

Defence Committee

Oral evidence: [SDSR 2015 and the Army](#), HC 108

Tuesday 14 Jun 2016

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[Watch the meeting](#)

Members present: Dr Julian Lewis (Chair); Douglas Chapman; Johnny Mercer; Mrs Madeleine Moon; Jim Shannon; Ruth Smeeth; Mr John Spellar; Bob Stewart; Phil Wilson.

Questions 1-101

Witnesses

I: General Sir Nicholas Carter KCB, CBE, DSO, ADC, Chief of the General Staff; Major-General John Crackett CB, TD, Director, Reserves; and David Stephens, Director, Resources and Command Secretary (Army).

Written evidence from witnesses:

- [Ministry of Defence](#)

Examination of witnesses

Witnesses: General Sir Nicholas Carter KCB, CBE, DSO, ADC; Major-General John Crackett CB, TD; and David Stephens.

Q1 **Chair:** Good afternoon, everybody, and welcome to the first session of our inquiry into SDSR 2015 in so far as it relates to the Army. We have three distinguished witnesses today and I will ask them to introduce themselves briefly. CGS, you might then want to make a few opening remarks. If not, we will go straight in to the questions. I will start with you, David.

David Stephens: I am David Stephens, director of resources at Army Headquarters.

Major-General Crackett: I am John Crackett, Reserves Director, which is a new post on the Executive Committee of the Army Board at Army Headquarters. I am a Reservist and I have had a 30-odd year career in the electricity industry, most recently on the board of E.ON UK, the German energy company.

General Sir Nicholas Carter: I am Nick Carter. I am the CGS, the professional head of the British Army.

Q2 **Chair:** Would you like to make a few opening remarks or shall we move straight on?

General Sir Nicholas Carter: I am happy for you to lead off.

Chair: Very well. We will start with Johnny Mercer.

Q3 **Johnny Mercer:** Good afternoon, General. You were the architect of the Army 2020 plan. How would you assess the delivery of it to date and what in your view still needs to be addressed?

General Sir Nicholas Carter: My first point would be that Army 2020 in terms of its timing happened after SDSR 10. You will recall it was a piece of work that was set off in 2011 as a result of a realisation that there was not enough money to afford the Army that we had at that time. The upshot of that was that it reported in about 2012, so that when we stepped through the SDSR last year, in a sense, while it was compliant with what happened in SDSR 10, SDSR 15 was an opportunity for it to be genuinely tested as a piece of concept, a doctrine or a piece of policy.

What I think was reassuring about it was that Army 2020 foresaw a character of conflict that would be significantly different from the one we had about 10 years ago. It highlighted that the connection between home and away—what happens abroad and what happens at home—would be much more networked than perhaps it was in the past. This was represented in a Venn diagram, and the Venn diagram explained the core purposes of the Army as being about delivering high-ready forces and contingent capability. That overlapped with another ring, which was about delivering engagement effect overseas to drive insight and understanding and to get ahead of the bang, if you like. Then a third ring that overlapped was about UK homeland resilience. It was drawn deliberately as a Venn

diagram because all of this was seen to be interlinked. What was reassuring about SDSR 15 was that it absolutely verified this logic, and therefore the force structure that we derived for Army 2020 was effectively tested through that process, and we came through with the force structure broadly intact.

That said, we had learned between 2012 and 2015 that some things about Army 2020 needed refinement. First and foremost, we learned that the defence planning assumptions, which assumed that the most likely employment of the Army would be on an enduring operation overseas, managed on the basis of six months' deployment and 24 months at home, were probably not the hardest or the most likely deployment of the Army in the future.

Therefore, what would be more challenging and probably more relevant in today's world was to invest in the Army's ability to fight and then to reorganise from the ability to fight to do other things like, for example, the enduring operation that I described. That resonated with the realisation that the state-on-state threat was greater than perhaps would have been the case in 2012. Therefore, there was absolute sense in the Army being able to field a war-fighting division. One of the great outcomes from the SDSR, from my perspective as the head of the Army, was the ambition to deliver a war-fighting division, because, in a sense, the division is a bit like an aircraft carrier—it is where the full orchestra comes together. It is where all the capabilities that you need to compete in the state-on-state space happen. That full orchestra is an aspiration that I think is absolutely right for us to have at the moment, because it makes you a reference customer not only of your enemies, but of your allies. It means that you can sit at the table alongside the Americans and the French, who can field this capability, and you can use that as the basis for restructuring.

The second thing that we deduced was that, given the state-on-state threat, the potential for our opponents to conduct what is called anti-area access denial and make it extremely difficult for our Air Force or Navy either to dominate the littoral or to dominate the air space meant that if land were capable of getting combat power at reach across land to those areas, that would provide policy makers with different options. From that, we derived the strike capability, which was a feature of the SDSR—and indeed, one of the headlines—but it does more than just provide that ability to reach over land at distances of up to 2,000 km; what it also does on what, I think, will be a larger battle space is provide us with the opportunity to disperse and concentrate very rapidly and thus dominate ground and population mass in a rather different way. That plays to one of the British Army's great strengths, which is the quality of its junior leadership, because the vehicle that we are building this on—something called Ajax, which begins to enter service next year and will be made in southern Wales—is genuinely networked. It is genuinely mobile, and it has good firepower and good protection, and it will provide us with the capacity as an Army to do what I have just described. That is an exciting place to be.

The third thing that SDSR put out there was the fact that this idea of being persistently engaged overseas—the second ring I described in the Venn

diagram—was important and relevant. But we have bent ourselves out of shape to be able to do that over the course of the last two or three years, when our conventional infantry battalions, who have been at the forefront of doing this, have had to send many of their leaders away to do what is fundamentally a task, when you come to train indigenous forces, that is very much heavy on leaders and less on soldiers. Actually, what we have discovered is that we want bespoke structures that are longer on leaders, longer on cultural expertise and longer on the ability to be able to train and perhaps to take greater risk in terms of that task. So we have derived these five specialised infantry battalions, as they are called. That is a placeholder of a name—I think that as the capability evolves and it gets credibility, it will find another name.

The plan is to roll these out through a couple of pilots—maybe in eastern Europe and west Africa, those sorts of areas—so that we genuinely build them in a way that is thoughtful and takes with it the right sort of people. What it recognises is that our conventional infantry has far more potential than one might have imagined, and we demonstrated that in Afghanistan. It is right and proper that we should be trying to realise that potential, and we find that is what young men and women want to do. So that was a big ask.

The other point I would make is that SDSR 15—this is a lesson from Army 2020—recognised that the role of the Reserve needs to be sensibly calibrated. You will recall that when Army 2020 was announced—given what I said about a defence planning assumption that worked on an enduring operation—our Reserve structure, while integrated with the Regular structure, was designed for regular and routine use. I think that, unsurprisingly, we discovered that that was extremely difficult to recruit a Reserve against. What SDSR 15 has allowed us to do—and the evolution of Army 2020—is recast that role into one that is essentially there to support the Army's war fighting. Therefore, it is there, in a sense, for a nationally recognised emergency. That is not to say that Reservists cannot be used on operations if they can afford the time to do that. It is important, though, to make it clear what the commitment is, and what the obligation is—in essence, the minimum obligation is to around 27 days' training a year. I suspect we will get into more detail on this later on, but the upshot is that we are finding it much easier to recruit a Reserve. Indeed, we have around 28,000 reservists on the books at the moment. So that was a significant departure from where we were before.

There are other capability areas where we have weaknesses. We learnt that from Army 2020. I suspect we may come on to this, but what Russia is revealing at the moment and what is happening in Ukraine have demonstrated areas where we might need to go further.

Q4 **Johnny Mercer:** I think I will come on to that now, if that is all right, General. I think I know the answer to this question, but just for the record, is Army 2020 still relevant, or has it been overtaken by this latest SDSR and its strategic context?

General Sir Nicholas Carter: No, I think SDSR 15 has verified, absolutely, its relevance. Some refinements may be needed, but it has verified its relevance.

Q5 **Johnny Mercer:** Yes. Talking about these state-on-state threats and how things are developing—you were just beginning to touch on it then—what is it about the Army that causes you most concern?

General Sir Nicholas Carter: The Army bent itself out of shape to manage the Afghan campaign—the tactics, the equipment, the doctrine—and was very much focused on a specific counter-insurgency challenge. We now find ourselves up against a range of threats that require the Army to improve its readiness in relation to the ability to fight in a combined arms battlefield. Combined arms warfare has evolved significantly over the last three to five years. There is some “Back to the Future”-type stuff—electronic warfare, or air defence, for example—but the reality is that most Western armies used to feel that they owned the airspace, and I do not think that we can confidently say that we own the airspace. So our ability to operate in that much more demanding environment is the bit that the Army needs significantly to invest in and to train for. That is the bit that we are most vulnerable on at the moment.

Johnny Mercer: Thank you very much.

Q6 **Chair:** General, you mentioned that now we are facing a different context—one of state-on-state warfare—when only a few years ago it was being suggested that in a choice between preparing for such a hypothetical war in the future or the actual wars in which we were engaged, namely, counter-insurgency wars, we should be wholly concentrating on counter-insurgency if we could not do both. That position, obviously, has changed, and therefore it is reasonable to assume that the defence planning assumptions have changed. Can you tell us why now, these days, the defence planning assumptions—not those that must be kept secret, but the ones that did not used to be kept secret—are classified?

General Sir Nicholas Carter: I think probably because they would explain clearly what we are capable of doing to our opponents. That would be my judgment on that. And there is probably some merit in having some mystery, in terms of deterrence. That said, we are completely clear about the capabilities of our Army, not least because we are proud of it, but also because we need to be transparent about where we need to develop it still further.

Q7 **Chair:** Isn't it obvious, though, that one of our assumptions has to be that we can no longer ignore the potential danger of conventional state-on-state conflict, which is something that should be made explicit? Indeed, it is not the first time that I have heard you, quite rightly, making that danger explicit. Do you think thought could be given to whether some basic ground rules could be set out to show the way in which our thinking has had to be reoriented?

General Sir Nicholas Carter: Yes, and it is absolutely right that, as the responsible head of this institution, I should be thinking hard and

encouraging others to think hard about having to fight a war that we might have to fight, because in so doing we are more likely to deter that war from ever happening. That requires me, as head of this institution, to think hard about how I would reconstitute and regenerate capability—and, if necessary, grow the Army—were that to have to happen.

- Q8 **Chair:** In that case, may I bring that point in straightaway? It is traditionally the case that when this country, heaven forbid, finds itself involved in a major conflict against another state, we invariably start with a very small, highly professional Army that has to be expanded very quickly. It looks like SDSR 2015, and you and your team, are, quite rightly, building a small, highly professional Army. The question is, what mechanisms have you got in place to be able to expand it quickly if, as tends to happen, we find ourselves involved in some significant conflict with little or no warning? Are the mechanisms in place and, if so, would it not be a good idea to publicise the fact, to add to the general value of the deterrent posture?

General Sir Nicholas Carter: We have, basically, two mechanisms that we would use to grow it quickly, the first of which is the Army Reserve—I might ask General Crackett to observe on that in a moment, if you are happy. The other mechanism we have is what is known as the Army Regular Reserve. As you will be aware, those who retire from the Regular Army, at whatever stage in their career, have a liability to be prepared to be mobilised and to serve again in the event that they are needed. One of the things that we have initiated is a better process, as we used to do in the cold war, for being able to keep tabs on those Regular Reservists and to be able to pull them back at short notice when we need them. That is particularly important in some of the more esoteric capabilities—attack helicopter pilots, for example—but it is also important in the general mass. Members of the Committee will be well aware that I am the CGS who sits over the smallest Regular Army we have ever had. On that basis, I feel very strongly about making sure that we are able to expand it quickly where we need to.

