what is necessary in terms of employer and military engagement. Perhaps resources have been the most predominant issue there, rather than necessarily creating some new function.

Q260 Ms Stuart: One small supplementary on that idea, and then I am sure that Mike Cherry will have something to say. If I were to suggest that as part of their annual report your members report on how many reservists have gone on the staff roll, is that something that you think-

Alexander Ehmann: I think that would be an unnecessary and unwelcome burden.

Mike Cherry: I think we take a slightly different and more pragmatic viewpoint. I think we said at the time that the £500 a month was probably more than we would have expected. It is the support that the business needs to find and recruit a replacement that is pretty critical to our members, particularly the smallest micro-businesses.

One thing does need to happen, and I will move on to this. Part of the parcel that is offered to employers is the benefits that the reservist brings back into civilian employment as a result of the service they undertake. We have to make absolutely certain that whatever accreditation is given to skills in the military is well understood and equal to what is needed in civilian employment. I think that is not the case at this moment in time, but it has to happen if you are to have that general overall package. That is fundamental to how we see things helping and benefiting small businesses going forwards.

Moving on from that, there is also, as you will have seen from our submission, the idea of a general pool or, certainly, a proper and effective matching service between those who are coming out of the regular forces looking for civilian employment and vacancies with civilian employers. There are areas around that that could be developed going forwards in a far better way than they are at the moment.

O261 Ms Stuart: Would that have to be organised regionally, or could you organise it nationally, given what we said earlier?

Mike Cherry: I should have thought that that would be perfectly possible through a national portal. If the IT infrastructure is there and it works effectively, there is no reason why it should not be possible. Again, it comes back to people knowing where to go and the Government actually communicating that these things are there. The Business Link part of gov.uk is not well used, and I would suggest there is a communication problem on the Government side. That goes along with what I said a few minutes ago about far more effective communication. It is, to some extent, a twoway thing, but employers cannot do it all.

Q262 Mr Holloway: In support of Mr Cherry's point, let me add that anybody over the age of 45 will have had a parent in the armed forces, so they would have some understanding of the qualities you were talking about, but anybody under 45 would not. That equally applies to the people who are trying to recruit. Mike Cherry: It is also important to make a further point. We heard earlier from the general about the Army's awareness events, but 90% of our members, when we surveyed them, said they had never heard of these, so there is a huge communication issue there. The Army is not reaching out to the smallest businesses.

Alexander Ehmann: Can I add one quick point in response to Mr Holloway, which is important? One thing we have not fully grasped in terms of recruitment—this extends somewhat beyond the IOD's direct concerns—is the need for a much more far-reaching recruitment campaign that uses a whole range of tools. It is quite interesting that the American army uses computer games as a basis for trying to sell some of this to people. I can understand how there may be some dimensions of discussion to that particular development.

But there is a case for reaching out beyond—this was certainly my experience—using case studies in the local press to demonstrate value. Although that is valuable, it feels slightly tired, and there needs to be a much more integrated, new, media-rich attempt to attract our young people to these services.

**Chair:** We have five more minutes. Penny Mordaunt.

Q263 Penny Mordaunt: I have a couple of questions. The first is about the additional training requirement. Do you have any concerns about the 40 days? Is it achievable, or do obstacles remain?

Mike Cherry: I personally do not see that there is an issue, unless you are an employer running a 24/7 operation over the weekends. I cannot see going from 35 to 40, when it is mainly weekend or evening training, as a significant issue, unless you are having to travel much further to your training bases than you have in the past.

Major General Lalor: I would say that it is not significant; the five days is not material. Forty days translates to roughly 10 weekends a year, evenings and your two-week FTX. When I was a commanding officer we were doing 50, 60 days, and no one blinked. It is significant only because it is shown as an increase, but it is not an increase from an already demanding level; 35 training days a year is a very moderate demand. The increase is not significant.

Lieutenant General Brims: There is the other side of the coin, which is whether that is enough to deliver the type of readiness that is needed. That is from the employer, but from the military point of view-the user point of view—is it enough? Then, of course, you have to take into account that in the mobilisation phase there will be more and more training.

Ten years ago, I deployed a force into Iraq of which 20% was made up of reservists. We'd had no top-up training, and they were okay. So it is not as dramatic as is sometimes said. We should not plan to do it quite like that, but there is an awful lot that you can do from a baseline that might not have been brought to full readiness. Indeed, the regulars have not, either.

**O264 Penny Mordaunt:** Just to clarify, do you have any remaining concerns—perhaps not about the number of days but about what that training constitutes?

Lieutenant General Brims: I don't think I have a concern about the number of days for either the individual or the relationship with their employer, because actually those 40 or 45 days take place, as it were, in the individual's private time. Whether it is sufficient to train all the different capabilities is an area we will be testing, to answer an earlier question. It is an eight-year programme.

Q265 Penny Mordaunt: Does that include the frequency of training opportunities, too? Lieutenant General Brims: Yes.

Q266 Penny Mordaunt: My other question—this has already largely been touched on—is on how this is going to work alongside and integrate with the regulars. We spoke earlier about some of the cultural challenges, particularly among lower ranks. Do you have any other remaining concerns about that whole course integration?

Air Vice-Marshal Luker: Some urgent work is needed on what pairing and partnering really means. I think it would be quite easy to overface a regular unit if it felt it was taking on all of the administration and support roles that have traditionally rested with the reserve unit. Indeed, I do not think it would be healthy to move those responsibilities, because there is part of bringing on the reservist CO, as a CO who can command in his own right, that remains important.

There is still a responsibility matrix that needs to flow out of it. I also think there is a temptation for regular soldiers or regular servicemen—there are two hereto claw everything to themselves, because they think that is the only way that problems can be resolved. Actually, a responsibility matrix that spreads all of those things to the most appropriate bodies is needed out of this, too. I hope this does not sound like selfpublicity, but organisations such as the RFCAs and other support groups can take some of that burden off regular and reservist units, too.

We should be looking to things such as the covenants to provide levels of support in that as well. Going right back to an earlier point, we need to make sure that the noise touches a number of other areas, rather than the usual suspects on which we have tended to concentrate in the course of the day.

**Chair:** This is the very final question.

**Q267 Sir Bob Russell:** The footprint of Army bases in the UK has decreased significantly over the years. so what are your thoughts on how the reorganisation of Army basing might affect the recruitment of reserves?

Air Vice-Marshal Luker: The challenge in selecting any reserve centre is in making sure that it is in the right place. One of the disappointments over the years is that there hasn't been flexibility on what reserve centres you kept, developed or disposed of. The RFCAs have been very involved in that and have been looking for greater flexibility. It is stating the obvious, but they need to be in the right place so that they can recruit. So it is critical that the DIO allows that flexibility so that we are not having TA centres in the wrong place, which will founder whatever effort we might make in good management or recruiting.

**Q268** Sir Bob Russell: This is the last question: how much does distance act as a deterrent to a potential recruit to the Army Reserve?

Air Vice-Marshal Luker: Less than it used to, but it still is a factor. If I can just add to Simon's last response, it is not just the availability of TA centres or reserve centres that is important in all of this; it is also access to training areas in reasonable travel time. If we end up with larger, more centralised training bases, it inevitably leads to more transit time, which will be a major disincentive to retention.

Q269 Sir Bob Russell: So it is best to leave a lot of flexibility in this?

Air Vice-Marshal Luker: There has to be the right balance.

Chair: It is 3.50, and I said we would stop at 3.50. Gentlemen, thank you very much indeed for your impeccable discipline and your interesting and helpful answers in this evidence session. I am most grateful.

# **Tuesday 5 November 2013**

#### Members present:

Mr James Arbuthnot (Chair)

Mr Julian Brazier Mrs Madeleine Moon Mr Jeffrey M Donaldson Sir Bob Russell Mr James Gray **Bob Stewart** Mr Dai Havard Ms Gisela Stuart Mr Adam Holloway Derek Twigg

#### **Examination of Witnesses**

Witnesses: Rt Hon Philip Hammond MP, Secretary of State for Defence, and General Sir Peter Wall, Chief of the General Staff, gave evidence.

Q270 Chair: Secretary of State and CGS, welcome to the final evidence session of the Future Army 2020 inquiry. I would like to begin by asking a question that was asked to you, Secretary of State, several times during yesterday's Defence questions: why was the system proposed of a move towards a heavier reliance on reserves? Why wasn't the draw-down of Regulars made contingent on the recruitment of reserves?

Mr Hammond: First, I am very pleased to be here and to see Mr Gray taking his place on the Committee. Mr Gray: So far; you might not be later on.

Mr Hammond: I am also pleased to be accompanied by General Sir Peter Wall, who is also very happy to be here, I am sure.

Chair, as you say, I was asked that question yesterday, and I addressed it in my response. We have available to us a fixed envelope of resources, and making the decision to proceed with the draw-down of Regular force numbers to the target of about 82,000 and to build the reserve over a period of five years allows us to take the dividend from the reduced size of the Regular force and invest in the recruitment, training and equipment provision of the reserve forces. Within the Army's budget—the CGS may have something to add to this-it simply would not have been deliverable or sustainable to propose retaining a larger Regular force and investing in the build-up of reserve forces in the way we are now doing.

