

CRFCA

Council of Reserve Forces'  
and Cadets' Associations

# Council of Reserve Forces' and Cadets' Associations ANNUAL REPORT AND ACCOUNTS 2012/13





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ANNUAL REPORT  
AND ACCOUNTS  
2012 – 2013

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## Background

The Reserve Forces' and Cadets' Associations (RFCAs) are a Central Government body with Crown Status<sup>1</sup>. They are established in accordance with the provisions of the Reserve Forces Act 1996 Part XI (RFA96 Pt XI) and Schedule 4 (RFA96 Sch 4).

### **The following is an extract from the RFCA Regulations 2009**

#### **RFCAs: Constitution, Composition, Appointments, Duties and Governance**

- 1.4 An RFCA has been established for each of thirteen administrative areas. A list of the Associations and the administrative areas they serve is at the back of this report. RFA96 s112 has assigned two general duties that constitute its prime functions in respect of land and air forces, and reserve naval and marine forces. These are:
  - a. To give advice and assistance to the Defence Council, including advice on the use of the resources of its area relevant to Defence.
  - b. To conform to the MOD Departmental Plan.
- 1.5 Each Association is an autonomous and tri-Service corporate body with a common seal. It is representative of the area for which it is responsible and is linked to the Crown prerogative through the County Lieutenancies. Its membership is prescribed by means of a Scheme of Association, drawn up and funded by the Defence Council under RFA96 S111 and Sch 4. Each five-year Scheme will be reviewed during its final year of operation.
- 1.6 Each Association will appoint a Management Board headed by the Chairman of the Association. All matters relating to the exercise of powers or the performance of duties of the Association will be under its direction. The composition of the Board shall be detailed in the Scheme of Association.
- 1.7 With the exception of regular officers commanding units, each Association is composed of serving members of the Volunteer Reserve Forces and civilian voluntary members drawn from the community. Members are unpaid for their Association duties, although they may claim Travel and Subsistence expenses when appropriate. Appointment of members will be made in accordance with the Office of the Commissioner for Public Appointments (OCPA) Guidance. Procedures for Membership Appointment are contained in Annex B and shall be incorporated in each RFCA's Scheme of Association.
- 1.8 The Chairman of the Association will be elected by those Members present and voting at its Annual Meeting. His duties and responsibilities, as outlined in regulations 2.15, 2.16 and Annex B, Appendix II, will be confirmed on first appointment by Letter of Authority signed by Director Resources & Command Secretary, Army HQ (Dir Res & Comd Sec).
- 1.9 Each Association will employ a Chief Executive (CE) (in these regulations referred to as the 'CE RFCA'). He and his salaried secretariat will support the Members in discharging the tasks assigned to the Association. The appointment, terms of reference and terms and conditions of employment of the CE RFCA will be subject to Dir Res & Comd Sec's prior written approval of the Association Chairman's formal recommendation.
- 1.10 Ultimate responsibility for membership appointments rests with the Defence Council. Dir Res & Comd Sec will act on its behalf in this regard and confirm in writing such appointments, each for a five-year term. With the exception of the Chairman appointments, Dir Res & Comd Sec may delegate the task of approving membership appointments to individual Chairmen of CRFCA and RFCAs. Once confirmed, notification of Chairman and CE appointments is to be passed to ACDS(R&C). Dir Res & Comd Sec may ask for or insist on the resignation of a member following consultation with the President of the Association and ACDS(R&C).

<sup>1</sup>Cabinet Office Property & Ethics Team direction DTG 041322 October 2007.

## The Council of the Reserve Forces' and Cadets' Associations (CRFCA)

- 1.11 The Council of Reserve Forces' and Cadets' Associations (in these Regulations referred to as the 'Council' or CRFCA) is a joint committee established under the provisions of RFA96 s116 which will provide a strategic level interface between defence customers and the Associations, as well as providing guidance and advice to the CRFCA Board. The Council's membership is detailed in the CRFCA constitution and consists of appointed Vice-Chairmen for the Services, Association Chairmen, Reserve and Cadet representatives and individually appointed voluntary members with specific expertise and interest in RFCA work. The CRFCA Board, routinely chaired by the elected deputy Chairman and comprising the CE CRFCA, Association Chairmen and Vice-Chairman of the Executive Board (XB) will exercise central direction and oversight of the key business outputs and the budget, including internal governance. The XB, chaired by CE CRFCA and comprising the Association CEs, is the principal corporate means by which CE CRFCA and all Association CEs fulfil their responsibilities as Budget Holders and for oversight of the delivery of the LFFF and SLAs with the customer Top Level Budget Holders (TLBs).
- 1.12 The Chairman of the Council may have direct access to Ministers, on behalf of the Board Members, on any matter concerning major policy considerations or overall RFCA business in connection with Reserve and Cadet matters. Through the Board, the Council also monitors the adoption of best practices in each Association to ensure efficient management and cost-effective services to MOD. The Council will be supported by a Secretariat, which will be funded by contributions from each of the Associations.

## Chairman's Foreword

Established in 1908 (as the Territorial Associations) the RFCAs were originally designed to provide local support to the Territorial Force in every county. Over a hundred years later the name has changed, the number of Associations has reduced and the RFCAs dependency has grown to encompass Reserves and Cadets of all three Services but the essence of the RFCAs' work remains the same:

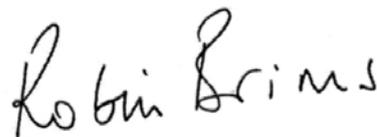
- Regionally, to provide advice and support on behalf of the UK's Volunteer Reserve Forces and Cadets;
- To work with the Chains of Command of the three Services; and
- To establish and maintain links with the community

RFCAs business is funded, delivered and reported upon against a range of Service Level Agreements (SLAs), some of which are sufficiently mature that they are now reaching their first formal review point. A formal governance structure is in place to direct future work and to provide oversight of the funded discretionary tasks that are commissioned by MOD and the Services which the RFCAs undertake. This necessary but time-consuming exercise tends to focus exclusively on the business outputs of the 836 salaried staff of the Associations, to some extent taking for granted the other functions of the RFCAs.

The RFCAs are fundamentally volunteer membership organisations. Over and above the membership identified within the Schemes of Association (the formal mechanism by which the RFCAs are authorised to undertake their duties), they enjoy considerable help and advice from an extended network of other volunteers who collectively provide unparalleled expertise and experience. Together these 8,000 or so people are the life-blood of the RFCAs and an invaluable means by which we connect to communities, provide good value-for-money services and shape defence thinking, especially in the long-term well-being of the Reserves and Cadets. That they are prepared to give so freely of their time on an unremunerated basis is a great testament to the high regard in which our Reserves and Cadets are held and material evidence that the spirit of voluntary service is prospering with the RFCAs.

The 2012/13 reporting period has been challenging for many of our professional staff and volunteer membership, as they have coped with the additional demands of supporting a significant consultation exercise surrounding the future of UK's Reserve Forces. This has been a protracted exercise in which the RFCAs have been pivotal in generating interest and informed comment from specialist groups, most notably from Reservists' employers. Moreover many decisions needed to begin the transformation process for the Reserves have necessarily been delayed pending analysis of the consultation, requiring considerable RFCAs effort in reassuring Reservists and their supporters, while at the same time furnishing MOD and the Services with a raft of data and advice to support decision making on the future size, shape and location of the Reserves. And throughout this period we have continued to act as advocates for the Cadet community, to ensure that they are not inadvertently disadvantaged by any of the Reserve change programme, especially in preserving their access to facilities.

The MOD has also this year turned to the RFCAs to provide an external scrutiny function for the Future Reserves 2020 change programme, with an initial report due later in the next reporting year. This role indicates the unique contribution that the RFCAs can offer defence and has been a very welcome additional task for us. In addition to the clear function of assessing progress from an informed and independent perspective, we also see the role as a means of strengthening our links with and between the senior leadership of the Armed Forces and the communities from which our Reserves are found.



**Lieutenant General (Retd) Robin Brims  
CB CBE DSO DL**

*Chairman, Council of Reserve Forces'  
and Cadets' Associations*

## Chief Executive's Introduction

Within the context of the major change programmes underway in Defence this has been a challenging yet enormously rewarding year for the RFCAs, notwithstanding that it has been conducted in a climate of both austerity and significant uncertainty for the two communities we serve. At the close of FY12/13 both Reserves and Cadets still await decisions conditioning their respective futures (either within Future Reserves 2020 or downstream work flowing from the Defence Youth Engagement Review) but reassuringly at the macro level it is already clear that in principle both organisations are set to continue as important components of the Defence family. The most rewarding aspects of this for the RFCAs has related to our major contribution in informing these decisions and our ability to help 'steady the ship' of both communities as the work has unfolded.

This year I will resist a precis of the balance of the main report; our main stakeholders will readily draw the detail they need from the annexes, which are unapologetically and necessarily repetitive while we continue to resolve our audit regime. Neither will I attempt to relate too closely this year's work to the six strategic objectives on which I reported at length last year – and which are largely unchanged in achievement terms, save our significantly increased level of contribution to Outcome 1 (advice to the Defence Council) and Outcome 2.3 (employer engagement). However, it is worth noting that our respective Service Level Agreements (SLA) with the Top Level Budget (TLB) holders are becoming increasingly outdated and overdue review – especially in the area of SMART objectives and relevant performance indicators – which in turn potentially impinges on these strategic objectives. Instead I will reserve comment to the significant areas of work we have undertaken this year which stand out as unusual and noteworthy.

Throughout the year the RFCAs have been heavily involved at national and regional level in the provision of advice, predominantly in support of FR20. It has been hugely gratifying to have been engaged inclusively in this work, and I sense that there is now a far greater understanding of Reserve issues as a consequence. In the latter half of the year two particular strands of work stand out as worthy of mention: first, our shaping and engagement work on the Green paper consultation; and, second, our detailed support of work to improve and reshape the Volunteer Estate (VE) in support of proposed changes. Both are key components in ensuring a healthy support environment for Reserves of all 3 services; I firmly believe that without the detailed knowledge of the RFCAs and their unique access to relevant regional networks this work would have been far more difficult to achieve – a point openly and frequently recognised by those leading the work. And although at FY end the work still awaited political endorsement, at the time of writing it is clear that it was influential.

In the meantime managing the estate has remained difficult but achievable, on the basis that this year the RFCAs were charged and funded to deliver little more than statutory and mandatory compliance, with an explicit direction from DIO that we are no longer required to maintain condition (and an implicit recognition that progressive degradation has been accepted by the three Services). Therefore during this year we have concentrated successfully on achieving this standard without the need to close or restrict the use of any occupied Reserve or Cadet facility. The fact that we have done so with minimal impact (that is, all facilities remained open within the terms of the SLA) is in no small part due to the ability of the RFCAs to inject additional regionally generated income (RGI) and this year we did so to the tune of £3.9M, on top of the DIO maintenance provision of £21.35M.

During this year we have assessed our achievement against industry benchmarks and the results remain reassuringly sound. Across the VE the RFCAs have fairly consistently achieved a level of £23.30 per m<sup>2</sup> of the built estate (which includes rents, rates and overhead costs) while the nearest equivalent industry benchmark from BICS (which excludes rents, rates and head office costs) is £29.00/m<sup>2</sup>. Comparators for the NHS estate and large commercial organisations run significantly higher (from £43.90/m<sup>2</sup> to £63.40/m<sup>2</sup>). Our ability to sustain a compliant estate at this level of funding is therefore also a major testament to the quality of our estates staff and to our mainly local contractors for the way they achieve excellent value for money in delivering this level of work.

This close connection with known and trusted contractors, often utilising local small firms, has also paid dividends in the work we continue to do adapting the houses of injured service personnel. This is business that needs to be taken on and completed quickly in a bespoke way – and most importantly while being managed by individuals who can connect emotionally with the families without compromising on what needs to be delivered. It also needs to be coordinated in concert with other organisations, such as the Service charities and local authorities, who make voluntary or statutory contributions to the work or funding. While recognising that this is not core business, this is important work for the RFCAs who readily see it as a moral imperative, and not just because they are uniquely well positioned to work with all the involved parties. In a sad reflection of the consequence of operations the RFCAs managed almost £3.9M of such work this year – a task we do not relish but readily accept.

Interest in the support of local communities has come to the fore this year as well, with particular emphasis on businesses which employ Reservists. On behalf of the MOD we facilitated a very large number of engagements in order to seek their attitudes to Reserve service. Consequently we were required to deal with them far more extensively and generically than would be the case in a normal year, in a wide ranging discussion. The extent and quality of this engagement has been invaluable in taking forward several strands of work in FR20 as well as reinforcing the strong links the RFCAs already enjoy with these communities; had the RFCAs not already been effectively employed in this work and able to bring to bear the influence of their extensive membership network it is doubtful it would have achieved anything like this depth of involvement. Looking to the future, and notwithstanding the likelihood of greater responsibility by the Services in servicing and developing these relationships, it will be critical to continue using the RFCAs to facilitate and sustain the activity (especially so as the continuity link) and in short time more closely connect it to national relationships and initiatives.

This high level of concentration on the Reserves has occasionally left elements of the cadet world feeling vulnerable to the unintended consequence of the FR20 change programme. Throughout the process we have been at pains to both reassure them and to ensure that their requirements have not been overlooked. Indeed, Cadets enjoy such strong public and cross-party political support that these concerns have been readily acknowledged, with high level commitments given that they will not be disadvantaged, particularly within the VE where many cadet detachments share facilities with Reserve units. Looking further ahead, there is also considerable cadet opportunity in prospect from aspects of the FR20 programme, for example by extending the scope of relationships with employers. The RFCAs would readily extend their remit with employer engagement to demonstrate the worth of the cadets as future employees and to encourage greater use of corporate social responsibility (CSR) programmes, both to recognise the contribution of employees who act as adult volunteers and to improve local business and cadet relationships – all of which can now be developed under the recently-launched Corporate Covenant.

The RFCAs also took on a new cadet and youth responsibility this year, building on our current relationship with the education sector in the regions, to recruit and manage the work of regional School Cadet Expansion Officers in support of a joint DfE/ MOD initiative to provide greater cadet opportunity within English state schools. The detail of this is covered later in the report but I believe that it merits comment here for three reasons. First, the nature of the RFCAs largely meant that there was no other organisation able to coordinate this work. Second, although ostensibly

a cadet activity, its success will hinge on many other facets of work that the RFCAs touches – not least the ability to identify third party supporters and sponsors. Lastly, the work needs to be managed sensitively and pragmatically at local level, to avoid over-provision or marginalisation in localities where other cadets already operate – and the RFCAs invariably have the contacts and knowledge to do this effectively. At FY-end all 9 of the English RFCAs had recruited a SCEO each and work is progressing well towards achieving sufficient expressions of interest from schools to reach the 100 school target.

Finally, it would be unusual for any report covering 2012 not to mention the Olympics. Suffice to say that in London and at other Olympic venues around the country the RFCAs played a fairly extensive, if low key, role in support of both Regular and Reserve deployed forces, most typically in arranging short notice accommodation and support as the Armed Forces' contribution grew. Inevitably, as it was to some extent for the troops themselves, much of this came as late notice requirements. Our ability to 'make it happen' on the day was a direct consequence of the close working relationships that the RFCAs enjoy with their respective regional chains of command. I make the point not to engage in mutual back-slapping or to bask in a share of the Armed Forces' deserved recognition for rising to the Olympic challenge. I make the point because it demonstrates the necessity of retaining these working relationships as the three Services' regional structures evolve under Future Force 2020.

The year has undoubtedly been a busy one. But it has also been less normal than most – and it is that abnormality which conditions my closing comments. Defence is in a state of change and – when and where appropriate – the RFCAs are and will continue transforming to remain a uniquely relevant and necessary support organisation. To do so we need to understand what drives change; this year has been notably different because of the inclusive, well-informed nature in which many of our stakeholders have taken us with them (something that had not always been the case over the last decade). As that change continues I would also hope that stakeholders have, in return, noted not just the unique space that the RFCAs occupy in support of the Armed Forces but also the holistic and extensively symbiotic way in which the RFCAs deliver their funded outputs and the contribution of their regional networks to augment that support. Thus, in support of the Chairman's opening comments, I add my thanks to the volunteer membership who constitute those networks and selflessly give so much to the Reserve and Cadet cause.



**Air Vice-Marshal (Retd) Paul Luker CB OBE AFC DL**

*Chief Executive Council of Reserve Forces' and Cadets' Associations*

## RFCA Governance

### Council of Reserve Forces' and Cadets' Associations (Council of RFCAs)

The Rt. Hon The Lord de Mauley TD  
*President Council of RFCAs*

Lieutenant General R V Brims CB CBE DSO DL  
*Chairman Council of RFCAs*

Colonel T S Richmond MBE TD DL  
*Deputy Chairman Council of RFCAs*

Captain I M Robinson OBE RD RNR

Colonel R A Hooper MA DL

Air Vice-Marshal M D Smart DL

Major General S Lalor CB TD

Colonel A I Taverner MA MCIPR

*Vice-Chairmen Council of RFCAs*

COUNCIL SECRETARIAT

Air Vice-Marshal P D Luker CB OBE AFC DL  
*Chief Executive*

Brigadier MP Banham MBE  
*Chief of Staff*

Commander G R Bushell  
*Director Cadets & Youth*

Mr S Blissitt MSc  
*Director Volunteer Estates*

Mr T C Corry  
*Director Employer Support*

Mr I Scarfe  
*Secretary Pension Scheme*

Each Reserve Forces' and Cadets' Association is represented on this Council by its Chairman. The RFCA structure is shown at the back of this report and the profiles of each of the Council Board members are as follows:



#### CHAIRMAN

Colonel T S Richmond  
MBE TD DL  
*Chairman of the Board*

Tim Richmond is a Chartered Accountant and Business Adviser. He spent 32 years in the accounting profession with a major international firm serving as both UK managing

Partner and Chairman of the International firm. In the public and voluntary sector he chairs Nottingham and Nottinghamshire Futures which provides support services to young people and has served as a Competition Commissioner and a non-executive chairman or director in Higher Education, Further Education, Healthcare and Social Housing and a number of other voluntary and charitable organisations. He is an adviser in strategic business direction and a non-executive chairman or director of a number of private companies including business to business, training, professional services, construction and logistics. His reserve service has included commanding an independent OP Battery, a UOTC and as deputy commander of a home defence brigade, a regional brigade and subsequently as Commandant of a County ACF. He is Vice Lord-Lieutenant of Nottinghamshire.

career in the City of London but continued his military service in the Army Reserves and finished his military career as the senior serving reserve officer in the rank of Major General. His final appointment was Assistant Chief of Defence Staff (Reserves & Cadets). His commercial career has included being one of the two original founders of Britam Defence Ltd, a mid-size risk management and training consultancy, directorships of major companies in industry and commerce with particular experience gained in strategic management, diversification, fast-moving commercial goods, marketing and finance. His own successful enterprises have included a specialist accounting firm providing funding and financial management solutions to businesses in Central London.



#### VICE CHAIRMEN

Major General S Lalor CB TD  
*Vice Chairman (Army)*

Commissioned from the Royal Military Academy Sandhurst in 1976, he served operational tours in Northern Ireland and Belize. He left the Regular Army after four years to commence a commercial



Captain Ian M Robinson  
OBE RD RNR  
*Vice Chairman (Navy)*  
*(Chairman Yorkshire & The Humber RFCA)*

Following a short career commission in the Royal Navy, he joined Sheffield Hallam University where he was subsequently Head of Electrical Engineering and Head of Undergraduate Studies in Arts, Computing, Engineering and Sciences. He is now a Dean, and also Director of the Graduate School at Edge Hill University in Lancashire, and works part-time with the UK Quality Assurance Agency for Higher Education. He advises a number of other Institutions, both in the UK and overseas, on academic quality and governance. Captain Robinson has been a Naval Reservist for over 33 years, culminating in appointments as Director Personnel, Director Strategic Planning and Captain Regions.



**Colonel R A Hooper MA DL**  
*Vice Chairman (Marine)*

Founder and a Fellow of the Centre for Leadership Studies, University of Exeter and also a Visiting Professor at Bristol Business School. He is also author of four books on Leadership and one on the relationship between the military and the media. His military career included command

of 40 Commando, MOD (Naval Plans) and Chief of Staff British Military Training Team in Zimbabwe. His final appointment was Commandant of the Commando Training Centre, Royal Marines, Lymington. He is also a former Honorary Colonel of RMR Bristol. He is a Deputy Lieutenant of Devon, a Trustee of Wellington School and on the Council of St John Devon. He also consults widely on leadership and is an executive coach.



**Lieutenant Colonel C T Hillock RD\* DL**  
*(Chairman North West & Isle of Man RFCA)*

Management Consultant based in the North West, previously a Director of Lloyds Brokerage and Director of a clearing bank subsidiary. Commissioned in 1968 into the Royal Marines Reserve he ended his service

as Commanding Officer Royal Marines Reserve Merseyside in 1994 when he received the clasp to his Reserve Decoration. After leaving the RMR he became a member of the Council for St John's Ambulance Brigade. A member of the Association since 1994 and was a member of the Merseyside County Employers Liaison Team (now Merseyside Employer Engagement Group) for 10 years. Appointed Association Vice Chairman Marines in 2000, a position held until his appointment as Chairman in 2008. In 2009 he was appointed as a Deputy Lieutenant for Merseyside.



**Air Vice-Marshal M D Smart DL**  
*Vice Chairman (Air)*

Retired from the RAF in 1998 and then began a second career working in business consulting first for Arthur Andersen and then as a retained consultant for Deloitte advising on defence. He lives in Herefordshire and has been Vice Chairman (Air) on the Board of the West Midland RFCA for

ten years and Vice Chairman (Air) on the Council of RFCAs for some five years. In addition, he is on the Boards of the Forces Pension Society and the Regular Forces Employment Association and is Chairman of SSAFA Forces Help in Herefordshire.



**Lieutenant General R V Brims CB CBE DSO DL**  
*(Chairman North of England RFCA)*

Lt Gen Robin Brims was educated at Winchester and was commissioned into The Light Infantry in 1970. After various military appointments he became Commander of the Field Army in 2005. Since retiring from active duty in January 2008,

he spends much of his time on the Veterans and welfare side of Defence; he is a Board Member of NORCARE and an active member of several charities. He was Vice-Chancellor of the University of Kurdistan-Hawler in Northern Iraq before retiring to his native North East and now lives at Dalton, Newcastle upon Tyne. He is Honorary Colonel of 72 Engr Regt (V) and Northumbrian Universities Officers Training Corps. He is also Chairman CRFCA Council.



**Colonel A Taverner MA MCIPR**  
*Vice Chairman (Army)*  
*(Chairman Highland RFCA)*

Director of Dubai Research Ltd and runs his own consultancy firm, Angus Taverner Ltd, specialising in international relations, political risk and strategic communications focused on Europe, the US and Middle East. Trustee of the Army Families Association.



## **BOARD MEMBERS**

**Colonel A C C Lapsley QVRM TD ADC DL**  
*(Chairman Lowland RFCA)*

Deputy Commander 51(S) Bde 2004 – 2007. Appointed Col TA, HQ SOinC (A) in Oct 2009. Honorary Colonel of both 32nd Signal Regiment (V) and Glasgow

and Strathclyde UOTC. Appointed Chairman of Lowland RFCA in Feb 2012. In civilian life a Company Director of 3 SMEs (main SME being Possilpark Shotblasting); was a director of former Poppyscotland and now a member of Scottish advisory committee of TRBL; a member of Trades House of Glasgow (Late Deacon Incorporation of Fleshers), an elder in the Church of Scotland and involved with a number of charities.



**Lieutenant Colonel D G Clarke OBE TD DL**  
*(Chairman Wales RFCA)*

Guy Clarke is a solicitor specialising in the property and charity sectors. He was managing partner at regional firm Morgan Cole, with offices across South Wales and the M4 corridor, for ten years. A former President of the Cardiff Law Society and member of

the CBI Wales Council, he is currently Treasurer of Legal Wales. Outside the Law, Guy takes an interest in a number of charitable and third sector bodies including Cardiff University (where he chairs the audit committee) and the Institute of Welsh Affairs think tank of which he is a trustee. He is deputy chairman of the Governors at Christ College Brecon and a trustee of Wales' largest cancer charity, Tenovus. For over 30 years Guy was a member of the Territorial Army latterly as a Battery Commander, CO of the Brigade Specialist Training Team and as the SO1 responsible for establishing the employer support function in Wales.



