



DEBATE PACK

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The Future Accommodation Model

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1. Summary

Armed Forces personnel are entitled to Service housing depending upon their circumstances. 40% of [personnel](#) live in Single Living Accommodation and nearly a third live in Service Families Accommodation.

The Future Accommodation Model is the Ministry of Defence's response to a commitment given by the Government to make a new accommodation offer to service personnel. The commitment, made in the 2015 Strategic Defence and Security Review, was to "help more Service personnel live in private accommodation and meet their aspirations for home ownership."

The Government views the current accommodation model as unsustainable and not attractive to all. Currently accommodation is provided to personnel based on their rank and relationship status. The [Public Accounts Committee](#) found the current model for providing accommodation for families is "not flexible enough to meet the reasonable needs of service families in the 21st century".

The Future Accommodation Model will instead be based on need, be more flexible and reflect modern demands. This, the Government believes, will provide personnel with more choice over the type of accommodation they live in, the location, and help if they wish to buy their own property or rent privately.

Over 9,000 personnel have already bought their own home via the Forces Help to Buy Scheme, introduced in 2012 and extended to 2018.

Accommodation is a major concern for personnel and is the [top issue](#) reported to the Service Families Federations. There have been well-documented issues with the private contractor contracted to provide maintenance. In addition, the rollout of a new charging system for service family accommodation in 2016 was "[far from successful](#)" from the perspective of many families, the Service Families Federations report.

In a recent report on [Service Family Accommodation](#), the Public Accounts Committee stated "Service families have been badly let down for many years and are not getting the accommodation service that they have a right to expect". The Ministry has also unveiled a [Defence Estate Strategy](#) with a view to reducing the built estate by 30% by 2040. The National Audit Office described the strategy as 'extremely challenging'.

MPs discussed the Future Accommodation Model in a debate on the Armed Forces Covenant on [2 February 2017](#) and during oral questions on [13 March 2017](#). MPs questioned whether the proposals were driven by the need to cut costs, the availability of affordable housing to buy or

rent near bases and the potential negative effect on retention. The Service Families Federations reported "[increasing nervousness](#)" about the future accommodation model, with personnel worried that SFA availability will be limited, that quality will fall and prices rise.

The Ministry of Defence is finalising the detail of the Future Accommodation Model.

2. Press Articles

The following is a selection of recent press and media articles relevant to this debate.

Please note: the Library is not responsible for either the views or the accuracy of external content.

The Times

Military housing cuts 'cause exodus' of brightest and best

20 March 2017

Deborah Haynes

The House Magazine

The threat to our Armed Forces Covenant

20 March 2017

Julian Brazier

Sunday Telegraph (from Press Reader)

Troops to get cash to buy homes as barracks sold off

17 March 2017

Robert Mendick

Conservative Home

Poor quality housing for service families harms their happiness and our defence

28 February 2017

Iain Duncan Smith

Forces Network

MoD Survey: Most Personnel behind New Housing Plans

31 January 2017

Royal Airforce Families Federation

Service personnel want greater choice on where they get to live

31 January 2017

Forces Network

Army Head on Service Housing Plans

1 December 2016

Kate Gerbeau & Charlotte Banks

Northumberland Gazette

Housing for Forces under spotlight

26 October 2016

Ben O'Connell

3. Ministry of Defence

Thousands benefit from Armed Forces house purchase scheme

Ministry of Defence

23 June 2016

In little more than two years since its launch in April 2014, [statistics for May 2016](#) show that 7,260 personnel have now benefitted from payments received under Forces Help to Buy (FHTB). The vast majority of these (78%) have been non-officers.

With an average of £15,200 borrowed interest-free by each successful applicant, over £110 million has now been paid out through FHTB.

The enduring popularity of the scheme is also reflected in the figures, which reveal that the number of new applications in May (729) was at its highest level since the first two months after launch.

Overall, more than 15,000 applications have been received and 9,500 of these have progressed to the second stage of detailed checks.

Defence Secretary Michael Fallon said:

Members of our Armed Forces are no different to their civilian counterparts in wanting to get on the property ladder.

Thousands of personnel are now benefitting from this scheme and gaining the stability that owning your own home provides.

Through FHTB regular personnel can borrow up to 50% of their salary, capped at £25,000, to buy their first home, extend their current one or move to another property. The advance can be used towards a deposit and other costs such as solicitor and estate agent fees.

Under the Armed Forces Covenant, the MOD is committed to making sure those who serve are treated fairly and that the nature of their careers does not prevent them from buying a home.

Historically, Armed Forces personnel have seen lower levels of home ownership than the wider population – a situation FHTB seeks to address.

Examples of forces families who have been helped by FHTB can be found [here](#).