Q271 Chair: So you are taking the dividend without any certainty that you will be able to recruit the reserves

Mr Hammond: We have been over this ground several times before in various forums. The number of trained reserves that we are targeting is significantly smaller than the number we have traditionally held in this country. We will have 30,000 trained Army reservists by 2018, which compares with around 72,000 trained Army reservists as recently as 1990. It is a significantly lower proportion of our armed forces than our English-speaking allies typically expect to hold as reservists in their mix, and we are confident that we will be able to deliver it.

I recognise the line of questioning, but I am afraid that I do not see the logic of suggesting that we should hold the Regular forces that we have decided to draw down and restructure in their old configuration at their old numbers, rather than getting on with the job of reconfiguring them for their future role—a contingent posture, post 2014. I am sure the CGS can add more

General Sir Peter Wall: I remember the genesis very clearly. It was a financially driven plan. We had to design a new structure that included the run-down of the 102,000 Regular Army to 82,000, which is pretty well advanced now, to follow a funding line that was driven by the austerity with which everybody is very familiar and that pervaded those times, in particular, perhaps slightly more than it does now, if we bear in mind that the economy seems to be picking up. It triggered the complete redesign of the Army.

In the discussion about Regulars and reserves, the conversation should include the future reliance on contractors for operations that are in steady state, because that is a very significant part of the equation. That is based not on conjecture, but on proven performance. You have seen it yourselves in Afghanistan. There are really three legs to the stool. Inevitably, over the period of the run-down of the Regular army, before the growth of the reserve from 20,000 to 30,000, the reconfiguration of the reserve and the integration of the reserve with the Regular Army and the contractor-based solution—there is an overlap there, so all that needs to be considered in its entirety—there will be a delta where we have fewer forces in the period between 2015 to 2017 than we will from 2018 onwards, but that is by design.

Also, that is set against a revised defence planning assumption for what we are going to be doing with our forces, particularly in terms of the potential for enduring operations, in the period immediately after we come out of Afghanistan and finish combat operation there at the end of next year. So this is all absolutely in accordance with a strategic design that flows through the National Security Strategy. It is certainly no surprise to us that we are doing it this

Q272 Ms Stuart: I am quite intrigued, because on the one hand, General Sir Peter Wall, you have confirmed what the Secretary of State had said at some stage—that the Army was now the right size in line with budgetary requirements—as you have just said that you have a financially driven plan, and there is a logic to the plan. I want to put an idea to you: if we now have greater reliance on reservists, there has to be an interest within the existing Army structure in

making that plan work. Given human nature, why should the established Army have an interest in making a plan work that makes reservists even more important? It is not in their own institutional interest. To make that very specific, if you look at the organisations that used to do the recruiting when they did a good job, and compare that with the current structure, which does not seem to do quite as good a job, are you not facing a bit of an institutional flaw in your argument?

General Sir Peter Wall: I don't think so. First of all, while there may well be some individuals who harbour the sentiment that you are describing, that is not how the Army works. We don't have 82,000 people who just get up every day and decide what to do based on their own personal sentiment. That is really the reason why we have an Army with an ethos that is perhaps slightly different from other parts of society.

There is a leadership challenge, but the fact that these two things are distinctly different in time has made it very clear to the units that will exist in the adaptive force in the future construct that they should get on with it, and many of those units are moving to that posture as we speak and have established their partnership with their reservist counterparts in the adaptive force. Getting on with it is what people do when they are given a clear-cut plan and the right sort of leadership and motivation. Anybody who is malingering out of resentment will be rooted out, as you would expect.

**Mr Hammond:** It is also quite important that this is not business as usual for the Regular Army while we are doing something different with the reserves; change is going on throughout the Army with the move to an integrated Army, and the restructuring of the Regular Army as well as of the reserves. There is a lot of change going on. The message is that this is, in future, a single, integrated Army. Is it a challenge to get that message across and to get people thinking like that? Of course it is but, as the CGS has said, it is a challenge the Army is delivering on.

General Sir Peter Wall: We should also be open that when we were told what would be the size of the future Regular Army and what would be the size of the Houghton the reserve. commission's recommendations having been taken into account, it was we, the Army, who decided to integrate this thing the way we have. That was a conscious, internal strategy, because it is the only way we will get the competence at a collective level from the future reserve that we need to deliver the overall capacities and capabilities that we will require in the future. So it is a starkly different model from anything we have done in recent history.

Q273 Ms Stuart: What I am trying to suggest to you-some of my colleagues may want to test this in a little more detail—is that the existing Army has every interest in not making the reservist model work. General Sir Peter Wall: May I just disagree with that entirely and explain why?

Q274 Ms Stuart: Let me give you a very practical question. What proportion of initial applicants have completed phase 2 training over the last year?

General Sir Peter Wall: There will be, by the end of this calendar year, up to 1,000 people who have completed phase 2 training. It might be just short of that, depending on failure rates over the next two or three months.

*Mr Hammond:* But they won't have been applicants within the calendar year as it takes much longer to get through.

Q275 Ms Stuart: A thousand means nothing. If it is 1,000 out of 100,000, that is minimal. I want to know the proportion.

General Sir Peter Wall: There will be very few people who will, in the same year that they applied, complete phase 2 training. There will be some but, for the majority, it is a two-year journey because of the way our training model is structured for the reserve.

Q276 Ms Stuart: Would you like to go back and write to me with more detail?

Mr Hammond: I think you are asking a different question. You are asking a question about conversion rates from initial application to the completion of phase 2 training.

Q277 Ms Stuart: No, what I am trying to get atagain, some of my colleagues may want to come back on this—is that you have an enormously ambitious programme that means you have an Army that can no longer function unless it has the reserve forces as a component.

Mr Hammond: No, I reject that. The situation as I understand it-the CGS can add to this-is that in order to support an enduring operation in future, we will be more dependent on reserves than in the past. This debate has been conducted in terms of the austerity agenda and the need for fiscal discipline. However, for a country that expects to be at peace, it makes sense to me to hold capabilities that you will need only in an extended, enduring operation in a reserve force. It does not make sense fiscally or militarily to hold those capabilities in a Regular force when you do not expect to need to use them on a regular basis. That is simple good discipline.

**Ms Stuart:** I am not challenging that at the moment; I am challenging whether the structure you have put in place will make it practically capable.

O278 Sir Bob Russell: Secretary of State, General Sir Peter Wall could not have been clearer: this is a financially driven plan, and the military have to work out a military answer to a financially driven agenda. We are here as a three-legged stool-Regulars, reservists and contractors. If it is correct that the recruitment of reservists is a very ambitious target and is not going according to plan, would it not be in the national defence interest to be prudent and to retain at least some of the battalions with which you wish to dispense? Wouldn't it be prudent just to hold those numbers in real reserve?

Mr Hammond: No, I don't think so. I don't think it would ever be prudent to proceed on an unsustainable

budgetary basis. What you would be suggesting is to proceed with a model that could not be financed; I don't think that would be sensible. Critical to understanding this argument is the fact that we are not simply replacing Regulars with reservists. It is not about getting rid of Regular infantrymen and replacing them with reserve infantrymen; it is about changing the shape of the force so that more of the supporting capabilities are held in the reserves. Because of the nature of the Army's structure in the future, we will have different types of capability in the reserve and Regulars. It is not as simple as you suggest.

**Q279 Sir Bob Russell:** It may be that the Prime Minister is not on the same wavelength as you, because if you check *Hansard*, when I put a question to him, he explained that by reducing the number of Regulars and replacing them with reservists, the Army would be basically the same size as now. I think that the Prime Minister needs to be briefed around the Cabinet table.

*Mr Hammond:* Not at all. There is a difference between saying that the Army will be the same size and that it will have the same structure. The capabilities held in the reserves will change.

General Sir Peter Wall: I come back to my point on the balancing piece being how we will use contractors for logistic support in an enduring context. That is a proven concept and one on which we are probably behind other armies in an expeditionary context, particularly the Americans. Frankly, I would rather we continued with our plan in which, as the Secretary of State says, we have a balance between what we spend on manpower and improving equipment position, the amount we can train the force of the size it is designed to be, and then all the sustainability that is vital to making this instrument useful—whether in a shortterm intervention context, or an enduring operation, no matter how unlikely that might be in the future. Just to hang on to more manpower when you have not got the balance across the rest of the equation does not help us.

**Q280 Sir Bob Russell:** Secretary of State, should the recruitment of reservists not meet the target, is there a contingency plan? Is there a point when you will need to review your strategy?

Mr Hammond: Whatever we do in the future, we will have to operate within the budgetary constraints we face. We are confident that we will meet the reserve recruiting targets, but if we found that we were not building the reserve force at the rate that was required, the Army would clearly have to review how it utilised the components of force that it had available in a way that delivered the military effect we require.

