



Service Accommodation

The Military Covenant

A career in the Armed Forces differs from all others. Service personnel agree to sacrifice certain civil liberties and to follow orders; including orders to place themselves in harm's way in the defence of others. In return, the Nation promises to help and support people in the Armed Forces and their families when they need it most. This mutual promise is enshrined in the Military Covenant, which is acknowledged by all Services.

The Military Covenant does not have the force of law, but has been enshrined through convention, custom, and contemporary application, and it represents the Nation's moral commitment to its Armed Forces.

While we acknowledge that significant efforts have been made in recent years, we believe that certain aspects of the Military Covenant are not being delivered and that the Nation must now bring about change to ensure that our Service people and their families get the support they deserve.

INTRODUCTION

The Military Covenant promises that in return for personal sacrifice *'British soldiers must always be able to expect fair treatment, to be valued and respected as individuals, and that they (and their families) will be sustained and rewarded by commensurate terms and conditions of service'*.(*Army Doctrine Publication Volume 5*).

However the Legion is concerned that the poor standard of much of the accommodation provided for members of the Armed Forces means that personnel

and their families are not receiving fair treatment or being rewarded by commensurate terms and conditions of service. We are concerned that this is effecting both morale of personnel and the retention of experienced members. With the current high tempo of operations it is of particular importance that Service personnel should be free from worry about the condition of the accommodation for them and their families.

Concern at the standards of Service Accommodation has come from military sources. General Sir Richard Dannatt, the Chief of the General Staff reportedly singled out military housing for criticism (Chief of the General Staff's Briefing Team Report 2007). He is said to have raised concerns that Service accommodation estates for families are degenerating.

General Sir Mike Jackson, former head of the Army, has also criticised accommodation standards. In 2006, speaking at the Dimbleby Lecture, he said that housing conditions were 'frankly shaming'.

Criticism of Service Accommodation also come from non-military sources. In 2007 the National Audit Office (NAO) reported that despite efforts at improvement over the last five years there is still a great deal of work to be done to bring all accommodation up to a high standard. The NAO highlighted that the Ministry of Defence has yet to develop a plan to upgrade a considerable amount of both family and single person accommodation (HC 154).

This paper examines the Legions concerns with Service Accommodation and identifies how provision could be improved.

Investment in Service accommodation

The operation of an effective military requires provision of suitable accommodation to allow its members to move as and when required to do so. The MoD provides accommodation to many of its personnel. Service Family Accommodation (SFA) accounts for 47,000 family homes and Single Living Accommodation (SLA) provides 112,000 single living spaces.

The MoD has provided increased investment in both SLA and SFA over the last five years. 20,000 new SLA bed spaces have been built and 12,000 SFA units have been upgraded. Despite this 50% and 40%, respectively, of accommodation units still

do not meet the MoD definition of high quality accommodation (see annexe for info on MoD Standards) and so are sub-standard (HC 154).

Under current plans there will be still be a shortfall of 35,000 high standard single person bedspaces by 2012/13. The MoD has not yet announced how it intends to deal with this problem. Using the current target to upgrade 900 family homes per year it will be 20 years before all family accommodation reaches the highest standard (HC 154).

Defence Estates, the part of the MoD that manages and maintains the defence estate in the UK, including living accommodation, still has much work to plan and perform if the situation is to improve in the near future. Unless more resources are proved a significant number of Service personnel will be housed in poor quality accommodation for 20 years or more. The Legion believes the MoD must develop and fund plans to bring all Service accommodation up to Standard One by 2012/13.

The Legion believes that all receipts from the sale of Defence Estate assets should be ring fenced for reinvestment in Service Accommodation. Currently such income is not automatically retained by Defence Estates nor automatically used to improve Service accommodation.

In its 2007 Comprehensive Spending Review the Government promised to invest £550 million in Service Accommodation, drawing on anticipated receipts from the sale of Chelsea Barracks (Cm7227). The sale price has recently been confirmed by the Government at £959 million (Twigg, 2008) with a promise that the balance of the proceeds will be also be allocated for service accommodation as part of the next spending review. This is a welcome commitment however the Legion would prefer the Government to release these funds immediately to bring forward accommodation modernisation.

Retention and recruitment

If the Armed Forces are to hold on to both new recruits and experienced members and also overcome the current shortfall in numbers, it is vital that accommodation is provide at the highest standard. The poor standard of accommodation is admitted by the MoD to be a factor in Armed Forces personnel's decision to leave service. The House of Commons Defence Committee report 'The Work of Defence Estates' (2007) visited Cavalry Barracks, Hounslow and Elizabeth Barracks, Pirbright finding

'that poor accommodation was having a serious effect on morale and retention, especially amongst NCOs'.

The NAO has previously concluded that it is more cost-effective for the Services to retain personnel than to recruit and train replacements (HC 1633). The same report also highlighted that 40% of Armed Forces personnel working in trades which suffer from recruitment and retention difficulties were dissatisfied with the quality of accommodation.