- Q9 **Chair:** And the Regular Reservists would have enough training in place to ensure that they could be called back?

General Sir Nicholas Carter: No is the straight answer. You would have to spend some time training them, but at least you will know, and we will know, that they are fit, have some equipment and are a basis to reconstitute and regenerate from.

Chair: Does General John want to come in on that? Then I know Jim Shannon has a point that he would like to put.

Major-General Crackett: I think that is exactly right. The change in the defence planning assumptions will enable us to look again and refine the roles that we cast for the Reserve Army in 2020, as CGS has explained. An important part of that role, as well as the force's driving requirement to sustain a division as it goes out of the door, will be around regeneration and reconstitution—in other words, thinking about how the division could be sustained after conflict or over a long period, or even if the force expanded at a later stage. This is very early days. We are just working

through the early stages of how we assimilate these new equipment types and what the concepts of the operation will be, so we have barely started this work yet, but that would be the first means of regeneration and reconstitution.

The Regular Reserve is another tranche. We would need to put in place, I think, a sharper mechanism for training assurance and recall, but these are things we used to do, so it is not rocket science. There are of the order of tens of thousands of Regular Reserves of different currency. Indeed, we are thinking at the moment about some of those with more high-price skills; maybe we will draw some of those back into the Volunteer Reserve at the moment and keep their skills going.

- Q10 **Chair:** This is such an important issue. Would you be willing to keep the Committee up to date on, perhaps, a six-monthly basis, by sending us a note on how these plans for regeneration are progressing? Is that something you could do?

General Sir Nicholas Carter: That's a perfectly reasonable thing for us to do.

Chair: Thank you. Jim and then Madeleine.

- Q11 **Jim Shannon:** When the Regulars were cut back in 2015, everyone was encouraged—or comforted is perhaps a better word—by the Defence Minister, who said that they would be supplemented by Reservists. I think you mentioned the figure of 30,000. Earlier, my colleague showed me a perhaps more accurate figure of 23,000 Reservists. The reports I am getting back in relation to the Reserves are that a large number of those Reservists have not done their weapons test or their fitness test. That is not being disrespectful; it is an honest assumption. How realistic is it for members of the Committee to assume that every one of those Reservists could supplement and do the job of a Regular soldier? Quite clearly, they couldn't, from the perspective of fitness capability and shooting expertise. We want them to do well, but we have to be realistic as well. How realistic is it that those 23,000—or 30,000, as you mentioned; maybe 20,000 would be more accurate—are able to do the job that they would be called upon to do if they were called up? It is the real facts and the real figures that we need to find out in this Committee. How possible is that?

General Sir Nicholas Carter: First, what I actually said, Mr Shannon, was that I have some 28,000 on the books. In terms of trained strength, I have around 23,000. Those 5,000 who are not yet trained, given a month's notice, could be trained pretty quickly, up to the same sorts of levels that the 23,000 are at. Nobody is suggesting that if you compared a Reservist on a like-for-like basis—let's take an infantryman—to a professional, full-time Regular infantryman, they would have the same capability. Of course they would not, but when you integrate them effectively with Regulars and you share those professional skills, oddly enough the diversity that comes with it means that your combat power is probably enhanced.

The other observation I would make is that we tend to think of Reservists in a single way in this sort of conversation. The reality is that some 80% of my medical capability, in terms of genuine capability, is contained in the Reserve. A huge number of the specialists that I need, as the head of this institution, to be able to win on the next battlefield are among the Reservists. There are capabilities such as intelligence people, cyber people, communicators—all these are rather more complex and technical skills that we cannot necessarily afford to have inside the Regular Army. They are often going to be found in the Reserve. If you are happy, I will just ask my Reservist here to elaborate on your earlier point—

Q12 Jim Shannon: I'll rephrase the question I was hoping to have an answer to. You have told us that you would hope, within a very short period, to have those 5,500 up to a level where they could do their job and be integrated into the Army. Some of them couldn't do their fitness test. They would probably need a slimming course. I am not being disrespectful; I am being honest about some of the things that need to be done. Let us be honest, in the Defence Committee, about what is needed and how possible it is that they could integrate and be part of the machine. We want them to be part of the machine, but we have to look at how possible that is. That is the question I am trying to get to.

Major-General Crackett: Well, the fact that the 27,000 Reservists mobilised over the past 10 years have done a very good job in Afghanistan and Iraq demonstrates that yes, we can do this. You obviously come from a part of the country where you have a disproportionately large number of Reservists compared with your proportion of the UK, and you have produced an even more disproportionately large proportion of those who have served on operations, so I am pleased to tell you that it is working in Northern Ireland.

Jim Shannon: And those have passed their fitness test and their weapons test both?

Major-General Crackett: Obviously, the Northern Irish have. Let's come back to the basic proposition of how the Reserves works. Clearly, a Reservist is not a Regular, because to make a young man or woman a Regular soldier you would have to give them the same amount of training. That would not be economic and it is not the way it works. The Reserves works by finding a useful military capability that we do need that can be trained at a basic level in something of the order of 20 to 40 days a year, and maintained at that level. That means it is probably a subset of a Regular soldier's job, but it is a job that is necessary and possible to do on operations.

The way the Reservists are brought into the fight is that they are mobilised and given top-up training, refresher training and, if necessary, additional skills training, so that they meet the required level of skill for the job they are going to do. That may take something like two to four months. They are then integrated at the appropriate level, which might mean man 7 and 8 in a section, or it might mean a troop as part of a squadron, or it might even mean an entire logistic regiment doing a

particular job. They are integrated into the Army that is doing the fight. That is the concept.

On the numbers, we are all correct: 28,800 Reservists are signed up on the books today, which means that sometime this year we will have actually got hold of 30,000 Reservists. We just need to train them all.

- Q13 **Chair:** Can I cut in at that point? Isn't it the case that there are supposed to be 30,000 trained Reservists and a further 8,000 who are untrained? You are not quite comparing like with like, are you?

Major-General Crackett: I will try to give you some more detail if you let me persist, Mr Chairman. Of those 30,000, nearly 23,300 are trained. The remainder are in that untrained margin, which, as we drive the 23,000 up to 30,000, will produce that excess of—well, we don't know whether it needs to be 8,000. It might be somewhere in the region of 5,000 to 8,000, depending on how efficient our training engine is. That means that there are 2,000 more trained soldiers in the Army Reserve this year than there were last year; it has gone up by 9.5%. That is because more people are joining—about 20% more people are joining than joined the previous year—and some 12% fewer people are leaving.

To come back to the nexus of the question: can they do the job? Structurally, they can do their job because we have a system and a concept for doing that, and I think we have demonstrated that they do it. I won't deny that you might occasionally meet the odd slightly podgy Reservist—I have met one or two myself—but hopefully they are in a role where that is not a critical factor. I can assure you that we set the same kind of fitness standards for the same roles as we do for the Regular Army, so that, although Reservists may not have all the training to do the job at the time, they have the same potential to do so.

- Q14 **Chair:** At the present rate of progress—and there clearly is progress—when do you expect to hit the target of 30,000 trained Reservists?

Major-General Crackett: As you can work out from the numbers I have given you, we have been adding to the trained strength of the Army Reserve during the last year at the rate of about 170 a month, so we are increasing it by half a regiment a month every month during 2015-16. It's going to be there or thereabouts. This is a challenging proposition, and we are two years into a five-year programme of expanding the Army Reserve. I don't know what is going to happen in the next three years on a global or a national basis, but with the same amount of effort as we are putting in, the better proposition, the better training and the better process, this is a doable proposition. It is always going to be challenging, but it's doable.

- Q15 **Chair:** Bearing in mind Mr Shannon's remarks, I don't think anyone would want you to accelerate the process just to reach a target figure if people were not fully trained. The important thing is to get them trained to the right standard even if that takes a little longer.

General Sir Nicholas Carter: And to have the right quality.

- Q16 **Chair:** I have just one more point before I bring in Madeleine. There has been the continuing problem of how you keep in contact with the Regular

Reserves. Once people leave, and given that they are not coming back for training, have you a scheme in place—or are you thinking about it—for an up-to-date database, because it's not much good if you can't find them when you need them?

General Sir Nicholas Carter: The answer is that it's evolving. For the more esoteric capabilities I described, the answer is yes. For the mass, not yet—it needs to be refined by our Army personnel centre in Glasgow.

Chair: Thank you.

- Q17 **Mrs Moon:** In a sense, my question comes out of that. You will be aware that the Legion is suggesting that the census should have a question about whether you have served in the armed forces. How useful would such a question be in keeping track not just of those Reservists whom you might want to pull in, but of those who have had any sort of military training, if push comes to shove? After all, you would be able to call on Colonel Stewart and Johnny Mercer—frightening as that may appear! Would it be useful to have that sort of information in the census?

General Sir Nicholas Carter: Yes. It would give me a chance to mobilise Colonel Stewart, which would be very useful to the British Army.

Mrs Moon: And very useful for the Defence Committee.

General Sir Nicholas Carter: The answer is, as with all these things, that it's a question of how the data is used, isn't it?

Mrs Moon: Indeed.

General Sir Nicholas Carter: If it were used in a responsible way, in the way that perhaps we are discussing here, the answer is that it would be useful.

- Q18 **Chair:** But there is a problem with the census, isn't there? As a former Ordinary Seaman, RNR, I wouldn't be too pleased if the information were in any sort of public document such that people who had been in the armed forces could have their home addresses accessed by people who might wish to harm them or their families.

General Sir Nicholas Carter: It comes down to how the data is used and who controls it.

Mrs Moon: As it does with all data, really.

General Sir Nicholas Carter: Indeed.

- Q19 **Mr Spellar:** The Chancellor promised a real increase in the defence budget every year in the last Budget statement. Are you actually getting new money in the Army budget?

General Sir Nicholas Carter: The answer to your question is yes, it ramps up annually over the five years of this Parliament. You have to look at the Army budget not just in terms of what is in my top-level budget, because of course defence reform carved up a lot of the way the capability is developed across the four front-line commands. For example, a great

deal of my capability and particularly things like my communication systems, my ISR—intelligence, surveillance and reconnaissance—equipment and my enablers are in the Joint Forces Command budget. In the SDSR, there was a significant rebalancing towards the Joint Forces Command budget, and that needs to be aggregated against my capability. Similarly, to take it to another level, it is really important to me what happens with air defence in Air Command's budget, as it would be for some of the air transport assets and all that goes with it.

In broad terms, the straight answer to your answer is yes. How you calculate it precisely is harder to do, but I will ask D Resources, if you're happy with this, to go into a bit more granularity.

Mr Spellar: Particularly comparing like with like.

David Stephens: As the CGS said, we spent just over £8 billion last financial year; this year and every year until 2021, the budget increases. We have about £46 billion to spend over the five years to 2021. There are challenges associated with the budgetary allocations. We have to contribute to the efficiencies that Departments signed up to.

Q20 **Mr Spellar:** Can we just call them cuts? Efficiency means you are doing something a little better and a bit cleverer—that is desirable. Efficiency in Whitehall-speak, which just means you are getting less money, is—in everybody else's language—a cut.

David Stephens: As I say, we are going to be spending more money each year for the next four or five years.

Q21 **Mr Spellar:** Yes, but I am saying the efficiencies are—

David Stephens: Our objective will be to make sure that they are genuine efficiencies, clearly, so that we do not lose capability through the reduction that they imply.

Q22 **Mr Spellar:** In that context, let us just look at a particular example. Has the funding to withdraw the Army from Germany by 2020 and rebase it in the UK been sufficient? By the way, do you expect the withdrawal to be complete by 2020?