**Chair:** That was an interesting answer.

Mr Hammond: It is self-evidently true, isn't it?

**Q281 Chair:** So the Army would not set out to take steps to rebuild the Regulars if the reserves—

Mr Hammond: Chairman, I do not understand what is so challenging about the proposition that there is a finite budget. It is not about setting out to take steps to employ more people and buy more stuff. We have a limited budget and we have to work within it. We

do not have an option of going back to a construct that we have moved away from to build a sustainable force for the future within the budget envelope that we have.

**Q282** Chair: Okay. CGS, in relation to an answer you just gave, when you were told what would be the size of the Regular Army and what would be the size of the reserves, who told you what the size of the Regular Army would be, and who told you what the size of the reserves would be?

*General Sir Peter Wall:* I was told the size of the Regular Army by the permanent secretary. The size of the reserve came out of the findings of the Houghton commission.

**Q283 Mr Brazier:** CGS, nobody could possibly doubt the extent to which you are personally committed to making this work. The fact that, within a week or two of embracing it, you had appointed a two star to ensure that the reserves had a voice in the process, as well as getting things moving on the employer front, is just a small part of the evidence.

Talking to people across a range of units, one hears a lot about bits of the process that are going well, but the feedback on recruiting is all negative—not for reasons that have anything to do with application numbers. May I bounce a few specifics off you? First, why is it that recruiting offices, which are not just places for footfall, but some of the key portals to access the system, are open 9 to 5 on Monday to Friday, rather than, say, doing three days from 9 to 9 so that people with civilian jobs can come in? That is one example—let me give you two more.

Secondly, security checks. You might have a guy all excited who has done the initial aptitude weekend, with a bunch of mates, but if you say to him, "It's going to take six or maybe eight weeks to do a security check on you, and then come back," does that not break it up? Thirdly, there is the wider point that the RFCA ran the process very well until seven years ago. Is the Army Recruiting Group really the right body to do this? Nobody I speak to thinks that it really gets the reserve bit.

General Sir Peter Wall: I am not sure how up to date you are with the new system, or whether you have had a chance to visit the apparatus that is now set up—Mr Brazier: I would love to do so.

General Sir Peter Wall:—because I think you will find that trying to hark back to a bygone era is not the way to go forward in this regard. The people we want to encourage to join the reserve are not people who are going to learn about it by walking down the high street and into a shop, whether it is open during or after working hours. They are going to do all of it on digital media. That is why we have embraced a partnership with Capita and it is why we are going down that track for recruiting both Regulars and reserves. In so doing, we have been able to reduce the number of soldiers doing back-office functions. Soldiers are still doing front-office functions in terms of contact with these people, which is of course very important to develop their enthusiasm once they have made initial contact.

I am not suggesting for one minute that our attract, enlist and feed in to initial training pipeline is working nearly as smoothly as I would like, but if you came down—perhaps the Committee would like to visit you would get a sense of just how much momentum there is behind this and how determined people are, in concert with our commercial partners, to make it work, and I am confident that it will.

**Q284** Mr Brazier: But the comment that constantly comes back about online recruiting is that you have a batch of recruits who you would like to start training together, because you then get all the ties that follow through the weekend process and so on, but you find that one guy has been lost because he did not fill in one of the 50 fields correctly and the machine did not tell him, that the next guy got stuck on the security check, and that somebody else has had a problem with the medical—not failing it, but because something has gone wrong with the paperwork. It goes on and on.

General Sir Peter Wall: You will no doubt have lots of stories of that ilk, which are in stark contrast to the experience the majority are having. I do not believe that we would have a hope of getting to the numbers we need in the fullness of time if we were to go back to the retrograde systems that we had hitherto. That required far too much time and effort for people we need to be involved in more productive outcomes. This is a business of raw numbers in one sense, but it is also about producing collective capability. That is the really significant delta between the past and the future. We have to ensure that we do not devote nearly all our effort to existing by having a cumbersome recruiting system. We must streamline it so that the military talent can be used to enhance its capability. We are in the foothills of that plan.

Mr Hammond: I acknowledged during yesterday's Defence questions that there were some IT teething troubles at the start of this programme. A lot of attention is going into this issue, and where there are things that we can do to ameliorate problems being created by IT start-up problems, we will do them. I went to the Army recruiting centre last Wednesday and heard of a range of initiatives and pilots that are being tried out right now to overcome some of the specific problems that you have mentioned and that other people have mentioned to me over the past few weeks

Q285 Mr Brazier: A last point: there is still one left—admittedly it advantages-that does a one-stop weekend, and that is the OTC. It works brilliantly there. We could get back to a one-stop shop, with the other things being picked up in slow time—whether security checks or whatever.

General Sir Peter Wall: We have a plan to import some of that experience with a modified initial joining standard, such that we are not putting people at risk. That idea is a good one and it is being embraced.

Q286 Mr Holloway: General, I will not bore you with anecdotes, but there really does seem to have been a problem, certainly hitherto. A godchild of mine was delayed by six weeks, I think, because she could not take some attested papers to a recruiting office on a Saturday. I had a guy in my office yesterday—a captain who is being made redundant by the Army as we speak—who said that he and his mates who were leaving were not going to bother going to the TA because it was being made so difficult for them. I do not know what was behind his comment, but I think there is a problem.

General Sir Peter Wall: We are actually exceeding by some margin our initial expectation of conversions from the regular Army into the reserve, which is an important part of delivering this uplift in competence in the short term.

Mr Holloway: I am not criticising; I am just saying that there are plenty of anecdotes out there and they seem to be believable.

Q287 Ms Stuart: In a previous evidence session, Secretary of State, I asked you to complete a sentence. Having listened to the evidence about the right size, the budget, and who told you what, I said to you, "What do you think the Army is for?" I thought that the Army was primarily for defence of the realm. At what stage would the needs of the defence of the realm make you think that you ought to look at the budgetary requirements again?

Mr Hammond: If you are asking in what circumstances I would be arguing for an increase in the defence budget, that is really a question for a Strategic Defence and Security Review, of which there will be one in 2015 looking at the overall picture of what we require our armed forces to do and what resource envelope the taxpayer is prepared to commit to doing that. For the time being, based on the 2010 SDSR, we have a very clear remit. We know what the role and the requirement is and we know what capabilities we have to deliver in Future Force 2020, and the CGS and the other Service Chiefs are constructing a force structure that will allow them to deliver that capability on a sustainable basis within the budget envelopes that they have been given. That is absolutely the right way to go about it.

If I may say so, I think the experience of the recent past is that there is no mileage in dreaming of a force structure that cannot be properly supported by the available budgets. That has created only chaos and dislocation. We have to operate on a sustainable basis so that people have confidence about the future and confidence that they will be properly equipped and trained to carry out the task that they are being asked

Ms Stuart: I will not push this, but I leave you with one thought. I do not dream of anything, but I occasionally fear that the enemy of the realm may not be working to the same timetable as you do. Let us hope that I am wrong and you are right.

Q288 Derek Twigg: CGS, when the permanent secretary told you what the size of the Army would be, how did you feel?

General Sir Peter Wall: Well, I have moved on from there now.

Q289 Derek Twigg: That was not the question. I asked you a specific question. How did you feel?

General Sir Peter Wall: I thought it was going to be a bit of a challenge to galvanise the Army into getting on with the job of shrinking and rebuilding, so I was not thrilled to bits, to start with, but we set up a design team, basically. We got approval from the permanent secretary to bow out of the detail of the programming round because we did not know what structure we were trying to do our financial calculus against—

**Derek Twigg:** Sorry, could you repeat that? I did not understand.

General Sir Peter Wall: We bowed out of the detail of the programming round in the ensuing year because we were essentially engaged in a design-to-cost exercise.

## **Q290 Derek Twigg:** So you lost a year.

General Sir Peter Wall: No, we did not lose a year; we just did not do the unnecessary work of trying to programme in financial detail a structure that we had not yet designed. We were allowed to take a reasonably long-term, systematic view of how to interpret the National Security Strategy and pull together the two components—the Regular and the reserve-into what we decided should be an integrated structure. We did that in the context of the three distinct roles for the Army that came out of the National Security Strategy: a contingent capability to deliver conventional deterrence and defence; the defence engagement proposition with upstream capacity building and building bilateral relationships with regional partners; and UK resilience operations in the homeland.

What I am really saying is that after a bit of a shock, we were afforded the time to do a really thorough and systematic job, taking account of a lot of campaign lessons from Afghanistan, and experimentation and modelling, and with DSTL support to ensure that what we were doing was consistent with defence planning assumptions. What we put to the Secretary of State the following June, for announcement in July, was the product of a year's work. It was not, as tended to be the case in the previous couple of years, a series of three or four-month exercises conducted in haste.

**Q291 Derek Twigg:** After being told by the permanent secretary, did you make any representations to the Secretary of State to ask him to review that decision?

