

Defence Committee

Oral evidence: Armed Forces Covenant Annual Report 2017, HC 707

Tuesday 20 February 2018

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Members present: Dr Julian Lewis (Chair); Leo Docherty; Martin Docherty-Hughes; Mr Mark Francois; Graham P. Jones; Johnny Mercer; Gavin Robinson; Ruth Smeeth.

Questions 111-245

Witnesses

I: Rt Hon. Tobias Ellwood MP, Parliamentary Under-Secretary of State, Ministry of Defence, and Helen Helliwell, Head of Service Personnel Support, Ministry of Defence.

Examination of witnesses

Witnesses: Rt Hon. Tobias Ellwood MP and Helen Helliwell.

Q111 **Chair:** Good morning and welcome to this session on the Armed Forces Covenant annual report 2017. Before asking the Minister to make a brief opening comment, I would like him to say a word about his responsibilities and Helen to say a word about hers.

Mr Ellwood: Chair, thank you. It is a privilege to be in front of you; I have the honour for the first time. Of all the ministerial portfolios that exist in the MoD, one of the most challenging, but one of the most exciting, is the Defence people portfolio. To continue the journey with the covenant has been a real experience. I emphasise the word “journey” because sometimes we take a photograph of the situation and think that is it. What we are seeing are patterns evolving and attitudes changing, but a lot of work that still needs to be done.

Within the constraints of finances and so forth, I would obviously like things to happen at a faster pace, but we can nevertheless be proud of the model that we have in this country. I say that because we held a Five Eyes conference on veterans affairs during the summer to share knowledge and best practice with the United States, New Zealand, Australia and Canada. It was very interesting to see how different countries did things or were not doing anything at all. We are repeating the exercise with a number of European NATO countries. In setting that up, it was interesting to learn that in some cases, there isn’t a Minister for Veterans Affairs at all that covers the brief. That is a recognition of the advancement that we have made, but it is not an excuse to say that things cannot go further, which I am sure that is something you will want to look at.

I would emphasise—this is something I think this Committee really appreciates—that we place a burden, a responsibility, on those in uniform and there is an expectation, a desire and indeed a duty for the nation to respond and to make sure that we look after our service personnel while they are in uniform and once they depart. Instead of just saying service personnel, it is important we look at the Armed Forces family. It isn’t just an individual who wears the uniform—there is usually a husband, a wife, children or a partner involved as well. It is through that prism that everything must be looked at.

The big changes that have taken place under my watch and are developing are the creation of the veterans board and the launch and the progress made in the veterans gateway, a simple portal that allows those seeking support to look in one locality to work out where help can be found.

The model that we use in the UK—it is different in other countries, for example the United States—is that we have a symbiotic and very powerful and important relationship with the charitable sector. It is important to



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recognise that they provide huge expertise in the work that they do. In the same way that the Royal National Lifeboat Institution is expert at saving lives at sea, there are experts right across the charitable sector looking after the Armed Forces' personnel and veterans who are properly, professionally trained to do that role.

One frustration I have, which I am sure we will explore, is the limitations that we have in the MoD across Whitehall to make sure that things get done. The model that we have, not only in working with the charitable sector, is that we require other Whitehall Departments to recognise their duty under the Armed Forces Covenant. Culturally, that is something that is taking time to change. We are seeing that change take place, but in some cases it is frustratingly slow and it is something we need to work on. We need to see greater accountability across Whitehall. We need to ensure that we co-ordinate efforts. We must also ensure clarity of direction of strategy, and that absolutely requires us to have evidence-based policies and methods to measure that performance.

I am sure you have had chance to read the Armed Forces Covenant annual report. Each year we add more matrices. Were the Committee to have any recommendations on what further areas you would like or think are pertinent for us to include, we would very much welcome that.

I will pause there; I am sure we will go into the detail and more. Thank you again for the opportunity to discuss these matters.

Q112 Chair: A very useful setting of the scene. Thank you very much, Tobias. Helen, will you say a few words about your responsibilities and how you fit into all of this?

Helen Helliwell: I sit in the Ministry of Defence under the chief of defence personnel. I am responsible for the policy and strategy on Armed Forces health and wellbeing, the welfare of Armed Forces families and veterans and also the Armed Forces compensation scheme, the war pensions scheme and, of course, the Armed Forces Covenant as well.

Q113 Chair: Thank you. Tobias, you started off referring to the new Ministerial Covenant and Veterans Board, and the fact is it met for the first time last October. Has it made any difference to the delivery of the covenant, and will two meetings a year be enough?

Tobias Ellwood: Very good questions and it is pertinent to set where the veterans board—it's shortened to veterans board, and perhaps for the sake of this Committee we can call it that.

Chair: Let's call it that.

Tobias Ellwood: It meets twice a year and brings together Whitehall representatives. I and the Secretary of State have made it very clear that we look across the table to other Ministers and other Secretaries of State to ensure they are aware of what their responsibilities are in their Departments, and that is taking some time to enforce. Underneath that is the covenant reference group: the high-level officials that are doing more



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day-to-day work. This meets four times a year. There is also the services charities partnership board, which essentially is Cobseo, which I think you are familiar with and have met. It is essentially their executive, and that meets four times a year as well. In addition, we also have the ministerial external partners' board that, again, is Secretary of State-led. I attend all these meetings. We then have a Families Federation forum as well, which you met in the last hearing. I conduct a series of breakfasts and lunches, which bring together four or five Defence-facing charities every other week or so.

Across this piece, it gives you a flavour of the engagement we have in dealing with the covenant. When you ask whether two meetings a year are enough, when you place it into context I hope that makes sense. It is designed to set direction, it is designed as markers to qualify where things are and also to look ahead. One of the big challenges we face is making sure there are not huge differences, given the difficulties that come because of the set-up between the devolved Administrations. I'm afraid that is a challenge because we have a devolved arrangement in the United Kingdom.

Q114 Chair: While we are on that subject of devolved Administrations, how does the board interact with them?

Tobias Ellwood: They are represented on many of these committees, and certainly the veterans board. We have to recognise that there is a difficulty we are currently going through to do with Northern Ireland and the process of that, which I am sure the Chair and others are familiar with. Once that is resolved we can roll this out, but I would like to see greater co-ordination with the devolved members. Initially, it was set up that they would just attend. I don't see any problem—I think this is a recommendation that you have already touched on—why they don't become full members of the committee. I do make it clear that each time we have a meeting we advance, we move forward, we make progress and solidify the purpose, the functionality and the approach that we take.

Q115 Chair: So if I understand it correctly, you have a pyramid of different boards and committees that are meeting, this top-level strategic one six-monthly, but others much more frequently. Presumably, is it through this network of committees that you communicate the board's decision? Is that how you communicate the outcomes of the ministerial meetings with the Families Federations and the charities, so that the whole landscape is fully apprised of what you are doing?

Tobias Ellwood: Yes, but not exclusively. We have one-to-one meetings. Helen met the Families Federation only this week or last week. We meet on regular occasions in other events. We are all meeting at a conference this Thursday, so there are many opportunities for us to be able to explore and share ideas.

Ultimately, the purpose of the board is to set that strategic vision, but also as a marker, to check and hold to account the other Whitehall Departments. For me that is the most critical. I posed the question to the



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other Department heads, to say, "Do you know how many reservists are on your books?" I made it rhetorical—so, they didn't—but next time I will pose the same question. There is a mindset of understanding the benefits of veterans being employed, the support provided, the needs that are required, so that the Secretary of State for Local Government, for example, is able to send the message down to every local authority in the country so that we do not get that difference of standard that we see. If you go to somewhere like Shropshire or Staffordshire, for example, with the Arboretum, they have an affinity that goes back many years, as does Portsmouth, with its connections to the Royal Navy. Then you go to another county or local authority that has had less of a regular communication, dialogue or connection with the Armed Forces, and you will find the standards perhaps very different indeed.

That is the challenge we all face. I would argue that it behoves every one of us as Members of Parliament, when we do our occasional visits to the town hall, to pose those questions and say, "What are you doing for Armed Forces Day? What are you doing to make sure that your homelessness strategy includes recognition of looking after our Armed Forces personnel and veterans?"

Q116 Chair: So your message to other Government Departments is, "Before we start lecturing people at grassroots level, we should be setting a good example ourselves."

Mr Ellwood: It is a combination of both. I would not want to put one in front of another. As I say, there are great examples of local authorities that are doing an excellent job. I would like to have an accolade to welcome and pay tribute publicly to the local authorities that are the best at this. That is very important to recognise. There should be a standard across the piece.

Q117 Chair: How do you tell the public of your decisions?

Mr Ellwood: There are a number of avenues: through the annual report, through Parliament and through engagement. I am sure there are many of the public riveted now, watching this very session, who are delighted to see what is happening. There are many ways that we do this, including through the Families Federations and so forth. When we say "the public", that is quite a wide spectrum. We obviously have stakeholders within the public who have greater or increased levels of interest and concern in the decisions made.

For example, the Families Federations are currently not included in the veterans board meeting. My recommendation at the last meeting was that there are reasons for that—we need to do things in-house, and I am not sure the conversation would be as free-flowing if there were outside organisations—but there is no harm, given what we are trying to achieve, in part of the meeting being then opened up to specific members, if we are covering a subject that is pertinent to them, and specifically the Families Federations, which are such a key conduit in our communications with the families themselves.



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Q118 **Chair:** Helen, before we move on, are there any additions you want to make to what the Minister has said?

Helen Helliwell: I would just say that the ministerial board has been welcomed at official level as well. It provides an escalation route for us if we have not been able to resolve issues at official level. It is clear in its direction back to us on what it sees as priorities, and it provides a political level of scrutiny and ambition, which we have not had before. It is welcomed.

Q119 **Ruth Smeeth:** I need to declare that I am chair of the APPG for the Armed Forces Covenant in this place. That is my declaration officially done. You said that you raised with other Ministers the number of reservists that they have. I wonder, when you raise it again at the next meeting, whether you will ask them how many reservists their supply chain has.

Mr Ellwood: I am happy to do that. There is a bigger and more interesting question here. Again, this is something I learned last summer, when we shared best practice: the United States requires in the DOD that a percentage—I think it is 7.5%—of any supplier's workforce must be from the veterans' community. I would like to introduce something along those lines, and we are looking at that. EU legislation prevents us currently from even going down that road, but I understand it will not be there forever—I can see we are going to digress in a second. We can make it clear that we would like companies or businesses to declare the number of reservists they have on their books.

It is, again, something that is starting to change and shift culturally. The benefits that veterans bring to an organisation are phenomenal, but if you are not familiar with the Armed Forces and what actually happens—the leadership, commitment, determination and responsibility; all the sorts of things that a veteran brings—you would not necessarily know that it is a good recruiting ground for you to go to.

Helen Helliwell: Can I just add that the Cabinet Office last year published a procurement notice for all Government Departments, non-departmental public bodies and Executive agencies, encouraging them to get their supply chain to sign covenant pledges. That will obviously include both reservists and the employment of veterans as well. We are trying to tackle it through encouragement and, like the Minister said, making sure that they are aware of the good skillsets that these people bring. It is not a charity case, it is because they are good people to employ in businesses.

Q120 **Martin Docherty-Hughes:** Just quickly, on the issue of devolved Administrations, the Member for Bridgend and myself—although I will not speak on behalf of him, the Member for Belfast East was in general agreement—were slightly concerned that there was no direct involvement of senior civil servants from the three devolved Administrations. Minister, you have said that you are moving forward to rectify that position. The vast majority of services in devolved Administrations are run by those Administrations, so not having them there at the start was a bit



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concerning. How quickly will that move forward?

Tobias Ellwood: I can't put a figure on the pace, but we actually want to change. I will say that it is something that the covenant reference group is looking at. You have raised it here today, and I will shortly be visiting Scotland, so I hope we will have an opportunity to speak on these matters and learn more of what we can do.

I was in Belfast for Remembrance Day—I served in Northern Ireland as well—and there I learned the understandable difficulties, because of the history, in providing overt support for veterans. It obviously has to be done through a different prism, but nevertheless it is important that those voices are heard and recognised.

It dovetails in, partly for veterans, who we are talking about, but also for the Armed Forces themselves, because if somebody is moving from one location to another, there needs to be clarity on, for example, schoolkids and their programme of support, and also on housing and so forth. I hear what you say and I will take it away.

Helen Helliwell: In terms of the senior civil servants, they sit on the covenant reference group, as well as the national panel for grant funding, to make sure that we distribute funds across all of the UK. They were invited to the ministerial board, and we are taking further steps, as the Minister outlined.

Martin Docherty-Hughes: Thank you. That is a positive step.

Q121 **Gavin Robinson:** Building on that, and following the thrust of what was said before, I believe it is the case that the Northern Ireland Office is represented at the covenant reference group. Do you see the deficit in the NIO having no operational involvement in any of the devolved structures whatsoever? It has no responsibility for health, housing or schooling. Does that not crystallise the difficulty and the lack of engagement with devolved institutions? Is that replicated in Wales and Scotland?

