MINISTRY OF DEFENCE TOP LEVEL MESSAGES OCTOBER 2011

SECTION 1 - OPERATIONS	Page 2
<u>Afghanistan</u>	2
<u>Libya</u>	3
SECTION 2 – POLICY	4
Transforming Defence – Implementation of SDSR and Defence Reform	4
<u>Budget</u>	4
Future Reserves 2020 Study SECTION 3 - EQUIPMENT AND LOGISTIC SUPPORT	5 5
SECTION 4 - PERSONNEL AND MEDICAL	8
The Armed Forces Covenant	8
Medical Support	8
Pay and Allowances	10
<u>Pensions</u>	10
Redundancy	11
Recruitment .	11
Armed Forces Compensation Scheme (AFCS)	12
<u>Housing</u>	12
Education	13
Welfare	13

Please use the links above (Ctrl + click) to navigate the document.

MINISTRY OF DEFENCE TOP LEVEL MESSAGES

SECTION 1 - OPERATIONS

AFGHANISTAN

Top Line:

British forces are in Afghanistan to prevent Afghan territory from again being used by terrorist organisations, including Al Qaeda (AQ) as a base from which to plan attacks on the UK and its allies. The presence of NATO forces is preventing AQ or the Taliban regime from returning while Afghanistan's security forces are trained to take over the tasks for themselves. We do not seek a perfect Afghanistan, but a stable Afghanistan, able to maintain its own security and prevent AQ from returning.

Context:

British troops formally handed the lead responsibility for security in Lashkar Gah to Afghan Forces on 20 July 2011 – a significant milestone in a process of transition that will continue to 2014 and beyond.

- Following his visit to Afghanistan at the start of July, the Prime Minister announced that the UK would withdraw 500 troops by the end of 2012, reducing the UK's enduring force level to 9,000. This decision took into account the conditions on the ground and military advice and was discussed at the National Security Council.
- It is vital to Britain's security that AQ is denied the ability to operate freely from within Pakistan or be allowed to return to Afghanistan. Pakistan is now robustly tackling the terrorist threat within its own borders particularly in the vital border regions. A more stable and secure Afghanistan and Pakistan will help ensure a safer Britain and world.
- The UK is part of a UN mandated NATO-led international mission in Afghanistan supported actively by 60 countries, of which 49 are providing troops. Several Islamic countries are part of the mission.
- UK and NATO allies and partners in Afghanistan are resolved to see the campaign through to a
 successful conclusion. The international community has a clear, realistic, and achievable
 strategy, and a properly resourced campaign plan to deliver it. At the heart of the strategy is a
 process of transition from the international community and International Security Assistance
 Force (ISAF) to the Afghan Government, with the continuing engagement and support of the
 international community.
- ISAF strategy, endorsed by NATO, involves protecting the civilian population from the
 insurgents, supporting more effective governance at every level, and building up the Afghan
 National Security Forces (ANSF). The ISAF coalition wants to transfer security responsibility
 for districts and provinces to Afghan control as soon as they are ready.
- The Prime Minister, during his visit to Afghanistan in early December 2010, set out the three priorities for 2011: maintaining the momentum that has been created through the military surge; beginning the process of transition to Afghan forces leading security operations; and accelerating the Afghan-led political process of reintegration and reconciliation.
- UK troops working alongside US, Danish, Estonian and Afghan forces continue to make progress by driving out the Taliban and extending the authority and influence of the Afghan Government in Central Helmand. This is allowing the ANSF, with ISAF support, to protect the

population, and the international community to help the Afghans extend governance. But we must be realistic: Helmand's security situation remains complex and there will be more tough fighting ahead as we consolidate gains.