General Sir Peter Wall: No, I was keen to ensure that what I was going to be telling the Army—the implications of those big bits of news—was consistent with what the Secretary of State and the Prime Minister thought would be the news to the country. That is to say that there should be a single version of the actuality, in terms of how many Regular units and cap badges might be affected, and the extent to which we could or could not, subject to further work, offset some of the implications of reducing the Regular structure with a more tutored use of a competent reserve—all that sort of stuff.

**Q292 Derek Twigg:** That was not the question. I asked whether you made any representations to the Secretary of State in opposition to what you had been told by the permanent secretary. Given that you said

you were in shock, are you saying you made no representations to the Secretary of State?

Mr Hammond: Just to be clear, I was not Secretary of State at that time.

**Derek Twigg:** No, but you are Secretary of State at the moment. Don't worry; I will blame you only for the things you are responsible for.

General Sir Peter Wall: This was not an utter surprise. The proposition had been floating around—

**Q293 Derek Twigg:** You were in shock, General. *General Sir Peter Wall:* How do you want to do this?

**Q294 Derek Twigg:** I would like you to answer the question.

General Sir Peter Wall: Okay. Starting now?

Derek Twigg: Yes.

General Sir Peter Wall: Okay-

**Derek Twigg:** Try again; yes, that would be good. *General Sir Peter Wall:* All right. Shall we just go through the question again?

**Q295 Derek Twigg:** You want me to ask the question again: what representations did you make to the then Secretary of State after you got over the shock about the cuts to the Army?

General Sir Peter Wall: I didn't make a representation.

**Q296 Derek Twigg:** You made no representations whatsoever.

General Sir Peter Wall: No.

Q297 Derek Twigg: Not a single word.

General Sir Peter Wall: No.

**Derek Twigg:** Okay. Can I come to you, Secretary of State—

General Sir Peter Wall: And what was the point of that question?

Q298 Derek Twigg: I am asking the questions, General

Secretary of State, could you tell me, please, in terms of the comments you made about living within the financial envelope, what the gap was between what the senior officers said they required in the representations they must have made to you and what you gave them?

Mr Hammond: Sorry, when you say—

**Derek Twigg:** They must have put to you what they required as part of the discussions on the future defence needs of this country, and you gave them an envelope to work within.

*Mr Hammond:* I think the situation that I inherited was that the 82,000 Army had already been agreed, and the Army was in the process of putting together a restructuring plan to deliver within that 82,000. The 82,000 was already a planning assumption within the Department and the Army by the time I arrived.

**Q299 Derek Twigg:** We just heard from the CGS that he was in shock when he was told the size of the Army by the permanent secretary, so the Army must have made some representations to you or your predecessor about what resources it would like.

Mr Hammond: I cannot comment about what representations may have been made to my predecessor.

General Sir Peter Wall: I had better fill in the gaps. The idea of an Army that was to be reduced to 82,000 Regulars had been floating around in the Department all the way through the defence review process. We thought we had marshalled sufficiently strong arguments to explain why, as an extrapolation of the way we were doing business then, that was not something we thought was going to be very easy to cope with. The shock was that those arguments did not carry. We have, of course, been through all this in my previous evidence, when I sat here for two hours going through these points, to which no doubt you can refer.

*Mr Hammond:* May I make another point, Chairman? I am not trying to change the subject, but this is important for context, and I have said it a couple of times recently in speeches. The number of people in the Army is essentially an input measure. What we really need to focus on is delivering the military effect that is required. Wages in any normal functioning economy rise faster than the GDP deflator at which we can expect our budget to increase. Roughly 30% of our budget goes on military wages. We have to improve our productivity. In other words, we have to improve the amount of military capability that we can deliver with a given set of inputs. One of the things that has been done in restructuring the Army is to look at using contractors, reservists—when they can be used to support enduring operations and we do not need to have the standing capability in the Regular Army—and civilians, when they can do jobs that have hitherto been done by military personnel. Civilians, contractors and reservists are all cheaper than Regular Army personnel, and if we are to deliver military effect within a constrained budget, it is absolutely incumbent on all of us to do it in the most productive way possible and to get the maximum military effect out of the budgets that are available to us. The challenge is not whether the Regular Army has to reduce in size in response to fiscal circumstances, but how we can then intelligently restructure the Army in a way that allows us to deliver a smaller cut in military output than the cut we have seen in resource inputs. Credit to the Army; that is exactly what it has done.

**Q300** Chair: That is a point well made, but one of the concerns that has been expressed on the Army Rumour Service website is that 82,000 is not the end of it and it could go to 60,000. If the permanent secretary had come to you, CGS, and said, "It is not going to be 82,000; it's going to be 60,000," would you have reacted in exactly the same way?

General Sir Peter Wall: That would not have been a feasible way of achieving the defence planning assumptions that underpin the work we had done.

Q301 Chair: Whereas you thought that 82,000 was. General Sir Peter Wall: I wasn't happy with it but, going back to the Secretary of State's point-I wouldn't want you to take too much long-term comfort from this—in the situation that we have been in the last two or three years, necessity has been the mother of invention. We have come up with a way of integrating this force—Regular, reserve, contractors, civil servants and so on—in a way that I think is going to give us a way of minimising the delta, in capability terms, at probably 10% rather than the 20% that is implied in the manpower reduction from 100,000 to 80,000. There are some places where, of course, we would like a little more resilience, but everybody would say that, no matter what their force structure is.

Q302 Mr Holloway: To take the Secretary of State's point further, would it be fair to say that the generals realised that with these astronomical levels of debt, you have to cut your cloth to go with it? We are already doubling the national debt in this Parliament. Mr Hammond: I think two things. First, however much all the senior military officers that I have dealt with since I have been in this job wish to discuss—or protest about, even—a specific issue, they do get the context in which we have to deal with this. They absolutely understand it. They also have a specific focus on this. They have seen the consequence of defence living in a budgetary hiatus, where nothing had any meaning any more because the numbers didn't add up. Nobody had any expectation that the budgets or the programmes would be delivered. We have all seen over the past couple of years that, by operating in an environment where budgets mean something and are adhered to, and programmes are by and large delivered as they are meant to be delivered, there is actually a much more sensible planning environment and you can get much more out for the resource that goes in. An awful lot of waste was generated by the uncertainty and inefficiency in the old system of over-programming and underbudgeting.

Q303 Mrs Moon: Secretary of State, may I take you back to the issue of national security? That is what drives all our questions, along with the fact that we do not perhaps have your confidence that national security will be protected while these changes are being implemented.

You said that what would not be happening was one infantryman out and one reservist in, as that was not what you were looking for, and that instead you were looking for support capability that could be held in reserve, which would often be specialists. Have the recruiting agencies looking for reservists been given specific targets—perhaps for medical staff or the cyber-warriors, as I think you called them? Have the agencies been told what specialist capability to look for, or are they looking for general overall infantry? What are we actually looking to recruit?

Mr Hammond: I am going to ask the CGS to answer the detailed question, but you mentioned the two areas of medical and cyber. In medical, of course, we already have an excellent relationship with the NHS and our medical reservists play a hugely important role in our deployable capability. I can also tell the Committee that the response to the call for cyberreservists has been very substantial. We have had more than 800 applications to join the cyber-reserve in the couple of weeks since that call was made.

In terms of specialisms, the Army, of course, expects to provide training. It is not necessarily looking for recruits who have these skills already. It is a big trainer in trade skills—in fact, I think that the Army is the largest provider of apprenticeships in the country. General Sir Peter Wall: That's true.

Mr Hammond: I will ask the CGS to answer the specific questions around specialisms and trade skills. General Sir Peter Wall: We are absolutely trying to recruit to a force structure that covers the range of disciplines that the reserve force as a whole is required to produce. Those disciplines are done geographically around the country in reserve regiments and battalions that may have two or three outposts—company-level drill halls, those sorts of things—so the real trick here is to match the trades with the reservists who are interested in joining, in proximity to the unit in the area where they are living. Some of the organisations-particularly cyber, and some of the communications capabilities, and perhaps the intelligence capability—are organised on a national basis, but most of the 70-plus regiments in the reserve have a geographical locus, and the particular trade skills that go with that cap badge or function are the people they are trying to recruit.

Within each of those, there will be a miscellany of trades. That could be driving or being a sapper, an IED expert or a communicator in the case of the Royal Engineers; if you are in the Royal Artillery there will be another range of skills associated with that pastime. We have a bit of mosaic to populate, but people are absolutely going out to do it in a specific way rather than saying, "Let's get 30,000 people and then work out what we are going to do with them." I know no one had suggested that; it is just the other extreme.

When you look at this in the abstract at the national level, it can feel a bit complicated and daunting. When it is delegated down and enacted at the local leveland after all, the Territorial Army is a localised phenomenon, and the reserve is an extrapolation of that—you will be down in a particular district of the country, where they will know what the employer base is and which units they have to populate. They will also be paired with a Regular unit with the same professional functions and trades in a reasonably localised context—it is not as geographically close as we might like, but it is the best that we can make it. Then it starts to become a much more personalised, localised and specific proposition to link the individual reservist with the unit and the employer.

