

Research Briefing

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By Louisa Brooke-Holland

Armed forces family housing: maintenance issues



Summary

- 1 What is service family accommodation?
- 2 Historical issues with maintenance providers
- 3 The Future Defence Infrastructure Services contracts
- 4 Performance of Pinnacle, Amey and Vivo
- 5 The Defence Accommodation Strategy
- 6 Surveys of armed forces personnel and families

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Summary

The maintenance and repair of service family accommodation has long been an issue for armed forces personnel.

In 2016 the Public Accounts Committee said service families “have been badly let down for many years” and are not getting the accommodation service they “have a right to expect”.¹

Ministers have described the performance of new contractors, who took over responsibility for maintenance and repairs in 2022, as “unacceptable.”² The Shadow Defence Secretary has described current issues with mould and lengthy waits for repairs as a “straight-up scandal”.³

Over half of personnel are dissatisfied with requests for, and the quality of, maintenance and repair work of their service family accommodation.⁴

Specialist companies provide maintenance and repair work

Responsibility for maintaining and repairing service family accommodation has long been contracted out to specialist providers.

The Defence Infrastructure Organisation (DIO) is responsible for the defence estate. This includes allocating service family accommodation (SFA) and procuring and managing routine maintenance and repair.⁵

In 2021 the DIO replaced the previous Next Generation Estates Programme contracts with new Future Defence Infrastructure Services (FDIS) contracts. The DIO said these were designed to be “very different” from the previous, much criticised contracts, with incentives for suppliers to reduce disruption for families.

Under the new FDIS contracts, Pinnacle Group manages the overarching national accommodation management services contract. It acts as a single point of contact for accommodation issues for personnel. Two other

¹ Public Accounts Committee, [Service Family Accommodation](#), HC 77 2016-17, 13 July 2016, para 1

² [HC Deb 20 December 2022 c143-153](#)

³ Forces News, [Service family accommodation problems are a ‘straight-up scandal’](#), Labour says, 15 December 2022

⁴ Ministry of Defence, [Armed forces continuous attitudes survey 2022](#), 19 May 2022, tables B19.3 and B19.8

⁵ Gov.uk, [DIO: About us](#), accessed 24 January 2023

companies, Amey and VIVO, are responsible for carrying out repairs and maintaining properties.

Complaints about maintenance and repairs under the new contracts

Complaints about the service provided by the new contractors began to emerge in the latter half of 2022. Service families have reported issues with response times, missed appointments and lengthy delays to resolve loss of heating and hot water.

In November 2022, the [average response time for urgent requests by VIVO and Amey was four days](#), rather than the 48 hours required in their key performance indicators. On one day in mid-December 2022, [163 homes had been without heating](#) for over 5 days. There are also ongoing issues with mould and damp in some homes.

The Government's response

In September 2022 the DIO wrote to service personnel apologising for the poor level of service experienced under the new accommodation contracts.⁶

MPs have raised concerns with Ministers in Parliament, including in an Urgent Question in December 2022.

Alex Chalk, the Minister for Defence Procurement, responded by saying the performance of the contractors has not been acceptable. The MOD ordered all three companies to implement rectification plans in September 2022. These plans include recruiting additional staff, the provision of temporary heaters, and the use of alternative accommodation when required. The Minister has also suggested financial penalties may be applied.

In the new Defence Accommodation Strategy, published in October 2022, the Ministry of Defence has committed to ensuring personnel can access accommodation that is "[of good quality and in line with modern living standards](#)."⁷

⁶ Army Families Federation, [new housing contracts – apology from DIO](#), 28 September 2022

⁷ Ministry of Defence, [Defence Accommodation Strategy](#), CP 733, 20 October 2022

1 What is service family accommodation?

Subsidised accommodation is considered a key part of the ‘offer’ given to regular service personnel. This is because of the requirement for personnel to be mobile, the lack of choice over location and the remote nature of many of the bases in which they serve.

There are two main types of service accommodation:

- Service Family Accommodation – SFA
- Single Living Accommodation - SLA

There are 47,900 SFA properties⁸ and 126,596 single living accommodation bedspaces⁹ in the UK.

MOD told us that there were around 134,069 MOD owned Single Living Accommodation (SLA) bedspaces, 126,596 of which were in the UK.

Single living accommodation is most often provided at the service personnel’s duty station while service family accommodation may be located within a certain radius of a base. Substitute accommodation may be provided when appropriate.

