



House of Commons
Defence Committee

Armed Forces Covenant Annual Report 2016

Ninth Report of Session 2016–17

*Report, together with formal minutes relating
to the report*

*Ordered by the House of Commons
to be printed 25 April 2017*

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

[Dr Julian Lewis MP](#) (*Conservative, New Forest East*) (Chair)

[Douglas Chapman MP](#) (*Scottish National Party, Dunfermline and West Fife*)

[James Gray MP](#) (*Conservative, North Wiltshire*)

[Jack Lopresti MP](#) (*Conservative, Filton and Bradley Stoke*)

[Johnny Mercer MP](#) (*Conservative, Plymouth, Moor View*)

[Mrs Madeleine Moon MP](#) (*Labour, Bridgend*)

[Gavin Robinson MP](#) (*Democratic Unionist Party, Belfast East*)

[Ruth Smeeth MP](#) (*Labour, Stoke-on-Trent North*)

[John Spellar MP](#) (*Labour, Warley*)

[Bob Stewart MP](#) (*Conservative, Beckenham*)

[Phil Wilson MP](#) (*Labour, Sedgefield*)

Powers

The Committee is one of the departmental select committees, the powers of which are set out in the House of Commons Standing Orders, principally in SO No. 152. These are available on the internet via www.parliament.uk

Publications

Committee reports are published on the [Committee's website](#) and in print by Order of the House. Evidence relating to this Report is published on the relevant [inquiry page](#) of the Committee's website.

Committee staff

The current staff of the Committee are James Davies (Clerk), Dr Adam Evans (Second Clerk), David Nicholas, Eleanor Scarnell, and Ian Thomson (Committee Specialists), David Gardner (Senior Committee Assistant), Carolyn Bowes, (Committee Assistant).

Contacts

All correspondence should be addressed to the Clerk of the Defence Committee, House of Commons, London SW1A 0AA. The telephone number for general enquiries is 020 7219 5857; the Committee's email address is defcom@parliament.uk. Media inquiries should be addressed to Alex Paterson on 020 7219 1589.

Contents

Summary	3
1 Introduction	4
2 The Armed Forces Covenant at the centre of government	6
3 Healthcare	8
NHS priority treatment for veterans	8
Specialist GP and Armed Forces Champions in Clinical Commissioning Groups in England	9
Composition of War Pensions and Armed Forces Compensation Scheme Tribunals	10
Mental health	11
Publication of a report on causes of death amongst veterans of Iraq and Afghanistan	12
4 Education and local services	14
Mobile Service families and school admissions	14
Impact of Defence Estate Rationalisation	15
5 Accommodation	16
Performance of CarillionAmey	16
Rental charges	17
Future Accommodation Model	18
6 The Corporate Covenant and the Community Covenant	20
The Corporate Covenant	20
Corporate Covenant and MoD contracts	20
The Community Covenant	21
7 Conclusion	23
8 Conclusions and recommendations	24
Formal Minutes	28
Witnesses	29
Published written evidence	29
List of Reports from the Committee during the current Parliament	30

Summary

The principles of the Armed Forces Covenant are enacted in law. Therefore, it is the responsibility of Government to ensure that they are being successfully communicated and implemented. This cannot be done by the Ministry of Defence alone. The breadth of the policy areas encompassed by the Armed Forces Covenant highlight the need for co-ordinated work across Government—not just within the MoD. We believe that such focus and delivery would be best served by a dedicated Minister for the Covenant, supported by a delivery office, and based at the heart of Government in the Cabinet Office.

We are pleased that progress is being made to deliver the Covenant's obligations in respect of healthcare and education. However, the delivery of other priority services—including access to hospitals and schools admissions—remains patchy. These are key requirements which public services are supposed to supply. The onus is on them all, Government, NHS, local authorities and schools, to ensure that there is a consistency in the provision of these priority services across the country.

The forthcoming reconfigurations of the Defence Estate and the introduction of new models for rented and bought properties represent a particular challenge to the future provision of Service accommodation. It is clear to us that the MoD has provided substandard information on these policy changes. As a result, it is struggling to retain the confidence of serving personnel. It is clear to us that there are still major problems with CarillionAmey—which has the contract for accommodation services. If the problems with the level of service continue, the MoD should consider what alternative options are available for the provision of accommodation.

The Corporate and Community Covenants underline the importance of the role of businesses and of local communities in implementing Covenant principles. We believe that more can be done to harness the potential that lies within the relationships between them and the Armed Forces. The UK's exit from the European Union provides an opportunity to reinforce those relationships by requiring MoD contractors to sign the Corporate Covenant.

1 Introduction

1. The Armed Forces Covenant was first published by the coalition Government in May 2011.¹ At that time it was described by the then Secretary of State for Defence as:

The expression of the moral obligation the Government and the Nation owe to those who serve or have served in our Armed Forces and to their families.²

2. The Covenant defined the extent of the Armed Forces community and set out 15 thematic areas within which support to that community should be provided (including terms and conditions of service (TACOS), healthcare, education, housing, benefits/tax, family life and transition). It further sought to identify the organisations and institutions which would be required to provide that support, and to articulate the obligations which underpin the Covenant. Guidance was published alongside the Covenant to set out initial practical measures, identified by the Government, to aid its implementation.³

3. The Armed Forces Act 2011 obliges the Secretary of State to lay an Annual Report before Parliament on the implementation of the Covenant.⁴ An interim Annual Report was published in December 2011.⁵ The first Annual Report on the Covenant was published in 2012.⁶ The 2016 Annual Report is therefore the fifth full report in the series.⁷

4. The 2011 Act also makes reference to the two central principles of the Covenant to which the Secretary of State is required to have particular regard in the preparation of the Annual Report:

- the principle that it is desirable to remove disadvantages arising for Service people from membership, or former membership, of the Armed Forces; and
- the principle that special provision for Service people may be justified by the effects on such people of membership, or former membership, of the Armed Forces.⁸

5. The 2016 Annual Report contains a section of unedited observations from the External Members of the Covenant Reference Group (CRG). The CRG brings together representatives of Government Departments and external organisations including the Confederation of Service Charities (COBSEO), the Royal British Legion and the Service Families Federations.⁹ Our Report draws on the submissions of those External Members. We welcome the nomination of a representative from Northern Ireland to the CRG, while acknowledging that implementation of the Covenant is not as developed in Northern Ireland as it is in the rest of the United Kingdom. This was recognised in oral evidence and a commitment was made to place a particular focus on Northern Ireland in 2017.¹⁰

1 Ministry of Defence, *The Armed Forces Covenant*, 16 May 2011

2 Ministry of Defence, *The Armed Forces Covenant: Today and Tomorrow*, 16 May 2011, Foreword

3 Ministry of Defence, *The Armed Forces Covenant: Today and Tomorrow*, 16 May 2011

4 Armed Forces Act 2011 (ch 18), [section 2](#)

5 Ministry of Defence, *Armed Forces Covenant Interim Report (2011)*, 1 November 2011

6 Ministry of Defence, *Armed Forces Covenant Annual Report 2012*, 5 December 2012

7 Ministry of Defence, *Armed Forces Covenant Annual Report 2016*, 15 December 2016

8 Armed Forces Act 2011 (ch 18), [section 2](#)

9 A list of Covenant Reference Group Members is detailed in HL Deb, 20 May 2013, [col 29WA](#)

10 Q36

6. The Committee held a single oral evidence session on 17 January 2017, taking evidence from, Mark Lancaster TD VR MP, the Minister for Defence Veterans, Reserves and Personnel, and Ms Helen Helliwell, Head of Service Personnel Support at the Ministry of Defence. Recent debates in both Houses of Parliament have also highlighted a range of ongoing issues relating to implementation.¹¹

11 HL Deb, 9 January 2017, [col 1819](#) ; HC Deb, 2 February 2017, [col 1238](#)

2 The Armed Forces Covenant at the centre of government

7. In the Foreword to the 2016 Covenant Annual Report, the Secretary of State said that:

The new Prime Minister has already made it clear that she views delivery of the Armed Forces Covenant as a key priority for the new Government, and has established a new Inter-Ministerial Group on the Covenant, which will have its inaugural meeting in the New Year.