General Sir Nicholas Carter: The straight answers to those two questions are yes and yes. That said, on the last one, it will be our intention, certainly until 2023, given what is going on more broadly in Europe, to retain some assets in Germany that provide us with jumping-off points for other exercises and other activity that might be necessary.

Q23 **Mr Spellar:** So actually, in light of those developments, was it a prudent decision to withdraw to the UK—to pull back to the UK—compared with our basing in Germany?

General Sir Nicholas Carter: That opens up a bigger question as to what you think our posture should be nationally, and through NATO, in relation to the threat in eastern Europe. I do not want to prejudge what might happen at Warsaw next month, but, from our perspective, we feel that the capacity to be able to operate with those eastern European partners will be really important. A base in west Germany is not necessarily that much

more helpful than a base in the United Kingdom, particularly given the fact that actually crossing Europe these days in peace time is remarkably challenging, in terms of all the regulations that are necessary to get yourself to where you need to get to. Moving by sea is actually often more straightforward. There are complex issues at play here. What it really comes down to is the extent to which you want to be based further east, I would suggest, and exercising further east, certainly.

Q24 Mr Spellar: Okay. On equipment, there was a promise of increased spending by 0.5% every year. What has that meant, roughly, for the Army equipment programme?

David Stephens: It is difficult to tell because we do not track individual components of the spending review settlement in that way. They all go into a central pot and then the Department allocates budget to each of the front-line commands and other parts of the Department. We will be spending £12 billion on equipment between now and 2021.

Q25 Mr Spellar: How much?

David Stephens: We will be spending £12 billion on equipment in those years.

Q26 Mr Spellar: Is there any indication of what that will actually be buying you, or is that secret?

General Sir Nicholas Carter: It will get after the strike capability that I talked about in answer to Mr Mercer's question. It will also provide other money for other capability gaps that we need to fill in relation to our divisional war fighting capability.

Q27 Mr Spellar: Is there a risk that your training fund will be regularly cut in the face of the cost of fixed equipment and personnel costs?

General Sir Nicholas Carter: There is always a risk in the Army's budget that activity is cut, because so much of our budget is fixed by manpower costs—you have heard how much we are investing in equipment—so variable costs are always the ones that are vulnerable when it comes to spending rounds. Having said that, I cannot remember a time in my career when we spent more money on training than we do today. There is no risk, as I speak today, that our training activity is vulnerable.

Q28 Mr Spellar: But there have been a number of times in the past when, as you rightly say, the variable and flexible factor has been the training budget. You can almost get away with that in one year, or possibly even in two, but cumulatively that is, and has been, immensely damaging, has it not?

General Sir Nicholas Carter: I am not sure you can really get away with that at all actually, because so much of it is about the moral component. Elsewhere we are being absolutely encouraged to try to have a fully manned Army. If there is any indication that the element of the offer that is exciting training activity is diminished, it makes it very difficult to retain the sorts of excellent young people that we have in our Army.

Q29 **Mr Spellar:** A final question from me: what funds are you getting from the Chancellor's joint security fund of £1.5 billion every year?

David Stephens: Again, we cannot really answer that question because we are not tracking that component of the spending review settlement. It is just part of the overall budget now.

Q30 **Mr Spellar:** The Chancellor has a joint security fund that is discretely identified, and he says it is £1.5 billion, so presumably one must have an idea of which money is going to which Department out of it.

David Stephens: Yes, the Department bid against that and was given an allocation of that money. As I understand it, that is now part of the central pot.

Q31 **Mr Spellar:** Presumably the Department did not just send a letter along saying, "It would be nice to have some extra money out of your fund. Please send cheque by return." Presumably, it must have bid in and said, "These are the capabilities that we need in addition in order to meet the objectives of your fund. That is the basis on which we are making the application." Otherwise, you would just do a general budgetary award to the various Departments.

David Stephens: That may well have been the case, but we were not directly involved in the negotiations on the spending review. We are the recipients of a budget from the centre of the MOD and we cannot identify within that budget—

Q32 **Mr Spellar:** I come back to that. The Chancellor must have done it against a bid on projects or equipment, otherwise this is a completely superfluous exercise and the Chancellor would have done better to have divided it up and sent it out. Within that framework, the MOD must have said to the different arms within the MOD, "What are we going to bid in as our contribution to the joint security effort and therefore what money do we need?" There must have been some exercise within MOD to put in that bid to the Treasury.

General Sir Nicholas Carter: Yes, you are exactly right. That exercise did happen. Speaking as a member of the Chiefs of Staff Committee rather than purely as the head of the Army, the answer is that much of that money is to do with our relationship with the security and intelligence agencies, and how that works in integrated terms. One of the fundamental outputs of the SDSR was the fact that we need to work in a much more integrated way with those agencies. That was what that money was for.

Q33 **Mr Spellar:** I see. Roughly how much did the MOD get out of that?

General Sir Nicholas Carter: I am not qualified to answer that question because, speaking purely from the Army's budgetary perspective, it is not an area that we would particularly—

Q34 **Mr Spellar:** It would be useful to know from the MOD—perhaps we could have a note—how much each year the MOD is getting and roughly how that is allocated internally, subject to any security considerations, to the different services.

General Sir Nicholas Carter: We will ask for a formal response from the Ministry of Defence to that question.

- Q35 **Chair:** It is quite important when you consider that that particular fund has been much prayed in aid when talking about achieving the 2% of GDP spending on defence, although no doubt your point would be, "Yes, but that is the slice of the fund that comes into the MOD as a whole rather than the breakdown between the individual services." Given that the Levene reforms were meant to make the Chiefs of Staff individually rather more like chief executives, we would have thought that, while you may not carry that information in your heads, you certainly ought to be in a position to let us know afterwards how much you got.

General Sir Nicholas Carter: Yes, but what I am saying to you is that it would be very surprising if the Army received almost anything from that fund, because the nature of our role does not play into the purpose of it. There will be individuals in the Army who operate in the Joint Forces Command or elsewhere in Defence who may, through their specific role, benefit from it, but in broad terms I would expect the money to be spent outside the Army, because of our role. We will ask the MOD to clarify the position.

Chair: Thank you. On a related issue, I know that Madeleine has a point about special forces funding.

- Q36 **Mrs Moon:** I do. The Prime Minister announced an additional £2 billion mainly to go on equipment and support for special forces. Does that come into the figures that you have given us here today for equipment, or will it be under joint command?

General Sir Nicholas Carter: Yes, Joint Forces Command.

- Q37 **Chair:** Before I come to Colonel Bob Stewart, can I take you back very briefly to the strategy of reinforcement? I must admit I was rather surprised when you suggested that there wouldn't be anything much to be gained strategically by still having forces based in some part of Germany, given the recrudescence of a threat from further east. Are you really sure that it makes sense to continue with the total withdrawal of our presence from Germany, given the unfortunate revival of a somewhat more threatening posture from Russia?

General Sir Nicholas Carter: I am sorry to qualify, but I didn't say total withdrawal. I said that we will retain certain things in Germany. I expect us, probably, to retain our training facilities in Sennelager, where the current brigade is based. I expect us to retain our relationship with the German brigade that is based there. I expect us to retain much of our vehicles in Ayrshire barracks, slightly further west in the old Rheindahlen, for some time to come. I expect us to retain some logistic hubs and those sorts of thing that contribute to our ability to deploy.

From my perspective, what is much more important is how we develop our interoperability agenda with our partners in NATO. I have invested a significant effort in our connections to the French, and obviously to the Americans, and there has been a step behind to the Germans, but I have particularly invested effort in our connections to our joint expeditionary

partners. The relationships we are developing with the Danes, the Norwegians and, particularly, the three Baltic states are extremely relevant in all this. How we do that regularly and routinely is absolutely fundamental to your point, Chair, which is very much about deterrence.

- Q38 **Chair:** Indeed, we are trying to show something of a military presence in the Baltic states, just in case Russia gets some funny ideas about picking any of them off, in whole or in part. That is why it seems relevant to ask whether we should be keeping a bit more regeneration capacity in Germany than you have outlined.

General Sir Nicholas Carter: The answer is that we have taken a view and we believe we have kept adequate regeneration there, with the hubs I have described, and that we would be able to meet the needs of what comes out of the readiness action plan at Warsaw in a different way.

- Q39 **Bob Stewart:** General Nick, my question is going to roll together critical mass, operational capability and sustainment. Are we at critical mass for the Army now?

General Sir Nicholas Carter: I firmly believe that the credibility of our Army is based on its capacity to field a war fighting division. You will have seen listed in the SDSR the number 50,000, in terms of an expeditionary force. To my mind, the 80,000-odd that we have at the moment, give or take 3,000 or 4,000 here or there, and the Reserve we have, provide us with the essential capacity to be able to deliver a division like that. If you look back in history to '89 or '90, and if you look back to 2003, we generated a division on both those occasions from a Regular Army of around 100,000 and a Reserve Army of gusting 40,000. Those are the sorts of parameter within which we need to work if we are to deliver that sort of capacity.

We have carefully calculated the extent to which we can talk up the ability to deliver a war fighting division, and, given the margins I have described, we can do it, but I suspect that the margins are quite tough.

- Q40 **Bob Stewart:** Are you talking in terms of a division of three brigades?

General Sir Nicholas Carter: Again, you cannot tell what multinational contributions we'll get, but from a sovereign perspective, by 2025—

- Q41 **Bob Stewart:** Up to three brigades?

General Sir Nicholas Carter: Yes, by 2025 I want to be able to field two manoeuvre brigades—armoured infantry brigades, as we call them—and, ideally, a strike brigade. I would like to have some manoeuvre support—as you know far better than I, basic infantry to be able to protect things and guard prisoners—and, of course, all the combat service support necessary to represent the full orchestra.

- Q42 **Bob Stewart:** Does that include the 10,000 that should be reserved to stay at home to fight a terrorist incident?

General Sir Nicholas Carter: No.

- Q43 **Bob Stewart:** So that's on top, is it?

General Sir Nicholas Carter: That would be on top.

- Q44 **Bob Stewart:** My worry about the 50,000 figure is that it is something that could perhaps be shaved by politicians. When we say critical mass, is it the 82,000? Do you think 82,000 Regulars with a 30,000 Reserve Army is the critical mass, or—here's the question that worries me—could it go lower?

General Sir Nicholas Carter: The point I would make is that you need to look at the whole number. My US opposite number talks about his end strength on the basis of his full-time service, his National Guardsmen and his Reservists. I talk in exactly the same way. I want to be talking about an end strength of 120,000. That picks up my point about medical capability. If you take the whole number that I have described and you bring readiness criteria into it—how quickly you would expect us to field this thing—the plain fact is that that provides you with the ability to do a one-off divisional intervention, probably in a multinational context, and then it probably provides you with the opportunity to reorganise and to keep something behind thereafter while also watching your back in the UK, but there is not much margin for error thereafter.

- Q45 **Bob Stewart:** Which brings in the sustainment thing. You used the term "one-off" there, so we deploy up to three brigades in a war-fighting division for a one-off campaign of probably six months, but we cannot replenish, as it were, or we might be able to cobble together a brigade but we would not be able to put together a division to back it up. We could not replace it.

General Sir Nicholas Carter: No. You would not be able to replace the full division. You would probably be able to find a replacement divisional headquarters at readiness and you would probably be able to have a brigade there on an enduring basis, but if you had to go larger than that, it would be challenging.

- Q46 **Bob Stewart:** We have discussed already the manning levels in the Reserve Army. Can I ask you about recruitment in the Regular—I am particularly thinking of the teeth arms, actually. What is battalion recruiting like at the moment?