This paper focuses on service family accommodation.

1.1 Condition of Service Family Accommodation

96% of service family accommodation is rated as Decent Homes or Decent Homes Plus.

Since 2016 the Ministry of Defence (MOD) assesses the condition of service family accommodation against the Government’s Decent Homes standard (see box 1).

There are three categories: Decent Homes Plus, Decent Homes and Decent Homes Minus.

The minimum standard for service family accommodation is Decent Homes. The MOD says no properties below that standard should be allocated to personnel.¹⁰

⁸ Ministry of Defence, [Service Family Accommodation Statistics: 2010 to 2022](#), 26 May 2022

⁹ Ministry of Defence, [Armed Forces Pay Review Body report: Fifty-first report 2022](#), 19 July 2022, para 5.2

¹⁰ [PQ117844 \[Armed forces: housing\]](#), 12 January 2023

The MOD [publishes annual statistics on the number and condition of SFA](#). As of 31 March 2022:

- 46,100 properties (96.2% of the total) were rated as Decent Homes or Decent Homes+:
- 42,100 properties (87.9% of the total) were rated as Decent Homes+.
- 4,000 properties (8.3% of the total) were rated as Decent Homes.
- 1,300 properties (2.7% of the total) were rated as Decent Homes- (or below recommended the standard).
- 500 (1.1% of the total) properties (were temporarily managed under separate arrangements from MOD and) did not have a recorded condition.¹¹

The Government is reviewing the Decent Homes standard. The MOD says that following the completion of the Government's review "Defence will review target standards that go above and beyond that minimum."¹²

1 What is the Decent Homes standard?

The Decent Homes standard is used by the Government to set out the minimum quality for social homes. It sets out four criteria for evaluating decency: that homes are free of serious hazards, are in a reasonable state of repair, have reasonably modern facilities and services such as kitchens and bathrooms, and have efficient heating and effective insulation.¹³ In the social housing white paper, published in November 2020, the Government committed to reviewing the Decent Homes standard.¹⁴ At the time of writing the [review has not yet been published](#).

¹¹ Ministry of Defence, [Service Family Accommodation Statistics: 2010 to 2022](#), 26 May 2022

¹² Ministry of Defence, [Defence Accommodation Strategy](#), 20 October 2022

¹³ Ministry of Housing, Communities and Local Government, [The charter for social housing residents: social housing white paper](#), 22 January 2021, para 99; These criteria are summarised in the MOD's [Service Family Accommodation Statistics 2022 bulletin](#), section 4.

¹⁴ Ministry of Housing, Communities and Local Government, [The charter for social housing residents: social housing white paper](#), 22 January 2021, para 99

1.2 Rental costs

Housing is subsidised, with personnel paying rent for their accommodation directly from their pay.

The MOD introduced a new charging system in 2016. The Combined Accommodation Assessment System (CAAS) applies to SFA in the UK and overseas. Properties are [assessed on condition, scale and location](#) and then placed on a nine-point scale.¹⁵ Personnel can challenge a banding decision for their property if they disagree with it.

Detailed guidance on CAAS is contained in [JSP 464: service accommodation charges, combined accommodation assessment system \(CAAS\) and 4-tier grading \(4TG\)](#). The Army Families Federation also has [information on CAAS](#).

The [Armed Forces Pay Review Body](#) recommends the top rate (band A) annually.

Rental costs are wholly separate to the agreement the MOD has with Annington Homes Ltd, from whom it leases much of its family accommodation. This agreement is discussed in Commons Library paper [Armed Forces family housing and Annington Homes](#) (CBP9441).

Council tax

Personnel don't pay council tax directly. Instead, they pay Contributions in Lieu of Council Tax (CILT), which is collected by the MOD and then paid to councils dependent on how many SFA are in their area.

Personnel received the equivalent of the £150 rebate of council tax announced by the Government in February 2022. Personnel received their rebate in the July 2022 payroll.¹⁶

1.3 Empty properties

The MOD keeps a certain percentage empty, or void, to facilitate moves in and out of each area, support short notice requirements and allow for upgrades to take place. Currently around 9,000, or 19%, of SFA are void, although the MOD has committed to reducing this to 10% by September 2023.¹⁷

¹⁵ An explanation of the banding system is available on the Gov.uk website: [the CAAS SFA-UK explained](#).

