

Annual Report



2021/22

CHAIR'S REPORT

INTRODUCTION

Throughout the year our activity has in some way been shaped by Covid-19, but as restrictions ease and reservists and cadets return to training, our work is starting to resemble normality.

The burden on our staff throughout the last two years has been significant, and through the Chief Executive's leadership and the flexibility and hard work of our team, the Association has weathered the pandemic and is well placed to continue to deliver across the Highlands of Scotland.

Focus on centralising of the Associations to a single non departmental public body (NDPB), a recommendation from the Cabinet Office Tailored Review of the RFCAs – the Sullivan Report – continues, although the Ministry of Defence (MOD) has so far been unable to secure a slot in a Parliamentary session to pass the needed legislation. During our discussions with MOD, we strive to shape the debate by promoting the values of volunteer service and the benefits of an engaged membership, whilst emphasising our track record of safe, effective and efficient delivery; our aim is to secure much of this in future legislation.

Work continues through the Council Board on modernising the



HRFCA Chair Nick Dorman.

Associations as we drive toward continuous improvement. Of particular note is our work on diversity through the Engagement and Outreach committee under Gilly Moncur's excellent leadership, which is making demonstrable progress and being held up across the Nation as the exemplar of best practice.

A continual thread in past reports has been the decline in our estate through underfunding, however with some very focussed use of Regionally Generated Income, having projects ready when central underspend funds become available to bid on, and a highly detailed understanding of HRFCA's infrastructure, the Estates team has done exceptional work in raising the material condition of our properties ensuring they are fit for purpose. Fraser Kennedy and his Estates team have done much with limited resources and, through their efforts, the Board is confident that we are achieving and maintaining acceptable standards across the majority of our estate. We still have work to do with some major projects, particularly so in the much delayed Bruce House rebuild.

It was a delight to meet face to face in March, some 1085 days since our last face to face Annual Association meeting, and it was worth the wait with the spirit and engagement of the Membership being so clearly evident.

HIGHER LEVEL CONTEXT

Following on from the release of the UK Government Integrated Review and Defence Command Paper in March 2021, the single services announced more detail of their own modernisation plans in late November.

In relation to the reserves the Royal Navy proposals at the time saw little change in either location or role, though those are emerging now. The RAF intend to grow their reserve force to 5,000 by 2030 but as yet there are no details of the how and where or in which roles. The Army announced the most significant transformation to regular and reserve forces for 20 years. In Scotland this will see HQ 51 Infantry Brigade lose responsibility for all its regular and reserve forces. As a regional point of contact (RPOC) they will lead on Firm Base and local resilience tasks, having units assigned to them as required, and they will remain responsible for cadet matters.

While many army reserve units will change both role and who they work for, and some will have smaller strengths than at present, the only merger in Scotland will be between 205 Field Hospital and 225 Medical Regiment who will become 215 Multi Roled Medical Regiment. Basing decisions for this new regiment are awaited, particularly in relation to Stirling and Glenrothes. Another significant change is the creation of 19 (Light) Brigade. With its headquarters in Catterick, it will command and force generate army reserve infantry and light cavalry units including 6 and 7 SCOTS and SNIY.

Where reserve units will eventually be based will be determined by the RFCA Estate Optimisation Programme (REOP). There is a strong push by MOD to reduce the number of reserve centres, particularly the smaller ones, and a desire to create super centres in high population areas. There is a similar push to reduce the number of cadet facilities, particularly where different service cadet detachments are in close proximity to

each other and could form a Joint Cadet Centre. Tranche 1 – Quick Wins – will see the disposal of eight vacant cadet sites in our area and costing of options to create JCCs in Alness, Nairn and Dingwall. At present there is not an agreed understanding of what a JCC should consist of. Tranche 2 is looking at smaller reserve centre locations, all Army in our case, to consider where mergers with the remainder of the sub unit are feasible. RFCAs are involved in each stage of the process, though final decisions will be for ministers to take, advised by the service chains of command.