- The Prime Minister is clear that there will not be British troops in a combat role or in the numbers they are now in Afghanistan by 2015. Of course, there could be some troops in a training role as part of a wider diplomatic relationship in the longer term, as we have with other countries. The bottom line is clear: we don't want to be fighting in Afghanistan a day longer than necessary, and we believe that we have the right strategy to achieve this.
- Since 2001 there have been 382 UK military fatalities in Afghanistan.¹ 262 personnel have been Very Seriously Injured or Wounded, and 272 have been Seriously Injured or Wounded.²

Key Facts:

- <u>UK commitment:</u> The enduring UK force level in Afghanistan is 9,500, out of a total ISAF force of around 130,000 personnel from 49 troop contributing nations.³
- <u>Security</u>: As of July 2011 ANA actual strength was 171,000, against a target of 171,600 by the end of October and ANP actual strength was 135,000 against an October target of 134,000.⁴

LIBYA

Top Line:

Operation ELLAMY, the UK Armed Forces contribution to NATO's Operation UNIFIED PROTECTOR is in a significant phase. The operation to protect Libyan civilian lives began on 19 March with the unambiguous authority of United Nations Security Council Resolution 1973. The UK Government has re-stated its commitment to continue to protect Libyan civilians from the threat of attack from former Regime forces for as long as is necessary. Since the start of military operations, Royal Navy, Royal Air Force and Army Air Corps strikes have damaged or destroyed some 1000 former regime targets which posed a threat to the Libyan people, ranging from secret police and intelligence headquarters, to several hundred tanks, artillery pieces and armed vehicles.

- Coalition actions have saved thousands of lives in Benghazi, Misratah and elsewhere in Libya and have prevented Gaddafi from regaining power over Libya by force.
- Coalition forces will maintain their presence over Libya for as long as the Libyan people need it and at the request of the National Transition Council.
- Over 2,000 UK personnel are deployed in the operation to enforce UNSCR 1973.
- From the Royal Navy, HMS *Ocean* has provided a highly mobile base for Army Apache attack helicopters, adding a further layer of precision attack.
- Royal Navy Airborne Surveillance and Area Control Sea King helicopters from 857 Naval Air Squadron returned home on 23 September.
- The Royal Fleet Auxiliary shipping, currently *Fort Rosalie*, has provided the necessary afloat logistic support and has now been released from Op UNIFIED PROTECTOR.
- A Royal Navy frigate/destroyer remains committed to embargo and surveillance duties and HMS *Bangor* continues to provide a vital mine-hunting capability to the mission.

¹ Correct on 30 September 2011

² Correct on 15 September 2011. Source: DASA

³ 17 Aug 2011 http://www.isaf.nato.int/troop-numbers-and-contributions/index.php

⁴ NTM-A July ANSF Progress Overview, 12 July 2011

- Royal Navy vessels have played a key role in NATO's enforcement of the maritime embargo, which has seen over 2852 vessels being hailed, 293 boardings and 11 denials since the beginning of arms embargo operations.⁵
- RAF Tornado and Typhoon aircraft based at Gioia del Colle in southern Italy have been at the forefront of coalition strike operations and continue to provide a presence over Libya.
- NATO agreed with the UK for the RAF Typhoons from 3 Fighter Sqn, 906 Expeditionary Air Wing to be released from Op UNIFIED PROTECTOR as of 23 September.
- The Brimstone precision guided missile has provided NATO a munition with outstanding accuracy. Its hit rate is easily in excess of 90%, and its precision allows such a small warhead to be used that it has an extremely low risk of collateral damage.
- The strike missions flown by the RAF and other allied fast jets were only made possible by the large fleet of combat support aircraft mustered by NATO, including Royal Air Force VC10 and Tristar tankers, plus Sentry, Sentinel and Fleet Air Arm Sea King surveillance platforms.

SECTION 2 - POLICY

TRANSFORMING DEFENCE - IMPLEMENTATION OF SDSR AND DEFENCE REFORM

Top Line:

The reduction of the deficit is the Government's top priority and that means bearing down on public expenditure – including spending on Defence. As set out in the Strategic Defence and Security Review, supplemented by the Three Month Exercise, the Armed Forces and Ministry of Defence will see their budget and staffing reduced, although less than many other parts of the public sector. However the UK will retain highly effective Armed Forces and a robust set of military capabilities.

Supporting Line:

Implementation is being taken forward through the Defence Transformation Programme, which
also includes the recommendations of Lord Levene's Defence Reform work and a major
programme to deliver the required changes. Defence Reform is the Department's highest
priority after operations. For more information please see the MOD website.