8. Between 2011 and 2016, oversight and co-ordination of Covenant implementation was the responsibility of a Cabinet Sub-Committee.¹² The Sub-Committee's inaugural meeting was chaired by the then Prime Minister and thereafter by the Minister for the Cabinet Office. In 2011 the then Defence Secretary stated that the Sub-Committee would:

Give a voice to, and act as champion of, Armed Forces and veterans' issues to ensure Government is joined up when providing vital services for Armed Forces personnel. Its implementation shows the Government listens to those who work tirelessly on behalf of the men and women of our Armed Forces, their families and veterans.¹³

9. Mark Lancaster MP, Minister for Defence Veterans, explained to us that the new Inter-Ministerial Group would replace the Cabinet Sub-Committee and that it would meet twice a year. The first meeting would, again, be chaired by the Prime Minister after which it would be chaired by the Secretary of State for Defence. In oral evidence Mr Lancaster was unable to provide us with details about the Group's membership, terms of reference or the date of its first meeting,¹⁴ and the Department's subsequent written evidence, submitted a month later, shed no further light on the Inter-Ministerial Group's working arrangements or timetable of work.¹⁵

10. The Inter-Ministerial Group on the Armed Forces Covenant will be central to the co-ordination and implementation of Covenant commitments. We are concerned that twice-yearly meetings will be insufficient to provide the necessary levels of Ministerial focus across Whitehall on the implementation of Covenant commitments. Furthermore, the removal of its status as a Sub-Committee of Cabinet runs the risk that its influence will be diminished. We recommend that the Inter-Ministerial Group should meet at least four times a year, in line with its predecessor body, and that consideration be given to elevating its status to that of a formal Cabinet Sub-Committee.

11. The Armed Forces Covenant covers a wide range of policy areas and Ministerial responsibilities, many of which lie outside the Ministry of Defence. It has been suggested that the Prime Minister had been considering the creation of an Armed Forces Covenant Minister, sitting within the Cabinet Office, with:

Robust powers to ensure that every aspect of the Armed Forces Covenant, as it relates to serving troops, their families and veterans, is being met.¹⁶

12 HC Deb, 20 December 2011, [col 155WS](#)

13 ['New ministerial committee to uphold pledges to Armed Forces', Ministry of Defence, 20 December 2011](#)

14 Qq 2–5

15 Ministry of Defence ([AFC0001](#)), para 1

16 ['Theresa May to consider Armed Forces Covenant Minister'](#), Sunday Express, 20 November 2016

This approach was supported by the Royal United Services Institute (RUSI) which argued that the Covenant was a “societal imperative rather than a narrow MoD obligation”. It recommended the creation of an Armed Forces Covenant programme office, located in the Cabinet Office, with responsibility for delivery and measurement of progress of the Covenant using:

Conventional management tools such as a forward programme, issues log, risk and opportunity management plan, as well as an engagement strategy.¹⁷

12. Implementation of the Covenant requires a dedicated focus and a cross-departmental perspective which is not well accommodated by the current allocation of Ministerial responsibilities. We believe that a new ministerial position dedicated to Covenant and veterans’ affairs should be created, together with a Covenant Delivery Office, located at the heart of Government, in the Cabinet Office.

17 Louth, J, Taylor, T and Twort, L, [The Art of the Covenant: The Armed Forces Covenant and the Role of the Commercial Sector](#), RUSI Occasional Paper, October 2016, ‘Emerging Recommendations’, p 31

3 Healthcare

NHS priority treatment for veterans

13. In November 2007, the Government announced that priority access to NHS medical treatment would be extended to all veterans whose injuries or ill-health were attributable to their military service. Previously, priority access applied only to those in receipt of War Pensions. Guidance on the new policy was issued to clinicians to make clear that, where veterans required a hospital referral for a condition related to military service, they should be considered for priority treatment over patients of equal clinical need.¹⁸

14. In December 2011, our predecessor Committee noted that knowledge of the entitlement to priority treatment—amongst both healthcare professionals and veterans—remained a problem. The Committee concluded:

The policy on the provision of priority treatment to veterans is not clear. We would like to see tangible evidence that the education of GPs is working in regard to the provision for priority treatment for veterans with conditions as a result of service in the Armed Forces especially when it comes to treatment for mental health problems. The MoD should institute an education programme to inform Armed Forces personnel leaving the Services about what they are entitled to with regard to health services.¹⁹

In its response to that Report, the Government stated that “all veterans should receive priority access to NHS secondary care for any conditions which are likely to be related to their service, subject to the clinical needs of all patients”. It asserted that clear guidance on the policy had been provided to the NHS and GPs “through three gateway letters, as well as more informally through guidance literature and on the military health area of the Department of Health website”. However, to reinforce awareness of the policy, the Government had introduced an ‘e-learning package for GPs’—developed in co-operation with the Royal College of General Practitioners—which provided a further opportunity to further raise awareness of priority treatment.²⁰

15. The 2016 Covenant Annual Report noted the launch (in June 2016) of a new e-learning programme developed with Health Education England in June 2016—‘e-Learning for Healthcare’—which sought to “increase the understanding and awareness of GPs and others providing health services for the Armed Forces Community”.²¹ In written evidence, the MoD told us that this training had been included as “an additional module in GP training”.²²

18 [‘Government to boost veterans healthcare’](#), Ministry of Defence news item, 23 November 2007

19 Defence Committee Seventh Report of Session 2010–12, [The Armed Forces Covenant in Action? Part 1: Military Casualties](#) HC 762, para 85

20 Defence Committee Tenth Special Report of Session 2010–12, [The Armed Forces Covenant in Action? Part 1: Military Casualties: Government Response to the Committee’s Seventh Report of Session 2010–12](#) (HC 1855), pp 19–20

21 Ministry of Defence, [Armed Forces Covenant Annual Report 2016](#), 15 December 2016, p 21

22 Ministry of Defence ([AFC0001](#)), para 2

16. However, in its submission to the 2016 Annual Report, the Royal British Legion identified awareness of veteran priority treatment as an on-going concern:

