

PARLIAMENTARY DEBATES

HOUSE OF COMMONS
OFFICIAL REPORT
GENERAL COMMITTEES

Public Bill Committee

ARMED FORCES (FLEXIBLE WORKING) BILL [*LORDS*]

First Sitting

Tuesday 14 November 2017

CONTENTS

Programme motion agreed to.
Written evidence (Reporting to the House) motion agreed to.
CLAUSES 1 TO 3 agreed to.
New clauses considered.
Bill to be reported, without amendment.

No proofs can be supplied. Corrections that Members suggest for the final version of the report should be clearly marked in a copy of the report—not telephoned—and must be received in the Editor’s Room, House of Commons,

not later than

Saturday 18 November 2017

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The Committee consisted of the following Members:*Chairs:* GERAINT DAVIES, †Ms NADINE DORRIES

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| † Badenoch, Mrs Kemi (<i>Saffron Walden</i>) (Con) | † Pollard, Luke (<i>Plymouth, Sutton and Devonport</i>)
(Lab/Co-op) |
| † Bowie, Andrew (<i>West Aberdeenshire and Kincardine</i>) (Con) | † Ross, Douglas (<i>Moray</i>) (Con) |
| † Courts, Robert (<i>Witney</i>) (Con) | † Smeeth, Ruth (<i>Stoke-on-Trent North</i>) (Lab) |
| † Cummins, Judith (<i>Bradford South</i>) (Lab) | † Stuart, Graham (<i>Beverley and Holderness</i>) (Con) |
| † Docherty, Leo (<i>Aldershot</i>) (Con) | † Sweeney, Mr Paul (<i>Glasgow North East</i>) (Lab/Co-op) |
| † Ellwood, Mr Tobias (<i>Parliamentary Under-Secretary of State for Defence</i>) | † Trevelyan, Mrs Anne-Marie (<i>Berwick-upon-Tweed</i>) (Con) |
| † Jones, Gerald (<i>Merthyr Tydfil and Rhymney</i>) (Lab) | Jyoti Chandola and Clementine Brown, <i>Committee Clerks</i> |
| † Jones, Mr Kevan (<i>North Durham</i>) (Lab) | |
| † Keegan, Gillian (<i>Chichester</i>) (Con) | |
| † Monaghan, Carol (<i>Glasgow North West</i>) (SNP) | |
| † Onasanya, Fiona (<i>Peterborough</i>) (Lab) | † attended the Committee |

Public Bill Committee

Tuesday 14 November 2017

[MS NADINE DORRIES *in the Chair*]

Armed Forces (Flexible Working) Bill [Lords]

9.25 am

The Chair: Before we begin line-by-line consideration, I have a few preliminary announcements, as usual. Please switch all electronic devices and mobile phones to silent. Tea, coffee and other hot drinks are not allowed during sittings.

Today, we will consider the programme motion on the amendment paper. We will then consider a motion to enable the reporting of written evidence for publication. In view of the time available, I hope that we can take those matters formally without debate.

If any gentlemen would like to remove their jackets, please feel free to do so. Minister, before I call you, would you like to remove your jacket?

The Parliamentary Under-Secretary of State for Defence (Mr Tobias Ellwood): I am not going to upset the Chair. If you tell me to remove my jacket, I am happy to do so.

The Chair: You asked if you could. Otherwise, Minister, please feel free to move the programme motion.

Ordered,

That—

(1) the Committee shall (in addition to its first meeting at 9.25 am on Tuesday 14 November) meet at 2pm that day;

(2) the proceedings shall (so far as not previously concluded) be brought to a conclusion at 5.00 pm on Tuesday 14 November.—
(*Mr Ellwood.*)

The Chair: The deadline for amendments to be considered at today's sitting of the Committee was 4pm last Thursday.

Resolved,

That, subject to the discretion of the Chair, any written evidence received by the Committee shall be reported to the House for publication.—(*Mr Ellwood.*)

The Chair: Copies of written evidence that the Committee receives will be made available in the Committee Room.

We now begin line-by-line consideration of the Bill. The selection list for today is available in the room and on the Bill website. It shows how the selected amendments have been grouped together for debate. Amendments grouped together are generally on the same or a similar issue. A Member who has put their name to the leading amendment in a group is called first. Other Members are then free to catch my eye to speak on all or any of the amendments within that group. A Member may speak more than once in a single debate.

At the end of a debate on a group of amendments, I shall call the Member who moved the leading amendment again. Before they sit down, they will need to indicate whether they wish to withdraw the amendment or to seek

a decision. If any Member wishes to press any other amendment or new clause in a group to a vote, they need to let me know. I shall work on the assumption that the Minister wishes the Committee to reach a decision on all Government amendments, if any are tabled.

Please note that decisions on amendments take place not in the order that they are debated, but in the order that they appear on the amendment paper. In other words, debate occurs according to the selection and grouping list. Decisions are taken when we come to the clause that the amendment affects. I shall use my discretion to decide whether to allow a separate stand part debate on individual clauses and schedules following the debates on the relevant amendments. I hope that that explanation is helpful.

Clause 1

REGULAR FORCES: PART-TIME SERVICE AND GEOGRAPHIC RESTRICTIONS

Gerald Jones (Merthyr Tydfil and Rhymney) (Lab): I beg to move amendment 1, in clause 1, page 1, line 18, at end insert—

“(3B) The proportion of regular forces serving on a part-time basis in any single regiment may not exceed 15% of the total regular forces serving in that regiment.”

This amendment limits the proportion of part-time regular forces to no more than 15% of any regiment.

This is a probing amendment that seeks clarification from the Minister on how the Bill will work in practice, and specifically whether there will be any kind of cap or upper limit on the number of personnel on part-time working. The amendment refers to no more than 15% of any single regiment serving on a part-time basis, which is simply a way to establish whether the Government have any plans to place a limit on personnel who work part time, and at what level a cap would be placed.

There are significant problems with recruitment and retention in our armed forces, which is one reason for the Bill. As of September 2017, the regular armed forces were at a 5.3% deficit against the liability—an increase in the deficit from 4.1% under the liability in September last year. Furthermore, the outflow of regulars continues to outpace intake. Voluntary outflow is the main source of outflow, so most personnel who are leaving are doing so before the end of their agreed engagement or commission period.

The pay review body highlighted in its most recent report that issues with recruitment and retention have been acknowledged by the Department:

“In evidence MOD stated that there were recruitment and retention challenges across all Services for certain groups in the engineering and aviation cadres. It stated that recruitment of Regulars had continued to be challenging throughout 2015-16”.

Our armed forces are not in a situation where they can feasibly allow a significant number of personnel to work part time.

The Government's fact sheet for the Bill says:

“We anticipate from the existing evidence that there will be a very small initial take up of the new flexible working arrangements, no more than 1% when they are implemented in April 2019. We anticipate that this will increase slowly as cultural change is fully embedded over the next 10-15 years.”

However, there is no indication of what the Government expect that figure to grow to and whether there will be any limitations on numbers.

The amendment highlights the fact that problems are more likely to emerge if a much greater proportion of those in specific roles want to work part time, particularly if they are in operational pinch points. OPPs are branch specialisations, sub-specialisations or areas of expertise where the shortfall in trained strength is such that it has a measurable detrimental impact on current, planned or contingent operations. As of April this year, there were 15 OPPs in the naval service. The key pinch points relate to engineering roles, plus some specialist roles such as warfare specialists. The Army has four OPPs, the key ones being logistics roles, and the RAF has 11 OPPs, where the key pinch points are in engineering and intelligence roles, as well as shortfalls in the aircrew branch. The Bill's administration fact sheet says:

"The Approval Authority will take into account the chain of command's recommendation, overall manning levels of the Service and the individual's trade, and any specific skills held by the Service person."

Presumably that means those from OPPs are automatically ruled out.