The Legion believes the MoD should act upon the recommendation of the Committee of Public Accounts. The MoD should investigate the relationship between the quality of accommodation and retention rates, to assess how far extra investment to achieve a swifter improvement in the condition of housing could be expected to be offset by savings in recruitment and training costs (HC 537).

Upgrade of single living accommodation

Single Living Accommodation is provided to members of the Armed Forces who are single or who have elected not to be accompanied by their families. The current provision consists of approximately 112,000 bedspaces. The MoD is undertaking work to bring single person accommodation up to modern standards, to move away from dormitory accommodation to provision of single person rooms based around shared kitchens and living areas.

Reports on SLA conditions have found some to be 'first-rate' with other units considered 'disgraceful' (HC 535). Whilst improvements have been delivered the scale of the task is enormous and not currently planned for. The latest figures available show that 50% of bedspaces are below Standard One.

The House of Commons Defence Committee recently visited 'magnificent' new accommodation at Alexandra Barracks, Pirbright. Yet they also reported on Cavalry Barracks, Hounslow and Elizabeth Barracks, Pirbright, finding the 'accommodation provided disgraceful'. 'At Hounslow, we found barrack blocks with overflowing drains and repairs which had been left unattended; at Elizabeth Barracks we saw where NCOs slept eight to a room, with minimal privacy and negligible storage'. The Committee also reported that they were told that soldiers on deployment in Afghanistan had more comfortable accommodation than their comrades left behind in

Pirbright (HC 535). The media has reported on poor standards at other bases, amongst them Catterick, RAF Brize Norton and Warminster.

Vice Admiral Laurence , Chief Executive of Defence Estates has stated in response that 'We will not reach our very highest standards for perhaps ten or twenty years..'.(HC 535) The Legion welcomes the work and investment that has gone into modernising SLA but we are concerned that such a long time scale exists for improving all accommodation to a high standard. We feel it is unacceptable for members of our Armed Forces to be expected to occupy such poor standard accommodation when they are making personal sacrifices for the country. The MoD must as a priority develop and fund plans to bring all SLA up to Standard One within a reasonable timeframe and as a matter of urgency upgrade the worst accommodation.

Maintenance of single living accommodation

The MoD has signed five maintenance contracts for SLA known as Regional Prime Contracts (RPC). RPC are intended to provide efficiency savings and a more managed system of estate maintenance. These contracts have only been in place for a few years and so far there has been mixed reports on their performance. The NAO found that the contracts have made a positive difference to maintenance of the defence estate but this cannot yet be quantified. The NAO have also raised concern at the impact of unplanned budgets on the maintenance of SLA (HC154).

The Defence Committee visited Cavalry Barracks, Hounslow and found dissatisfaction with the complexity of the new arrangements. It was reported that arrangements for agreeing, funding and performing maintenance had become excessively cumbersome. The Committee was also informed of frequent disputes with contractors on the distinction between routine maintenance and improvements to the fabric of a building. An example was provided of a broken sash window which might lie unrepaired while Defence Estates and the contractor argued whether the broken window constituted maintenance or was the result of the poor fabric of the building. The Legion is concerned with the problems exist due to the complexity of the new arrangements. We recommend the MoD review the arrangements to provide clear lines of responsibility for repairs to provide local unit commanders or estate offices the power to resolve problems.

The Legion is also concerned at reports of £13.5 million being taken from the RPC budget in 2006-07 as a result of wider MoD cost cutting programme that impinged disproportionately on Defence Estates. These cuts are believed to have been made to planned re-roofing and redecoration work whilst other less essential additional work was ordered. The House of Commons Committee of Public Accounts believes that the MoD lacked adequate information to be able to target the savings at the least important estate work (HC537). The Legion is concerned that in the current climate of tight spending and continued military commitments the maintenance of SLA is at risk from budget cuts. The Legion would like to see guarantees from Ministers that maintenance and improvement of Service accommodation will not be compromised by competing financial demands.

Service family accommodation

Defence Estates are responsible for 47,000 family homes in Great Britain. The ownership, management and maintenance of these properties is operated under a complex system. The majority of the SFA in England and Wales was sold to Annington Homes Ltd in 1996. Maintenance and upgrade of these homes has been contracted out under the Housing Prime Contract. In Scotland and Northern Ireland ownership and maintenance has been retained by the MoD. SFA overseas is managed on a local basis.

Knowledge of the Annington Homes deal is vital to an understanding of the current issues facing SFA. The sale raised £1.6 billion (NAO 1997). The MoD leases back and pays rent on all the homes still required. The rent is currently thought to be £140 million a year (HC 535). The MoD is also responsible for maintenance.

As property units are deemed surplus to requirements they are sold off with 25% of the proceeds handed over to HM Treasury and the rest retained by Annington. At the end of 2006 this was believed to have amounted to £140 million. The Legion believes that proceeds from the sale of surplus SFA should be reinvested in Service accommodation.