We are concerned that 10 years after it was extended to all veterans, there is still a problem with awareness and understanding amongst healthcare professionals. We would wish to see attention paid to improving this policy in partnership with Service charity expertise. We were glad to assist in the development of Health Education England's e-learning for Healthcare programme, and welcome its launch. It is now important that uptake and impact are both effectively measured and reported upon.²³

17. **We are disappointed that, a decade after the policy of priority access to healthcare for veterans was introduced, professional awareness and implementation remain inadequate.**

18. *E-learning for Healthcare is described by the MoD as an 'additional module for GP training'. It is, however, unclear whether this training is optional or mandatory. As a matter of such importance to veterans, we believe that training on veterans' priority access, and awareness of the Covenant, should be a requirement of GPs' continuing and professional development assessment. In its Response, the MoD must set out the take-up rates by healthcare professionals for e-learning for Healthcare training.*

Specialist GP and Armed Forces Champions in Clinical Commissioning Groups in England

19. The 2015 Covenant Annual Report included the following commitment:

The Department of Health and NHS England will work closely with Health Education England (HEE) to provide a robust framework for the delivery of improved learning packages to identify specialist GP and Armed Forces Champions in every Clinical Commissioning Group by summer 2016.²⁴

20. In its annexed summary of commitments, the 2016 Annual Report describes this goal as 'complete' with the following accompanying commentary:

On 24 June 2016, HEE, with support from NHS England, launched 'e-Learning for Healthcare' a new e-learning programme to help increase the understanding and awareness of GPs and others providing health services for the Armed Forces population.

21. While that may be the case for e-learning, it is not the case for the identification of specialist GP and Armed Forces Champions. Good progress has been made on this commitment in Scotland,²⁵ but there is no mention of progress in England. The Minister explained that the goals for both commitments had been marked 'complete' because the commitments had been inadvertently merged. He undertook to have the two factors of this commitment separated in next year's report.²⁶

23 Ministry of Defence, [Armed Forces Covenant Annual Report 2016](#), 15 December 2016, p 19

24 Ministry of Defence, [Armed Forces Covenant Annual Report 2015](#), 10 December 2015, p 29

25 Ministry of Defence, [Armed Forces Covenant Annual Report 2016](#), 15 December 2016, p 26

26 Q13

22. The Minister undertook to write to the Committee on progress relating to Clinical Commissioning Groups in England.²⁷ However, the MoD's subsequent written evidence failed to disaggregate the commitment on e-Learning and training. As a result, no further information on the identification of specialist GPs and Covenant Champions in English CCGs is available.²⁸

23. Specialist GP and Armed Forces Champions are a key factor in raising awareness of Covenant commitments and embedding them within the healthcare system. The conflation of targets for e-learning with Specialist GP and Armed Forces Champions was unfortunate. The failure of the MoD to provide separate information, at a later date, is not satisfactory. The 2017 Annual Report must set out clearly and separately, progress towards the commitment of providing Specialist GP and Armed Forces Champions.

24. It may be that the MoD's own assessments of progress are undermined by the fact that it is 'marking its own work'. To guard against that risk, we recommend an independent assessment of progress towards Covenant commitments. That assessment should be published, unedited, as an annex to the Annual Report.

Composition of War Pensions and Armed Forces Compensation Scheme Tribunals

25. War Pensions and Armed Forces Compensation Scheme (WP&AFCS) tribunals adjudicate on appeals relating to decisions made by Veterans UK—the Government agency which administers War Pensions and the AFCS. The tribunals consist of one legal member (the tribunal judge) and two non-legal members—a medical member and a Service member.

26. In September 2016, the Ministry of Justice launched a consultation on proposals to change tribunal panels. One of the proposals was to reduce the number sitting on each WP&AFCS tribunal panel from three to one, with the tribunal judge sitting alone, unless otherwise determined by the Senior President of Tribunals.²⁹

27. COBSEO's submission in the 2016 Annual Report was very strongly opposed to the reduction:

The proposal to reduce the presence of lay and specialist members on tribunals as a cost-saving measure could have a dramatic impact on the effectiveness of the WP&AFCS Tribunals.

The submission argued that Service members provided “critical information to judicial members of the tribunal on the unique nature of military Service” and their removal would result a “very serious disadvantage” to veterans. COBSEO further argued that a previous proposal to merge the WP&AFCS Tribunals with one of the other larger tribunals should not be reintroduced.³⁰

27 Q22

28 Ministry of Defence ([AFC0001](#)), para 2

29 Ministry of Justice, [Transforming our justice system: summary of reforms and consultation](#), September 2016, pp 18–20

30 Ministry of Defence, [Armed Forces Covenant Annual Report 2016](#), 15 December 2016, p 18

28. The Government's response to the consultation was published on 8 February 2017. Reflecting on the level of concern about single-member panels, it amended this proposal, to "make clear that a panel should consist of one, two or three members, as required, in order to determine the matters before the tribunal justly and fairly". Despite this concession, only 26% of respondents agreed with the general principle to reduce the number of panel members. Furthermore, many highlighted the fact that the military focus of WP&AFCS Tribunals meant that they would be particularly affected by such a change.³¹

29. **COBSEO argued that the proposal to reduce the number of panel members on WP&AFCS tribunals has the potential to disadvantage the Armed Forces community. We believe that Service representation on WP&AFCS Tribunals should be retained. If the Government persists with its proposals, it must at least provide Service-specific guidance on the factors which would have to be taken into account by the Senior President for Tribunals when determining the composition of panels.**

30. **The Government must provide reassurance that it will monitor the impact of changes to Tribunal panels. Statistics on the outcome of substantive cases should be recorded and published in a manner that allows proper scrutiny—including the impact of reduced tribunal panel memberships on the number of appeals that are upheld and dismissed.**

Mental health

31. In January 2016, NHS England sought to canvass opinion on NHS veterans' mental health services from veterans, Service families and carers, Service charities, commissioners and providers. The feedback highlighted a number of gaps in the provision of support services to veterans with actual or perceived mental health conditions. They included:

- a lack of awareness amongst veterans that dedicated services are available;
- a lack of publicly available information about available services;
- a lack of awareness amongst GPs about services; and
- a feeling that their Armed Forces experience would not be understood.³²

32. Similar concerns emerged from the research conducted by the King's Centre for Military Health Research—published in November 2015—which sought to quantify the physical and mental costs of military service: The King's Centre argued that specific mental health provision for Service Personnel was necessary, which would cover those suffering from common mental health disorders, post-traumatic stress disorder and alcohol misuse. It also highlighted the importance of developing "innovative approaches" to overcoming barriers to care and to deal with perceived stigmatisation.³³

33. In its submissions to the 2016 Annual Report, COBSEO highlighted the fact that the NHS England consultation identified "considerable concern over such issues as long referral/waiting times, difficulties with the transfer of care, and the need for greater

31 Ministry of Justice, *Transforming our justice system: assisted digital strategy, automatic online conviction and statutory standard penalty, and panel composition in tribunals: Government response*, February 2017, pp 15–20

32 NHS England, *Developing mental health services for veterans in England engagement report*, September 2016

33 Diehle J, and Greenberg, N, *Counting the Cost*, King's Centre for Military Health Research, November 2015, pp 60–61

awareness of the support available to Veterans”.³⁴ To counter this, COBSEO recommended the introduction of “specific target times for Veterans for referrals and treatment, and ring-fencing the appropriate resources, to ensure that the commitments made are deliverable”.³⁵ The Royal British Legion welcomed the new focus on veterans’ mental health but also questioned the ability of current NHS mental health services “to meet the needs of Veterans and Armed Forces families”.³⁶