Tobias Ellwood: You highlight the challenge that we face. Simply because of devolved responsibilities, we have to work through this. We have to make sure that the Armed Forces, or any individual soldier, sailor or air personnel, are not inhibited because of those divisions in devolved responsibilities.

We try to facilitate the important understanding and communications through the actual covenant reference group itself. That is the senior official-level body that brings together all the necessary parties, so we can avoid those challenges. It is a reflection of our governance structure that that is what we have to deal with.

Q122 **Gavin Robinson:** Is there an understanding that, while Armed Forces champions or covenant champions in our local authorities are an important part of the matrix, our local authorities in Northern Ireland have no responsibility for any of those issues—housing, health or



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education?

Tobias Ellwood: Again, my visit to Belfast was very helpful. It is being designed in a different manner, as you will be aware. It is actually a different model, which has been determined not by us in the MoD but in fact by Northern Ireland itself. It would be difficult for me to challenge or criticise that, because that is what has been deemed appropriate by Northern Ireland itself.

Q123 **Gavin Robinson:** Without trying to focus on Northern Ireland particularly, one problem we have is that there was an ad hoc approach, depending on which Minister was responsible for an individual Department. The last time your predecessor was here to discuss covenant issues, I read out a letter from our then Minister of Health, who indicated that the Armed Forces Covenant does not apply to Northern Ireland. Of course, that is wrong—it was her view at the time—but what assurance can you give, as Minister for Veterans, that veterans in Northern Ireland will be treated similarly to those across the rest of the United Kingdom?

Tobias Ellwood: They shouldn't just be treated similarly, they should be treated to the same standard. I repeat the point that it is a very different set of circumstances that we have to deal with, with individuals who sometimes don't want to be seen. The public positioning of the support needs to be done in a very different, more subtle way.

Q124 **Gavin Robinson:** Ms Helliwell?

Helen Helliwell: I was just going to say that the covenant fund has recognised this issue as well, by supporting Northern Ireland with £300,000 of funding to strengthen the relationships with local authorities and service providers. We encourage bids with them to the covenant fund, and we have links there through our 38 Brigade, and all the links through the Armed Forces champions and the other local authorities. We are very conscious of the issue, and are trying to build up that capacity and capability in Northern Ireland.

Q125 **Gavin Robinson:** Thank you for that. I think you recognise that there is a London-centric nature to the covenant for devolved nations, but also, Minister, you have highlighted your frustration with the lack of co-ordination within Whitehall. Are we getting to the stage where, rather than hoping or aspiring that the covenant be delivered through a moral obligation, a statutory duty will be placed upon public authorities in this country?

Mr Ellwood: Yes, that is what is now happening. In local government, we are seeing guidance come through from the Department for Communities and Local Government saying, for example, that you have to remove the locality link for providing homes for those who are homeless or rough sleeping if they were in the Armed Forces. That is showing change that is taking place, because I find that until that happens, local authorities will be reluctant simply to take it upon themselves. It must come from Whitehall itself, and that is now happening. That is reflected in the number of statistics in the Armed Forces Covenant report—I have tabbed all the



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ones that it has at the moment. I hope that the next annual report will have a number more. Again, that shows advancement in what we are doing to make sure that we can scrutinise what other Departments are doing, and hold them to account.

Q126 Gavin Robinson: But do you believe that this Parliament should legislate for a duty to adhere to the Armed Forces Covenant for public authorities throughout the United Kingdom? Do you think that we are getting to the stage where, to ensure compliance not only in Whitehall but throughout the devolved nations, a statutory provision that requires adherence to the Armed Forces Covenant would be beneficial?

Mr Ellwood: You raise the question about what vehicle is best to ensure that local authorities, in this case, are answering their obligations to the Armed Forces Covenant. For the moment, we are seeing movement to legislate. I am not sure that it can necessarily go any faster, because it will take time to legislate anyway. We are seeing movement. Again, it is incumbent on us all to ensure that local authorities are meeting their requirements, but now that the veterans board is up and running, in a sense it is answering those questions, which, for the moment, means that no further legislation is required.

Q127 Gavin Robinson: Do you know when we will receive a list of Ministers who are responsible for veterans' issues in their respective Departments?

Mr Ellwood: We can give the list of who attends the veterans board. I am sure that will—

Q128 Gavin Robinson: Will they be regular attendees, or will that change? Are they entrusted with the responsibility of championing veterans' issues within their Department, or are they ad hoc attendees?

Mr Ellwood: I went out on a limb—because I think I was the only Minister there; everybody else was at Secretary-of-State level—and said that I very much hope, with respect to sirs, ma'ams, and everybody who was there, that you are not replaced by a senior civil servant, but that it is those at Secretary-of-State level that attend the meetings. That is the importance that we must place on it. What is the purpose of having a veterans board if the individuals cannot go back to their Department and drive through the necessary changes that we want to see happen?

Q129 Gavin Robinson: That is very strong and very helpful. Do you think that it would be useful if the other Departments published, in their annual reports for example, how best they are adhering to and delivering through the Armed Forces Covenant?

Mr Ellwood: I think that is a brilliant idea, and if you do not tell anyone else, I will use it as my idea.

Gavin Robinson: But for *Hansard* and the publicity.

Helen Helliwell: Other Departments are represented in the annual report that we publish. They all contribute to that report.



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Q130 **Gavin Robinson:** So they contribute to your report, but they don't—

Helen Helliwell: I see it as a cross-Government report. It is a report of cross-Government action. The MoD may co-ordinate the inputs for it, but it is very much signed off by each Minister of those Departments.

Q131 **Gavin Robinson:** I accept that entirely, but hopefully a strand could be added to their own respective, independent, individual reports.

Mr Ellwood: I think that is an excellent idea.

Chair: I've got Martin, then Johnny on this, and then Johnny will take us forward on to the next section.

Q132 **Martin Docherty-Hughes:** Briefly, I want to touch on some of the points that Gavin made, Chair, going back to the devolved issue. We've heard, Minister, about the challenges of that set-up, yet a lot of the challenges that we hear about in Committee are on the impact of the diversity of public service delivery for service personnel and veterans in England. If I were to go home to my constituency, I have one community health and care partnership. There are only 32 of them in Scotland that have a conjoined single outcome agreement, like the Scottish Government. It is not difficult to see that there is a conjoined system. I am not saying that it is perfect, but there is an opportunity to learn. The idea that there is a constitutional issue creates challenges; there are also opportunities from which we can learn. That may help other constituency MPs across the UK to see that the diversity that is being delivered, or the impact of diversity—predominantly in England, where there are many concerns persistently raised in Committee—might actually be informing that debate. I just find the constant issue of challenge because of the constitutional position quite difficult to get my head around.

Mr Ellwood: I think you have raised an important point. Stepping back from this particular issue, it is one of the bigger challenges that we need to look at. In the case, for example, of health provision, we have established the Health Partnership Board. It brings together NHS England, the MoD and, indeed, the devolved Administrations' specific Departments in this area—I think the Surgeon General is involved as well—to ensure that there is close co-operation in that spectrum of responsibilities. It meets three times a year. In the other particular strands of responsibility, we could perhaps look at setting up similar structures, so we can make sure that there is best practice—but ultimately that there is a simpler understood approach, from when those people are transiting from one locality of the UK to another.

Q133 **Johnny Mercer:** Helen, how long have you been working on the Armed Forces Covenant now?

Helen Helliwell: Just over two years. Previously I worked on the Armed Forces Covenant when it first came in in 2011.

Q134 **Johnny Mercer:** From the moment it first came in, we have known there is a serious challenge around bringing this in in Northern Ireland, because of the way legislation works. So why are we still talking now about



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getting someone from Northern Ireland on to the board, and potentially getting someone to sit in and listen to it? We had this exact same conversation in 2015 and 2016. Why is there no one up from Northern Ireland?

Mr Ellwood: Who would you invite? There is no Government for us to talk to at the moment.

Q135 **Johnny Mercer:** Previously, in 2016, there has been; and in 2015.

Mr Ellwood: But the veterans board was not sitting then.

Q136 **Johnny Mercer:** But you had these meetings around joined-up healthcare provision, and things like that. You have had these meetings around service charities, and around how the Armed Forces Covenant is implemented. You have had these since, I think, 2013, when they were first set up. So now, in 2018—I accept the point, at the moment, around the Government, but that dissolved nine months ago—why do we still not have someone from Northern Ireland?

Mr Ellwood: We do.

Helen Helliwell: We do have representatives from Northern Ireland. We have done in the past, but it is not always about presence on the board. There is a lot of work that goes on behind the scenes to make the covenant a reality in Northern Ireland, which we might not want to publicise so much, as we have discussed before, for obvious reasons; but there is a lot of work that goes on behind the scenes without having to put a big stamp on it, because of the particular difficulties over there. There is engagement with officials in Northern Ireland. Previous ministerial trips have been made over to Northern Ireland. As I have said, we have now given extra funding for Northern Ireland, to build up the capacity building; so there have been a number of work strands over the years, to do more.

Q137 **Johnny Mercer:** So you are comfortable that they are properly represented, and the intricacies of that challenge of bringing Northern Ireland on to it is represented in these boards?

Helen Helliwell: Clearly, because there is not an Administration there at the moment, no, in terms of political presence.

Johnny Mercer: Clearly.

Helen Helliwell: But at official level, and with the brigades and with the veterans charities that are out there, we have got a much better handle on that—that has been work over a number of years, to get it to this stage—than we have had before. Of course there is always more that we can do. There is more that we are planning on doing. Setting up this new structure is going to be integral in that, as will the map of need work we are doing, to look across the whole of the UK, including Northern Ireland—evidence-based—at where is the need, for veterans, and what is that need? That is all work that is coming to fruition over the next few months.



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Mr Ellwood: If this is a concern for the Committee—specifically Northern Ireland—can I suggest that perhaps you do a visit to 38 Brigade and see, as I did, the work that is being done not only by those who are serving, and by the brigadier himself, but also by the veterans organisations that are based there, too? It is very subtle—

Johnny Mercer: Yes, so—

Mr Ellwood: If I may finish: it is on a different plane than we see in other parts of the UK, but they are profoundly committed to making sure—specifically because of the troubles, and so forth—that help and support is given. I hope that will be backed up by Mr Robinson.

Q138 **Johnny Mercer:** If I may, that is not the concern. The concern is that you get local authorities run by political parties who don't really believe in anything to do with the British Army, who will specifically go out of their way to not play a role in the Armed Forces Covenant. My question to you, and the concern, is that without an official sort of welcome into the tent from London, they are going to feel in these communities—and you know there are communities in Northern Ireland who feel—that the Armed Forces Covenant does not work for them because of their local authority. The question is: are you aware of that, and what sort of moves are you going to make to bring them into the tent?

Helen Helliwell: We need to find better ways of subtly communicating what support is out there, and who those Armed Forces champions are, in those local authorities, without putting them in any—

Johnny Mercer: Uncomfortable positions.

Helen Helliwell: Exactly.

Q139 **Johnny Mercer:** Tobias, you said at the start that some members of the Five Eyes community that you got together to talk about veterans care do not have Veterans Ministers. Which one does not have a Veterans Minister?

Mr Ellwood: The Europeans. It is not specifically in their title.

Q140 **Johnny Mercer:** So not the Five Eyes community. They all have Veterans Departments, ombudsmen or Ministers at the moment, haven't they?

Mr Ellwood: Yes. It is the Europeans who do not have it in their title, or who had to look carefully at whose responsibility it was.

Q141 **Johnny Mercer:** You have these groups where you get together and talk about the success of the Armed Forces Covenant. Clearly we have to do that. Is there, to your mind, any way that we could better assess the implementation of the Armed Forces Covenant across the country? I know how hard you guys work on this. You work relentlessly to try to get the positive side of the message across. I am also aware, as is every MP, of the image that the Armed Forces Covenant has and of the take-up among individuals in constituencies across the country. What can you do better in the Department to close that gap? We may have a series of



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objectives that we mark off as yellow, red, green or whatever, but how do we get to a place where we can measure how it feels for the guys in Plymouth, Leeds or Liverpool who want to use the Armed Forces Covenant?

I ask you that because, as you will have seen, the families came in and they could not find anybody who had stood up and used the Armed Forces Covenant and could say, "That's why this process should change." They have when an organisation has done it, and you have people working for themselves, but I am talking about individual servicemen and women. We have to close that gap. Do you have any ideas about how we could do that?

Mr Ellwood: I think I have just illustrated some of the things. You are questioning the entire model. I do not think the model itself is at fault. As I said at the beginning, it is a journey that needs to be advanced. We face a cultural challenge in the UK in terms of the support that we require to make sure that no Armed Forces personnel are disadvantaged, now that we have made our commitment to do so. I am afraid that that takes time, so we need further communication, we need to push forward the message through things like Armed Forces Day, and we need to make sure the veterans board has its matrix to hold to account the Ministry of Housing, Communities and Local Government, the NHS and so forth, and say, "Are you providing the support that is required and expected of you in these areas of responsibility?" We are absolutely making progress on that.