Extract on housing from the Armed Forces Covenant

Ministry of Defence

16 May 2011

In addressing the accommodation requirements of Service personnel, the MOD seeks to promote choice, recognising the benefits of stability and home ownership amongst members of the Armed Forces where this is practicable and compatible with Service requirements, and also that their needs alter as they progress through Service and ultimately return to civilian life. Where Serving personnel are entitled to publicly-

provided accommodation, it should be of good quality, affordable and suitably located. They should have priority status in applying for Government-sponsored affordable housing schemes and Service leavers should retain this status for a period after discharge. Personnel may have access to tailored Armed Forces housing schemes or financial arrangements, depending on their circumstances, to help them in purchasing their own property. Those injured in Service should also have preferential access to appropriate housing schemes, as well as assistance with necessary adaptations to private housing or Service accommodation whilst serving. Members of the Armed Forces Community should have the same access to social housing and other housing schemes as any other citizen, and should not be disadvantaged in that respect by the requirement for mobility whilst in Service.

4. PQs

Service Family Accommodation

13 Mar 2017 | 623 cc2-4

Asked by: Liz McInnes (Heywood and Middleton) (Lab)

What steps his Department is taking to improve standards in service family accommodation.

Answered by: Mark Lancaster | Ministry of Defence

The provision of quality accommodation is at the heart of the armed forces covenant. Around 94% of UK service family accommodation is at decent homes standard or above. Only service family accommodation at those standards will be allocated to new occupants. Since April 2016, around 14,500 kitchens, bathrooms, roofs, doors and windows, and some 10,000 new boilers, have been installed.

Asked by: Liz McInnes

I thank the Minister for that response, but the armed forces continuous attitude survey in 2016 showed a significant drop in satisfaction among those living in service family accommodation—there was a decrease of seven percentage points, to just 50%. Can he assure the House that a further drop in satisfaction will lead to urgent action by the Department?

Answered by: Mark Lancaster | Ministry of Defence

I can, but equally I am confident that, after the Secretary of State's intervention last year with CarillionAmey and the introduction of the get well plan, we have seen a significant improvement in satisfaction. That might not yet have filtered down into the survey, but recent stats show that the satisfaction rate on the service from CarillionAmey has risen from 40% to 61%. We take this matter very seriously, which is why I am keeping a close eye on it and am determined that the services standard should continue to improve.

Asked by: Sir Julian Brazier

I congratulate my hon. Friend on the progress that has been made on the CarillionAmey contract. However, does he agree that continuing to have service family accommodation—the patch, as it is affectionately called—is critical in providing a supportive arrangement for families when their loved ones are away on operations or indeed extended exercises?

Answered by: Mark Lancaster | Ministry of Defence

What our families really want is choice and support, but I can say to my hon. Friend that only recently I visited Salisbury plain and saw in Tidworth, Larkhill and elsewhere some 1,000 brand new service family accommodation homes being built, so we take the matter very seriously. I am confident that SFA, as it is referred to, will continue to be provided, and some of those homes really are of an absolute first-rate standard. However, this is about trying to support the modern lifestyle of our service families and the way in which they work.

Asked by: Dan Jarvis

A recent Army Families Federation survey on the future of military housing showed that if SFA were reduced in favour of a rental allowance, 30% of those surveyed would definitely leave the Army and a further 46% would consider leaving. What does the Minister think the Government's future accommodation model will do for retention rates?

Answered by: Mark Lancaster | Ministry of Defence

As I say, it is all about choice. If the hon. Gentleman looks at that survey, he will see that the overwhelming number of young soldiers, sailors and airmen who are yet to be married support the model that we are proposing. We are yet to make any firm decisions. We have reduced the number of options to about seven, on which we are running a business case, but I will keep the House fully informed as we progress.

Asked by: Anne-Marie Trevelyan

I welcome the Minister's comments, but 40,000 members of the armed forces have still not been consulted on the future accommodation model. Among those who have, anxieties remain about whether SFA is still a real option for their families.

Answered by: Mark Lancaster | Ministry of Defence

I refer back to my earlier comments. Only recently I visited Salisbury plain, where we are building 1,000 new SFA units of an excellent standard. SFA will remain an option, but it is clear that one size does not fit all and that, depending on where one is serving in the United Kingdom, various options

Asked by: Wayne David

Last November, the National Audit Office reported:

"Poor accommodation for service families is also affecting the morale as well as the recruitment and retention of service personnel."

In other words, the situation is deplorable. My concern is that only lip service is paid to those real worries. Surely to goodness, warm words and tinkering are not enough. Real action is needed. Why will not the Minister acknowledge that and introduce real improvements quickly?

Answered by: Mark Lancaster | Ministry of Defence

I am really disappointed to hear the hon. Gentleman's comments. Only last year, some £64 million was invested in service family accommodation. Next year, we will invest some £80 million in service family accommodation. Perhaps, rather than sitting on the green Benches in the Chamber, he would like to take up my offer to come to see some of the new build we are providing for our families on Salisbury plain.