¹⁶ Ministry of Defence, [CILT rebate FAQ](#) (PDF), accessed 31 January 2023

¹⁷ Ministry of Defence, [Defence Accommodation Strategy](#), 20 October 2022

2

Historical issues with maintenance providers

MPs criticised CarillionAmey's performance in maintaining and repairing accommodation.

The condition of service family accommodation has long been an issue for personnel.

In 2009 the Public Accounts Committee found that a third of families described the condition of their house as poor, while a quarter of families considered their property to be poorly maintained.¹⁸

In May 2014 the Government awarded new contracts for accommodation maintenance and repair under what was known as the Next Generation Estates Programme. CarillionAmey, a joint venture formed for this purpose between Carillion plc and Amey plc, was awarded the UK-wide National Housing Prime contract and the four regional prime contracts, worth a combined £1.2 billion.¹⁹ Following the collapse of Carillion in 2018, the contract was continued solely by Amey.

The MOD let the contracts on a “keep me safe, keep me legal basis”, requiring CarillionAmey to maintain the estate to a minimum standard that is compliant with health and safety and other legislation.²⁰

However, the performance of CarillionAmey fell below the contracted level in 2015, prompting the Defence Secretary to intervene in February 2016. The MOD acknowledged “significant shortcomings” in the delivery of maintenance services by CarillionAmey.²¹

The Public Accounts Committee said the MOD and CarillionAmey were “badly letting down service families” by providing them with poor accommodation and lengthy waits for essential repairs. In a report published in 2016, the Committee said it was “unacceptable” that such issues have continued for many years.²²

In a subsequent report in 2019 the Committee pointed to the demoralising effect of poor accommodation and service on retention, working and family

¹⁸ Public Accounts Committee, [Service Family Accommodation](#) (PDF), HC 531 2008-09, 20 October 2009

¹⁹ Ministry of Defence, [“£1.1 billion defence estate contracts awarded”](#), 12 May 2014; National Audit Office, [Service Family Accommodation](#), June 2016, figure 9

²⁰ National Audit Office, [Service Family Accommodation](#), June 2016, para 4.4

²¹ Ministry of Defence, [Annual Report and Accounts 2015-16](#), 14 July 2016, HC 342 2016-17, p82 and HC 18 April 2017 c279WH

²² Public Accounts Committee, [Service Family Accommodation](#) (PDF), HC 77 2016-17, 13 July 2016

life. The Committee called upon the MOD to give greater priority to military housing.²³

The MOD said in 2022 that it estimates the historical “fix-on-fail” approach has left a “significant current maintenance backlog with an estimated value of around £960 million” with SFA.²⁴

2 Further reading

- Commons Library paper, [Armed Forces Housing](#), CBP 7985, 15 June 2017
- Public Accounts Committee, [Military Homes](#) (PDF), HC 2136 2017-19, 21 June 2019
- National Audit Office, [Service Family Accommodation](#), June 2016
- Public Accounts Committee, [Service Family Accommodation](#) (PDF), HC 531 2008-09, 20 October 2009

²³ Public Accounts Committee, [Military Homes](#) (PDF), HC 2136 2017-19, 21 June 2019

²⁴ Ministry of Defence, [Defence Accommodation Strategy](#), 20 October 2022, p12

3 The Future Defence Infrastructure Services contracts

In June 2021 the DIO replaced the previous National Housing Prime contract with new contracts for the maintenance and repair of service accommodation. These were awarded to Pinnacle Group, VIVO and Amey and came into effect in 2022.

3.1 The new contracts

New management and maintenance contracts were awarded to Pinnacle Group, VIVO and Amey in 2021.

The new Future Defence Infrastructure Services (FDIS) contracts consist of:

- A National Accommodation Management Services (NAMS) contract
- Four Regional Accommodation Maintenance Services (RAMS) contracts

The FDIS accommodation contracts came into service on 1 April 2022. Each contract lasts for seven years, with options to extend for up to a further three years.²⁵

The National Accommodation Management Services contract

Pinnacle Group Ltd manages the National Accommodation Management Services contract in the UK on behalf of the DIO. It is responsible for a new customer service centre to act as a single point of contact to “streamline and resolve accommodation issues quicker.”²⁶ They are also responsible for the allocation of homes and move-in and move-out appointments, and the management of complaints.²⁷ The contract is worth £144 million.