Q142 **Johnny Mercer:** How are you going to hold Government Departments to account?

Mr Ellwood: I will give you my copy of the covenant, if you like.

Q143 **Johnny Mercer:** I've read it, don't worry. How are you going to hold them to account?

Mr Ellwood: It shows very clearly where there is work to be done and where we have actually made progress with making sure that facilities are provided for mental health support, providing veterans expertise and getting GPs to become accredited experts in looking after veterans specifically. These are excellent ideas that are moving forward. You are just saying, "What more can you do?" If there are specific recommendations, we are absolutely open to ideas to advance this, but a lot of this is to do with the actual message itself.

Q144 **Johnny Mercer:** Okay, I get the message. Would you have veterans groups or leading charities represented on the veterans board so that they could say, "This is what you are putting in one end of the machine. I absolutely get that. This is what it feels like on the ground, and these are the detailed challenges we're coming up against"? Is there any way of getting anybody outside the MoD, or other Government Departments, involved in this process so that we cannot be accused of marking our own homework?

Mr Ellwood: Okay, first, I think we need to explain again what the veterans board actually does. It gives strategic direction and it provides



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the matrix from which the strategy is judged. You then have a series of other committees—

Q145 **Johnny Mercer:** Yes, it is those that I am talking about.

Mr Ellwood: We are in touch on a daily basis with the very people you are talking about, including the charities. We meet the charities every week to recognise and understand what more can be done to make sure that the covenant itself is met. That is the approach that we take.

Helen Helliwell: In a couple of weeks' time, I am going up to the veterans reference group, which is a group formed of veterans—whether they are wounded, injured or sick veterans or veterans who left usually—and their families, to sense test some of our policies and thinking so that we have a bit of a sounding board with veterans.

Q146 **Johnny Mercer:** That is exactly what I mean.

Helen Helliwell: I am going to see that group in a couple of weeks' time in Cardiff, and I really hope that they come on board and help us shape what we are looking to do on our veterans work. I am excited about that.

Q147 **Johnny Mercer:** Perfect. So that is taking place.

Helen Helliwell: And on the independent point, you know that we have independent reports particularly through Forces in Mind Trust: last year on the community covenant and this year on the covenant in businesses. We are up for continuing to do those reports with an independent body. He does scrutinise us and say, "This is going well, this is not going so well, you need to do more here." We really welcome that.

Q148 **Johnny Mercer:** Exactly. Could we move on to LIBOR funding? The NAO came up with a finding that they cannot confirm that charities spent their LIBOR grants as intended. Is the Department doing anything on that at the moment?

Tobias Ellwood: Do you want to expand a bit more on why they came up with that report, or shall I do that?

Q149 **Johnny Mercer:** Why, yes, but also what is the Department doing? We have had this enormous amount of money put into veterans' care; how are we going to make sure that there is something concrete at the end of that, so that in 15-20 years' time we are in a better position with veterans' care than we were before we put all this money into the system?

Tobias Ellwood: I think you have had the charities in front of you and they have pushed back a little bit on this very same question to do with whether the money had been poorly spent. These grants are going to some incredible charities that work very hard indeed, and to give the impression that somehow this money has been wasted paints a false picture of what is going on. When you have very small charities with just a handful of people, it is difficult to assess accurately whether or not the money is well spent. That has been expressed in the National Audit Office's report. When you look at some of the bigger charities that you



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have invited to speak here that did the work that has been done, they themselves are held to account as to how that money has been spent through the charities Commission and so forth. I would say that since the 2012 LIBOR funding, this has provided exceptional service—some of the best in the world—to those who have served and indeed to their families and partners.

Q150 Johnny Mercer: Do you think there is any issue at all about how some of this money is being spent?

Tobias Ellwood: There will always be an issue whenever you talk about any large sums of money given out—as, for example, with the National Lottery or the Department for International Development. There will always be a difficulty in ensuring that every single penny is well spent. I do not stand back and say that we should be flippant about this. We need to make sure that this is value for money. It is money that has gone through the Treasury, but ultimately we have a duty to the taxpayer to make sure that it is carefully spent. We are now moving to a new process whereby the LIBOR fund itself has got a new grants and advice model with a panel that is providing additional scrutiny as recommended by the National Audit Office.

Helen Helliwell: Can I be really clear about the fact that there are two different funds? There is the LIBOR fund: we changed the process around that from 2015 so it does have much more scrutiny now. Depending on the size of the bids it can be anything from £2,000 to £3 million or more, and it depends on how much scrutiny then goes into considering how the money has been spent, the means by which it was spent and how they were asked to spend it. The money is not always released at once. It would be released in stages depending on how the project was progressing, and that has happened since 2015.

Tobias Ellwood: So it can be pulled.

Helen Helliwell: It can be pulled.

Tobias Ellwood: If, as you might imply, something is going wrong then you can draw stumps.

Helen Helliwell: The covenant fund that was set up with a much better process from 2015 is £10 million per annum, and we have that in perpetuity. That is staffed by a core team in the Ministry of Defence but is made up of grant-making experts from outside. I recruited them in as grant-making experts. That is who we are now transferring into an independent charitable trust from 1 April 2018, to give it much more independence and to do much more exciting grant-making in the future.

Q151 Johnny Mercer: Is the Department doing a retrospective review of the grants since 2012? I believe that was going on.

Helen Helliwell: I think that is coming out later this year. That is the LIBOR side. One of my teams is funded by the Treasury. The Treasury is responsible for LIBOR, and the Ministry of Defence is responsible for the



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Armed Forces Covenant fund. One those teams will look at all of the LIBOR funding and produce a report on the impact of that LIBOR funding, and we are doing that with the Armed Forces Covenant £10 million per annum fund as well. Anglia Ruskin University is developing an impact framework, so all those successful grant-holders will have a new framework to look at the impact of their grant. We will be able to do that on each substantive grant and will be able to put all of that together and take an overall look at how the Armed Forces Covenant fund has impacted across the UK, which is really exciting.

Johnny Mercer: Great; that is really helpful.

Tobias Ellwood: If I could say that you touched quickly on the size of the form to be filled in, is that where your next question is?

Ruth Smeeth: No.

Chair: We're coming to it.

Q152 **Ruth Smeeth:** On that—we have heard it in previous evidence—with the new form or the new process, we seem to have swung from one extreme where it was relatively straightforward to get money to it now being very difficult for very small groups. I am not convinced that the support is being put in place to help the very small groups—and, in my constituency, the tri-service groups—which have no experience of applying for funding at all, to come together. I am interested to know what support you are putting in place to help the new organisations that are coming through.

Tobias Ellwood: To answer those two points, first, 83 pages is an astonishing length of form to fill out, online or elsewhere. The passport is shorter than that. I appreciate that point, but we are providing grants of up to £3 million, and—the very point that Mr Mercer raised—there needs to be understanding of where and how that money will be spent. If you are asking for only £5,000, you skip many of those pages or go through them very fast. So it is not applicable to all, but I hear what you are saying. Do you really need an 83-page document to apply for only £10,000? I will take this away and have further discussions about what is appropriate.

On the advice that is required, you are absolutely right. I found with my local authority, when applying for lottery schemes and so forth, that you almost have to learn how to press the right buttons to ensure that you secure the funding that you want. We have training days. Maybe Helen can expand on that, but there are opportunities and there is a vehicle out there to assist those who are seeking to complete this form.

Q153 **Ruth Smeeth:** Can I just come back on that? I have a wonderful group, but none of them were officers and they are all volunteers. So a training day is almost impossible for them to attend, because they work full time and are just trying to support each other. They are also not necessarily computer literate, so they look at this screen and have asked me to go to do it with them. I have absolutely no qualms about doing that, but it is ludicrous that we have ended up in a place where they want a Member of



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Parliament to work with them to fill in paperwork. I appreciate the comments about moving forward, but even the training day will have to be done at a time when it is volunteer-led. It cannot even be an online training facility for them.

Tobias Ellwood: Can I suggest the local covenant panel or something like that?

Helen Helliwell: It would be really good for them to get in touch with their local covenant panel. All local authorities have them, and they will be able to advise on how to fill in the forms for the Armed Forces Covenant funding. We have really slimmed those forms down, and they can be submitted at any time. LIBOR has come through a more difficult journey, but we are potentially at the end stage of that now. The team took on feedback that some people were finding it hard to fill out the forms, and that is why some parts of the forms do not have to be filled out, as the Minister said. Some of them are multimillion-pound capital build grants, so we do need a lot more information on those. But I completely agree that it needs to be much simpler for smaller grants, and the team has worked hard to try to do that.

I get the point about having briefing days in the MoD or around the country. If people are volunteers or working, we need to look at different ways of giving that guidance. There is certainly written guidance on the website, but we can look at whether we need to get more video guidance to make it more palatable for people.

Tobias Ellwood: Could I invite you to write to me, through the Chair, with the experience that you went through? I would be happy to look at that and to see what lessons we can learn. I would hate to think that anybody is put off or deterred from applying for this because of the complexities of the form.

Q154 **Martin Docherty-Hughes:** Before I put my questions, I want to pick up some of the points that Johnny and Ruth have made. Minister, you say that the management of the money is why we have the Charity Commission. From my perspective it is not the role of either the Charity Commission for England and Wales, the Charity Commission for Northern Ireland or the Office of the Scottish Charity Regulator to go into the finances of bodies, small or large, that for whatever reason LIBOR has decided to give money to without an adequate process. Let me be quite clear that it is not the job of the charity regulators to do that.

There are already existing structures across England and Wales and in Scotland. There are councils for voluntary service in England and the TSI networks in Scotland, which should be involved in this process. Discussions should be had with them as local providers of support to the third sector. It concerns me that they have not been involved in that. There are also large funders that tackle the issue around small grants and big, huge grants. The Big Lottery Fund is one of the biggest funders in the country, and there is the Robertson Trust. They easily manage to stipulate how you manage £2,000 as opposed to £1.5 million. Those



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structures exist. I recognise that it is now progressing, but it is something to reflect on. It concerns me that we put the Charity Commission and other regulators in such a position, if it is not within their legislative competence to manage the money of small charities, especially when it is given in such an ad hoc fashion. Let us take a look at some of the accusations made about LIBOR funding.

Tobias Ellwood: Before you move on, I am happy to take that away and look at it. Again, I want to see this as a simplified process, wherever it is in the country.

Q155 **Martin Docherty-Hughes:** It needs to be followed up. There are accusations that the LIBOR funding was used to substitute for projects that should have been financed from the MoD budget, and even that part of it was used to augment the 2% of GDP defence budget. How would you answer those types of questions about how that LIBOR funding was used previously?

Tobias Ellwood: Can I ask for examples of that?

Q156 **Martin Docherty-Hughes:** Just in general, people have been making accusations to us that this funding was going against projects that it should have been filling in for—for instance, youth projects within MoD facilities or within MoD premises for young people. Those issues are coming to us, and we are thinking, “How does that fit between the MoD budget and what the LIBOR funding was supposed physically to do?”

Tobias Ellwood: I think you are right. It is important that we retain focus on what the LIBOR funding is designed to do. Financially, the Committee is more apprised than many in recognising the financial pressures that the MoD is under. There is a basic set of standards of build—for example, in the construction at RAF Shawbury in Shrewsbury there was a corporals facility, which was mentioned in some of the previous testimony. Things are built to a set standard, if you like. If you want more bells and whistles, which is beyond the basic MoD construct, that is where LIBOR money can be applied for. That is why I was asking—I sort of put you on the spot, but I was asking about individual cases so that I can look at them and make that assessment.

Q157 **Martin Docherty-Hughes:** We can get back to that—I want the general gist.

Tobias Ellwood: The example that was used in the last evidence session involved a basic completion of build, and they were asking for additional things to go into that. In that case—I would love to think that there is MoD funding to be able to do those sorts of things, but there is a minimum standard that we expect, and for anything beyond that we have to look carefully and cleverly at how we fund it.

Helen Helliwell: On the 2%, the defence annual report will set out what we spend the big chunks of money on, and it will clearly show that the £10 million is a separate line to any infrastructure builds and so on. That is the first time I have heard the accusation that the £10 million per annum is



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used to prop up the 2% of GDP. That defence expenditure was set out clearly in the annual report, and this would be a separate line.

Q158 **Martin Docherty-Hughes:** That is good to hear, but what we have been hearing in a general fashion is that you say that you are not doing all the bells and whistles—one wonders why not—and that that is when LIBOR kicks in to deliver on an MoD project that already exists. That is rather than funding a process to support a veteran or the family of a service member, which is quite separate, and managed separately perhaps by a local charity. We then see LIBOR used to prop up MoD projects, no matter how well worth investing in.