Wayne David

I am waiting for the invitation.

Answered by: Mark Lancaster | Ministry of Defence

Then here it is—so come rather than sitting on the green Benches and constantly carping.

Philip Hollobone (Kettering) (Con)

When service personnel are on active service abroad, the last thing they need is problems with their domestic arrangements and accommodation at home, so will the Minister ensure that, when service personnel are on active deployment, the accommodation helpline works absolutely perfectly for their partners at home?

Answered by: Mark Lancaster | Ministry of Defence

My hon. Friend makes a valuable point. The point at which spouses are overseas on deployment is absolutely the time when we must focus on offering support to their families. I will look very carefully at what he says.

Asked by: Christian Matheson

Does the Minister agree that quality accommodation is central to satisfaction and retention rates, and does he therefore also agree that, having invested a large amount in service accommodation at Dale barracks in Chester, it would be a false economy to now close those barracks?

Answered by: Mark Lancaster | Ministry of Defence

The driver, of course, for the better defence estate strategy is military capability, but it is important that we have good-quality accommodation. As the hon. Gentleman knows, units will be relocated in his part of the world, and we will look carefully at that.

Armed Forces: Housing

07 Feb 2017 | 62550

Asked by: Jim Shannon

To ask the Secretary of State for Defence, what steps he is taking to ensure that members of the armed forces and their families are not accommodated in hotels.

Answering member: Mark Lancaster | Ministry of Defence

The Department provides entitled service personnel and their families with single living accommodation or service family accommodation (SFA) either at, or close to their normal duty station. There are near 50,000 SFA properties which are used for the needs of the armed forces.

The Department also recognises the evolving housing needs of service personnel. Work to progress the Future Accommodation Model is under way to provide a more flexible accommodation offering which remains attractive to service personnel and affordable to Defence in the future.

Hotels are only ever used in exceptional circumstances to temporarily house service personnel and their families and this exceptional use is reducing.

RAF Leuchars

08 Nov 2016 | 50997

Asked by: Stephen Gethins

To ask the Secretary of State for Defence, whether his Department plans to implement the Future Accommodation Model at Leuchars.

Answering member: Mark Lancaster | Ministry of Defence

The Future Accommodation Model is intended to offer more choice and flexibility to Service personnel, helping the military live in private accommodation and meet their wider aspirations for home ownership. The policy and associated implementation plans are still at an early stage of development and no decisions have been taken at this time.

RAF Leuchars

08 Nov 2016 | 50983

Asked by: Stephen Gethins

To ask the Secretary of State for Defence, what plans he has to invest in family accommodation for service personnel at (a) Leuchars and (b) elsewhere in North East Fife.

Answering member: Mark Lancaster | Ministry of Defence

In Financial Year 2017-2018 investment to improve the quality of Service Family Accommodation (SFA) in Leuchars is programmed to include:

- Replacement of 60 life cycle expired floor standing boilers;
- Replacement of 100 heating systems;
- Replacement roofs to 130 SFA.

There is currently no work programmed for SFA elsewhere in North East Fife.

The Ministry of Defence has recently introduced a new Combined Accommodation Assessment System (CAAS) which will offer a fairer, more transparent, simplified and modern approach. It will still consider a property's condition, size and location but will use modern, objective assessments.

We have committed that the receipts generated by CAAS will be reinvested to improve the accommodation we offer to Service personnel and their families.

The Future Accommodation Model is intended to offer more choice and flexibility to Service personnel, helping the military live in private accommodation and meet their wider aspirations for home ownership. The policy and associated implementation plans are still at an early stage of development and no decisions have been taken at this time.

RAF Leuchars**08 Nov 2016 | 50982****Asked by: Stephen Gethins**

To ask the Secretary of State for Defence, what plans he has to improve the (a) quality and (b) affordability of accommodation for service personnel based at Leuchars.

Answering member: Mark Lancaster | Ministry of Defence

In Financial Year 2017-2018 investment to improve the quality of Service Family Accommodation (SFA) in Leuchars is programmed to include:

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Armed Forces: Housing**27 Oct 2016 | 49897****Asked by: Kevan Jones**

To ask the Secretary of State for Defence, with reference to the National Audit Office report, Departmental Overview 2015-16, Ministry of Defence, published on 21 October 2016, page 17, what steps he is taking to address dissatisfaction among service personnel with the standard of service family accommodation.

Answering member: Mark Lancaster | Ministry of Defence

The Ministry of Defence has put in place a strategy to provide an alternative contractor should CarillionAmey fail to sustain the performance improvements made during the beginning of the year. The Department continues to assess CarillionAmey's performance to determine whether the implementation of this strategy is necessary.