General Sir Nicholas Carter: The answer is that it is not as good as we need it to be, nor indeed as I would like it to be. It is a very challenging recruiting marketplace at the moment. The economy is reasonably vibrant. We have had four rounds of redundancy over the past four years, which has sent a message. Our traditional recruiting grounds—here I am talking about white Caucasian 16 to 25-year-olds—have shrunk by about 25% over the past 10 years. We are therefore having to adjust our recruiting to get after a different recruiting base from the one that traditionally we went to. That is challenging, not least because, paradoxically, I cannot remember a time in my career when we were more popular—we polled an approval rating of some 91% the other day—but equally I cannot remember a time when we were less well understood. I think that there is too much sympathy and not enough empathy, and we have to make that connection to society.

Before I am picked up by the Member over there, Mrs Moon, we also need to demonstrate fundamentally that we are a caring employer. I would be the first to admit that some of the unpleasant publicity that occurs from time to time—not least 10 days ago—is difficult. What I have to do as the head of this institution is absolutely to make people understand that we are changing the culture, and as we change that culture, so we become a more inclusive organisation and one that mums and dads can send their children to. I feel passionately about this as the head of this institution, and I will fundamentally change the culture in my next two and a half years as CGS. I leave behind me a non-return valve, which will put in context what I want this organisation to be come 2025. If we can get that to happen, there is a sporting chance that we will man this Army with the right talent in the infantry, but also more broadly in those skills that we need. There are weak signals that the Army is struggling with STEM skills in the same way as the Navy and the Air Force discovered that they were a few years ago. We have to get ahead of that so that we recruit the people that we need.

Q47 Bob Stewart: So we are coming round to the offer to Army personnel. Are you happy with the offer? Let me give you an example. You have officers behind you who in my day would have had a guaranteed career until 55. I find it quite difficult to encourage my own children to join the Armed Forces when there are cut-off gates: they can do three years; they can do eight years; they can do 16 years, and they are never guaranteed. When we were commissioned, we were guaranteed a career until 55—until those wretches in Parliament cut it by an Act of Parliament and did for us, of course. That is the offer that I am really thinking about: the offer to young men and women joining and going to Sandhurst. I would like to see the reintroduction of a Regular career that you are guaranteed unless you screw it up. We might then get more people of good quality coming in.

General Sir Nicholas Carter: You know as well as I do that the offer is a complex issue.

Bob Stewart: It is too complex.

General Sir Nicholas Carter: I did not join the Army to make money. I am in the Army because, fundamentally, I want to get out of bed every Monday morning. I am immensely stimulated by the job, by the people I work with and by the people I engage with. It is because of that that I have stayed in the Army, and it is for that reason that most Army officers and soldiers stay in the Army. They have to be adequately remunerated though, and that is really important. At the moment, the remuneration is okay, but we need to watch it.

What I say to people when I honestly look them in the eye is that we still benefit from a non-contributory pension scheme. We still benefit from subsidised accommodation. We still benefit from incremental pay. We still benefit from a leave scheme that is impressive. We still benefit from adventure training and sport. We still benefit from a life that is stimulating in terms of the people you work with, but all those things are fragile. I always remember that David Ramsbotham, when asked a question by this

Committee many years ago about morale in the Army, said, "It's fragile." All our morale is fragile. If you slip in the bath, you are in a different mood from when you got in the bath.

Much of it, though, goes down to leadership. I remember—I think you probably do as well—that when I last talked to the Armed Forces parliamentary group last year, we had the Army Sergeant Major with us, and he was asked about morale. He said that he remembered visiting some soldiers who were sitting in the sun in Belize drinking piña coladas on the beach. He said, "How's this?" and they said, "It's crap, sir." That is the point—they don't necessarily get it. They will have a completely different perspective from the one we might imagine.

At the moment, it is sound, but it is inevitably always fragile, and it comes down to leadership. It comes down to having confidence in the chain of command. It comes down to them trusting us to represent their interests in this sort of body, but more importantly, within the Ministry of Defence.

Bob Stewart: My last question was about morale, and you have answered it.

Q48 **Ruth Smeeth:** Building on what you have just been talking about, and especially your desire for significant cultural change within the force, part of the recruitment and retention aspect will be about personal development. How are you going to maximise talent in terms of the tangibles? You talk a great deal about maximising talent in the Army. How are you going to go about it, in both the Army and the Reserves?

General Sir Nicholas Carter: The first point I would make is that we have to diversify in order to achieve that talent. That means we have to reach out to different recruiting bases from the one we had before. We have some significant targets to make on the black, Asian and minority ethnic piece. We also want to broaden it to women generally.

Ruth Smeeth: That is a very good plan.

General Sir Nicholas Carter: That requires us to look at our career structure differently, because for better or for worse, our career structure was designed for men. As a result, many of the waypoints in that career that you have to meet by certain timelines are ones that are fundamentally designed for a timeline that men find easier to meet than women. Of course, if you look at our statistics, we have 8% to 9% women in the Army, but a huge number of those are in the first stage of the career, not the second and third stages.

What I am working to do is remove some of those constraints, so that it becomes possible for women to serve a full career, if that is what they would like to do. Indeed, some of the ideas we have around flexible working are designed not just for women, but for men who might wish to have a family and perhaps think differently about the way they slow their career down for a while and then pace it up again. It is thinking about it like that.

The second thing is that the traditional Army career has been on the basis of generalist first, specialist second. If you are going to get adequately remunerated at the moment, generally you have to be promoted up through the rank structure. That does not suit all specialisms. Pilots are a really good case in point. Of course, the Air Force, a long time ago, moved to a specialist pay spine for pilots. We have to do that for a lot of our slightly more esoteric capabilities, such as intelligence communicators, medics certainly— postgraduate and those sorts of skill bases. They do not necessarily need to be commissioned, but they need a career path where you value their specialism and are able to promote them up a pay spine in a way that allows them to maximise their potential.

Unusually, I cannot remember a time when two Army officers appeared in front of a Committee like this looking exactly the same in terms of the way they are dressed—almost; I'm not sure I am wearing the right tie. One of the areas we have put an effort into is the General Staff. For the benefit of those who do not necessarily know, when you finish at regimental duty and you stop being a Cheshire or a Royal Signals officer, you traditionally become a member of the General Staff. What we are doing with that body of people, who will have a range of different talents and skills, is manage them on a much more top-down basis than we have ever done before. This idea of having careers managed so that you think about what that individual could realise in terms of his or her longer-term potential is really important.

We want those people to have more placements in the outside world. We want them to have a chance to be attached to industry and to be educated differently so that they bring that skill base back into the Army and make us into an organisation that is more brains based and more appreciative of the talent that we need to be able to deal with what is a much more complex environment than one we have ever had to deal with before. So it is initiatives such as that, but, importantly, we have to do better by educating soldiers.

We talk much, and you will have heard much about this, about our apprentice schemes. We are the largest employer of apprentices in Europe—some 8,000 to 10,000 annually and we offer 200 different trades—but the reality is that we are not good at educating non-commissioned officers further in their career stream. My Army Sergeant Major—who, with the benefit of hindsight, would have been a good person to bring to the Committee—would speak passionately about this from his personal experience. We have to do better by educating non-commissioned officers as well as educating our officers, so there are definitely areas where we need to improve, but there are some good ideas out there, which I think will genuinely help us to maximise potential and acquire the talent that we need to be able to achieve success in this environment.

Q49 Ruth Smeeth: Can I ask you to step back slightly, especially where you have talked about women and others? There are two issues on which I am interested in hearing more information from you. The first is around career breaks, whether they are really feasible and how you go about delivering that. I think this is an incredibly important idea. Also, how can

someone be attached to industry for a period of time? I think that would help with things like procurement in the long term too. How could they then naturally come back into the forces? One issue I have is that the door to industry seems very much one way, especially for women. That restricts their ability to gain promotion, which is why we do not have as many women in senior ranks as I would like. What is your thinking on how you can come back in if you have taken a temporary career break or you have taken a career break from the military but want to rejoin the forces at a more senior level, like you would in any other employer?

General Sir Nicholas Carter: One of the really important initiatives that fell out of the defence review was a thing called the flexible engagement system. This will be designed to make it possible for you to dial your career down at certain points in your life, to pick up exactly your point. So, if you want to work only one day a week because that suits you, it will be possible within that construct to do it. Equally, it will be possible for you to go outside and to gain credit, either through an attachment to industry or through academia or whatever may be appropriate to you, and then not to have to come back in again, but, in a sense, just to pick your career back up.

It is really important that we do that, because, of course, what I am discovering, as I embrace defence reform and I try to become a cleverer customer, particularly of industry, but also of my other interlocutors in defence, is that I do not have the capability to be able to talk the sort of language that industry requires me to talk. I am not good commercially, in terms of my headquarters. I do not really understand the bottom line in the way that I would like to understand it. I can't drive as good a deal as I would like to drive to get those sort of partnership. We can realise those sorts of skill set, as you rightly observe, only if we give people the chance to go out into industry and learn more about it.

Interestingly, we have also brought McKinsey into our organisation. We ran a competition to see who would be the best strategic partner, and the upshot of that is that they are helping us do a skills transfer at the moment, so that we become better able to deal with the sorts of challenge that I have just described.

Ruth Smeeth: Thank you.

Q50 **Mrs Moon:** Well, General, I have been called many things in my long career, but the Member over there is a new soubriquet. However, I am pleased with what you had to say about your determination to focus on the duty of care. That message will be welcomed by every parent and everyone who cares for anyone serving in the armed forces. I do thank you for making that comment. I want to follow up on the issues that Ruth raised. It is in relation to women and the roles you envisage for them. There has been a long discussion about whether women should take on increased front-line roles, which tasks are appropriate for women and which are not, and about women in combat roles. How do you see the future Army maximising women's potential?

General Sir Nicholas Carter: I think we have to be careful about which words we use.

Mrs Moon: We do.

General Sir Nicholas Carter: People talk about women on the front line, and that is very different from women in combat. As you well know, ever since 1997, women have been able to serve on the front line and have done so with great aplomb and gallantry. Afghanistan is evidence of that, as three Military Crosses were won by women.

On our modern battlefield, which, in a sense, no longer has a front line, inevitably women are going to be involved in all that happens. The extent to which they fill infantry and Royal Armoured Corps roles, which are essentially the close combat roles, is subject to some analysis at the moment, as I think you know.

We have got to the point where we have commissioned the science. The science has reported recently with some emerging findings, which unsurprisingly suggest that women are more at risk to the physiological challenge that comes with those two roles. Now, that is not to say that it rules them out of being in those roles. It just means that you need to understand the greater risks that come with it.

What has helped us hugely from doing this—this goes back to your point about duty of care—is a realisation that we have been breaking far too many men. Just going out for a run, which is what Colonel Bob Stewart and I did when we were young, is not the answer. You need to train to go out on a run, as it were. We have learnt some really good lessons as a result of that.

We are likely to conclude that, if we set a proper standard, which is definitely the physical employment standard, there is no reason why all roles may not be opened up to women across the piece. We have yet firmly to make that recommendation and I expect that we will be getting our minds around doing that very soon.

Q51 **Mrs Moon:** We have been focused on the change to training in, rather than selecting out. A group of us went to see the Royal Marines to look at their Hunter unit, and we were very impressed. They were ensuring that people who were injured doing exactly the sort of training you described were helped to regain physical fitness so they could remain.

General Sir Nicholas Carter: I think it is both, though, isn't it? It is about mending people but it is also about avoiding breaking them. The latter is the bit we have to become cleverer at.

Q52 **Mrs Moon:** Yes. I think the RAF offered new women who were entering initial training the chance to go a week early to build up pelvic strength, because that is where women are particularly weak. It was interesting that when they offered that, lots of men complained, saying, "Can I do it as well?" It is true that perhaps everybody benefits from it.