Tobias Ellwood: Let us take a simple example of the officers mess. We are all familiar with those, and they all look rather similar across the world, wherever you go. If you wanted to find a swimming pool in one of those, you could argue in today's day and age, with the funding that we are up against, that perhaps that was above and beyond basic expectations. We must ask ourselves—you are aware of the financial pressures that we are under, and very tough decisions are made. I appreciate that some of these cases may seem quite grey, but they are blurred as to which side they should fall, and whether they should be MoD-funded or not. I am happy to look at any specific cases, but as I say, there is a basic set of build that we are expected to provide, and beyond that it is for the local corporals mess, as in this case, to say, "We would like something in addition. We would like to provide additional facilities here".

Q159 **Johnny Mercer:** The contribution to the Invictus games comes out of the LIBOR fund doesn't it? The contribution is split into three between Invictus and a couple of other contributors. There is a contribution from the MoD, and that comes out of LIBOR funding.

Helen Helliwell: It is LIBOR, not the Armed Forces Covenant fund. It is nothing to with the covenant fund. It is the Treasury's LIBOR.

Q160 **Johnny Mercer:** Yes, but it is LIBOR funding, isn't it?

Helen Helliwell: Correct.

Q161 **Johnny Mercer:** So is that a correct use of LIBOR funds, which was supposed to be going to all the causes initially outlined by George Osborne and David Cameron when this came through? Do you think they sat there and thought that this is what LIBOR funding should be for?

Tobias Ellwood: I think it is an excellent example of what LIBOR funding should be used for. It is not part of the daily operational requirement of the MoD itself. It is an exceptional idea and concept that Prince Harry has promoted and pushed forward. It is not just LIBOR funding itself. There are three or four major sponsors involved in this. I think the MoD gives some direct funding, or we allocate resources—people—to help support it as well.

Q162 **Johnny Mercer:** You allocate resources in people, but is there any money at all that comes from the MoD that goes toward Invictus?



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Tobias Ellwood: I attended the last one. I would have to check on that. But it is hugely supported in a number of ways and I could get back to you. As a vehicle of what it actually does, it is absolutely exceptional.

Q163 **Johnny Mercer:** Nobody would dispute that at all, but other countries have Departments of Defence that fund their teams and contribute to the Invictus games. In this country, when the cheque is written from the MoD, we go straight to the LIBOR fund. Do you see how that may or may not be viewed by the great British public as either good or bad? I am slightly concerned, because I get the impression that you do not think there is any issue whatsoever in the way some of this LIBOR money has been spent, or in some of the ways your Department has spent it.

Tobias Ellwood: I fully appreciate that and we need to be careful as to how it is spent, but I think that you need to appreciate the question of where this pot of money is and where this money will come from. You, of all people, are calling for things down in Plymouth. Where is this money going to come from?

Q164 **Johnny Mercer:** With the greatest respect, that is not an answer, because that is a central Government responsibility.

Tobias Ellwood: It is an answer. We have to live within our means.

Johnny Mercer: No it is not. It is a central Government responsibility to fund Defence.

Chair: You must let the Minister respond when you make a point.

Tobias Ellwood: I am simply saying that I would love to see an increase in LIBOR funding. It will not continue for ever. It is coming to its end. Indeed, for many of the programmes initiated through LIBOR funding, part of the agreement was that there would be continuity of financial support to ensure that these projects did not curtail, or there was a finite end date. I think the work of Invictus games is absolutely incredible, whether there is support from the MoD. Quite rightly there is also support from the charitable sector. I think the taxpayer does not have a problem with LIBOR funds being used in this way.

Chair: Johnny, one more go?

Johnny Mercer: No.

Helen Helliwell: That is true of other countries as well, to be fair. Other countries use a mixed blend of funding.

Q165 **Johnny Mercer:** They do use a mixed blend, but their department contributes to the Invictus games and that is the understanding it was set up on.

Helen Helliwell: We do not have the answer to that.

Q166 **Johnny Mercer:** We don't do that. We go into the LIBOR pot and that is exactly what Martin was talking about.



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Helen Helliwell: I don't know that we don't do that. I do not know the answer to that, so I would need to confirm with you how much the MoD spends of its own budget on Invictus.

Tobias Ellwood: We would then need to compare that with all the other countries, which are often not sending teams of the size that we do, because we helped pioneer this project from the Warrior games itself.

Chair: We have to move on. Martin has one or two more questions on this and then we will make progress.

Q167 **Martin Docherty-Hughes:** In terms of how the covenant fund panel becoming an independent trust will make a difference, what resource will it have to make that difference as an independent body?

Helen Helliwell: We will still have the £10 million per annum. It always has been funded in terms of its administrative staff, from that £10 million per annum. That will continue, but, for example, we would be able to give it more freedoms, which are difficult for it to have in the MoD. For example, by bringing in staff at really short notice when there are a lot of grants to process. We will have a new IT system which allows a lot of automation of the grant process, which is difficult on MoD computer systems. We would be able to do things like micro-grants, which we are about to announce, in celebration of the first world war commemorations—up to 5,000 grants. That would be incredibly difficult for the MoD to process in terms of procurement, whereas the automated grant system will just be able to do that for us. It enables us to operate much more flexibly and efficiently in using that £10 million. By having that micro-grants system—it is a much more innovative way of funding. We are a bit constrained in how we do that in the Ministry of Defence at the moment.

Tobias Ellwood: Can I just underline that one of the huge success stories of that £10 million is the veterans gateway programme, which has been a seismic change in the way in which support is provided as the single portal for those who are unsure of where help might be found.

Q168 **Chair:** Could I come in briefly, if you will indulge me, Martin? I have the veterans gateway up on the screen. It is admirably clear and easy to navigate. It has a tab on just about every page saying "call us" and gives an 0808 number and another option for "live chat", which I presume is meant to be by email and so forth—

Helen Helliwell: It is actual live chat; rather than an email pinging back, you can talk to the person, like Skype typing.

Q169 **Chair:** Right, okay. That sounds as if you can basically communicate at any moment; however, you will be aware that there is a major public campaign at the moment, I think led by the *Daily Mail* but I may be wrong about that, to do with the need for a 24-hour mental health helpline not only for veterans but for serving personnel. What is being asked for that is not already being supplied? Is there any way in which you could see the veterans gateway being expanded or adapted to accommodate that particular campaign, which sounds like a very worthy



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cause?

Mr Ellwood: The first bigger point is that we have an obligation to make sure that there is 24/7 access for those who may need it. That currently exists in a number of ways, including the veterans gateway. As you says, that is 24/7.

Q170 **Chair:** So anybody ringing up at any time on that number that is tabbed on every page will get a human being to talk to.

Mr Ellwood: They will. There is also the Big White Wall. You may not want to talk to somebody—some people, particularly youngsters, do not and are more content with texting or typing a message—and the Big White Wall allows you to have that online conversation that Helen just referred to.

The most important line that we have working and that we actually help to fund 24/7, which has clinicians on the other end, is that run by Combat Stress—0800 138 1619. I am aware of the campaign to say that another 24/7 helpline needs to be introduced, but I think it needs to be elaborated if you call this number at 2 in the morning, what is going wrong with that system that is leading to people saying that we need a brand-new 24/7 helpline.

Q171 **Chair:** So you believe that whatever is being called for in this new campaign is already sufficiently covered by Combat Stress?

Mr Ellwood: I understand that Mr Mercer is one of the signatories to the new 24/7 helpline, so I am keen to learn how the current system is not working and how it does not provide the support if someone makes the call at two in the morning. We are very keen to ensure that support is provided and that the mechanics are in place for anybody who makes that call. I am worried that a lot of bad press has suggested somehow that this structure is not working.

Chair: I seem to remember having seen earlier evidence—I cannot bring it exactly to mind at the moment—that there were some limitations on what is already offered. Perhaps Leo can throw some light on this.

Q172 **Leo Docherty:** I can. I think it is about unease that this sort of stuff is being left to the third sector, when it should be owned and run by the Ministry of Defence, particularly when the at-risk include serving soldiers—it is not just veterans but serving soldiers at risk. You will know, Minister, the recent case of a serving soldier, Warrant Officer Nathan Hunt, who took his own life on new year's day following outstanding service in Afghanistan. He was a serving soldier who lacked the required support during a period of leave.

The unease and the concern driving the campaign, which I have supported, too, is that the Ministry of Defence is leaving this to be done by the third sector. We would be grateful if you could offer reassurance. I am very aware of the excellent work that Combat Stress does, but it would be very useful for the Committee if you could reassure us in that regard.



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Mr Ellwood: Thank you. It is important to have this sensitive conversation. Personally, I have faith in charities having the expertise to manage these operations. The MoD invests funds across the charitable sector because there is expertise in different areas. This is one case of that. I accept there may be some who feel that, if we are dealing with serving personnel, this should somehow be looked after by the MoD itself. But I make it clear that the mechanics of what happens when a call is made at, let's say, two in the morning, which keeps the person on the phone and leans on the emergency services in their locality, with someone arriving at the location where the person is calling for help—because that is what has to happen—works very well indeed.

Where there is a challenge—this is something the Secretary of State is now taking up—it is to do with the issue you raised: the stigma that a charity is doing this. But more importantly, it is to do with the communication, to ensure that every single member of the Armed Forces personnel is aware of the number to call and the help that is available. I am afraid that, when you and I served and were in uniform, it was difficult to put your hand up.

I finish with this point, if I may—this is a personal experience. I cannot speak for what happened in January, but my uncle committed suicide, very sadly. He was depressed, and people tried to help him, and he decided that he did not want that help. One day, he drove up to the Lake district, took a tube from the exhaust pipe, put it in the car window, fell asleep and killed himself. I don't know why he decided to take his life and what more we could have done—we rack our brains. Professionals have said, "Some people, if they are going to take their life, know where their help is. They know they could have reached out to a family member or anybody at all." But, in the case of my uncle, he decided to kill himself, and that is an absolute tragedy.

We need to make sure that those who are wanting to call for help know exactly where it is. Something we can all agree on is that more needs to be done by the service chiefs to ensure that every single member of personnel—particularly those on the books because they have come back with mental health or PTSD issues—is aware of what the number is to call. That is why we are looking at imaginative programmes such as putting the numbers on the back of the Armed Forces ID card, for example. We are exploring other ways to ensure that every single member of personnel, and indeed veteran, knows exactly where help can be provided.

Q173 **Leo Docherty:** That is what I was going to ask. It is hugely important not just that the provision is there but that it is operationalised, and every sub-unit and unit commander knows it is their responsibility to ensure that every man and woman in their unit has direct access to this level.

Mr Ellwood: We have this challenge that we all need to face: if you have a physical injury in the Armed Forces, you are happy to step forward and point to it, get it repaired and get back on to the frontline. When it comes to a mental injury, I am afraid that perhaps the macho environment that they are working with and their pride means they are more reluctant to



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step forward. The launch of the mental health strategy last year was about removing the stigma attached to mental health and saying, "It's a muscle and, like any other muscle in the body, it can be repaired." So prevention, detection and treatment are the ethos of the new strategy.

Q174 **Leo Docherty:** How many serving personnel have mental health problems?

Helen Helliwell: We have seen a rise in those presenting to the department of community mental health. I think we are now at about 3.2%—

Q175 **Leo Docherty:** Of serving personnel?

Helen Helliwell: Yes, correct. PTSD, we think, is at about 4%.

Q176 **Leo Docherty:** What is the direction of travel? Is it flat, or is it going up or down?

Helen Helliwell: I think some of the prevent and promote work will help to reduce the stigma and also make people more self-aware of their mental health state. I would not be surprised if we see more people presenting for mental health interventions, because they will be more aware of their own mental health and also what help is available to them. That has been a big part of our strategy.

Q177 **Leo Docherty:** So you are increasing your response to react to that possible surge in demand in the future.

Mr Ellwood: Yes, we are.

Helen Helliwell: Yes, the surgeon-general's area are looking at how they deliver mental health services to make sure it is absolutely optimised to meet the demand. We are working in partnership with others: as you know, we launched a project with the royal foundation to promote that concept of mental fitness, to get people talking about mental fitness. We hope to do a lot more prevent and promote so that fewer people fall more seriously mentally ill further downstream.

Q178 **Leo Docherty:** Minister, you mentioned the veterans gateway. How do we ensure that it also embraces serving personnel and is not too veterans-specific as a tool for people to receive help? Are you concerned that it might be too veterans-specific?

Mr Ellwood: It is worth just dividing that up. The veterans gateway is designed for veterans—that is what it says on the tin—but it is for people who are not sure where to go at all. It may well be that if you know that you can gain support from BLESMA or from Walking with the Wounded or from Help for Heroes you can go directly there, but it is that portal.

Separate to that is making sure that any individual who is serving is looked after in a proper way. This is why far more focus is given to in-service treatment and recognition. Last week I was down in Devonport. Mr Mercer might be familiar with this. There is an excellent recovery centre there, designed for the Royal Navy which does incredible work in making



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sure that individuals who come back are given the proper treatment early on so they can get back onto the frontline. They also have the numbers, dare I say it. Should they go into a very dark place, they know who to call 24/7.