34. The Minister acknowledged the importance of communication in tackling the barriers to veterans accessing mental health support and told us that the MoD was considering the possibility of extending veterans’ access to Defence Medical Services beyond the current six-month period after leaving the Armed Forces.³⁷ Ms Helen Helliwell, Head of Service Personnel Support at the Ministry of Defence, highlighted the fact that details on mental healthcare services for veterans were available on the NHS Choices website.³⁸

35. That said, resources for mental health services remain stretched in areas of high demand and recent media reports stated that the South West Veterans Mental Health Service had to seek a grant from Help for Heroes to guarantee future provision of mental health treatment services.³⁹

36. The MoD must demonstrate that it has measures in place to ensure better and easier access to mental health services by veterans. We therefore recommend that the MoD introduce specific targets for the treatment and referral of veterans. Those targets should be informed by the MoD’s review of the time-period within which veterans are able to access Defence Medical Services after leaving the Armed Forces.

Publication of a report on causes of death amongst veterans of Iraq and Afghanistan

37. The 2014 Covenant Annual Report announced that the MoD would publish a report on the “causes of deaths amongst Veterans of the Iraq and Afghanistan conflicts in 2015–16”.⁴⁰ The 2016 Annual Report stated that this commitment had yet to be completed because “resource constraints have delayed progress”, and that there was “a risk in identifying the funding line for the flagging of the cohort and the receiving of notifications”.⁴¹

38. The Minister explained to us that the scale of the task—which involved linking around half a million Service records to medical records—was a challenge and that the process could start only when the necessary funding was in place.⁴² In supplementary written evidence, the MoD stated that, once that funding had been secured, the report would be published within nine months.⁴³

34 Ministry of Defence, [Armed Forces Covenant Annual Report 2016](#), 15 December 2016, p 17

35 Ministry of Defence, [Armed Forces Covenant Annual Report 2016](#), 15 December 2016, p 17

36 Ministry of Defence, [Armed Forces Covenant Annual Report 2016](#), 15 December 2016, p 19

37 Q29

38 Q33

39 [‘Cash-strapped NHS trust bailed out by military charity as the only way it can afford to treat traumatised vets’](#), The Sun, 14 April 2017

40 Ministry of Defence, [Armed Forces Covenant Annual Report 2014](#), 16 December 2014, p 24

41 Ministry of Defence, [Armed Forces Covenant Annual Report 2016](#), 15 December 2016, p 78

42 Q38

43 Ministry of Defence ([AFC0001](#)), para 6

39. We acknowledge that linking the Service and medical records of veterans of Iraq and Afghanistan is a significant undertaking. However, it is a Covenant commitment which should not be undermined merely by a lack of resource. The Government must commit to funding this work. We will expect the 2017 Annual Report to demonstrate that significant progress has been made in this area.

4 Education and local services

Mobile Service families and school admissions

40. In its 2013 Report on the Armed Forces Covenant, our predecessor Committee highlighted the difficulties faced by Service families in securing school places outside of the normal admissions round. The Committee concluded that:

The Government should explain how it intends to resolve the conflict between the Armed Forces Covenant, which says that Service children may need special arrangements to access school places, and the Schools Admissions Code which sets out a strict timetable for admissions, to ensure that Service families can access the schools of their choice when they need them.⁴⁴

41. In its response, the MoD explained that new provisions had been introduced in the Schools Admissions Code to ensure that Service families were not disadvantaged when applying for a school place outside the normal admissions round. Furthermore, the MoD argued that the Admissions Code was explicit that an admission authority must not refuse a Service child a school place because the family was not yet living in the area, and that places could be offered as soon as a posting had been confirmed.⁴⁵ Despite those assurances, the combined submission from the Service Families Federations to the 2016 Annual Report asserted that “considerable concerns” remained as to whether those actions alone would “remove the challenges Service families face in securing school places for their children”.⁴⁶

42. On 6 December 2016, Anne-Marie Trevelyan MP raised the matter on the floor of the House of Commons. She argued that the current school admissions system was structured towards two admissions per academic year and that military families did not have “the luxury” of conforming to that timing. Mrs Trevelyan acknowledged that although some local authorities took the Covenant seriously, she knew of one authority which “informed a military family battling with school admissions that the armed forces covenant does not apply to it”.⁴⁷

43. The Annual Report recognises that Service families still face difficulties in securing school places outside of the normal admissions cycle, which is a significant source of stress for them. We will expect to see evidence of significant progress in this area in the next Annual Report on the Covenant.

44 Defence Committee Fourth Report of Session 2013–14, [The Armed Forces Covenant in Action? Part 3: Educating the Children of Service Personnel](#) HC 586, para 31

45 Defence Committee Eighth Special Report of Session 2013–14, [The Armed Forces Covenant in Action? Part 3: Educating the Children of Service Personnel: Government Response to the Committee’s Fourth Report of Session 2013–14](#) HC 771, pp 3–4

46 Ministry of Defence, [Armed Forces Covenant Annual Report 2016](#), 15 December 2016, p 14

47 HC Deb, 6 December 2016, [col 148](#)

Impact of Defence Estate Rationalisation

44. On 7 November 2016, the Secretary of State announced the Government's strategy on Defence Estate Rationalisation, detailing a total of 91 sites to be disposed of by 2040.⁴⁸ In a Written Answer on 7 December 2016, the MoD stated that 26,860 personnel would be affected by the strategy.⁴⁹

45. When he came before us, the Minister said that the timetable for the rationalisation strategy would ensure that Service families had sufficient time to plan ahead.⁵⁰ He also explained that the MoD had undertaken assessments of accommodation, education and healthcare provision in the areas to which affected personnel would move and that work was being undertaken by local authorities to engage with Service families so that they are aware of the available options.⁵¹ In written evidence the MoD confirmed that it would continue liaising with local authorities, alongside relevant Government departments on matters relating to the provision of health and education services to Service personnel, as disposal and relocation plans are developed.⁵²

46. We welcome the preparatory work undertaken by the MoD and local authorities to manage the Defence Estate Rationalisation programme. In a more concentrated footprint, it is vital that funding is made available, in advance, to deliver adequate levels of additional services in those areas. We require reassurance from the MoD that there will be a thorough assessment of the provision of services and amenities in the areas to which Service personnel will be relocated.

47. Furthermore, we also expect the MoD to provide details on its engagement with each individual local authority which is expected to receive an increase in Service personnel.

48 HC Deb, 7 November 2016, [col 1286](#); Ministry of Defence, [A Better Defence Estate](#), November 2016

49 PQ [55968](#) [Military Bases: Staff], 7 December 2016

50 Q54

51 Q55

52 Ministry of Defence ([AFC0001](#)), para 7

5 Accommodation

Performance of CarillionAmey

48. The management of Service Family Accommodation (SFA) is the responsibility of the Defence Infrastructure Organisation (DIO). However, many of its responsibilities are discharged through private contractors. The National Prime Contractor is CarillionAmey which has responsibility for maintaining Service Family Accommodation and administering the charging system for that accommodation.