BUDGET

Top Line:

The Government has committed to bringing down the national deficit by reducing public expenditure. Defence is not immune from the UK's general financial situation. Despite this reduction in Defence spending, the UK expects to continue to have the fourth largest military budget in the world and to meet the NATO target of spending 2% of UK GDP on Defence.

Supporting Line:

In July 2011, the Chancellor agreed that the MOD may plan on the basis of an uplift in
equipment and equipment support expenditure of 1% above inflation in the years beyond the
current Spending Review period. Together with the other changes announced, such as the
Basing Review and the Reserves Review, the Department has brought the programme broadly
into balance.

⁵ Correct up to 29 September 2011.

Key Facts:

- By 2014/15, the budget will reduce by around 8% in real terms compared to 2010/11.
- The cost of operations is additional to the Defence budget and is met from the Government's Special Reserve. In the last financial year, 2010/11, £3.9 billion was spent in support of operations in Afghanistan, Libya and Iraq.

FUTURE RESERVES 2020

Top Line:

The Future Reserves 2020 (FR20) independent commission, led by VCDS, General Sir Nicholas Houghton, published its report on 18 July 2011. The report contains a number of immediate and longer term recommendations about the future of the UK's Reserve Forces' roles and structures. The full report is available on the MOD website.

Supporting Lines:

- FR20 has made recommendations that include: the need to take urgent action to stabilise the TA; consideration of new roles for Reservists; adjustments to the balance between Regular and Reserves and recommendations on enablement, force generation and governance.
- A formal response to the Commission's report will be made in the autumn, however the
 Defence Secretary announced that a fresh package of investment for the Reserves has been
 confirmed –amounting to approximately £1.5bn over the next 10 years. This package has been
 designed to meet the Review's immediate recommendations, which focus on stabilising and
 revitalising the Reserve Forces in order to place them on a more healthy footing.

SECTION 3 - EQUIPMENT AND LOGISTIC SUPPORT

Top Line:

Success in Afghanistan is the top priority for Defence and the Government is fully committed to ensuring that the campaign is properly resourced, funded and equipped.

Supporting Lines:

 Significant improvements have been made in the equipment provided to UK Armed Forces on operations. Operational Commanders have a wide range of helicopters, protected vehicles, weapons, unmanned aircraft systems (UAS) and other key equipments at their disposal.

Key Facts:

Afghanistan Operations

 Over £4.9 billion has been approved through the Urgent Operational Requirement (UOR) process on equipment to meet emerging threats and requirements for Afghanistan since Operation HERRICK began.

Protected Vehicles

- On 26 June 2011, it was announced that the new, upgraded Warrior Theatre Entry Standard (Herrick) – TES(H) – Infantry Fighting Vehicle is now operational. Under the Warrior TES (H) programme, 70 vehicles have been given around 30 new improvements worth a total of around £40 million.
- Deliveries of Protected Mobility Vehicles to Afghanistan continue. Over £2 billion for more than 2,000 new Protected Mobility Vehicles has been approved since 2006.

 On 30 November 2010, the Government announced a £180 million contract to buy the next generation Light Protected Patrol Vehicle (Foxhound). The first vehicles are scheduled to be delivered for training later in 2011 and deployment to Afghanistan should commence in 2012.

Counter-IED (C-IED)

• In June 2010, the Talisman Counter-IED system was unveiled. Bought as a UOR, worth more than £180 million, it comprises a combination of vehicles providing an effective route proving and clearance capability.

Personal protection

• In July 2011, deliveries of the third and final tier of the multi-tiered pelvic protection system for troops in Afghanistan began. The three-tiered system of clothing and armour helps mitigate the effects of IED blasts.

Helicopters

- The fleet in-theatre includes the Chinook, Merlin and upgraded Lynx Mk9A Support helicopters and the Apache Attack helicopter.
- On 22 August 2011, the Defence Secretary announced a contract award for 14 new Chinook helicopters. The contract with Boeing to supply the Chinook heavy lift helicopters will provide a capability and resilience for operations now and in the future. Already the largest fleet in Europe, this new contract will bring the UK's overall number of Chinooks to 60.