The Department is committed to engaging with Service personnel and their families via Continuous Attitude Surveys, focus groups and bespoke surveys, as well as use of social media, to help inform and shape personnel policy. There are also regular meetings with the Families Federations.

We liaise with the Families Federations, when developing requirements for new accommodation contracts and they are actively engaged in developing the Future Accommodation Model.

Armed Forces: Housing

25 Oct 2016 | 49597

Asked by: Anne-Marie Trevelyan

To ask the Secretary of State for Defence, when he plans to publish the results of his Department's survey on its Family Accommodation Model; whether he plans to publish the results to all questions in that survey; and whether any such publication will include all data from the comments sections of that survey.

Answering member: Mark Lancaster | Ministry of Defence

The Future Accommodation Model (FAM) Survey closed on 3 October, having received almost 28,000 responses from our Service personnel. These responses will help the Ministry of Defence understand what the FAM could look like. The Survey results, including all of the comments, are now being processed and will be subject to rigorous analysis in the normal way. The large number of responses means that this process will take longer than initially anticipated, although we hope to be in a position to publish the results in full in early 2017.

Qualitative analysis of the comments section will form part of the results and will be published in a way that protects anonymity.

Business of the House

20 Oct 2016 615 c963

Asked by: Anne-Marie Trevelyan

Following my debate in Westminster Hall yesterday on the Ministry of Defence future accommodation model, I have been inundated with concerned messages from military families overnight. Will the Leader of the House therefore support my request for a wider debate in the House on the future and security of military housing provision for our armed forces families, as part of our commitment to the armed forces covenant?

Answered by: David Lidington | Leader of the House

My hon. Friend spoke, as she always does, with great vigour and on the basis of significant knowledge in the debate yesterday. She will have had an answer at the end of the debate from the Under-Secretary of State for Defence, my hon. Friend the Member for Milton Keynes North (Mark Lancaster), who has responsibility for veterans. The Government will publish its proposals for defence estates later this year, and that, I am sure, will provide Members with further opportunities to debate this subject.

5. Other Parliamentary material

A Better Defence Estate Strategy

Motion that this House has considered A Better Defence Estate strategy.

21 Feb 2017 | 621 cc293-317WH

Armed Forces Covenant

02 Feb 2017 | 620 cc1238-1292

Ministry of Defence Future Accommodation Model

Motion that this House has considered the Ministry of Defence's future accommodation model.

19 Oct 2016 | 615 cc366-375WH

Anne-Marie Trevelyan

I beg to move,

That this House has considered the Ministry of Defence's future accommodation model.

It is an honour to have you in the Chair for this debate on a most important subject, Mrs Moon. I asked for this debate to bring clarity and reassurance to our armed forces personnel and their families about their future accommodation provision. There is a Government commitment in the armed forces covenant to providing personnel and their families with good-quality accommodation, in the right location and at a reasonable price. I receive correspondence daily from families who are deeply anxious about the direction of the future accommodation model—FAM. There is a strongly held view among military families from every rank, in every service, that the Ministry of Defence intends to allow the present system, and its poor provision of existing service family accommodation, to degrade, so that the options put forward by FAM will seem less unpalatable.

The stated reason for looking at a new, more modern accommodation model is that service personnel want more choice over where, how and with whom they live, and greater support for those who would like to buy a new home. According to the MOD, FAM

“is aiming to provide a flexible system that meets different needs at different times—not dictated by rank”—

rank is not a factor now—

“age or marriage.”

Given those stated aims, which are laudable and forward-thinking for the modern family, will the Minister tell us why the MOD is not simply looking to expand the accessibility of service family accommodation—SFA—to that new, wider service personnel audience? The MOD states

that FAM is designed to save costs, because the way accommodation is now provided means that there have to be a large number of vacant homes at any one time to allow for rotation, which means greater costs for the MOD, but in the same breath, it states that FAM will not reduce the total pot of money used to subsidise housing.

Michael Tomlinson

I congratulate my hon. Friend on securing this important debate; given the interest in it, perhaps a longer debate would have been worth while. She makes her case well, and I invite her to extend her view to cover veterans. In the light of her interest in the military covenant, will she challenge the Minister on that angle, too?

Anne-Marie Trevelyan

I thank my hon. Friend for that point. That is a wider debate; we will see whether we can persuade the authorities to allow us to have that wider conversation.

Dr Andrew Murrison

Does my hon. Friend agree that the key problem is the price that service families have to pay for their accommodation? It has been creeping up and up, and I am not aware—perhaps she can enlighten me—whether the Armed Forces Pay Review Body has factored that into its annual determination.