The Regional Accommodation Maintenance Service contracts

VIVO (a joint venture between Serco and ENGIE) and Amey were each awarded two of the four Regional Accommodation Maintenance Services

²⁵ Ministry of Defence, [Thousands of service families receive £650 million accommodation boost](#), 24 June 2021

²⁶ Ministry of Defence, [Thousands of service families receive £650 million accommodation boost](#), 24 June 2021

²⁷ [PQ118819 \[Armed forces: housing\]](#), 12 January 2023

(RAMS) contracts, totalling £650 million over a seven-year period. They are responsible for providing repair and maintenance services, statutory and mandatory checks, and the preparation of allocated homes for Service families. The four regional contracts are awarded to:

Amey Community Ltd

- £84 million contract for the northern region of the UK, including Scotland, Northern Ireland and north Wales.
- £126 million contract for the central region of the UK, covering the Midlands and mid and south Wales.

VIVO

- £184 million contract for the south east of England.
- £148 million contract for the south west of England.²⁸

The MOD says the new contracts reflect a new approach towards accommodation, with a shift away from the previous “fix-on-fail” maintenance policy towards a more preventative approach:

Previous historic low funding levels have driven a ‘fix-on-fail’ responsive maintenance regime, and it has been established that a preventative life cycle replacement programme would offer better long-term value. The new contracts within the Future Defence Infrastructure Services, which commenced spring 2022, will implement this approach moving forward.²⁹

The head of DIO Accommodation, Air Commodore James Savage, said the DIO had collaborated with stakeholders including personnel, their families and the Service Families Federations to develop the new contracts.³⁰

3.2 Performance measures for VIVO and Amey

The MOD published the [performance measures for the regional accommodation maintenance contracts](#), held by Vivo and Amey, in December 2022.³¹ The full list is available online: [Key Performance Indicators: RAMS contract](#).

There are seven categories of KPIs, or performance measures. Each one is given an “acceptable level of performance”, below which none of the “at risk profit” is paid, and a “target”, the level of performance at which the

²⁸ Ministry of Defence, [Thousands of service families receive £650 million accommodation boost](#), 24 June 2021

²⁹ Ministry of Defence, [Defence Accommodation Strategy](#), CP 733, 20 October 2022

³⁰ DIO blog, [The next step on our journey to transform accommodation services for armed forces families](#), 4 April 2022

³¹ [PQ97447 \[Armed forces: housing\]](#), 5 December 2022

“variable profit” is paid.³² Selected performance measures are provided in table 1.

Table 1 Selected Performance Measures for regional contracts		
Performance Measure	Acceptable level of performance	Target
Emergency response	2 hours	2 hours
Urgent response	48 hours	24 hours
Routine response	12 days	8 days
Occupant satisfaction with response maintenance	90%	95%

Source: [PQ97447 \[Armed forces: housing\]](#), 5 December 2022: [Future Defence Infrastructure Services Regional Accommodation Maintenance Services \(RAMS\) Performance Measures \(PM\)](#) (PDF)

KPI performance statistics for the initial six-month bedding-in period have not been published by the MOD because, it says, there is insufficient quality assured data. In response to a written question asking for the publication of available data, Alex Chalk said data for the third quarter of 2022 (October to December) will be available in January 2023 and he will write to the MP, shadow Defence Secretary John Healey.³³ It is not clear whether the letter will include the data. The letter will be published on the [deposited paper database](#) on Parliament’s website (at the time of writing the letter has either not yet been written or not sent to the MP).

Failure to meet maintenance response times

While data on performance has not been published, the MOD did provide information on VIVO and Amey’s performance in meeting response times for maintenance requests for the month of November 2022. The average urgent response by both companies was four days rather than the 48 hours considered acceptable (see table 2).

³² [PQ97447 \[Armed forces: housing\]](#), 5 December 2022: [Future Defence Infrastructure Services Regional Accommodation Maintenance Services \(RAMS\) Performance Measures \(PM\)](#) (PDF)

³³ [PQ120848 \[Armed forces: housing\]](#), 16 January 2023

Table 2 Average response times for maintenance requests in November 2022

Response Times	Vivo	Amey
Emergency	3-4 hours	4-4.5 hours
Urgent	98 hours	97 hours
Routine	11.5 days	17.7 days

Source: [PQ111520 \[Armed forces: housing\]](#), 20 December 2022

3.3 Customer satisfaction targets

When the contracts first came into effect, the head of DIO accommodation noted that one of the major differences to previous contracts was that, for the first time in MOD housing contracts, there will be clear customer satisfaction targets. Air Commodore Savage added that these targets will be backed by financial consequences for falling short, and incentives to go well beyond the minimum standards.³⁴

The level of occupant satisfaction with response maintenance is a KPI. According to the MOD, Pinnacle is responsible for administering surveys to capture the level of satisfaction with all three contracted companies, Pinnacle, Amey and Vivo.