ISTAR

- The UK Reaper Remotely Piloted Air System (RPAS) programme has now provided over 26,500 hours of high quality, persistent armed Intelligence, Surveillance and Reconnaissance (ISR) support to UK and ISAF forces in Afghanistan.
- The Hermes 450 unmanned air system has provided over 50,000 hours of support to UK Forces since it entered service in 2007. 41,500 of those hours have been flown in Afghanistan.
- On 6 December 2010, the Prime Minister announced that funding will be made available to enable further increases in the UK Reaper RPAS capability. RAF Waddington in Lincolnshire has been selected as the preferred location for the basing of a key element of this additional capability, the Ground Control Stations. The decision to base the Ground Control Stations at RAF Waddington was informed by the fact that the Station is the RAF's ISTAR Hub with the required flying supervisory chain of command. Work has already commenced at RAF Waddington in preparation for the stand up of XIII Squadron, the arrival of the UK Reaper Ground Control Stations and associated equipment in 2012.
- At this stage there are no plans to base or fly UK Reaper aircraft in the UK as the aircraft are specifically required to be based in Afghanistan to support UK and Coalition Forces under Urgent Operational Requirement. However, in the future, as the Ground Control Stations will be based within the UK, RAF crews will be able to fly the UK Reaper aircraft remotely from the UK.
- The MOD intends to begin relocating 39 Squadron from Creech Air Force Base (AFB), Nevada to RAF Waddington once XIII Squadron is operational. The relocation of 39 Squadron will be phased to ensure there is no disruption to UK Reaper support to current operations. While there are a range of benefits of being collocated with the USAF at Creech AFB, the manpower requirements of 2 squadrons (39 and XIII Squadrons) will require qualified crews to be available for additional tours of duty on Reaper to reduce the training burden; in the long term, this requires both squadrons to be based in the UK.
- The Future Force 2020 will include strategic surveillance and intelligence platforms capable of providing wide area coverage as part of a broader ISTAR capability.
- The Government has taken the difficult decision to take Sentinel out of service post Op
 HERRICK. Once Sentinel is withdrawn from Service, the loss of this platform will be mitigated
 through a range of other capabilities.

Tornado GR4

• The Tornado is making a key contribution to operations in Afghanistan and Libya and has recently passed the one million flying hours mark. It provides a reactive, scalable, and precise range of effects that is currently unique to this aircraft.

Typhoon

 Typhoon is playing a vital Air Defence role in the UK and Falkland Islands and until very recently to operations in Libya. It is capable of being deployed in the full spectrum of air operations, from air policing, to peace support, through to high intensity conflict.

RIVET JOINT/AIRSEEKER

 On 19 March 2010, the MOD signed a bilateral agreement with the US Government to procure three RIVET JOINT aircraft and associated training and ground systems, known collectively within the UK as AIRSEEKER, to replace the Nimrod R1 aircraft. AIRSEEKER is scheduled to enter service in 2014. Prior to AIRSEEKER entering service, the UK's airborne signals intelligence capability and core competencies are being sustained under the auspices of the AIRSEEKER Co-Manning agreement; under this agreement UK personnel commenced deployed operations on co-manned USAF Rivet Joint aircraft in June 2011.

Strategic and Tactical Lift

- When the future strategic (transport) and tanker aircraft (FSTA) enters service with the RAF it will be known as Voyager.
- Preparations for the formal entry to service of Voyager are now well advanced. The first two Voyager aircraft, of 14, converted for these roles are undergoing flight testing. The first aircraft will be delivered to the RAF in late 2011.
- Voyager will replace the Air to Air Refuelling (AAR) capability and the passenger Air Transport (AT) work currently undertaken by the RAF's VC-10 and TriStar fleets.
- Voyager will provide enhanced levels of availability, reliability and comfort for passengers and will be considerably more capable and efficient than its predecessors.
- Voyager will be provided through a PFI service contract. Industry will own and manage the aircraft assets and provide the training services and approximately 25% of the manpower; however military missions will be flown by and under the control of the RAF.
- The RAF's Air Transport Force is being rationalised as quickly as possible to consist of only the
 most modern and capable aircraft types with A400M joining the RAF's fleet of seven C17
 aircraft and Voyager. The UK will gradually withdraw legacy fleets such as the C130 Hercules,
 Tristar, VC10 and existing Comms Fleet Aircraft as soon as new capabilities are introduced.