I recognise that a lot of people join the reserve in order to do something different from the skill that they use in their workplace. Of course, in some of the areas where the reserve can contribute the most, we will be very interested in getting people who sustain their proficiency in their day job, and can extrapolate that into the reserve space. When you start applying those skills in a military context, where there might be a bit of pressure or the conditions are adverse, that of course adds to the feedback benefit in terms of the experience which that individual then takes back to his or her company. That is where the benefit starts to accrue for the employer. In addition, as these people move through the ranks, they will get command and

leadership training, which must be of general benefit, first to an employer and secondly across society.

Mr Hammond: Chair, may I just correct the record? I said that I thought that there had been 800 applications to serve in the cyber-reserves the first month. There were actually 800 expressions of interest in the first month.

Q304 Mrs Moon: So we still potentially need over 29,000 reservists. Could I have an assurance from the Secretary of State that he will constantly review the impact on the defence of the realm and not wait for the next SDSR? Will he constantly review the impact on the defence of the realm of our draw-down and our reduction in standing capability, while we are still not recruiting their replacement as reservists? I would like an assurance that that will not be something that you put off until the next review, but something that you look at constantly.

Mr Hammond: It will be looked at constantly, and it will take this form. There are a number of tasks and capabilities which the military is required to deliver. If at any point any of the service commanders was in a position where they felt that they could not deliver those outputs, they would flag that to the Defence Board through the Armed Forces Committee, so we have a mechanism for doing that.

Q305 Mrs Moon: And are you confident that people would feel capable of doing so; that they would not be in so much shock that they would not actually come forward?

Mr Hammond: Perhaps you should ask the CGS to speak on behalf of the military commanders. How would they react to such a situation?

General Sir Peter Wall: We have a set menu of potential tasks at a projected scale, and of course they are not just about numbers of people. It is about capability, the ability to train effectively and to have the right sorts of logistic support structures, and so on. This includes—where we need it—the ability to draw contractors into the plan. We report quarterly to the Defence Board on our ability to meet those tasks, so this is under continual review.

Q306 Mr Gray: Linked to that, yesterday in Defence questions, Secretary of State, you indicated that you would issue a series of targets for the recruitment of the reserves. When will those targets be produced?<sup>1</sup> Mr Hammond: I originally said in the autumn. I said today that I hoped it would be very soon. I do not want to pre-empt what the numbers will be, but they will be accompanied by a narrative explaining why they are set in the way they are.

Q307 Mr Gray: So will we set numbers: by February 2014, we will aim to have recruited x number? Is that the scheme?

Mr Hammond: We are going to look at recruiting, as well as numbers in the trained reserve, because of course the two are not the same but one is a leading indicator of the other. I think both numbers will be of interest to the House.

Note by witness: This should refer to the Cyber Reserves. see Q303, page 11

Q308 Mr Gray: Is the achievement or nonachievement of those targets scrutinised by the House, by an independent organisation or by whom?

Mr Hammond: They will be published quarterly by the Defence Analytical Services Agency. This is a new data series; we have not previously published recruiting data. It will be published on 14 November for the first three quarters of 2013, and thereafter it will be published quarterly. So it will be available for scrutiny by the House and external commentators.

Q309 Mr Gray: What happens if the actuality completely differs from the figure in the target?

Mr Hammond: If there is a persistent significant discrepancy, clearly the plan will have to be revised. The plan will not be delivering. However, I would not like the Committee to get the impression that there is a single set of possibilities for delivering this target output. There are many strands to the recruiting programme. The CGS and I have discussed with each other and with many other people the things that we might introduce if we find that elements of the current plan are not delivering what we expect them to

There will be pilots of different approaches to see what works and what does not work. The introduction of Capita as our recruiting partner will deliver us far more analysis of the process. Because of the commercial environment in which it operates, it is used to analysing the results delivered by different approaches. We do not have, in the Department at the moment, what I would call "proper data" showing what the response to difference types of marketing approach and pitch to potential recruits is. We do not know what we are good at doing, or what we are not good at doing.

Q310 Mr Gray: I accept those complexities, but leaving aside the management complexities of the kind you describe, which could be used to disguise the reality, if you are not achieving the targets that you set out, will you undertake to be straightforward about that and lay out what the change in plan will be as a result of that? The risk is that you will come back in February or March next year, or next autumnwhenever it might be-and say, "Well, if you look at it this way, we can argue" and you can spin it, fiddle around with it and produce a management-speak answer that seems to demonstrate that all is okay.

Mr Hammond: I do not see how I can be more straightforward than committing to publish the raw data on recruitment numbers on a quarterly basis, something that has never been done before. I assure you that from the Secretary of State, Ministers, Chief of the General Staff, Chief of the Defence Staff and all the way down, there is a huge amount of focus on this issue. We will publish quarterly data, but I assure you that we scrutinise weekly reports of recruiting

Q311 Chair: And when you say that you would have to revise the plan if it were not achieving the recruitment that you need, might that include a change to the incentives for reservists and/or employers? Mr Hammond: It could certainly do that.

General Sir Peter Wall: We are in the very early stages of a five-year campaign, so the pessimism that pervades this line of questioning is a bit difficult to relate to. We are taking a campaign approach to this. For reasons that we could go into in detail, we are aware that we have not got off to the best start in terms of our IT solution—this is very much a digitally-based approach—but that is being remedied as fast as we can sort it out.

There are plenty of hardish financial levers and, on the other hand, engagement-type levers with the community and employers that we are working our way through. We do not have the bandwidth—I do not think that any organisation would—to do all this in one go, starting everything on day nought. Essentially, we are rolling out a succession of ideas. Having got the big idea out there, we are now looking at a number of niche approaches where we think we can enhance our prospects of growing this fairly rapidly, and that is what we are doing.

Q312 Chair: CGS, when you talk about the pessimism that pervades these questions, that is based on the experience to date, which I think you will accept; the fact that we are doing something that this country has never done before, which I think you will also accept, and reducing the Regular Army to a size that it has not been probably since Cromwellian times, and I think you will accept that, too. It is, I think, the role of the Committee to ask, "What happens if these rather extraordinary things go wrong?" is it not?

General Sir Peter Wall: I understand that, but, as the Secretary of State pointed out earlier, in recent memory we have had a much more significant reserve force than we aspire to grow in this period. I accept that there are some other differences: levels of competence expected of an individual and collective basis for discretionary operations, which is a rather different phenomenon from a war of national survival like the cold war. So the risk equation is slightly different. I am not suggesting it is like for like. In terms of the sheer size of it, we have been there before—for most of the lives of the people in this room.

Chair: Yes, and it is also very reassuring to hear the Secretary of State say that we are a country that expects to be at peace. Expectations can sometimes be dashed.

Q313 Bob Stewart: Secretary of State and CGS, we visited Afghanistan last week. The soldiers I spoke to had high morale—I think everyone would agree with that—even in my old regiment when they saw me. However the Army Rumour Service says there is low morale in various pockets of the Army, principally, I suspect, those people who are not in combat because combat automatically raises morale. May I ask both of you how you assess the state of morale at the moment in the Army, perhaps in various patches of it? We know the answer in Afghanistan. It is high. But for the rest of the people contemplating the future, how do you assess morale at the moment? We all know it is crucial.

General Sir Peter Wall: I think there are some people who are fearful of uncertainty. If they have not left

the Army they might have seen some of their close pals doing so either voluntarily or through enforced redundancy; they are seeing changes to their regimental structure and that generates more uncertainty, and they have had their pay and allowances marking time if not diminishing in real terms. All organisations find uncertainty coupled with complex change a bit of a challenge. But if we look at morale, not through the lens of whether people are happy but whether they are committed to carrying on serving, our outflow rate suggests that the situation is about normal. If you then judge morale in operational terms by the extent to which people are prepared to turn to and do what is asked of them in a crisis, I can guarantee that we have absolutely no problem. What your saw in Afghanistan would be a clear and present manifestation.

The gradual progression of the announcement of our Army 2020 plan and the underpinning detail that goes with it is allowing that uncertainty to be progressively shaded out and for people to understand more clearly what the nature of future service in the Army 2020 structure, primarily back here in the UK by 2018 or 2019, will entail. A number of aspects of that are enhancing morale. There is certainty about where people will be based, given that they know what regiment they are serving in and the implications for their families of where they might want to live, send their children to school and so on and so forth. Against the uncertainty and the morale impact of that, we have clarity rolling out slowly, which gives me the confidence that we will end up in a good place.

There are, inevitably, some people who would rather the change happened faster. We need to take particular care of the diminishing rump of forces left in Germany, who have tended to be very well provided for in the past, to make sure that we sustain that quality of life for them until such time as their units move back in the 2017-2018 time frame. The things that will have a big impact there are obviously the extent to which the soldiers can engage in challenging, meaningful and relevant training that points to the future use of the Army. Just as important are things like the health care and education systems, which, obviously, we have to sustain right up to the last person.