49. The Service Families Federations were direct in underlining their concerns about the provision and maintenance of Service accommodation:

Accommodation remains, by far, the top issue reported to the Families Federations. The National Housing Prime contractor is still not delivering to the standard expected and should be held to account [...] Despite statistics showing recent improvement, the ‘lived experience’ of too many SFA occupants remains poor, causing stress and frustration. If the level of repair services is now at contracted levels, then we must question if the levels set by the MOD are good enough⁵³

50. The Families Federations also referenced a June 2016 report by the National Audit Office, which highlighted high levels of dissatisfaction with the standard of housing and the quality of maintenance services.⁵⁴ The Public Accounts Committee was even more forthright, stating that “Service families have been badly let down for many years and are not getting the accommodation service that they have a right to expect”.⁵⁵ This commentary, in part, led to the intervention of Ministers in early 2016, and the subsequent introduction of an Improvement Plan with CarillionAmey. The Improvement Plan required service levels to be measured against new key performance indicators (KPIs) with a deadline of May 2016.

51. There was some evidence of improvements in performance following the introduction of the Plan. A January 2017 update by the NAO indicated that, by the May 2016 deadline, there had been an improvement against CarillionAmey’s Key Performance Indications on response times, with agreed levels of service being met across all of the main indicators. However, performance across a number of the indicators appears to have deteriorated since that date. By September 2016, targets, across three of the main indicators were no longer being met, and complaints were returning to pre-Improvement Plan levels.⁵⁶ The deterioration in performance was confirmed by the Armed Forces Pay Review Body (AFPRB), which also noted that, although there were some excellent examples of single living accommodation (SLA), there were also examples of what it described as “very poor” and “appalling” accommodation.⁵⁷

53 Ministry of Defence, *Armed Forces Covenant Annual Report 2016*, 15 December 2016, p 14

54 National Audit Office, *Service Family Accommodation*, Memorandum prepared for the Public Accounts Committee, June 2016

55 Public Accounts Committee Ninth Report of Session 2016–17, *Service Family Accommodation*, HC 77, p 4

56 National Audit Office, *Service Family Accommodation update*, Memorandum prepared for the Public Accounts Committee, January 2017

57 Armed Forces Pay Review Body, *Forty Sixth Report 2017, Cm 9437*, 28 March 2017, paras 1.14, 4.38–4.39

52. In oral evidence, the Minister told us that progress had been made in raising CarillionAmey's standards of service and that additional staff had been taken on to improve service delivery. However, he acknowledged that further improvements were necessary and that he remained dissatisfied with CarillionAmey's level of performance. Furthermore, he declared that he was not convinced that the performance indicators contained in the CarillionAmey contract were appropriate or that they necessarily represented a level of performance which could be considered good service.⁵⁸

53. Notwithstanding the initial progress made under the 2016 Improvement Plan, the findings of the National Audit Office, the Public Accounts Committee, the Armed Forces Pay Review Body and the Service Families Federations cannot be ignored. Too many independent assessments of military accommodation point to serious dissatisfaction with the service provided. It is therefore clear that the 2016 Improvement Plan has not delivered the required raising of standards over the longer-term. *The MoD must collect and publish information, on a month-by-month basis, setting out the performance of CarillionAmey against its contractual key performance obligations alongside the numbers of complaints received over the same timeframe. Furthermore, that information should be broken down region by region.*

54. *Given the dismal track record of CarillionAmey, the MoD must set out, in detail, what alternative arrangements are available for the provision of accommodation services should CarillionAmey continue to fail to meet its contractual obligations.*

Rental charges

55. The Combined Accommodation Assessment Scheme (CAAS) is a new system of rental charging for Service accommodation. It was introduced on 1 April 2016 following property surveys to determine the allocation of new rental charge bandings. Those surveys resulted in 81% of properties being subject to a higher rental charge.

56. In its submission on the 2016 Annual Report, the Service Families Federations stated that although they supported the principle of the CAAS, its introduction was marred by both poor communication and a complex appeal process to challenge rent increases.⁵⁹ The AFPRB agreed. It reported Service personnel received little advice or communication on how they could challenge the new rental banding allocations. This was important, given that there have been examples of identical properties being given widely differing banding allocations. According to the AFPRB, the poor provision of communication and information has led to some Service personnel relying on Freedom of Information requests to obtain the necessary information to pursue an appeal.⁶⁰

57. In oral evidence, the Minister argued that the old rental charging system had resulted in undercharging on what was already subsidised accommodation and therefore required an overhaul. He acknowledged that the new system had increased charges to some, but asserted that this was not a revenue-raising exercise and confirmed that "every penny" of additional revenue would be re-invested in Service accommodation.⁶¹ While this may

58 Q57

59 Ministry of Defence, [Armed Forces Covenant Annual Report 2016](#), 15 December 2016, p 14

60 Armed Forces Pay Review Body, [Forty Sixth Report 2017, Cm 9437](#), 28 March 2017, paras 4.5–4.12

61 Q59

be true, the AFPRB, asserted that the DIO was unable to provide a sufficiently robust breakdown of future estimated receipts and that it was not clear to the AFPRB that the DIO had “a proper understanding of the finances for its estate”.⁶²

58. There is strong evidence that the impact of the Combined Accommodation Assessment Scheme was neither clearly nor accurately communicated to Service personnel. Furthermore, the availability of information on its implementation was inadequate. Added to the the inconsistencies in banding of properties, and a complex and lengthy appeals process, it is no surprise that confidence in the Scheme is low. The fact that Service personnel were required to submit FOI requests to obtain the information necessary to challenge banding decisions is a clear indication of failure.

59. In order to rebuild confidence in the CAAS, the MoD must establish a process of independent arbitration for disputes about bandings and ensure that the information required to bring challenges to arbitration is readily available.

Future Accommodation Model

60. The 2015 Strategic Defence and Security Review committed the Government to provide “a new accommodation offer to help more Service personnel live in private accommodation and meet their aspirations for home ownership”.⁶³ Delivery of this undertaking will be through the Future Accommodation Model (FAM). Although, the programme is in its infancy, the proposals considered by Government include providing better opportunities for personnel to buy their own homes or enter the private rented sector and to allocate accommodation based on need rather than on rank.⁶⁴

61. An MoD survey, conducted in 2016, reported that 54% of respondents found the Government’s proposals “attractive” and that there was strong support amongst junior ranks and younger personnel.⁶⁵ However, Members of Parliament have expressed concerns that the survey contained leading questions in favour of the FAM, that the survey did not allow personnel to register their preferences accurately, and that the small sample size undermined the validity of the results.⁶⁶

62. A survey on FAM conducted by the Army Families Federation gave a contrasting picture. Responses suggested that there was little ‘buy-in’ to the FAM from Army families and that little importance was attached to homeownership and choice of location—two of the main benefits of the FAM highlighted by the MoD. The Army Families Federation survey also found that if Service Family Accommodation were reduced and substituted with a rental allowance, only 22% of respondents would remain in the Army, with 30% saying they would definitely leave, and 46% saying they would consider leaving.⁶⁷ In response to a similar question in a survey by the RAF Families Federation, 52% of respondents said that they would consider leaving the RAF, with 23% of respondents