While I am not expecting the Government to accept the amendment, I hope that the Minister will answer some questions that were not addressed on Second Reading. Will there be clear limits on the number or percentage of those working part time in any specific regiment? How would that look in the RAF and the Navy? Would the percentages be universal or different for each service? If somebody applies for part-time working after that limit has been met, will they automatically be rejected? Will personnel from OPPs not be given the option to apply for part-time working, or will they be allowed to apply but, because of their trade, have no chance of being accepted?

Mr Kevan Jones (North Durham) (Lab): It is a pleasure to serve under your chairmanship, Ms Dorries. I want to expand on some of those issues.

As my hon. Friend said, this is a probing amendment, but it goes to the heart of the entire Bill and how it will be implemented in practice. Will the 15% limit operate in the same way across the three services, and how will it work within each individual service? Let us take trades, for example. We all know that fast jet pilots are quite a small pool of individuals. If someone from that pool wanted to work part time, that would obviously have an adverse effect on the capability of that frontline unit. Likewise, if 15% of a ship's crew suddenly decided to apply for part-time working, on what basis would a decision be arrived at in terms of operational effectiveness? As my hon. Friend said, there are certain niches or pinch points within the Army, with trades that are in scarce supply because of recruitment problems. What limit would be put on the number of those individuals who could apply for part-time working?

I would like to get an understanding from the Minister of how this proposal will work across the various ranks. There is a big difference, for example, between a private and a general applying for part-time working. We can envisage a situation where a senior officer in all three services wanted to go part time. One aim that General Carter has put forward for the legislation is to encourage opportunities for more family-friendly working practices,

and obviously there is the aim of encouraging women not only to join the armed forces, but to advance up the career path. I would therefore like to know from the Minister what the rules are. Will there be uniform rules across the ranks for how individuals, and what percentage of individuals, would be covered?

Having read the Bill, I am not sure whether this issue is covered. Clearly, the ultimate decision is about the operational effectiveness of our armed forces. We could not have a situation in which, even if there was a 15% upper limit, we took out an entire capability that was needed by our armed forces.

I would be interested to know, through the probing amendment tabled by my hon. Friend, what the appeals mechanism is. One issue in the armed forces is women not advancing up the pay spine or rankings because of breaks in service and other situations, so what would be the appeal mechanism? If someone felt that they were being unfairly denied part-time working, what would be the process? If it relates to a female member of the armed forces, is that not opening us up, potentially, to a claim of discrimination against that individual if she feels that that is the reason why she has been denied part-time working?

Mr Ellwood: First, it is a pleasure to be here. I am very grateful that the Bill has reached Committee and, from looking around the room, it is clear that there are many committed right hon. and hon. Members who want the best for our armed forces. I am pleased that the Bill has reached this stage and that we can scrutinise what I hope will be an important stepping-stone in our support for our armed services.

In the wider debate on the clause, I will expand on the virtues and benefits of the Bill, but specifically on the amendment, questions were raised about recruitment and retention. We concede that this is a difficult climate in which to recruit and retain personnel. That is why we have put forward the armed forces people programme, of which there are four distinct parts. This Bill on the flexible working programme, which we are debating here today, forms one part of that. We need to advance, to modernise. We need to reflect society and ensure that we can recruit from that gene pool—the voluntary force out there—and make the armed forces attractive in a modern-day context. That means providing an element of flexibility in the work that we expect them to do.

The Armed Forces Pay Review Body was touched on. We will probably look at this matter in further detail under a later amendment. Now, I will simply say that the freeze—the pay cap—has been removed. Absolutely, there may be a requirement for an increase in salaries for specific trades where there is a shortfall, and we need to attract people and fill posts. That is beyond the scope of the Bill and this debate, but it sits in the wider context of ensuring that we are doing our best to attract and retain people for the most professional armed forces in the world.

I was asked whether this provision applies across the three services. It does. However, the word "regiment" would not necessarily apply in all contexts of the armed forces. It is important to remember the requirement in respect of operational capability. The example was given of an individual seeking to apply for flexible working while on board a ship. The hon. Member for North

[Mr Ellwood]

Durham will be aware that they will be attached to a posting for a period—possibly nine months—and they will make an application for the future. They would hope, perhaps, to be able to remain in a geographic location or to have the freedom to work part-time or reduced hours once they got off the ship. Ultimately, operational capability is of first and foremost importance, and it must not be affected at all by any aspect of the Bill.

Mr Kevan Jones: The Minister is right that a person on a ship would be applying for the future, but what would be the decision-making process when putting together a crew for a ship? What percentage of the crew would be allowed to work part time?

Mr Ellwood: When we look at countries that already have this process, figures like 15% simply are not applicable. Australia has, I believe, up to 1% or 2% of its personnel interested in pursuing this. Ultimately, it is about the operational capability of any ship and the force on board. Any commander or authority has the ability to deny any individual application because of that. Should an individual still feel that they require this kind of working because of their personal circumstances, there will be an appeals process. We will come on to that under a later amendment.

We have the mechanisms in place to recall service personnel. I want to make that clear. Even if permission was given for an individual not to be on a particular ship, they could be recalled because of operational capability if the situation demanded it. That is the agreement under which this entire offering is being made.

These measures have been designed by the services for the services. This is the Army, Air Force and Navy looking at their own protocols and personnel situations, and seeing how they can manage situations like the one on the ship that was described by the hon. Member for North Durham. It makes sense, therefore, to leave many of the judgments on the details to the services themselves. They own the responsibility to deliver operational duty and capability in order to recruit and fulfil their tasks.

In our view, the arbitrary limit of 15% in the amendment was put forward with good intentions, but would inevitably prove unhelpful. I am pleased that it was clear from what the hon. Member for Merthyr Tydfil and Rhymney said that it is a probing amendment. We must allow the services to retain the flexibility and agility to manage their manpower as they see fit.

Mr Kevan Jones: The Minister says that this proposal comes from the services. How far down the chain of command is there buy-in on this? If anyone in the Navy is asked about their next posting, they will always say, “Put the two at the top that you don’t want and you’ll get the one that you want third.” Will there be a cultural shift so that this is not just something that is recognised by the senior heads in the Ministry of Defence, but something that has buy-in from the people actually making the decisions about where people go?

Mr Ellwood: As I say, this has been designed by the armed forces themselves. A series of surveys has been put forward. I refer the hon. Gentleman to the opening

speech given by the then Secretary of State on Second Reading, which made clear the length and depth to which the Ministry of Defence has gone to ensure that there is buy-in and approval not just among service personnel, but from their families and partners who are directly affected by this. There is absolute support for this and I hope that the hon. Gentleman will agree, particularly with his experience, that it would not be wise to go ahead with it if the chiefs did not agree, if the commanders did not agree and if the armed forces personnel themselves were not calling for it.

Looking at the surveys, one reason why individuals make the tough decision to sign off and leave the armed forces is the stress and strain that it places on their families. That is why we have said, “Let’s adapt, let’s reflect on what society is doing and on what happens in civilian areas.” That is why I believe that it makes sense to persevere with this idea. I assure the hon. Gentleman that it has support across the board.

As I suggested, we envisage a modest take-up of between 0.5% and 1% of all service personnel. The take-up rate is highly unlikely to exceed 15%, but of course it would be wrong to place a cap or arbitrary limit on it. Following the assurances that I have provided, I hope that the hon. Member for Merthyr Tydfil and Rhymney will agree to withdraw the amendment.

9.45 am

Gerald Jones: I concur with the Minister about the unity across the House in wanting the best for our armed forces. As I said at the start, this is a probing amendment to seek further clarification. My hon. Friend the Member for North Durham has indicated what clarification is required on how the proposal will work across the ranks and on the appeals mechanism.