Anne-Marie Trevelyan

I am afraid that I am not privy to the details of the pay review body's work, but perhaps the Minister will answer that question for us later. I would also be grateful if he set out the present annual net cost of the SFA offer, to give the military families watching, who are very concerned, some idea of the funding available if they have to work with one of the proposed new options. We need to look starkly at what the FAM proposes, in terms of realistic housing accessibility from the private rental and purchase housing markets; realistic cost implications for families; and the real impact of the military community being broken up, leaving families unsupported at times of deployment.

Jack Lopresti

This is a huge issue for military families and serving people in particular. Does my hon. Friend agree that if we do not get this right, it will have a catastrophic effect on our retention figures? We will find even more people leaving the service, which would be pretty awful, to say the least.

Anne-Marie Trevelyan

My hon. Friend is absolutely right. One key reason why I ask the Minister to reconsider the FAM is that it is unlikely to save the MOD money, because of the national housing shortage, and is likely to create a massive retention risk to our already undermanned and overstretched armed forces. Will the Minister tell the House exactly what he believes the existing housing offer costs the MOD in total, after rents received?

Ruth Smeeth

I congratulate the hon. Lady on securing this wonderful debate, which is timely and important. Does she agree that one of the challenges is the

inconsistency in the quality of accommodation? New accommodation in Stafford is extraordinary, but if it is made subject to a market rent, it will not be affordable to most service personnel.

Anne-Marie Trevelyan

I thank the hon. Lady for raising one of the key questions. One of the great anxieties that families come to me with is the fear that the realities of private rental markets will be too costly to cope with, both for the MOD and individual families.

Will the Minister tell us what ongoing saving he wants to see in order to justify the vast upheaval and risks that bringing in the FAM would cause? Failing to meet our armed forces covenant commitment on housing by inventing a set of proposals that military families are appalled by, rather than extending the existing imperfect but workable service family accommodation model, will result in a mass exodus of experienced and highly trained military personnel.

Ranil Jayawardena

My hon. Friend visited RAF Odiham not long ago. I am sure that she will recall that 95 bed spaces have been condemned there, and 97% of the 674 still available are grade 4—the worst-quality accommodation. Does she agree that that is a false economy, because so many spaces are no longer being used and are no longer sought after?

Anne-Marie Trevelyan

I recall our visit to RAF Odiham well; we were frightened nearly to death in a Chinook. Getting housing provision right—particularly behind the wire, as at Odiham—is critical to keeping those highly trained personnel. An ambitious young Army officer said to me just the other day:

“Is FAM aiming to encourage home ownership, with tools such as Help to Buy, or force personnel into home ownership? If it’s the latter, that just isn’t going to work.”

Let us turn to the FAM survey, which was apparently sent out to all serving personnel—some 190,000 men and women. First, I ask the Minister why that survey was not made mandatory, as surveys are a great deal of the time; there was a recent mandatory survey on the language skill sets of serving personnel. Anyone would think that the MOD was happy to mandate, where that suited its agenda, but that for the FAM, despite housing being a vital component of the offer for our armed forces and their families, a lower response rate better suited the MOD’s case for driving change, regardless of military families’ complex housing needs and views.

Moreover, more than 40,000 people have been excluded from answering the survey because they are deemed to be a member of a protected group, including the special forces, the military provost guard service, those based in Northern Ireland, those on full-time reserve service contracts, those under 18 and unspecified others working with those groups. Apparently the MOD will ask their opinion separately, but that has not yet happened, and those groups quite rightly feel more than a little aggrieved that their views have not yet been sought. Their

families are living with uncertainty about the future of SFA, just like all the others. Will the Minister set on the record when those 40,000 or more personnel will get their chance to have their say?

Secondly, of those who received the survey, many were unable to access it because their service number, which was being used as their access token, failed to be recognised by the survey designers' coding. Will the Minister confirm how many personnel fell through the cracks as a result of that failure? The message received by personnel was:

"If your service ID is rejected during login it means you will be unable to complete the FAM survey, because either it is not a valid armed forces service ID or you are part of a group that is not covered by the survey."

Unsurprisingly, at that point many personnel stopped trying and simply gave up. I would find it quite insulting to be told that my service ID was not valid, and I know that many of those who put their life on the line for us all did, too. It would be helpful if the Minister clarified how many tried to access the survey but could not get in, and how many started it but failed to complete it because, as one engineer said to me,

"the whole survey just seemed like they had made up their minds that there will be change and we'll have to lump it."

Thirdly, many were put off from doing the survey because, as one nurse put it,

"This is a completely anonymous survey, please use your service number to log in' doesn't make me feel secure about speaking out."

By my maths, if the Department has recorded 27,997 completed submissions, that is about a 14% return. If that is to be the basis of the evidence, we need to look closely at the questions that were and were not asked. Here we get to a key problem with the survey, and the Minister's clarification on this point today would be helpful in reducing the sense of *fait accompli* that so many service families have shared with me. The survey that personnel saw on screen gave four choices; SFA remaining was not there as a fifth choice. Much later in the survey, question 24 asked:

"If SFA were available to you with the same cost as the renting package, would you want to live in SFA instead?"