Q179 **Leo Docherty:** How will the success of the veterans gateway be measured?

Helen Helliwell: We have an independent study that has been commissioned that will report later this year. We have brought in an academic institution independently to assess how well the veterans gateway is working.

Mr Ellwood: I pose this question—it is not for any of us to answer here. There are over 450 veterans charities that are defence-leaning. Is that too many? I feel frightened of even asking that question. Should there be some mergers, or something like that? What I know is that what unites us all here is ensuring that any veteran or any member of the Armed Forces personnel knows where to go for help.

What I will say and what we must put our hand up to is that it remains a confusing picture and we need to improve that so that people know exactly where to go for what kind of help.

Q180 **Chair:** Can I just drill down a little further into the question of people in mental crisis? You have two categories. You have veterans who might be in mental crisis. You have serving personnel who might be in mental crisis. From the point of view of serving personnel and given the point that has been made about stigma and fear for one's career, there is presumably something to be said for having a crisis line to a private organisation, rather than an MoD one, I would have thought, if people are worried about their military career.

However, having said that and having said that it is a good feature of the website that on every single page you appear to have this pop-up that says, "Get help" and gives a phone number, a text number, an email and all the rest of it, I am still not exactly clear where that would lead someone in mental crisis. On the page you actually have that is headed "In crisis" it has two questions: "Are you in danger or immediate risk? Call 999" and "Do you need someone to talk to? Call Samaritans 116123".

That appears to be directing people to the normal sources, but then, on the right hand side, we have our special veterans number. Also, even if you are just about to tell me, "Yes, but there are specialised mental health people who can be put in touch with you via the emergency 'get help' number", how does that help the serving personnel who might not think to go to the veterans gateway? If this is working for veterans, don't we need something similar for serving personnel?

Helen Helliwell: We are doing a lot more work on how serving people can access mental health support. During working hours, we would expect them to go to their medical unit, their medical officer or one of the departments of community mental health, if there is one. If they are



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already under mental health care, they will know what those numbers are and where to present. If they are new, they will present to their GP and could get referred to a defence community of mental health.

If someone is phoning the vets gateway and is in crisis, the gateway would live-transfer them to a 999 number so that blue lights can get round and assist that person. That is what happens with Combat Stress. Combat Stress stay on the line until somebody arrives at the house to help that person if they are in crisis. If somebody needs a chat, and I understand that some 50% of calls to Combat Stress are people who just want to talk, then Combat Stress are able to deal with that with the professionals they have on the line.

Obviously, the veterans gateway is much broader than mental health. It is for accommodation, transition, housing, employment. It covers much greater things, which is why they have a number of referral partners sitting underneath. Combat Stress is just one of those partners.

Q181 Chair: You told me earlier that this is a 24-hour helpline. Not that many people are likely to be ringing in the very depths of night for routine matters. They are more likely to be ringing, are they not, because they are in some sort of crisis? The question is, are those people actually trained in a specialised way to cope with the people who are in crisis or do they simply refer them to the Combat Stress helpline or to the emergency services?

Helen Helliwell: I am not sure that they would refer to another helpline—they don't have to phone another number and give all their information again. They would hand over to a live person. It could be a housing crisis such as, "I am homeless this evening". Is there a number? Phone the veterans gateway. The housing support service is now part of the gateway. They would say, "Okay. You are in Liverpool. We have got veterans support housing here" and would match them up directly according to the location that they are in. The people who are manning the phone lines have the database to know exactly where they need to transfer that person to in a live way, so they are not phoning another number—they are getting through to the person that they need to speak to to deal with their issue.

Tobias Ellwood: Can I elaborate on that point?

Q182 Chair: Just one point, if you could include this in your answer please, Tobias. Let's assume that this is working really well for veterans. How then do you get something similar for serving personnel?

Tobias Ellwood: To finish off on the veterans package, it is important to recognise that it is just a portal to go through. I asked the charities about the duplicate call centres—Help for Heroes has theirs; the Royal British Legion has theirs. I asked them whether, in five years' time, we want to narrow this down, from having all these call centres, to a very straightforward portal that then takes you to the more specialist cluster—as they are called under Cobseo—for example, employment, housing, mental health and so forth. That is not for me to judge. That is not for the



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Veterans Minister to go anywhere near. It is for the charities themselves to advance now that the portal is up and running.

To make it really clear what the obligation is from the MoD perspective, it is to make sure that anybody who is on the books of the Army, Air Force or Navy is well versed on where they can get help from. That is either from their unit or, for example, in the case of the Royal Navy, they have these recovery centres with experts, consultants and clinicians, where again they would have a number to call. On top of that, it is the Combat Stress number that is pushed forward.

The reason why it is promoted, given the caveats that Mr Docherty has mentioned, is because we help to pay for it. You talked about expertise. We help pay for the clinicians who are trained to keep the person talking while someone else calls up and says, "Let's get the emergency services." You will still need to lean on the emergency services in that particular locality.

I stress that we are looking at what we can do to advance this. Is there a challenge to do with the stigma about it being a charity? Is there more that we can do with communication? That is something that the Secretary of State is looking at in detail.

Q183 Chair: Just to nail down this point, I understand that, obviously, the veterans have left and they no longer have the same amount of contact with the authorities, or indeed any contact, hence the need for a standalone website that they know they can go through and be fed into the various systems. Would it not be helpful for there to be a simple webpage to which serving personnel could have similar access if, for example, they were in crisis at a time when they felt they couldn't or didn't want to go to the authorities?

Tobias Ellwood: You are absolutely right. Just stepping back from that specific recommendation, the change in attitude that was introduced with the strategy was to make sure that the message goes down to every ship's commander, battalion commander and platoon sergeant to make sure that every single member of Armed Forces personnel is aware of where help can be found. It will be finessed slightly depending on which service, but ultimately the Combat Stress number will be there.

We have a number of mental health medical centres across the country. They are placed where our big Armed Forces conurbations are. There are 11 centres and a further five on top of that, which have specialisms as well. Again, they can be contacted if necessary if somebody is passing through there for a period of time.

We also have the transition, intervention and liaison service. That is a new service that has already dealt with 1,700 referrals in the last six months. It has doubled the size of bespoke mental health care for veterans across England.

Helen Helliwell: I would just add that if serving people had wider welfare issues, like the veterans gateway deals with, then they would clearly use



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the embedded welfare teams that are attached to all units. During office hours, and indeed outside, if they have wider issues, they would use the welfare teams as well.

Chair: Leo, have you got some more questions?

Q184 **Leo Docherty:** Just one more, Chair. Looking at the covenant broadly, what more can we do to include war widows and widows in the veterans community and give them access to the covenant?

Mr Ellwood: I think this is an area that needs more attention. Again, we forget that when somebody has died serving their country, they leave behind somebody who is reliant and who has been part of that Armed Forces community as well. We work very closely with the War Widows Association. There is a specific request about recognition financially as to what is happening with pensions. Again, the Secretary of State is looking at that, but it is something that we need to highlight more often to ensure that that support is actually provided to those who are left behind.

Q185 **Leo Docherty:** Are you comfortable and confident that families, in the broadest sense, are embraced by the covenant?

Mr Ellwood: Mary Moreland, who I think is the chief executive of the War Widows Association, sits on the covenant reference group. I am really pleased that her views are given and that representation is made.

Q186 **Mr Francois:** Minister, I have got to go just after 1, so I apologise if I fire some questions at you and then disappear.

Mr Ellwood: I will speak really slowly.

Mr Francois: Service accommodation—

Mr Ellwood: I was wondering what subject you might raise.

Mr Francois: It is not recruiting; it is service accommodation. We know we still have difficulties there. To try to sum it up in a nutshell, we send someone halfway round the world, we tell them they are a hero—they are—but while they are away, their partner has terrible trouble trying to get the boiler fixed and makes endless phone calls to try to get someone from the contractor to come round and sort out the boiler so that her kids do not have to shower in cold water. We know from the Armed Forces continuous attitudes survey that there is really serious disappointment, not so much about the quality of the accommodation, but about its maintenance and upkeep. Why are we still doing so badly after so many years of that being a problem?

Mr Ellwood: First, I thank you for drawing attention to that matter. It is something that you have focused on a lot, and it is a concern. Last week, I visited some of the accommodation down at 3 Commando Brigade in Stonehouse. It is a listed building, and I found Royal Marine commandos who had just come back from dealing with Hurricane Irma having to use alternative shower blocks because there was no hot water in their blocks.



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There were four people in one room, which is not something that you would expect in this day and age.

I will not put out any excuses to say that we should do better on that—we absolutely should. You made the point very vividly. We ask a lot of our Armed Forces personnel, and the least we can do is make sure that the accommodation is up to par. There is a programme that started in 2004 to reinvigorate and rebuild accommodation. Coming up to today's date, that fits in with the rebasing back from Germany. We are subject to the limitations of funding. I do not try to say that as an excuse. We must do better.

We have key performance indicators that show that the absolute majority of accommodation is of good stock, but there are some appalling examples that have been illustrated in debates that we have had on this matter. We need to make sure that we raise the game. It is difficult. I know that there were discussions about the fact that 95% of accommodation is either good or of a higher standard, but that leaves 5% of accommodation, which equates to 2,000-odd dwellings, not at a decent level. Unfortunately, were we to have signed a contract that said 100%, it would cost exponentially more money than we are currently paying. I am afraid that that is the reality we are facing.

First, we have had to introduce— there is 100% on emergency; let me make that very clear. If there is an emergency in any accommodation, it is dealt with as part of the contract. An alert process and a compensation process have also been brought in. It has been a miserable story. There is no way of actually— the former Secretary of State brought in the organisations involved and said, "This isn't good enough." I am working my hardest to try to rectify the situation, but we are not doing as well as we should do.

Q187 Mr Francois: Minister, I think we all know you well enough to know that no one doubts in any way your personal commitment to trying to do better than this. If I may say so, we take that as a given, but you face a situation where half of the contractor that is actually providing this appalling service has now gone bust, and the other half of the contractor is trying to take up the slack. What, in this very difficult situation, can you do to improve it? We have now got hard statistical data that tells us this is one of the reasons that people leave the Armed Forces, because they don't feel that they are valued or that their families are valued by a system that treats them in this way. So, as well as the moral imperative to do better, we have got some very hard-nosed capability reasons for doing better. Now that Carillion is bust and Amey is trying to take over, how in those circumstances can we try and turn it round?

Mr Ellwood: The way the contract worked is that when you have these joint venture agreements, there is a clause in the agreement that says that if one of the partners gets into difficulty, the other will take over. That is exactly what is happening here. It was already planned well in advance. In fairness, I saw the evidence given by the Families Federations that said they were content with the fact that the transition had taken over—that



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Amey was now moving this forward. The company has been in touch with them to say what is actually happening, so they are well informed about what is going on.

That is one side of things. The second side of things is that you are absolutely right: when we see the continuous attitude surveys, this is a huge point of concern. There is a new build programme that is coming in, as we rationalise the real estate and, as I mentioned, troops come back from Germany. We are also providing greater flexibility in the offering as well, because there are many that would like to get on the housing ladder. We want to give all families or individuals three options: stay on the garrison itself, go into the rentals sector, or purchase a house. Indeed, the Help to Buy schemes and so forth have been promoted for the Armed Forces, and have actually worked well. But I don't shy away from the fact that some of the accommodation—the majority of it is actually very good: it has got wi-fi, and all the single dwellings and so forth—I am afraid needs immediate attention. I am visiting some of those to see what more we can do about it, such as in Stonehouse, down in Plymouth.

Q188 Mr Francois: There have been some reports that, because of the current situation, sub-contractors are now demanding to be paid upfront. There is also an issue in some cases that Amey has wanted to be paid for work that has already been paid for to Carillion, because Carillion was paid upfront for some of the work it was down to do—so, in essence, we are paying twice. Can you comment on that situation?

Mr Ellwood: You say there are some reports. I think we would have to look into that in more detail, if we may, and get back to you. I am happy to provide the Committee with a response to that.

Q189 Mr Francois: Yes, the point about sub-contractors having to be paid upfront came from the Naval Families Federation.

Mr Ellwood: Thankfully, there is a minion behind me that very kindly provided some information on this very issue. The Department has not paid any money directly to Carillion plc.

Q190 Mr Francois: I've got a guy helping me, but I wouldn't dare call him a minion.

Mr Ellwood: I'll get grief for that later, I'm sure.

Q191 Mr Francois: One last go. Could I stress to you that someone is going to have to take over this contract, probably, and do a better job? Even so, Amey is trying to administer a contract that in many cases is broken. Can we make a plea to you from all of us on this Committee, Minister, that you have a laser-like focus on this and that when the contract is eventually re-let, it is something that actually honours the people that serve their country?

Mr Ellwood: You will be aware that some of these contracts are coming up for discussion and review in 2021. We need to make sure that we absolutely do what you are saying.



Chair: Martin, very briefly, because we have Ruth waiting in the wings.