Q314 Mr Havard: Some people would say that the model you have now established is not unfamiliar to the British Army. It depends where you start from when you want to have a look, particularly in terms of involvement of contractors. I have two sets of questions. One is about scrutiny, both independent scrutiny and general scrutiny of what is going to go on over time. This is a plan to 2020, which will cross Parliaments, SDSRs and so on, I also want to test this whole idea about integration, which is a central feature of the success of the structural changes that you are making. We seem to have the structures, the numbers, the assumptions and the tasks that will have to be carried out, so the numbers will get bigger or smaller-there will be flexibility and change, all against budget. How is all that being tested and what independent challenge is there? You talked, General, about some modelling and evidential stuff at the very

start of creating the structure. That is one thing, but the other questions are about how the structure is going to be populated and what its utility is. What is going to happen in terms of independent scrutiny and independent challenge?

Mr Hammond: I do not know that there is a model that can test the readiness of the military. We exercise, obviously, but only when you deploy at scale to deliver the output you are mandated to deliver do you demonstrate that capability in total.

I should say something on the point you made about Future Force 2020 being a cross-Parliament target. That is of course right, but the SDSR 2015 will certainly want to look at the Future Force 2020 construct and decide whether it needs to evolve further to 2025 in response to a changing environment. We do not expect the position to be static, and I am afraid anybody who hankers for a world in which we reset the structure once and then freeze it for ever is going to be disappointed. The likely future is one of scanning the horizon, monitoring changing threats, changing technologies and changing resource envelopes, and constantly evolving how we respond to challenges. I do not know the outcome of SDSR 2015, but it is perfectly possible that it will set a new set of parameters for Future Force 2025 that develop the force from what we have set out for Future Force 2020.

Q315 Mr Havard: That is the very reason I asked the question. It will be about pacing, phasing and flexibility. How are you going to understand, and let other people contribute to an understanding of, the best thing to do at any given time?

Mr Hammond: On the SDSR?

Q316 Mr Havard: That and the ongoing implementation of Army 2020 and another report on Future Force 2020.

Mr Hammond: On the SDSR, as I said when we talked about it when I was before the Committee previously, it is our clear intention that Parliament, this Committee and, indeed, external commentators should have an opportunity to participate in shaping the debate in the run-up to SDSR 2015. The Prime Minister will announce in due course how we intend

General Sir Peter Wall: There is no design manual for how to produce an army. There are a lot of subjective judgments here that are a mixture of art and science. I described the work we were doing when we essentially took a year to engage in what was primarily a blank sheet of paper exercise to work out the extent to which we could use consultation and focus groups within the Army. That was particularly about their use within the more junior ranks, who I call the warrior generation—the ones you met in Afghanistan, who have done multiple tours both there and in Iraq-to get their sense of the way we should

We wanted to ensure that we drew in the lessons from Iraq and Afghanistan in the round—there is a raft of them going on a rapid cycle to shape the next deployment, but there are also some bigger stand-back lessons about force structure, force generation, and

dependence on contractors and reserves. Those sorts of things. There has also been some experimentation under the Agile Warrior programme that started three or four years ago and had matured sufficiently to inform some of this work, particularly about the nature of operations in complex environments such as urban areas, which is where we expect to be drawn to primarily in future.

We test those things in a more conceptual sense against what are known as the SAG-strategic assumptions group—scenarios, a menu of situations that represent what various joint forces-

### Q317 Mr Havard: Operational scenarios?

General Sir Peter Wall: Yes, operational scenarios joint force packages. It is not an Army phenomenon; it is a VCDS joint phenomenon that takes account of wider Government agencies as well. We have pressed to test empirically and conceptually in as many ways as we can. A lot of the equipment that we are bringing into this force structure is stuff that we have day-today experience of using in a hostile and threatening environment in Afghanistan, as you know; although we will obviously make much broader use of those systems in a less specific situation and will get back into a much more manoeuvrist use of our broader core equipment fleet: tanks, Warriors and so on.

Inevitably there is a bit of trial and error about this. Until we have actually lived the structure and lived the force generation and training system, we are not going to know whether we have optimised this or not. It all goes back to the business of how we get the optimum capability out of the resources we have. Of course, the optimum capability needs to take account of the fact that the question may keep changing. We may absolutely get optimised balance for a supposition about the type of campaign and the nature of conflict and suddenly find that actually the question has moved on, which inevitably happens.

We are by no means complacent that we have this right. In terms of independent scrutiny, there is no one providing that service, sadly. We do compare notes with other nations in Europe, and with our close allies in the United States—Army and Marine Corps, giving us two comparators—and all of that has been factored into the mix.

Q318 Mr Havard: Thank you. I would like to come back to integration in a second, but another aspect is the political decision making, if you like-the democratic deficit. I will come clean, it is Julian Brazier's fault; I have just signed an amendment to the Defence Reform Bill about annual reporting to Parliament about cadets. It is amendment that will be discussed in that context.

There are lots of other things where Parliament needs to understand. What strikes us is that you are on a journey and you have to take a lot of people with you, especially if the Reserve thing is going to work. The better the understanding, the more informed the decision making, I hope. That is why we are asking the questions about how you are going to inform people and, more importantly, not just Parliament but generally, about how you test these things and see their evolution, as to whether they are really working or whether they are rhetorically working.

General Sir Peter Wall: There are two aspects I would like to pick up. First, with informing people and then leading everybody through the change programme, to be honest, I think we have got off to a pretty good start. We were able to explain that fully in terms of the challenge that had been set, going back to the conversation I had with the previous Secretary of State when we were told the parameters.

We were not able to consult inside the Army as much as we would have liked because of the sensitivity over regimental structures. We did not want it to get out piecemeal and end up with all sorts of lobby groups. We did it the way we did it, and I think we have compensated for that in the way that we have involved people subsequently in the detailed implementation. I would not want to give you the impression that we have picked a point in space to which we are trying to march and we can't modify that. What we have got is a generic direction of travel that takes account of rebasing the Army from Germany; changing our training model and equipment programme that inevitably we can veer and haul; new contractual practices to make sustainment more affordable; and the way we are going to integrate the regular reserve. All of those are parts of the big idea that would endure in a slightly different interpretation of future conflict or a slightly different resource envelope and so on. I see those as being constants with a bit of wiggle room. Because of that, as we keep turning these stones over and saying, "Okay, we are coming to the next bit of detailed work on implementation," we can change it. We can take account of ideas from the younger cohort, and we can feed in at any stage lessons from operations, including what the French did in Mali or wherever it might be.

Chair: We are going to come back to some of these questions about integration. Madeleine Moon would like to come in now.

O319 Mrs Moon: I am a little confused because I feel as if I am getting mixed messages. We are going into a new period of peace where we can safely draw down and we can look at reservists. Yet we are told we are going to play a bigger part in Somalia, in Africa, the Gulf, the Far East. We will be offering training missions. We will be having pre-emptive intervention preventing conflicts before they start. Which is it that we are going to be doing? Have we discussed how our apparent aspirations, which were spelled out in yesterday's *Times*, sit alongside our new structure? Have we discussed it with our NATO allies, given that we are quite clear that we will always be taking forward operations in coalition in the future? How much discussion took place with NATO before the new structure was set in place?

*Mr Hammond:* Perhaps the word "peace" is causing the confusion. Let me treat "peace" as a proxy for not conducting an enduring operation at scale, which is what we have been doing for the past decade. Our planning assumption is that we will not expect to be continuously conducting enduring operations at scale. All the things that you talked about, including upstream engagement activities in particular and

small-scale intervention, will absolutely form part of our future planning scenario.

The armed forces retain the capability to operate at scale and on an enduring basis, but increasingly with the support of reservists and contractors. That is part of the construct that the CGS has described. I do not find that confusing, to be perfectly honest. It is very clear that, as we come out of these enduring operations, the Strategic Defence and Security Review has identified some different roles that the military will be taking on, particularly in conflict prevention and capacity building around the world in seeking to prevent conflict.

On the NATO question, at the political level we routinely discuss in NATO ministerial meetings and in the NATO international staff how NATO can support conflict prevention and capacity building and how we can operate forward of the NATO homeland area to deliver the territorial security that was the basis of NATO's original creation, recognising that many of the threats to the NATO nations now originate in the area immediately to our south and south-east. Often, the most effective way to address those threats will be early intervention in those areas.

Q320 Mrs Moon: Secretary of State, you are much more positive about sticking your finger in the hornets' nest that all of these areas of operation represent than I would be. The question was in terms of our planned reconfiguration of our armed forces and the reduction to 82,000. What has been the response of our NATO allies?

Mr Hammond: It is fair to say that there is nobody in NATO who welcomes any reduction in force levels by any of the NATO partners. Equally, this is happening across NATO. With the exception of Norway, which has the good fortune to be sitting on a seemingly bottomless pit of gas, and Poland, which has its defence budget fixed in the constitution as a percentage of GDP, every other NATO country has been feeling the consequences of fiscal constraint. The US has its very large sequestration programme. The French, our closest allies and partners in Europe, have had to address a significant fiscal challenge in their White Paper published earlier this year.