That was not mandatory or part of the options offered for the FAM. As one pilot said to me,

"we were annoyed that there was no option to keep SFA, forcing us to tick another option. In a few years, when this goes ahead, they will say 'you asked for this, look at the survey results'".

It turns out that those who failed to get past the service ID challenge, but then nagged the team running the FAM survey, eventually received an email that asked

"which of the potential new options"

for the FAM

“do you think you would go for & why? Or would you still want to live in SFA? And why?”

If we are to give any credence to future decisions taken on a housing offer that moves away from SFA, it is vital that we are clear about who replied to which questions. A rifleman asked me whether the aim of the survey was simply to justify the dismantling of SFA, and said that to claim otherwise would be a lie, as the survey would have asked wider questions if its aim was not to justify the dismantling. Perhaps the Minister can reassure that young man and the other 196,000 personnel on that point and say that data from the survey will not be used as the basis for dismantling SFA, as so few serving personnel have been asked whether SFA is a model that they would like continued.

The Army Families Federation’s “Big Survey” report on the future of military housing highlights the critical importance of SFA in the offer; only 22% of those surveyed said that they would definitely remain in the Army if SFA was reduced and a rental allowance was offered in its place. How much has the MOD paid to Deloitte to create and manage the survey? Did Deloitte or the MOD design the impractical proposed solutions, which bear little relation to how most of the military family actually live? Will the Minister confirm whether any working group with representatives from family federations, service personnel, spouses from all ranks, SSAFA, the Defence Infrastructure Organisation and industry experts was set up? Is FAM and its four options—single living accommodation without family; renting near work; owning near work; or owning away from work, and therefore renting too—what such a broad group would have come up with?

As one naval wife said to me,

“Filling out the survey just feels like MOD justifying its forced changes and we are some part of sanctioning that. That’s why I haven’t filled it out”.

Although our Navy personnel are more likely to own their own home than those from the other services, because they are away from their families for six to nine months at a time, even the Naval Families Federation survey on FAM indicated clearly that more than 50% would prefer to live in SFA than receive a rental allowance.

An RAF wife who has moved her family seven times in 15 years highlighted just why the flexibility of SFA is so important to retention:

“Many occasions we have been posted with less than a month to move. With having to look for work, schools and everything else they want to put the pressure on me to look for a home? We don’t know the area and rely heavily on the knowledge that a quarter is in a good position with community support from other service families. The new FAM will isolate us all from that network, as well as putting strain on our family life. Seems as though the armed forces are losing the one thing that appealed to families and that was that they would look after us.”

The RAF Families Federation survey on FAM supports that family's view, with 95% of those surveyed saying that being able to move with the serving person and live together as a family is important, and 63% highlighting the value of the accommodation being sourced and provided by their employer.

Another part of the jigsaw is the question of the footprint strategy that the MOD will publish shortly. Part of the DIO's remit was to reduce the built footprint of MOD assets by 30% by 2020. That is 30% of all property by square footage. Although the SFA portfolio was sold off to Annington Homes back in 1996, the leaseback arrangement set in place means that the DIO keeps all the maintenance and improvement responsibility for as long as it keeps these properties on its books. The MOD negotiated with Annington Homes a 58% rent discount on all the properties, which will come to an end in 2021.

[...]

Jim Shannon

I asked to intervene because I am concerned that in Northern Ireland the MOD might be demolishing some of its houses in Ballykinler. The hon. Lady is being very constructive in addressing the issue; we need to see the same in Northern Ireland. Instead of demolition, there should be retention for the future.

Mrs Anne-Marie Trevelyan

We are looking at the issue in Northern Ireland as well.

Will the Minister give us details of any negotiations that have started with Annington Homes on a new rental framework, which would ensure that a continued level of subsidised rents could be provided to military families? My concern is that the MOD intends to hand back the bulk of the homes, and then allow Annington to rent them to service families on a private rental market arrangement, whether behind the wire or not. That would meet the 30% reduction target, but would no doubt do nothing to reduce the overall costs of subsidising housing—that is, if the MOD actually intends to price the FAM offer at a level that families find acceptable, and that allows them to choose to remain in the armed forces.

I hope that the Minister can persuade me that I am wrong, but my deep concern is that the DIO was set a financial rationalisation target without any reference to the retention risk to our human capital, and that no one in the MOD is balancing out the potential financial savings of bringing in FAM with losing the security and support of SFA. In my opinion, and that of many of our leading military leaders, our armed forces personnel are working at unsustainable levels of undermanning. If we reduce SFA—with its security, safety and community for families, and with the practicalities it offers, despite the shortcomings of the present maintenance contracts for short notice postings and so on—we risk losing many experienced personnel to the private sector, and we open up a long-term retention problem, thereby reducing the effectiveness, flexibility and world-renowned reputation of the British military.