Although I accept what the Minister said about the services having flexibility, there needs to be some idea of what the limit will be in the future. Hopefully the Minister will consider that. For the arrangement to work effectively, there needs to be further clarity. I ask the Minister to look at that again, but I do beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Carol Monaghan (Glasgow North West) (SNP): I beg to move amendment 5, in clause 1, page 1, line 18, at end insert—

“(3AA) The Secretary of State must prepare and publish an annual report on any use of the power to vary, suspend or terminate set out in subsection (3A) and must lay a copy of the Report before Parliament.”

An amendment to require the Secretary of State to report annually to Parliament on instances where the right to work part-time or in a geographically restricted area has been varied, suspended or terminated.

I rise to speak to amendments 4 and 5—

The Chair: Order. Amendment 4 has not been selected. It is not on the selection list, so just speak to amendment 5.

Carol Monaghan: I think I missed that paper then, because I am looking at it—

The Chair: When we come to the clause stand part debate, you can be more wide-ranging in your comments, Ms Monaghan, but please just stick to amendment 5 for now.

Carol Monaghan: I would like to raise similar concerns to those raised already, but probably coming from a different position. We have already heard that there are issues around large numbers of personnel and the requirement to maintain operational capability. I would certainly echo those concerns, but if the Bill is to deal with retention of the talent that we cannot afford to lose, and identify how best to make the armed forces modern and fit for purpose, we need to consider how it will be implemented.

There are some worrying phrases in the Bill, such as the “prescribed circumstances” in which flexible working can be suspended. We have already talked about the suspension of flexible working during a national emergency; nobody has a problem with that, but the form of manning crisis and its management, and the ability of the service to refuse applications broadly on the grounds of defence need are more problematic.

We have already heard about areas in which there are key shortages—engineering and particular parts of the RAF, and I will add the submarine service to that. There are people in those services who are currently unable to take the annual leave to which they are entitled. Those same people will not be able to access flexible working, and the result will be the same—members of the armed forces will leave before they are due to do so and the problem with retention will continue. To maintain operational capability, members of particular sections will not be able to take up flexible working or get leave because of things that are absolutely out of their control, such as shortages and budget cuts. We need some clarity on how that is rolled out.

Getting the Secretary of State to report to Parliament is quite important. People need to know the situations in which applications have been refused and the number of people who have taken the option up. The Minister mentioned his view that a very small percentage will take it up. We need to be told regularly exactly what the uptake is and across which services, and why applications have been refused—was it because of a particular short-term issue or longer term, endemic problems? Having the Secretary of State report to Parliament regularly would allow some clarity and allow us to monitor who is able to access flexible working and who is not.

Amendment 4 is a probing amendment, but I reserve the right to return to it at a later stage.

Mr Ellwood: I admire the way in which the hon. Lady finessed amendment 4, which disappeared, into amendment 5 with the dexterity that we all require in such situations.

I am grateful for the general support for the armed forces. It is important to understand the context. Is this about budget cuts? That is a knee-jerk reaction—a question that I also posed, when I was in opposition, whenever any decision came up. Is the Bill a consequence of that? I can say to the Committee that it is not; it is absolutely nothing to do with financing whatsoever. It is purely to do with recruitment and retention, and the hon. Lady cited examples of that.

Carol Monaghan: I am not suggesting that the Bill is a way to deal with budget cuts. I am suggesting that budget cuts to particular areas may make people working in those areas less able to access the flexible working provisions because they are stretched to their limit.

Mr Ellwood: I am grateful for that clarification. The hon. Lady talked about what she called the endemic problems we are having. I was very frank, honest and transparent and said, yes, as the Secretary of State and the Armed Forces Minister recognise, we need to do our best to recruit and retain. We can only do that if we adapt, and that is one of the reasons for the Bill.

The hon. Lady gave an excellent example of those who are under pressure because of their expertise—there are not enough experts in a particular field, which places extra pressure on those who are there. We need to make sure that we recruit more experts in a particular field—engineers, for example—so that we limit the pressures on any individual to constantly be at work, which we do not want.

The new arrangements will be available to all regular service personnel and are aimed at improving recruitment and retention, in not just the short but the long term. Our aim is to approve as many applications as we can, but we also recognise that there will be some that we will not be able to approve. There will be requests made to work part time to which we will have to say no—for example, because somebody is serving at the moment in a high-readiness unit. We have to manage the expectations about the arrangements and we have to provide commanding officers with the information to help them to determine, with their people, whether the arrangements are right for them, or whether less formal flexible working arrangements, which are already available, might suit them better.

Careful consideration will be given to applications when they are made, and because of that we do not anticipate that there will be a need to vary, suspend or terminate any arrangements. However, the ability to do that is necessary to maintain our ability to recall if operational capability demands. It also provides our people with some flexibility should their own needs change.

When it comes to the numbers, as I mentioned, we do not expect take-up of more than about 1%. On that basis, in our view, collating or reporting the information for the size of the cohort will not provide significant or beneficial data. Our internal systems are likely to capture that information anyway as a matter of course and be reported to Parliament in the normal way. That will provide management information from which the services can assess how effectively the new arrangements are working and make any appropriate adjustments.

This is a new concept; of course we need to understand and manage it, see how it works in practice and adapt accordingly. It therefore seems disproportionate to require the services to spend time and resources compiling the management information proposed in the amendment into a form robust enough for publication when we expect the numbers affected by the powers to be small. I hope that I have provided clarification and assurances, and that the hon. Lady will agree to withdraw the amendment.

Carol Monaghan: I still have some questions. There is a difficulty: if we cannot look at the entire picture and see the particular areas of service that cannot access the arrangements, we are missing a trick. Undoubtedly, if people are operationally stretched and unable to access them, there will be more retention issues. However, for the moment, I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Clause 1 ordered to stand part of the Bill.

Clause 2

CONSEQUENTIAL AMENDMENTS

Question proposed, That the clause stand part of the Bill.

Mr Ellwood: Clause 2 makes small consequential amendments to existing legislation to provide that regular service personnel temporarily serving under flexible working arrangements continue to be excused automatically from jury service. It has long been recognised that regular service personnel are in a unique position when it comes to jury service. It is vital, as I stressed before, that operational capability is maintained at all times, so commanding officers have the ability to certify the need for their personnel to be exempt. The changes will ensure that the same protections are in place for those working under the new part-time arrangements.

The relevant legislation providing automatic excusal and discretionary deferral from jury service in England, Wales and Scotland refer to full-time serving members of Her Majesty's naval, military or air forces. Service personnel temporarily serving under part-time working arrangements will not, therefore, be covered by the legislation in England, Wales and Scotland. Clause 2 will ensure that we maintain the current position for our people.

Question put and agreed to.

Clause 2 accordingly ordered to stand part of the Bill.

Clause 3

SHORT TITLE, COMMENCEMENT AND EXTENT

Gerald Jones: I beg to move amendment 2, in clause 3, page 2, line 21, at end insert—

“(3A) Prior to making any regulations under subsection (3), the Secretary of State shall commission an independent evaluation into the impact of part-time and geographically restricted working on recruitment methods to the Armed Forces and shall lay the report of the evaluation before each House of Parliament.”

This amendment requires an evaluation of the impact part-time and geographically restricted working has on recruitment to the Armed Forces.

The amendment relates to recruitment methods and practices in the armed forces. It would require the Government to report on the impact of new working practices on recruitment and on how recruitment methods are changing to reflect that. I have already mentioned briefly the problem with recruitment into the armed forces. The numbers are simply not what they need to be, so we need to have a good look at current practices and how to improve the situation.

In 2012, Army recruitment was outsourced through the recruitment partnership project. The contract, said to be worth around £44 million over 10 years, is subject to renewal in 2022. Unfortunately, since 2012, the recruitment picture has not been pretty. When the Capita contract was awarded, regular soldier applications were around 70,000, but they fell to around 45,000 in 2012-13, which is roughly where they remain. A report by the right hon. Member for Rayleigh and Wickford (Mr Francois), who I think we would all acknowledge has outstanding knowledge of these matters, highlighted the poor performance, stating

“with the programme now having run for some five years it is evident that RPP has been underperforming significantly below initial projections.”