62 Armed Forces Pay Review Body, *Forty Sixth Report 2017*, Cm 9437, 28 March 2017, paras 4.11

63 HM Government, National Security Strategy and Strategic Defence and Security Review 2015, Cm 9161, 23 November 2015, para 4.53

64 HC Deb, 18 April 2017, col 279WH

65 Ministry of Defence, *Future Accommodation Model 2016 Survey Results*, 31 January 2017

66 See for example HC Deb, 19 October 2016, col 367WH; HC Deb, 2 February 2017, col 1244; HC Deb, 18 April 2017, col 259WH

67 Army Families Federation, *Big Survey Report 2016*, Summary p 2

saying they would definitely leave.⁶⁸ It is therefore unsurprising that the Service Families Federations highlight their “increasing nervousness” at the development of FAM in their submission to the 2016 Covenant Annual Report.⁶⁹

63. A further bone of contention, which has been raised in the House of Commons by former Defence Minister, Sir Julian Brazier MP, concerns the proposal to phase out mortgage interest tax-relief for people who let their properties. Unless a specific exemption is legislated, this is likely to render unaffordable mortgages paid by Service personnel who may have been helped to buy their first property, but who will be unable to let it economically when their Service careers result in postings which make it impossible for them to live in it themselves.⁷⁰

64. In oral evidence, the Minister recognised that a ‘one-size-fits-all’ approach would not work and that there were different challenges to be overcome at different locations. In addition, the views and expectations of younger Service personnel differed from those of older Service personnel. However, the FAM represented a ‘work in progress’ and the Minister undertook to keep us informed as the policy developed.⁷¹

65. The Future Accommodation Model is still being developed but whatever its outcome, it is likely to have a significant impact on Service life. The MoD must accept that the prospect of major changes to the provision of Service accommodation will generate concern and apprehension. We therefore will expect the MoD to set out how it will address the findings of the Service Families Federations as the FAM is developed.

68 RAF Families Federation, [2016 Future Accommodation Model RAF-FF Survey Report](#), p 25

69 Ministry of Defence, [Armed Forces Covenant Annual Report 2016](#), 15 December 2016, p 14

70 HC Deb, 2 February 2017, [col 1264](#)

71 Q60

6 The Corporate Covenant and the Community Covenant

The Corporate Covenant

66. The Corporate Covenant is a voluntary undertaking from businesses and other organisations who wish to ‘codify’ their support for the Armed Forces. At present, over 1,300 businesses and organisations have signed the Corporate Covenant. The range of support offered by the signatories includes employment support for veterans or spouses of serving personnel; employment flexibility for reservists; observance of Armed Forces Day, and special terms or discounts for serving personnel and their families.

67. Although the External Members of the Covenant Reference Group have recognised the progress made under the Corporate Covenant,⁷² a recent report from RUSI (published in October 2016) noted that only 29% of signatories to the Corporate Covenant considered the Armed Forces Covenant to be a success.⁷³ The Minister said he was aware of this and that the MoD was now undertaking remedial work through the development of a more reciprocal relationship between the MoD and businesses. That work, he said, would be a priority for him over the next year.⁷⁴

68. The RUSI paper also reported that 61% of signatories to the Corporate Covenant did not feel confident when navigating the complex relationships between the public, private and third sector organisations which make up the Armed Forces community, especially when it came to making donations or offering other support. In oral evidence, Ms Helliwell, Head of Service Personnel Support at the Ministry of Defence, agreed that further work in this area was necessary, and stated that the MoD was in negotiations with the Service Charities Partnership Board to provide advice on how it could better involve business in its work.⁷⁵

69. Signatories to the Corporate Covenant have to live up to the commitments they make. When we questioned the MoD on how it monitored compliance and implementation, we were told that this was carried out by Defence Relationship Management and through regional Covenant account managers. However, the MoD conceded that more could be done to monitor corporate signatories.⁷⁶

Corporate Covenant and MoD contracts

70. At present, the MoD is unable to make signing the Corporate Covenant a condition of MoD contracts as such a requirement could be contrary to EU competition law. However, with the United Kingdom leaving the EU, there is an opportunity to introduce membership of the Corporate Covenant as a condition of eligibility for MoD contracts.

72 Ministry of Defence, *Armed Forces Covenant Annual Report 2016*, 15 December 2016, p 16

73 Louth, J, Taylor, T and Twort, L, *The Art of the Covenant: The Armed Forces Covenant and the Role of the Commercial Sector*, RUSI Occasional Paper, October 2016, p 20

74 Q63

75 Q64

76 Q67

The Minister indicated that this approach might be considered,⁷⁷ and in written evidence the MoD informed us that it already encourages all Government Departments' supply chains to sign up to the Covenant.⁷⁸

71. The rising number of Corporate Covenant signatories is welcome, but the MoD must ensure that signing the Corporate Covenant represents a meaningful commitment. We look to the MoD to set out the steps it is taking to monitor corporate compliance with the principles of the Armed Forces Covenant. In addition, we invite the MoD to consider what sanctions should be in place for companies which do not live up to their Covenant obligations.

72. The United Kingdom is leaving the EU and therefore will no longer have to comply with EU Competition Law. This provides the MoD with an opportunity to insist that all of its contractors be signatories to the Corporate Covenant and to demonstrate how they will proactively comply with its underlying principles. We recommend that the MoD should seriously consider this proposal.

The Community Covenant

73. Community covenants seek to implement the Armed Forces Covenant at a local level, and to encourage local civilian communities to support the Armed Forces community in their area. Each local authority in England, Scotland and Wales has signed a community covenant along with four local authorities in Northern Ireland. Implementation of Community covenants varies, depending on the need and capacity of local authorities. Examples on implementation might include the establishment of:

- a designated Covenant Champion;
- a Covenant action plan;
- a Covenant forum;
- a dedicated Covenant website; and
- dedicated staff training

74. In their submission to the 2016 Annual Report, the Service Families Federations highlight a joint Report by the Forces in Mind Trust and the Local Government Association. That Report examined the delivery of Covenant pledges at a local level and made recommendations about how implementation could be improved.⁷⁹ A number of positives can be drawn from this research and there are some examples of outstanding action at the local level. However, the Report also emphasised that the infrastructure available to local authorities to implement the Covenant varied from place to place. The Report recommended that local councils should work to adopt a core infrastructure

77 Q68

78 Ministry of Defence ([AFC0001](#)), para 10

79 Ministry of Defence, [Armed Forces Covenant Annual Report 2016](#), 15 December 2016, p 16

to boost consistent implementation and delivery.⁸⁰ The Minister welcomed the Report and recognised the need to address the regional inconsistencies in infrastructure and implementation of the Covenant.⁸¹

75. Many of the policy areas within the Covenant's scope are in the hands of local authorities, so it is of particular importance that the Covenant's underlying principles are embedded within local government. *The MoD and local authorities should set out how they will both support and monitor local authority compliance with the Covenant. This could include requiring local authorities to submit a brief, standard-form return document on Covenant compliance each year, based on a number of compliance indicators. The resulting information could then be published in simple tabular form as an annex to the Covenant Annual Report.*

80 Forces in Mind Trust/Local Government Association, [Our Community, Our Covenant: Improving the delivery of local Covenant pledges](#), August 2016

81 Q69

7 Conclusion

76. Implementation of the Armed Forces Covenant remains a work in progress, but we welcome the positive direction of travel highlighted in the 2016 Annual Report. Our own Report highlights areas where particular focus is necessary, but that should not detract from the progress that is being made in implementing the principles set out in the Covenant.