**Colonel M Colville TD DL**  
*(Chairman East Midlands RFCA)*

Col Colville was educated at Northants and was commissioned into Duke of Wellington's Regiment in 1973. 1979 to date he has been Principal Partner of Leicester Office Furnishers. Appointed Deputy Lieutenant of Leicestershire (1998), Justice of the Peace (2000-2004)

and assumed appointment of Deputy Brigade Commander (2002). Additional activities include Chairman of Leicestershire & Rutland ABF The Soldiers' Charity and Honorary Colonel of the Sherwood Rangers Yeomanry.



**Colonel S J Cartwright TD MBE**  
*(Chairman West Midland RFCA)*

Colonel Stamford Cartwright spent much of his early career in the FMCG market. In the mid '80s he launched a business to supply products to housebuilders and developers which grew to become the largest supplier to this market. He was also a main board director of a Plc and on the

editorial panel of a national monthly magazine. He joined the TA in 1965 and filled a number of regimental and staff appointments before command. In retirement he maintains his links with the armed forces as chair of several service charities and trustee of a number of benevolent funds. He is also chair of a local military museum trust.



**Colonel O J H Chamberlain QVRM TD\* DL**  
*(Chairman Wessex RFCA)*

Currently a Land Agent. He joined the Territorial Army in 1972 and following various regimental appointments commanded the Royal Wessex Yeomanry from 1990 to 1994. Subsequent appointments included SO1 LO with 1(UK)Division, SO1 ARD Implementation Team and

Colonel Yeomanry and Deputy Commander 43 (Wessex) Brigade. Skills benefits to RFCA: Reserve Forces experience; Estates management; Land management; Deputy Lieutenant.



**Colonel H N D Gill TD JP**  
*(Chairman East Anglia RFCA)*

A former Regular Officer, on settling in Norfolk, he joined the TA and filled a number of Regimental and staff appointments before command of 6 R ANGLIAN. Post command, he went on to be Comdt Norfolk ACF for 6 years and then the first President of Cadet Force Commissions Board, Westbury. He

is now semi-retired but as well as running his wholesale company and property management business, he has a range of other interests including School Governorship, a local Magistrate and is currently on the faculty of the UCLH sponsored NHS Staff College. Colonel Gill brings a depth of experience and understanding of Reserve and Cadet service, a detailed knowledge of the Region and a long association with EA RFCA.



**Colonel E G Cameron TD DL**  
*(Chairman Greater London RFCA)*

Colonel Ewen Cameron took over as Chairman of Greater London RFCA on 5 July 2010. A solicitor, he is a Director of two property companies and specialises in commercial property investment. Educated at Oundle, Bristol University and Sandhurst, he spent five years regular service with the 13th/18th

Royal Hussars(QMO), commanded the Royal Wessex Yeomanry as a territorial and was subsequently Colonel, Territorial Army, in Headquarters London District. Other appointments include: one of Her Majesty's Body Guard of the Honourable Corps of Gentlemen at Arms; Representative Deputy Lieutenant for the London Borough of Wandsworth; Liveryman of the Worshipful Company of Glovers and Trustee of the RFCA Pension Fund among others.



**Lieutenant Colonel G H Wright TD DL**  
*(Chairman South East RFCA To 13/03/13)*

Geoff Wright spent his career with Hammerson Plc, an FT 100 Company, where until his retirement in late 2006 was the Director responsible for their worldwide development programme. He is now a Non Executive Director of three Plc's and several private

companies. He is a former Non Exec Board Member of English Partnerships, the Government Regeneration Agency. He is a past President of the Chartered Institute of Building and former Deputy Chairman of the Construction Industry Board. He is Chairman of the Governors of Whitgift School and a Governor of the Whitgift Foundation. He has served in the TA for 30 years.



**Colonel W M J Partridge TD DL**  
*(Chairman South East RFCA From 14/03/13)*

Colonel Partridge was commissioned from Cambridge University OTC into the Royal Artillery in 1981, serving with 100 (Yeomanry) Regiment, which he commanded for two and a half years, until 1998. After that, he held several staff appointments, including TA Colonel, Royal Artillery and TA Colonel, 4th Division.

His last active post was in Reserve Forces & Cadets Division in the Ministry of Defence, where he sat as the Reservist member on the Cottam Review of the Reserve Forces. He has recently been appointed as Honorary Colonel, Kent ACF. He has practised company and commercial law for 30 years and is senior partner of a large firm of solicitors with offices in Tunbridge Wells and the Thames Gateway.



**Colonel N J P Walker OBE TD DL**  
*(Chairman Northern Ireland RFCA To 31/03/13)*

Retired GP. Former CO 253 (NI) Field Ambulance RAMC (V) and 204 (NI) Field Hospital RAMC (V). Medical Advisor to NI VA&TC. Medical Member of the NI War Pensions Appeals Tribunal. School Governor Silverstream Primary School, Belfast. Captain Greenisland Golf Club, Co Antrim. Deputy Lieutenant for County Antrim.

## Key relationships and resources available

The CRFCA and the RFCAs have key relationships with all funders/stakeholders and ultimately the MOD and Parliament. As the RFCAs are closely linked to the MOD, long term views of Parliament on the MOD and any subsequent MOD reviews are likely to affect the position of RFCAs.

The CRFCA and the RFCAs themselves are dependent on the direction given by the Defence Council and their Stakeholders set out in Regulations, Annual Plans and Service Level Agreements. Strategic direction through the RFCA Customer Board provides direction out to 4 years. Individual Stakeholder direction and outputs are set in respective SLAs and financial provision over the annual business cycle. At both levels, variations to outputs and policy are imposed on the Council of RFCAs and RFCAs as a result of the long term defence reviews (such as the SDSR, FR20, Army 2020 and DYER) or as a result of the short term and increasing in-year financial imperatives.

The resources available to the RFCAs are mainly provided by key stakeholders through the CRFCA in the form of funding (grant-in-aid and grants) and some use of the volunteer estate for RFCA HQ staff. However, additional resources are created through RFCA regionally generated income. All resources are managed in accordance with MOD and HMT rules and regulations, e.g. Managing Public Money.

## Risk

### Price Risk

RFCAs are subject increasingly to inflationary pressures, in-year increases in postage and market price fluctuations, in particular for utilities negotiated through the MOD contract and other non-negotiable costs such as non-domestic rates. This is further compounded by opening control totals not including previous financial year Winter Supplementary risk buyouts.

RFCAs are managing this risk by forecasting price increases using market data and producing early four year planning round bids to reflect requirements. Economies of scale and

Environmental Management measures continue to be investigated. One such measure is the centralisation of IT (Project HALDANE2 (PH2)) which will generate RFCA savings from FY14/15 onwards once full funding support is given to this project in FY13/14.

### Credit Risk

Credit risk within RFCAs is relatively low due to the minimal amount of sales made and the requirement for upfront payment of any lettings/wider market activities agreed. The development of a RFCA WMI Guidance Paper and increased use of the events booking system and sales ledger on SYMPHONY, combined with a more effective and corporate marketing approach through Alternative Venues, has assisted further on the management of sales and debtors.

### Liquidity Risk

The RFCAs liquidity risk is also low due to the planned disposal of assets. Vehicles are disposed of as per the RFCAs' vehicle replacement programme and sold through a variety of options: trade in, sale, auction or internal sale (e.g. to another cadet unit). Therefore the expected sale value is frequently met. Other fixed asset disposals, i.e. the volunteer estate, are disposed of in accordance with Defence Infrastructure Organisation (DIO) plans and the liquidity risk lies with them.

### Counter Party Risk

Due to the financial climate, RFCAs continue to face counter party risk (i.e. the risk of a contractor/supplier not being able to provide the goods/services due to going into liquidation). This risk has however been significantly reduced by the maintenance of an approved contractor list through the pre-qualification questionnaire process.

### Cash Flow Risk

RFCAs cash flow risk is managed by the drawdown process. At the beginning of the FY the drawdown timetable for each Accounting Period is sent out to each RFCA and funder. This provides the basis for each AP drawdown financial instruction which

instructs RFCAs to drawdown their actual requirement for the upcoming month. The consolidated drawdown is then submitted to funders by CRFCA. The main cash flow risk lies in late payment by funders, however to combat this RFCAs and CRFCA take the following actions:

- Confirm control totals throughout the year to ensure drawdown submissions are within budget.
- Profile Non-Domestic Rates payments on the NDR module within SYMPHONY to provide an accurate cash flow requirement.
- Forecast all requirements using past trends and current data/situations.
- Maintain a safeguard of 2 weeks operating expenses at month end, as endorsed in the draft Financial Framework.
- Use the aged debtors list on the SYMPHONY Sales Ledger.
- Complete detailed cash flow plans for capital projects to ensure funding is received prior to when part/certificate payments are required.
- Re-profile cash flow when necessary and at each quarterly finance meeting against known and adjusted CTs.

## Employee Involvement

The actions taken throughout the year to achieve employee awareness of financial factors affecting the RFCAs and to encourage employee involvement were as follows:

- Financial position, in year pressures and planning round measures were continually reported and formally reported and updated to Chief Executives quarterly at the XB/XB(I), to Finance Officers quarterly at the Finance Review Meetings and to Heads of Estates in their quarterly meetings.
- Spend to save measures encouraged and communicated to Chief Executives, Heads of Estates, Facilities Managers and Finance Officers.

- Continual updates of funding timelines to Finance Officers to assist in managing cash flow, through monthly financial instructions, drawdown programmes and monthly budget adjustments.
- Appropriate training.

## Going Concern

The RFCAs are a going concern organisation on the grounds that current and future sources of funding (as confirmed in the Annual Business Cycle and indicative Control Totals) or support will be more than adequate for the RFCAs needs. A period of twelve months from the date of approval of the financial statements was considered in this assessment.

## Payment Policy

The RFCAs policy on payments is in accordance with Managing Public Money that states: "Public sector organisations are also bound by The Late Payment of Commercial Debts (Interest) Act 1998 (as amended by The Late Payment of Commercial Debt Regulations 2002 (SI 1674)). It provides a statutory right for suppliers to claim interest on late payments of commercial debt. Payment is regarded as late if made outside the agreed terms, or where no terms are agreed, 30 days after receipt of a valid invoice. Public sector organisations should note any expenditure made outside these terms should be exceptional and noted in resource accounts." Additionally RFCAs adhere to the Government's Better Payment Practice Code which requires that timing of payments should reflect the following four principles:

- Agree payment terms at the outset of a contract and abide by them.
- Explain the payment procedures to suppliers.
- Pay invoices in accordance with any contract agreed with the supplier, or as required by law.
- Tell suppliers without delay when any invoice is contested, and settle quickly on receiving a satisfactory response.

## **Disability Discrimination Act (DDA) and MOD Policy**

The Department's policy on employing disabled people is underpinned by the Disability Discrimination Act 1995 (DDA) and follow-up amendments to the DDA. The DDA goes further than just anti-discrimination legislation and actually requires employers to take action e.g. reasonable adjustments. Further information can be found in DIN 2006DIN02-174: PI 64/06: Factsheet on the Disability Discrimination Act.

# Reserve Forces' and Cadets' Associations

## Key Performance Indicators

Detailed objectives of the RFCAs are set out in customer SLAs and are in accordance with the funding level provided. The achievements throughout the year are further detailed under FY2012/13 Achievements of this Annual Report.

Individual SLAs	Page	Key:
LAND SLA KPIs	16	 This task is only part funded and supported by RFCAs generated income
AIR SLA KPIs	30	
DIO SLA KPIs	39	
SaBRE KPIs	40	 This is an unfunded task supported by RFCAs generated income
HQNC SLA KPIs	43	

### LAND SLA KPIs

#### SECTION 1 – ADVICE AND GENERAL SUPPORT TO LF (TA, ARMY CADETS & FIRM BASE)

Serial	Tasks	Performance Indicators	Targets	Achievement
1.1	Maintain an active and relevant RFCAs Voluntary Membership as set out in individual RFCAs Schemes of Association (see RFA96)	% membership allowed in Association Scheme	95%	98%
1.2	Ensure links exist with local authorities and the civilian community in order to maintain overall support for LF and the Army FB campaign – and, in particular, for TA, UOTCs/UOTRs, ACF and CCF(A)	Meet the representatives of Local Enterprise Partnerships (LEPs) <sup>2</sup> , County Councils (including the County Education Officer), Unitary and Metropolitan Borough Councils, regional Chambers of Commerce and Military Education Committees (MECs) plus other Professional Bodies	Compliant	Achieved
1.3	Maintain an effective working relationship with Army HQ and the Regional CofC	% attendance at external Army HQ, HQ Sp Comd and Regional Bde HQ meetings when invited	100%	100%
1.4	Invite membership or attendance by the Regional Bde Comds (RBCs) (and other single Service Regional Comds) at key RFCAs meetings	% of key meetings to which invitations given	100%	100%
1.5	CRFCAs – To maintain an effective working relationship with the MOD (including Ministers and RF&C), NEAB, other related OGDs, VCDS, CLF, AG & GOC Sp Comd (plus DIO and other single Service Heads of Reserves and Cadets)	Demonstrate compliance as necessary	Compliant	Achieved

SECTION 1 *continued*

Serial	Tasks	Performance Indicators	Targets	Achievement
1.6	In conjunction with ARC PR Branch, PRUs, COBSEO, Regimental HQs and Service Welfare charities and federations, provide ongoing regional/local support to injured Regular and Reservist personnel (both physically and mentally) when required and funded	Develop regional links and strategy to achieve local and regional support	Compliant	Achieved
1.7	<p>Be prepared to assist in the developing Transition – Soldiers into Society<sup>3</sup> initiative as coordinated by HQ Sp Comd and RBCs</p> <p>Attend the Regional Bde Transition Delivery WG (when formed) and liaise as necessary with their appropriate Transition Team</p> <p>Identify opportunities and assist TA units to foster, establish and maintain partnering agreements with local companies and 3rd Sector organisations in order to enable Service Leavers (SLs) (Regular and Reservist) to convert successfully to civilian life and appropriate employment in their regions</p> <p>Whilst additionally, where able, assisting in the delivery of support to Education – both of the SL's children and themselves; Housing; Healthcare; and Welfare</p>	Details to follow to CRFCA after Pilot in 15 (NE) Bde AOR; HQ Sp Comd will issue further instructions on Transition Delivery	TBC	<p>Achieved where applicable through:</p> <p>Membership and attendance at WG meetings</p> <p>Opportunities with local companies communicated to TA Units</p>
1.8	Provide Unit Welfare support and wellbeing advice to TA (incl UOTCs) and ACF units where affordable, as well as to their personnel when appropriate	As requested by RBC in line with priorities	100%	100% achieved against funding restrictions

<sup>3</sup>Transition: A process designed to support a Service Leaver's (SL) smooth passage to civilian life. It identifies the need to bring greater coherence to the five supporting pillars of **E**mployment, **E**ducation, **H**ousing, **H**ealth and **W**elfare (E<sup>2</sup>H<sup>2</sup>W).

SECTION 1 *continued*

Serial	Tasks	Performance Indicators	Targets	Achievement
1.9	When requested by RBCs, be prepared to assist in individual and/or sub-unit mobilisation procedures by providing support to ops and advice on:	Compliance as requested, normally as a Priority One activity – contingency funding may be authorised	Compliant	Achieved
	a. Emp Sp regarding mobilisation issues and Employer Engagement plus liaison with local and regional communities	See RF&C CRFCA Emp Sp/ SaBRE SLA for details	Compliant when requested	Achieved
		Also Link with Section 4 (CE)	Targets set by RF&C	Achieved
	b. Provision of suitable VE accommodation for UK Ops as required	Link with DIO CRFCA VE Management SLA		Achieved
	c. Provision of short notice Works Support to repair essential services in the event of terrorist attack or natural disaster	Link with DIO CRFCA VE Management SLA	Compliant	Nil tasking
	d. Support to local, regional and LF Media Ops activities	Link with Section 4 (CE)	Compliant as appropriate	Achieved
	e. Guidance to Employers on demobilisation, in particular to those Reservist employees who might be affected by post-operational stress or with physical injuries	Link with RF&C CRFCA Emp Sp SLA	Compliant	Achieved
1.10	To participate when requested in mobilisation training exercises (incl CAST) and UK Ops and Resilience seminars at the appropriate level	Compliance as requested		Achieved where requested
1.11	When requested and funded, to assist TA (and other VRF) units, individual Reservists, Veterans and their dependants in Welfare support and advice, in particular unit Welfare tasks, well-being assistance and post-mobilisation support	% acknowledgement of unit or individual Welfare request	100%	100% where requested
		Demonstrate compliance	Compliant	Achieved

SECTION 1 *continued*

Serial	Tasks	Performance Indicators	Targets	Achievement
1.12	Develop close links with the ARC <sup>4</sup> , PR <sup>5</sup> , Branch Army HQ and PRUs <sup>6</sup> and, when directed and funded, to assist in ongoing local support to injured Service personnel, with specific reference to the alteration of private and public accommodation to meet the requirements of injured and disabled Service personnel in conjunction with Service charities, Veterans' organisations, COBSEO <sup>7</sup> , local authorities and DIO	Demonstrate compliance as requested by PR Br HQLF	Compliant when funded	Achieved
1.13	When requested and properly authorised, provide RFCA-managed VE facilities to the Civil Authorities in support of their operations within the provisions of Training & Logistic Assistance to the Civil Power (TLACP)	Compliance as requested. Activities of a contentious nature will require Ministerial Authorisation. Those that are less contentious will normally be authorised by the RBC. Advice should be sought from the relevant JRLO in the first instance  Link with DIO/CRFCA VE Management SLA	Compliant	100% where requested
1.14	When requested by the Regional Bde HQ or by a TA Unit, provide advice and if necessary assistance where a Reservist encounters serious or unusual employer problems. Defined as Direct Emp Sp, this task is primarily a Regional CofC responsibility	RFCAs to advise and/or assist with Direct Emp Sp to TA Reservists' employers on request from TA Units  RFCAs' Main Effort for Emp Sp is the engagement of the wider employer community (Emp Engagement) – tasks as described in the RF&C CRFCA Emp Sp SLA <sup>8</sup>	Compliant	Achieved
1.15	Sustainable Development: through energy efficiency measures to make savings in utility consumption	Implementation of Environmental Management System (EMS) – reduction to be achieved in gas, electricity and domestic fuel consumption in conjunction with user unit efficiencies and Regional Bde direction  Meet carbon footprint targets	Compliant with 2012/13 EMS targets	Achieved with EMS in force and targets met where funding of schemes allow

<sup>4</sup>ARC: Army Recovery Capability, <sup>5</sup>PR: Personnel Recovery, <sup>6</sup>PRUs: Personnel Recovery Units  
<sup>7</sup>COBSEO: Confederation of British Service & Ex-Service Organisations  
<sup>8</sup>RF&C are drafting the Emp Relations Strategy paper to link with FR20(A) implementation.

SECTION 1 *continued*

Serial	Tasks	Performance Indicators	Targets	Achievement
1.16	Provision of all minor Facilities Management (FM) services to all TACs and ACF/CCF(A) properties to include cleaning contracts, upkeep of grounds, management of Non-Domestic Rates (NDR), security and related inspections and other aspects of FM	Compliance within provision	90-100% against provision	100%
1.17	Provide adequate insurance cover under the 'Look at Life' scheme for unattested potential recruits expressing an interest in joining the TA and sponsored civilians attending MOD events (e.g. employer visits to TACs)	Compliance	100%	100%
1.18	Distribution of Regionally Generated Income (RGI): In accordance with the CRFCA Annual Business Plan, distribute RGI for the benefit of the VRF and Cadet units under the direction of the regional RFCA Management Boards, informed by the priorities represented by the RBC (and other single Service Members where appropriate)	Meet letting income targets as set by regional RFCA Management Boards  Distribute Army linked RGI for the benefit of TA and ACF units in accordance with the direction of the regional RFCA Management Boards as advised by the RBC (or his representative)	80+%  100%	98%  100%
1.19	Provision and maintenance of RFCA vehicles to support RFCA outputs for LF (and other MOD and FLC Customers)	Provision in accordance with agreed scales	100% against funding provision	100%
1.20	Work with DIO and Army HQ <sup>9</sup> to establish optimised mechanisms for the future management of VE	Compliance – Link with DIO CRFCA VE Management SLA	Compliant	Achieved

## SECTION 2 – SUPPORT TO ARMY CADETS (ACF and CCF(A))

### Support to the ACF: Provision of Services (G1, G3 Org and G4) Administration

Serial	Tasks	Performance Indicators	Targets	Achievement
2.1	Recruit, train and manage the ACF Professional Support and Admin Staff to Establishment	% of county Professional Support Staff posts manned	100%	100%
		% staff fully trained	90%	98%
2.2	Administer ACF counties in accordance with Army HQ policy, the ACF Manual, JSPs and LFSOs	Appropriate targets reached in mandatory inspections	100%	100%
		% detachments inspection reports (AFE 7502) processed and actioned	100%	97% Due to lack of resource at Brigade
2.3	Provide ACF regional and local PR and marketing, and to the wider Cadet movement when opportunities arise	Produce and execute the ACF Regional Marketing Plan, compliant with Army HQ ACF Marketing Plan, commensurate with allocated funding	Plans produced	Achieved – plans produced
	Recruit CFAVs into the ACF in accordance with direction provided by ACEG	Percentage of online expressions of interest by prospective CFAVs followed up	90%	97%
	Stimulate interest in order to encourage Army Cadets to join the R&TA as both officers and soldiers	Resource allocation (from CLF) subject to annual Business Case prepared by AD Youth and Cadets in conjunction with the RFCAs and ACFA	As directed by ACEG	Achieved
2.4	Through JPA, enlist CFAVs and administer personnel pay for Paid Training Days (PTDs) and allowances	Complete electronic enlistment and updating of ACF adult JPA pay records within 5 working days of receipt of data	95%	98%
		Complete transfer of monthly payment data to ensure timely pay (transfer to be complete normally by 22nd of the month)	100%	100%
2.5	Audit the commissioning, appointment and promotion of ACF officers (other than Commandants and Deputy Commandants) to acting rank up to and including Major (see ACF Manual Ch 4)	% of promotions requiring less than 4 months back dating	At least 80%	97%
2.6	Appoint, promote and discharge AIs	% of promotions requiring less than 4 months back dating	At least 80%	97%

SECTION 2 *continued*

Serial	Tasks	Performance Indicators	Targets	Achievement
2.7	Process the vetting and CRB/DS disclosures of Officers and Als	Process applications and forward within 10 working days of receipt of fully completed documentation from the individual	100%	100%
	Meet additional requirements arising from the Safeguarding of Vulnerable Groups Act	Provide referrals in accordance with relevant legislation	100%	100%
2.8	Assist RBCs in the selection of Commandants and Deputy Commandants.	% selections, approved by RBCs, made at least 4 months in advance	80-100%	95%
	Make recommendations for appointment of Honorary Colonel and Colonel Cadets			
2.9	Endorse where appropriate and process honours and awards including Lord-Lieutenant Certificates of Meritorious Service and CLF's Commendations	Process applications within 10 working days of receipt to meet appropriate deadlines	100%	100%

## INFRASTRUCTURE AND EQUIPMENT

Serial	Tasks	Performance Indicators	Targets	Achievement
2.10	Provide IT equipment, management and support using programme funds allocated	Sufficient provision at County HQ level to ensure efficient administration and G4 support	100% within allocated funding	100% against funding
2.11	Demand, issue and account for MOD stores in accordance with JSP 886 and the ACF Master Equipment List	Compliance measured through LSIs annually	Green achieved	Green achieved within local arrangements
	Maintain, inspect and operate publicly funded vehicles in accordance with JSP 800			
2.12	Support CLF resource planning by the provision of logistic and activity planning information for the cadet requirement	Compliance	100%	100%
2.13	Meet LF requirements for cadet specific Log Sp Inspections	Compliance with Log Sp direction	100%	100%

SECTION 2 *continued*

Serial	Tasks	Performance Indicators	Targets	Achievement
2.14	Provide and maintain support vehicles in accordance with agreed scales and funding	Within scaling and funding	100%	100%
2.15	Provide Safety, Health, Environmental and Fire (SHEF) provisions to ensure a safe environment for ACF properties to meet CESO(A)'s requirements for formal SHEF inspections and internal audit (in conjunction with Regional CofC SHEF advisers)	Compliance with statutory requirements, in conjunction with advice provided through the Regional CofC	100% (within funding)	100%
	Take remedial action as appropriate	Compliance iaw Cdt Branch	100%	100%
	Provide qualified SHEF staff at county level	Compliance	100%	100%
	Maintain records	Compliance	100%	100%
	Submit accident reports and take remedial action as appropriate	Compliance	100%	100%
	Assist in the Health and Safety briefing of CFAVs	Compliance	100%	100%
	Provide portable fire appliance testing and recording at ACF camps	Compliance	100%	100%
2.16	Manage and maintain the Army Cadet estate including the support, maintenance and repair of RFCA sponsored Army Cadet ranges and training areas	Compliance with DIO statutory and mandatory requirements  See also DIO CRFCA VE Management SLA for detailed tasks	Full	100%
2.17	Provide and maintain secure storage of arms and ammunition on authorised Army Cadet sites in accordance with scales and endorsed security requirements	Compliance (as validated by Bde G2 Sy and ATO inspections)	100% (within funding)	100% within funding
2.18	Negotiate, administer and pay leases and rents on non-Departmental properties associated with Cadet use	Ensure supply of adequate buildings for Cadet activities	100% (within funding)	100% within funding