³⁴ DIO blog, [The next step on our journey to transform accommodation services for armed forces families](#), 4 April 2022

4 Performance of Pinnacle, Amey and Vivo

In autumn 2022, reports began to emerge of service personnel not receiving adequate responses to maintenance issues.

In September the DIO's Director of Accommodation, David Bowden, [wrote a letter to Service personnel](#) apologising for the poor level of service experienced under new accommodation contracts.³⁵ The MOD demanded the companies implement rectification plans to reduce the backlog of repairs and complaints.

MPs raised concerns in an urgent question in December 2022. Alex Chalk acknowledged the performance of the contractors has not been acceptable, particularly in relation to the homes without heating or hot water.³⁶

4.1 Service Families Federations raise concerns

The Service Families Federations and the Royal British Legion raised housing repairs and maintenance in their observations in the [Armed Forces Covenant and Veterans Annual report 2022](#), published on 19 December 2022.³⁷

Families have been “extremely frustrated and disappointed” with the service provided by the new FDIS contracts, the federations report. They acknowledged that the DIO and contractors “have been open and transparent” about the problems, but families remain “deeply dissatisfied with the service provided.”³⁸

The Army Families Federation's Chief Executive said in September that they had been gathering evidence from families' and raising their concerns about the poor level of service at the “highest levels” with the DIO, Pinnacle, Vivo and Amey. The AFF have advised service families to submit a complaint if a repair, maintenance or allocation issue had not been resolved, and to keep copies of submitted complaints.³⁹

³⁵ Army Families Federation, [new housing contracts – apology from DIO](#), 28 September 2022

³⁶ [HC Deb 20 December 2022 c143](#)

³⁷ Ministry of Defence, [Armed Forces Covenant and Veterans Annual report 2022](#), 19 December 2022

³⁸ Ministry of Defence, [Armed Forces Covenant and Veterans Annual report 2022](#), 19 December 2022

³⁹ Army Families Federation, [New housing contracts – apology from DIO](#), 28 September 2022

The AFF also provides [guidance on repairs and maintenance](#) for service families with information on how to repair a fault, appointment times, responsibilities and other information.

4.2 Loss of heating and hot water

389 homes were without heating on 16 December 2022.

Towards the end of 2022 reports emerged of personnel experiencing slow responses to reports of loss of heating and hot water in family accommodation.⁴⁰ In a debate in Parliament in December, several Members cited specific examples. Kevan Jones (Labour) listed nine armed forces sites from across all three services that had contacted him about problems with hot water and heating.⁴¹

In a written answer, Alex Chalk, the Minister for Defence Procurement, said that “no home should be left without any form of heating or hot water for more than 24 hours.”⁴² However, he explained that the total loss of permanent heating is classed as an urgent task during the heating season (October to April). According to the performance measures, the acceptable level of performance for urgent maintenance response is 48 hours, with a target of 24 hours (see table 1).⁴³ He also said that as of 12 January 2023, 43 properties were experiencing a total loss of permanent heating beyond 48 hours. The Minister said measures had been put in place to provide either temporary heating or temporary accommodation.⁴⁴

Ministers have also received daily dashboards with response rates to heating loss.⁴⁵ A dashboard showing heating loss in SFA on selected days between 16 December 2022 and 9 January 2023, published in response to a written question from John Healey, showed that several hundred homes were without heating in mid-December:

- 389 homes were without heating on 16 December 2022. Of these, 163 had been without heating for over 5 days, and 71 without heating for less than five days but more than 48 hours.