The Reserve Forces 2030 report produced by Lord Lancaster was issued in May 2021 making recommendations in the broad areas of: redefining the reserves relationship with society; expanding the role of the reserves; unlocking the potential of reserves; and transforming support for the reserves. As yet there has been no indication of how the MOD intends taking the recommendations forward.

Due to parliamentary business pressure the timeline for enacting primary legislation to create a single non departmental body to replace the thirteen autonomous RFCAs and our co-ordinating authority in London has been delayed until the fourth session of this parliament. In the meantime the MOD has funded a new commercial department, a finance director and a Head of HR so as to strengthen the central governance functions recommended in the Sullivan report and in order to support delivery by the regional teams.

Covid-19 has continued to overshadow all of the RFCA output areas for most of the financial year. In year savings were largely met with little impact by underspends in activity areas that were affected by Covid. In line with Scottish Government rules, office based staff returned to work in the Autumn before returning to home working in December until March. Office based staff are now working to CRFCA hybrid working policies and all staff are in office for 60% of the working week with many of the cadet delivery teams working from office full time.

CADETS AND YOUTH

The Covid pandemic continued to have an impact on both cadet and adult numbers, as shown in Figures 1 and 2.

Although cadet numbers initially held up relatively well as a result of innovative training developed by all the cadet organisations, there was a noticeable dip towards the end of academic year 2020-2021. This was due in large part to cadets ageing out combined with a corresponding difficulty in recruiting new cadets during lockdown.

By contrast adult volunteer numbers held up well, although there was a dip attributable to the toll of work and family pressures, combined with individuals re-evaluating their personal priorities.

In both cases there has been an encouraging recovery as recruiting resumed with full vigour and restrictions eased towards the end of the year. Adult numbers have stabilised and cadet numbers are on the way to recovery.

Army Cadet Force annual camps were constrained by Covid-19 restrictions and the availability of training estate to holding local non-residential camps. Some limited overnight camping in single person tents did take place. There was understandable nervousness about the potential of being responsible for a 'super-spreader' event. However, those who attended enjoyed themselves and it is noteworthy that attendance generally increased during the week as the word got out amongst cadets on social media. GOC Regional Command visited both the Angus & Dundee and 2 Highlanders annual camps. Even though camps were limited in scope, their dispersed nature meant that the support demands on HRFCA Professional Support Staff were challenging. But, as always, they rose to the challenge to provide a first class service.

The Air Training Corps benefited from organising camps later in the year when restrictions had eased further. Scottish cadets were able to attend a multi-activity camp at Barry Buddon and an adventurous training camp in the Lake District in October 2021. The Sea Cadets held a successful sailing regatta at Port Edgar during the summer.

The lack of cadet residential collective training also had a negative effect on cadet musicians, pipers and drummers. They were subject to the outflow of experienced musicians, without a compensating inflow at the bottom, nor the ability to develop the intermediate cohorts. A small number of more limited events were possible, notably by the Regimental Band and Pipes and Drums of The Black Watch ACF at the HRFCA Silver Employer Recognition Scheme awards. Large scale public performances such as combined Beating Retreats will need to wait until both bands have finished reconstituting and have practiced and trained together, which was not possible during Covid.

The Army Inspectorate conducted a detailed review of Army Cadet safeguarding during 2021. A total of 52 recommendations



July 2021 – Major General David Eastman MBE, General Officer Commanding Regional Command visited the 2 Highlanders (pictured) and Angus & Dundee ACF annual camps.

were accepted, and are in the process of being implemented by HQ Regional Command. The principal impact of these changes will be the transfer of authority and responsibility for safeguarding decisions from the local chain of command and RFCAs to a centralised safeguarding hub (following a model similar to other MOD cadet organisations). Cadet Executive Officers, employed by HRFCA, will continue to play a key safeguarding role in support of the safeguarding hub. These changes should be fully in place by October 2022. However, the speed of implementation and the changing responsibilities of both Professional Support Staff and Cadet Force Adult Volunteers mean that the changes will take some time to settle.