James Heappey

Will my hon. Friend give way?

Anne-Marie Trevelyan

I will not, as I do not have time.

If what I just described were to happen, it would have financial and military implications for a generation. The British people would never want to hear that the MOD had put cost saving over operational effectiveness, most especially for our human capital: the men and women who put their lives on the line for us.

The MOD's strategic defence and security review 2015 states that Joint Force 2025 and Britain's defence will continue to depend on the commitment, professionalism and skills of our people. Recruiting, retaining and developing the right people is therefore a top priority for the MOD. The SDSR talks about a new accommodation offer to help more service personnel to live in private accommodation or own their own homes. Perhaps the Minister can answer the question that goes to the heart of whether the Government believe in the armed forces covenant commitment, which is summed up by a highly qualified and valued member of our armed forces—I have the greatest honour of being his voice today:

“Is the implementation of FAM a deliberate attempt to destroy and de-professionalise our armed forces? Given that housing is a tiny proportion of the MOD budget, why get rid of the SFA, which means so much to so many?”

The Parliamentary Under-Secretary of State for Defence (Mark Lancaster)

It is a pleasure to serve under your chairmanship, Mrs Moon.

I congratulate my hon. Friend the Member for Berwick-upon-Tweed (Mrs Trevelyan) on securing this debate. I know that she, like me, cares deeply about the wellbeing of our personnel. Her constructive contribution to the Public Accounts Committee report will help significantly to improve service accommodation. She asked an awful lot of very detailed questions. I can assure her that I will not be able to cover them all in the 12 and a half minutes remaining. I shall therefore start, if I may, with an apology, and an assurance that for any detailed questions I cannot cover—there will be many—I will write to her. I appeal to my hon. Friends present that, if they can limit their interventions, I may be able to attempt to respond to the debate.

I am not going to pretend that the Government record on accommodation has been an unqualified success in recent years. It has not. Issues with CarillionAmey have been well documented, not least by the PAC. Things are improving, but there remains much to do. Like my hon. Friend, I am absolutely determined to see this through and to ensure that improvements to our service family accommodation are carried through.

Nevertheless, the focus of the debate is not on the past but on the future. As our troops return from Germany and we look to rationalise

our estate, we have realised that there is an unprecedented opportunity to do more for our people—an opportunity to give them greater stability, so that they do not feel they are being asked to up sticks at a moment's notice.

Our future accommodation model is part of the mechanism for achieving this goal of greater stability. Its benefits are not well understood, so I would like to use today's debate to explain why I believe it will be a vast improvement on what has gone before.

First, it will be fairer. As the Public Accounts Committee acknowledged, the current model has failed to move with the times. Let me give just one example. A married senior officer will be assigned a four-bedroom home even if they have no children or other dependents, and will usually pay just £350 to £450 a month for it. By contrast, an unmarried member of the junior ranks, with a partner of 10 years and two children, is entitled to nothing more than a single bedroom in a block. If they move out to the private sector to live with their family, it could cost them well over £1,000 a month. I am determined to make the model based on need, not rank, and I am determined that it should reflect modern society.

Secondly, the model will be more flexible. Times have changed. The sort of arrangements people were happy with when I joined the Army in 1988 are no longer applicable today. Some want to live closer to their spouse's workplace. Some want to live among the civilian community. Some want to own their own home. Some, who are single, want to share with a friend or get on the housing ladder. Currently, however, our personnel have to like it or lump it. If they choose to go it alone, we cut the purse strings and they get nothing—they get no assistance, whether financial or otherwise, from the MOD. That simply is not fair and does not make business sense to a Department looking to release parts of its estate and expand in other areas. Why spend on new accommodation if it is not even wanted in some parts?

In future, we are going to give service personnel the choice of who they live with, where they live and what sort of home they live in. No longer will it be a one-size-fits-all model. We will now support servicemen and women who want to live in the private sector by subsidising rent, taking account of the geographic differences in rent when they are required to move. Alternatively, we will help them to buy a home. We have already made a start on that through our forces Help to Buy scheme, which the Government have extended to 2018.

My last point is that our future model will be affordable. I do not mean that it is an exercise in indiscriminate cost cutting, but the current regime is characterised by chronic wastefulness. To answer the question of my hon. Friend the Member for Berwick-upon-Tweed directly, we spend about £1 billion on our accommodation and get about £200 million back in charges.

One in five service homes is empty at any one time to ensure, as I have described, that the right home is always available to the right rank. We spend £2 for every pound of subsidy our personnel receive. We spend about £1 billion in total on accommodation, but nearly a quarter of

personnel do not benefit from that. With the majority of our accommodation already owned by third parties and the cost to the MOD linked to market rents, costs are set to rise, but we can do better, not least because the money can be recycled back into the defence budget.