⁴⁰ See for example The Sunday Telegraph, Pleas to repair military homes ignored – contractors miss 14,500 urgent appointments with service families, 15 January 2023; Portsmouth News, Military housing: Gosport family left with hole in roof and collapsed bedroom ceiling for almost a month with broken heating during cold snap as MPs blast ‘unacceptable’ conditions, 29 December 2022

⁴¹ [HC Deb 20 December 2022 c149](#)

⁴² [PQ118855 \[Armed forces: housing\]](#), 17 January 2023

⁴³ [PQ118855 \[Armed forces: housing\]](#), 17 January 2023

⁴⁴ [PQ118855 \[Armed forces: housing\]](#), 17 January 2023

⁴⁵ [HC Deb 20 December 2022 c150](#)

- 65 homes were without heating on 10 January 2023. Of these, 11 had been without heating for over 5 days, and a further 7 without heating for less than five days but more than 48 hours.⁴⁶

In December 2022 the MOD said it was providing temporary heaters (with compensation set at £20 per day to reflect the increased energy costs associated with them) and the use of temporary accommodation for families with vulnerable people or where some form of heating cannot be restored in a reasonable time.⁴⁷

4.3 Mould and damp issues

The MOD says it has a “robust damp and mould management policy” for SFA.

4.6% of the UK service family accommodation estate had problems with damp or mould in December 2022.

Coming into effect in spring 2022, under the [DIO’s damp and mould action plan](#) families should not be moved into homes with history of damp and mould issues, reports of damp and mould should be investigated by a professional survey, and reports should be treated with “appropriate urgency”, recognising that “prolonged exposure can create serious problems”.⁴⁸ Alternative accommodation should be offered in cases where a damp or mould problem cannot be resolved quickly, if it is particularly severe or if a family member has a known vulnerability.⁴⁹

1,324 properties were not allocated to families by the DIO due to damp and mould issues in 2022. This was an increase from 801 in 2020 and 1,120 in 2021.⁵⁰

However, personnel report ongoing issues with mould and damp.⁵¹ The Armed Forces Pay Review Body said in its 2022 report that it heard issues to do with condensation, damp and mould during their visits to personnel, and found some of the accommodation of an “unacceptable standard.”⁵²

⁴⁶ [PQ118818 \(Armed forces: housing\)](#), 16 January 2023; [DEP2023-0053 Dashboard detailing response rates to heating loss in Service Family Accommodation](#).

⁴⁷ Ministry of Defence, [Service Family Accommodation: Latest news for SFA residents](#), 16 December 2022 and 12 January 2023 updates, accessed 31 January 2023

⁴⁸ [Investment and Action Plan to tackle damp and mould in Service Family Accommodation](#), from [Service Family Accommodation: investment and action plan to tackle damp and mould in SFA](#), accessed 31 January 2023

⁴⁹ [PQ11518 \[Armed forces: housing\]](#), 20 December 2022

⁵⁰ [PQ11518 \[Armed forces: housing\]](#), 20 December 2022

⁵¹ See for example Salisbury Journal, Soldier’s entire family unwell from living in house with ‘substantial mould’, 18 December 2022; BBC News, [Military housing: Families say they’re living in damp, mouldy conditions](#), 14 December 2022; Daily Mail, [How our heroes are being left to freeze in squalor](#), 17 December 2022

⁵² Ministry of Defence, [Armed Forces Pay Review Body report: Fifty-first report 2022](#), 19 July 2022, paras 5.10-5.11

Between April and December 2022, the National Service Centre took 2,684 calls relating to damp and mould.⁵³

4.6% of the service family accommodation estate in the UK have reported issues with damp and mould – 2,210 properties - as of 29 December 2022.⁵⁴

In January 2023 Ben Wallace, the Defence Secretary, said he was “most concerned” about damp and mould issues.⁵⁵

The AFF has been [tracking reports of mould in family accommodation](#) since 2012 in a dedicated database. It also provides information on the DIO’s new mould and damp action plan.

4.4 Rectification plans

In September 2022 the MOD directed all three companies to submit Rectification Plans, with a view to “demonstrate rapid early improvement and to be at or close to the Acceptable Level of Performance by the end of 2022.”⁵⁶

Baroness Goldie summarised the main developments within these plans in the debate in the Lords on 21 December 2022:

- Access to temporary heaters for families without heating, with 1,500 additional heaters purchased for dispersal.
- Increased use of temporary accommodation to support families with vulnerable people, or where heating cannot be restored in a reasonable time.
- Additional staff are being recruited by all three companies. Qualified engineers will contact families about a heating or hot water issue to support the diagnosis of faults.
- Compensation is available to cover any increased energy costs caused by the use of temporary heaters.⁵⁷

In more detail

Updates to maintenance section of the [guide to Service Family Accommodation](#) on Gov.uk expands on the above points. The key points of

⁵³ [PQ11517 \[Armed forces: housing\]](#), 20 December 2022. The written answer did not provide a cut-off date in December for the figures.