SECTION 2 *continued*

FINANCIAL MANAGEMENT

Serial	Tasks	Performance Indicators	Targets	Achievement
2.19	Administer allocated programme funds for NDR, utilities, cleaning and furnishings associated with Cadet properties (see JSP 462 Financial Management Policy)	Compliance Pursue Non-Domestic Rate rebates for eligible properties	100% >90% success	100% 94%
2.20	Allocate and administer in accordance with JSP 462: Programme funds for administration, travel and CFAV recruiting Any additional in-year funding allocated for specific projects or programmes	Compliance	Pass audit scrutiny	Audit scrutiny passed
2.21	Ensure that all non-public funds, held at County, Company and Detachment level, are properly audited	Ensure an auditing regime is implemented and conducted	100%	100%
2.22	Encourage and foster cooperation and relations between the ACF local TA Units and UOTCs	Maximise all potential opportunities, such as Armed Forces Day, in conjunction with the Regional Bde	At least one event per annum	Achieved
2.23	Set the conditions to encourage ACF cadets to consider a career in the R&TA as officers and soldiers	Liaison with recruiters and sign post opportunities available to members of the ACF	100%	Achieved all opportunities

CROSS-WORKING AND CIVIL LINKS

Serial	Tasks	Performance Indicators	Targets	Achievement
2.24	Provide a forum for the ACF to coordinate best practice and activity with CCF, SCC, and ATC at regional and local levels	Provide a Joint Cadet Committee	At least one per annum	Achieved with bi-annual and quarterly meetings in some areas
2.25	Maintain links with local authorities and the community in order to promote, and encourage support for, Army Cadets	Meet the representatives of Regional Government Offices, County Councils (including the County Education Officer) and Unitary and Metropolitan Borough Councils	At least one meeting per annum	Achieved with bi-annual meetings in some areas

SECTION 2 *continued*

CROSS-WORKING AND CIVIL LINKS

Serial	Tasks	Performance Indicators	Targets	Achievement
2.26	Support regional/local partnering arrangements between the ACF and other Youth organisations/initiatives where appropriate	Membership of Youth United National Board and subordinate groups such as YOU London and Welsh Dragons  Utilisation of cadet facilities for the support of Government Youth Initiatives (without detriment to the Cadet Forces)	Representation at all relevant meetings  In accordance with MOD direction	Achieved through Youth United, YOU, dedicated Youth United Officers and Youth Link Scotland

ADMIN SUPPORT TO THE CCF(A)

Serial	Tasks	Performance Indicators	Targets	Achievement
2.27	Administer the contract for pay of CCF(A) officers and instructors through JPA	Complete electronic enlistment and updating of CCF(A) adult JPA pay records within 5 working days of receipt of data  Complete transfer of monthly payment data to ensure timely pay (normally by 22nd of the month)	100%  100%	100% where the RFCAs responsibility  100% where the RFCAs responsibility

**SECTION 3 – ARMY RECRUITING SUPPORT**

As the confirmed Army Recruiting Partner (Capita) ramps up to IOC in Apr 13, the assistance given to Recruiting by the RFCA organisation during 2012/13, the Recruit Partnering Project (RPP) Transitional Year, will be co-ordinated by RG in concert with Capita, the Regional CofC and CRFCA on a quarterly basis – and more frequently when required. This changing Support to Army Recruiting by the RFCAs will therefore not be subject to any specific arrangements laid out in the LF CRFCA SLA for 2012/13 and will be included as part of the RFCAs overall CE output in Section 4.

## SECTION 4 – ASSISTANCE TO CE & REPRESENTATION

Serial	Tasks	Performance Indicators	Targets	Achievement
4.1	Develop links with local authorities and the civilian community in order to maintain support for Armed Forces and Cadets (ACF, SCC, ATC and CCF), and to develop and pursue the aims of CE	Engage with the representatives of Regional Government Offices, County Councils, City, Unitary and Metropolitan Authorities	At least once a year	Achieved
4.2	Develop connections with the Reservist and Cadet communities in order that objective advice can be given to senior political and military leadership on their well-being, complementary to the FLCs' communication channels	Regularly review the structure and representation on the RFCAs' committee structure	At least once a year	Achieved
	Develop and maintain appropriate events based CE data-base compliant with DPA 98	Obtain representation on key Regional CofC committees where appropriate	Membership of RRCC, GOC Sp Comd Gp and the RBC Comd Gps  Compliant during year	Achieved  Compliant database
4.3	Utilise the RFCAs' extensive Volunteer Membership to influence directly and indirectly public thinking on Defence, Armed Forces', Veterans' and Cadets' issues in order not only to create a favourable environment for regional activities but also to engender better understanding of and support for Veterans and the role of the Armed Forces, VRF, Cadets and Youth using Defence Media and Comm messaging to assist when appropriate	Include CE briefings as part of the agenda for committees and at appropriate activities such as Lord-Lieutenant Awards' Ceremonies and Emp Sp events	90%	100%
		Encourage support for the Army Presentation Team	Publicise and help populate such events  Encourage RFCA Volunteer Members to attend	Achieved  Achieved
4.4	Coordinate the activities of the RFCA Volunteer Membership in order to exploit to best effect the RFCAs' wider support to the CE campaign	See Serial 4.3	See Serial 4.3	Achieved, see Serial 4.3

SECTION 4 *continued*

Serial	Tasks	Performance Indicators	Targets	Achievement
4.5	Demonstrate the worth of the RFCAs, in support of the CofCs, to Ministers, local authorities, Veterans' groups, RFCA dependencies and other supporters, in order to: enhance RFCAs credibility as advocates; secure favourable opportunities for the Armed Forces, VRF and the Cadet Movements; and promote the volunteer ethos and provide opportunities within the wider RFCA framework for individuals to realise that ethos	Provide a Corporate Communication focus within each RFCA	100%	100% achieved
		Develop a Corporate Communication Plan	100%	Under review
4.6	Establish and maintain close links with Service Veterans' organisations at national, regional and local levels	Provide a POC for Service Veterans' organisations within each RFCA	100%	100% provided
		Develop an engagement plan	100%	100% developed
4.7	Identify opportunities and assist TA units and sub-units to foster, establish and maintain partnering agreements with local companies	Regularly review progress in these areas, exploiting opportunities as they occur and re-visiting less-than-satisfactory outcomes with a view to them being either refreshed and repeated or consciously discontinued	At least once a year	Achieved with local business involved in TA events across regions (not always with formal partnering arrangements)
4.8	Engage with the employer community as agreed in the RF&C CRFCA Emp Sp/SaBRE SLA. Although an MOD directed task, comprehensive employer liaison at regional and national levels remains a major factor in ensuring CE campaign success	Perform as per RESAG direction and as agreed in the RF&C CRFCA Emp Sp SLA (when issued)	As directed by RF&C (incl SaBRE)	Achieved

## SECTION 5 – PERSONNEL AND FINANCIAL MANAGEMENT

Serial	Tasks	Performance Indicators	Targets	Achievement
5.1	As laid down in RFCA Regulations 2009, publish CRFCA Corporate Plan (4 Years) and CRFCA Business Plan (Year 1) plus each RFCA to prepare an Annual Management Plan in accordance with RFCA Regulations 2009 (Paras 3.7 – 3.13)	Compliance	Compliant by 31 Mar annually	Achieved for Business Plan and Management Plans
5.2	Recruit and employ RFCA staff	Maintenance of staff numbers within RFCA Establishment as agreed in the CRFCA Dec 05 Internal Review	95%	98%
5.3	Complete annual PDR on all staff and pay staff in accordance with agreed pay scales	Compliance with current rules and scales	100%	100%
5.4	Administer each Association	Compliance with RFCA Staff Regulations and the Association Scheme, and current statutory regulations on employment and Health and Safety	Compliant	Achieved
5.5	Manage the funds provided by Army HQ (and other Stakeholders) in accordance with LF GiA FF (when issued) and Managing Public Money	Management of funds without adverse comments by external auditors either in compliance with Accounting Rules or accuracy of figures	Compliant	Achieved
		Provide the following reports to Army HQ quarterly at AP0, AP03, AP06 and AP09: Monthly Drawdown against CRFCA expenditure (by RAC) and Profile – Budget/Forecast of Outturn/Actuals (also by RAC)  Monthly Drawdown sums to be set in order that bank balances are kept to a minimum consistent with efficient delivery of RFCA outputs. Submit EOY AP 12 report to Army HQ	Compliant	Achieved

SECTION 5 *continued*

Serial	Tasks	Performance Indicators	Targets	Achievement
5.6	Comply with agreed recommendations made by NAO and DIA	Compliance	Compliant where appropriate	Achieved with on-going work towards NAO audit
5.7	When allocated, distribute the TA Band Grant and ACF Consolidated and Travel Grant	Distribution of these TA and ACF Grants (if allocated) to be carried out in accordance with the LF GiA FF, ACF Regulations, the Annual CRFCA Business and RFCA Management Plans	100%	100%
5.8	Process insurance claims relating to policies held by both CRFCA and each RFCA, and process injury claims for ACF members	Claims processed within 2 weeks of receipt	90 -100%	99%
5.9	Develop and evolve current MIS platform to meet both corporate and other business outputs to support the delivery of all tri-Service requirements	Develop the Project HALDANE 2 platform	Compliant (within budget)	On-going within budget
5.10	Demonstrate the worth of the RFCAs to Ministers, FLCs, local authorities, RFCA dependencies and other potential supporters in order to enhance the RFCA organisation's credibility as advocate	Recruit a Corporate Communication Officer	By 1 Sep 12 (as per SLA)	Achieved in most RFCAs with funding restrictions and DCE covering in others.
		Develop a Corporate Branding Policy	By 1 Dec 12 (as per SLA)	Achieved within issued policy
5.11	Secure favourable opportunities for the Armed Forces, the Reserves and the Cadet Forces  Promote the volunteer ethos and provide opportunities within the wider RFCA framework for individuals to realise that ethos	Develop a Corporate Communication Plan	By 1 Dec 12 (as per SLA)	Under review

## AIR SLA KPIs SECTION 1 – GENERAL SUPPORT TO AIR CMD

### OUTPUT 1A: ADVICE AND SUPPORT TO AIR CMD

Serial	Tasks	Performance Indicators	Targets	Achievement
1A.1	Maintain active and relevant RFCA Voluntary Membership, iaw RFCA Schemes of Association (RFA 96)	% membership allowed in Association Scheme	95%	97%
1A.2	Ensure links with local authorities and civilian community to maintain overall support for Air Cmd and the RAF Engagement Strategy	Meet representatives of Regional Government Offices, County Councils, Unitary and Metropolitan Borough Councils, Chambers of Commerce and other Professional Bodies	Compliant	Achieved
1A.3	Maintain effective working relationship with RAF, RAuxAF, ACO units and the CoC	% attendance at external meetings when invited	100%	100%
1A.4	Invite RAF/RAuxAF regional liaison officers and key cdrs to key CRFCA and RFCA meetings	% of key meetings to which invitations given	100%	100%
1A.5	Maintain effective working relationship with MOD, NEAB, OGDs, and s-Service Heads of Reserves and Cadets	Demonstrate compliance as necessary	Compliant	Achieved
1A.6	Assist in the implementation of MOD estate management policy	Participations and support as required	Compliant	Achieved
1A.7	Ensure regular attendance at Works Meetings with HQAC and Regional HQs to assist with the ABC	Compliance	100%	100%
1A.8	Encourage cooperation and relations between ACO and local RAuxAF units and UASs	Compliance, in conjunction with HQ Air Cmd Direction	Compliant	Achieved
1A.9	Support regional partnering arrangements between ACO and other Youth organisations where appropriate	Compliance	Compliant	Achieved (e.g. through inter service cadet committees)
1A.10	Set conditions to encourage cadets to consider a career in the RAF and RAuxAF as officers and airmen	Compliance with the ACO/ IofR Recruiting and Marketing Plans	Compliant	Achieved
1A.11	Provide forum for ACO to coordinate best practice and activity with CCF, SCC and ACF at regional and local levels	Provide a Joint Cadet Committee	At least one per annum	Achieved (e.g. through inter service cadet committees)

## OUTPUT 1B: SUPPORT TO OPERATIONS

Serial	Tasks	Performance Indicators	Targets	Achievement
1B.1	When requested, assist individual and/or unit mobilisation procedures by providing support and advice on:	Compliance as requested, normally as a Priority One activity – contingency funding may be required	Compliant	Achieved where requested
1B.1a	Wider ES activity and liaison with local and Regional communities	Link with Section 4 (RAF Engagement) below and with RF&C/CRFCA ES SLA	Compliant	Achieved
1B.1b	Provision of suitable VE accommodation as required	Link with DE/DIO CRFCA VE Management SLA	Compliant	Achieved
1B.1c	Provision of short notice Works Support to repair essential services in the event of terrorist attack or natural disaster	Link with DE/DIO CRFCA VE Management SLA	Compliant	Nil tasking
1B.1d	Support to local and HQ Air Media Ops activities.	Link with Section 4 (RAF Engagement) below	Compliant	Achieved
1B.1e	Engage and help to educate local authorities and the civilian community regarding mobilisation procedures	Link with Serial 1A.2 above and Section 4 (RAF Engagement) below	Compliant	Achieved

## SECTION 2 – SUPPORT TO INFRASTRUCTURE

### OUTPUT 2A – DIO-SLA PROVISION AND MAINTENANCE OF ESTATE ACCOMMODATION

Serial	Tasks	Performance Indicators	Targets	Achievement
2A.1	Estate Development	HQAC is currently leading on the reviews of the ACO estate. CRFCA and RFCA will be required to provide input and assist in the development of the review of the ACO estate	Compliant	Achieved
2A.2	Estate Programme Delivery	Deliver agreed/funded projects/core works on time and to cost  Deliver agreed funded LVMNW cash injected programmes	100% Compliant within resources	100% within funding
2A.3	Support, maintain and repair all MOD sponsored ranges and training areas	Compliance with statutory requirements	100%	100%

OUTPUT 2A *continued*

Serial	Tasks	Performance Indicators	Targets	Achievement
2A.4a	Condition of the Estate	Assets not to fall below target estate condition. Assets to be maintained to IEMP target, where funding allows	Maintain at least 68% of assets at or above target condition	100%, subject to funding limitations
2A.4b		Improve physical condition of assets where funding allows (other than where it is an unintended outcome from Planned Maintenance)	100% Compliant within resources	100% within funding
2A.4c		% of estate assets meeting statutory compliance	100%	100%
2A.5a	Provide SHEF systems to ensure a safe environment for properties (Estate only)	Compliance with statutory requirements SHEF systems to achieve audit assurance	Assurance Rating above 90%	95%
2A.5b	Maintain safe systems of work in the delivery of estate service	RIDDOR performance improvement	RIDDOR accidents 10% below national sector average	Achieved

OUTPUT 2B – FACILITIES MANAGEMENT SERVICES

Serial	Tasks	Performance Indicators	Targets	Achievement
2B.1a	Administer the provision of full utility services for Air Cmd units currently managed by RFCA, within the terms of the relevant Government contracts	Compliance within provision	100%	100%
2B.1b	Sustainable Development through energy efficiency measures, using EMS, in utility consumption	Continue to provide assistance to implement cost effective EMS in order to achieve MOD targets	100%	100%
2B.2	Administer and provide cleaning services for entitled Air Cmd users. Standalone units are not entitled	Compliance	100%	100%

OUTPUT 2B *continued*

Serial	Tasks	Performance Indicators	Targets	Achievement
2B.3	Provision of FAFA appliances and annual servicing at ATC units in TA Centres and Joint Cadet Centres as agreed with HQAC	Compliance	Compliant	Achieved (in conjunction with DFRMO SLA)
2B.4	Provision of waste collection for those Air Cmd units located in TA Centres and Joint Cadet Centres, where systems are in place	Compliance	Compliant	Achieved

OUTPUT 2C – PROPERTY MANAGEMENT SERVICES

Serial	Tasks	Performance Indicators	Targets	Achievement
2C.1	Completion of all statutory and mandatory maintenance & minor new works tasks iaw DIO Regulations	Completion in-year	100%	100%
2C.2	Project management of design and construction of new builds and major refurbishments over £100K	Completion within funding allocated by HQAC	100%	100%
2C.3	Provide IAs where the scope of work is in addition to the scheduled agreed maintenance and repair	Completion at Stages I-III of DIO CWP process approved by HQAC	Compliant	Achieved
2C.4	Implementation of appropriate ACO 4Cs policy. RFCAs to advise contractors of the requirement to be familiar with Risk Assessments at ACO properties	RFCAs to ensure instructions are given in the Works Orders. Contractors to sign registers	Compliant	Achieved
2C.5	Estate Delivery Programme	Deliver agreed/funded RDEL and CDEL projects on time and to cost within year	100%	100%
2C.6	Carry out maintenance and repairs to properties in compliance with H&SW legislation	Carry out works services as agreed with DIO	Compliant	Achieved
2C.7	Undertake all planning permissions for accommodation iaw DIO Regulations	Complete and forward to HQAC at Stage II	Compliant	Achieved
2C.8a	Develop and evolve current MIS (SYMPHONY) and other options and to support delivery of outputs	100% compliance in-line with funding already provided by ACO	100%	100%

OUTPUT 2C *continued*

Serial	Tasks	Performance Indicators	Targets	Achievement
2C.8b	Maintenance and update of SYMPHONY on the SYMPHONY Portal as appropriate	Submit monthly/quarterly/annual returns  Provide accessible data store providing comprehensive details on all ACO leased and hired properties	100%	100%
2C.9	Preparation of robust business cases/IAs in support of all ACO acquisitions and disposals	100% completion with agreed plans	100%	100%
2C.10	Negotiate, administer and pay leases and rents for ACO properties not on MOD sites, in liaison with HQAC	Completions within funding provided by HQAC. Lease renewals to be completed before expiry of previous lease	100%	100%
2C.11	Raise and submit Property Change Forms to notify any asset change on the ACO estate	Complete and forward to HQAC within 3 months of the event	100%	100%
2C.13	Provide Proof of Payments documentation for all Legacy Projects on the ACO estate	Complete and forward to HQAC within 3 months of the event	100%	100%

### SECTION 3 – SUPPORT TO RECRUITING<sup>10</sup>

Serial	Tasks	Performance Indicators	Targets	Achievement
3.1	Provide advice on RAuxAF recruiting to lof R (RAF) at national, regional and local levels, through a single focus within CRFCA at the national level and Recruiting Support coordinator at each RFCA	Detailed requirement to be agreed and resourced at Regional level as required. Effectiveness measured against service provision and overall effect on a task by task basis	Report to lofR (RAF) as required	Achieved at local level through engagement with Sqns (e.g. through Hd of Communications or Air Rep membership on Tri-service & Cadet PR meetings)
3.2	Coordinate the activities of the RFCA Voluntary Membership to exploit to best effect the RFCA's wider support of the RAuxAF's Recruiting effort	As above	As above	Achieved

SECTION 3 *continued*

Serial	Tasks	Performance Indicators	Targets	Achievement
3.3	Contribute to regional and local marketing initiatives and campaigns in support of RAuxAF unit initiatives in support of RAF regional recruiting plans	As above	As above	Achieved at local level with financial support in some instances
3.4	Support and assist with regional recruiting initiatives and campaigns within schools, FE Colleges and universities by ensuring that key external influencers remain engaged	As above	As above	Achieved
3.5	Advise on regional and local publications/media format and content, ensuring that they are consistent with the RAF Reserves Brand and message	As above	As above	Achieved
3.6	Establish and maintain close links with Veterans' organisations at national, regional and local levels in order to develop their potential as additional pathways for recruiting – see also Section 4 RAF Engagement	As above	As above	Achieved with active links in place
3.7	Develop opportunities to harmonise recruiting effort with the other Services	As above	As above	Achieved through on-going local coordination and Regional Tri-service & Cadet PR meetings
3.8	Provide insurance cover under the 'Look at Life' scheme for unattested recruits expressing an interest in joining the RAuxAF	100%	100%	100%

## SECTION 4 – SUPPORT TO RAF ENGAGEMENT

Serial	Tasks	Performance Indicators	Targets	Achievement
4.1	Develop links with local authorities and the civilian community in order to maintain support for Armed Forces and Cadets and to develop and pursue the aims of RAF Engagement	Engage with the representatives of Regional Government Offices, County Councils, City, Unitary and Metropolitan Authorities	At least once a year	Achieved
4.2	Develop connections with the Reservist and Cadet communities in order that objective advice can be given to senior political and military leadership on their well-being, complementary to HQ Air Cmd's communication channels	Regularly review the structure and representation on the RFCAs' committee structure	At least once a year	Achieved
4.3	Utilise the RFCAs' extensive Volunteer Membership to influence directly and indirectly public thinking on Defence, Armed Forces', Veterans' and Cadets' issues in order to not only create a favourable environment for regional activities but also to engender better understanding of and support for Veterans and the role of the Armed Forces and Cadets, using HQ Air Cmd Media & Comms messaging to assist when appropriate	Include RAF Engagement briefings as part of the agenda for committees and at appropriate activities such as Lord Lieutenant Awards' Ceremonies and ES events	90%	99%
		Encourage support for the RAF Presentation Team	Publicise and help populate such events	Achieved
4.4	Demonstrate the worth of the RFCAs, in support of Air Cmd, to Ministers, local authorities, Veterans' groups, RFCA dependencies and other supporters, in order to: enhance RFCAs credibility as advocates, secure favourable opportunities for the Armed Forces and Cadets and promote the volunteer ethos	Provide a Corporate Communication focus within each RFCA	Compliant	Achieved
		Develop a Corporate Communication Plan	Compliant	Under review

## SECTION 5 – ADMINISTRATION

Serial	Tasks	Performance Indicators	Targets	Achievement
5.1a	Manage the funds provided by, or on behalf of, Air Cmd and other Stakeholders in accordance with the FF and Managing Public Money	Management of funds without adverse comments by external auditors on compliance with Accounting Rules or accuracy of figures. Compliance	Compliant	Achieved
5.1b		Management of funds in accordance with the FF and Government Accounting rules. Compliance	Compliant	Achieved
5.1c		Comply with recommendations made by NAO and DIA	100%	Achieved with on-going work towards NAO audit
5.1d		Ensure RDEL & CDEL funds are fully utilised in-year. Compliance	100%	100% with authorised carry forwards for late in-year injections
5.1e	Provide financial information to the Budget/Finance Managers detailed at Annex A within the following Air Cmd organisations: HQ AC, HQ 22 Gp, RAF Kinloss, RAF Honington, DRIT(RAF), copied to HQ Air	Provide the following reports to Air Cmd organisations quarterly at AP0, AP03, AP06 and AP09 (and monthly to HQ 22 Gp): Monthly Drawdown against CRFCA expenditure (by RAC)	100%	100%
		Profile - Budget/Forecast of Outturn/Actuals (also by RAC)	Compliance	Achieved
5.2	Regionally Generated Income (RGI): the letting of Air Cmd facilities in accordance with HMT rules and RFCA Regulations 2010 for the benefit of Air Cmd	Meet letting income targets as set by Regional RFCA Management Boards and Air Cmd	80 -100%	98%
		Distribute RGI for the benefit of Air Cmd units in accordance with agreed Air Cmd priorities and direction of regional RFCA Management Boards. Provide individual stakeholders with annual income expenditure reports. Provide general advice and assistance to Air Cmd to ensure maximum income generation from Air Cmd properties (surplus capacity)	100%	100%

SECTION 5 *continued*

<b>Serial</b>	<b>Tasks</b>	<b>Performance Indicators</b>	<b>Targets</b>	<b>Achievement</b>
5.3	CRFCA Chief of Staff to attend financial planning & budget meetings	Bi-annual	100%	100%
5.4	Fully manage Air Cmd funds for payment of utility services (electricity/ gas/heating oil) and cleaning services	Fully supported bid to be submitted to HQAC iaw with annual ABC timeframe	Compliant	Achieved
5.5	Submit details of annual expenditure for rents, legal fees, utilities and cleaning services to HQAC	Fully supported bid to be submitted to HQAC iaw with annual ABC timeframe	Compliant	Achieved
5.6	Publish CRFCA Corporate Plan (4 Years) and CRFCA Business Plan (Year 1) plus each RFCA to prepare an Annual Management Plan in accordance with RFCA Regulations	Compliance	Compliant	Achieved for Business Plan and Management Plans
5.7	Develop and evolve current MIS (SYMPHONY) to meet DII(F) and other options and to support the delivery of all tri-Service outputs	Compliance	Compliant (within budget)	Achieved
5.8	Administer RFCAs and recruit, employ and manage RFCA staff in order to deliver the outputs in this agreement	Compliance with the Personnel and Finance Management section within the HQ LF SLA	Compliant	Achieved
5.9	Distribute RAuxAF PR and Admin Grants	Distribution to be carried out in accordance with HQ Air direction	Compliant	Achieved