Research by my hon. Friend the Member for Cardiff South and Penarth (Stephen Doughty), whose extremely hard work on this issue I must highlight, uncovered the poor rates of take-up at Army training courses across the country. Only 14 troops signed up for the standard common infantry course at Catterick in one of this year's batches, despite 96 spaces being available, meaning 85% of the places were empty. Similarly, 30% of places were unfilled on courses starting between July 2015 and June 2017 at the Pirbright Army Training Centre, and a quarter of spaces were left unfilled at the Army Training Regiment at Winchester.

10 am

It should be noted that those poor results are not for a lack of financial resources. Figures from answers to parliamentary questions show that spending on advertising and marketing by the Army jumped from £6.7 million in 2016 to more than £10 million in the first nine months of 2017 alone. In total, the three branches of the forces have spent more than £84 million on advertising over the past three years. There was also significant spending on social media for recruitment purposes—around £800,000 in the first six months of 2017 alone. While it is good to see new streams of recruitment being explored to reflect modern life, it is troubling to see that the numbers applying to the armed forces do not reflect that investment. Things have become so bad that advertisers have even resorted to reverse psychology, with the “Don't become a better you” and “Don't join the Army” campaign, which did not end too well.

I will take this opportunity to clarify something. The Minister's colleague, the Minister for the Armed Forces, mentioned advertising spend in an Opposition day debate on armed forces pay in the Chamber a few weeks ago. He seemed confused about the point we were making, so I will clarify it and perhaps the Minister will pass it on to his hon. Friend. It is not that we think there should be no budget for advertising for the armed forces—it is important to show people what the armed forces do and the excellent opportunities in the forces—but there must be a return on the investment made, and where that is clearly not happening, action needs to be taken.

There have also been reports that the Army is specifically targeting young people from working-class backgrounds, despite claiming to aim advertising at all socioeconomic backgrounds, with the “This Is Belonging” campaign specifically targeting manual and/or middle-income workers from specific areas across the UK. In our present situation, it is important that we do not close off recruitment avenues and that we show that there are roles in our armed forces for everyone, particularly in the light of changing working practices. I understand that the MOD is looking at the recruitment partnership project and how the terms of the Capita contract may be renegotiated to improve performance. I welcome that and ask the Minister to update us on its progress.

The amendment will allow us to examine how those delivering the recruitment contract will adapt their working practices to promote the new working arrangements and take advantage of the new recruitment opportunities they present. After all, the purpose of the Bill is not only to improve working practices for those currently in

the armed forces, but to encourage more people into the armed forces. Having information on how the recruitment practices engage with the new working practices allows us to better scrutinise the work of those doing the recruiting, who, as I have already mentioned, are in receipt of a significant amount of taxpayers' money.

I hope the Minister and the Department will look carefully at current recruitment methods and practices with a critical eye and accept the amendment to see how new working practices impact on how we recruit into the armed forces. If he will not accept it, perhaps the Government will be willing to add some other kind of monitoring element to the Bill. If so, I look forward to him updating the Committee about that.

Mr Kevan Jones: The Minister has spoken about these new working practices, which I support and which are designed to make the armed forces more attractive to individuals. I can clearly see that people already in the armed forces may well take some of these on board as their lives change—with changing family commitments, for example. Has the Ministry of Defence considered offering part-time posts as part of recruitment?

The main thrust of the amendment is toward those already in the armed services, but would it allow the Ministry of Defence or the three armed services to advertise a role as part-time? People might say that that goes against the ethos of what we want from the armed forces, but I could see a situation in which someone who has previously served in the armed forces wants to come back once their circumstances change—certainly, if we are to try to attract more women back into roles—and they may want a specific role in the armed forces that is not full time. Will the Bill allow that, and has the Minister considered advertising certain posts as part-time? He has already talked about pinch-point trades, and some of those that are geographically restricted in certain areas could offer part-time work as part of a recruitment exercise to fill some of those posts.

Mr Ellwood: There has been helpful discussion on this clause, and I welcome the tone adopted by both hon. Gentlemen. We discussed the excellent report by my right hon. Friend the Member for Rayleigh and Wickford on the armed forces. It is called “Filling the Ranks”, and I recommend it to all right hon. and hon. Members. I am pleased that we have accepted all the recommendations. It is a sober consideration of the challenges that we face in our armed forces today, and part of the work that we are doing—including in this Bill—is about moving on from that.

We want to widen opportunities for those in the armed forces, and it could be that instead of working part time, somebody may wish to leave the armed forces all together. I remember from before I left regular service—I do not know whether others who have served felt this as well—that as soon as someone put their hand up and said that they were going to depart, they were given different types of jobs and treated slightly differently, simply because there was perhaps a question mark about their commitment that should not have been there. We now have a process of leave well and then rejoin well, because it could be that after a period in civilian life, someone might fancy going back again, and they need to be able to do that. People should not leave under any cloud, and the service should be welcoming so that somebody can come back in.

The importance of diversity was mentioned on Second Reading, and I agree. We want to recruit the very best from across the country—men and women from different ethnic backgrounds and geographical locations. There should be no inhibitors for anybody wishing to serve.

The contract with Capita was also raised, and there have been some issues and concerns about that. Again, we must advance and modernise to reflect the modern needs of our armed forces personnel.

The idea of the part-time post was raised. I will take that away with me as it is certainly worth considering. We must bear in mind that some of those posts already exist for reservists, and it will be for the services who are designing the arrangements to ensure that operational capability is not threatened in any way. It would, however, be silly not to consider any of the freedoms and opportunities that could be set up underneath that, and I welcome the input from the hon. Member for North Durham.

The amendment seeks to place an obligation on the Ministry of Defence to commission an independent report on the effects of new forms of flexible working on recruitment to the armed forces. The new flexible working measures are designed to attract, recruit and retain people from a more diverse cross-section of society. We stress that we need the knowledge, skills and experience to deliver that operational capability, and we believe that these measures will benefit a small but significant cohort who wish to take up this offer—for example, women and men starting a family, those with caring commitments, or those who wish to undertake long-term studies. However, evidence gathered by our external report, the internal surveys, the focus groups and our ongoing flexible duties trial shows we are providing our people with modern choices, which will help us retain highly skilled personnel who might otherwise leave—a concern that has already been expressed in this Committee.

This evidence already provides us with detailed assessment of the benefits of the new forms of flexible working. The MOD is experiencing many of the same skills and recruitment challenges that are being faced nationally, so to meet those challenges as proactively as possible, we are modernising the employment offer for our armed forces to better allow defence to attract and retain the right mix of people and skills. As I mentioned earlier, those are being managed collectively under our armed forces people programme, which comprises projects including the new joiner offer and the enterprise approach. The latter is about taking people with civilian skills—for example, working for Rolls-Royce or Babcock—and bringing them straight across to work in the defence environment.

The Committee will be aware that the intake in strength by rank, trade and specialisation is monitored and managed on a regular basis at both the service level and centrally by the MOD. The MOD already publishes detailed information analysis on intake in the “UK armed forces monthly service personnel statistics” publication—a long title. The overall numbers taking up the new opportunities are likely to be low, as I have mentioned before. This will mean that any detailed evaluation, external or otherwise, of the impact of the new flexible working measures on overall recruitment in the armed forces will be difficult to achieve in the early years of operation. Furthermore, evidence gathering

[Mr Ellwood]

already conducted by the armed forces of the benefits and impact that the new forms of flexible working will have on our people is of greater value than an evaluation from an independent contractor. The obligation proposed in the amendment will be unnecessarily costly, will delay the introduction of the new measures and their benefits for our people, and will add little value to what defence is already trying to achieve. With those assurances, I hope the hon. Member for Merthyr Tydfil and Rhymney will agree to withdraw this amendment.