Joint Combat Aircraft: Lightning 2

- The Government remains committed to the US led Joint Strike Fighter (JSF) programme. The UK plans to transition to a combined fast jet fleet of JSF, named the Lightning 2, and Typhoon aircraft in the medium to long term.
- The UK plans to deliver the Carrier Strike capability from around 2020.

Equipment, Support and Technology for UK Defence and Security

• A future White Paper will set out the Government's approach to acquiring equipment, support and technology in the defence and security domains over the next five years.

Independent Review of single source pricing regulations - the "Yellow Book"

In January 2011, the MOD announced the appointment of Lord David Currie as chairman of the
independent review of single source pricing regulations. The review is due to be presented to
the MOD shortly. It will provide recommendations for the regulations MOD should apply in the
pricing and cost management of single source procurement. It will be followed by a public
consultation, due to complete in early 2012.

Type 45 Destroyers

• The first Type 45, HMS Daring, entered service on 31 July 2010. The second in class, HMS Dauntless, was formally commissioned into the Royal Navy on 3 June 2010 and has recently completed her Hot Weather Sea Trials. HMS Diamond (Ship 3) was declared In-Service on 12 July 2011. Dragon (Ship 4) has successfully completed sea trials and was accepted off contract on 31 August 2011. Defender (Ship 5) has successfully completed her Propulsion and Drive Motor Trials and is due to commence her first set of sea trials later this year. Duncan (Ship 6) launched on 11 October 2010 and is currently being fitted out on the Clyde.

Submarines

 The first in class of the new Astute Submarines, HMS Astute, was commissioned into the Royal Navy in August 2010 and is currently undergoing further sea trials before she is declared operational. Ambush was named on 16 December 2010 and launched in January 2011. Artful and Audacious are under construction at Barrow. On 14 September 2011, the MOD confirmed that Boat 5 of the Astute Class of seven submarines will be called HMS ANSON.

Ice Patrol Ship

 On 21 March 2011, HMS Protector was named as the temporary replacement for HMS Endurance, the Antarctic and South Atlantic ice patrol and survey vessel. She was commissioned in June 2011 and will commence her first deployment to the Antarctic later this year.

Air Defence

 RAF air defence assets including Typhoon aircraft, radars and command and control systems, are held at continuous readiness 24/7, 365 days of the year to guarantee the security of UK sovereign airspace and NATO-monitored airspace.

SECTION 4 - PERSONNEL AND MEDICAL

THE ARMED FORCES COVENANT

Top Line:

The Government recognises the need to ensure our Armed Forces, veterans and their families have the support they need, and are treated with the dignity they deserve. A new tri-Service Armed Forces Covenant was published in May 2011, setting out the key relationships between the Armed Forces, Government and the Nation.

Supporting Lines:

- The Covenant defines the principles of removing disadvantage and allowing special provision in some circumstances in the access to public and commercial services. This has set a framework for policy making and delivery across Government and will improve the support available for the Armed Forces Community. For further information, please see the MOD website.
- As the Prime Minister proposed in June 2010, the Armed Forces Bill will enshrine the principles
 of Armed Forces Covenant in law. This is the first time that the existence of the Covenant will
 have been recognised in statute.

MEDICAL SUPPORT

Top Line:

The support to personnel injured on operations is of an excellent standard. All Armed Forces personnel are supported by dedicated and comprehensive medical services, including mental health support.

Supporting Lines:

Seriously Injured personnel

- Operational casualties whose injuries are serious enough to require further treatment back in the UK are aeromedically evacuated as a matter of priority. The Queen Elizabeth NHS Hospital in Birmingham, which opened in June 2010, is the primary reception hospital for military patients evacuated to the UK from overseas. The new facilities offer injured soldiers the best possible care in a Military Ward, subject to clinical need.
- Patients requiring further rehabilitation care (including prosthetics) can be referred to the
 Defence Medical Rehabilitation Centre (DMRC) at Headley Court in Surrey. DMRC has 96
 established in-patient beds with a further 20 beds being made available as a sensible
 contingency in the short term. In order to ensure continuity of services out to the end of current
 operations, a plan is maturing to bring the in patient capacity at DMRC to 144 with appropriate
 therapy space and supporting infrastructure.
- Birmingham hospitals and Headley Court have the ability to manage increased casualty numbers, including mobilising additional military medical staff and providing extra bed spaces.