Q192 **Martin Docherty-Hughes:** You mentioned briefly the KPIs—the Public Accounts Committee last year more or less said that they were not worth the paper they were written on when it comes to Amey/Carillion. Can you assure us that in any future contracts the KPIs will be robust enough to actually deliver?

Mr Ellwood: We need to make sure that that is the case. We must learn from the mistakes and errors that were made in the past, to make sure that this issue does not arise again on the continuous attitude survey. So, yes.

Q193 **Ruth Smeeth:** I think we could have done the whole session on housing, and maybe we should think about that going forward. Can you let us know what progress the CAAS working group has made on simplifying the system?

Tobias Ellwood: Which working group?

Ruth Smeeth: The CAAS working group—the combined accommodation assessment system working group.

Helen Helliwell: I do not have an intimate knowledge of the CAAS working group. I am reading here, “Keeping arrangements under review” and “Learning the lessons”. I would have to get more detail about what that actual working group has changed as a result of any feedback. It just kind of says that transitional arrangements were put in place. I recall the Family Federations previously saying that they didn’t feel that the system is fair or is well communicated.

Q194 **Ruth Smeeth:** The review suggests that 81% of all rents are going to increase. That is a fundamental shift. As we have discussed, the quality of accommodation simply doesn’t warrant it. I got back from the Falklands on Sunday morning. They will have a 300% increase in their family accommodation rents. Given how far away they are and the quality of that accommodation, that is a huge amount of money for what I would say is not in the top 95% of the accommodation offering. Why aren’t the rent increases we are talking about being reinvested into the accommodation? That is the fundamental part of this.

Tobias Ellwood: I think because there is a transition over a period of time. Again, we will have to come back to you with more detail on this. The increase in the rental sector is something that was over the horizon but is now coming up very shortly.

I touched on this briefly with a couple of the top-level budget holders, and they are very concerned about where the money will come from to match the increase that is coming around the corner. It is something that is being factored into the wider discussion about meeting the entire MoD budget as well, because of the huge scale.



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You talked about 300% in the Falklands. That is the first I have heard of that one, but there are other examples whereby it can be going up by 50% in other areas.

Q195 **Ruth Smeeth:** In terms of the Falklands, it will go up to £420 a month.

Tobias Ellwood: There may be something very specific in the Falklands.

Q196 **Ruth Smeeth:** I think it is actually the other way around, and that people have forgotten where the Falklands are. Because of the fact that nobody has any alternative options, that is a huge chunk of money to ask of people when they are being sent that far away.

Helen Helliwell: They will not be asked to pay that increase immediately.

Ruth Smeeth: It is over five years.

Helen Helliwell: It is capped at £40 a month for junior officers and £20 to £30 a month for other rates.

Q197 **Ruth Smeeth:** It is a 300% increase. Regardless of the cap, it is a 300% increase for people we are sending 8,500 miles away to a place that has limited support services because of where it is. I know that the base has written to you to ask you to reconsider that specific issue, and I would like to know where that ends up.

However, I am very interested in where the money from the rent increases will end up. When the rates were reviewed, it was never meant to be 81% going up and 17% going down. That isn't where we were meant to end up in this process.

Helen Helliwell: All the increases that people are being asked to pay go back into the DIO budget for maintenance and improvements to SFAs. It goes back into accommodation. It is not going elsewhere in the Defence budget.

Leo Docherty: That doesn't help us in paying it, does it?

Ruth Smeeth: It really doesn't.

Q198 **Leo Docherty:** Frankly, any increase is entirely unacceptable if you are paying more money for the same thing.

Helen Helliwell: But you are not paying over £400 more. You are paying £40 a month more.

Q199 **Leo Docherty:** Yes, but for a service family that is entirely unacceptable. I know you are sympathetic, but we have to make this point very strongly in the Committee: for people to be paying more money for the same accommodation is entirely unacceptable for service families.

Helen Helliwell: It has been very heavily subsidised for a number of years.

Leo Docherty: Quite rightly so. That is the point of being in the Armed Forces.



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Q200 Ruth Smeeth: That is part of their employment package. Fundamentally, at the moment, that is part of their employment package, just as anyone has an employment package. You have been doing this over a period of several years. This was introduced as a review. It was not introduced as a way in which to increase all rents. Some 81% of rents will be increased, 3% are staying the same and the rest are being lowered. That is not what people thought they were signing up for. It is not surprising, given the quality of accommodation, that this is now an issue in terms of retention. I am not convinced that giving the money back to DIO without reforming DIO is going to increase the quality of the accommodation that is being offered.

Mr Ellwood: You make a very powerful argument. On the Falklands, I don't know what the starting point was and why the Falklands is jumping more than other areas. Maybe the starting point was out of sync with other locations, and therefore it has been drawn out over a five-year period. As Helen said, it is still heavily subsidised. A change has taken place, but I am happy to look at that issue. As I say, there is a looming financial challenge because of the new contracts, which have been re-jigged. We need to find the money to pay for them.

Ruth Smeeth: We will come on to Annington Homes and what that means in a moment. Before we do, Martin did you want to come in?

Martin Docherty-Hughes: No.

Q201 Ruth Smeeth: What are you doing to improve the quality of the single living accommodation—both the SLAM accommodation, which is now of an age at which it is starting to require significant maintenance, and the non-SLAM accommodation?

Mr Ellwood: I don't know whether other Members are familiar with this, but the single living accommodation project started in 2004, when 22,000 new dwellings were put in place. You are right that they are getting to that age—it is over a decade now—at which they need attention. Again, the new future accommodation model will allow for greater flexibility, so individuals can make a choice about whether they want to use single living accommodation or whether they want to go out of the base and rent or own a property. Do you want to add anything?

Helen Helliwell: You are probably aware that, from April, top-level budget areas will take over the accommodation funding for SLAs, so they will be able to prioritise where the reinvestment goes into at a local level.

Q202 Ruth Smeeth: I have just got back from the Falklands, so I will be a bit focused on that. We have just recommitted to 35 years. The standard accommodation there is 35 years old. It was built in '83—it is portakabins that we have glued together. If we are going to be there for another 35 years, that is going to last about a week and a half. If we keep patching it up, we are still going to have to knock it all down in 10 years' time to rebuild it. In the longer term, that will end up costing us more money. Although some of the maintenance is being put back, what about some of the bigger expenditure we are going to have to start thinking through, in



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terms of long-term projects for accommodation?

Mr Ellwood: Again, you put your finger on it. We need extra funds to do those sorts of things. As with all these things, it is to do with the overall defence budget. We are trying to make the case that if we want our professional Armed Forces to be attractive to the next generation, we have to look after our personnel. To do that, you need more money than we have currently got. That is the case that we need to make. In this particular area of defence—looking after our people, let alone the kit, the operations and the exercises—the people themselves are the most important asset that we have in our Armed Forces.

Q203 **Ruth Smeeth:** And they do us proud everywhere, as they did in the Falklands. If we are talking about money, let's talk about Annington Homes. What are your contingency plans to avoid paying significantly more rent when the current agreement comes to an end in 2021? Somewhere between £84 million and a quarter of a billion pounds is going to have to be found every year for rent increases. I'm not sure we've got contingency yet, have we?

Mr Ellwood: Again, this is being discussed. It is actually being factored into the defence modernisation programme to make the case about what is the Armed Forces budget. This is a considerable expense. I have touched on this before. This has been coming over the horizon. The contracts come up for renegotiation in 2021, and we have some difficult decisions to make. Helen is closer to the detail on this.

Helen Helliwell: There is a dedicated team looking at the negotiations with Annington. As those negotiations are ongoing, it is not appropriate to get into the detail of them, but we have got to learn lessons from what has happened before to ensure we get the best deal that we can.

Q204 **Ruth Smeeth:** I think that's fascinating. The deal was signed in 1994, so we have known that it was coming for a long time and what the consequences would be. It is going to have to be more than just £250 million, potentially. It is a huge increase in rent. Where is that going to come from, service personnel or the MoD core budget?

Mr Ellwood: Can I interject there? You make an important point. One of the commitments that we have is that no matter where you are based in the UK—and indeed overseas as well—the charge for accommodation will not vary substantially. We need to make sure that, whether you are up in Faslane or in the heart of Windsor, you are not subjected to the differences that you get in the public sector. You might want to seek rental accommodation there, or live in your own accommodation or in the accommodation provided to you. I hope, and will certainly work hard to make sure, that that set of parameters does not change as we go into negotiations with Annington Homes.0020

Q205 **Ruth Smeeth:** I think that is the key part of the idea, especially given the consolidation in certain parts of the south of England. Rents are much more expensive there than in Lincolnshire. This is going to be a huge challenge.



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Mr Ellwood: We have made it clear already that we do not want any individual to be disenfranchised or financially disadvantaged because of their locality.

Q206 **Ruth Smeeth:** I think you need to communicate that more broadly, because service personnel simply think they will be.

Mr Ellwood: I am happy to take that away. We have expressed that and worked with the Families Federations as well, but we can go through the services too.

Q207 **Leo Docherty:** The service families on the garrison in my constituency are concerned that this approach will lead to the undermining of the garrison as a centre of family life.

Mr Ellwood: You will be pleased to know that I visited 4 Rifles. I invited you to a couple of events, but you turned me down. I won't take it personally; I think you were somewhere else. I was able to convey the message to the commanding officer of my former regiment.

Leo Docherty: Good. We will have future correspondence, I am sure.

Q208 **Ruth Smeeth:** On Annington Homes, you touched before on the future accommodation model. Given the challenges that we are about to have because of the renegotiation of Annington Homes and the time scale of it, what will the impact be on the roll-out of the family accommodation model?

Mr Ellwood: The roll-out is due to happen at the end of next year. We have three pilot schemes—three or four—that we are just confirming for the Army, Air Force and Royal Navy. The model is being piloted, and again, we are taking the Families Federations with us so we can understand how we can roll it out further beyond that.

Q209 **Ruth Smeeth:** So you don't think there will be any impact on the time scale of the full roll-out from the negotiations on Annington Homes?

Helen Helliwell: We are keeping it dual-track. As we develop the pilot for FAM, we need to use it to look at what the impact might be for the Annington Homes contract. The Department is committed to FAM and is looking at the best way to roll that out over time to give people and families more choice in where they live.

Q210 **Ruth Smeeth:** So, "We don't know yet," is what you're saying, really.

Helen Helliwell: I am saying we are keeping it under review, yes, and working it out.

Q211 **Ruth Smeeth:** So we don't know?

Mr Ellwood: No, we can't share it with you, which is something different.

Helen Helliwell: I don't have any detail of any impacts on Annington.

Q212 **Martin Docherty-Hughes:** Minister, do you have any plans to increase the service pupil premium or extend its range at all, and what are you



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doing to educate schools about how to spend it?

Mr Ellwood: First, I think it is an important aspect. We talk about the support that is provided to our Armed Forces personnel. We are grateful to the Department for Education for the £22.5 million provided, which has helped over 750,000 eligible pupils—

Helen Helliwell—75,000.

Mr Ellwood—and is worth about £300 per head. For the future, I hope that it will continue. Helen, I don't know if you have got any more information on that.

Helen Helliwell: No. It is Department for Education England funding, as you are probably aware, and we try to keep it in line with non-service pupil premiums, so all pupil premium is kept at parity. We have published lots of guidance about how schools can use it, and there is more that we will continue to do to communicate how schools can best make use of that funding, but we really want them to take individual circumstances into account. Although we provide a framework of best practice, it is really for them to look at the service children in their schools and make the best call at a local level about how to spend that money.

Q213 **Martin Docherty-Hughes:** In terms of the education support fund, is it still to close?

Helen Helliwell: Currently, it is being assessed as part of the financial planning round this year. It was mainly used to fund the big moves back from Germany and big relocations.

Mr Ellwood: It was designed for rebasing.

Q214 **Martin Docherty-Hughes:** I ask especially in the light of the increasing movement from Germany back to the UK, for example post-2019. A lot of organisations are saying it is vital to mitigate any negative impacts on redeployment. Do you think there is a problem there with the end of that fund? Or is there an appraisal as to how you support that redeployment?

Helen Helliwell: We have been working really closely with the service providers in the areas that they will be coming back to from Germany, whether that is healthcare and clinical commissioning groups, education or the employment market for spouses. A lot of work and thinking has gone into that, as you would expect. We just need to keep that under review. That is what that £6 million of funding was used previously for, to support the increasing capacity that would be needed in those schools when children came back.

Mr Ellwood: The return from Germany was colossal. That was a major, fundamental re-jig of our defence posture. That is why this education fund was created, but it was for a one-off event. On page 37, perhaps an anecdotal reflection of the support given to children, is a comparison between service children and non-service children in the grades they are getting, and you will find there is parity there.



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There is always a worry that, when you have service personnel children who get moved around, somehow their education will be disrupted. We are very conscious of that, which is why I am pleased it is in the Armed Forces Covenant annual report as a yardstick to ensure that we can measure it.