We cannot move away from some of the really bad publicity that the Army, in particular, has had of late regarding sexual assault and bullying. The continuous attitudes survey still shows problems with bullying and sexual harassment. It is still acknowledged that, on the whole, people who attempt to make a complaint are warned off doing so. They are warned

that it could challenge or wreck their career and that, anyway, "The person guilty was a good soldier and we don't want to lose them."

What are you actually going to do? What is the big change that you are looking at implementing and that you hope will change some of those attitudes? Often it is about attitude, but it is about attitudes coming from the top and the bottom about what is acceptable and what is unacceptable. What are you hoping to do in practical terms?

General Sir Nicholas Carter: The first observation I would make is that it has to be led from the very top. That is why I talk passionately about it in my role as the head of this institution. On 3 September last year, I got together every single commanding officer in the British Army—some 250 of them—and all their regimental sergeant-majors. I launched a new code of leadership that was designed to get them to understand that leadership must be based on your values and standards. We espouse values and standards which everybody in this room would entirely respect and understand, but you have to live those values and standards. And fundamentally what you also have to understand as a leader is you really do need to know the people you lead, which takes time, effort and hard work. In knowing the people you lead, you can then develop this key word we were talking about a moment ago: care for your subordinates. That care underpins that mutual trust between leader and led.

If that occurs, you create a command climate in which people feel they can complain, because of course the complaint is a rather less formal process: it becomes a dialogue. And actually you should not need to complain over time, because you know each other well enough to be able to manage the relationship in such a way that it should not lead to a complaint. What I observed as I was doing this is that I entirely expected the number of complaints in the Army to go up as we changed this culture, because as you create a command climate in which people can complain, and it becomes something that is a reasonable and respectable thing to do, you should get more complaints before you then go over a hump and that should then decline.

The second thing that is, I think, really important in this is that we do hold people to account. Certainly, if you look back over the last five or 10 years, I do not think enough people have been adequately held to account when they have stepped out of line in terms of unacceptable behaviour. We have to get over some of the challenges to do with process in relation to employment legislation and law in terms of trying to hold people genuinely to account. That is something I feel very strongly about, because it is only a combination of the carrot and the stick that will probably have the effect that we need.

The next thing that is really important to me is to be absolutely transparent about this. That is why we had a survey into sexual harassment the year before last and why we will have another one in 2017, because I want to baseline our performance, and I want you all to know what our performance is about so that you hold us to account for what we are trying to achieve here. I am certain that, through that transparency—through forcing my leaders to look themselves in the mirror

and ensuring that they behave themselves in the way I insist I behave—there is a reasonable chance that actually we might change the culture and get after the phenomenon that you rightly describe.

- Q53 **Mrs Moon:** I spoke to someone recently who said they had served in another branch of the Armed Forces and moved to the Army because they really welcomed the challenge that the Army would bring, but they had been shocked to find the different ethos, in particular in relation to women. So I have to ask you: what is it essentially that is rotten that you need to be tackling? Because all that you have said is about leadership and messaging, but it also has to be about ensuring that that change is implemented at every level. Quite honestly, the message that I am still getting is that that is not happening.

General Sir Nicholas Carter: No. The answer is that we are changing culture here and it will take time, but I genuinely believe that with leadership from the top we can get after it. Where there is a will, there is a way, I would suggest.

I think also we recognise that we have an overly sexualised culture and alcohol is a two-edged tool. I am determined to do something about alcohol. It is a very difficult issue, as I know people who occupy this building would confirm. On the one hand, it can be very positive in terms of culture and bonding people together and providing the relaxation that people need, but on the other it is difficult. One of the challenges of the young today is—I suspect unlike our generation—they drink to get drunk rather than drink to enjoy themselves. Of course, that means that some of their behaviour becomes quite extraordinary.

It is also the case that we live in a goldfish bowl nowadays and the fact that the young are tempted to put their indiscretions up on social media means that you really do see what is happening in a way that one did not do in the past. Now, these sorts of issues are challenges and friction that we have to work through, but, I go back to my point: where there is a will, there is a way. And by having complete transparency and by having the data and not just anecdotes, I think we can genuinely get after those areas of the Army that we need to get after.

- Q54 **Mrs Moon:** Finally, can we have your assurance that if someone, whether it is a man or a woman, is bullied or sexually harassed, they can go to their chain of command, they will be dealt with appropriately and listened to, and the problems will be dealt with?

General Sir Nicholas Carter: Yes, you can have my assurance that that would happen.

- Q55 **Chair:** Is there a drug problem in the Army? If not, what is the secret of your success?

General Sir Nicholas Carter: As you probably know, Mr Chairman, we have a compulsory drug testing process—most units are done once or twice a year—and we have a zero-tolerance policy.

- Q56 **Chair:** And that means absolutely zero tolerance for any infringement at all?

General Sir Nicholas Carter: It is slightly different in the training organisation, where there is more latitude.¹ In the training organisation, people have just come in off the street from a culture where it is very prevalent. But once you are into the field Army, for certain types of drugs there is a zero-tolerance policy.²

Q57 **Johnny Mercer:** Briefly, I want to touch on sexual harassment, which Madeleine was just talking about. You talked about a report that came out 12 months ago. Can you remind us what the percentage of individual females in that report reported some sort of sexual harassment or assault?

General Sir Nicholas Carter: I'm afraid I cannot remember the figure off the top of my head, but it was too high a percentage for my liking.

Q58 **Johnny Mercer:** I seem to remember that it is around 47%.

General Sir Nicholas Carter: It is certainly up near the 50% mark.

Johnny Mercer: Which is shocking—absolutely shocking—for any sort of organisation. As someone who has served in it, it is difficult, because you work really, really hard. On the outside, people say, "Why do you go on about values and standards in the Army all the time?" But it is a way of life, and clearly something has happened here that we've missed. I absolutely concur with you that the complaints going up is not a bad sign at all. We see very much in hospitals—particularly in our areas—that it is a good thing.

You have answered this to an extent with Madeleine, but there seems to be a seismic problem with how the Army addresses females. I had a fantastic career in the Army, but based on these statistics you would never let your daughter join the Army. Are you confident that you can, through your leadership, imbue these values, standards and qualities to commanders all the way down the chain of command? Can you ensure that accountability? Nobody wants to see anyone get hung out to dry, but will there be proper punishments and deterrents for those who cross the line in this instance? Are you confident that you can bring this back on track?

General Sir Nicholas Carter: Yes.

Q59 **Ruth Smeeth:** I like that level of confidence. One of the other issues that we receive regular representations about is the Army recruiting people under the age of 18. I wonder what your current thinking on that is.

¹ Note by witness: Currently policy directs that soldiers under initial training are not Compulsory Drugs Tested (CDT) until week 6 of training. A young recruit undergoing initial training may well have a stronger case for retention due to this being: a first drugs offence or CDT failure which involved possession of a small amount of controlled drugs for personal use; the chances of reforming the individual are good; the individual is inexperienced, by age, rank or service; in all other respects the individual is considered a good soldier whose drug misuse was uncharacteristic, and whose retention would be in the interests of the Army.

² Note by witness: Every case of a soldier failing CDT is acted upon and a soldier will expect to be discharged, although there is an opportunity to make a case in retention in exceptional cases.

General Sir Nicholas Carter: Again, we want to maximise talent, and what the under-18s offer us is an opportunity to provide more apprenticeships and offer more trades. I think the statistics speak for themselves. About 65% of all our junior soldiers arrive with us at level 1 or below for literacy and numeracy—i.e. GCSE grade D or worse. On graduation, 100% achieve level 1 literacy. I think that is a really positive thing. Every single one of our training institutions—particularly Harrogate, where under-18s are educated—is validated by Ofsted. Harrogate always gets an exemplary record from the Ofsted visit.

We also need to look at some interesting anecdotes. Look at some of the recent examples, such as Second Lieutenant Kidane Cousland, who recently won the Sword of Honour at Sandhurst. He is a black officer who was diagnosed with dyslexia. He was illiterate up to the age of 15. He went to Harrogate, and he then came to Sandhurst and won the Sword of Honour. That is a really remarkable story. To my mind, what we are in the business of doing is bettering people. Notwithstanding the questioning we have just had about the duty of care and all that goes with it, we are an institution that values people and offers people a better life. Almost every non-commissioned officer you talk to will say that, and almost every single officer you talk to will say that. I think that the under-18s provide us with an opportunity.

I also think that we have to be very careful here. I am sure that all of you, as constituency MPs, have cadets in your constituencies. I have some 40,000 cadets that I am responsible for as the head of this institution. They are wonderful people. The opportunity that we offer them is a singular one. If you go and visit a cadet camp on Salisbury Plain or in East Anglia during the course of the summer holidays—I very much recommend that you do—you will discover kids there who are getting the only holiday they get all year. It probably costs them £50 to go and do this. Some parents only allow one child to go at a time because they can't afford to send more than that. We try to sponsor more to go. But that programme offers the opportunity for people to better themselves, to grow in stature and to contribute much to society. To my mind, this issue is frankly one about betterment. I open the doors to Harrogate. I would be delighted for any of you to come and visit it. To my mind, it is a great institution, which is turning out tremendous young people. They are being educated. They are not being trained to be soldiers, as such, they are being educated and bettered and developed. To my mind, that is a really powerful thing for an institution to be doing.

Ruth Smeeth: I am very supportive of our cadets, which is why I would like my Reserve centre to remain open so that I still have my cadets in Cobridge, please.

Q60 **Bob Stewart:** All I would like to say, CGS, is that there is one thing we need to get on the record. I think it is correct that no soldier, sailor, airman or airwoman goes on operations under the age of 18. I think we ought to have on the record that we are not recruiting these youngsters and they are not being sent on operations until they are 18—that really upsets them, of course! I just wanted that on the record to confirm that.

General Sir Nicholas Carter: Thank you. You are absolutely right in what you say.

- Q61 **Johnny Mercer:** Would you be prepared, General, to come back in 2017, when this report on sexual harassment is released, to do a special session with us, talk about it and go through it?

General Sir Nicholas Carter: Of course I would. Absolutely.

- Q62 **Phil Wilson:** General Carter, you talked about the new strike force. Can you explain your plans for the Army's new strike force, as it was announced in the SDSR? How does this change the Army 2020 plan and what difference will it make? Do you think you are going to get the right equipment to deliver the strategy that you have for them?

General Sir Nicholas Carter: Yes. The strike idea is designed to meet two outputs. The first output is what I described earlier: being able to project land power in a self-deployable fashion over greater distances, up to, say, 2,000 km.

The second thing that strike is designed to do is to be able to dominate a battle space that is increasingly larger and perhaps has more population on it, that is more complex and is also able to concentrate and disperse rapidly within that battle space. The capability is being built on a vehicle piece of equipment—

- Q63 **Phil Wilson:** Is that the AJAX?

General Sir Nicholas Carter: Yes, it is. It is being constructed in south Wales. They start to roll off the production line, not in south Wales, but initially in Europe, come next year. We are building the capability in a methodical and deliberate fashion over time, as this equipment rolls off the production line. Rather like we did in the 1930s, the idea is to test it to destruction and to experiment with it, in the same way we did with the mechanisation of force in the 1930s, so that we get the doctrine and the concept right at the forefront and so that we understand what the structure should look like. We test it and we veer and haul from it, so that, come 2021, we have an initial operating capability. I know that may sound a long way away, but that is the rate at which these vehicles are rolling off the production line.

- Q64 **Phil Wilson:** How many vehicles in total will you be looking for in the end?