⁵⁴ [DEP2023-0051](#), 12 January 2023

⁵⁵ [HC Deb 30 January 2023 c10](#)

⁵⁶ [PQ75817 \[Armed Forces Housing\]](#), 7 November 2022

⁵⁷ [HL Deb 21 December 2022 c1189](#)

these updates are summarised below (in case they are removed when no longer relevant) and provide more detail on the main measures already outlined above.

On 13 December the MOD outlined the key areas of service improvement targeted through the rectification plans. These include:

- Improving the pass rate for preparation of homes for move-in
- Reduce repairs backlog, complete repairs more quickly and achieve more repairs on the first visit to homes
- Reducing missed appointments
- Increasing staffing of the complaints and compensation team
- Improved communications for personnel to contact the relevant Pinnacle department
- Improve response time to compensation claims
- Increased staffing in the national service centre to reduce call wait times
- Enhanced care to support families who require a hotel stay⁵⁸

On 14 December the MOD said any reports of damp and mould are now investigated by a professional surveyor. If the problem cannot be resolved quickly, if it is particularly severe or if a family member has a known vulnerability, then alternative accommodation will be offered. Families with a child under the age of 5, or a vulnerable family member, should automatically be allocated “urgent task” status and responded to within 48 hours.

On 16 December the MOD said the number of heating engineers has been increased across all regions, and access to temporary heaters being improved, and increased use of temporary accommodation, such as hotels, for families with vulnerable people or where some form of heating cannot be restored in a reasonable time.

On 12 January 2023 the MOD said compensation for increased energy costs caused by the use of temporary heaters has been agreed at £20 per day, backdated to 7 December 2022. [Claims should be submitted via Pinnacle.](#)

⁵⁸ Ministry of Defence, [Guide to Service Family Accommodation](#), 14 December update

4.5 Debates in Parliament

Several MPs, led by Dan Jarvis, raised concerns about the state of accommodation in an [urgent question on 20 December 2022](#).⁵⁹

During the debate Luke Pollard, the shadow Minister for Defence Procurement, said it was a “national scandal” that personnel and their families are left without heating and water. He suggested 5,000 maintenance appointments were missed between June and October 2022.

Mark Francois, citing a report he co-authored in 2020 called “[stick or twist?](#)”, said he urged Ministers not to go ahead with the DFIS contract, describing it as “structurally dysfunctional.”

Dave Doogan, the SNP defence spokesperson, described housing conditions as a decades-long problem, which the MOD “continues to show no strategy to resolve.”

Kevan Jones listed nine armed forces sites from across all three services that had contacted him about problems with hot water and heating. He said many dealt with initial training, and asked what message it gives to young recruits if the MOD cannot provide the basics of heating and hot water.

Jane Stevenson (Conservative) and Richard Foord (Liberal Democrats) similarly raised concerns about the potential effect on retention. Mr Foord also mentioned the pressure on spouses, who have to deal with property maintenance when their spouse is serving away from home.

Meg Hillier, the chair of the Public Accounts Committee (which reported on service accommodation in 2016 and 2021) described a “rotteness at the core of the MOD’s ability to contract to deliver on this service.”⁶⁰

On 21 December, Baroness Goldie, the Minister of State for the Ministry of Defence, repeated Alex Chalk’s response to the urgent question in the House of Commons and responded to questions raised by members of the House of Lords.⁶¹

MPs have also questioned the MOD in written and oral questions.⁶²

⁵⁹ [HC Deb 20 December 2022 c143-153](#)

⁶⁰ [HC Deb 20 December 2022 c143-153](#)

⁶¹ [HL Deb 21 December 2022 c1188-1191](#)

⁶² [HC Deb 30 January 2023 c2-24](#)

4.6 Government response

In September 2022 the DIO's Director of Accommodation, David Bowden, [wrote a letter to Service personnel](#) apologising for the poor level of service experienced under new accommodation contracts.⁶³

In November, Alex Chalk described the performance of Pinnacle, Amey and Vivo as "significantly below" the required standard. In particular, the call and email response times and timescales for resolving complaints and compensation requests are "significantly below acceptable levels."⁶⁴

The Minister also responded to the urgent question on 20 December 2022. He said the current level of maintenance was "unacceptable" and that the contractors "are not meeting their requirements." He added the contractors are "in no doubt about Ministers' profound dissatisfaction at their performance."⁶⁵