Q215 Chair: I am going to come to Johnny in a moment. As a guideline, I am hoping to finish at about quarter to two, if that is acceptable. Earlier, when we talked about LIBOR funding and other sources of funds, there was a brief question that we did not quite cover. What happens when the current covenant funding runs out? Could you address that? Then I will come to Johnny on healthcare.

Mr Ellwood: I think I touched on this before. There was always an area of agreement, a recognition, that any of the programmes that received LIBOR funding had to have mechanisms in place to show that either their project was to curtail, to end, in the finite time period, or alternatively they would have processes and protocols in place that would allow them to continue with funding. It is very sad when a programme suddenly comes to a close and they have not made the necessary provisions, so that has always been the case. We have always known that this was not a magic pot of money that was in perpetuity. That is the backdrop from which LIBOR funding has been given.

Helen Helliwell: When we assessed the applications for LIBOR, we looked at sustainability for them. Some of them are pilots or trials in order to build the business case for sustainable funding, as opposed to the Armed Forces Covenant fund, which is £10 million per year. That is ring-fenced in MoD's budget, so it is not subject to any LIBOR coming in. It is part of the deal that Defence gets from Treasury. That is ring-fenced £10 million just for the covenant.

Mr Ellwood: But not part of the 2% GDP.

Chair: Very clear answers, thank you. Johnny.

Q216 Johnny Mercer: Minister, do you think there are inconsistencies across the UK in priority provision of healthcare, including mental healthcare, to veterans?

Mr Ellwood: Inconsistencies? There will be differences in service because we are one Armed Force, so the clarity that we provide— Are you referring to service personnel or veterans?

Johnny Mercer: Veterans.

Mr Ellwood: So, there will be slightly different support mechanisms because this is not directly an MoD responsibility. It belongs to NHS England or the devolved Administrations. One purpose of having some analysis on that in the covenant report is so that we can move forward and remove the differences of support that might exist.

Helen Helliwell: If you do have any specifics, there is a specific group set up to look just at that, called the access and equity group. The delivery



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might not be the same, but access should be the same across the devolved Administrations, so if you know any cases, raise them.

Q217 Johnny Mercer: Great—that is what I was going to ask. What can you tell the people who are watching this? What sort of things are you doing to try to iron out those differences between national policy and local provision?

Helen Helliwell: By having this partnership board, with the Department of Health and Social Care, NHS in England, Wales, Scotland and Northern Ireland. It also has MoD policy and the surgeon-general's area on it. That is supposed to look at specific Armed Forces commissioning. That is serving people, families and veterans, to ensure there is parity across the UK. If people have specific cases to raise, there are specific interventions that the NHS publicises, where people can phone in order to raise their complaint and have it dealt with. We have tried to learn the lessons from what people raised a few years ago.

Q218 Johnny Mercer: The CQC is undertaking a programme of inspections in the defence medical treatment facilities, including the DCMHs. Did you ask the CQC to do that?

Helen Helliwell: I believe so. I know that we certainly see the report, so it sits side by side with our internal reporting. That is UK-wide as well; it's not just our facilities in England. It will be overseas and in Wales and Scotland.

Mr Ellwood: Can I just add that one of the challenges we have is who is a veteran? How do you acknowledge and register? Is anybody aware that they should present these credentials or tell a GP that they are a veteran? Thanks to a question on the census, that has been brought forward and it will be very helpful. The University of Northumbria is doing a map of need that will be pertinent to Mr Mercer's question about where help needs to be focused, which areas of the country. I am pleased that I have been able to pioneer the veterans ID card through the driving licence or through the retention of the MoD 90. It will be altered in some way, so that you get to keep it at the end to show that you are, indeed, a veteran. There will be a new card for those who have already left the Armed Forces. Fifty per cent are—

Helen Helliwell: Over 75.

Mr Ellwood: —over 75 and they may not be driving any more, so having a driving licence is not necessarily going to help them. There will be a new ID card for veterans—all voluntary for those who wish to have them.

Q219 Johnny Mercer: If I can just finish on the LIBOR funding that Dr Hughes was talking about as well. I have never used veterans care services, so this view is formed by people who work in these fields who lead these wonderful charities and who have done amazing things over the years. The view is—and I found it consistent across the field—that we have missed a strategic opportunity with this LIBOR fund. That is why we are so interested in your response to the NAO report about where the money



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has gone.

You ask for examples of where this money has been spent as if it is a new phenomenon that people do not think it has been spent well. You know full well it has gone on things such as memorials, welfare facilities, which people would generally expect a military to provide for its people.

My concern is not trying to give the MoD a hard time or trying to make anyone look silly. We want a long-term strategic provision for veterans in this country. If that money has not been used properly, or continues not to be used properly by the MoD, we have to stand up and say something about that. It would be interesting to know what checks and balances you have got on that. How are you going to see through that strategic vision of providing this service and make sure that that money is being used for what it was designed for in the first place?

Mr Ellwood: You make a powerful point. It is important, as we said earlier, to make sure this is spent correctly. But the LIBOR funding has now finished; it is over, there is no more. So when you say moving forward, we have had the various reports that have come through, we have talked about the scrutiny and the programmes as to how the other funding streams will be subject to greater scrutiny, but LIBOR funding itself—

Q220 **Johnny Mercer:** Absolutely. If any of that money has been used, essentially, to produce nothing and if charities have not fulfilled what they said they were going to do when they applied is there any way of, first, getting any of that money redirected into better facilities and, secondly, making sure going forward that if we need to do a memorial or we need to refurbish accommodation that should really be within the gift of the military, that we can make sure that money is being used properly? Where is the scrutiny for that going forward? You are saying it is all going to be in this £10 million covenant fund.

Mr Ellwood: LIBOR funding is finished. It will not happen in that case specifically for LIBOR. As for our own £10 million, which we put forward ourselves, as has been expressed already, the new level of scrutiny that is brought in is independent and is turning itself into a trust, so it has a charitable status. It is independent of the MoD itself. That scrutiny does exist, but if you have specific examples of where you feel that money has not been well spent, please write to me, and I will be very happy to look at them.

Helen Helliwell: On the LIBOR funding that has been spent, the new independent covenant trust—we know that is different funding, but it will be looking at the LIBOR funding that has been spent, to make sure that it was spent appropriately. We are expecting a report to come out on that. Some of those projects are quite long term, particularly the accommodation projects; they are about big builds. The team that has been stood up in the independent trust will report on those LIBOR-funded projects going forward.

Johnny Mercer: Is it news to—



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Chair: We are in danger of going over and over the same thing, Johnny, so can that be the last point?

Johnny Mercer: Yes, that's fine.

Q221 **Graham P. Jones:** What are you doing, Minister, to promote the corporate covenant?

Mr Ellwood: The corporate covenant? I think this is one of the more exciting—well, it's all exciting, but this is a particularly exciting aspect of it, because it's an untapped area of interest, in terms of getting businesses, which I think is perhaps what you were referring to, to be more aware of what they can do to support our Armed Forces—our regular Armed Forces—the Armed Forces family and particularly the veterans. There are companies already doing amazing things that recognise the link, but there are many companies that don't see or recognise immediately the benefits of somebody who has worn the uniform, who has a good work ethic, who is committed, who is reliable, who has worked in a team and who has worked as a leader as well. Part of the signing and the programmes that we have for bronze, silver and gold recognition for the Armed Forces Covenant scheme promotes and celebrates that as well. We had our 2,000th signing, with O₂, quite recently, and I am really pleased that this is advancing.

As I said in my opening remarks, this is a journey. If you go to the United States and see how companies, individuals and society there celebrate and support the Armed Forces, it is very different, in terms of practical measures, from what we do here. I don't think our love, our reverence, our respect is any different, but the practical ways in which veterans are appreciated are different. We are working towards that and moving into a far better place.

Q222 **Graham P. Jones:** Clearly, some areas are more prosperous than others. Are you mapping this philanthropy against recruitment areas, which by and large will probably be the poorer, lower demographic areas—if you have done that mapping exercise, what does it look like?—to ensure that those communities that might have high recruitment rates are benefiting proportionately from the philanthropy, or is it just areas where there is a benefactor and recipients in that particular locality?

Mr Ellwood: You raise a really important point. We want to do more of that. It is difficult, because we don't actually know who the veterans are. There are 2.5 million veterans in the UK. We have 15,000, roughly, who are leaving the Armed Forces every year and going into civvy street. I will make this very clear, because the tone of some of the discussions we have had is that many people who join our Armed Forces perhaps are worse off from their service. I would absolutely say, and I hope the Committee would agree, that anybody who has served comes out the better for it. The nation is wealthier and more prosperous for it, but we need to manifest that in companies, individuals, businesses and so forth recognising the value there is in recruiting veterans. Part of the census,

part of the ID programme, is going to allow us to better track, to exactly the degree you are asking about and seeking, but we are not there yet.

Q223 Graham P. Jones: Minister, you have mentioned that you think that this scheme is working, but RUSI did a survey of businesses that were involved in it and 61% of the businesses said it was complicated; they were disappointed with the scheme. They wanted to invest—have corporate investment in the Armed Forces Covenant, in our Armed Forces personnel. Some of that might simply be donations. However, 61% of them found it difficult. Do you think that is a problem?

Mr Ellwood: Can you explain? I don't understand—

Q224 Graham P. Jones: RUSI had a survey of businesses that were involved in this and asked them their feelings, and 61% of the businesses—

Mr Ellwood: No, you said that; I'm trying to understand what it is that you said was difficult.

Q225 Graham P. Jones: The businesses in the RUSI report suggested that it was complicated; that was one phrase.

Mr Ellwood: What was complicated?

Q226 Graham P. Jones: The ability for them, through the MoD and through the Government, to invest in Armed Forces schemes and Armed Forces personnel.

Helen Helliwell: We have made it very clear how they can do that through the Cobseo cluster of service charities. If any large private companies want to make some donations to service charities and invest in our people, Cobseo are very happy to channel that to the right places.

Mr Ellwood: We also have something called the Career Transition Partnership, which is MoD-run. It actually creates the relationship between a business or an organisation and the MoD, and those people who are seeking to end their Armed Forces career and want to go into civvy street themselves. Again, it is in the early stages but that is advancing and working very, very closely, and we have had huge success stories. If there are individual businesses that have found it difficult, please let me know the details as to what those are; I am very happy to look at that.

Q227 Graham P. Jones: Well, it is 61%. You did ask for clarification. The words that I will use are that those 61% of companies found it difficult to navigate the multiple public and private organisations that comprise the UK's defence extended enterprise.

Helen Helliwell: That is why we set up Defence Relationship Management. I know you hate that name, because it doesn't really reflect what they do, so we are looking at changing it. But DRM is the part of the MoD that interfaces with national businesses, and through the trade organisations, and the small and medium-sized enterprises. They are set up to try to make that landscape less confusing. I am sure they are open to more suggestions about how they may be able to do that, but DRM is basically the interface with the Department for the private sector. They



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manage the covenant signatories and the pledges, and getting more companies on board.

Q228 Graham P. Jones: Moving away from the external companies and the corporate covenant to—well, staying on the corporate covenant, but moving on to those companies that have Government contracts. What are you doing to Government suppliers to ensure that they are involved in the covenant? What efforts are you making?

Mr Ellwood: This was brought up at the veterans board. Again, we cannot oblige anybody to do so. What we can do is to request that that information is in their annual report, for example, so we are able then to judge.

I would like to get to the place whereby one of the factors with Government contracts, starting with MoD contracts, would be the numbers of veterans that a company has on its books. For example, they should have at least 2.5% on their books—that would be a prerequisite to coming forward. As I said, there is legislation that prohibits us from actually coming out with that, but we can simply get companies to declare what their current situation is. That is a solid step forward.

However, we also need to do more to celebrate what a veteran can bring to a business. Again, that is happening through conferences and forums. We are attending one on Thursday, which will do exactly that. I am speaking to the Local Government Association shortly, and to the National Association of Head Teachers as well, again to promote this idea.

It is early days and the criticism that you put forward is well understood, but we are now up to 2,000. I would like to see that doubled in the next five years, so that we have more and more companies and organisations on board. It is also about local authorities, hospital trusts—it is right across the piece. And, yes, at the next meeting of the veterans board I will ask again where things stand with other Whitehall Departments on these very questions.

Q229 Graham P. Jones: Just to conclude, my view is that if 61% of businesses think it is complicated, that sounds like there is significant room for improvement.

Moving on to veterans and their views, and the view of veterans in their local communities, what steps are you taking to counter the perception that veterans are a burden on local communities?

Mr Ellwood: I don't agree with that reading. I don't know where you're picking that up from. They're not a burden at all; they're an asset to society, and the more we do to promote that, and the less talk of them being called a burden, that would be a welcome step forward.

Q230 Graham P. Jones: I think that in the surveys that have been conducted, the veterans themselves feel that they are not receiving enough recognition—



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Mr Ellwood: That's a different matter than saying that they are a burden, Sir.