This is something that all of us are having to deal with and the clear agenda across NATO is to make this work through collaborating more and through the joint forces initiative, which is about ensuring that we retain the benefits of working together that we have developed during the Afghan campaign operating as ISAF. We should ensure that we do not allow the benefits of intra-operability to be lost in the post-Afghanistan period. There needs to be more focus on ioint equipment procurement and joint equipment operation and support as a way of delivering more within the limited budgets that we have available.

Q321 Mr Havard: May I go back to the question of integration? We now seem to have a given in terms of structure, on the current basic budget: we have got that on our planning assumptions. One part of that is the integration of Regulars with reservists—a lot of the discussion has been about that integration—but you said, Sir Peter, that that involves both them and contractors. This matter has not been fully understood or very well talked about, but there are effectively three elements, not two, within the Army. If you extrapolate that for whole force structures or the whole force, it becomes another argument, and then you have DFID and so on. On this question of integrating: who are you integrating, how you are integrating and what is the planning for the integration? It is more than just training Regulars together with reservists, if you are going to introduce contractors and all these other elements. Can you speak to that?

General Sir Peter Wall: Yes, I can. Let us just deal with the uniform piece first, if we could. In the higherreadiness part of our force, the Reaction Force, there is a dependency on individual reservists to the tune of about 10%, which is about what we are doing on a day-to-day basis in Afghanistan now. That is from combat arms and going through the force.

The Adaptable Force, which is the organisation that will be doing more of this defence engagement stuff on a day-to-day basis, but is capable of being tuned to produce a combined arms brigade—what was known as a multi-role brigade in old parlance—has a complement of about 30% to 35% reservists, most of whom are in what we call sub-units: companies, squadrons or batteries. The Adaptable Force Regular units have had their size reduced on the assumption that that proportion of their force—basically, the fourth sub-unit-will come from their paired reserve cousins.

If you and I were commanding officers of 2nd Battalion and 3rd Battalion the Blankshire Regiment, for the sake of argument, and you were the Regular and I was the reservist-that would be a fine arrangement-we would know that for a particular year in the readiness cycle, it was our job to make sure that we could collectively produce that force. We are in that partnership throughout the whole cycle and over time, so when you are going off on a defence engagement task with a small short-term training team in your specific part of the defence engagement landscape—each brigade has a specific zone of the globe where it has primacy for liaison and is engaged in these tasks—you would probably expect to take some reservists, so that we are all clutched together. I think that this is a particularly pertinent relationship. It means that the training of operational staff in the Regular force can add weight to the training of reservists. That is all about getting competence to the right level to withstand all the rigours of coroners' inquests-heaven forbid-in the context of discretionary operations. We are setting the bar quite high here, but the integration should give us the right DNA to get there.

In terms of contractors, this is about volume provision of service, but it obviously has to plug into the back of our force somewhere. I say "the back", but you know what I mean—the logistic echelon of our force. At the margin, there will be some contractors who, at a peacetime tick-over scale, provide those functions for us in our day-to-day peacetime business, who could transition to have people in uniform when we go into the battlespace—the so-called sponsored reserves. We already have some of those—in things like our

tank transporter contracts, for example—but not all that many. There is tremendous scope to increase that population, so that you have much more surety of understanding as a contractor goes from the peacetime tick-over mode to something in a forward area.

We are not assuming that the contractor will take up those roles in the heat of battle in the first couple of iterations of an intervention operation, but once things stabilise into a framework context, where the geography is not shifting and we can create the right sort of force-protected areas à la camp Bastion, for example, then all the evidence from Afghanistan tells us—particularly if we are doing it in a premeditative way, rather than picking up contractors in theatre in the heat of the campaign, as we did in 2008–09—that we should be able to do this in a pretty structured and cost-effective way, with a very high assurance of delivery.

Q322 Mr Brazier: Before asking my question, may I ingratiate myself by saying that in strongly supporting the vision you have just outlined, Sir Peter, there was still one sergeant-major left from the London Rifle Brigade defence of Calais? That is exactly how that battalion was used by its two regular battalions in that heroic defence relatively early on in the war. It is not a new concept; it is a bloody good concept, which we are resuscitating.

However, I want to come back to the point on integration. The area where we are deficient compared with our English-speaking counterparts is in the commanding officer slots in units of very small proportion now. I believe it is down to less than a third held by reservists. I know you have taken a close personal interest in this, but the particular concern that keeps getting fed back to me is not that the process is hugely unfair for selection or anything like that, but that in exaggerating the amount of time needed by a commanding officer, the template has been written in a way that rules out people very often with good quality civilian jobs.

Abroad, the lesson again and again is that you get good COs by having people with good civilian jobs who give a modest amount of time with good fulltime support. May I put that thought to you?

General Sir Peter Wall: We have been round this point. I know you take a close personal interest in our boarding process. The statistics are not a secret, but obviously the detailed discussions are confidential. I keep a pretty close eye on those who are eligible and who are actually making themselves available in a given timeframe—probably 30% fewer—and then how they match against their Regular counterparts. At the moment, we have got the balance about right, bearing in mind all the complex things we are trying to do, which are more than a part-time command function when we are trying to change this model so dramatically and we have got such a significant recruiting challenge. I would not want to do anything that was going to reduce the emphasis on that, for all the reasons that the Committee understands.

When we have got more people who have been through this cycle in company command tours, for example, earning their spurs alongside their Regular counterparts in these paired organisations, then I hope that that will stimulate a slight re-balancing in the direction you would like to see.

Q323 Mr Brazier: With your other hat on, CGS, are you happy with the way in which army medicals-Regular and reserve—are becoming more and more politically correct? So many of my friends' sons have failed their army medicals because of rugby injuries. It seems it is becoming harder and harder.

General Sir Peter Wall: I am not sure it is anything to do with political correctness. I have certainly heard stories where old injuries are being treated too sensitively, and the director general of the Army Medical Services is currently doing a study—it reports in the next couple of months; we want him to do a thorough job—to work out how we take this forward. *Mr Hammond:* We discussed this only the other day. It is worth saying that part of the reconstruction of the reserves is a raising of the fitness standards required, because we are talking about people who have to be capable of deploying alongside their regular counterparts having comparable levels of fitness. One of the things that we have been very open about—the CDS in his article in The Times this week made direct reference to this—is that we might lose some people from the Army reserve in the short term, as a consequence of requiring higher standards of fitness. Not all the people who are in now may be capable of meeting those standards. If we are going to get the reserve right and make it an effective and functioning part of this integrated Army, we have to bite that

General Sir Peter Wall: That is a very important point. If you were expecting just to achieve straightline growth to where we need to be without some slight turbulence in the existing trained strength of the reserve—by dint of, first, medical standards, secondly, the slightly different habits that this force will have to adopt and, thirdly, the geographical adjustments we are making to get to the new force structure-I think that it would be optimistic to think that we would not see a little bit of natural wastage inspired by that, which was above the average. We should see that as an essential element of this transition.

Chair: We need short questions and short answers, please, in order to get through what we need to.

O324 Bob Stewart: Chair. I take your direction. Could I ask, Secretary of State and CGS—one of you can answer—what is the top strength of Army 2020 and what is its biggest weakness? Just one, please. General Sir Peter Wall: I think the top strength is operational capability for the resources allocated.

### Q325 Bob Stewart: And the weakness?

General Sir Peter Wall: I think the weakness is that there will be some areas where resilience turns out to be less than we will need, and we will have to take remedial action.

Bob Stewart: Thank you. Was that short enough, Chairman?

Q326 Chair: That was very good—both of them: a good question and a good answer. You clearly nodded, Secretary of State, to say that you agree with that.

Mr Hammond: Absolutely. I defer to the CGS on this.

Q327 Ms Stuart: Secretary of State, despite the fact that you do not quite like our definition of being left alone in peace, I wanted to get back to that phrase. You said, "Left alone, in peace, with the budget that we have assumed, we will manage to deliver the output". Being left in peace also means you have no access to urgent operational requirements, doesn't it? *Mr Hammond:* Sorry, I would have to go back to the context. It sounds to me as though I was saying that, left alone to get on with this, with the budgets that we had—

**Q328** Ms Stuart: My key question is that if we are now into planned operation, that also means that we will no longer have access to UORs. We are talking about the core budget.

Mr Hammond: Yes, that is correct.

Q329 Ms Stuart: Have you got enough budget without UORs to deliver what you want to deliver? *Mr Hammond:* Yes. UORs provide support for equipment that is delivered for a specific operation. They do not provide us funding to hold that equipment in core, so where we are bringing equipment that was delivered as a UOR into Afghanistan back into core at the end of the campaign, we have to provide from within our core budget a funding line to support that equipment once it is returned to core. Our planning assumptions absolutely do not include provision of UOR equipment for our standing capability in the future.

**Q330 Ms Stuart:** So your answer to the Committee is that you can operate without the UORs on your budget with Army 2020 plans. You have got the budget.

Mr Hammond: Yes.