On the subject of affordability and efficiency, some are concerned that any savings we make could be undermined by a lower rate of retention—my hon. Friend made that point—and by dissatisfied personnel choosing to leave the armed forces earlier. In response to that, I would say that this programme is about finding the best way to make things better for our men and women. It is not about weighing up any savings we might make in accommodation against the cost to retention. We hope that our changes would diminish that risk, rather than exacerbate it. We are planning to begin piloting the future accommodation model towards the end of 2018.

Let me make three things clear. First, we are not getting rid of all service family accommodation. We know that there are benefits to the existing system—not least the sense of community it generates. In some areas, the absence of a significant rental market would make the system's removal unworkable. In other areas I have visited, such as Ludgershall on Salisbury plain, we will be building new service family accommodation due to an increased demand as a result of the Army coming back from Germany. If we plan to scrap all service family accommodation, why are we building new service family accommodation? These are the sorts of myths that we have to try to tackle. I recognise that part of the problem has been the communication piece, and I hope that this debate will begin to address that.

What is clear is that the solution needs to be tailored to each location. What might work in London will not work in Benbecula. The amount of service family accommodation retained will differ from location to location, based on demand, operational constraints and achieving the best value for money, but reducing service family accommodation will give us more flexibility and allow us to support more personnel to live how they want to live. We are looking at options that would not guarantee service family accommodation for everyone who wants it, but that is exactly the case today. I cannot guarantee service family accommodation for everyone who wants it, which is why we have other ways of providing accommodation. I can guarantee that we would support those personnel to find and live in a home.

Secondly, we cannot take these decisions without listening to what our people want. That is why we have been consulting extensively with service personnel, taking on board the findings of the Public Accounts Committee report and the Families Federation accommodation surveys, which also include our own survey. My hon. Friend mentioned that, and I will come back to her in detail on some of the questions she asked about the survey. Personally, I do not think that 28,000 responses is a particularly poor response rate. If Members spoke to Ipsos MORI, it would say that the surveys are based on the percentage of people who reply. The statistical analysis can then be used to form the opinion, in

the same way that we have opinion polls for general elections, although they were not particularly successful.

To expand on the subject of our survey, some people have suggested that it was written in a leading way, to draw people down a specific path. I would like to put that notion to rest by saying that that was unequivocally not the case. It was in fact written in consultation with Ipsos MORI and Defence Statistics with the aim of producing an unbiased set of questions, as all surveys worth the paper they are written on should be. Clearly my hon. Friend does not think the survey was unbiased, and I take that on board, but that was definitely the objective. The survey's purpose was to understand people's choices when presented with future accommodation model options. It also included a question asking whether respondents would prefer to remain in service family accommodation, but the programme is not about the future accommodation model versus service family accommodation; it is about coming up with a more flexible model that suits the varied needs of all.

Thirdly, at this point I should be clear that no final decisions have been made. Nothing is set in stone. The whole purpose of the consultation at this point is to offer a series of options, to listen to our service personnel and to try to find a model that suits them. It is all about putting our people first.

We have had a well-informed and valuable debate today. We all share the same fundamental desire to ensure that those who serve us are well provided for. The views of my hon. Friends—several have contributed—and those of our constituents will continue to shape our plans, but I have no doubt that the future accommodation model will provide our people with greater choice and greater stability. The old system is outdated. We are updating it so that it is fit to meet the needs and expectations of modern families in the 21st century. I am absolutely determined to deliver a system of accommodation for our service personnel that is fit for the 21st century and, crucially, for them.

Question put and agreed to.

Resolved,

That this House has considered the Ministry of Defence's future accommodation model.

6. Further reading

[MOD Future Accommodation Model survey: 2016](#)

Ministry of Defence | updated 30 March 2017

[What you need to know about the Future Accommodation Model](#)

Ministry of Defence | Updated 25 August 2016

[Service Family Accommodation update](#), Memorandum to the House of Commons Committee of Public Accounts, National Audit Office, January 2017

[Government responses to the Committee of Public Accounts on the Thirty Seventh and the Thirty Ninth reports from Session 2015-16; and the First to the Thirteenth reports from Session 2016-17](#), HM Treasury, Cm 9351, November 2016

[Service Family Accommodation](#), Ninth Report of Session 2016–17, Committee of Public Accounts, HC 77, 13 July 2016

[Service Family Accommodation](#), Memorandum for the House of Commons Committee of Public Accounts, National Audit Office, June 2016

Julian Brazier and John Louth, [Homes fit for heroes: a housing strategy for the modern armed forces](#), Centre for Social Justice, March 2017

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