Gerald Jones: I thank the Minister for his comments. While I do not intend to push this amendment to a vote, I ask the Minister to reflect on the need for further work to evaluate the investment being made in recruitment and the advertising process for recruitment to the armed forces, because it is not reflected in the current take-up. There is a need for further work and attention in that area. I ask the Minister to take those comments on board. I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Gerald Jones: I beg to move amendment 3, in clause 3, page 2, line 21, at end insert—

“(3A) Prior to making any regulations under subsection (3), the Secretary of State shall commission an independent evaluation into the impact of part-time and geographically restricted working on Armed Forces housing contracts and shall lay the report of the evaluation before each House of Parliament.”

This amendment requires an evaluation of the impact part-time and geographically restricted working has on Armed Forces housing contracts.

The amendment is about armed forces housing and the impact that changes to working practices will have on housing contracts. As I am sure the Minister has gathered, the amendment is a way for me to question him about housing as it relates to recruitment and, more specifically, retention.

We know that housing is an important element of the overall offer to our armed forces. As far as I am aware, there will be no change to current allocation of service accommodation as a result of changed working practices. The Bill guidance states:

“Service provided accommodation, which is provided because of the inherent mobility of Service life, will continue to be available for those taking up these new flexible working arrangements under the normal eligibility criteria because they will continue to remain liable for routine assignment changes.”

This was affirmed in the other place by the Minister of State, Earl Howe, who said,

“I stress again that regular service personnel who successfully apply to work part-time following the introduction of these new measures will be entitled to service accommodation commensurate with their personal status category and other qualifying criteria in the same way as their full-time colleagues.”—[*Official Report, House of Lords, 11 October 2017; Vol. 785, c. 260.*]

The only slight concern I have with Earl Howe’s statement is the reference to P-stat categories. Obviously, if the P-stat category changes, their allowance changes. Will the Minister please confirm that personnel who work in part time will not have their category changed? I am sure that was a turn of phrase and I am perhaps nit-picking, but I would appreciate having that confirmed by the Minister, just for the peace of mind of our service personnel.

The Minister highlighted on Second Reading that the new working practices were fitting into wider planned changes as part of the people programme. He mentioned, “our future accommodation model, advancing the housing options available both to single and to married personnel, including home ownership”.—[*Official Report, 30 October 2017; Vol. 630, c. 672.*] We know very little about the new accommodation model and I hope that the amendment will enable me to pry a few more details out of the Minister. I say “pry” because we have been asking for a while and unfortunately the Government remain tight-lipped.

10.15 am

We know that a lack of detail of the future accommodation model is causing considerable concern in the forces community. The shadow Secretary of State, my hon. Friend the Member for Llanelli (Nia Griffith), attended a reception last week hosted by the Army Families Federation at which lack of information and dialogue about the future accommodation model was flagged as a key concern. The Army Families Federation’s big survey 2016 found that if service family accommodation was reduced in favour of a rental allowance, 30% of those surveyed would definitely leave the Army and a further 46% would consider leaving, so there is a big potential impact there.

Earl Howe commented in the other place in reference to the future accommodation model,

“Extensive work is being undertaken to consider a wide range of options”.—[*Official Report, House of Lords, 11 October 2017; Vol. 785, c. 261.*]

I find the reference to a “wide range of options” a little worrying, given that the Government have said that decisions are intended to be made in late 2017. We are rapidly running out of 2017 and the scheme is intended to be piloted in 2018, so perhaps the Minister will update us on progress with the scheme and when we might expect some more substantive information on what the model will look like. It would also be helpful if he indicated whether planning for the future accommodation model is factoring in the idea that some personnel will be working part time in its decision about which model to proceed with.

The amendment refers to the implications of the new working practices for the future of housing contracts, but I also want to mention current issues with housing. CarillionAmey won multimillion-pound contracts for maintaining about 50,000 housing units because it was the lowest bidder. We have heard complaint after complaint about the response time to repair and maintenance requests, and about the quality of repair and maintenance received.

Ruth Smeeth (Stoke-on-Trent North) (Lab): As my hon. Friend and the Minister know, I pay close attention to this issue. The complaints are not necessarily about response times, but about where the key performance indicators have been set and how they do not meet the needs of our armed forces. CarillionAmey is meeting its KPIs. It will turn up within 24 hours, but it takes eight days to fix the boiler, and I think that is more of a problem. I can empathise with that, given how cold it is in here today.

Gerald Jones: I thank my hon. Friend for that intervention. She has highlighted one of the many concerns that we have around the work of the contracts, or the way that the contract is not working for families in our armed forces.

Last year's National Audit Office report on service family accommodation was damning of Carillion's performance:

"The performance of CarillionAmey has been totally unacceptable".

Although I welcome the action that has been taken, the Government had the option to terminate the contract, yet they did not, which leaves me with some concerns about how seriously the matter is being taken. I appreciate that there have been some improvements, but reports have shown that continued dissatisfaction with the delivery of the contract is still widespread. For those in service family accommodation, satisfaction with the quality of maintenance/repair and with response to requests for maintenance/repair fell to just 28%, which is very alarming indeed.

Of course, this is all in the context of many personnel seeing increased costs for their accommodation and ongoing pay restraint. The pay review body commented on that in its latest report:

"A key consideration in people accepting the increases in charges being seen...will be a clear improvement in both the overall quality of the housing stock and the effective delivery of maintenance services."

I would like to hear whether the Department has any specific plans to take action to improve performance and at what point we might see that happen.

Recruitment and retention issues are at the heart of the Bill, and housing is a crucial factor in that. I hope the Minister can give me some assurance and answer my questions about how the new working practices will impact on housing allocation, what the latest progress with the future accommodation model is and how the Government will deal with housing contracts if marked improvements are not shown.

Mr Kevan Jones: I would like to get an understanding of how the housing of someone who works part time will be dealt with. Housing has always been seen as part of the overall remuneration package that armed forces personnel get. We will potentially have a situation where someone who works part time lives in a house next door to someone working full time, with both getting the same housing package. If someone goes part time, will there be a way to recoup some of the advantage, or will they continue as if they are working full time? I can see that creating some issues, where people working full time and people working part time are getting the same benefits. How will the Ministry of Defence address that? There could be an issue of perceived fairness for the individual working full time and the idea that someone is getting benefits that they are not working for. I would like to know how the Minister thinks that would be addressed when this is rolled out.

Mr Ellwood: We have wandered into another huge chunk of the armed forces people programme. It is pertinent to the Bill, but it is so important that it sits alone as one of the four major pillars of improvement we are trying to make to recruit and retain armed forces personnel.

The future accommodation model has been mentioned. It will be coming round the corner very soon in more detail. It is still very much being planned, so I am not able to share too much detail, but it is helpful to hear the concerns, which we are very much alive to.

Ruth Smeeth: May I suggest that as the Minister is looking at those proposals, he bears it in mind that to move from where we are now to a regional model is of huge concern to the families?

Mr Ellwood: I know that the hon. Lady has spent a lot of time looking at these issues, and I am grateful for her input. She has done well to finesse those concerns into the Bill. She knows that that is a separate but very important subject. I hear what she says.

CarillionAmey was mentioned. That concerned the previous Secretary of State, and the company was called in to ensure that improvements were made to meet the KPIs. The contract comes up for renewal in 2020. That does not stop us making sure we provide the best accommodation we can for our armed forces personnel. We should recognise that what people choose and expect today is very different from 15 or 20 years ago, when a room this size would have been full of 20 beds. Now people expect individual accommodation, wireless networks and decent cooking facilities, and that is what we are providing, not least as we build new premises and new accommodation, with the returning of our armed forces from Germany.