4.7 Financial penalties and incentives

In January 2023, Alex Chalk told MPs "we expect and demand that our suppliers do better, and we will do everything we legally and properly can to force them to do so."⁶⁶ He explained the contract allows the MOD to recoup, or refuse to pay out, certain sums that would otherwise accrue under the contract. Following the six-month bedding-in period, the Minister explained the DIO can now use the financial incentives and consequences in the contract with Pinnacle Group:

Where appropriate, this will allow DIO to withhold Core Profit where average performance over the period has fallen below the agreed Acceptable Level of Performance without adequate mitigation.⁶⁷

The Minister further explained that if the breach has become so severe as to become a fundamental breach, other remedies may follow, adding that "all options are being considered."⁶⁸

At the end of January 2023, Ben Wallace, the Defence Secretary, said he has been looking at options for finding compensation or recompense from the providers, adding "if we do not get a better standard, I will take other steps."⁶⁹

⁶³ Army Families Federation, [new housing contracts – apology from DIO](#), 28 September 2022

⁶⁴ [PQ75817 \[Armed Forces Housing\]](#), 7 November 2022

⁶⁵ [HC Deb 20 December 2022 c143-153](#)

⁶⁶ [HC Deb 20 December 2022 c143](#)

⁶⁷ [PQ118819 \[Armed forces: housing\]](#), 12 January 2023

⁶⁸ [HC Deb 20 December 2022 c149](#)

⁶⁹ [HC Deb 30 January 2023 c10](#)

5

The Defence Accommodation Strategy

In October 2022 the MOD published a [new accommodation strategy](#). The MOD committed to “ensuring that all our people have access to good quality accommodation, in line with modern living standards, and support that meets their varied needs, health and wellbeing.” It set out four overarching principles:

- Defence will ensure Service personnel should be supported to access the accommodation they need.
- Service personnel should be able to access accommodation that is of good quality and in line with modern living standards.
- Defence will maximise use of accommodation to ensure affordability and value for money.
- Defence must improve sustainability across our accommodation and promote sustainable behaviours among our people to contribute to the Government’s net zero carbon commitment by 2050.

Each principle has a set of objectives. For improving the quality of defence-provided accommodation, the objectives are:

- Improve the quality of accommodation provided to Service personnel to bring it in line with modern living standards.
- Increase engagement with personnel and their families to ensure our approach to accommodation reflects their current and future needs and preferences.
- Through a proactive approach to maintenance alongside data-led future proofing, update spaces to the modern requirements of Service personnel and their families.⁷⁰

⁷⁰ Ministry of Defence, [Defence Accommodation Strategy](#), CP 733, 20 October 2022

6 Surveys of armed forces personnel and families

The Ministry of Defence publishes two surveys annually of armed forces personnel and families:

- [Armed forces continuous attitude survey \(AFCAS\)](#)
- [Tri-service families continuous attitudes survey \(FAMCAS\)](#)

Both surveys ask about levels of satisfaction with accommodation and maintenance and repairs.

AFCAS 2022 was published on 19 May 2022. It reflects responses gathered between September 2021 and February 2022 and therefore pre-dates the start of the new contracts. The next survey will reflect the performance of Pinnacle, Vivo and Amey. Satisfaction with accommodation has fallen in recent years:

- 48% are satisfied with the overall standard of accommodation, down from 58% in 2014.⁷¹
- 52% are satisfied with the overall standard of their SFA, compared to 33% who were dissatisfied.⁷²
- 53% were dissatisfied with the responses to requests for maintenance and repair work, and 56% were dissatisfied with the quality of maintenance and repair work.⁷³

Satisfaction among families is lower. 26% said they were satisfied with the quality of maintenance and repair work in 2022, and 29% said they were satisfied with response to requests for maintenance and repair work. Royal Navy, Royal Marine and RAF families are more dissatisfied than? army families with the overall standard of accommodation. FAMCAS 2022 was published in July 2022 and gathered responses between January and May 2022.⁷⁴

⁷¹ The survey provides data back to 2007. Satisfaction levels peaked in 2014 when 58% expressed satisfaction with their accommodation. Table B19.2

⁷² Ministry of Defence, [Armed forces continuous attitudes survey 2022](#), 19 May 2022, table B19.3

⁷³ Ministry of Defence, [Armed forces continuous attitudes survey 2022](#), 19 May 2022, table B19.9 and B19.12

⁷⁴ Ministry of Defence, [Tri-service families continuous attitude survey 2022](#), 21 July 2022

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