Q231 **Graham P. Jones:** Well, okay—maybe there is a Venn diagram and there is an overlap—but one of the surveys says that 68% of veterans want a better relationship with their local council. That is a considerable—

Mr Ellwood: That is different. I stress that that is different from saying they're a burden. Absolutely—they want a better relationship with the local authority, because the local authority, through the Armed Forces Covenant, has a duty and a responsibility in many factors, certainly to do with housing and so forth. And that is why, I think; it stems from seeking a better relationship.

We need local authorities to have that Armed Forces champion inside the local authority itself, to be that portal and the person who understands the duty and responsibility that any local authority has. We need to pioneer that and push it forward. I think it is our duty; as I said before, every MP should be asking those questions of their local authority.

Helen Helliwell: We know there is more we can do to champion our veterans. We are putting up to the ministerial board a communications campaign that we are working with other Government Departments and the service charities on, so that we can work together for some consistent messaging about veterans and why they are a good asset in both the community and employment. I know you are perhaps referring to Lord Ashcroft's statistics, which said that public perception was not as high as we might recognise around this table. We are alive to that and doing things about it.

Mr Ellwood: I concede that there needs to be a better programme of communication to provide the support, respect and reverence that we have for our veterans. We have work to be done there.

Q232 **Graham P. Jones:** Another statistic is that only 20% of councils have an active action plan. If I was a veteran, thinking that four out of five councils are not really bothered—it is either a tokenistic, paper exercise or none at all—and only 20% are active, then in 80% of the country I personally would feel that veterans are not a priority in that area. Local councils are essentially the principal organisation for arranging services, facilitating and signposting in an area. If the local authorities are not engaged, who do you expect to be engaged? You have a fragmented system. Veterans are just going to look at this and think, "Yes, we're not valued."

Mr Ellwood: Have you taken this up with your local authority?

Q233 **Graham P. Jones:** I think you will find that my local authority is very active with veterans—one of the most active.

Mr Ellwood: Right, so we need to ensure that best practice is shared. The MoD has some responsibility for that, but it is also Sajid Javid making sure that he does that work as well, hence the veterans board. You are absolutely right, and I am not going to defend this, but I ask what the



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statistic that you put forward would have been five years ago. It might have been zero. We are seeing a progression, an advancement. It is a journey, and we all need to work on it.

Helen Helliwell: That is a report we commissioned. We would expect that statistic to have gone up, because that was published a couple of years ago now. We have had local authority conferences since then and we have had national conferences since then—there is another one on Thursday—to get local authorities to have an active action plan.

Mr Ellwood: I was going to say that I don't recognise that 20%. I don't recognise that at all now.

Q234 **Graham P. Jones:** So you are saying to me that it might have been terrible before but now it is bad, and that is a cause to be satisfied?

Mr Ellwood: No, I think you are being disingenuous and putting words into our mouths. We are not satisfied at all, of course.

Q235 **Graham P. Jones:** Well, I am pressing you for an answer, to be fair, Minister.

Mr Ellwood: But you are trying to draw a line on where things are. You are taking a photograph of the situation and saying, "Is that it?" Of course it is not. Of course we want to do better, but it is a collective effort.

Helen Helliwell: We also need to know where these populations are. With over 400 local authorities in Great Britain that have signed up to the covenant, some will have much denser populations of veterans and service families than others. For some local authorities, their action plan might be quite small and limited, because that is who they have in their area. For others, we know they are much more active and on the front foot.

Mr Ellwood: Let me throw a statistic back at you, if I may, seeing that we are in the statistics-throwing game. Almost 100% of local authorities have signed up to the covenant. There is a desire, if that is a starting point, for local authorities to do more, but yes, on a practical level we need to make sure they are doing more.

Q236 **Graham P. Jones:** The figure is 95%; if we are going to throw statistics around, I believe that is the latest out of the 400. That is where the figure for the 20% of those with an active action plan comes from.

Mr Ellwood: Your figures are two years out of date, so it could very well be near 100% now.

Helen Helliwell: All local authorities in Great Britain are signed up.

Q237 **Graham P. Jones:** I was going to move on to local government. You make a point about trying to intervene, or action plans in areas where there may be greater demand. That comes back to the very first point, which I re-emphasise: if we are going to have philanthropy in the business covenant, that should be targeted and mapped in those areas, shouldn't it? If local councils are being asked to map the areas of high



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need, that should also be the case for the business covenant. I want to ask what progress you have made on ensuring greater consistency in local authorities' delivery of covenant obligations, because we have these disparities.

Mr Ellwood: You raise an important point about understanding where the focus should be. I mentioned it earlier. Northumbria University is doing a national map of need, which I think will be very helpful in studying where the focus for veterans' support needs to be.

Helen Helliwell: And it won't just be veterans, it will be families and reservists as well. That will be open for all service deliverers, businesses and charities to use, to see where those populations are and what kind of services they need to access.

Q238 **Graham P. Jones:** Finally, have you considered introducing additional transition schemes, for example in housing, to assist service personnel into civilian life? I think you did touch on this earlier on.

Helen Helliwell: Yes. We already have a joint service housing advice system, which helps those going through transition. People now going through transition have specific housing advice, but we know that we can do more on holistic transition advice. We are putting together some tri-service policy on that for later this year, so that it is consistent between all three services and so that transition is thought about almost as soon as you start in the Armed Forces. It will not be advice just on housing, but on finance, relationships, employment and registering with a GP.

As well as developing more holistic transition processes, we are using the Forces in Mind Trust. It funded some transition liaison officers with the Families Federation so that we can bring family transition into our policy as well. There is work going on with that.

Mr Ellwood: Just to link back to your previous focus on what more the local authorities should do, there is now statutory guidance from the Department for Communities and Local Government not to apply the local connection test. That will help veterans as well.

Chair: Some questions from Martin and a couple from me, and then we will be done.

Q239 **Martin Docherty-Hughes:** You mentioned family transition briefly. Could you expand on that? A lot of the families charities we see remind us that introducing additional transition schemes has an impact not just on service personnel, but on their partners or children. A partner might be leaving their job or their house. How is that family transition process working out? I would like to hear a wee bit more about that.

Helen Helliwell: That is the policy that we are developing as a result of stakeholders saying to us that there is more we can do in the area. We are looking at putting that tri-service policy together. I mentioned that each of the Families Federations is following six families moving out of transition so that we can learn from them. That is a two-year programme, which



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started last year. We will be able to get those experiences, from each of the services, of what it is like for a family to transition.

In January, we launched a project with SSAFA to do specific mentoring for early service leavers. We know that those who have served for less than four years tend not to have built up the skills in the Armed Forces to make as successful a transition as others, so we are doing some specific work on mentoring with SSAFA at Catterick and we will roll that out further.

We have also been collaborating with Stoll, which has done some transition work in London districts and further afield on housing, but also on employment. We have a good track record on employment transition and helping people to find alternative employment once they leave.

Q240 Martin Docherty-Hughes: Is that just for the service personnel, or is it for their families as well?

Helen Helliwell: We have a programme on spousal employment as well. We have been running a trial for spousal employment in Cyprus and at a number of RAF bases in the UK. One thing that has come out is that there is a lot of support out there for spouses. We have had some stakeholder groups with the Department for Work and Pensions, with Jobcentre Plus and with recruitment centres in large garrison towns where we know service families are, to really get under the skin of the difficulties of spousal employment. It is not just limited to location or skills base, but we have been looking at that and looking at what is already provided. I think we can really learn lessons from the Forces in Mind Trust's families transition work. That is absolutely something that we are alive to.

Mr Ellwood: May I add to that? You touched on something that causes many Armed Forces personnel to depart: the fact that their spouse wants to pursue their own career but cannot do that if they are moved around. There is a lot more effort going in, and charitable work is being done by the Royal British Legion and the Families Federations on providing support in securing employment, particularly for people who want to do online work and so forth, so that they do not feel that they are just at the beck and call of their partner, having to follow them around wherever they go.

Helen Helliwell: We have Recruit for Spouses as well. When businesses sign up to the Armed Forces Covenant and make pledges, we also ask them to consider spousal employment programmes, whether that means additional leave when people come back or the ability to move between different branches when they move across the UK. It is all part of the families strategy work that we published in 2016.

Q241 Martin Docherty-Hughes: I am sure we will hear more from the Families Federations on this, because it is an issue that is very close to their heart. Finally, on planning ahead, at the moment you only receive termination payments 35 days after you leave the force. That makes the first month extremely difficult if you cannot afford to absorb the cost yourself, because after your termination point you do not get your final payment until 35 days down the line. Have you looked into making more



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flexible examples for those leaving the service, in terms of those final payments and how they impact on their leaving the service?

Mr Ellwood: I am really happy to look at this. To place this in perspective, once they have put their hand up to say they are departing, most people will follow a transition programme that will be tailored to them, to ensure that there are educational opportunities and so forth, which they need to do before they have actually left. They will be given freedoms while still wearing uniform and will still be paid to pursue aspects that they need, which will help them once they cross the line. Eighty five per cent are in work within six months. The absolute majority of people have already determined what they will do and where they will go—they have a plan in mind. Often up to 12 to 18 months prior to even leaving they are already sitting down with a professional—

Helen Helliwell: Two years before they leave.

Mr Ellwood: Two years, to go through and get the steps in place, write the CV and determine what area of employment they want to go to. It is not, "Thank you; you're out the door; one month's pay and that's it."

Q242 **Martin Docherty-Hughes:** Maybe I'm thinking more of those who are in the shortest period. You mentioned the four-year period; in investigations on mental health there is some evidence that short-termism in the forces contributes to mental health, but if you are also contributing in terms of a flexible approach, if a young person is leaving the force very quickly, they will not have done that two-year planning.

Helen Helliwell: No, but they will have a transition process, however long they have been in. The new horizons programme is specifically for people who have not been in very long. It will look at their housing needs, and make sure that they have somewhere to go and that they have considered all their different options before they leave the services.

Mr Ellwood: Chair, would it help to write and explain in a little more detail, to give you a more comprehensive reply on that?

Q243 **Chair:** Yes, thank you. Very briefly, to finish off, I want a word about war widows. There are two issues that have been raised with us by Mary Moreland. First, the war widow's pension paid under the war pension scheme is perceived, in her view, incorrectly as a benefit when in fact it is a compensation. She writes as follows: "There is much confusion recognising that the War Widows' Pension is compensation and not a benefit. Compensation is not normally considered or included when calculating a means tested income based conditions benefit. When defined correctly as compensation the war widows pension should justifiably be disregarded from inclusion in any future benefit entitlement calculations."

I do not expect you to make a policy change instantly, but can you take that thought away with you? If, in fact, the war widow's pension is a compensation—for example, for careers not developed because of constantly having to move around—that should not be seen as if it were a



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pension that would be included in calculating whether other genuine benefits should be awarded.

Mr Ellwood: I have met her a number of times and she has made the case very powerfully. The Secretary of State is now looking at this in detail. I think that he will have discussions with other Departments, including the Treasury.

Q244 **Chair:** My final point has concerned me for quite some time. It was a very welcome move when it was decided that, in future, people who are war widows and who then co-habit or remarry will not lose what is still called the war widow's pension. It was also decided at the time that if anybody who had lost a pension in the past were to now find themselves single again, that pension would be reinstated. That has left out a group estimated to lie between no more than 200 or 300 war widows who lost the pension when they remarried, for example, and did not qualify to have it reinstated because this happened prior to the reinstatement qualification date. If this very small number of people were today to divorce their new husbands—

Mr Ellwood: And remarry.

Chair: They would then get the pension reinstated. If they then remarried their existing husbands, it would not be taken away. Knowing all the arguments about precedent and not doing things retrospectively, can we surely not see that this a special case? All we are doing is creating a perverse incentive for people to get divorced, get something reinstated and get remarried. Would it not be sensible just to reinstate the pensions for this very small number of worthy people?

Mr Ellwood: This is one of the first cases that came up when I met Mary for the first time; she explained this to me and I could not understand it or justify it. They were decisions made before my time. The difficulty here is that if you change the system, it would have repercussions for other compensation requests that are being made. Nevertheless, I can assure the Committee that it is being looked at by the Secretary of State.

Q245 **Chair:** Surely it is a unique case, because I do not think that other compensation claims have this situation where somebody had something taken away from them in the past, and it could be reinstated in the same way, if only they separated. I would find it hard to see that this would have a significant effect.

Mr Ellwood: Again, it is now in the hands of the Secretary of State. He is well briefed on this. I think Mary Moreland had the opportunity to make her case very powerfully to him in his first week. He is engaged in this matter.

Chair: And it so happens that we have him here tomorrow afternoon.

Mr Ellwood: That's very fortuitous for you.

Chair: To be continued. I thank you both very much indeed. It has been just over two and a quarter hours; I hope it has not been too gruelling. We



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have covered a lot of ground and we are very grateful to you both.

Mr Ellwood: Thank you very much indeed.

Chair: The session is concluded.