77. It is important that those principles should be applied consistently, regardless of geographical location: the Armed Forces community has the right to expect the same standards of healthcare, educational provision and quality of accommodation wherever its members reside. There must be a continuing focus on areas which have a high demand for services, and the MoD must put in place plans to ensure that the provision of high levels of services is maintained as the Defence footprint diminishes. The importance of embedding the principles of the Covenant in local government should be a special priority.

78. The Covenant is understood by increasing numbers of people, businesses and organisations. However, there remain significant gaps in awareness. It is clear that important messages about provision and entitlement are still not getting through to service providers and the MoD needs to redouble its efforts to rectify this. It must also ensure that it is responsive to the views and the needs of the Armed Forces community.

79. The outstanding feature of HM Armed Forces has always been the quality of their people. The principles which underpin the Armed Forces Covenant reflect the debt that society owes them. We acknowledge and commend the efforts of individuals, across the country, who work every day to discharge that debt. We look forward to learning of further progress in that work, in next year's Report on the Armed Forces Covenant.

Conclusions and recommendations

The Armed Forces Covenant at the centre of government

1. The Inter-Ministerial Group on the Armed Forces Covenant will be central to the co-ordination and implementation of Covenant commitments. We are concerned that twice-yearly meetings will be insufficient to provide the necessary levels of Ministerial focus across Whitehall on the implementation of Covenant commitments. Furthermore, the removal of its status as a Sub-Committee of Cabinet runs the risk that its influence will be diminished. *We recommend that the Inter-Ministerial Group should meet at least four times a year, in line with its predecessor body, and that consideration be given to elevating its status to that of a formal Cabinet Sub-Committee.* (Paragraph 10)
2. *Implementation of the Covenant requires a dedicated focus and a cross-departmental perspective which is not well accommodated by the current allocation of Ministerial responsibilities. We believe that a new ministerial position dedicated to Covenant and veterans' affairs should be created, together with a Covenant Delivery Office, located at the heart of Government, in the Cabinet Office.* (Paragraph 12)

Healthcare

3. We are disappointed that, a decade after the policy of priority access to healthcare for veterans was introduced, professional awareness and implementation remain inadequate. (Paragraph 17)
4. *E-learning for Healthcare is described by the MoD as an 'additional module for GP training'. It is, however, unclear whether this training is optional or mandatory. As a matter of such importance to veterans, we believe that training on veterans' priority access, and awareness of the Covenant, should be a requirement of GPs' continuing and professional development assessment. In its Response, the MoD must set out the take-up rates by healthcare professionals for e-learning for Healthcare training.* (Paragraph 18)
5. Specialist GP and Armed Forces Champions are a key factor in raising awareness of Covenant commitments and embedding them within the healthcare system. The conflation of targets for e-learning with Specialist GP and Armed Forces Champions was unfortunate. The failure of the MoD to provide separate information, at a later date, is not satisfactory. The 2017 Annual Report must set out clearly and separately, progress towards the commitment of providing Specialist GP and Armed Forces Champions. (Paragraph 23)
6. *It may be that the MoD's own assessments of progress are undermined by the fact that it is 'marking its own work'. To guard against that risk, we recommend an independent assessment of progress towards Covenant commitments. That assessment should be published, unedited, as an annex to the Annual Report.* (Paragraph 24)
7. COBSEO argued that the proposal to reduce the number of panel members on WP&AFCS tribunals has the potential to disadvantage the Armed Forces

community. *We believe that Service representation on WP&AFCS Tribunals should be retained. If the Government persists with its proposals, it must at least provide Service-specific guidance on the factors which would have to be taken into account by the Senior President for Tribunals when determining the composition of panels.* (Paragraph 29)

8. *The Government must provide reassurance that it will monitor the impact of changes to Tribunal panels. Statistics on the outcome of substantive cases should be recorded and published in a manner that allows proper scrutiny—including the impact of reduced tribunal panel memberships on the number of appeals that are upheld and dismissed.* (Paragraph 30)
9. The MoD must demonstrate that it has measures in place to ensure better and easier access to mental health services by veterans. *We therefore recommend that the MoD introduce specific targets for the treatment and referral of veterans. Those targets should be informed by the MoD's review of the time-period within which veterans are able to access Defence Medical Services after leaving the Armed Forces.* (Paragraph 36)
10. *We acknowledge that linking the Service and medical records of veterans of Iraq and Afghanistan is a significant undertaking. However, it is a Covenant commitment which should not be undermined merely by a lack of resource. The Government must commit to funding this work. We will expect the 2017 Annual Report to demonstrate that significant progress has been made in this area.* (Paragraph 39)

Education and local services

11. The Annual Report recognises that Service families still face difficulties in securing school places outside of the normal admissions cycle, which is a significant source of stress for them. *We will expect to see evidence of significant progress in this area in the next Annual Report on the Covenant.* (Paragraph 43)
12. We welcome the preparatory work undertaken by the MoD and local authorities to manage the Defence Estate Rationalisation programme. In a more concentrated footprint, it is vital that funding is made available, in advance, to deliver adequate levels of additional services in those areas. *We require reassurance from the MoD that there will be a thorough assessment of the provision of services and amenities in the areas to which Service personnel will be relocated.* (Paragraph 46)
13. *Furthermore, we also expect the MoD to provide details on its engagement with each individual local authority which is expected to receive an increase in Service personnel.* (Paragraph 47)

Accommodation

14. Notwithstanding the initial progress made under the 2016 Improvement Plan, the findings of the National Audit Office, the Public Accounts Committee, the Armed Forces Pay Review Body and the Service Families Federations cannot be ignored. Too many independent assessments of military accommodation point to serious dissatisfaction with the service provided. It is therefore clear that the

2016 Improvement Plan has not delivered the required raising of standards over the longer-term. *The MoD must collect and publish information, on a month-by-month basis, setting out the performance of CarillionAmey against its contractual key performance obligations alongside the numbers of complaints received over the same timeframe. Furthermore, that information should be broken down region by region.* (Paragraph 53)

15. *Given the dismal track record of CarillionAmey, the MoD must set out, in detail, what alternative arrangements are available for the provision of accommodation services should CarillionAmey continue to fail to meet its contractual obligations.* (Paragraph 54)
16. There is strong evidence that the impact of the Combined Accommodation Assessment Scheme was neither clearly nor accurately communicated to Service personnel. Furthermore, the availability of information on its implementation was inadequate. Added to the the inconsistencies in banding of properties, and a complex and lengthy appeals process, it is no surprise that confidence in the Scheme is low. The fact that Service personnel were required to submit FOI requests to obtain the information necessary to challenge banding decisions is a clear indication of failure. (Paragraph 58)
17. *In order to rebuild confidence in the CAAS, the MoD must establish a process of independent arbitration for disputes about bandings and ensure that the information required to bring challenges to arbitration is readily available.* (Paragraph 59)
18. The Future Accommodation Model is still being developed but whatever its outcome, it is likely to have a significant impact on Service life. The MoD must accept that the prospect of major changes to the provision of Service accommodation will generate concern and apprehension. *We therefore will expect the MoD to set out how it will address the findings of the Service Families Federations as the FAM is developed.* (Paragraph 65)