As part of the Cadet Expansion Programme the Ministry of Defence commissioned the University of Northampton to report on the social impact of Cadet Forces. The final report was delivered in June 2021 and provided compelling evidence that MOD-sponsored cadets were value for money through: improved educational outcomes, most notably amongst the most economically and socially most disadvantaged groups; improved social mobility; and improved health and well-being. These outcomes materially improve the lives of cadets compared to their peers and are a net benefit to UK plc.

Unfortunately, the impact of Covid meant that the field work required to produce an Annex specifically for Scotland was not completed. This omission is being addressed with HRFCA and Lowland RFCA co-funding the original authors to complete this work. The Annex will be delivered in the summer of 2022 and is expected to show a strong correlation between cadet outcomes and the goals of Scottish Government social and educational policies, something that was very well brought out by Professor Denny when he addressed the Annual Association Meeting in March. Professor Denny's presentation is available within the Members' Area of the HRFCA website, www.hrfa.co.uk.

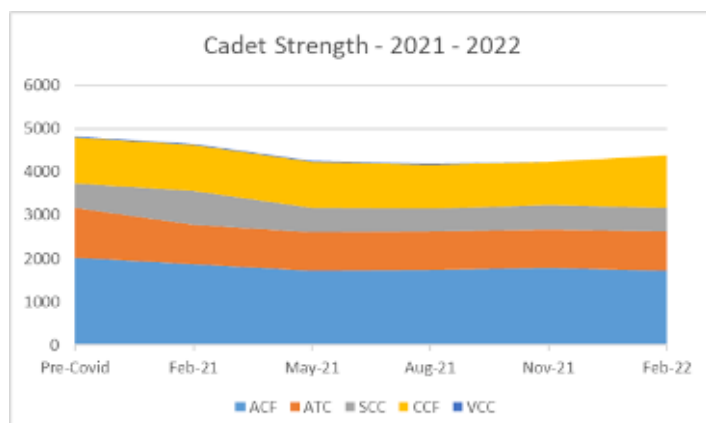


Figure 1 – Cadet strength in HRFCA compared to pre-COVID.

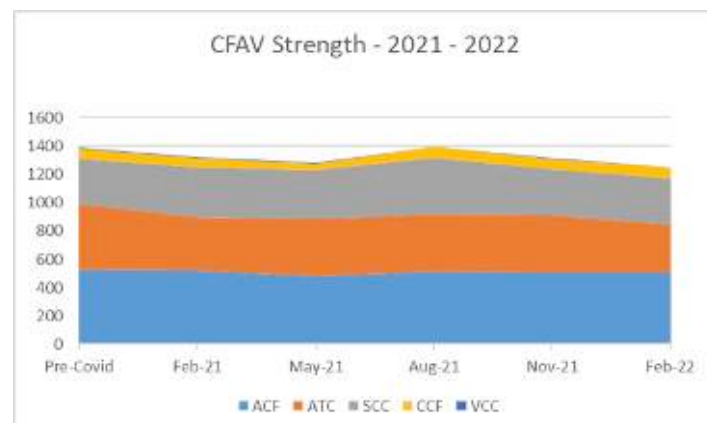


Figure 2 – CFAV strength in HRFCA compared to pre-COVID.

ESTATES



February 2022 – A section of the modular hut at Banff is lowered in.



February 2022 – The final section slots into place at Banff.



August 2021 – New boilers at Stirling ARC.



September 2021 – Energy efficient boilers were installed at Arrochar.



October 2021 – Improvements at Alness.



October 2021 – Pointing works at Gordon Barracks.

Statutory and mandatory inspections and tests, building construction, repairs and improvements have continued throughout the reporting period within Covid compliant parameters.

Brexit, and Covid-driven issues including the availability and price of materials, transportation shortages, illness within the contractor workforce and shortages of skilled workers have combined to create a much more difficult and unpredictable working environment for our estates teams.