The objectives of the sale to Annington Homes were to transfer property that the MoD did not need to own to the private sector, to improve the management of the quarters through greater involvement of the private sector, to raise funds to upgrade the bulk of the quarters in the UK to Standard One condition and to secure value for money through a competitive sale.

Ten years later 19,000 family homes are still not at Standard One. At the end of 2006-7 only 60% of homes were assessed at Standard One with the majority of the rest at Standard Two. 138 are at the lowest Standard Four and 2,000 are at Standard three (HC154). Properties at the lower standards will usually require new kitchens, bathrooms, rewiring, new plumbing and insulation and may be in poor decorative order (HC 537). The MoD has stated that it cannot guarantee upgrading of homes in these two lowest standard categories within two years as the work can only be done when they are not being lived in. The Legion believes that upgrades should be targeted at these homes and families occupying them should be given the opportunity to move to alternative, included private rented, accommodation, whilst the work takes place.

The MoD has exceeded its own targets of upgrading 1,100 or 1,200 homes per year over the last few years. Unfortunately future targets of 900 upgrades to homes per year mean it will take twenty years before all SFA reaches Standard One. Currently the MoD does not know how long it will take or how much it will cost to upgrade remaining SFA to Standard One. The Legion believes that the Government and the MoD should urgently draw up detailed plans for the upgrading of all the remaining substandard SFA within a reasonable timetable.

Maintenance of Service family accommodation

Maintenance of SFA property is now performed under a contract procedure, known as Housing Prime Contract, by the company Modern Housing Solutions. This deal began in 2006 and covers family homes in England and Wales for seven years at a cost of between £580 million and £690 million. The initial performance of this contract has been worrying with the House of Commons Defence Committee finding the level of service 'unacceptably poor'. The MoD has accepted that early performance was not satisfactory and put this down to a larger than expected backlog of repairs. An extra £20 million was provided to the contractors in the first year to improve performance.

The Defence Committee found that contracting out of responsibility for maintenance appears to have caused a similar problem to that experienced by SLA. It has left confusion about how to get repairs completed. The power to resolve maintenance issues has been removed from the chain of command. Unit commanders and Defence Estate officials are unable to resolve problems and do not know where

responsibility lies, nor what if anything they can do. The Committee concluded that this has led to 'an air of resignation to poor maintenance of married quarters' and 'no sense that that anyone has ownership of a problem'. The problem of lack of ownership of repair issues is of concern. The Legion believes that the MoD should find a way to return power to resolve maintenance issues to unit commanders and local estate managers.

SUMMARY OF RECOMMENDATIONS

General policy recommendations:

The Government should

- develop plans and provide investment to bring all single person and family Service accommodation up to the highest standard by 2013,
- ring fence funds from the disposal of Defence Estate assets for Service accommodation modernisation and bring forward investment of the surplus income from the sale of Chelsea Barracks,
- assess the relationship between quality of accommodation and retention rates to see if extra investment might result in savings in recruitment and training.

Single living accommodation recommendations:

The Government should

- develop and fund plans to improve the expected 35,000 SLA bedsaces that are currently expected to still be sub-standard in 2012/13 and immediately upgrade the worst accommodation,
- guarantee that no further deferrals in planned maintenance are made as a result of budget cuts,

- look to return powers to resolve maintenance issues to locally based commanders and estate offices.

Service Family Accommodation recommendations:

The Government should

- prioritise upgrades to homes in Standard 4 and then those in Standard 3 regardless of location. Families occupying these homes should be given the opportunity to move to alternative, included private rented, accommodation, whilst the work takes place,
- develop and fund plans to upgrade all SFA to Standard One by 2013,
- ensure that receipts from sale of surplus property by Annington Homes are re-invested in maintenance – not retained by the Treasury.

ANNEX

Service Family Accommodation Standards

The condition of Service Family Accommodation is divided into four Standards for Condition. This is calculated from 102 attributes organised into eight categories: Health and Safety; Sanitary; Kitchen; Energy Efficiency; Building Fabric; Electrical; Security; and Bedroom Standard. These are taken into account as follows:

- Properties are assessed as Standard One if they achieve a Standard One rating in all eight categories;
- Properties are assessed as Standard Two if they achieve a Standard One or Two in each category, with a Standard One generally reached in at least five categories. Improvements required might include a thermostatic shower, a new kitchen or upgraded loft insulation;
- Properties are assessed as Standard Three if they only achieve a Standard Three in at least one of the categories, and will usually have achieved a One or

Two in half the categories. Improvements required might include a complete rewiring, a new kitchen or bathroom, or upgraded loft and plumbing insulation;

- Properties are assessed as Standard Four typically if they achieve a Standard Four in five or fewer categories, and will generally require a new bathroom, electrical system, kitchen, insulation upgrade, and health and safety review. (National Audit Office illustration of MoD information, HC 154)

REFERENCES

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