**Q331 Ms Stuart:** Okay. The next thing I want to do is to take you back to a rather interesting article in *The Times* in which the CDS describes Malcolm Rifkind and Liam Fox as "salivating defeatists" because they cast doubt on the Army 2020 plans. Do you share that view or would you choose a different set of words?

*Mr Hammond:* First, I do not think that the CDS did say that. I think that is a journalistic interpretation. Secondly, I was very pleased to see the CDS's—

**Q332 Ms Stuart:** "Salivating defeatists", reported in quotation marks, is a rather ingenious phrase to come up with, don't you think?

Mr Hammond: The CDS used that term, absolutely, but the names that it has been coupled with I do not believe were the CDS's words.

**Q333 Ms Stuart:** So who are the salivating defeatists, then?

*Mr Hammond:* Sir Bob Russell makes an interesting suggestion, on which I could not possibly comment. There are a lot of people out there who are telling us, a few weeks into this five-year campaign, that we will fail. I take comfort from the fact that people in the

Army tell me that they are quite used to people telling them at the early stages of campaigns that it is not possible, and they routinely demonstrate that it is. I am very confident—and you have heard the CGS's confidence—that we will be able to deliver this agenda. It will be challenging, but nobody ever suggested that the things we are trying to do are not challenging. We know what we have to do and we will deliver it.

**Q334 Ms Stuart:** So who do you think he might have had in mind? It is such a strong term, "salivating defeatist". He must have had someone in mind.

*Mr Hammond:* He is a Yorkshireman; you tend to get strong terms. There are a large number of people out there who routinely comment that we are not going to deliver the numbers or be able to deliver the reserve force. There are people who have sought to stimulate doubt about our delivery of the reserve force in order to advance an argument about particular units in the Regular Army that are to be disbanded.

**Q335 Ms Stuart:** So what phrase would you use for Liam Fox and Sir Malcolm Rifkind, if they are not "salivating defeatists"?

Mr Hammond: I have not talked to either of them—

Q336 Ms Stuart: But they have doubts.

Mr Hammond: I have not talked to either of them in the context of the creation of the reserve force, although my predecessor did note in a newspaper article that it had been his intention to build the reserve before drawing down the Regular force. My comment to that would be the one that I have already made here today and I made in the House yesterday: that it would be an unfunded strategy.

**Q337 Ms Stuart:** Because we have limited time, I will not press this further, but may I leave you with a thought? Mrs Madeleine Moon raised the question in relation to NATO. I find it difficult to reconcile in my own mind an Army 2020 that wants to be left in peace and wants to be planned; yet at the same time we are planning action in places like Africa, which we hadn't done before. You tried to explain that contradiction, but it still doesn't make sense.

General Sir Peter Wall: I think the discussion misses the key factor, which is scale—that is to say, the size of the force. An 82,000 standing Army is a large organisation and it needs to be continuously engaged in interesting, challenging and relevant tasks to sustain the enthusiasm that allows us to retain the talent we need for all the sorts of uncertainties we will face in the future. So these defence engagement tasks and partner support tasks—such as what is going on in the context of support to AMISOM in Somalia, training the Malian army under the new training mission, and putatively, when it gets going, training the Libyan militias—are all well within the scope of the Army in its future size, let alone where it is slightly larger on the run-down to that.

That is even when we still have 7,000 or 8,000 people in Afghanistan, which is admittedly coming down quite fast at the end of this year, and the next brigade training. We do not need these tasks—but we are

much better off with them—to exist, but to sustain our optimum efficiency and competence, they are extremely stimulating things for people to do, and obviously they need to be seen in the context of national strategy to be justified.

Q338 Chair: Talking about that, CGS, what changes will be needed to the training regime as a result of

General Sir Peter Wall: We have just completed a detailed study, essentially for both the reaction force and the adaptable force, as to what their training cycle ought to be. Of course, in the case of the adaptables, that has to take account of the implications for reservists and so on. As for what the tempo of that training should be, historically, the Army was on a 30month training cycle; we are going on to a 36-month training cycle, which is to take some of the steam out of it and it is also more cost-effective.

The top-end training and combined arms manoeuvre training will still be done in Canada, subject to us being able to negotiate a suitable package with the Canadian Government and military. The Secretary of State has just kicked that ball off in discussions at ministerial level. We will work with them to map out a new arrangement that will come into being at the beginning of the 2015 training season. In parallel with that, we have significantly expanded the number of small exercises that we do for both Regulars and reserves in a number of training areas around the world, which gives a mixture of environments-from cold through to desert and jungle, and so on-going back to where we were a few years ago, when the pressure of training for Iraq and Afghanistan prevented us from having the time to go and do those sorts of training engagements.

In the case of quite a lot of those dispersed small exercises at company and squadron level, they also offer very significant partnering arrangements in the defence engagement context. The defence engagement piece is getting fused into our training regime where appropriate. It is a new-look approach. It is being driven by the way in which we get the best out of smaller training fleets and contractorised training support, with a heavy emphasis on investment in stateof-the-art simulation, which has been such an important part in preparing people for Afghanistan.

Q339 Chair: Will there be differences between the reserves' training for the adapted forces, as opposed to the reaction force?

General Sir Peter Wall: Yes, there will. If I am really honest we have not quite worked out how, in a given unit, we will juggle individuals going off with a reaction force versus the people who are going to be part of the company that is required to be produced for Mr Havard's battalion when he goes out of the door—to use the analogy I was using earlier. We have enough man training days—training days for each individual-in the sump to make that a pretty rich

Mr Hammond: Chair, can I just say something in case somebody reads the record and has a heart attack. We are not actually planning to train Libyan militia; we are planning to train members of the Libyan armed forces, which may of course include reintegrated members of the militia.

Q340 Bob Stewart: I will be quick, because I know that time is against us. I take it that the withdrawal from Germany is on schedule.

Mr Hammond: Yes.

O341 Bob Stewart: Fine. Let us leave that. Secondly, are we likely to retain any training rights in Germany, because we have a fairly substantial and decent set-up there?

General Sir Peter Wall: We are looking at it. They are not so much rights as privileges.

**Bob Stewart:** Sorry, wrong word.

General Sir Peter Wall: And we have to make sure that we do that in concert with the Bundeswehr, with whom we are having a very active dialogue. We do of course have access to NATO ranges in Bergen, with which you will be well familiar, so should we wish to, I think the opportunity will be there. It comes down to need, cost, fleet sizes and all those sorts of things. In terms of our ability to co-operate with the German army, particularly in the armoured space, it is very attractive, but we have to see whether it will be part of the plot.

Q342 Bob Stewart: A throwaway remark, and it is my last one. I was speaking to a Russian officer, who suggested that we might like to train in Russia. It might be cheap. I do not know whether that is out of the question.

Mr Hammond: The Kazakh Defence Minister, when he was here last week, invited us to use training areas in Kazakhstan. There are plenty of offers around. It is about finding what is most cost-effective and delivers the most appropriate training.

Q343 Derek Twigg: You mentioned in one of your answers a few minutes ago that obviously this is putting pressure on certain areas in terms of resilience, but you have to find contingency for that. Could you expand on where those pressure points will be on resilience, and are you absolutely confident that they can be dealt with?

General Sir Peter Wall: Yes, I think that in our force structure we are conscious that we have made certain assumptions about the balance between Regular, reserve and contractor logistics, and if those assumptions turn out to be incorrect, then we may find that the dependence on Regulars-because of the threat situation or the tempo of operations, or some other unforeseen sort of delta-is greater than we would like. In that situation, we might have to enrol people from other parts of the Army to do transport functions and things like that.

We can see increasing pressure on the demand for communications bandwidth in the tactical space. We have taken account of that in our design by pro rata reducing the Royal Signals by considerably less than the 20% average, but even so, I can see that demand growing as a consequence of the changing nature of the way that business is done in the future, which is not so much a function of size, but of the changing character of the way we do things, with an increasing

dependence on high-resolution imagery for targeting and things like that. I can see that happening. I think in the gunners and the sappers we also might find that they are running a little bit faster than we would like and some of their other cap badge counterparts, but that has often been the case in the previous structures of the Army, depending on the nature of the specific operation and where the emphasis lies.

**Q344 Derek Twigg:** Do you think you will be able to retain the quality and number of special forces with this much-reduced Army? Are you confident about that?

General Sir Peter Wall: That is a really key point, because there is inevitably a gene pool issue here. We have done some work on it and we think that the types of people who will join the smaller Army are going to be more at that end of the spectrum than just a sort

of "squad" average person, if you like. So, with the right sort of incentives and the right sort of stimulus, particularly as we come off operations in Afghanistan and special forces operations look a little bit more unique than they have for the last 10 years, we are pretty confident we will get there.

**Chair:** That is a really interesting answer and the best answer to that question, which we have been putting now for a number of years, that I have heard, so thank you.

That is the end of this evidence session. You may regard us, CGS, as hopeless pessimists, but actually our role is to question everything that you do and we will now consider what you have said. We may ask further questions in writing, or something like that, if something comes up that we need further elucidation on. But Secretary of State, CGS, thank you very much indeed for very interesting evidence.