Despite this, work has continued at pace to deliver a range of estate results including:

- A new modular build ACF hut at Banff and planning for a final one at Aberdeen Mastrick.
- Cadet hut betterment works or repairs at Lochgilphead, Alness, Forbes, Aboyne and Leven.
- Removal of antiquated boilers at Cumbernauld, Stirling and Arrochar and replacement with energy efficient alternatives.
- Reserve centre improvements at Stirling, Cumbernauld and Dundee Park Wynd.
- Re-pointing of listed buildings in Gordon Barracks, Aberdeen.

- £400,000 of higher risk asbestos removal across the estate.
- Re-scoping and re-tendering of the Dunfermline Army Reserve Centre £7.6M rebuild.
- Planning and tendering for the £1.6M Boddam Cadet Training Centre improvement project.

A pan RFCA review of the Estates workforce identified that our estates officers were operating on a lower pay scale than many of their counterparts in other RFCAs. Two of the three estates officers were immediately upgraded in November and the third will be once more experience has been gained in role. The review also created a new post for each RFCA, the Safe Estates Compliance Manager, so as to better attend to health and safety compliance across the reserve and cadet estate and within our teams.

We have not been able to progress much of the Army armoury upgrade programme (Project BASTION). Ongoing assurance matters between the main contractor and the Health and Safety Executive have not yet been resolved, something that is of concern to all parties involved. We continue to manage alternative arrangements with the single services for those sites affected.

ENGAGEMENT

Covid restrictions continued to impact on engagement activity for the first six months, limiting face to face meetings and curtailing the numbers attending events.

We relied heavily on the Communications team to keep the drum beat going until the two Regional Employer Engagement Directors (REEDs) could get out and about to meet employers. The second half of the year benefited from a steady easing of restrictions and the work diaries quickly filled up to more normal levels.

For the first time HRFCA held its own Silver Employer Recognition Scheme (ERS) award ceremony in October at Scone Palace. General Officer Scotland, Major General Bill Wright, awarded six Silver Certificates with a further 16 Silver Revalidations being presented on the evening or later in the year.

Because of significant growth in the number of gold level awards, the award ceremonies were delivered regionally rather than at a single event in London. Edinburgh Castle was the venue for a joint ceremony between Highland, Lowland and North of England RFCAs and Lieutenant General James Swift, Chief of Defence People, presented the awards. The growth in Armed Forces Covenant (AFC) and ERS award business has resulted in a small uplift in the administrative staff supporting the REEDs. Since 2015 our Employer Engagement Team has doubled in size. Despite that, how to manage the exponential growth in these schemes whilst delivering effective employer support requires careful management.

One of the tasks of our member-led Engagement and Outreach Committee has been to help the executive staff expand interaction with ethnic minority communities. One initiative has been with the Dundee International Women's Centre which led to an event in March 2022 during the Dundee Women's Festival when tri-service female personnel brought a range of military equipment to show to the centre guests and stakeholders. We received very positive feedback and will deliver a tri-service cadet engagement event in the coming financial year.

We continued to engage with all Chambers of Commerce across our area, but in particular with the four founder members of our ChamberFORCE project.

Phase Two of the project successfully attracted corporate sponsorship from Amazon who will match-fund spending on developing the Chamber/Military links through a range of

activities. The combined fund will be £30K over the next three years.

Area committee meetings resumed in the autumn with the Northern and Eastern area meetings face to face in Dingwall and Barry Buddon respectively, whilst the Southern area meeting took place via Zoom. The Annual Association Meeting took place at Queen's Barracks on 26 March. Key note speakers were Major General Jamie Gordon, CE of RFCA, Major General Simon Lalor, Chair of the Council of RFCA External Scrutiny Team, and Professor Simon Denny who joined us remotely to deliver his findings on the study into the social impact and return on investment of the Cadet forces in the UK. The single service heads in Scotland, or their representatives, also gave the Royal Navy, Army and Royal Air Force updates.

In a drive to increase communication with the membership we have created an electronic newsletter to complement the existing *High-Light* magazine. This will be produced 4-6 times annually with *High-Light* produced twice a year. This will both increase the volume of communication with the membership while cutting hard-copy production and postage costs by 50%. The first electronic newsletter was sent out to members in early 2022.