## DIO SLA KPIs SECTION 6A – HEALTH AND SAFETY BASE

Serial	Tasks	Performance Indicators	Targets	Achievement
6.1	Ensuring a legally compliant estate in general accordance with JSP 375 and specifically the RFCAs Safety Management System	Compliance	Compliant	Achieved
6.2	Delivering the requirements set out in the Output Specification	Compliance	Compliant	Achieved
6.3	Ensuring all RFCAs adopt Spec 005 and carry out all necessary statutory and mandatory testing	Compliance	Compliant	Achieved
6.4	Ensure individual RFCAs comply with the agreed H&S management plan and adopt all the measures therein	Compliance	Compliant	Achieved
6.5	Ensure all staff receive appropriate training	Compliance	Compliant	Achieved
6.6	Produce a SHEP plan and report performance through the agreed performance measurement routes	Compliance	Compliant	Achieved

## SECTION 6B – TECHNICAL DELIVERY

Serial	Tasks	Performance Indicators	Targets	Achievement
6.7	CRFCA is responsible for ensuring that individual RFCAs adhere to the delivery of the Output Specification and follow the processes within the Service Specification and supplementary annexes	Compliance	Compliant	Achieved

## SECTION 6C – COMMERCIAL

Serial	Tasks	Performance Indicators	Targets	Achievement
6.8	CRFCA is mandated to ensure that the procurement of Estate Services for the VE is compliant with the policy and processes set out in the Service Specification	Compliance	Compliant	Achieved

## SECTION 6D – FINANCE

Serial	Tasks	Performance Indicators	Targets	Achievement
6.9	CRFCA is required to take appropriate action to manage outputs and services within the financial allocation issued by DIO and is mandated to ensure adherence to the financial reporting requirements and processes set out in the financial ways of working within the Service Specification	Compliance	Compliant	Achieved

## SaBRE SLA KPIs SECTION 7 – EMPLOYER SUPPORT

Serial	Tasks	Performance Indicators	Targets	Achievement
7.1	Establish regional focuses for Employer Support activity embracing representatives of the Chain of Command, association officers and members, employers and DRFC	To form a Regional Employer Support Group in line with Defence Directive on Employer Support	Compliant	Achieved
7.2	Develop costed annual plans for the delivery and implementation of coordinated ES within each RFCA Region. These plans to include relevant objectives from the SaBRE Marketing Plan	Generate the Association ES Plan with the RESG in order to secure ownership and the delivery of integrated ES	Compliant	Achieved
7.3	Produce programmes of regional ES activities	To provide the visible framework for engaging with employers of volunteer reservists to gain, maintain and recognise their support	Compliant	Achieved
7.4	Provide regional representation and contribute to an annual ES performance review conducted by DRFC in Feb/Mar of each year	Compliance	Compliant	Achieved
7.5	Select and employ a RSCD who meets the DRFC provided selection criteria to deliver the regional elements of the National Campaign. Selection to involve DRFC representation	Compliance	Compliant	Achieved

SECTION 7 *continued*

Serial	Tasks	Performance Indicators	Targets	Achievement
7.6	Develop the RSCD's competence reflecting input by the SaBRE Campaign Director as part of the RSCD's performance review process	Compliance	Compliant	Achieved
7.7	Ensure RSCD attendance at the SaBRE Campaign Director's Workshops (the future programme of workshops to be provided at least 6 months in advance)	Compliance	Compliant	Achieved
7.8	Implement good practice as identified and developed by the SaBRE Campaign Director, the RSCDs and the Lead CE for Employer Support	Compliance	Compliant	Achieved

SECTION 7 – SABRE MARKETING OBJECTIVES

Serial	Tasks	Performance Indicators	Targets	Achievement
7.9a	UESOs/ROSOs understand the rights and obligations of their Reservists and their Employers in relation to each other	Understand rights and obligations by end of FY	Compliant	Achieved
7.9b	UESOs/ROSOs understand what SaBRE does	Understand what SaBRE does	Compliant	Achieved
7.9c	Increase the absolute number of supportive employers	By confirmed and unconfirmed supportive	Compliant	Achieved
7.9d	An annual increase in the awareness of SaBRE amongst employers	Annual increase in awareness amongst employers	Compliant	Achieved
7.9e	An annual increase in the awareness of what SaBRE does amongst employers	Annual increase in awareness of what SaBRE does amongst employers	Compliant	Achieved
7.9f	An annual increase in the understanding of an employer's rights and obligations, amongst employers	Annual increase in understanding of employer's rights and obligations amongst employers	Compliant	Achieved <sup>11</sup>

<sup>11</sup>Note comment in Employer Support conclusion paragraph on page 63

SECTION 7 *continued*

Serial	Tasks	Performance Indicators	Targets	Achievement
7.10	Support marketing at a national level of Exercise Executive Stretch (Ex ES) exercises when tasked by the Chain of command, within the parameters and resource set by the SaBRE Marketing Plan	To market Exercise Executive stretch in accordance with the SaBRE Marketing Plan	Compliant	No Ex ES held. RFCAs hold the view this should be reinstated. GL organised Ex Sharpe Shooter
7.11	Provide updates on campaign performance. Budgetary position and negotiate re-balancing of outputs at the In-Year Management Quarterly Reviews	Compliance	Compliant	Achieved
7.12	Report performance annually to the Performance Review Board against KPIs set within SLA	Compliance	Compliant	Achieved
7.13	CE RFCA to recruit and employ RSCDs who meet the agreed selection criteria to deliver the regional elements of the SaBRE National Campaign	Compliance	Compliant	Achieved
7.14	CE CRFCA is to manage process performance, both centrally and regionally, to ensure and demonstrate efficiency and best value for money	Develop, implement and ensure compliance with best practice:	Compliant	Achieved
		1. Define/developed in Workshops with DRFC participation and published in a best practice compendium	Compliant	Achieved
		2. Implemented by SaBRE Central and RSCDs	Compliant	Achieved
7.15	RFCAs to ensure RSCD attendance at Workshops and the implementation of direction and best practice developed at these workshops	Compliance	Compliant	Achieved
7.16	Promote SaBRE as the key point of contact in targeted areas of Reservist employment	Compliance	Compliant	Achieved

## HQNC SLA KPIs

### SECTION 1 – GENERAL SUPPORT TO NHC

#### OUTPUT 1A: ADVICE AND SUPPORT TO AND ON BEHALF OF NHC

Serial	Tasks	Performance Indicators	Targets	Achievement
1A.1	Maintain an active and relevant RFCA Voluntary Membership as set out in individual RFCA Schemes of Association (see RFA96)	Maintain Naval Service membership in accordance with the RF&C endorsed Scheme of Association	95%	95%
1A.2	To develop and maintain links with local authorities and the civilian community in order to maintain overall support for the Royal Navy and the CE campaign – and, in particular, MR, SCC, CCF(RN) and Sea Scouts	Meet the representatives of Regional Government Offices, County Councils (including the Directors of Childrens' Services, Directors of Integrated Youth Support and Childrens' Trusts, Unitary and Metropolitan Borough Councils, regional Chambers of Commerce and other Professional Bodies	Bi-annual meetings with each organisation	Achieved
1A.3	Maintain an effective working relationship with the NHC	Bi-annual meetings with NRC, CMR, CNR, COS Y&C and COS FORF/FORes, including attendance at key RFCA meetings and the Annual Briefing	100%	95%
1A.4	Assist NHC in clarifying which activity is covered by Centre GiA as opposed to payments from NHC in support of activity on behalf of NHC, and the routes by which these funds are transferred between NHC, CRFCA and DIO	Provide clarification of funding and achieve transparency of process to the satisfaction of both NHC and CRFCA	31 Mar 13	Achieved

#### OUTPUT 1B: PROVIDE SUPPORT TO OPERATIONS – 'HOME & AWAY'

Serial	Tasks	Performance Indicators	Targets	Achievement
1B.1	When requested by CMR, be prepared to assist individual and/or unit mobilisation/demobilisation procedures through discrete pre and post operational support to assist with MR employer related issues. In conjunction with ARC PR Branch, PRUs, COBSEO, the NHC and Service Welfare charities and federations, provide ongoing regional/local support to all injured Service personnel (both physically and mentally) when required. Provide Unit Welfare support and wellbeing advice to RNR, RMR and Sea Cadet units where affordable and personnel when appropriate	Link with Section 4 (CE) below and with DRFC CRFCA Emp Sp SLA  Specific issue resolved	Issue resolved within 21 working days	Achieved where requested

## OUTPUT 1C – PROVIDE FACILITIES MANAGEMENT SERVICES

Serial	Tasks	Performance Indicators	Targets	Achievement
1C.1	Administer the provision of full utility services for the three MR properties currently managed by RFCA: <b>HMS Forward, RMR Scotland<sup>12</sup> and Plymouth Millbay<sup>13</sup></b> – within the terms of relevant Government contracts. Administer the provision of full utility services for the single URNU property currently managed by RFCA: <b>Aberdeen URNU</b> , within the terms of the relevant Government contracts	Compliant within provision	100% against provision	100%
1C.2	Sustainable Development: through energy efficiency measures make savings in utility consumption	Implementation of Environmental Management System (EMS) for Volunteer Estate (VE) Introduce and maintain energy efficiency measures to enable Service Recipient to reduce utilities consumption and meet carbon footprint targets	Compliant with 2012/13 EMS targets	Achieved with EMS in force and targets met where funding of schemes allow
1C.3	Provision of minor Facilities Management (FM) services to the 8 MR properties, plus one lead occupied TAC, as follows: <b>HMS Forward</b> – Accommodation stores <b>HMS President</b> – President Quay rental <sup>14</sup> , Alarm rental, sanitary disposal, kitchen cleaning <b>RMR Tyne</b> – Alarm rental, refuse collection, sanitary disposal. Rental of: Land, Quayside, Sewage outflow and Pontoon <b>RMR Bristol</b> – Alarm rental, cleaning, waste disposal <b>Flying Fox</b> – Alarm rental, cleaning, waste disposal <b>HMS Calliope</b> – rent of quayside	Compliance within provision	100% against provision	100%
1C.4	Regionally Generated Income (RGI): the letting of MR Centres in accordance with HMT rules and RFCA Interim Regulations 2009 for the benefit of the MR	Meet letting income targets as set by regional RFCA Management Boards  Distribute RGI for the benefit of MR units in accordance with direction of regional RFCA Management Boards	80-100%  100%	98%  100%

<sup>12</sup>From 2012, RMR comprises a detachment collocated with HMS DALRIADA in Govan (Glasgow), and a detachment each in Edinburgh and Aberdeen.

<sup>13</sup>Electricity, gas, alarm rental, cleaning, waste disposal

<sup>14</sup>RFCA pay rental for President Quay only (£20,500 to President's Quay House Freehold limited in 2011). For HMS President itself, the payment is a bottle of port and it is not paid by RFCA.

## SECTION 2 – SUPPORT TO NAVAL CADET FORCES & RELATED YOUTH INITIATIVES

Serial	Tasks	Performance Indicators	Targets	Achievement
2.3	Develop and support regional partnering arrangements between the CCF(RN) and other Youth organisations where appropriate, within initiatives emerging as a result of DYER <sup>15</sup>	Compliance to be defined through negotiation in each case	To be negotiated prior to tasking in each case	Achieved where applicable (e.g. using Cadet Expansion programme and YOU SCC development worker)

## SECTION 3 – RN RECRUITING SUPPORT

Serial	Tasks	Performance Indicators	Targets	Achievement
3.1	Discrete SMART tasks to be defined through negotiation in advance of letting the task to RFCA, notably in the context of FR20, having satisfied NHC that it represents VFM	Agreed criteria achieved to cost and on time, as defined in negotiation for specific tasks	To be negotiated prior to tasking in each case	Achieved and ongoing

## SECTION 4 – ASSISTANCE TO COMMUNITY ENGAGEMENT (CE) AND REPRESENTATION

Serial	Tasks	Performance Indicators	Targets	Achievement
4.1	Develop links with local authorities and the civilian community in order to maintain support for Armed Forces and Cadets (ACF, SCC, ATC and CCF), and to develop and pursue the aims of CE	Engage with the representatives of Regional Government Offices, County Councils, City, Unitary and Metropolitan Authorities	At least once a year	Achieved
4.2	Develop connections with the Reservist and Cadet communities in order that objective advice can be given to senior political and military leadership on their well-being, complementary to the FLCs' communication channels	Regularly review the structure and representation on the RFCAs' committee structure	At least once a year  Attend FORF and NRC Management Boards once per year and as requested	Achieved  Achieved

<sup>15</sup>By way of example – discussion and scoping of the development of the Regional Agent role.

## SECTION 4 – ASSISTANCE TO COMMUNITY ENGAGEMENT (CE) AND REPRESENTATION

Serial	Tasks	Performance Indicators	Targets	Achievement
4.3	Utilise the RFCAs' extensive Volunteer Membership to influence directly and indirectly public thinking on Defence, Armed Forces', Veterans' and Cadets' issues in order not only to create a favourable environment for regional activities but also to engender better understanding of and support for Veterans and the role of the Armed Forces, VRF, Cadets and Youth using RN Media and Comm messaging to assist when appropriate	<p>Include CE briefings as part of the agenda for committees and at appropriate activities such as Lord-Lieutenant Awards' Ceremonies and Emp Sp events</p> <p>Encourage support for the RNPT</p>	<p>90%</p> <p>Publicise and help populate such events</p> <p>Encourage RFCAs Volunteer Members to attend</p>	<p>100%</p> <p>Achieved</p> <p>Achieved</p>
4.4	Demonstrate the worth of the RFCAs, in support of the Chains of Comd, to Ministers, local authorities, Veterans' groups, RFCA dependencies and other supporters, in order to: enhance RFCAs credibility as advocates; secure favourable opportunities for the Armed Forces, VRF and the Cadet Movements; and promote the volunteer ethos and provide opportunities within the wider RFCA framework for individuals to realise that ethos	<p>Provide a Corporate Communication focus within each RFCA</p> <p>Develop a Corporate Communication Plan</p>	<p>100%</p> <p>100%</p>	<p>100%</p> <p>Under review</p>
4.5	Ongoing engagement through bilaterals between RFCA and NRC, as well as CRFCA and FORF in order to establish shared understanding of the overlapping relationship between CE and Outputs at 1.A.2	Sufficient shared situational awareness achieved by 31 Mar 2013 that this objective can be removed		On-going engagement

## SECTION 5 – PERSONNEL AND FINANCIAL MANAGEMENT

Serial	Tasks	Performance Indicators	Targets	Achievement
5.5	Manage the funds provided by the NHC in accordance with Managing Public Money	Accounts audited	Unqualified audited account within 60 days	Delivered
		Provide estimate of funding required from NCH to RFCA to achieve objectives outlined in SLA for following FY. To be broken down by expenditure description (including RAC) and Maritime Reserve unit receiving the service	To be forwarded to NCH Finance at least 2 months before start of Financial Year	Delivered
		Provide quarterly report including yearend detailing expenditure of funds provided by NHC to RFCA to be broken down by expenditure description (RAC) and Maritime Reserve Unit	Within 14 days of Qtr end	Delivered
		Pro forma invoice to be presented by RFCA to NCH for reimbursement of each item of expenditure made on outputs covered in this SLA detailing expenditure amount, expenditure description, RAC and Maritime Unit receiving the service. To be authorised by Unit receiving the service and then forwarded to NCH Finance for final approval and payment	Within 1 month of service provision	Delivered
		Move to new external audit regime within the NAO in accordance with HQLF direction	Compliant within transition	On-going
5.6	Comply with agreed recommendations made by NAO and DIA	Compliance	Compliant where appropriate	Achieved

## FY2012/13 Achievements

### **Output One Alpha** Advice and Support to the Defence Council

The reporting period has been focused on the impacts of structural change across defence, and continued development of the Future Reserves 2020 (FR20) which required both intimate engagement at the regional level to help shape the Volunteer Estate in anticipation of the final reserve footprint, and also at Strategic level with the Chairman of the Council chairing and Chief Executive CRFCA acting as a member of the Oversight Group that is charged with providing an annual report to the Secretary of State for Defence on the process of implementation, and also providing assurance to parliament. The detailed and at times rapid staff work to assist HQ Army in developing options for the Volunteer Estates in advance of the planned White Paper announcement on FR20 has involved engagement at MOD level within the FR20 Programme Board (CE CRFCA) and also detailed input at regional level as options were being finalised. The RFCAs continue to provide key engagement through leading regional Chief Executives on MOD and single Service committees that are shaping the policy for Employer Support, Recruiting and Youth Engagement and in addition the close relationships between RFCAs with devolved governments remained particularly relevant, especially where devolved representatives were voluntary members of the Associations. The provision of such advice and guidance was facilitated by the continued close linkage between the CRFCA and the MOD and senior FLCs. Membership of both national and regional tri-Service command and management boards by RFCA Chief Executives and National Resource Directors continued to assist in this transparency. The reporting period has also seen a change to management structures with HQ Support Command taking on responsibility for screening the CRFCA Army Grant in Aid and the outsourcing of Army recruiting to Capita as a partner with ARTD in the delivery of One Army recruiting. The emphasis

now placed on reserve numbers, particularly within the Army, has demanded close working relationships between RFCAs, Regional Brigades and Capita regional managers. Moreover, the potential changes in emphasis and priority in tri-Service outputs, such as employer support, community engagement and youth initiatives, combined with significant proposed outsourcing including the further contracting of the Defence Training Estate, have necessitated internal strategic and business re-positioning.

The RFCA support to welfare and in particular to injured servicemen has continued throughout the year with increasing single Service projects being delivered locally. CE CRFCA continues to be an important member of the COBSEO Board and has improved linkages with all tri-Service welfare charities. Regional linkages to service charities have continued to be strong as too have engagement with Community Covenant initiatives.

Fundamental to all these strands of work is the voluntary membership of the Associations and the CRFCA. The Quinquennial Review of all the RFCA Schemes of Associations of April 2010 provided all Associations with a common basis for their Schemes and a framework for the next 5 years. The voluntary commitment of all Association members to both national and regional committees and working groups, such as the Regional Employer Engagement Groups (REEG), is a force multiplier for Defence enhancing Defence's links into society. This free, voluntary commitment and significant pro bono advice is much appreciated: the short notice regionally sponsored Employer Engagement forum that informed the responses to the FR20 Green paper being but one example. The continued support of our Association Presidents and Vice-Presidents – the Lord-Lieutenants – has been pivotal to our links to our communities and will be of value in supporting the delivering the messages of the FR20 announcement on the Reserves. Moreover linkages to local MPs have strengthened through regional briefings and visits to the Palace of Westminster.

## Output One Bravo

### Provide Support To Operations – 'Home And Away'

The primary aim of all our business outputs continues to be the support to operations, particularly to all our mobilised volunteer reserves. The level of mobilisation in this reporting period has seen the effects of the Government policy to ramp down the operations in Afghanistan by 2014, however there was continued need for specialist support, in particular reserve medicine and individual augmentation. Olympic and Paralympics Games were a decisive period of UK Homeland activity; potentially to the extent of contributing to a paradigm shift in attitudes to the utility of Defence's contribution to UK and Resilience Operations. Reservists (and cadets) of all three services contributed to the delivery at a national level through every aspect from Torch Relay both as torch bearers and street liners, security at Key Points and major venues and in a wide range of highly visible administrative roles. Approximately 1,500 reservists were mobilised on a voluntary basis on the part of the employee and the employer which was made possible for Op OLYMPICS through legislation enacted in late 2011.

In addition to our increasing close links to Service welfare charities, the RFCAs have expanded their role in adapting the homes of injured servicemen with single Service direct grant funding now being the norm. Further funding from the Haig Homes, Help For Heroes and regional Government has also been received. This rewarding work, using our skilled regional estate staff, continues to demonstrate the utility of the RFCAs in support of post mobilisation delivery. Here also the close RFCA links with the Army Recovery Capability (ARC) and in particular the Personnel Receiver Units (PRU) means that the Associations can continue to act as regional welfare support hubs when required. Our continuity and regional knowledge means that this important role of post mobilisation aftercare is an ideal opportunity for the RFCAs.

## Output One Charlie

### Provide Facilities Management Services

For 12/13, Sustainability Reporting has been introduced in order to meet the public sector requirements for FReM reporting, and follows the guidance laid down in HM Treasury Sustainability Reporting 12/13 and Greening Government Commitments. It is intended to show transparency, consistency for comparative purposes, and accuracy. Currently some of the required information is not separately collected and collated and estimates have been used. In such cases separate cost codes will be required in future years in order to improve accuracy.

It should be noted that utilities consumption is already reported to DIO for data collection and reporting, Cadet Support Vehicle mileages are forwarded to Brigades for data collection and emissions reporting, and water consumption is reported to DIO by Project Aquatrine Service Providers. The figures in the Sustainability Report are used to monitor RFCA performance only.

## RFCA Sustainability Report for the Year ended 31 March 2013

GREENHOUSE GAS EMISSIONS		09/10	10/11	11/12	12/13	ANALYSIS
Non-Financial Indicators (1,000 tCO <sub>2</sub> e)	Total gross emissions	-	-	59	54	<b>Total Gross Emissions 1,000 tCO<sub>2</sub>e</b> 
	Total net emissions	-	-	-	-	
	Gross emissions Scope 1 direct		0.9	0.9	0.9	
	Gross emissions Scope 2&3				( F <sup>2</sup> )	
Related Energy Consumption (million kWh)	Electricity, Non-renewable	-	-	45.2	44.5	
	Gas	-	-	162.9	136.7	
	LPG	-	-	0	0	
	Other	-	-	0	0	
Financial Indicators (£million)	Expenditure on energy	12.2	11.2	11.8	13.6	
	CRC Licence expenditure	-	-	-	-	
	Expenditure on accredited offset	-	-	-	-	
	Expenditure on official business travel	1.0	1.0	0.9	0.9	

### PERFORMANCE COMMENTARY (INCL MEASURES)

RFCA has adopted the MOD target to reduce greenhouse gas emissions by 25% on 2009 figures by 2015. Winter 12/13 was the coldest for 50 years. All consumption and emissions reporting is carried out separately via DIO; figures provided from Symphony.

### CONTROLLABLE IMPACTS COMMENTARY

VE not included in DIO spend to save funding, and RFCAs are reliant on limited RGI spending for efficiency measures. Increased availability of VTC and PH2 should reduce travel need. Combining meetings and Working Groups should reduce necessity for travel.

### OVERVIEW OF INFLUENCED IMPACTS

FR20 studies on Future Reserve basing options does take energy efficiency of existing buildings into account. Utility Suppliers have attended larger sites to propose energy reduction projects which may be rolled out across Associations.

Scope 1- gross emissions from Cadet minibuses and Allocated vehicle business use  
 Scope 2 and 3- gross emissions on RFCA staff business travel using public transport  
 Comments on emissions calculations are available from EMS publications folder, ADVE or Sharepoint

## WASTE

### PERFORMANCE COMMENTARY (INCL MEASURES)

Waste quantities remain static but we have a target of 34% reduction by 2020. RFCAs have been using central MOD contracts for hazardous waste disposal, and some Associations also have waste removed from TA Centres under MOD contract.

### CONTROLLABLE IMPACTS COMMENTARY

A standard methodology for measuring and reporting waste is to be developed over the next 12 months. The first TA Centre to report under MOD TRaSH system is now in place and it is intended to roll out further in the coming year.

### OVERVIEW OF INFLUENCED IMPACTS

Main effort remains in educating units to segregate waste and use correct channels for hazardous and non-hazardous, and recording waste quantities by site.

## WATER

### PERFORMANCE COMMENTARY (INCL MEASURES)

RFCAs represent 2% of total MOD water consumption equating to 460,000m<sup>3</sup>/yr. Along with MOD, targets for a 34% reduction by 2020 have already been met.

### CONTROLLABLE IMPACTS COMMENTARY

Early reporting and repairing of leaks helps reduce consumption but only by reducing the size of the VE will substantial economies result.