The hon. Member for Merthyr Tydfil and Rhymney seeks to place an obligation on the MOD to commission an independent report evaluating the impact of new forms of flexible working on armed forces housing contracts. The Government have already provided assurances during the passage of the Bill that regular service personnel, when taking part-time work, will retain those entitlements currently available to full-time regulars. There will be no change there. Providing our people with service accommodation is pivotal for their work. We must ensure that their families have that guarantee and that support, particularly if circumstances change and they need to be called back at short notice.

Regular service personnel who successfully apply to undertake the new forms of flexible working following the introduction of these measures will be entitled to service accommodation commensurate with their personnel status category and other qualifying criteria, in the same way as their full-time colleagues. Individuals will take up these new arrangements for a defined period only and will retain an enduring liability for mobility. They will still be subject to the same moves associated with new assignments as others in the regular armed forces.

Mr Kevan Jones: It is common sense that no one will suddenly be turfed out of accommodation, but can the Minister not see that tensions might rise if someone working part time is living long term next door to someone working full time? He said "as long as that contract continues", but what happens if the person is still part time and is redeployed somewhere else for new accommodation? Will they have the same access to housing or will that change in some way?

Mr Ellwood: I understand where the question comes from; it is a detailed, specific point, but it needs to be considered. They will be treated in the same manner as anybody else in the unit that they are with if there is an ORBAT change or movement. It will also be down to the arrangements made when the application is put forward in the first place. If a unit is moving from one location to another, that needs to be factored into the decision. Someone might look over their shoulder and

[Mr Ellwood]

have a view about that, but that same person might request a period of absence or a change in their circumstances to move to part time at a later date. I hope the fuller explanation that we give to our armed forces personnel as these measures are rolled out will clarify that and ensure that there are not those feelings that the hon. Gentleman has mentioned.

Support for service families was a recurring theme on Second Reading. The Bill is at the heart of the work we are doing to support our people. I reaffirm that enhanced flexible working options are about providing opportunities for our people who want to work more flexibly and not about disadvantaging them or their families by limiting access to support and entitlements. I have said before that only a small yet significant number of personnel will undertake flexible working and that the longer-term impact of these new options will be difficult to assess in the early years of implementation. For those reasons, the impact on service accommodation contracts is likely to be minimal—I do not see a huge change there—and challenging to assess, particularly in the light of the fact that there are no plans for the entitlements to be altered, and an independent evaluation is therefore deemed unnecessary.

The Ministry of Defence recognises that the current system for accommodation can be unaffordable and inflexible, and that it does not support personnel to live in the way that many of them want to today. We are reforming the accommodation model so that all regular personnel can receive support to live how they want to. We recognise the need to offer accommodation that meets their needs and expectations today and in the future. The hon. Member for Merthyr Tydfil and Rhymney asked about the future accommodation model, which is due to be introduced in 2019 as part of the defence people programme. We are exploring options for a more flexible accommodation offer to give service personnel more choice in how they live.

Mr Kevan Jones: May I suggest that the Minister delve into the bowels of the Ministry of Defence? There was a plan there in 2010 that is clearly gathering dust, but it addresses quite a lot of the issues that he has raised.

Mr Ellwood: I shall certainly go back to the bowels of the MOD and see whether I can find anything that the hon. Gentleman has left behind.

Extensive work is being done to consider a wide range of options, from widening entitlement based on the current model of service-provided accommodation to helping service personnel to meet their aspirations for home ownership. We hope to be able to say more about that at the end of the year. Eligibility under the future accommodation model will not be altered for personnel who work part time or who are subject to geographical restriction when the new measures come into force. I hope that makes it clear to the Committee that there will be no change. I hope that hon. Members are reassured by what I have said and that the hon. Gentleman will withdraw the amendment.

10.30 am

Gerald Jones: I thank the Minister for the clarification and reassurance he has provided, and for recognising that there is still significant concern. My hon. Friend

the Member for North Durham highlighted the concerns and practical issues facing families. The Minister commented on the future accommodation model, understanding that it stands alone as a significant piece of work. He said it is “coming round the corner” soon. Given that we were told that we would have the detail in 2017 and there are only six weeks left in 2017, and while I appreciate that he might not be able to give the fullest detail, I would have hoped for an indication of when that detail will be forthcoming. I am sure the Government recognise that this is a significant issue and that there are huge concerns around it. That said, I do not wish to push the amendment to a vote. I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Carol Monaghan: I beg to move amendment 6, in clause 3, page 2, line 21, at end insert—

“(3A) Within one calendar year of making any regulations under subsection (3), the Secretary of State shall commission an independent evaluation into the impact of part-time and geographically restricted working on welfare of Armed Forces personnel.”

An amendment to require the Secretary of State to consider the welfare implications of part-time and geographically restricted working on Armed Forces personnel.

I will explain a little about the amendment. Ultimately, the Bill is to improve the welfare, satisfaction and work-life balance of those who are serving. Of course we want to modernise the services, consider working practices and, as a result, improve the recruitment and retention of personnel. The amendment would ensure that there was an evaluation of the process. Unless we evaluate the scheme, it will be impossible to know its efficacy and impact. The continuous attitude survey is already carried out, and we know that, at the moment, 35% of serving personnel report dissatisfaction with service life. It would be straightforward to widen the continuous attitude survey to include a section on flexible or part-time working, and have a specific evaluation for those who have undertaken that work.

Any new scheme needs evaluation. I am sure the Government have plans to monitor the success of the scheme, so I am not trying to be difficult, but it would be useful to know the details of the monitoring that will take place. Without evaluation, we cannot know the impact of what I believe to be a positive step for those now serving in the armed forces. I would welcome comments from the Minister on that point.

Mr Ellwood: I understand what the hon. Lady is saying, but she wants to place a further burden on the Secretary of State to commission an independent evaluation of the impact of the new flexible working arrangements within 12 calendar months of the clause containing the powers to make the new terms of service regulations coming into force. I am not sure whether that is exactly the intention of what she wants to achieve. The regulations to implement the new flexible working arrangements may be made some months before they come into force, so she might be seeking to place a duty on the Secretary of State to commission an independent evaluation of the impact of the new flexible working arrangements within one year of the new terms of service regulations coming into force.

Either way, I assure the hon. Lady and the Committee that the policies and processes that will support the changes brought about by the Bill have been designed

by the services for the services. We have done a great deal of work to ensure that the services develop policies that work for them and for their people. Any effects on allowances or promotion are intended to be proportionate and fair, and our policy has been developed to limit any of the negative impacts.

The physical and mental health of our people and their wider wellbeing contribute directly to our operational capability. I have stressed again and again that we must bear that in mind, but we recognise the welfare risks of some personnel having less income, for example, as a result of serving part time. We will strive to ensure that service personnel are independent and responsible in respect of their personal finances, and that will be one of the things that commanders discuss with applicants before making recommendations or seeing applications that are pushed through.

I hope that, given those assurances, the hon. Lady will withdraw her amendment, but I am happy to discuss it with her in more detail at a later date.

Carol Monaghan: There is an issue. We need to know how successful flexible working is. Some 35% of serving personnel are dissatisfied; we need to know whether personnel accessing flexible working feel more satisfied with service life. If they do not, the Bill fails.

Mr Ellwood: The hon. Lady makes the argument herself that if there is a sense of dissatisfaction, we have to ask ourselves why that is. We are trying to remedy that dissatisfaction; we are trying to make more people satisfied. That will be achieved through flexible working—through the Bill.

Carol Monaghan: I think we are probably coming from the same point of view. It is difficult to know the impact if we do not monitor it. The impact of every change we make has to be monitored. However, given the Minister's assurances, I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Question proposed, That the clause stand part of the Bill.

Mr Kevan Jones: I just have a question. Clause 3(5) states:

“Section 1 and this section extend to—

- (a) England and Wales, Scotland and Northern Ireland,
- (b) the Isle of Man, and
- (c) the British overseas territories, except Gibraltar.”

I wonder what the issue is with Gibraltar.