Our website has seen a significant increase in traffic over the period covered in this report. We have had nearly 22,000 users, viewing 41,699 pages. This activity peaked during Armed Forces Week and during the year we published 96 news articles.

Our social media presence and interest continues to grow very positively with a 300% increase since 2021. Statistics for the last year are:

- Total Twitter impressions: 651,100
- Total Facebook reach: 34,136
- Total LinkedIn reach: 41,172
- Total Instagram reach: 6,427

And some particular highlights were:

- ERS Gold 2021 Campaign: 53,328 total reach + 3,603 engagement (all platforms)
- ERS Silver 2021 campaign: 60,731 total reach + 8,708 engagement (all platforms)
- Royal Gun Salute Stirling: 13,316 reach + 1,055 engagement (all platforms)
- Armed Forces Week 2021 campaign: 35,525 reach + 1,892 engagement (all platforms)



March 2022 – The Annual Association meeting was held in Perth.



March 2022 – HRFCA attended the Dundee Women's Festival.



October 2021 – The ERS Gold Awards at Edinburgh Castle.



October 2021 – HRFCA hosted the ERS Silvers at Scone Palace.





FINANCE AND HUMAN RESOURCES

The consolidated account sheet for FY 21/22 is shown on the opposite page.

Income from our stakeholders (MOD for employer support, Defence Infrastructure Organisation (DIO) for estates management, and the three Services for Reserve and Cadet administration and certain estate projects) totalled £8.212M, an increase of £173K on the previous year.

The pie charts show in which areas Grant-in-Aid and regionally generated income (RGI) was expended.

Our regionally generated income amounted to £1.2M with £1.017 of that coming from rate rebate on cadet properties. The Association disbursed £38,000 of welfare grants from RGI, £29,600 to reserve units and £8,900 to cadet units.