Prosthetics

Recent Service leavers who have lost a limb while serving will, where clinically appropriate, be
entitled to receive from the NHS equivalent standard prosthetic care to that provided by
Defence Medical Services. Dr Andrew Murrison MP is leading a review to examine NHS
prosthetic services for veterans now and for the future.

Mental Health

Service Personnel

- The MOD provides mental healthcare for those Armed Forces personnel who need it, primarily through our 15 military Departments of Community Mental Health across the UK (plus centres overseas), which provide out-patient treatment. In-patient care, when necessary, is provided in specialised psychiatric units under contract with the NHS
- In May 2010, the latest phase of a King's College study into the effects of deployment on the mental health of personnel confirmed the continuing low incidence rate of probable PTSD for the UK Armed Forces. Alcohol misuse and common mental disorders were the most prevalent mental health problems. Service personnel are generally no worse off as regards mental health disorders compared with available data for the civilian population. Deployment on operations was associated with a small increase in symptoms of PTSD in Reservists, and Regular personnel in combat roles were more likely than those in support roles to report probable PTSD. The number of times that a member of the Armed Forces deploys to theatre does not increase their risk of developing common mental health disorders.

Veterans

- The NHS is responsible for delivering veterans' healthcare, with priority treatment for Servicerelated conditions, subject to the clinical needs of all patients.
- MOD complements NHS services by providing a Medical Assessment Programme (with a similar service for Reservists) and by funding treatment provided by the mental health charity Combat Stress for war pensioners with mental health conditions caused by service.
- In England, Armed Forces Champions in Strategic Health Authorities and regional Armed Forces Networks are bringing together the NHS, Service charities and others, to meet the needs of the Armed Forces community in their area.

Dr Andrew Murrison's report, 'Fighting Fit: a mental health plan for servicemen and veterans'

 The MOD is working closely with the Department of Health to take forward the recommendations in Dr Andrew Murrison's independent report, 'Fighting Fit', which can be viewed on the MOD website.

PAY AND ALLOWANCES

Top Line:

The Government is determined that members of the Armed Forces should receive a remuneration package commensurate with the vital role they play. The outcomes of the SDSR and the Spending Review are having far-reaching consequences in reducing Defence expenditure, although the full impact on pay and allowances is not yet clear. It is critical that change in these areas does not impact on our ability to attract, recruit and retain high calibre individuals.

Supporting Lines:

- The tax-free Operational Allowance (OA) for Armed Forces personnel serving in qualifying operational theatres was doubled on 6 May 2010. Libyan land mass, air space and territorial waters were added to the areas for which OA is in payment, backdated to the date of the UN resolution.
- As part of measures to tackle the budget deficit, the Government's 2010 Emergency Budget announced a pay freeze for 2011/12 and 2012/13 for public sector workers, including the Armed Forces. The Government however, stated that all those earning £21,000 or less should receive a minimum increase of £250. It is in this context that, for those earning above £21,000 a year MOD will not submit evidence or seek recommendations for a 2012 pay award. MOD will, however, provide evidence to the AFPRB about recruitment, retention, any targeted measures proposed for particular groups and other aspects of the remuneration package such as food and accommodation charges. The 2012 AFPRB report is expected to be published in March 2012.
- Reductions in the Service Personnel allowances package (totalling £250 million of the £880 million spend) were announced on 20 January 2011. The announcement was a result of the requirement set out in the SDSR to reduce expenditure on Armed Forces and Civil Service allowances.

PENSIONS

Top Line:

The Armed Forces Pension Schemes (AFPS) are widely recognised as good quality pension schemes which compare favourably with other public and private sector schemes. The AFPS are designed to reflect the special features of Service life, provide adequate retirement income and protection for dependants, and encourage retention as a key part of the overall remuneration package for Service Personnel.

- In 2010 the Government invited Lord Hutton to conduct a fundamental structural review of public service pension provision.
- Lord Hutton's Independent Public Service Pensions Commission published its final report on 10 March 2011. The report recommended a number of significant changes to public service pension provision aimed at ensuring that public service employees will have continued access to good

quality, sustainable and fairer defined benefit pension schemes. For further information, please see the MOD website.