Mr Ellwood: The hon. Gentleman poses an important question. There is a technical reason for this. It is simply because, as has come slightly mysteriously and miraculously to my attention, we have been liaising with the Gibraltar Government about whether any provision of the Armed Forces Act 2006, with which he will be familiar, should be part of the new law of Gibraltar. They have undertaken to introduce their own legislation in the near future to effect this. I did know that, but a little piece of paper arrived to remind me of it. I am grateful for his question.

Question put and agreed to.

Clause 3 accordingly ordered to stand part of the Bill.

New Clause 1

PROTECTION OF EXISTING FLEXIBLE WORKING OPTIONS

“(1) Nothing in this Act shall affect the ability of persons serving with a regular force to avail themselves of the flexible working options provided for in Chapter 1 of Joint Service Publication 750 (centrally determined terms of service).

(2) If the flexible working options in subsection (1) are withdrawn, the Secretary of State must make similar provision through regulations.

(3) Regulations under subsection (2) may not be made unless a draft has been laid before, and approved by a resolution of, each House of Parliament.”—(*Gerald Jones.*)

This new clause preserves current flexible working practices for the Armed Forces.

Brought up, and read the First time.

Gerald Jones: I beg to move, That the clause be read a Second time.

The new clause relates to current flexible working practices in the armed forces. As the Minister knows, there are already ways for personnel to undertake flexible working. Although none of those options involves a reduction in overall hours, the former Defence Secretary, the right hon. Member for Sevenoaks (Sir Michael Fallon), pointed out on Second Reading that they are well subscribed:

“We know that these existing initiatives are popular: in the six months to July 2017, 1,400 personnel had taken advantage of them.”—[*Official Report*, 30 October 2017; Vol. 630, c. 624.]

The new clause would ensure that those popular options were retained and that the new options did not have unintended negative repercussions.

The three flexible working options available to service personnel, including home working, are outlined in Joint Service Publication 750. They involve an individual working the full number of hours associated with their role in a specific period, but having scope to vary their hours day to day. The guidance states that arrangements should be reviewed every 12 months, or earlier if circumstances change.

The current flexible working options are as follows. Variable start and finish times allow service personnel to start and finish their working day at different times from those considered the norm in their working environment, although the total number of hours worked will not be less than those considered normal for the role. That measure may cover part or the whole of an assignment.

Home working allows service personnel to carry out their work from home if that gives them greater flexibility in meeting their domestic needs and if the nature of the work allows it. Ad hoc home working is an informal agreement that gives personnel the opportunity to work at home occasionally to complete a particular task or project. Regular home working gives personnel a more regular home-working arrangement, so their working time is shared between home and the workplace. Compressed hours allows individuals to work the normal number of hours for their role over a shorter period to allow flexibility for travel or to meet other domestic demands during the week. For example, it allows an individual working away from home on a conventional Monday to Friday pattern to start late on a Monday, finish early on a Friday and work extended hours on the other days to facilitate travel.

[Gerald Jones]

The guidance cites

“a variety of personal responsibilities, such as for young children or for sick, disabled or elderly relatives”

as possible reasons for wanting flexible working, but I am slightly confused about the role that the new flexible working practices will play. Of course, it would be much easier to establish that if we knew what they will look like, but the Bill is very light on detail. The guidance for the new practices states:

“Service personnel will be able to apply to take up the new flexible working opportunities at any point in their career once they have completed their basic and professional training, plus an additional period prescribed by their Service. Therefore, we expect that it will be around four years before a new entrant will normally be permitted to undertake part-time working”.

There seems to be a conflation of part-time working with flexible working. The guidance refers to “new flexible working opportunities”, but then refers to part-time working. Perhaps the current practices will remain with the addition of a part-time element. Will the Minister clarify whether there will actually be any changes to the current flexible working practices? If so, will the new practices supersede the current? Will personnel have the option to continue with their current situation? If not, will they be expected to move over to the new practices as soon as they are introduced or will there be a grace period to allow families to adapt? It may be that the current flexible working options fit very well with a person’s lifestyle, but a part-time option and the pay reduction that comes with it might not work as well.

If the Minister can reassure us about how the new practices fit in with the current ones, I will gladly withdraw the new clause, but I would like some clarity on those points.

Mr Ellwood: I am grateful for this probing new clause, which allows me to explain how JSP 750—I have a copy here, should anybody wish to read that heavy-duty but important document—fits in with this flexible working Bill.

It is worth pausing to consider people’s perception of the armed forces. People see the armed forces as mainly the infantry, but certainly the action-orientated, frontline services. That is what they see on television, but it is the very top part. Any action that the infanteer takes is a response to a huge series of decisions taken by other people. We collect data in the armed forces and our other agencies. That data is turned into information, that information is turned into intelligence, that intelligence is turned into wisdom and that wisdom is turned into action. There are an awful lot of personnel doing an awful lot of work behind those we see—the overt picture of our armed forces.

The manner in which those personnel work varies. There are many situations—the hon. Member for Merthyr Tydfil and Rhymney went through some of them—such as variable start and finish times, compressed hours, home working, different forms of unpaid leave and career breaks. That is all covered in JSP 750, and it is very pertinent to providing flexibility prior to the Bill’s coming into force.

The new flexibilities that the Bill will introduce are part of a series of steps that we are undertaking to modernise the conditions of the service that we offer to

those who serve. Those considering a career in the armed forces will not be affected at all by what exists already; nothing will be replaced in that sense. The long-term aim is to improve overall recruitment and retention in our armed forces.

10.45 am

We are seeking to reflect best practice in the development of our personnel policies. We are also ensuring that we continue to refine and develop policies that support our existing flexible working options to ensure that they are the best they can be. As with human resources policy in other organisations, the ability to manage and adjust our flexible working policy is essential to meet the emerging needs of our people in the services.

The current flexible working policies are published in Joint Services Publication 750—a document that I have here and that is openly available. I assure the Committee that we have no intention of withdrawing any existing opportunities for flexible working. I stress: there is no intention of withdrawing any existing opportunities. Some of those opportunities have been on offer to our people since 2005 and others have been developed to meet their need for a degree of flexibility in the modern world. To reduce the flexible working options would be a retrograde step—it would be moving backwards to do what the hon. Member for Merthyr Tydfil and Rhymney implied and limit them. I hope that, following the assurances that I have given, he will withdraw the motion.

Gerald Jones: I thank the Minister for his commitment to the existing arrangements under Joint Services Publication 750 and for the clarity that no existing arrangements will be affected by the changes. Given that he has stressed that intention, I beg to ask leave to withdraw the clause.

Clause, by leave, withdrawn.

New Clause 2

REPORTING OF ARMED FORCES PERSONNEL SERVING PART-TIME

“(1) The Secretary of State must include the number of personnel who are serving part-time in the monthly UK armed forces service personnel statistics.

(2) The Secretary of State must include the number of personnel who are serving part-time in the UK armed forces biannual diversity statistic.”—(Gerald Jones.)

This new clause requires the number of UK armed forces service personnel working part-time to be reported regularly, and to be included in the UK armed forces biannual diversity statistics.

Brought up, and read the First time.

Gerald Jones: I beg to move, That the clause be read a Second time.

The new clause is about ensuring that armed forces personnel numbers and diversity statistics are as accurate as possible. It requires that both the personnel and diversity statistics include details of how many personnel are working part time. We believe that it is important to be open with Parliament and the public about the personnel statistics. Unfortunately, the Government have a poor record when it comes to the number of armed forces personnel, specifically the size of the Army.

Since 1 October 2016, Army personnel who have completed phase 1 training, which covers all new entry training to provide basic military skills, but have not completed phase 2, which includes initial individual specialisation and technical training following phase 1, are considered trained personnel. Prior to that, personnel were considered to be trained only when they had completed both phases.