General Sir Nicholas Carter: Well, a regiment equipped with AJAX will have around 50 to 60 AJAX vehicles within it. Each of these brigades will have two AJAX regiments and probably two mechanised infantry battalions as well.

- Q65 **Phil Wilson:** How will these compare with its predecessor?

- Q66 **General Sir Nicholas Carter:** Well, it is a completely different capability. We initially felt that we needed to buy it to replace what is called CVR(T). CVR(T) had the Scimitar, and the Spartan series of vehicles, which was a tracked reconnaissance vehicle. Of course, what we have now discovered, because technology has advanced significantly, is

that it is a much more capable platform than just simply a recce platform and therefore what we are now looking for is something that can fill a capability gap at the medium weight. Although weight is a bad way of describing things, it puts it into perspective for you.

Q67 **Bob Stewart:** It is very heavy—40 tonnes— isn't it, for infantry?

General Sir Nicholas Carter: It is heavy, but the mechanised infantry variant that will accompany it will probably be in the mid-30 tonne range as well. Of course, if you are going to deliver the sort of protection you need nowadays, it inevitably comes with a weight bill.

Q68 **Bob Stewart:** It is a 5 tonne increase on the Warrior.

General Sir Nicholas Carter: Again, Warrior is up at around 35 tonnes.

Q69 **Bob Stewart:** Is it now?

General Sir Nicholas Carter: It is once you've got the armour on it.

Q70 **Phil Wilson:** The next question is this. What role will the strike force play in NATO's very high readiness force?

General Sir Nicholas Carter: Once we get to full operating capability, which will be towards 2025, I would expect policy makers to want to have one of those brigades at probably 30 days' notice to move. There is a debate to be had about where you position the equipment—we have not had that debate yet—but obviously, going back to the earlier question the Chairman asked, where you position it is entirely relevant in relation to readiness.

Q71 **Phil Wilson:** Finally, can you give an update on the multilateral Joint Expeditionary Force—you mentioned earlier the force with Norway and the Netherlands?

General Sir Nicholas Carter: Yes. This varies between the three services. It has a joint title to it for obvious reasons, but from a land perspective, which is the perspective I am obviously more qualified to speak about, we have built on the back of the very successful interaction we had with the Danes and the Estonians from Afghanistan. We intend to incorporate the Norwegians as well as the Latvians and Lithuanians, and to a degree the Dutch, although in a way they are much more interested in their relationship with the Marines, which is their traditional relationship.

It is our intention that we can use that force in a sense as a vehicle for greater interoperability. When Warsaw recurs—there will be announcements associated with forward presence and the like—you will see this thing much more on the front burner than you might have seen in the past.

Q72 **Phil Wilson:** Would you like to offer any update on the UK-France combined joint expeditionary force?

General Sir Nicholas Carter: We have established the principle and run a series of exercises over the past three or four years since the Lancaster House agreement in 2010 or 2011 or whenever it was. The upshot of that is that we now have a very good understanding of each other's strengths

and weaknesses; we understand where our interoperability shortfalls are; and we have developed extremely close relationships. We are exchanging deputy divisional commanders. In our divisional headquarters in York in 18 months' time, there will be a French brigadier general. We will place a brigadier in one of their headquarters—in Besançon down in the Alps—so that we have that integration. I very much hope that it will lead to us operating together beyond just training together. We are discovering that, in cultural terms, our Armies have a huge amount in common, and that, in interoperability terms, it is not as challenging as one might have imagined 10 or 15 years ago.

Q73 Chair: The role of all these expeditionary and joint and combined forces is presumably to send a signal to Russia in particular that, should she think of trying to steal a march on the territory of any of those countries, it will be met with the full NATO response under article 5.

To what extent do you think that some NATO countries are particularly vulnerable—the Baltic states would be obvious candidates—and what implications does that have for NATO's open-door policy of allowing any country that wishes to do so to apply for membership? Do you think that we are in danger of overstretching the umbrella that NATO holds over its member countries to a point where credibility might be lost?

General Sir Nicholas Carter: I am going to speak, I guess, as a member of the Chiefs of Staff Committee rather than purely as the head of the Army. It seems to me that one needs to have a really good understanding of the deterrence theory that you are seeking to play in. The world has moved on since the deterrence theory of the cold war. The extent to which we understand the way in which our potential opponent might play into this is important.

I also think it is very important that we continue to retain the confidence-building measures that underpinned our relationship reasonably effectively during the cold war. You will recall organisations like BRIXMIS in Berlin. Everybody understood what it did but there was a mutual sense of equilibrium about the way in which it operated. Giving meaning to those sorts of ideas is really important in this equation.

One then has to have a real understanding of what your measures are going to do by way of reassuring your allies. That is why I think the conversation we have just had in answering the questions on the Joint Expeditionary Force and CJEF, and all of this, is so relevant, because quite how our interoperability stacks up in terms of providing the deterrence that potential opponents might be wary of is fundamental.

We also need to recognise that the character of conflict has changed, and the way in which people might now manoeuvre against us is very different. I always stylise this as an era of constant competition. I think that the boundaries between peace and war are now much more blurred than they once were. The distinction between home and away is very different from what it once was. Invariably triumph is now often in the narrative rather than in activity on the ground. How that plays into the situation that you set out is very relevant to all of this, and it is about how areas like cyber and information warfare—I know that members of the

Committee visited 77 Brigade the other day—play into the equation, which is hugely relevant to the way in which the character of conflict is changing the way in which we think about things.

- Q74 **Chair:** One of the traditional aspects of the cold war was the concept of spheres of influence. Of course, the concept of spheres of influence cuts against the concept of self-determination. During the cold war there were a number of countries like Finland and Sweden that adopted policies of having fairly strong home armed forces while remaining non-aligned. How do you react to the prospect of greater polarisation when the suggestion is made that countries that were traditionally non-aligned during the cold war might actually apply to join the NATO alliance? What effect do you think that would have on the relationship between our traditional cold war adversary, Russia, and the western alliance?

General Sir Nicholas Carter: In this era of constant competition, which I described, and indeed given the pervasive nature of information, every action has an effect. As you take a step forwards, you need to be thinking through the first, second and third order consequences of that action. My expectation is that there may be a response, and it will be very interesting to see what response happens in relation to whatever is announced at Warsaw, for example.

- Q75 **Chair:** A very diplomatic response to my question. Finally on this theme, given that we still face a continuing if not intensifying threat from insurgencies, particularly Islamist totalitarian extremism operating on an international basis, do you feel that there is any scope for co-operation with Russia against this sort of threat, where our interests might be in common, at the same time as we stand up to Russia where our interests might clash, as in central and eastern Europe?

General Sir Nicholas Carter: Trying to identify common ground on which you can co-operate is a very sensible parallel strategy to one that has the iron fist quietly hidden behind your back because, going back to my point about our Army being able to deliver a war fighting division, it is that hard power credibility that gives you the authority and the credibility to be able to exercise soft power in a way that is entirely constructive. To my mind, in grand strategic terms, you need to have a strategy that picks up all of the different tactics and techniques that are necessary to have this effect.

- Q76 **Mrs Moon:** Following on the theme of membership of NATO, it isn't just about how many soldiers, airmen and ships you have; it is also about having to meet common standards on corruption, transparency and values. It is very much in meeting those common standards that you will hopefully also reduce any potential conflict between yourself and other members of NATO in the future. I sometimes think that we forget the capacity building that NATO membership brings to nations who aspire to membership.

One of the capacities that I worry is being lost in this House is an understanding of the armed forces. There are perhaps fewer Members who are engaged—as you said at the beginning, there is more sympathy than empathy and understanding. I always think that that is not helped

by language. The SDSR said that there is to be a refinement of a resource-informed force structure—I am not quite sure myself even what that means. It also said that a number of infantry battalions would be “reconfigured”. Does that mean that you will be facing new cuts in the numbers of soldiers and battalions? Is that what we are hiding between the military-speak and MOD-speak that makes you so difficult to understand?

General Sir Nicholas Carter: I absolutely agree with you about language and I very much hope that everybody has been able to understand what I have been talking about today.

Mrs Moon: Yes.

General Sir Nicholas Carter: Putting that smartly to one side, what it actually means goes back to when I talked about specialised infantry battalions in answer to the very first question. These creatures, which will only be about 300 strong, allow me—because they will be built from battalions that are 550 strong—to be able to reinvest over time the 250 saving which you make into the other infantry battalions around them to make them more resilient.

Q77 **Mrs Moon:** They are very small though.

General Sir Nicholas Carter: But I want them to be small; I want 300-man battalions, because I want them to conduct these very specialised tasks. I want them to have more non-commissioned officers and officers. I want them to be linguists. I want them to have cultural expertise. I want them to have very professional skills, so that they are able to perform a number of outputs. I want them, for example, to be able to go into the heart of Nigeria and be able to train a Nigerian division to go into the fight against Boko Haram. I want them to be able to train the Kurds to go and fight against Daesh in Iraq. I want them to be able to train the Ukrainian armed forces to be able to provide an effective deterrent to Russia. I want them to do tasks that are at the higher end of risk, and to be able to really do something that is quite specialised. I won't be able to create that many. I don't want them any larger than they actually are. Oddly enough, they look very similar to some of the things that other nations have and I think that is probably a case in point.

Q78 **Douglas Chapman:** You covered quite a lot of ground before when you were talking about Reserves and Reservists, and the numbers and so on. I wonder whether you are perfectly happy with the way that Reserves are recruited at the moment and whether there is anything else you are thinking about in terms of how you can perhaps streamline that recruitment process and improve the numbers. Maybe you could just repeat again the trajectory of recruitment that you have on stream at the moment to reach the target figures.

General Sir Nicholas Carter: Would you mind if I gave the Committee a break from my voice for a moment and handed over to Johnny Crackett to pick that up?

Major-General Crackett: I can talk about recruiting Reserves for as long as you like. Whether you find it interesting is another matter.

There are four things you need to do if you are going to recruit Reserves. You need to have a clear purpose. You need to have a proposition—i.e. what they experience in training, life and reward and so on, which is a compelling and engaging one. You need to promote that through marketing, in a way that is effective and reaches the audiences you want to. Finally, you need to have a process to draw them through, which delivers all the checks and balances that you want but doesn't put them off in the process. Those four Ps are where always go when people say, "What are we doing on recruiting?"

I would argue that it has taken us time to re-learn some of that, but we have done an awful lot in the last two to three years on improving this. We have a clear purpose, albeit that you have heard CGS say that in the light of defence-planning assumptions, we are probably going to refine that over the next period to 2025. We have seen Reservists used according to that purpose. We have had Reservists form units keeping the peace on the green line in Cyprus. There are 150 Reservists there at the moment, doing a real job for the UN, keeping the peace between the Greeks and the Turks. We have seen them filling sandbags and operating communications to help recover from the floods and so on. So I think that purpose is sound.

The proposition is probably where we have invested most since FR20—since the White Paper was published—and the Reservist, as you know, has seen a whole load of things happen there. He has seen better kit and equipment, more exciting training opportunities, enhancements to the terms and conditions—he is getting paid leave now—and access to a pension scheme, and so on. We have also done a certain amount to make his employer's life easier by streamlining the process for claiming compensation and recognising their efforts. We now accredit virtually all Reserve training, so that a Reservist can go to his employer and say, "It's not just an Army course I've been on. I now have a certificate that your HR department can understand." A Reservist passing out from the recruits course at Pirbright, having done the first four weekends and two weeks of training, gets a level 1 certificate and employability skills. It is not much—I think it is a level C GCSE equivalent—but it might be the difference between them getting a job interview and not getting one. Also, of course, we have improved the process for managing relationships with our employers at national level with a bespoke defence relationship management system.