REDUNDANCY

Top Line:

Following the SDSR, the shape and size of the Defence workforce (both military and civilian) is being addressed. The UK's Armed Forces are being restructured to meet current and emerging threats and so are undergoing some changes including a reduction in the combined size of the Royal Navy, the Army and the RAF by some 17,000 by 2015. Some of this reduction is being achieved through measures such as slowing down recruitment but the Department estimates that up to around 11,000 redundancies will be required. Planning is underway for Future Force 2020, which will see a further reduction in the size of the Army from 2015. The outcome of the SDSR will also result in a reduction of the number of civilian personnel by around 25,000 by 2015 and a further 7,000 by 2020.

Supporting Lines:

- The Armed Forces redundancy programme will reduce the number of Service personnel while maintaining a satisfactory balance of skills and experience throughout the Armed Forces to enable delivery of operational requirements.
- The Royal Navy, the Army and the RAF published comprehensive documents for their
 personnel, detailing the branches and trades from which they are seeking to make redundancies
 in this first tranche and have made selections from those who applied and from non-applicants.
 Individuals were informed in September 2011 if they were to be made redundant in this first
 tranche. All three Services will run up to four redundancy tranches; the released documents only
 cover the first tranche.
- Transition of those selected for redundancy will be managed through the appropriate resettlement package.
- All tranches will be complete by the end of March 2015.

For the civilian workforce, the Department is committed to achieving the necessary reductions without recourse to compulsory redundancy wherever possible although this eventuality cannot be ruled out. The reductions will be managed by a range of measures including natural wastage, restrictions on external recruitment which have been in place for some time, and a Voluntary Early Release Scheme (VERS) which was open for applications in spring 2011. Letters notifying individuals of the outcome of their VERS application were sent on 30 June 2011.

- The Trade Unions were consulted prior to the launch of the scheme.
- The compensation payable is determined in accordance with the rules of the Civil Service Compensation Scheme (and equivalent arrangements for members of other pension arrangements such as Teachers, Burnham Lecturers and NHS grades).
- It is unlikely that these measures alone will be sufficient to achieve the full reductions required and further action is currently being considered which may include a further early release scheme(s) and/or more targeted schemes. A consultation document has been issued to the MOD Trades Unions on proposals for a new VERS, which on current planning will be in November and run for two years from 1 April 2012.

RECRUITMENT

The Armed Forces depend on high-quality young people wanting to join the Services for rewarding and exciting careers. Despite the reduction in the overall numbers of Service personnel, the Armed Forces are still recruiting and training to replace those personnel who leave the Services at the end of their contracts.

ARMED FORCES COMPENSATION SCHEME (AFCS)

Top Line

The AFCS provides compensation for injuries, illness and death arising from Service since 6 April 2005. War pensions are paid to veterans with injuries caused by their service prior to this date.

Supporting Lines:

- The AFCS covers all serving and ex-Service personnel and may provide a tax-free lump sum for pain and suffering, the size of which reflects the severity of injury or illness that has been sustained. Lump sum awards range from £1,200 to £570,000. The AFCS also provides benefits to eligible partners and children of Service personnel who die as a result of their service.
- For serious injuries and illness, the AFCS <u>also</u> provides an income stream known as the Guaranteed Income Payment (GIP). This is in addition to the lump sum and is a tax-free, indexlinked monthly payment, paid from discharge until death. The GIP is an enhancement to an individual's ill-health pension, paid to recognise that the injury or illness was sustained as a result of service. The scale of the payment is based on the severity of the injury, and age and salary on discharge.
- An Independent Medical Expert Group (IMEG) was established during the Lord Boyce Review of the Scheme in 2010 to advise on the appropriate levels of compensation for several specific injuries and illnesses, including mental health. The Group's first report was published on 9 May 2011. The IMEG is now looking at how to best compensate for hearing loss, mental health problems and service-caused illnesses. Its findings will be published in the next year.

HOUSING

Top Line:

The MOD recognises the importance of providing decent living standards in maintaining morale on the front line and, despite the current financial challenges, continues to invest and target efforts on the most pressing accommodation issues. Military accommodation arrangements continue to represent good value for money for members of the Armed Forces, with charges well below market rates.