The Corporate Covenant and the Community Covenant

19. The rising number of Corporate Covenant signatories is welcome, but the MoD must ensure that signing the Corporate Covenant represents a meaningful commitment. *We look to the MoD to set out the steps it is taking to monitor corporate compliance with the principles of the Armed Forces Covenant. In addition, we invite the MoD to consider what sanctions should be in place for companies which do not live up to their Covenant obligations.* (Paragraph 71)
20. *The United Kingdom is leaving the EU and therefore will no longer have to comply with EU Competition Law. This provides the MoD with an opportunity to insist that all of its contractors be signatories to the Corporate Covenant and to demonstrate how they will proactively comply with its underlying principles. We recommend that the MoD should seriously consider this proposal.* (Paragraph 72)
21. Many of the policy areas within the Covenant's scope are in the hands of local authorities, so it is of particular importance that the Covenant's underlying principles are embedded within local government. *The MoD and local authorities*

should set out how they will both support and monitor local authority compliance with the Covenant. This could include requiring local authorities to submit a brief, standard-form return document on Covenant compliance each year, based on a number of compliance indicators. The resulting information could then be published in simple tabular form as an annex to the Covenant Annual Report. (Paragraph 75)

Conclusion

22. Implementation of the Armed Forces Covenant remains a work in progress, but we welcome the positive direction of travel highlighted in the 2016 Annual Report. Our own Report highlights areas where particular focus is necessary, but that should not detract from the progress that is being made in implementing the principles set out in the Covenant. (Paragraph 76)
23. It is important that those principles should be applied consistently, regardless of geographical location: the Armed Forces community has the right to expect the same standards of healthcare, educational provision and quality of accommodation wherever its members reside. There must be a continuing focus on areas which have a high demand for services, and the MoD must put in place plans to ensure that the provision of high levels of services is maintained as the Defence footprint diminishes. The importance of embedding the principles of the Covenant in local government should be a special priority. (Paragraph 77)
24. The Covenant is understood by increasing numbers of people, businesses and organisations. However, there remain significant gaps in awareness. It is clear that important messages about provision and entitlement are still not getting through to service providers and the MoD needs to redouble its efforts to rectify this. It must also ensure that it is responsive to the views and the needs of the Armed Forces community. (Paragraph 78)
25. The outstanding feature of HM Armed Forces has always been the quality of their people. The principles which underpin the Armed Forces Covenant reflect the debt that society owes them. We acknowledge and commend the efforts of individuals, across the country, who work every day to discharge that debt. We look forward to learning of further progress in that work, in next year's Report on the Armed Forces Covenant. (Paragraph 79)

Formal Minutes

Monday 24 April 2017

Members present:

Rt Hon Julian Lewis, in the Chair

James Gray

Rt Hon John Spellar

Gavin Robinson

Draft Report (*Armed Forces Covenant Annual Report 2016*), proposed by the Chair, brought up and read.

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

Paragraphs 1 to 79 read and agreed to.

Summary agreed to.

Resolved, That the Report be the Ninth Report of the Committee.

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

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

[The Committee adjourned.]

Witnesses

The following witnesses gave evidence. Transcripts can be viewed on the [inquiry publications page](#) of the Committee's website.

Tuesday 17 January 2017

Question number

Mark Lancaster TD VR MP, Parliamentary Under Secretary of State, and
Helen Helliwell, Head of Service Personnel Support, Ministry of Defence

[Q1-71](#)

Published written evidence

The following written evidence was received and can be viewed on the [inquiry publications page](#) of the Committee's website.

1 Ministry of Defence ([AFC0001](#))

List of Reports from the Committee during the current Parliament

All publications from the Committee are available on the [publications page](#) of the Committee's website.

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

Session 2016–17

First Report	Russia: Implications for UK defence and security	HC 107 (HC 668)
Second Report	UK military operations in Syria and Iraq	HC 106 (HC 1065)
Third Report	Restoring the Fleet: Naval Procurement and the National Shipbuilding Strategy	HC 221 (HC 973)
Fourth Report	Exposing Walter Mitty: The Awards for Valour (Protection) Bill	HC 658 (HC 1000)
Fifth Report	Open Source Stupidity: The Threat to the BBC Monitoring Service	HC 748 (HC 1066)
Sixth Report	Who guards the guardians? MoD support for former and serving personnel	HC 109 (HC 1149)
Seventh Report	Investigations into fatalities involving British military personnel	HC 1064
Eighth Report	SDSR 2015 and the Army	HC 108
First Special Report	Shifting the goalposts? Defence expenditure and the 2% pledge: Government Response to the Committee's Second Report of Session 2015–16	HC 465
Second Special Report	Beyond endurance? Military exercises and the duty of care: Government Response to the Committee's Third Report of Session 2015–16	HC 525
Third Special Report	An acceptable risk? The use of Lariam for military personnel: Government Response to the Committee's Fourth Report of Session 2015–16	HC 648
Fourth Special Report	Russia: Implications for UK defence and security: Government Response HC 973 to the Committee's First Report of Session 2016–17	HC 668
Fifth Special Report	Restoring the Fleet: Naval Procurement and the National Shipbuilding Strategy: Government Response to the Committee's Third Report of Session 2016–17	HC 973
Sixth Special Report	Exposing Walter Mitty: The Awards for Valour (Protection) Bill: Government Response to the Committee's Fourth Report	HC 1000

Seventh Special Report	UK military operations in Syria and Iraq: Government Response to the Committee's Second Report	HC 1065
Eighth Special Report	Open Source Stupidity: The Threat to the BBC Monitoring Service: Responses to the Committee's Fifth Report	HC 1066
Ninth Special Report	Who guards the guardians? MoD support for former and serving personnel: Government Response to the Committee's Sixth Report	HC 1149

Session 2015–16

First Report	Flexible response? An SDSR checklist of potential threats and vulnerabilities	HC 493 (HC 794)
Second Report	Shifting the goalposts? Defence expenditure and the 2% pledge	HC 494 (HC 465)
Third Report	Beyond endurance? Military exercises and the duty of care	HC 598 (HC 525)
Fourth Report	An acceptable risk? The use of Lariam for military personnel	HC 567 (HC 648)
First Special Report	Ministry of Defence Annual Report and Accounts 2013–14: Government response to the Committee's Eighth Report of Session 2014–15	HC 365
Second Special Report	Re-thinking defence to meet new threats: Government response to the Committee's Tenth Report of Session 2014–15	HC 366
Third Special Report	Decision-making in Defence Policy: Government response to the Committee's Eleventh Report of Session 2014–15	HC 367
Fourth Special Report	Flexible Response? An SDSR checklist of potential threats and vulnerabilities: Government Response to the Committee's First Report of Session 2015–16	HC 794