In terms of promoting that, yes, perhaps. Having not marketed the Reserve very well for some time, and perhaps not having had to do that against a declining Reserve establishment, we have had to re-learn the lessons about making sure that our marketing was diverse, and that it wasn't all about white lads with blacked-up faces running about in the woods with guns, by putting in more women, appealing more to ethnic minorities and displaying the diversity of the offer: not just combat, but logistics, intelligence, engineers and so on.

We are about to launch a new phase, or at least one visible phase, of an officer recruiting campaign for Reserves, which I think will be quite exciting. The proposition is "We can develop 100% of your potential in

10% of your time,” which we hope will resonate with young people. We are better addressing those myths. It is a surprise to me that the market research now tells us that 50% of people still do not realise that Reservists get paid, but at least we know that now, and can drive it into our marketing and try to address it.

In terms of the process, we continue to plug away, trying to make sure that we have enough checks in our recruiting process so that we know about people’s backgrounds and criminal records, and that they are medically fit, partly to discharge the duty of care that we talked about earlier, without making the process so cumbersome and bureaucratic that people are put off. We have made great progress there. On the time of flight through the system, if you have got all the answers to hand and you are fully fit, you can get through the process in 30 days, and I am assured that we have had people who have gone through in 30 days. More normally, it takes about 120 to 130 days. That is the sort of timescale. It is often driven by the time the individual wants to take.

We are nurturing people through the process better. We are just about to launch a new programme for specific officers who will be the uncles, if you like, for our officer candidates going through the process, holding their hand and keeping them keen. Ultimately, I aspire to look at the way some of this training and recruiting training is delivered, so that we might get on to more modern methods of learning and take out some of the chalk and talk and the time sitting. People could just do something on their smartphone, and we could recognise that. So quite a lot has gone on in this investment and attention which is behind the improvement in recruiting figures that I talked about earlier.

Q79 Douglas Chapman: In terms of the overall trajectory of the figures, I think Jim Shannon mentioned earlier the figures of 23,000 and 5,000. Are they on a trajectory that will help maintain that level so you can get to 30,000 and 8,000 trained Reservists?

Major-General Crackett: Yes. As I was saying earlier, if you take the flat average of the last 12 months—gains to trained strength, the net increased in the trained strength—that is in the order of 170 a month. That is pointing absolutely in the right direction, or thereabouts, but it is a challenge. If I were to say breezily here, “Oh yes, job done,” I think it would seriously underrate the potential challenges that we still face and the hard work of lots of people on the ground and in our recruiting organisation.

Q80 Douglas Chapman: I have another couple of questions. Developing the contractors for the sponsored Reserves that were mentioned in the Army 2020 document—how is that going? How does it compare with what the other two services—the Air Force and the Navy—are doing to maintain and build their Reserve capability?

Major-General Crackett: To be honest, I do not know how it compares with the other Reserves. We need to remember that sponsored Reserves is not an aim in itself; we do not have an aim to have so many sponsored Reserves. The point about sponsored Reserves, as I guess the Committee will know, is that they are contracted civilian capability, who the contractor

has agreed will be able to be mobilised in a military setting to carry out probably the same role in a combat or a threat environment in a framework of military discipline. It is tied to procurement of those contracts for services or, in most cases, new equipment delivery. We do not have a Voyager-type programme that we can show you. But, from memory, the things we are working on are catering and—

General Sir Nicholas Carter: We do power-pack repair through our relationship with Babcock. We do quite a lot of port operations, fuel storage and deployed catering, and I sense that we will probably go further. Of course, like all these things, paying for the sponsored reserve generally means a reduction in full-time regular military manpower. These things have to be quite carefully balanced. You need to be clear that you are buying better capability in the round, because as you do it you will undoubtedly shrink the size of the Army as it is currently defined. That would tell you that the definition is not necessarily helpful, because I would rather be looking at it on a whole-force basis, but in principle one needs to understand the dynamics that are happening there.

Q81 Douglas Chapman: Just one final question on Reserves. In 2011 there were plans to rationalise the Reserve estate, improve efficiency and so on. All that was to be done while still trying to recognise and maintain local links, provide access to training and so on. What has actually happened since 2011 on that process? What particular successes have you had in maintaining the links with local communities that you always had, or in joined-up thinking between the Reserves and their community?

General Sir Nicholas Carter: The answer is that we slowed it down significantly, for all sorts of good reasons. The connections with cadets are relevant and the connections to communities are relevant. What we wanted to understand was how sustainable the infrastructure was, in terms of the recruiting proposition that we were trying to bring. Back in July 2014, we unlocked the genie of recruiting. We said to Reserve units, "Go out and recruit. You won't be constrained in any way at all." That exercise was given a year to run, and last autumn we took a view on how well different units have done. We are still going through the process of analysing that, because we want to understand the geographical connection with their ability to man themselves.

What will then happen is that elsewhere in the forest there is something called Defence Footprint Strategy 2 that is under way. That strategic analysis of what the defence estate should look like is being conducted by the Defence Infrastructure Organisation, and how the reserve estate links into that will be a feature.

So it has been significantly slowed down. Some of the decisions that might have been taken then have been checked, because we want to make sure that we are dealing with the people and that we are providing the infrastructure that supports the recruiting proposition.

Q82 Douglas Chapman: May I ask a very quick question on resourcing? I am going to try to get my money's worth by asking Mr Stephens a question as well. We had Lord West at the Committee session last week, talking about the Type 26 ships. He said that naval budgets were under

tremendous pressure—in fact, at one stage he said that they had run out of money for that project. You are being asked to deliver very complex objectives with set budget resources. The 1% pay increase, annually, that was announced in the SDSR must be having some effect on the recruitment and retention of soldiers. There is a 30% cut in civilian staff, which perhaps affects your ability to manage resources and to build and gather intelligence—things like that. Given that set of circumstances, is there any risk that the Army could run out of money?

David Stephens: Well, I would answer that slightly differently. I think that there are very big resourcing challenges facing the Army, as there are facing other parts of the Department. We have a big efficiency target to deliver to contribute towards the efficiencies that the Department has signed up to. There are definitely very big challenges, such as the civilian workforce reduction, which you mentioned specifically—a 30% reduction is a big challenge on top of the over 30% that we have delivered since the last SDSR. So we are not short of resourcing challenges.

Q83 **Douglas Chapman:** But as things stand you think that what you are being asked to do can be delivered more or less on time and on budget?

David Stephens: We think that with the budget we have, provided we are given reasonable stability in the numbers so that we can plan ahead properly, we have a reasonable chance of making a go of this.

Q84 **Phil Wilson:** I don't know whether this is a question for Mr Stephens again. From what I understand, you need to cut the size of the MOD civil service by 30% over this Parliament.

David Stephens: Yes.

Q85 **Phil Wilson:** How many posts is that in general, and how will you maintain the capacity of the civil service to provide a service to the Army so that it can function properly? How are you maintaining the kind of skills that you require in the civil service to enable that to happen? Earlier, the General mentioned problems recruiting people with STEM subjects in the Army itself. Is that a problem in the MOD?

David Stephens: There are a number of issues there. At the moment, we have about 11,000 civilians working for the Army, so it is 30% of somewhere between 10,000 and 11,000, which was the baseline number. Some of that is in train already. For example, as we remove the remaining Army units from Germany, the civilian workforce supporting them there will no longer be needed. The schools in Germany, which are staffed by civil servant teachers, will no longer be needed. There are one or two other areas where we already have work in hand to deliver the services that civil servants are currently delivering in a different way. For example, the defence fire and rescue project is looking at how we might contract out that particular service, if that is the best value for money solution.

I think that achieving the target we have been set will be partly about reducing the requirement for people to do various things, but it will also be about coming up with different delivery models for delivering those services, because in many areas they will still be required by the Army. We are going to have to find different, more cost-effective ways of

providing those services so that we can achieve the financial and headcount targets that we have been set.

Q86 **Phil Wilson:** So you are confident that you can maintain the skills mix, so to speak, that you will require in the civil service as those numbers come down?

David Stephens: I was going to come on to skills. I think that we see the requirement to reduce by 30%, or somewhere around 30%, as an opportunity as well as a challenge. It is an opportunity in some areas to go a little bit further than we have strictly been required to go, to create some head room to develop new opportunities for civil servants in particular areas. For example, there are a number of jobs at the Army headquarters in Andover that could be done by appropriately qualified and experienced civil servants, but which at the moment are done by more expensive military officers. We definitely see an opportunity to go down that route.

Recruiting the skills we need is going to be another challenge. After years and years of pay restraint and other changes to terms and conditions, it is going to be difficult to recruit the experienced commercial project management and other specialist skills that we might need in future.

Q87 **Jim Shannon:** I apologise, gentlemen; there are other things that I will have to go and do before coming back here again. One of the things that has concerned me greatly over the last couple of years is the way the Army has reduced and the way the number of centres across the whole United Kingdom of Great Britain and Northern Ireland has lessened, which means the interaction with the communities has lessened as well. What I want to ask you is this: if you want to have a greater engagement with the community, surely the way to do that is to have Army centres, RAF centres and so on where the people are, so that interactions with the community can grow, rather than reduce? If there is going to be a strategy for engagement, where does it fit in with the closure of TA centres, Army camps and training bases?

General Sir Nicholas Carter: The answer goes back to the beginning. The Venn diagram that Army 2020 had at its core very much shows UK engagement as being a core purpose of the British Army. How the footprint we have throughout the United Kingdom plays into that engagement strategy is really important. For the first time in my memory, we now have a lieutenant general who sits over what we call home command, and one of his fundamental purposes is to improve our engagement.

I cannot remember whether you were in the room when I said it, but it comes back to the point I made about the paradox of popularity versus a lack of understanding. His task, in a sense, is about the recruiting and marketing deep battle. It is about getting that level of understanding improved. He does that through a network of regional commanders who are reasonably well dispersed throughout the United Kingdom. Certainly Northern Ireland, Wales and Scotland have a one-star officer in each of them, and then throughout England, there are around six commands. He

uses that network to make close contact with population centres and with different communities, to achieve the effect I have just described.

Of course it matters that there are Reserve centres in different constituencies. While you were out of the room, we answered a question from Douglas Chapman on this, to say that we have significantly slowed down the disposal of that infrastructure in recognition that there is such a close relationship between recruiting and Reserve. That makes a connection in terms of broader engagement.

The answer is that we are alert to this. We see it as a very important task. It is a task that a three-star officer sits over now. He absolutely understands the importance of it, and I am confident that our engagement strategy will begin to reap the sort of rewards it needs to. It is also helped significantly by the way in which the Government has an appetite to use us at home now. Regularly, people are now turned out in support of the civilian authority, and that connection is being made much more frequently than it might have been 10 or 15 years ago.

Q88 Ruth Smeeth: To move us on slightly, as I was so ably educated at Shrivenham last month, Army 2020 made defence engagement and homeland resilience core tasks. What does that mean in practice for the Army now?

General Sir Nicholas Carter: It sort of picks up on the question I have just answered. Of course, it means that we now allocate at readiness soldiers and formed bodies—units—to be able to respond at short notice to the sorts of challenge that might be presented through a terrorist threat or something else. The value of the Armed Forces being employed in that way has been demonstrated repeatedly over the last two or three years.

Q89 Ruth Smeeth: Have you got the finance to deliver it properly?

General Sir Nicholas Carter: Well, we deliver it, in a sense, as a second-order task out of our principal task, which is being able to field a war-fighting division. I am not fussed by that, because at the end of the day, what I want to demonstrate is that our Army has great utility. The fact that it can put its shoulder to other tasks in parallel with being prepared and trained for its principal task is, I think, a good thing for it to be able to do.