- Significant progress has been made on accommodation and will continue, within the financial constraints which now exist.
- Establishing the new Defence Infrastructure Organisation shows the Government's commitment to improving the way estates and infrastructure services are delivered to give the Armed Forces the best possible facilities in which to live, work and train.
- Armed Forces Home Ownership Scheme (Pilot). An MOD £20 million, 4-year pilot shared equity scheme was launched in January 2010. The scheme is eligible to full-time permanent members of the Armed Forces who wish to remain in the Forces, and who have between 4 and 6 years' service, to buy a property in England. In FY 2010/11, the scheme attracted 1,300 applicants who were assessed as being eligible in principle. Of these, 93 had completed by 31 August 2011.
- Extended Eligibility for Priority Status to Affordable Housing Schemes. In June 2011, the Housing Minister, Grant Shapps MP, announced that the highest priority will be afforded to Service personnel for all types of social housing in England. Further details of this will be released in due course. Service personnel will also be placed in the highest priority for access to the new FirstBuy scheme, which is designed to assist first time buyers. The first Service

person to purchase a property under the FirstBuy scheme recently completed his purchase, and this was highlighted in the media.

- Housing Adaptation Grants. Seriously injured personnel in receipt of AFCS or War Pension Scheme (WPS) payments can access substantial grants to adapt their home for their disability. AFCS and WPS lump sum payments are not considered to be income when means-testing for Housing Adaptation Grants.
- <u>Disregard to compensation payments</u>. AFCS lump sum payments are not considered to be income when assessing for affordable housing.
- <u>Local Connection</u>. Previously, Local Connection legislation meant that Service leavers received no recognition for having lived and worked in an area when applying for social housing. This has been amended in England, Scotland and Wales.
- <u>Priority Housing for Injured Service Personnel.</u> Ex-Servicemen and women who are seriously injured have priority for specially adapted social homes.
- <u>Service Families Accommodation</u>. The vast majority of UK Service homes are now at the top two standards (of four) for condition⁶, with families no longer required to live in properties at the lowest standard, although some still choose to do so.

EDUCATION

- <u>Free Further or Higher Education</u>. Service leavers with six years' service, and who have previously been members of the Enhanced Learning Scheme, can apply for funding to cover tuition fee expenses for an additional qualification. This is up to and including degree level courses.
- <u>School Place Allocation</u>. The School Admissions Code is designed to recognise the needs of Service children.
- <u>Special Educational Needs (SEN)</u>. Local authorities and schools have received guidance reminding them of their obligation to ensure continuity of support.
- <u>Troops to Teachers</u>. As part of the Schools White Paper, released in November 2010 by the Department for Education, the Government announced plans to develop a 'Troops to Teachers' programme which will sponsor Service leavers to train as teachers.

WELFARE

Top Line:

The welfare needs of Service personnel and their families remain a key priority. Any changes proposed to Terms and Conditions of Service will take into account the impact on welfare support. The Government remains committed to providing the best possible support to deployed personnel and their families through the Deployed Welfare Package.

- Operational Welfare. The Deployed Welfare Package is kept under constant review to ensure
 it meets the needs of both the Service person and their dependants. Free phone calls are
 available for 30 minutes per week. Wi-Fi access has been extended in operational areas,
 texting and internet facilities have been improved in Forward Operating Bases and the Families
 Welfare Grant doubled.
- <u>Post</u>. MOD and the Royal Mail continue to operate the Enduring Families Free Mail Service (EFFMS) for friends and families to send packages of up to 2 kg to named personnel in Afghanistan as well as HM Ships in support.
- Improved access to welfare services. The Government is launching an Armed Forces Community Covenant scheme, which will encourage local authorities, the private sector and the voluntary and community sector to provide targeted support for their local Armed Forces

 $^{^{\}rm 6}$ We refer here to Standard for Condition, not Grade for Charge.

community. This should provide a better level of access to the support provided by public service providers.

• Rest and Recuperation. On 22 July 2010, the Government announced steps to maximise Service personnel's rest and recuperation.

DMC Secretariat & New Media Please direct any queries to 020 7218 9228