### OVERVIEW OF INFLUENCED IMPACTS

Only the top 150 sites will be given funding for water saving measures. RFCAs to work with Aquatrine Service Providers to secure small investment in savings measures for building internals.

**Sustainable Procurement and Construction.** RFCAs are required to meet the BREAAAM Excellent (Defence DREAM equivalent) in all new builds. This scheme covers waste generation and disposal, environmental impact, land use, and rewards low transport use and reduced running costs.

**Environmental Management System.** The EMS has been rolled out and most Facility Managers/Environmental Advisors have been trained in its use, including assessing typical RFCA scenarios for environmental impact. Surveys of the VE are now underway to assess risk, introduce controls and monitor progress against targets.

**Utilities Payment.** DIO has taken over the direct payment of all MOD utilities, transferring all accounts apart from RFCAs onto the ACCOMMODATE system used by Accommodation Support Units (ASUs). RFCAs are deemed to be competent to manage their own utilities procurement, verification and bill payment for the medium term. ASUs are moving to e-billing and e-tariffs, loaded automatically into ACCOMMODATE, which should result in faster invoice receipt, validation and payment. RFCAs should ensure they are in a similar position, or risk losing the utilities funding to central payment.

**Transport.** RFCAs remain responsible for the procurement, operation and disposal of the Cadet Support Vehicles. Project PHEONIX (the MOD white fleet contract) may be introduced in 14/15 or later, RFCAs have been given assurances that any transfer to central contract would be subject to a thorough trial and Investment Appraisal.

## Output Two

### Support to the tri-Service Cadet Forces, Combined Cadet Forces and Youth

#### Cadets

Her Majesty The Queen's Diamond Jubilee was undoubtedly the main event of 2012 with cadet forces across the UK, supported by their RFCAs, participating in events ranging from the manning of the banks and bridges of the River Thames for the Jubilee Pageant, to beacon lighting, tree planting, attendance at the Diamond Jubilee Concert, numerous parades, expeditions and performing the Beating Retreat at Balmoral Castle. All events proved to be a great success whilst reflecting the spirit of fun, excitement and community service achieved through the cadet experience and creating memories that will last a lifetime.

The Olympic Games provided the opportunity for several cadets and adult volunteers to be recognised for their contribution to their communities by being selected as Torchbearers in the Olympic Torch Relay. As part of Op OLYMPICS the cadet training centres in Greater London RFCA were utilised as part of the supporting infrastructure for the Games.

Following the recommendations of the Defence Youth Engagement Review (DYER) the MOD issued the Youth Engagement Directive (YED) and Youth Engagement Strategy (YES). It is anticipated that the DYER Implementation Team will be fully established by the autumn of 2013. It is understood that the team will be focusing on:

- a. Achieving a common understanding of the cost of Youth Engagement.
- b. Conducting a Schools review in order to better support cadet activity in schools.
- c. Coordinate with the single-Service Cadet HQs:
  - i. A Cadet Force Adult Volunteer Terms and Conditions of Volunteering review.

- ii. Propose opportunities to streamline delivery and reduce the administrative burden on adult volunteers.

- iii. The development of a joint Management Information System.

The RFCAs form part of the broad consultation process and are standing by to provide whatever assistance we are able.

The Cadet Expansion into Schools (CEP) initiative was announced by the Prime Minister on 12 July 2012 Armed Forces Day. The aim of the initiative is to create 100 new cadet units based in English state funded schools by 2015; to help develop teamwork, discipline and essential life skills. The majority of the funding, £10.85m, is coming from the Department for Education (DfE) and will assist in the delivery of infrastructure and training support. However, third party funding is required to be found by those schools wishing to participate in the scheme. Any school that wishes to apply is required to register an expression of interest via the DfE website. Once an expression of interest is received the joint MOD/DfE central team will decide if the application meets the criteria and will then task the appropriate School Cadet Expansion Officer (SCEO) to visit the school, provide guidance and make a recommendation to the Joint Team on how to proceed. The RFCAs are at the very centre of this initiative as the 9 SCEOs are employed by each of the RFCAs in England. During the school site visit the SCEO will explain all of the options available to the school in respect to the type of cadet unit the school might wish to have as all varieties of cadet force (CCF, ACF, ATC and SCC) are available, enabling the school to make an informed choice and select a service which is "the best fit." In terms of finance and staff commitment, the future sustainability of the unit must be guaranteed by the school. However, the SCEO may be able to point a school towards organisations that might be willing to provide financial support, as the running costs of new units need to be covered

by the new participating schools or third party sponsors, who must commit to supporting the new cadet units for a minimum of five years. As well as the long term funding arrangements, the recruitment and provision of adult volunteers, for these schools, will be the responsibility of the school. The challenge for the school, in respect to the on-going funding requirements and the recruitment of the adult instructors, is one that should not be underestimated but to date the milestones for expansion are being achieved.

Once the school visit is completed and consultation as to the viability of the preferred option has been completed with the local cadet force leads, the SCEO will then forward their recommendation to the Joint MOD/DfE Team. In addition, the SCEO can help manage the expectations of the school to ensure it does not attempt to take on too much too early. The ultimate aim of the school may be to have a stand-alone cadet unit within the options available but they might be better served by partnering with another school with an established unit, or a nearby community-based unit until they have gained sufficient knowledge, trained volunteers and senior cadets. One concern raised has been that cadets may be drawn away from existing community units to school-based units. However, this will be avoided through part of the assessment performed by the SCEO, who will ensure that the CEP does not negatively impact on the local community cadet units. It should also be recognised that beyond the initial 100 units the aspiration is that by 2020 any state school that wishes to have a cadet unit should be able to do so.

The CEP is one part of a wider DfE Military Ethos Programme designed to improve the development of pupils in schools by imbuing the values and standards demonstrated by the best traditions of the Armed Forces. The other main elements of the programme are Troops to Teachers and Alternative Provision. Troops to Teachers provides pathways and support to those leaving the Armed Forces to become teachers – this could directly support CEP

by providing a recruitment route for schools wanting a new unit to acquire a teacher with a military background. Alternative Provision involves providers working with young people who have disengaged, or are at risk of disengaging, from mainstream education. By using military-style techniques the providers have had great success in getting people to re-engage with their education and it is hoped that graduates will gravitate towards the cadet forces.

In a separate initiative Lowland RFCA has been working with 3 schools to gain recognition for the cadet syllabus as part of the academic programme. Should this prove to be successful then further work may be undertaken with the Scottish Government to expand this further.

Once again the KPIs for the Cadet SLAs have been achieved or surpassed and despite the lack of a formal Memorandum of Understanding with the Marine Society and Sea Cadets the level of support that they receive, especially in Northern Ireland, is significant.

## **Youth**

Within West Midlands, Northern England and the North West the RFCAs have also been involved in the delivery of the Department for Communities and Local Government (DCLG), Social Inclusion Programme (SIP), through the Youth United Foundation (YUF). Funding has been provided for these areas to have a Development Officer (DO) who is appointed on behalf of the Army Cadet Force and Air Training Corps to assist in the delivery of more cadet places within units covered by the DCLG nominated areas of high social deprivation. The Development Officers work with units, within these areas, to support targeted recruitment campaigns to ensure that a full complement of adult volunteers is achieved, thus enabling the units to cater for more cadets. Additionally the DOs provide a coordinating function for the other Youth United members within their region.

GL RFCA have been involved with Youth Organisations Uniformed (YOU) London in the delivery of the YOU Matter programme, which was launched last year because 8,000 youngsters were missing out on the opportunity to join uniformed groups due to a lack of adult volunteers. The volunteering scheme is run by the Safer London Foundation, working in partnership with ten uniformed youth groups: Air Cadets; Army Cadets; Boy's Brigade; Community Fire Cadets; Girl's Brigade; Girlguiding; Scouts; Sea Cadets; St John Ambulance and Volunteer Police Cadets. YOU Matter is due to run until March 2014 and has already recruited 1,304 adult volunteers, beating the initial target by almost a third.

In April, Lowland RFCA played a significant role in coordinating the opening ceremony of the Tamar Manoukian Outdoor Centre at Dumfries House, in East Ayrshire, Scotland. It was opened by His Royal Highness The Prince Charles, Duke of Rothesay (as he is known in Scotland), accompanied by The Duke and Duchess of Cambridge. All of the uniformed youth groups were represented and it provided the opportunity for each organisation to showcase their talents.

Ayrshire is currently the only region outside of England that has a Youth United organisation although the RFCA in Wales works with the Welsh equivalent 'Young Dragons'.

### Output Three Support to Recruiting

We reported again last year that the process of tasking and resourcing the RFCAs was better understood by the regional brigades but activity levels continued to be hampered by a lack of direct resourcing. Sadly, despite the RPP reaching IOC mid-year the situation has remained largely unchanged with Associations reporting that much more could have been achieved had they received relatively small cash injections to prime the pumps of their regional support. Thus our ability to shape the recruiting battle space has once again relied largely upon those Associations who could afford to deploy a proportion of their RGI towards recruiting positive activity. Working closely with the RPP Regional Operations Managers, the latter has included typically local PR campaigns, financial support to unit local recruiting initiatives, Fresher's Fairs and Community Engagement Events with a peripheral recruiting spin-off.

Meanwhile, in an effort to bottom out how the RFCA's support (and resources) can continue to be deployed post RPP FOC, negotiations with the RPP/Capita staff have continued. The team at Upavon have recognised that the RFCA's intimate knowledge of the Volunteer Estate, past experience, cost effectiveness and flexibility play a key role at the local and regional levels and that the RFCA's existing Recruiting Support Output can complement, as well as dovetail safely into the RPP's Operating Solution without causing a conflict of interest. As ever though the issue of how to fund this activity remains unresolved.

## **Output Four** Assistance to Community Engagement & Representation

The key messages over the period of this year have been to support the continued operational deployments as the comprehension of government statements indicating the downscaling of military effort in Afghanistan has turned attention elsewhere, and continuing to brief the changes associated with A2020 and FR2020. This saw considerable increase in effort to support the communications of the key messages of change for each of those major parliamentary announcements. The background and reasons for the downsizing in all 3 Services, the preparations for the implications of Future Reserves 20 and Army 2020 have been the key messages using our extensive and embedded community networks. Regional delivery through county and regional briefings to Associations with selected guests have proved invaluable in helping to shape and prepare Councils, Unitary Authorities, the Reserves and other key stake holders for the implications of these change programmes.

Many RFCAs have conducted regional MP briefings in the House of Commons to stress the importance of the Reserves, their employers and the cadets, with a central briefing across the national footprint held in the Palace of Westminster in November 2012. These have been very well received and have resulted in greater engagement by MPs visiting their reserve units and cadets in their constituencies.

Regional support to the chains of command continues to increase across a widening spectrum; facilitating regional and local Armed Forces Community Covenants and military civilian partnerships, identifying key civilian personnel for Service civil engagement events and supporting the transition of service leavers into the community. Community Engagement in its widest sense sets the conditions for Employer Support and therefore the engagement of the reservist employers is an integral component of the delivery of civil engagement

that will increase in importance as part of the expansion of the reserve forces. Support to veterans has involved signposting to service charities and highlighting veteran issues to Service Veteran and Pensions Advisory Forums and the Service Personnel and Veterans Agency. The use of the RFCAs contact database has proved invaluable in these areas.

The impending reduction in the geographical laydown of the Services and the recruiting challenges for the reserves particularly the TA will place greater reliance on the RFCAs and the cadets in the future.

## **Output Five** Personnel and Financial Management

Financial Year 2012/13 saw business and accounting processes continuing to improve underpinned by the centralised MIS, SYMPHONY. Output delivery continued to depend upon effective and timely planning round bilaterals with Stakeholders and the timely provision of budgets. At the strategic level the Customer Board's Four Year Strategic Plan was delivered in March 2013 and that allowed the CRFCA Business Plan to incorporate the top level objectives, and will, in turn, provide the context for the CRFCA 4 Year Corporate Plan. The Fleet (NHC) SLA was reviewed which in turn shaped the outputs for the FY 2013/14. The CRFCA Business Plan 2012/2013 was based on the extant SLAs with DE (DIO), the HQ Army Plan, the HQ Army SLA, the HQAC SLA and the SaBRE SLA.

Internal governance continued to improve with increased programmed activities of the CRFCA Audit Committee which examined the SYMPHONY MIS data capture and processing and also the pan-regional management of estates data. Both of these identified areas for improvement that are being addressed through management response plans. The legal status of the CRFCA remains unresolved although the Customer Board has stated the intent to resolve this issue in year in order to allow the

consolidated accounts to proceed to NAO audit at the end of FY 13/14. RFCA Regulations 2009 are still awaiting the final version of section 4 (Estates) although a 'Final Version' is due to be staffed through HMT. The Financial Framework is now in a final version and awaiting signature by HQ Army and the CE CRFCA. We continue to meet the NAO requirements to be FReM compliant.

In resource planning and budgetary terms, we again experienced both late provision of budgets and in-year savings measures which affected the delivery of outputs to Customers. For another year the former was particularly prevalent in the last quarter of the FY in which an excessive amount of minor new works (MNW) tasks were placed onto our account, a high proportion of which had to be receipted into the following year. The risks generated though previous savings measures against Infrastructure funding carried forward however some in-year risk was mitigated by a successful winter supplementary provision and uplift. Despite the continued reduction in the budget for Estate management, an increase in ad-hoc project work including FR20 and ISLA projects saw our funding income increase from FY2011/12 by 3%, £6.5 million, to £111,330,225. Despite the continued difficult commercial market, regionally generated income added a further £7,687,303 to the budget realising a final income budget of £119,017,528. Total expenditure was £117,698,417 producing a narrow variance of £1,319,111 income over expenditure. We remained within our 2% GiA operating reserve figure.

In-year HR issues continued to be managed by the Pay and Personnel Committee, with important membership and advice from our trade union representative. Although the ACF support staff increased slightly, the professional staff numbers reduced. Overall the lean staff ratio has had to deal with an increased work load, notably from additional data collection and new reporting requirements for the DIO. The loss of RSCD Administrative officers from RFCAs had a significant impact on the ability to deliver Employer and Community engagement at the coal face: most RFCAs have mis-employed clerical staff or used RGI to reinforce this key area. As we move towards the FR20 announcement this shortfall will once again come under pressure. Project HADANE2 (PH2), the development of the CRFCA secure web facing and RLI facing application based upon a secure centralised data base/platform and cloud technology was finally awarded interim accreditation in Nov 2012 and commenced roll-out in April 2013. The twelve month delay has resulted in additional costs both at programme and regional level as the in-place solutions had to be run-on in some cases on unplanned short-term costings. The delay has allowed us to develop a better IT structure for the RFCA cadet permanent staff, which is work in progress. Linked business applications (pre-qualification questionnaires for contractors; environmental management; finance applications – the sales ledger; the events booking system; end of year applications) continue to be developed and SYMPHONY, the RFCA business application, continues to underpin all our work. New reporting and data recording requirements imposed by Stakeholders need to be underpinned by the necessary IT funding. Information security and data management has been the subject of internal workshops, training and the necessary accreditation.

## Output Six

### DIO SLA Mandated Provision and maintenance of Accommodation for Designated Units of the RNR, RMR, TA, RAuxAF Units, Recruiting Group, Combined Cadet Force, Army Cadet Force and Air Training Corps

There are two principal interfaces between the CRFCA and DIO in relation to the built Estate. Firstly, we are mandated to maintain it within constraints of our budget but compliant to all Health and Safety and Mandatory regulations as contained in numerous Specifications, JSPs and our SLA. Secondly, we work closely to identify areas of the Estate that are likely to be surplus to requirements. Although the latter is not overtly part of this report it is implicit in all of our work. Reductions in funding force difficult choices and over capacity in the Estate make some of those choices more difficult still. The Volunteer Estate is now funded by DIO for Statutory and Mandatory compliance only. That said we do receive additional funds for Grounds Maintenance, Reactive repairs and a limited amount of Life Cycle Replacement. There is no Planned Maintenance in order to maintain the SLA mandated target condition of B6.5B.

This will reduce the quality of volunteer reserve sites at a time when the Future Reserves 2020 targets seek increased numbers through recruiting and retention initiatives. There has been however additional funding from Support Command to improve TA Centres and lessen the impact of reductions in Planned Maintenance for possible new recruits. Moreover the Lowland RFCA external auditors (Wylie and Bisset LLP) raised the following observation over estate funding in their audit report: "We note that expenditure for the year amounted to £1.5m. This continues the reduction in spending in this area reported within our prior year letter (from £2.9m in 2009 to £2.1m in 2011). We have been advised that this is principally due to a reduction in non-essential maintenance costs. Whilst we appreciate that a decision has been made to fund

principally essential maintenance we highlight that this could have a detrimental effect on future financial returns if this results in a back log of repair work required for the Association's estates."

Our procedures are continually improving and the underlying Service Specification (SS) is regularly re-visited and is in need of a general re-fresh. This is dependent upon the Output Specification as produced by the single Services and DIO. We are working hard to ensure any changes in that requirement are reflected in our SS. The 7 year Service Level Agreement originally between CRFCA and DE needs to be re-issued and refreshed to reflect DIO and its new requirements.

There are though some good news stories of ways in which we have been able to use single Services funding to good effect in major works or Estate replacements.

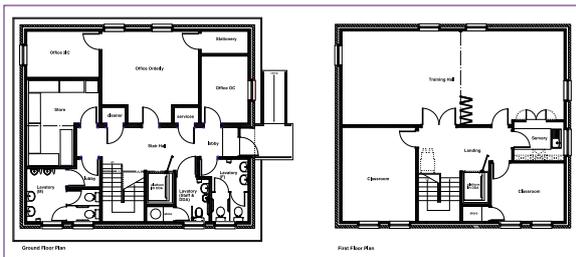
We had a major injection of funds last year from LF to fund a replacement programme of Arms Chests at ACF cadet centres. The programme was extensive and still ongoing – due to complete in September this year with an overall spend of £1.5m replacing 650 chests. This represents a significant move forward for security of weapons held by the Army Cadet Force to meet security compliancy. It also reflects an Army commitment to this vital output.

Over the last two years the Associations have been increasingly used to manage projects of Disabled Access Works for Injured Soldiers, most of whom have been injured by IEDs in Afghanistan. Works vary from ramps and rails into a house to internal lifts and wet rooms and a few major property extensions worth in excess of £100k. This demonstrates the agility and cost effectiveness of our business model – using local trustworthy contractors who offer competitive prices for quality work.

Around the UK there were a number of capital projects worthy of special mention.

## Hackney

A contract was awarded by GL RFCA in July 2012 to replace the existing single storey linked modular accommodation currently at West Walk, Hackney, with a new building. The current dilapidated accommodation of two linked, timber framed modular buildings circa 1958 housing 22 Det ACF Cadets and managed by City of London & NE Sector ACF is being replaced with a purpose built, scaled, 2 storey brick built building with pitched roof. The new accommodation will meet all current standards for disability, environmental standards and energy management and DREAM compliant to 'Very Good' including solar power panels on the roof to supply electricity to the building and via the Feed-in-Tariff system to offset running costs.



## Wandsworth Cadet Centre



The Proposal is to relocate the existing 133 ACF Detachment on Buckhold Road. The new building will replace the current facility located at the entrance of the new Wandsworth Business Village of Buckhold Road. The facility will provide a main hall, offices, classrooms and kitchen/WC facilities with footprint of approximately 200m<sup>2</sup>.

The design of the new building shows predominantly red brick elevations to match the existing residential stock surrounding the site. Brickwork detailing including bands of dark blue engineering brick and soldier courses to parapet create added interest in the elevations. The elevations are broken up with vertical slot metal-framed windows, some with chamfered brick reveals and full-height brick piers with reconstituted stone bases and caps. The internal 'courtyard' elevations to the building are more open with glazed entrance doors and larger glass windows into the office spaces and main hall.

The building will be fully DREAM compliant to 'Very Good' and will be entered for a civic architectural design award.

### **HMS Calliope, Gateshead Quay Wall Repairs**

The North of England Reserve Forces' and Cadets' Association are delighted to confirm the successful completion on time and to budget of the Major Quay Wall Repairs along the River Tyne.



Following the structural failure of the existing stone quay wall, the North of England RFCA appointed BGP Consulting to carry out investigations and monitoring on site. Investigations concluded the wall was progressively failing and was in imminent danger of collapsing into the Tyne.



A new Quay wall was required and an ICE Design & Build Contract was let to South Bay Civil Construction under the project management of BGP. The project was fully risk analysed at all stages under the careful scrutiny of the RFCA and DIO.



The progress and careful control both of the scheme, costs and on site works has resulted in the successful and pleasing construction of a major presence along The River Tyne.

The works complement and blend thoughtfully with the Millennium Bridge and surrounding historic quarters.

### Polmadie to Carmyle



Lying on the route for the M74 extension, the Territorial Army Centre in Polmadie was relocated to Carmyle in cooperation with the Scottish Government. The new building provides 221 Transport Squadron RLC, and a detachment of the Glasgow & Lanarkshire Bn ACF, with high quality accommodation for both personnel and their vehicles – a 21st Century facility, for a 21st Century Territorial Army unit with a demanding role.



### New Cadet Centre for 504 (West Nottingham) Sqn ATC, Bilborough, Nottingham



504 (West Nottingham) Sqn ATC occupy a leased site in the middle of a residential estate in Bilborough, Nottingham. The Landlord wishes to develop the site and served notice on East Midlands RFCA in 2008 informing the Association that the lease would not be renewed. A project to replace the building was already in HQ AC Capital Works Programme (CWP). East Midlands RFCA had already started looking for an alternative site and had agreed with 73 Engr Regt (V) that the former Married Quarters adjacent to the TA Centre would provide a suitable site at no cost to MOD. In 2009 an initial design for converting the MQs to a cadet centre was explored but proved uneconomical so it was decided that a new build solution was the preferred option. The building is now finished.



## Output Seven Employer Support – National and Regional Delivery

**Introduction.** This year has been dominated by the work leading up to and publication of the Government's Green and White Papers on the future of Reserves. As such the main focus of MOD's and the frontline commands' effort has been on the future. The RFCAs have been closely engaged with the MOD and single Services in devising the future engagement strategy and policy and, through their regional engagement network in particular, have helped to inform the MOD of employers' expectations and reaction to the new emphasis that is being placed on the Reserve Forces and on the contribution employers will have to make. As last year, the continuing economic challenges experienced by many employers in both the private and public sectors and pressures on the Defence budget have added to the challenge. The general freeze on using external agencies for marketing and advertising activities, without express permission from Cabinet Office Efficiency Reform Group (ERG), has remained in place and thus the ability to engage and sustain supportive employers with limited resources has been further constrained. Despite these challenges regional engagement has remained very active and much credit for this falls to the perseverance and ingenuity of Regional SaBRE Campaign Directors (RSCDs). Reservist mobilisations continued for Ops HERRICK (Afghanistan) and TOSCA (Cyprus) and this period saw the largest mobilisation of Reservists since the start of Gulf War Two in support of the Olympic Games.

**Employer Attitudes.** Employers' attitudes remain mixed. The vast majority continue to appreciate and admire the selfless commitment of the Armed Forces, and consider that they have an obligation to provide support. Those employers who were already supportive, on the whole, remained so. For some, balancing the 'supportive spirit' against the reality of their business environment has become more of an issue as the economic situation has

remained tough. Revised HR policies have had an impact as these employers struggled to make room for Reservist commitments within their organisations. As in previous years there have been a few cases of employers showing some resistance to the demands from their Reservists. However this is not a common trend and the vast majority of employers remain prepared to be supportive. Inevitably there are some employers who cannot accommodate their Reservists' requests for time off for training and ultimately mobilisation, due to that individual's commitments in the business. With 'intelligent mobilisation' by units, this problem has been largely avoided. Employer attitudes towards the work on FR20 have been remarkably supportive – very much along the lines that 'we understand the need for partnership and we want to contribute'. But equally Defence needs to recognize that for some employers (and most particularly the SMEs from whom many Reservists are currently drawn), the new demands will present challenges. So we must become cleverer at targeting our limited engagement resources to areas that count and clearly articulate the demand.

### **Future Reserves 2020 Consultation Findings.**

On 8th November 2012, the Government published a consultation paper which contained proposed changes to the structure of the Reserve Forces. As well as an online survey, the MOD attended or arranged over sixty events with groups of employers, employment bodies and reservists, many of these events were organised by the RFCAs and included many regional groups of employers. The key findings to the consultation and wider engagement with employers indicated a need to:

- Improve Defence's engagement with the employer community, placing that relationship on an enduring footing. Many employers have no experience of employing Reservists and little or no knowledge of the issues surrounding such employment. Many were clear that they want better information regarding Reservist service.