Q90 Ruth Smeeth: Given the important nature of both of these activities, how closely do you engage with broader Government strategy in terms of engagement with other Departments and other Government vehicles?

General Sir Nicholas Carter: At the local level, very significantly. In answer to that question, these regional commanders, who have an engagement function, also have a function to align themselves with the emergency services and with the civil administrative systems, so that the notion of gold, silver and bronze—that is the terminology people use in these sorts of scenario—is exercised regularly and routinely, and that you have developed the relationship before you have to be used.

Chair: Thank you. Gentlemen, I would like to thank you for your forbearance. The end is in sight; there is not much further to go.

General Sir Nicholas Carter: That's lucky because I have drunk far too much water.

Q91 **Chair:** We can always suspend immediately. If I see you squirming, I will not assume it is the lethality of my questions. I would like to refer a little to the wider issues of what the Army tries to do in a strategic context. You mentioned your awareness of the fact that a number of Committee members had a very interesting visit to 77 Brigade. Of course, these are people who think long, hard and deeply about the psychology of the enemies against whom they are pitting their wits. Do you think that the regular hierarchy of the Army sufficiently understands what they are trying to do and is sufficiently tuned in to the strategic context of the operations on which the Army is sent to intervene?

General Sir Nicholas Carter: The answer is that it is getting better at it. One of the big lessons we learned, as an army, from our engagement in Afghanistan is the extent to which the information age has changed the way we need to fight and operate. As a result, we have rewritten the Army's core doctrine, which is now called "Integrated Action".

As a commander, integrated action requires you, in almost any environment, not only a counter-insurgency environment, to analyse the outcome that you are seeking to achieve, then to analyse the audiences that are relevant to the attainment of that outcome. That could be a very broad kirk. It will clearly be the population at home, it will be the population in which you are operating deployed, it will be the enemy, it will be your allies, and it will be broader adversaries and actors on the ground.

Having gone through that process, you then need to analyse what effect you are seeking to achieve on that range of different audiences. You then need to look into your locker of methodologies and find the best mix of soft through to hard power to impart effect on to audience to achieve that effect. That is what you saw represented in 77 Brigade. What we are trying to do there is get a genuine understanding into the heart of the Army about the notion of information warfare. That is at the heart of integrated action.

I think we still have some distance to go. We will look very hard at how we combine intelligence, surveillance and reconnaissance with information warfare, cyber and information services more broadly. I suspect we will look hard at the structures of our Royal Signals. I think we will want to differentiate between infrastructure and networks, and the smart bit of data management and information services and all that goes with applications, to take us to a different level. I would not be surprised if we initiate an experiment to pull those capabilities together around 77 Brigade over the course of the next year or two.

We have further to go on how we train people, in cultural and linguistic terms. Although we have around 2,000 places a year for people to do language training and have now prescribed that if you are going to command a company or squadron in the British Army, you have to have survival language skills in a particular language, the plain fact is that we do not yet have the linguists we need to be able to deal with the

challenges of the modern world. That is going to take time to deliver and develop. We are not where I would like us to be on that and are having to play catch-up on it.

Of course, a lot of it depends on having a career structure that works as well. The career structure very much depends on having opportunity, which falls out of having a genuine strategy to be employed overseas in the areas where we want the language to be cultivated. That is really important as well.

If I can use that hackneyed expression, we are on a journey, we understand the sort of destination we need to get to, and we are pretty clear that we need to change the doctrine to make it happen. If you visited a brigade commander at divisional headquarters, or even a commanding officer these days, the words "integrated action" would be on the tip of their tongue when you asked them that question.

- Q92 **Chair:** Hasn't it traditionally been the case that the Army has usually had a considerable degree of expertise in whichever part of the world and whatever theatre of conflict it has been engaged?

General Sir Nicholas Carter: Yes, up to a point. I don't think any of us saw Afghanistan coming, did we?

- Q93 **Chair:** No, I wasn't thinking so much about seeing it coming, because predictability is something we should never take for granted as it usually turns out that we end up being taken by surprise. I am interested in the fact that when I asked you a few questions about strategic matters to do with the European theatre, and the Middle East and North African theatre as well, your immediate and understandable response was to say, "Now I should be speaking as a member of the chiefs of staff committee, rather than as head of the Army." Traditionally, the chiefs of staff committee has had a very powerful voice—almost a counter-balancing voice vis-à-vis the politicians—in relation to grand strategy.

That really isn't the case any longer now, is it? We have moved down a more joint approach. We have had the setting up of the permanent joint headquarters, particularly in relation to expeditionary operations. Do you feel that, as head of the Army and as a member of the chiefs of staff committee, you have sufficient opportunity to speak truth to power, or, in other words, to tell the politicians and the Government what you really think about the validity or otherwise of a proposed military strategy?

General Sir Nicholas Carter: First and foremost, the chiefs of staff committee is still alive and well. It is remarkably well chaired by General Sir Nick Houghton. We were talking only this morning about what approach we should be taking to some of the more challenging problems in the world. He convenes it for a more strategic meeting certainly monthly, and weekly we get a chance to come together to talk about matters that are more "in your face" and more urgent.

I think that our perspective is therefore adequately represented around that chiefs table, and I certainly feel—it is one of the things that fell out of Haddon-Cave and duty of care—that my full command responsibilities to my soldiers when deployed on joint operations allow me definitely to have

a voice in the way in which they are employed. I think that is a really important counter-balance to what might otherwise be simply a joint effort. So I think that matters.

In terms of my ability to speak truth before power, I think that is a really interesting question about the way in which the world is evolving. In the good old days, we made strategy on the basis of defining our ends, and we then worked out the ways and means to achieve those ends. We then—operational art—neatly sequenced all of that through a series of tactical battles to achieve the end. That assumed that we controlled the environment. In the information age, we do not control it in that way any longer.

What I have described, I think, is intended strategy. What happens now much more, I would suggest, is emergent strategy, when what you try to do is to take one step at a time, which is broadly in your direction of travel, and in taking that step at a time you try to hedge your opponents and build your alliances as you do it.

That requires you, I think, to have a very different relationship with policy makers than perhaps the traditional relationship that we had with policy makers. It requires you to know them, I think, much better, and I think that in speaking truth before power it is really important, both from your professional perspective and from mine, that we connect together, that we are less confrontational, that we understand each other better, and that we have thought about some of the things that could fall out of poor policy or good policy, we get the first, second and third order consequences of our actions. I suspect that, come 6 July, there will be a perspective tabled from Mr Chilcot on just that subject.

Q94 **Chair:** We have new pieces of machinery available, such as the National Security Council, which has a role to play. Am I right in thinking, and it is certainly the case that you are able to sit as the chiefs of staff and discuss strategy with each other, that you then have to rely on the Chief of the Defence Staff to take the outcome of those discussions forward to, for example, the NSC and indeed, I think, the Defence Board, where formerly you might have all sat as a committee integral to the new organisations?

General Sir Nicholas Carter: Yes, the Chief of the Defence Staff, as the Prime Minister's adviser on defence matters, represents the collective chiefs of staff when he goes and sits at the NSC. That is an arrangement that we are entirely comfortable with, given that we are given the opportunity to provide our input to him before he does that.

In terms of the Defence Board, there is a further committee that was created under Lord Levene's reforms, called the armed forces committee. That is a body that is, in a sense, more formal perhaps than the chiefs of staff committee, and where all of the top-level budget holders come together round the table to make sure that both the permanent secretary and the Chief of the Defence Staff are able to represent our perspective faithfully and fairly around the Defence Board table.

Q95 **Chair:** This is pretty much the final point from me and then we will have one more question. I am mainly concerned about the fact that it is easier for a Prime Minister with a bee in his bonnet, for example over Libya, to brush aside or at least cast aside—I would not suggest that it would be done lightly—the view of one person, the then Chief of the Defence Staff, who might have thought, just as an example, that the Libya operation was not necessarily playing to our best strategic interests, than to cast aside the collective view of the chiefs of staff as a body if he had to have the discussion with the chiefs of staff as a body. I wonder what you think about that and whether, even if you feel that we could not go back to the traditional approach, which was for the Prime Minister to meet in a staff conference with the chiefs of staff, we could perhaps as a halfway house consider making the chiefs of staff committee the military sub-committee of the National Security Council so that there is a clearer and broader avenue for strategic advice to go from the heads of the Armed Forces into the political process.

General Sir Nicholas Carter: I am allowed constitutionally to represent my position directly to the Prime Minister if I think it is appropriate for it to happen. I have never done that, but I could do that.

Q96 **Chair:** That is a bit of a desperate last throw, though, is it not?

General Sir Nicholas Carter: No, it's not, Mr Chairman. I just put that out there because I think it is important that we remember that, but we should all be thinking about how we learn lessons and improve ourselves, and if there is a better process that enables that sort of decision making to be improved, there is no reason why we should not study it.

Chair: I will take encouragement from that.

Q97 **Mrs Moon:** You scratched an itch with me a couple of times. You keep referring to the Ajax vehicle and it being built in Wales. It is not actually being built in Wales; it is being built in Spain. Would you like to tell the Committee how much is being built in Spain? My understanding is that it is the windscreen.

General Sir Nicholas Carter: The first 100 vehicles are being built in Spain; the remainder will be built in Wales.

Q98 **Mrs Moon:** How many is that?

David Stephens: It is 589 altogether.

General Sir Nicholas Carter: Thank you, David. It is 589.

Q99 **Mrs Moon:** So 100 vehicles are being totally—100%—built in Wales, and the rest are being built elsewhere, and none of the building of any of the rest will take place in Wales?

General Sir Nicholas Carter: I will write to you with the answer. I cannot remember the exact specifics, but broadly speaking—

Q100 **Mrs Moon:** I have tried to get those figures through parliamentary questions and I have always been blocked, so thank you.

General Sir Nicholas Carter: I will write to you with the answer, Madeleine.³

Chair: Madeleine never knowingly lets an opportunity pass.

Q101 **Johnny Mercer:** Thank you very much to the whole panel for coming in today. It is always very humbling when people in the defence team come in and we see the challenges, both internally and externally, that you are up against at the moment. My question goes back to Army 2020, really. In your minds, what will the Army look like in 2025? I would like to think that an Army is defined as much by how it looks after people, how the culture is and what the brand of the great institution of the British Army is as by how it is configured to meet what is an ever-changing threat. What is your view on that? Do you think that sufficient—I am not going to say finance and manpower, because that is too obvious, but do you think that sufficient priority is given to that by the Government?

General Sir Nicholas Carter: Let me describe what I would like to see the Army look like in 2025. I think I have described what its structure should look like and how it should be equipped, but as the CGS my priority will always be people. In my new operating model, I no longer have an Adjutant-General. The reason that I do not have an Adjutant-General is that effectively I am the Adjutant-General. People matter so much to me that I have put that at the heart of my agenda. I am the first CGS ever to have done that. I am the first CGS to want to get after the sorts of issues that you and Madeleine have raised. That is why I can confidently predict that they will be solved.

To pick up your point, I want our Army to be understood and valued at home, I want it to be an Army that lives by the values and standards that we espouse, and I want it to be an Army that fundamentally values everyone who serves inside it. I want it to be representative of our country's society. I want it to be an employer that all parents feel they can send their sons and daughters to join. I want it to be respected by our Allies and by our enemies alike for our professionalism and our war-fighting capability, and I want it to be adaptable, productive and usable, and filled with talented people. That is the sort of Army that I wish to leave as a legacy.

Mrs Moon: Amen to that.

Chair: A very good point on which to finish. Thank you all very much indeed.

³ Note by witness: [Written Parliamentary Question number HL7778](#), answered by Earl Howe, Minister of State in the House of Lords, on 27 April 2016.