The Government made a clear and specific promise in their 2015 manifesto that the Army would not fall below 82,000 under the old definition. Unfortunately, it seems that the change in the definition was a cynical attempt to keep that promise. The Government dropped the commitment for the 2017 election, and since then they have given increasingly vague answers to parliamentary questions about targets and minimum thresholds. That promise has not been kept. The latest figures show that the full-time trained strength of the Army is now just 77,680.

In the consultation on the change to the statistics, the Government said:

“The main purpose of these statistics is to measure the performance of the MOD against government and Parliament targets, and also to inform general debate in government, Parliament and the wider public.”

It is vital for accountability and informed debate that there is transparency around the personnel numbers. It would not be right to suggest that the Army or any of the services is at a greater strength than it actually is by failing to separate part-time and full-time personnel. Therefore, the personnel statistics must include specific detail on the number of personnel who are working part time.

The Government have made it clear that one of their hopes is that the Bill will encourage women not only to join the forces but, crucially, to stay in the forces. That is an excellent goal and one that we should pursue. When it comes to the diversity statistics, the reasons for wanting to include the number of personnel serving part time are twofold. As I mentioned, the Government have a record of trying to inflate personnel numbers. The 2015 strategic defence and security review includes a target to increase the number of women members of the armed forces. The aim was that by 2020, 15% of the regulars and reserves would be women, moving eventually to 20%. Figures from April 2017 show that just 11.4% of the regulars and reserves are women, but the new working practices apply only to regulars, of whom 10.2% are female. I look forward to the new diversity statistics that come out at the end of the month and hope that the numbers will have risen.

It is important that the number of female personnel is accurate, detailed and not overstated, so that we are not complacent about the work that is needed. If a significant reason for the legislation is to retain women, we need the diversity statistics to reflect how well that is working. The new Defence Secretary will name the new Chief of the Defence Staff soon. If we want to get to a situation where that could be a woman, we need to keep women in the services and promote them. There is a view that this was a missed opportunity to have a woman as the new Defence Secretary. She would have been the UK's first female Defence Secretary, but who knows? Perhaps we will have one before long.

If we can establish how women are using the new working practices and how they affect their length of service and progression, we can establish the policy's

impact. To do that successfully, the more information we have, the better. The new clause does not try to undermine the Bill or its measures, but would be important in helping us to monitor how successfully the Bill's aims are being met and in ensuring that the statistics are transparent. The new clause is a way of seeing whether we need to do more or explore other options. As was said on Second Reading, the Bill will not be a silver bullet for recruitment and retention issues in the armed forces, but we need a way to establish whether it is successful and, critically, how successful it is.

The Government's fact sheet on the Bill acknowledges the issue, stating:

“The impact of these new arrangements will compete with the many other factors that influence recruitment and retention, and measurement of the effects of the changes will entail a mixture of metrics on the numbers and types of applications and the approval rates, alongside specific surveys to assess the impact. We are currently designing our strategy and methods for measuring this.” Will the Minister give us an update on the progress of the monitoring systems?

I hope that the Minister will accept the new clause or give us assurances either that the personnel and diversity statistics will reflect the new working practices or that some kind of monitoring report will be publicly available, if that is already in his plans.

Mr Ellwood: I am once again grateful for the manner in which the hon. Gentleman asked his important questions about transparency in the numbers. We are aware of the challenges on recruitment and retention, and we are here today to advance our offer to the general public to consider a career in the armed forces. However, the challenges we face do not currently affect our operational capability. We are involved in about 30 operations in about 80 countries across the world. We are very much meeting our commitments, but there are challenges, which is why we have introduced the Bill.

The hon. Gentleman mentioned some of our targets on diversity, as did several hon. Members on Second Reading, including the 20% target for women, which I hope we will meet. He is aware that we already publish detailed information and analysis of the UK armed forces in the monthly service personnel statistics publication—I have a copy of it here, should any hon. Member wish to look at it. It provides statistics on the number of service personnel by strength, intake and outflow in the UK armed forces. Detail is provided both for the full-time armed forces and the reserves.

The MOD promotes the importance of the armed forces being appropriately representative of the diverse society that they exist to defend, with operational effectiveness being dependent on inclusion and fairness. My Department publishes comprehensive data in the UK armed forces biannual diversity statistics, a statistical release that presents information relating to the gender, ethnicity, nationality, religion and age of personnel employed by the MOD. That meets our obligations under the public sector equality duty to provide information on our workforce in relation to the protected characteristics identified in the Equality Act 2010. In addition, the armed forces proactively release data on the number of personnel undertaking and returning from maternity and shared parental leave as part of that publication.

The recording requirements for any pattern of work in our armed forces are stipulated in policies and recorded on the joint personnel administration system. JPA is

[Mr Ellwood]

already used to process applications for existing flexible working options. We plan to enable all instances of part-time working or geographical restriction on the part of personnel to be recorded on JPA when the options are made available. As the hon. Member for Merthyr Tydfil and Rhymney implies, it will be crucial to ensure that all cases of flexible working are properly recorded and monitored to provide personnel and commanding officers with a record of all the discussions and agreements, so that they can understand the impact and success of the entire process.

The number of applications, however, is likely to be low in the early stages, so collating and reporting information on a monthly or biannual basis on the number of regular personnel undertaking new forms of flexible working would not provide significant or beneficial data. The longer-term effects of those measures should be a measure of the effectiveness of the new arrangements. We must also bear in mind our operational capability. I should add that any hon. Member may exercise the right to ask a written question—looking around the room, I can see that that is done regularly—to verify or confirm the statistics at any point.

With those assurances, I hope that the hon. Gentleman will consider withdrawing the new clause.

Gerald Jones: I thank the Minister for the information that he has provided and for his commitment to improving the diversity of our armed forces. I am aware of some information that provides some of the detail that I have talked about, but it is essential for us to be fully aware of diversity and personnel numbers. It is important to ensure that there is no confusion about the number of personnel as a result of part-time equivalents. I ask the Minister to reflect on that and to ensure that it is included in future. With those comments, I beg to ask leave to withdraw the motion.

Clause, by leave, withdrawn.

Question proposed, That the Chair do report the Bill to the House.

Gerald Jones: Thank you for your chairmanship, Ms Dorries. I would have thanked Mr Davies as well, but we have not reached the afternoon sitting. We had his support yesterday.

I thank the Clerks for their assistance in drafting and tabling the amendments, which supports better scrutiny of the Bill. I thank the Doorkeepers, who keep us safe, and Hansard for recording our every word in a rapid process that ensures transparency and clarity for the Committee.

I thank the Opposition and Government Whips for their organisational skills in running the process effectively. I thank all hon. Members, and Opposition Members in particular. I think that there is unity of purpose across the House in wanting the best for our armed forces. Finally, I thank the Minister for his constructive approach and for some of his responses, which were helpful at times, and the civil servants for their hard work.

11 am

Mr Ellwood: I rise to reflect that at the weekend, we all paused to show respect and reverence for all those in our armed forces who have fallen in the past. Up and down the country, there was a moment of silence to say thank you to those who have served. The country owes them a huge debt of gratitude.

I think we would all agree that our armed forces are the most professional in the world. They can only continue to be so if we recruit and keep the right people. That is why the Bill, in context, plays a wider and more important role in what Britain seeks to do on not only the national but the international stage, as we face the difficult challenges of the 21st century.

I am pleased with the attitude and commitment throughout the Committee. I join the hon. Member for Merthyr Tydfil and Rhymney in thanking you, Ms Dorries, for chairing the sitting, the Clerks for their work and my team for the few hours that we put in behind the scenes to ensure that everything went smoothly. I also thank hon. Members—everyone in the Committee is very committed to our armed forces—and the Whips, who keep us all on the straight and narrow.

I look forward to reconvening on Report and Third Reading, when we can look further into the detail. I am glad of that, because the Bill is an important part of the jigsaw of improving recruitment and retention in our professional and brave armed forces.

Question put and agreed to.

Bill accordingly to be reported, without amendment.

11.1 am

Committee rose.