- Better manage Defence's relationships with the employer of each Reservist. While many employers of Reservists have been supportive of mobilised employees, many are unclear of the support available. Many commented adversely on the administrative burden of claiming support.
- Provide sufficient notice of Reservist absence from the work place, both for training and mobilisation.
- Ensure that the balance between the requirements of the Reservist, the employer and Defence is correct. The business impact of the absence of a Reservist is normally a key determinant in the decision to be supportive or not. Civilian line managers play a critical role in this decision process.
- Work together to deliver the supportive environment necessary to enable reserve service. Many saw benefits of a relationship primarily based upon legislative compliance, rather than one based on mutual benefit.
- Provide some flexibility in Defence's use of a Reservist where particular circumstances mean that absence from the work place would cause business impact beyond what it is reasonable to expect an employer to accommodate.

These findings highlight the continued need to raise awareness and understanding among employers as to what Reservists do and what they can bring to the business. The findings highlighted that good, timely, open communication was key to gaining the necessary support from employers. As well as the knowledge that an employer has a Reservist on the workforce, early notice of training and mobilisation periods enabled employers to manage the risk by planning around such events. To enable this good communication it is essential that employer data held on Joint Personnel Administration (JPA) is properly maintained by units and that they keep employers informed of any plans for their Reservist employee.

**Support and Engagement.** SaBRE's day-to-day business continued through various channels, both in a national and regional capacity. The SaBRE helpline received an average of 80 calls per month, which is broadly a similar amount as recent years. Information and advice was provided in a variety of areas to employers, Reservists and the Chains of Command. Topics ranged from simple requests for factual advice to complex returning to work issues and financial queries. The SaBRE website continues to be a most effective source of useful information and advice. Membership of SaBRE's social media channels – Facebook, LinkedIn and Twitter – continues to grow. These channels have been used to share information and drive traffic to the SaBRE website and to other useful sources of information. Face to Face communication with employers and the chains of command has continued to be provided in the regions through SaBRE's network of Regional SaBRE Campaign Directors (RSCDs), who are embedded in the RFCAs throughout the UK. RSCDs' work ranges from briefing groups of employers to providing advice and support to the chain of command.

The wider engagement by the RFCAs has remained at high tempo with advantage being taken of events sponsored by the individual Services together with more focused work with employer groups and professional bodies (IoD, Federation of Small Businesses (FSB), Chambers of Commerce, etc). This has provided valuable engagement with employers that may not currently employ Reservists. This engagement has been complimented by Lord-Lieutenants, politicians and senior officers have been particularly helpful in promoting the Employer Support message at events organised by the RFCAs. The presentation of SaBRE Supportive Employer certificates continues to provide a useful means to recognise the commitment of employers, and particularly those who have had experience of a mobilised Reservist. Special mention should be made of the RFCAs' Regional Employer Engagement Groups (REEGs) who have provided the focus for employer engagement advice and activities in each of the regions.

The need now is to re-energise the engagement with employers. This must be done in close concert with the recruiting campaigns. Going forward it is critical is that messaging to employers is both coherent and consistent, and is tri-Service. For Defence the relationship with employers is now rightly regarded as significant, but all who deal with employers need to recognise that for them the issue is a peripheral one. Influencing the employer's perspective going forward will be critical to the success of FR20 and the RFCAs are uniquely positioned to help achieve this.

**Employer Database.** A request to delay the migration of employer data, from SaBRE's database Salesforce to an alternative database, for another year (until 31 March 2013) was successful; accreditation of Salesforce beyond this date being dependent on the satisfactory completion of a Privacy Impact Assessment (PIA). At time of writing the PIA has been satisfactorily completed and accreditation extended. The significance of this decision is that MOD accreditors have now reversed an earlier direction that an alternative had to be found to Salesforce. This change in direction will allow SaBRE now to invest in Salesforce and provide additional tools which with the improvements being made to the quality of employer data held and an expected improvement in the quality of employer data provided by the single Services, through JPA, will allow for more accurate targeting, reporting and insight.

**Conclusion.** Overall the Employer Support effort mounted by the RFCAs and SaBRE has helped to ensure that the vast majority of Reservists are mobilised when required by Defence and employers are broadly satisfied by the advice and support which they have received. The RFCAs and SaBRE continue to play a key role in maintaining and expanding the interface between Defence and employers.

Whilst there remains no room for complacency, the overall campaign continues to be successful and over the year has been enhanced by more focused engagement by the RFCAs at the regional level in particular by re-focusing the contribution provided by the work of the REEGs. As we enter the era of delivering FR20, the support provided to Reservists and their employers will need to evolve to meet several new challenges. The RFCAs remain committed to ensure their contribution assists in meeting success.

## Chief Executive's Report

### Background

The Reserve Forces' and Cadets' Association (RFCA) is an organisation, which sits outside of the Chains of Command ('an arm's length body'), but fully supports them in their activities. It is classified as a Central Government non-trading Body with Crown status under the Reserve Forces Act 1996 Section 111 and Schedule 4. Currently there are 13 Regional RFCAs, whose boundaries are coterminous with those of the previous Regional Development Agencies (RDA) in England and their devolved equivalents. The CRFCA, which is based in London, acts as the co-ordinating Headquarters, through which all funding streams flow. RFCAs are a tri-Service organisation, funded by their customers, who are MOD (RF&C), the FLCs and DE/DIO. They carry out specific tasks as agreed in their SLAs. The RFCAs work in close partnership with the Regional Brigades and single Service equivalents.

The RFCAs have five core tasks: Managing the VE, Providing Infrastructure Support (Facilities Management), Employer Support, Support to Recruiting and Cadets and Youth. They have an overarching task of Community Engagement, which is carried out through their extensive network of volunteer members, who, being based within the community, enable the RFCAs to reach into the community in a way that the Services and Chains of Command are unable to do. Increasingly there is an important welfare support task for our mobilised volunteer reservists and their dependents, as well as regulars. The RFCA organisation employs some 836 salaried Crown Servants, of whom 551 support the ACF across the UK and 285 work in the Regional RFCAs and at the Council.

### Vision, Characteristics and Values

#### THE VISION

To be an enduring and essential pillar in the delivery of support for the well-being of the Reserves & Cadets and, through our effectiveness and our position in the regions, to be the independent body that represents their interests and promotes understanding between the Armed Forces and civil society.

#### RFCA CHARACTERISTICS

(What defines us?)

We are a Central Government Body with Crown status, set up by statute.

We are a manifestation of the volunteer ethos.

Our voluntary membership brings with it an unparalleled breadth of expertise and experience.

We are tri-Service.

We are of the regions, operating throughout the United Kingdom.

We are a not-for-profit organisation.

We are value for money.

#### RFCA VALUES

(How we behave)

We promote the interests of the Armed Forces and cadets.

We champion the volunteer ethos both within and outside the Services.

We are apolitical.

We are independent (from the MOD and the chains of command) and autonomous (from each other); but, through our collegiate behaviour, we have national responsibility, influence and recognition.

We support the work of third sector organisations which also contribute to the well-being of Service personnel and veterans.

We supplement government funding through our income generation for our dependencies.

## Post Balance Sheet Events

There were no post balance sheet events.

## Financial Performance

The total expenditure for the year ended 31 March 2013 was £117.7m, up 3% from FY2011/12. Funding income totalled £111.3m and RGI totalled £7.7m which resulted in a minor excess of income over expenditure of £1.3m.

Of the £117.7m spend, 37% (£43.9m) was spent on the reserves estate and infrastructure, 26% (£30.1m) was spent on the cadets estate and infrastructure, 23% (£26.9m) was spent on support towards the ACF, TA, RAuxAF and ISLA, 2% (£2.3m) was spent on employer support and the remaining 12% (£14.5m) was spent on RFCAs' overheads.

Infrastructure costs rose by 5% largely due to the increase in prices on the MOD utility contracts. Property management expenditure decreased by 16% due to a marked decrease in funding of £3.5m. Revenue and Capital projects did however rise by 5% due to an increase in funding and the injection for FR20 Betterment works. Estate funding was again supplemented in-year by RGI, to the sum of £3.9m (£2.6m revenue and £1.3m capital).

RGI was also used in year to supplement recruiting/ employer support funding (£0.7m), Reserve and Cadet grants (£0.7m), IT & Admin (£0.4m), vehicle replacement funding (£0.8m) and sub-letting costs (£1.0m).

Further details of the outputs delivered within this expenditure can be found under FY2012/13 achievements.

## Result for the Year

These are fully described in the preceding Report and the annual accounts.

## Financial Risks and Uncertainties

During FY2012/13 we managed a formal risk management process that included mitigation planning. This was important since we faced many in-year risks. The DIO maintenance funding for the year was cut by over £3m (14%). Additionally we faced risk within the grant-in-aid budgets which were partially bought out by the Winter Supplementary and by internal transfers. This was welcome in-year relief to our risk which, unfortunately, is unlikely to materialise in future FYs.

Risk management and the development of the mitigation plan were staffed mainly through the quarterly Finance Review Meetings and Executive Board and Board meetings. The Corporate Risk Register continued to provide the basis for discussion with our Stakeholders and the annual Customer Board.

The financial risks facing FY2013/14 onwards are far greater. Our grant-in-aid control totals for FY2013/14 include the rolled forward cuts from FY2012/13 yet do not include the in-year supplementary buyouts that were required to fund actual requirement, in particular for utilities. Moreover, continued reduced funding and delayed notification of full year CTs by DIO of the VE estate maintenance budget (reducing from £27.7m in 2010 to £21.4m this year) increases future risk arising from a bow wave of repair bills in the years ahead. All of these risks will be closely monitored throughout the year using the processes shown within the Statement of Internal Control. Finally, wider uncertainty lies in the outcomes of FR20 restructuring and the on-going need for broader Departmental savings.

## Corporate Governance

The CRFCA complies with the relevant requirements of HM Treasury guidance relating to corporate governance.

## Pension Arrangements

These are covered in the Remuneration Report.

## Staff Involvement

Employees are kept informed of all relevant matters through the national and regional Boards (Customer Board, Executive Boards, Finance Review Meetings, and Working Groups), the Pay and Personnel Committee, the Intranet and Defence Internal Briefs. The adoption of SharePoint as our future collaborative working environment within PH2 will further assist in keeping staff informed at all levels.

Employees are represented by the Trade Unions (membership of which is voluntary), who are involved with negotiations including the Terms and Conditions of employment.

## Sickness Absence

During the year the days lost through long term sickness were 5,436 days and short term sickness were 2,023 days being the equivalent of 8.7 days per employee. In comparison with national average within the public sector, the RFCA sickness absence rate is 3.3% days lost as opposed to 2.6% (2011 statistic) nationally.

## Personal Data Related Incidents & Other Losses

In common with other government and public bodies, MOD agencies are now required to set out in their accounts a summary of any losses (or unauthorised disclosures, or insecure disposals) of protected personal data. This year the CRFCA can report no such personal data related incidents.

## Auditors

The consolidated accounts of the RFCAs in accordance with GAAP are audited by MacIntyre Hudson LLP (external auditors). The consolidated accounts in accordance with the Financial Reporting Manual are due to be audited by the National Audit Office (NAO) under the Financial Framework. However, there remain regulatory, legal and accounting issues that require resolution with the Treasury and the MOD before full NAO audit agreement can be given.

The consolidation auditors MacIntyre Hudson received no remuneration during the year for the provision of non-audit services. As far as I am aware, there is no relevant audit information of which the RFCA's auditors are unaware; I have taken all necessary steps to make myself aware of any relevant audit information and to establish that the CRFCA's auditors are aware of that information.

## Disclosure of Relevant Audit Information

As Accounting Officer, I have taken all the steps that ought to have been taken to make myself aware of any relevant audit information and to establish that the auditors are aware of that information.

# Remuneration Report

## Remuneration Policy

In the absence of a remuneration committee, the salary and pension entitlements of the senior members of the RFCAs are determined by analogy with MOD Civil Service and Senior Civil Service Salaries.

## Salary

'Annual Emoluments' include gross salary; 6% NPA; bonuses; overtime; reserved rights to London weighting or London allowances; recruitment and retention allowances; private office allowances and any other allowance to the extent that it is subject to UK taxation.

## Benefits in Kind

The monetary value of benefits in kind covers any benefits provided by the employer and treated by HM Revenue and Customs as a taxable emolument.

## Pension

Pension benefits are provided through the Council of RFCAs Pension Scheme. This is a defined benefits 'final salary' scheme. Pensions payable are increased annually in line with changes in the Consumer Price Index (CPI) as defined by the Pension (Increase) Act 1971. There is a 13% contribution paid by the employer into the pension scheme on behalf of members as well as employee contributions set at the rate of 5% of pensionable earnings. Benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service; members may opt to give up (commute) pension for a lump sum up to the limits set by scheme rules, currently a maximum of 2.5% of the value of benefits. Employees also benefit from a payment of twice pensionable salary to cover death in service. There is no compensation for early retirement due to ill health; however pension payable from early retirement due to ill health is included within the Pension Scheme's liabilities.

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60.

## Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which the disclosure applies. The figures include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost. CETVs are calculated in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

## Real Increase in CETV

This reflects the increase in CETV that is funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

## SALARIES AND PENSION ENTITLEMENTS

The salary and pension entitlements of the most senior members of the RFCAs are shown below.

Chief Executives:	Annual Emoluments:	Non-cash benefits:	Real increase in Pension and related lump sum at age 60:	Value of accrued Pension and lump sum at age 60 at the end of the reporting year:	Value of the cash equivalent transfer value at the beginning of the reporting year:	Real increase in the cash equivalent transfer value during the year:	Value of the cash equivalent transfer value at the end of the reporting year:
	Salary and allowances --- Performance Pay/ Bonuses						
AVM P D Luker CB OBE AFC Council of RFCAs Appointed: 05/04/2006	90 - 95 - 5 - 10	5.2	-	25 - 30	143	22	166
Col (Retd) A K M Miller CBE Highland RFCA Appointed: 28/05/2007	60 - 65 - 0 - 5	4.1	-	15 - 20	77	14	91
Col R D Gibson MBE Lowland RFCA Appointed: 20/09/2004	60 - 65 - 0 - 5	2.9	-	25 - 30	118	19	137
Col J R M Hackett CBE North of England RFCA Appointed: 21/08/2006	50 - 55 - 0 - 5	4.1	-	15 - 20	86	13	99
Col (Retd) C E M Snagge Yorkshire & The Humber RFCA Appointed: 30/09/2009	55 - 60 - 0 - 5	4.0	-	15 - 20	92	16	108
Col G J O Wells-Cole OBE DL North West of England & Isle of Man RFCA Appointed: 07/02/2000	65 - 70 - 0 - 5	4.9	-	35 - 40	174	10	184
Col N R Beard TD Wales RFCA Appointed: 09/09/2002	65 - 70 - 0 - 5	5.6	-	25 30	159	15	175

## SALARIES AND PENSION ENTITLEMENTS

The salary and pension entitlements of the most senior members of the RFCAs are shown below.

Chief Executives:	Annual Emoluments:	Non-cash benefits:	Real increase in Pension and related lump sum at age 60:	Value of accrued Pension and lump sum at age 60 at the end of the reporting year:	Value of the cash equivalent transfer value at the beginning of the reporting year:	Real increase in the cash equivalent transfer value during the year:	Value of the cash equivalent transfer value at the end of the reporting year:
	Salary and allowances --- Performance Pay/ Bonuses						
Col T F L Weeks OBE West Midland RFCA Appointed: 09/08/2004	55 - 60 - 0 - 5	2.5	-	20 - 25	121	14	135
Gp Capt N D Sharpe East Midland RFCA Appointed: 01/08/2011	55 - 60 - 0 - 5	1.9	-	20 - 25	9	14	23
Brig T Dalby-Welsh Wessex RFCA Appointed: 28/04/2003	60 - 65 - 0 - 5	5.3	-	25 - 30	135	12	147
Col J D Lacey CBE DL East Anglia RFCA Appointed: 23/04/2003	50 - 55 - 0 - 5	6.0	-	25 - 30	139	12	152
Col H M Purcell OBE DL Greater London RFCA Appointed: 01/09/2009	60 - 65 - 0 - 5	-	-	10 - 15	64	17	81
Col S J Oxlade MBE South East RFCA Appointed: 29/01/2007	55 - 60 - 0 - 5	3.0	-	15 - 20	84	17	100
Col J W Rollins MBE Northern Ireland RFCA Appointed: 14/03/2010	60 - 65 - 0 - 5	5.4	-	10 - 15	30	17	47

The ratio between the banded remuneration of the highest paid Chief Executive and the median remuneration of the RFCAs staff (£25.5K) was 1.9. This was due to a large proportion of the work force being of Grade E1 and the Chief Executive being on Senior Civil Service Scale.

## Disclosure of exit packages

The following table details the number and cost of exit packages for the RFCAs. This includes payments under the Civil Service Compensation Scheme (CSCS), payments under any other compensation schemes where applicable and any other payments made (special severance payments).

Exit Package Cost Band	Number of Compulsory Redundancies		Number of Other Departures Agreed		Total Number of Exit Packages by Cost Band	
	2012/13	2011/12	2012/13	2011/12	2012/13	2011/12
<£10,000	-	1	-	-	-	1
£10,000 - £25,000	-	1	-	-	-	1
£25,000 - £50,000	-	1	-	-	-	1
£50,000 - £100,000	-	1	-	-	-	1
£100,000 - £150,000	-	-	-	-	-	-
£150,000 - £200,000	-	-	-	-	-	-
<b>Total Number of Exit Packages</b>	-	-	-	-	-	-
	£000	£000	£000	£000	£000	£000
Total Resource Cost		110	-	-		110

## Statement of Chief Executive's Responsibilities

### Extract from the Financial Framework

#### 6. Responsibilities of the Chief Executive as RFCA Accounting Officer

##### General

6.1 The Chief Executive (CE CRFCA) as Accounting Officer (AO) is personally responsible for safeguarding the public funds for which he or she has charge; for ensuring propriety and regularity in the handling of those public funds; and for the day-to-day operations and management of the CRFCA and RFCAs. In addition, he or she should ensure that the CRFCA and RFCAs as a whole are run on the basis of the standards, in terms of governance, decision-making and financial management that are set out in Box 3.1 to Managing Public Money.

6.2 General responsibility of the RFCAs' grant in aid income rests with, and will be exercised by, the CRFCA Board. Whilst general responsibility for the management of the RFCAs' funds rests with and will be exercised by the CRFCA Board, personal accountability rests with the CE CRFCA, in accordance with his/her letter of appointment and terms of reference. The Chairman CRFCA Board and its members share with Association Boards corporate responsibilities, and in particular ensuring that the RFCAs fulfil the aims and objectives set by the SofS.

#### Responsibilities for accounting to Parliament

6.3 The accountabilities under this financial framework include:

- signing the accounts and ensuring that proper records are kept relating to the accounts and that the accounts are properly prepared and presented in accordance with any directions issued by the Secretary of State;
- signing a Statement of the Accounting Officer's responsibilities, for inclusion in the annual report and accounts;
- signing a Statement on Internal Control regarding the system of internal control, for inclusion in the annual report and accounts;
- ensuring that effective procedures for handling complaints about the CRFCA and RFCAs are established and made widely known within the CRFCA and RFCAs;
- acting in accordance with the terms of the Financial Framework, Managing Public Money and other instructions and guidance issued from time to time by the MOD, the Treasury and the Cabinet Office;
- giving evidence, normally with the Accounting Officer of the MOD, when summoned before the Public Accounts Committee (PAC) on the CRFCA's and RFCAs' stewardship of public funds.

## Responsibilities to the MOD

6.4 Particular responsibilities to MOD (ACDS R&C) as Chairman of the Stakeholders Board and by CS Res LF include:

- establishing, in agreement with MOD, the CRFCA's and RFCAs' corporate and business plans in the light of the MOD's wider strategic aims and current PSA(s), in accordance with Part 3 of the RFCAs Regulations;
- informing the department of progress in helping to achieve the department's policy objectives and in demonstrating how resources are being used to achieve those objectives; and
- ensuring that timely forecasts and monitoring information on performance and finance are provided to MOD; that MOD is notified promptly if over or under spends are likely and that corrective action is taken; and that any significant problems whether financial or otherwise, and whether detected by internal audit or by other means, are notified to the department in a timely fashion.

## Responsibilities to the CRFCA

6.5 CE CRFCA is responsible, through the CRFCA Board, for:

- advising the CRFCA on the discharge of the RFCAs' responsibilities as set out in this document, in the founding legislation and in any other relevant instructions and guidance that may be issued from time to time;
- advising the CRFCA on the RFCAs' performance compared with its aim(s) and objective(s);
- ensuring that financial considerations are taken fully into account by the CRFCA at all stages in reaching and executing its decisions, and that financial appraisal techniques are followed;
- taking action as set out in paragraphs 3.8.5 of Managing Public Money if the CRFCA Board, or its Chairman, is contemplating a course of action involving a transaction which the CE CRFCA considers would infringe the requirements of propriety or regularity or does not represent prudent or economical administration, efficiency or effectiveness, questionable feasibility, or is unethical.

## Statement of Internal Control

### The Scope of Responsibility

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the CRFCA policies, aims and objectives, whilst safeguarding the public funds and departmental assets for which I am personally responsible, in accordance with the responsibilities assigned to me in Managing Public Money.

The CRFCA corporate governance arrangements benefit from active involvement with a number of individuals and bodies who have the knowledge and expertise to aid me in properly discharging my role as Accounting Officer.

- The Audit Committee
- Strategic and in-year guidance and support through Board meetings, P&P Directives, Executive Board meetings and Stakeholders.
- The CRFCA Board, Annual Plan, Customer Board, and Stakeholders offer me direction and assistance and advice, as follows: Governance, Transparency of Spending, Financial and Requirement Scrutiny, Best Practice Guidance.
- The CRFCA auditors MacIntyre Hudson and the National Audit Office provide support on audit matters, work plans and financial and risk items and Geldards LLP provide employment legal advice.

### The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness.

The CRFCA system of internal control is based on a process designed to identify and prioritise the risks to the achievement of departmental policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the CRFCA during the financial year and up to the date of approval of the RFCA's accounts, and accords with Treasury guidance.

## Capacity to Handle Risk

Risk management has been built into the corporate planning and programme management systems. The CRFCA fully recognises the principles for public risk management.

Executive Directors within the CRFCA undertake development and maintenance of the system. In particular it includes:

- comprehensive budgeting systems with an annual budget which is agreed as part of CRFCAs resource allocation process;
- regular reviews by the CRFCA Board of periodic and annual financial reports which indicate financial performance against the forecasts;
- setting targets to measure financial and other performance;
- clearly defined capital investment control guidelines;
- formal project management disciplines;
- regular reviews of the CRFCA key risks and actions being taken to minimise the effects of these risks.

Additionally, CRFCA ensures RFCAs are kept up to date of risk and that RFCAs risk is reported to CRFCA by:

- regular Finance Review Meetings, Estates Meetings, Executive Board Meetings.
- training direction - Information Risk Awareness Training, Fraud Awareness.

## The Risk and Control Framework

The following governance processes continued to exist during FY2012/13:

- The CRFCA has in place a management risk register which is reviewed quarterly by the CRFCA Board. This provides the CRFCA with the ability to identify new or emerging risks and, where possible, agree and put in place risk mitigation actions.
- The biggest challenge for the CRFCA both in year and over the coming year has been and will be managing efficiency measures and reducing budgets. Mitigation planning is therefore difficult and risk can often only be passed back to the Stakeholders.
- CRFCA risk is promulgated up the Chain of Command to the relevant Stakeholders via regular in-year meetings, ABC screenings and half yearly Army HQ Performance and Risk returns.
- Key to this process is the engagement of our TLB customers in order to understand the potential impacts of risks as they emerge.

## Audit Committee Report on Governance and Structural Issues

The Audit Committee have, as in previous years, consulted with Council's auditors, reviewed the individual association's management letters and the relevant association's response to the points, if any, raised in such letters. They have also considered the two external audits recently carried out by Kingston Smith, on Symphony and the estate respectively together with management's response to Kingston Smith's comments.

On this basis they have no reason to think that there were during the financial year 2012/13 issues of governance that needed to be brought to the attention of the Board. Some progress has been made in securing funding to support the Committee as is evidenced by the completion of the two audits referred to above. However they were not able, as they had hoped when they reported last year, to secure funding sufficient to enable them to fulfil their remit in full. The issue has been raised with MOD and the committee await the outcome. Whilst disappointed that another year has gone by without the situation being resolved they remain convinced that, appropriately funded, internal audit can not only provide assurance but also add value.

## Issues Raised During Audits

A number of minor regional auditor recommendations have resulted in action that the CRFCA are taking forward. This includes some changes to the SYMPHONY software, additional training on end of year processes and the investigation of IT speed issues.

Comments made by regional auditors Wylie & Bisset, again highlighted the reduction in estate management funding: "From our review of the Estates management expenditure in the financial return we note that expenditure in this area (excluding project expenditure) amounted to £1.5m. This continues the reduction in spending in this area reported within our prior year letters... Whilst we appreciate that a decision has been made to fund principally essential maintenance we highlight that this could have a detrimental effect on future financial returns in a back log of repair work being required for the Associations' estates. We recommend that this area is kept under close review going forward to ensure the Association has the ability to generate an overall surplus in future years."

## Related Parties Disclosure

During the year the RFCAs had a significant number of various material transactions with related parties directly, or indirectly through the Council of RFCAs and/or Chain of Command. These related parties were:

MOD	Army HQ	Spt Comd
RF&C	HQ AC	Defence Infrastructure Organisation
RAF/RAuxAF	HQ Navy Command	

In addition, the RFCAs had a small number of transactions with other government departments and other central government bodies. Most of these transactions have been with the HMRC in respect of income tax, NIC and CIS tax, local authorities in respect of non-domestic rates, the Department of Valuation and Lands, the Land Registry, the SPVA and CVQO.

During the year Highland RFCa entered into a material transaction with Mr S Bargeton, a Board Member, for political engagement strategies and media support.

## Assurance Documents

The CRFCA and RFCAs comply with the following general guidance documents and instructions:

### MOD Documents

- RFCa Regulations;
- The Financial Framework (Draft);
- Appropriate adaptations of Sections of Corporate Governance in Central Government Departments: Code of Good Practice available on the Treasury website;
- Joint Service Publications, specific instructions and guidance issued by the MOD. In particular;
  - JSP 462 Financial Management Policy Manual
  - JSP 472 Resource Accounting Policy Manual
  - JSP 525 Corporate Governance
- Commercial Ways of Working;
- Spec 024;
- DE Spec 005;
- Service Specification;
- Service Level Agreements;
- CE CRFCA Letter of Delegation;
- Other relevant instructions and guidance issued by the central Departments (e.g. Selling into Wider Markets (the MOD guide to Income Generation)).

### Government/Treasury Documents

- Reserve Forces Act 1996 (RFA96);
- Managing Public Money;
- Relevant Dear Accounting Officer letters;
- Government Internal Audit Standards;
- Management of Risk - Principles and Concepts;
- Managing the Risk of Fraud;
- Government Financial Reporting Manual (FReM);
- Government Resource and Accounts Act 2000;
- Regularity, Propriety and Value for Money;
- The Parliamentary Ombudsman's Principles of Good Administration;
- Relevant guidance and instructions issued by the Department of Constitutional Affairs on the Freedom of Information Act;
- Model Code for Staff of Executive Non-departmental Public Bodies;
- Other relevant guidance and instructions issued by the Treasury in respect of Whole of Government Accounts;
- Recommendations made by the Public Accounts Committee, or by other Parliamentary authority, that have been accepted by the Government and relevant to the NDPB.

### Internal

- Internal Letters of Delegation;
- The RFCA H&S Safety Management System (SMS) incorporating: the CRFCA H&S Policy, the RFCA H&S Policy and the RFCA H&S Manual;
- Environmental Management System Ch1 and Ch2;
- Register of H&S legislation;
- Induction and Awareness Training;
- Document Management System (Draft – to be issued in 2013);
- RFCA Standing Administration Instructions;
- RFCA Standing Finance Instructions;
- WMI Guidance;
- SYMPHONY SOP, Instructions and Permission & Access Matrix.

### Review of Effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the Directors within the CRFCA who have responsibility for the development and maintenance of the internal control framework and comments made by the Audit Committee, external auditors MacIntyre Hudson LLP, National Audit Office, Defence Internal Auditors and DIO Compliance Auditors, in their management letters and other reports.

I have received signed Statements of Internal Controls from all individual accounts that make up the consolidated account for FY2012/13.

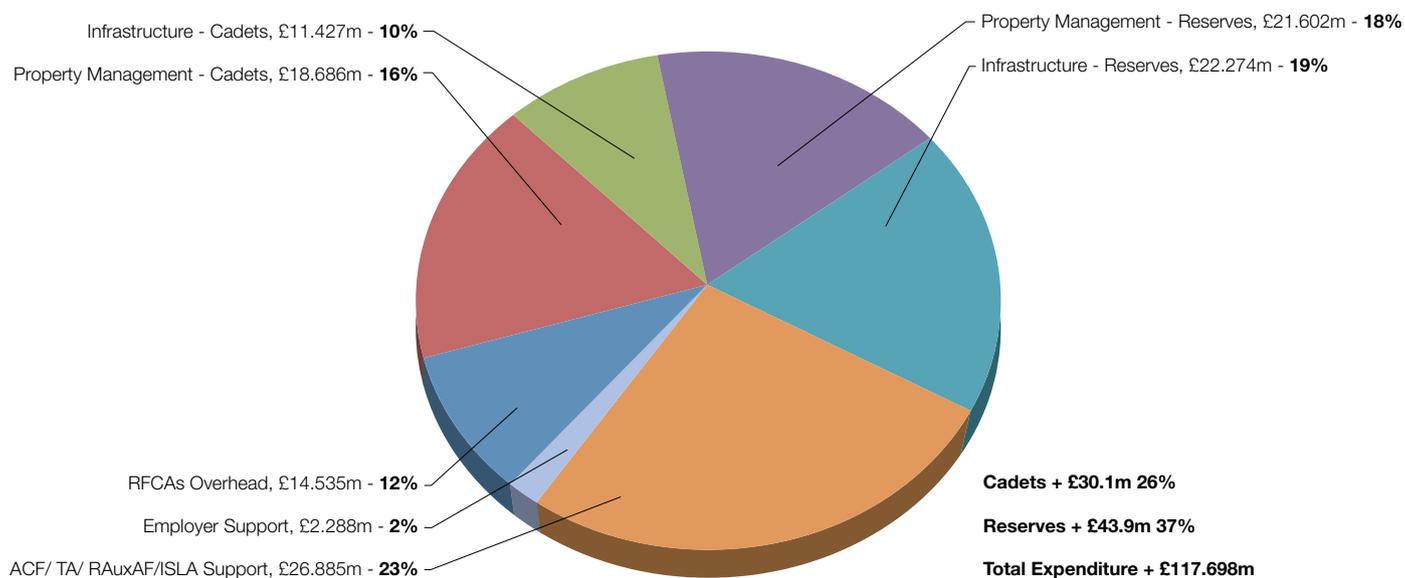
A plan is in force to continually review the effectiveness of the system of internal control and as a result address weaknesses and ensure continuous improvement of the system. This included the recommendations arising from the FY2010/11 and FY2011/12 DIA audits, points arising from the work of the CRFCA Audit Committee, external audit comments and observations, risk management training and direction from the Army HQ Performance and Risk Management Committee.



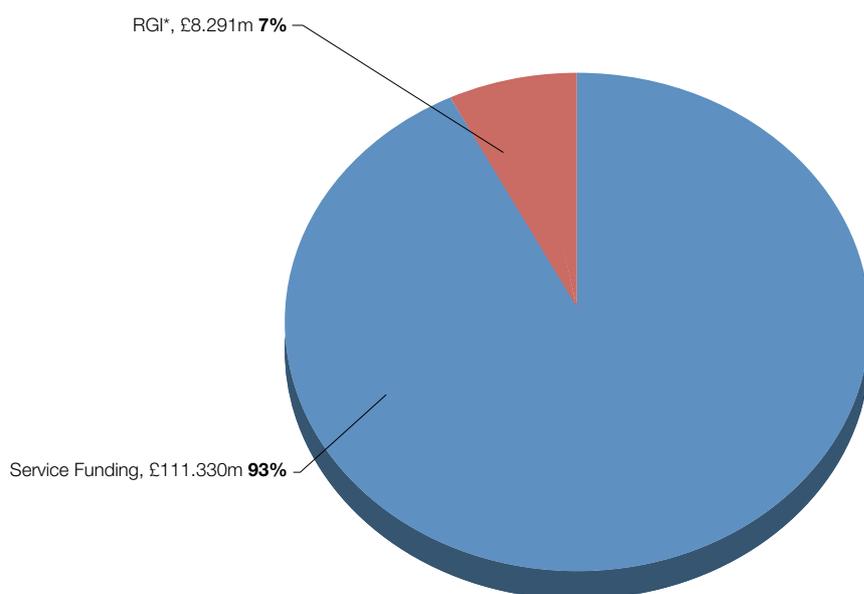
AVM P D Luker CB OBE AFC

Chief Executive and Accounting Officer

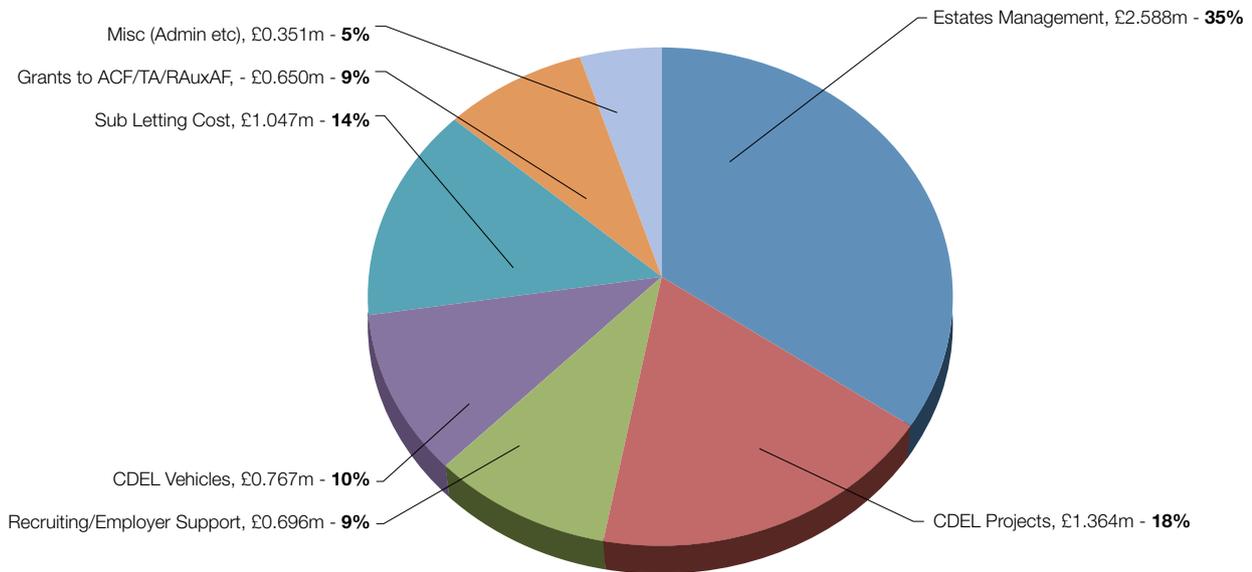
## FY2012/13 Accounts Consolidated Expenditure of RFCAs (including Funded Outputs and expenditure from RGI)



## FY2012/13 Accounts Consolidated Income Breakdown of RFCAs



## FY2012/13 Accounts Consolidated RGI\* Spend Breakdown of RFCAs



**\*Note: RGI figures have been adjusted to take into account actual vehicle sales and purchases rather than gains and losses as recognised in the accounts.**

See attached Consolidated audited account produced by MacIntyre Hudson.



FY2012/13 Accounts

# **Financial Statements**

**for the year ended 31st March 2013**

**Consolidated  
Reserve Forces' and Cadets' Association**

**RESERVE FORCES' AND CADETS' ASSOCIATION  
CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2013**

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**RESERVE FORCES' AND CADETS' ASSOCIATION**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2013**

Information

Association Headquarters

Council of RFCA  
Holderness House  
51-61 Clifton Street  
London  
EC2A 4EY

Bankers

Lloyds Bank TSB  
Cox's & King's  
PO Box 1190  
7 Pall Mall  
London  
SW1Y 5NA

Auditor

MHA MacIntyre Hudson  
New Bridge Street House  
30-34 New Bridge Street  
London  
EC4V 6BJ

Top Level Budget Holders

HQ Support Command  
Steele's Road  
Aldershot  
Hants  
GU11 2DP

# RESERVE FORCES' AND CADETS' ASSOCIATION

FOR THE YEAR ENDED 31 MARCH 2013

## INDEPENDENT AUDITOR'S REPORT

### TO THE COUNCIL OF RESERVE FORCES' AND CADETS' ASSOCIATION

We have audited the financial statements for the year ended 31 March 2013 on pages 4 to 15 in accordance with Draft Management Statement and Financial Memorandum (November 2007) and instructions in a letter reference 503/4/11 dated 19 December 2012. These financial statements comprise the Consolidated Balance Sheet, the Consolidated Income and Expenditure Account and the related notes and have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the Council of RFCAs Board, as a body. Our audit work has been undertaken so that we might state to the Council of RFCAs those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept responsibility to anyone other than to the Council of RFCAs as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective Responsibilities of Chairman, Chief Executive and Auditors**

The Chairman of the CRFCA Board and the CRFCA Chief Executive are responsible for the preparation of the financial statements and the regularity and propriety of the public finances in accordance with applicable law and the requirements of Draft Management Statement and Financial Memorandum (November 2007) and the regularity and propriety of the public finances.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the requirements of Draft Management Statement and Financial Memorandum (November 2007). We also report to you if, in our opinion, the Association has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding transactions is not disclosed.

We read other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. This other information comprises only the Chairman and Chief Executive's report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

#### **Basis of Audit Opinion**

We conducted our audit in accordance with Internationals Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures included in the financial statements. It also includes an assessment of the significant estimates and judgements made in the preparation of the financial statements and of whether the accounting policies are appropriate to the Association's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error and that, in all material respects, the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions are in conformity with the authorities which govern them. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

RESERVE FORCES' AND CADETS' ASSOCIATION

FOR THE YEAR ENDED 31 MARCH 2013

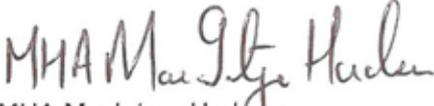
INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE COUNCIL OF RFCAs

Opinion

In our opinion:

- the financial statements give a true and fair view of the state of affairs of the CRFCA as at 31 March 2013 and of its income and expenditure for the year then ended;
- the financial statements have been properly prepared in accordance with the Draft Management Statement and Financial Memorandum (November 2007);and
- in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

  
MHA MacIntyre Hudson  
New Bridge Street House  
30-34 New Bridge Street  
London

EC4V 6BJ

Date 14 August 2013

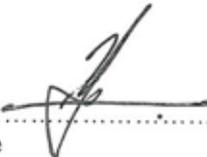
CHAIRMAN AND CHIEF EXECUTIVE'S REPORT

Statement of Chairman's and Chief Executive's Responsibilities

The Chairman, representing the CRFCA Board and the CRFCA Chief Executive are responsible for ensuring the keeping of proper accounting records which disclose with reasonable accuracy at any time the financial position of the Association and to enable them to ensure that the financial statements comply with the requirements of Draft Management Statement and Financial Memorandum (November 2007). They are responsible for ensuring the assets of the Association are safeguarded and for ensuring reasonable steps are taken concerning the prevention and detection of fraud and other irregularities.

  
.....  
Chairman

17 Jul 2013  
.....  
Date

  
.....  
Chief Executive

17 Jul 13  
.....  
Date

# RESERVE FORCES' AND CADETS' ASSOCIATION

## CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT

### FOR THE YEAR ENDED 31 MARCH 2013

	Note	£	2013 £	£	2012 £
<b><u>INCOME</u></b>					
Funding via Council of RFCAs	2	111,285,240		104,833,047	
Funding received direct from funders	2	44,985		150,229	
Receipts generated by the RFCA	2	<u>7,687,303</u>		<u>8,649,049</u>	
<b>Total Income</b>			119,017,528		113,632,325
<b><u>EXPENDITURE</u></b>					
<b>ESTATES MANAGEMENT</b>					
Statutory & Mandatory		10,244,931		10,861,069	
Planned Maintenance		1,574,027		4,343,137	
Reactive Maintenance		8,766,791		11,020,563	
Incidental Work		149,376		191,821	
Life Cycle Replacement		333,612		125,371	
Condition Grade Improvement		1,634,102		514,533	
Injections / Projects RDEL and MNW		11,384,501		6,146,840	
Works in Aid of Disposal		34,524		-	
Prof Fees/Ext Assistance		<u>407,483</u>		<u>519,835</u>	
Sub Total			34,529,347		33,723,169
<b>CAPITAL EXPENDITURE</b>					
Land & Buildings		1,564,565		4,138,676	
Purchase of Vehicles		-		-	
Assets in the Course of Construction		<u>4,960,074</u>		<u>1,980,694</u>	
Sub Total			6,524,639		6,119,370
<b>STAFF COSTS</b>					
	3				
LE NI Civ Staff Pay		20,785,336		20,334,145	
UK NI Civ ERNIC		1,569,346		1,538,358	
LE Civ Ind Staff Pay		970,312		909,417	
UK Ind Civ ERNIC		45,698		45,575	
Non PCSPS Pens Payments		2,454,757		2,427,636	
Redundancy Payment		<u>-</u>		<u>122,689</u>	
Sub Total			25,825,449		25,377,820

RESERVE FORCES' AND CADETS' ASSOCIATION

CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2013

	2013	2012
	£	£
<b>INFRASTRUCTURE</b>		
Heating Oil	423,421	368,524
Gas	6,300,161	4,656,345
Electricity	6,888,489	6,795,926
Water & Sewage	64,876	57,212
Estate & FMS Accom Stores	1,050,740	1,171,221
Energy Cons & Env Chge	1,641,377	1,844,686
Rates/NDR	14,749,035	14,557,463
Sub -Letting Costs	731,542	667,360
Rents/Leases/Alarms/Lettings	<u>3,238,472</u>	<u>3,204,258</u>
Sub Total	35,088,113	33,322,995
<b>IT &amp; COMMS</b>		
IT Minor Equipment HW/SW	384,059	477,652
IT Maintenance Services & Contracts	1,213,223	1,222,121
Line & Tel Rental	<u>258,392</u>	<u>244,125</u>
Sub Total	1,855,674	1,943,898
<b>TRANSPORT &amp; MOVEMENT</b>		
Lease of Vehicles	99,735	91,484
Vehicle Maint	207,514	208,068
Fuel (Non Utilities)	95,686	95,547
Depreciation	2,119,153	2,015,681
Loss on sale of vehicles	<u>90,130</u>	<u>108,589</u>
Sub Total	2,612,218	2,519,369
<b>RECRUITING SUPPORT</b>		
Employer Support (SaBRE)	861,869	813,965
Recruiting Support	<u>947,816</u>	<u>1,118,201</u>
Sub Total	1,809,685	1,932,166
<b>GRANTS</b>		
CRFCA Payment	854,055	837,038
Payments to welfare association	2,705,295	1,415,617
ACF Travel & Consolidated Grants	2,944,254	3,099,636
TA Establishment & Band Grant	353,731	1,084,028
RAuxAF Admin & PR	<u>33,605</u>	<u>30,536</u>
Sub Total	6,890,940	6,466,855

RESERVE FORCES' AND CADETS' ASSOCIATION

CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2013

	2013	2012
	£	£
<b>ADMINISTRATION</b>		
Office/General Administration	1,353,357	1,370,939
Education/Training	138,922	96,285
Professional Fees	323,506	342,107
Legal Costs	60,252	33,989
Insurance	96,104	80,479
Travel & Subsistence	542,803	456,326
Entertainment	<u>12,461</u>	<u>13,283</u>
Sub Total	2,527,405	2,393,408
<b>HR SUPPORT</b>		
HR & Recruiting - Civilian Assoc Staff	<u>34,947</u>	<u>52,403</u>
	34,947	52,403
<b>Total Expenditure</b>	<u>117,698,417</u>	<u>113,851,453</u>
<b>Excess income / (expenditure) for the year</b>	<u><u>1,319,111</u></u>	<u><u>(219,128)</u></u>

RESERVE FORCES' AND CADETS' ASSOCIATION

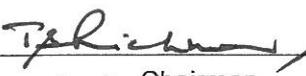
CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH 2013

		2013	2012
		£	£
<b>FIXED ASSETS</b>			
Motor vehicles	5	8,176,565	8,059,191
<b>CURRENT ASSETS</b>			
Bank	6	37,898,503	26,183,415
Petty Cash		7,735	9,740
Sundry Debtors	7	768,730	744,810
Prepayments & Accrued Income	7	<u>1,485,383</u>	<u>1,305,064</u>
		40,160,351	28,243,029
<b>CURRENT LIABILITIES</b>			
Sundry Creditors	8	1,173,640	1,596,377
Accruals/Deferred income	8	4,790,007	4,366,819
Advance Receipts	8	<u>30,932,341</u>	<u>20,322,597</u>
		36,895,988	26,285,793
<b>TOTAL ASSETS LESS TOTAL LIABILITIES</b>		<u><u>11,440,928</u></u>	<u><u>10,016,427</u></u>
<b>FINANCED BY</b>			
General Reserves	10	<u><u>11,440,928</u></u>	<u><u>10,016,427</u></u>

The financial statements were approved by the CRFCA Board on 30 Jul 2013

and signed on its behalf by:

  
 \_\_\_\_\_  
 - - Chairman

  
 \_\_\_\_\_  
 Chief Executive

# RESERVE FORCES' AND CADETS' ASSOCIATION

## NOTES TO THE CONSOLIDATED ACCOUNTS

### FOR THE YEAR ENDED 31 MARCH 2013

#### **1 Accounting policies**

##### **1.1 Accounting convention**

The financial statements have been prepared in accordance with the Financial Memorandum and instructions from the Council of RFCAs. The following accounting policies set out the framework within which the RFCA conducts financial reporting and have been applied consistently in dealing with items considered material to the financial statements.

The financial statements are prepared on an accruals basis under the historical cost convention.

##### **1.2 Basis of preparation**

These financial statements comprise a consolidation of Stakeholder Accounts (list detailed at 2.1).

##### **1.3 Vehicle Fixed Assets**

Vehicles are accounted for at cost less accumulated depreciation, modified to include an indexation revaluation by applying Modified Historical Cost Accounting (MHCA). Depreciation is provided on a straight line basis over the estimated useful economic lives of the assets. Depreciation rates vary between the different associations depending on the estimated useful economic lives of the assets but typically fall within the range 10% to 25%.

##### **1.4 Net operating costs**

Costs and expenses, including capital expenditure are charged to the Income and Expenditure Account in the period in which they are incurred and matched to any related recoveries. Recoveries are determined generally by reference to the cost of goods supplied and services rendered during the period, including attributable overhead costs.

##### **1.5 Investments**

Investments may either be equity investments, held in the name of an RFCA, or medium or long term loans made with the intention of providing working capital or commercial support. Investments classified as fixed asset investments are stated at cost. However, for the year under review investments consisted of bank deposits.

##### **1.6 Provision for liabilities**

Environmental Liabilities. Measurement of liabilities is based on current legal requirements and related extant technical knowledge. The provision for liabilities is regularly reviewed and adjusted, as appropriate, for changes in law or technical knowledge.

Restructuring Provisions. These provisions are only to be recognised when the entity has a detailed plan for, and is inextricably committed to reorganisation.

Provisions only include expenditure which is both necessarily entailed by a reorganisation and not associated with ongoing or new activities. Examples include redundancy and relocation costs.

# RESERVE FORCES' AND CADETS' ASSOCIATION

## NOTES TO THE CONSOLIDATED ACCOUNTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2013

#### 1.7 Operating Leases

Operating leases are charged to the income and expenditure account on a straight line basis over the period of the lease.

#### 1.8 Reserves

Reserves comprise a general reserve.

## 2 Income

2.1 Funding via Council of RFCAs	2013	2012
	£	£
CLF – Grant in Aid (CRFCA Payment)	68,601,172	63,256,704
CLF – Grants to RF and Cadets (RDEL)	80,961	15,201
CLF – Vehicles	2,077,000	2,060,187
Defence Infrastructure Organisation – Maintenance	21,349,031	24,881,266
Defence Infrastructure Organisation Projects RDEL and CDEL	9,256,602	6,618,566
RF&C (SaBRE)	1,951,294	1,859,470
Funding Sundry	271,317	207,000
HQNC	235,533	228,698
RAF RDEL	342,224	301,484
RAuxAF	150,882	105,132
ATC (Input)	2,795,088	2,546,408
ATC CDEL	7,257	5,173
DInfra - RDEL	3,100,423	2,149,023
DInfra - CDEL	1,066,457	598,735
	<u>111,285,240</u>	<u>104,833,047</u>

RESERVE FORCES' AND CADETS' ASSOCIATION  
NOTES TO THE CONSOLIDATED ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2013

	2013	2012
	£	£
<b>2.2 Funding received direct from funders</b>	44,985	150,229

	2013	2012
	£	£
Sale of land and buildings	1,217,525	218,920
Sale of Vehicles & Other Equip	510	-
Gains on sale of vehicles	253,511	161,800
SaBRE Events	9,640	-
Rent Receipts - Land	719,112	675,270
Rent Receipts - Buildings	1,940,178	1,891,125
Bank Interest	58,373	49,104
Receipts – recruiting	-	-
Receipts – Misc (inclusive of NDR relief/rebates)	3,488,454	5,652,830
	<b>7,687,303</b>	<b>8,649,049</b>

**3 Staff numbers and costs**

3.1 The average number of persons employed during the year was as follows:

	2013	2012
Civilian	836	826

3.2 The aggregate payroll costs of these persons were as follows:

	2013	2012
	£	£
Salaries – Civilian	21,755,648	21,243,562
Social Security Costs	1,615,044	1,583,933
Other Pension Costs	2,454,757	2,427,636
Redundancy Payment	-	122,689
	<b>25,825,449</b>	<b>25,377,820</b>

# RESERVE FORCES' AND CADETS' ASSOCIATION

## NOTES TO THE CONSOLIDATED ACCOUNTS

### FOR THE YEAR ENDED 31 MARCH 2013

3.3 Salaries include, where appropriate, reserved rights to London Weighting or London Allowances, Recruitment and Retention Allowances and Private Office Allowances. Bonuses paid in respect of the year are also included.

#### 4 Pensions

Present and past employees are mainly covered by the Council of RFCA Pension Scheme which receives contributions from employers and employees. For 2012/13 the employer contributions were 13% of pensionable payroll (2011/12: 13%) and employee contributions were 5% of pensionable salary (2011/12: 5%).

#### 5 Motor vehicles

2013

£

##### Cost

At 1 April	13,795,234
MHCA	180,403
Additions	2,825,301
Disposals	(3,079,826)
	<hr/>
	<b>13,721,112</b>

##### Depreciation

At 1 April	5,736,043
MHCA	75,013
Charge for the year	2,119,153
On disposals	(2,385,662)
	<hr/>
	<b>5,544,547</b>

**At 31 March 2013**

**8,176,565**

At 31 March 2012

8,059,191

# RESERVE FORCES' AND CADETS' ASSOCIATION

## NOTES TO THE CONSOLIDATED ACCOUNTS

### FOR THE YEAR ENDED 31 MARCH 2013

6	Cash at bank	2013	2012
		£	£
	Net current account	33,432,881	22,496,921
	Deposit Account	4,383,143	3,587,003
	Imprest account	82,479	99,491
		<u>37,898,503</u>	<u>26,183,415</u>

7	Debtors	2013	2012
		£	£
	Sundry debtors (note 7.1)	768,730	744,810
	Prepayments and accrued income (note 7.2)	1,485,383	1,305,064
		<u>2,266,022</u>	<u>2,049,874</u>

There are no debtors falling due after more than one year.

7.1	Other debtors	2013	2012
		£	£
	Due from MoD	53,244	25,540
	Sundry debtors	154,637	277,966
	Employees pension and AVC contributions	311,900	229,688
	Sub letting rent receivable	248,949	211,616
		<u>768,730</u>	<u>744,810</u>

RESERVE FORCES' AND CADETS' ASSOCIATION

NOTES TO THE CONSOLIDATED ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2013

7.2	Prepayments and accrued income	2013	2012
		£	£
	IT	35,887	3,000
	Pension contributions	915,289	881,745
	Rent	343,107	279,181
	Other prepayments	191,100	141,138
		<u>1,485,383</u>	<u>1,305,064</u>

8	Creditors (due within one year)	2013	2012
		£	£
	Sundry creditors (note 8.1)	1,173,640	1,596,377
	Accruals and deferred income (note 8.2)	4,790,007	4,366,819
	Advance receipts (note 8.3)	30,932,341	20,322,597
		<u>36,907,897</u>	<u>26,285,793</u>

8.1	Sundry creditors	2013	2012
		£	£
	CIS Tax	44,194	56,381
	Due to MoD	25,965	39,782
	Lettings due	361,049	167,572
	HMRC	219,416	163,784
	Sundry creditors	523,016	1,168,858
		<u>1,173,640</u>	<u>1,596,377</u>

# RESERVE FORCES' AND CADETS' ASSOCIATION

## NOTES TO THE CONSOLIDATED ACCOUNTS

### FOR THE YEAR ENDED 31 MARCH 2013

<b>8.2 Accruals and deferred income</b>	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Utilities	1,973,858	2,130,105
Estate Management	1,100,377	1,007,074
Legal and professional	112,023	62,979
Other accruals	1,603,749	1,166,661
	<u>4,790,007</u>	<u>4,366,819</u>

<b>8.3 Advance receipts</b>	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
AP01 Funding Received in advance	15,794,261	15,963,621
In-year project balances authorised to carry forward	14,775,996	4,124,901
RGI/Other deferred income	362,084	234,075
	<u>30,932,341</u>	<u>20,322,597</u>

**RESERVE FORCES' AND CADETS' ASSOCIATION**  
**NOTES TO THE CONSOLIDATED ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2013**

**9 Commitments under operating leases**

Total future minimum lease payments under non-cancellable operating leases are as follows:

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
<b>Land and buildings</b>		
Within one year	1,817,182	1,934,809
Between 2 and 5 years	5,629,579	5,654,110
Over 5 years	19,665,328	18,963,140
	<hr/>	<hr/>
<b>Other</b>	<b>£</b>	<b>£</b>
Within one year	68,271	85,716
Between 2 and 5 years	47,307	53,453
Over 5 years	-	-
	<hr/>	<hr/>

**10.1 General reserve**

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Balance at 1 April 2012	10,016,427	10,051,827
MHCA adjustment	105,390	183,728
Excess income/(expenditure) for the year	1,319,111	(219,128)
Balance at 31 March 2013	<hr/> <b>11,440,928</b> <hr/>	<hr/> <b>10,016,427</b> <hr/>

# RESERVE FORCES' AND CADETS' ASSOCIATION

## NOTES TO THE CONSOLIDATED ACCOUNTS

### FOR THE YEAR ENDED 31 MARCH 2013

#### 10.2 Reserve Memorandum

	Reserves carried forward	Current year's grant	Maximum Permitted Balance (2% of grant)
	£	£	£
CLF RFCA Grant in Aid	1,318,310	68,601,172	1,372,023
ATC (Input)	-		
ATC CDEL	-		
RF&C (SaBRE)	5,361		
Funding Sundry	5,304		
RAuxAF	27,267		
HQNC	3,780		
DIO Maintenance	-		
DIO Projects CDEL	-		
DIO Projects RDEL	-		
DInfra CDEL	-		
DInfra RDEL	-		
CLF Vehicles	15,400		
RAF	2,860		
RGI	1,886,081		
Capital reserve	8,176,565		
<b>Total Reserves Balance</b>	<b>11,440,928</b>		

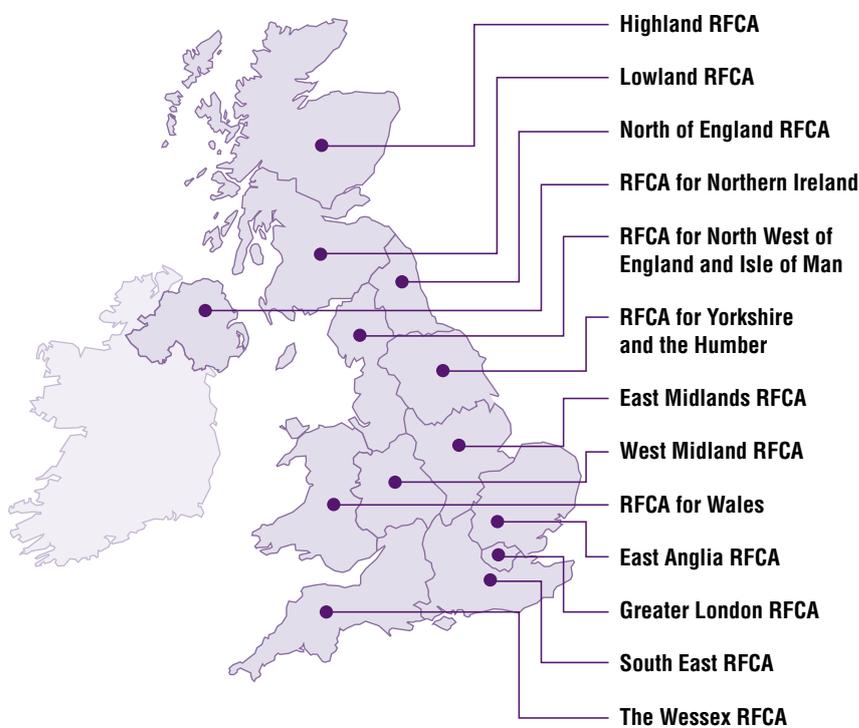
In both the current and preceding year, the reserves for CLF RFCA Grant in Aid are within the maximum permitted balance of 2%. All other funding sources are not currently subject to this limit on reserves. The RGI reserve relates specifically to RFCA Board approved projects that lapse financial years.

**RESERVE FORCES' AND CADETS' ASSOCIATION**  
**NOTES TO THE CONSOLIDATED ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2013**

**11 Misappropriation of funds**

During financial year 10/11 fraud was committed by an employee at Hereford and Worcester ACF and West Midland RFCA funds estimated at a maximum of £15,000 were misappropriated. These funds were included in the 10/11 ACF Consolidated and Travel Grants line of £353,640.45. The employee has agreed to reimburse WMRFCA from monies due to him on dismissal and funds are held by solicitors to be released on the conclusion of due legal process. The matter remains pending at the year end, to be resolved in the next few months.

## RFCA Governance



### 1. HIGHLAND ASSOCIATION (HIGHLAND RFCA)

*President:* Rear Admiral M Gregory OBE  
*Chairman:* Colonel A I Taverner MA MC IPR  
*Chief Executive:* Col A K M Miller CBE  
*Deputy Chief Executive:* S Rawlings

The Lieutenancies of Aberdeenshire, Argyll and Bute (less the Island of Bute), Angus, Banffshire, Caithness, City of Aberdeen, City of Dundee, Clackmannanshire, Dunbartonshire, Fife, Inverness-shire, Kincardineshire, Larnarkshire (northern part less the former Monklands and Motherwell Districts), Moray, Nairnshire, Orkney Islands, Perth & Kinross, Ross & Cromarty, Shetlands Islands, Stirling and Falkirk, Sutherland, and The Western Isles.

**Association address:** Seathwood,  
365 Perth Road, Dundee DD2 1LX.  
**Tel:** 01382 668283 **Fax:** 01382 566442  
**E-mail:** hi-offadmin@rfca.mod.uk  
**Web:** www.hrfca.co.uk

### 2. LOWLAND ASSOCIATION (LOWLAND RFCA)

*President:* Captain Sir David Younger KCVO  
*Chairman:* Colonel A C C Lapsley QVRM TD DL  
*Chief Executive:* Colonel R D Gibson MBE  
*Deputy Chief Executive:* Colonel T C Mathew

**Councils forming the Association:** The Scottish Borders, Dumfries and Galloway, East Lothian, City of Edinburgh, Midlothian, West Lothian, South Lanarkshire, that part of North Lanarkshire that formerly comprised Monklands and Motherwell Districts, East Ayrshire, North Ayrshire, South Ayrshire, Inverclyde, Renfrewshire, East Renfrewshire, City of Glasgow and that part of Argyll and Bute Council comprising the Island of Bute.

**Association address:** Lowland House,  
60 Avenuepark Street, Glasgow G20 8LW.  
**Tel:** 0141 945 4951 **DFTS:** 94535 2014  
**Fax:** 0141 945 4869  
**E-mail:** lo-offman@rfca.mod.uk  
**Web:** www.lowlandrfca.org.uk

### 3. NORTH OF ENGLAND ASSOCIATION (NORTH OF ENGLAND RFCA)

*President:* N Sherlock Esq OBE KStJ JP  
*Chairman:* Lieutenant General R V Brims  
CB CBE DSO DL  
*Chief Executive:* Colonel J R M Hackett CBE  
*Deputy Chief Executive:* Lieutenant Colonel  
D R Summers

**Counties forming the Association:** The counties of Durham and Northumberland. The metropolitan districts of Gateshead, Newcastle upon Tyne, North Tyneside, South Tyneside and Sunderland. The Unitary Authorities of Darlington, Hartlepool, Middlesbrough, Redcar and Cleveland and Stockton-on-Tees.

**Association address:** 53 Old Elvet,  
Durham DH1 3JJ.  
**Tel:** 0191 384 7202 **DFTS:** 94721 6250  
**Fax:** 0191 384 0918  
**E-mail:** ne-genadmin@ne.rfca.mod.uk  
**Web:** www.reserveforces-ne.org

#### **4. YORKSHIRE AND THE HUMBER ASSOCIATION (Y&H RFCA)**

*President:* Doctor I M Roscoe FSA Hon. DCL LLD  
HM Lord-Lieutenant

*Chairman:* Captain I M Robinson OBE RD RNR

*Chief Executive:* Colonel C E M Snagge

*Deputy Chief Executive:* Lieutenant Colonel  
J D Bleasdale

**Counties forming the Association:** The county of North Yorkshire. The metropolitan districts of Barnsley, Bradford, Calderdale, Doncaster, Kirklees, Leeds, Rotherham, Sheffield and Wakefield. The Unitary Authorities of the East Riding of Yorkshire, Kingston upon Hull, North East Lincolnshire, North Lincolnshire and York.

**Association address:** 20 St George's Place,  
York YO24 1DS.

**Tel:** 01904 623081 **DFTS:** 94777 2568

**Fax:** 01904 622245

**E-mail:** admin@yh.rfca.mod.uk

**Web:** www.rfca-yorkshire.org.uk

#### **5. NORTH WEST OF ENGLAND AND ISLE OF MAN ASSOCIATION (NW RFCA)**

*President:* Colonel The Right Honourable the Lord Shuttleworth KCVO

*Chairman:* Lieutenant Colonel C T Hillock RD\* DL

*Chief Executive:* Colonel G J O Wells-Cole OBE DL

*Deputy Chief Executive:* Lieutenant Colonel I J Sawers

**Counties forming the Association:** The counties of Cheshire, Cumbria and Lancashire. The metropolitan districts of Bolton, Bury, Knowsley, Liverpool, Manchester, Oldham, Rochdale, St. Helens, Salford, Sefton, Stockport, Tameside, Trafford, Wigan and Wirral. The Unitary Authorities of Blackburn with Darwen, Blackpool, Halton and Warrington and the Isle of Man

**Association address:** Alexandra Court,  
28 Alexandra Drive, Liverpool L17 8YE.

**Tel:** 0151 727 4552 **DFTS:** 94552 8164

**Fax:** 0151 727 8133 **DFTS Fax:** 94552 8133

**E-mail:** nw-admin@nw.rfca.mod.uk

**Web:** www.nwrfca.org.uk

#### **6. WALES ASSOCIATION (RFCA FOR WALES)**

*President:* The Hon Mrs S Legge-Bourke LVO  
HM Lord-Lieutenant

*Chairman:* Lieutenant Colonel D G Clarke OBE TD DL

*Chief Executive:* Colonel N R Beard TD

*Deputy Chief Executive:* Colonel P J Hubbard OBE

**DL Counties forming the Association:** The counties of Wales.

**Association address:** Centre Block, Maindy Barracks,  
Cardiff CF14 3YE.

**Tel:** 02920 220251 **DFTS:** 94355 8205

**Fax:** 02920 224828 **DFTS Fax:** 94355 8313

**E-mail:** wa-offyandc@rfca.mod.uk

**Web:** www.rfca-wales.org.uk

#### **7. WEST MIDLAND ASSOCIATION (WM RFCA)**

*President:* Colonel A E H Heber-Percy

HM Lord-Lieutenant

*Chairman:* Colonel S J Cartwright MBE TD

*Chief Executive:* Colonel T F L Weeks OBE

*Deputy Chief Executive:* Major M Young

**Counties forming the Association:** The counties of Shropshire, Staffordshire, Warwickshire and Worcestershire. The metropolitan districts of Birmingham, Coventry, Dudley, Sandwell, Solihull, Walsall and Wolverhampton. The Unitary Authorities of Herefordshire, Stoke-On-Trent and Telford and Wrekin.

**Association address:** Tennial Grange, Tennial Road,  
Harborne, Birmingham B32 2HX.

**Tel:** 0121 427 5221

**Fax:** 0121 427 8380

**E-mail:** wm-info@rfca.mod.uk

**Web:** www.wmrfca.org

#### **8. EAST MIDLANDS ASSOCIATION (EM RFCA)**

*President:* Lady Juliet Townsend LVO

HM Lord-Lieutenant

*Chairman:* Colonel R M L Colville TD DL

*Chief Executive:* Group Captain N D Sharpe

*Deputy Chief Executive:* Lieutenant Colonel  
P S P Worsley

**Counties forming the Association:** The counties of Derbyshire, Leicestershire, Lincolnshire, Northamptonshire and Nottinghamshire. The Unitary Authorities of Derby, Leicester, Nottingham and Rutland.

**Association address:** TA Centre, Triumph Road,  
Lenton, Nottingham NG7 2GG.

**Tel:** 0115 924 8610 **DFTS:** 94451 5610

**Fax:** 0115 924 8629

**E-mail:** em-enquiries@em.rfca.mod.uk

**Web:** www.reserve-forces-eastmidlands.org

## 9. WESSEX ASSOCIATION (WESSEX RFCA)

*President:* Captain E Dancer CBE JP RNR  
*Chairman:* Colonel O J H Chamberlain QVRM TD FRICS  
*Chief Executive:* Brigadier T Dalby-Welsh  
*Deputy Chief Executive:* Lieutenant Colonel P G Adams AFC

**Counties forming the Association:** The City and County of Bristol and the counties of Cornwall, Devon, Dorset, Gloucestershire, Somerset, Wiltshire and The Channel Islands. The Unitary Authorities of Bath and North East Somerset, Bournemouth, North Somerset, Plymouth, Poole, South Gloucestershire, Swindon and Torbay.

**Association address:** Mount House, Mount Street, Taunton, Somerset TA1 3QE.  
**Tel:** 01823 254571 **Fax:** 01823 259935  
**E-mail:** [hq@wessex-rfca.mod.uk](mailto:hq@wessex-rfca.mod.uk)  
**Web:** [www.wessexrfca.co.uk](http://www.wessexrfca.co.uk)

## 10. EAST ANGLIA ASSOCIATION (EA RFCA)

*President:* H Duberly Esq CBE HM Lord-Lieutenant  
*Chairman:* Colonel H N D Gill TD JP  
*Chief Executive:* Colonel J D Lacey CBE DL  
*Deputy Chief Executive:* Lieutenant Colonel J A Allan TD

**Counties forming the Association:** The counties of Bedfordshire, Cambridgeshire, Essex, Hertfordshire, Norfolk and Suffolk. The Unitary Authorities of Luton, Peterborough, Southend-on-Sea and Thurrock.

**Association address:** Springfield Tyrells, 250 Springfield Road, Chelmsford, Essex CM2 6BU.  
**Tel:** 01245 244800/801 **DFTS:** 94660 4800/4801.  
**Fax:** 01245 492398 **DFTS Fax:** 94660 4823  
**E-mail:** [ea-hq@ea.rfca.mod.uk](mailto:ea-hq@ea.rfca.mod.uk)  
**Web:** [www.reserve-forces-anglia.org](http://www.reserve-forces-anglia.org)

## 11. GREATER LONDON ASSOCIATION (GL RFCA)

*President:* Sir David Brewer CMG JP  
HM Lord-Lieutenant  
*Chairman:* Colonel E G Cameron TD DL  
*Chief Executive:* Colonel H M Purcell OBE DL  
*Head of Youth, Cadets and Community Engagement:*  
Lieutenant Colonel R B Paddison MBE DL  
*City Secretary and Director of Commercial Lettings:*  
Lieutenant Colonel P L d'A Willis

**Area forming the Association:** Greater London.

**Association address:** Fulham House, 87 Fulham High Street, London SW6 3JS.

**Tel:** 020 7384 4640 **DFTS:** 94624 4640  
**Fax:** 020 7384 4660 **DFTS Fax:** 94624 4660  
**E-mail:** [gl-reception@gl.rfca.mod.uk](mailto:gl-reception@gl.rfca.mod.uk)  
**Web:** [www.reserve-forces-london.org.uk](http://www.reserve-forces-london.org.uk)

## 12. SOUTH EAST ASSOCIATION (SE RFCA)

*President:* Major General M S White CB CBE JP  
*Chairman:* Colonel W M J Partridge TD DL  
*Chief Executive:* Colonel S J Oxlade MBE  
*Deputy Chief Executive West/COS:*  
Lieutenant Colonel C C S Booth  
*Deputy Chief Executive East:*  
Lieutenant Colonel P G B Ellis QGM\*

**Counties forming the Association:** The Royal County of Berkshire and the Counties of Buckinghamshire, East Sussex, Hampshire, Isle of Wight, Kent, Oxfordshire, Surrey and West Sussex. The Unitary Authorities of Bracknell Forest, Brighton and Hove, the Medway Towns, Milton Keynes, Portsmouth, Reading, Slough, Southampton, West Berkshire, Windsor and Maidenhead and Wokingham.

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**Web:** [www.serfca.org](http://www.serfca.org)

## 13. NORTHERN IRELAND ASSOCIATION (NI RFCA)

*President:* Colonel D A J Keegan OBE  
HM Lord-Lieutenant  
*Chairman:* Colonel N J P Walker OBE TD DL  
*Chief Executive:* Colonel J W Rollins MBE  
*Deputy Chief Executive:* Major R C W Chisholm

**Counties forming the Association:** The six counties of Ulster.

**Association address:** 25 Windsor Park, Belfast BT9 6FR.  
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**Web:** [www.reservesandcadetsni.org.uk](http://www.reservesandcadetsni.org.uk)

## Glossary

<b>ACDS(R&amp;C)</b>	Assistant Chief of Defence Staff (Reserve & Cadets)	<b>IFRS</b>	International Financial Reporting Standards
<b>ACF</b>	Army Cadet Force	<b>ISLA</b>	Injured Serviceman Living Accommodation
<b>AMR</b>	Automatic Meter Readers	<b>JPA</b>	Joint Personnel Administration
<b>AO</b>	Accounting Officer	<b>MAFiS</b>	Managing Armed Forces in Society
<b>ATC</b>	Air Training Corps	<b>MOD</b>	Ministry of Defence
<b>BTEC</b>	Business and Technician Education Council	<b>NAO</b>	National Audit Office
<b>CCF</b>	Combined Cadet Force	<b>OAR</b>	One Army Recruiting
<b>CE</b>	Chief Executive	<b>P&amp;P</b>	Pay and Personnel
<b>CESO</b>	Chief Environment and Safety Officer	<b>PAC</b>	Public Accounts Committee
<b>CRG</b>	Commander Recruiting Group	<b>RAuxAF</b>	Royal Auxiliary Air Force
<b>CRR</b>	Regional Recruiting Commander	<b>RDA</b>	Regional Development Agencies
<b>CS Res LF</b>	Command Secretary Resources Land Forces	<b>RF&amp;C</b>	Reserve Forces and Cadets
<b>CVQO</b>	Cadet Vocational Qualification Organisation	<b>RGI</b>	Regionally Generated Income
<b>DCSF</b>	Department of Children, Schools and Families	<b>RMR</b>	Royal Marines Reserve
<b>DE</b>	Defence Estates	<b>RNR</b>	Royal Naval Reserve
<b>DII(F)</b>	Defence Information Infrastructure (Future)	<b>RSCD</b>	Regional SaBRE Campaign Director
<b>DIO</b>	Defence Infrastructure Organisation	<b>SaBRE</b>	Supporting Britain's Reservists and Employers
<b>DRT(Ops)</b>	Director Recruiting and Training (Ops)	<b>SDSR</b>	Strategic Defence and Security Review
<b>EMS</b>	Environmental Management System	<b>SLA</b>	Service Level Agreement
<b>ES</b>	Employer Support	<b>TA</b>	Territorial Army
<b>FLC</b>	Front Line Command	<b>TAPO</b>	TA Potential Officer
<b>FReM</b>	Financial Reporting Manual	<b>UOTC</b>	University Officer Training Corps
<b>FY</b>	Financial Year	<b>VE</b>	Volunteer Estate
		<b>VEMT</b>	Volunteer Estate Modernisation Team
		<b>VRF</b>	Volunteer Reserve Forces





## The Council of RFCAs

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