Through these grants we continue to really make a real difference

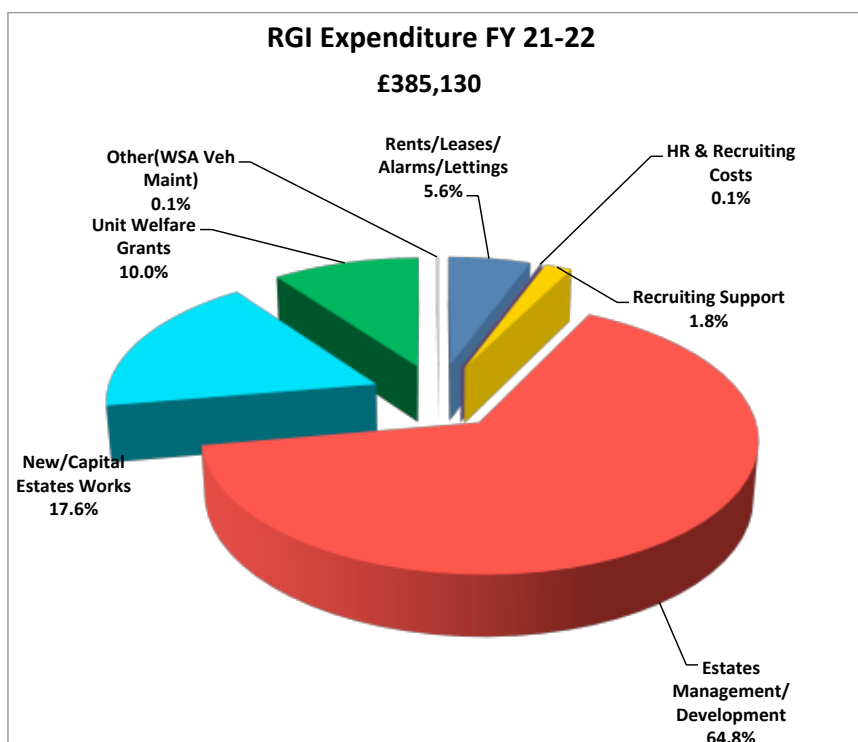
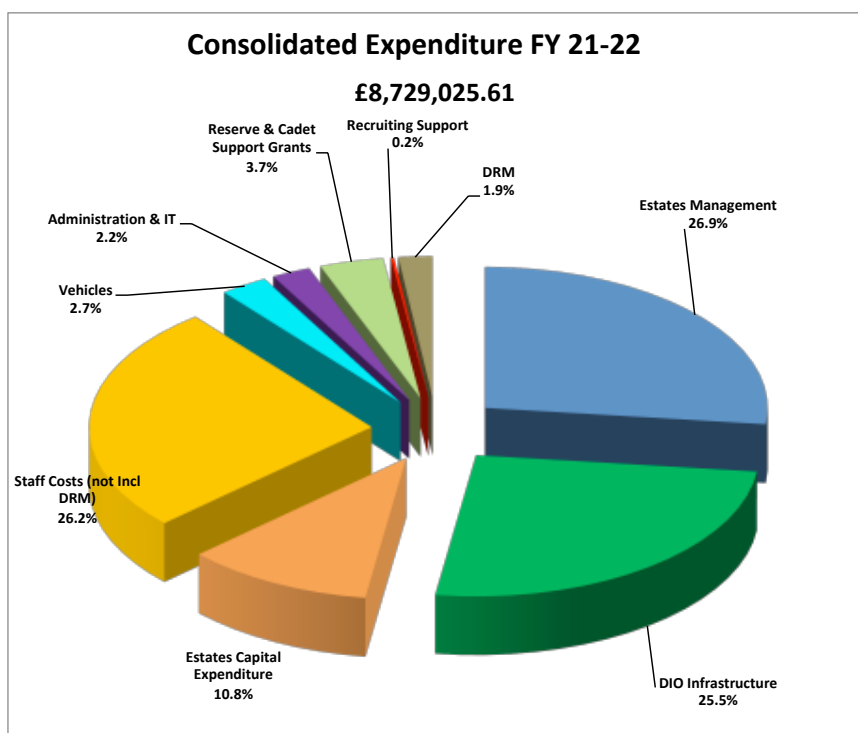
to our cadets and reservists in the Highlands, particularly in areas where funding from parent organisations is not available.

RGI expenditure was slightly higher this FY, mainly due to an increase in rents from cadet properties as Covid restrictions eased.

Army and DIO in year savings measures or underspends due to Covid have necessitated the surrendering of £318,000 and £29,000 respectively. Thanks to reduced activity levels due to the Covid in 2021 these savings have been achieved without impact on day to day outputs.

HM Treasury announced a public sector pay pause for 2021-22 for the majority of the public sector and including Arm's Length Bodies.

Only 35% of staff, those earning less than £24,250, received a very small consolidated award of circa £250.



HIGHLAND RFCA BALANCE SHEET 2021/22

| FIXED ASSETS | £ | £ |
|---------------------|----------|-------------|
| Investments | 0.00 | |
| | | 0.00 |

NON CURRENT ASSETS

| | | |
|-----------------------------------|--------------|-------------------|
| Vehicles (BFN081) | 1,745,443.87 | |
| Accumulated Depreciation (BTD001) | -781,714.93 | |
| | | 963,728.94 |

CURRENT ASSETS

| | | |
|-------------------------|--------------|---------------------|
| Current Account | 5,809,527.57 | |
| Deposit Account | 0.00 | |
| Petty Cash | 245.60 | |
| Sundry Debtors | 44,042.76 | |
| Amounts Paid In Advance | 87,394.92 | |
| Due From MOD | 0.00 | |
| | | 5,941,210.85 |

CURRENT LIABILITIES

| | | |
|----------------------------|--------------|---------------------|
| Sundry Creditors | 6,968.04 | |
| Contras | 0.00 | |
| CIS Tax | 0.00 | |
| Accruals/Deferred Payments | 398,645.41 | |
| Advance Receipts | 1,600,446.52 | |
| Due to MOD | 0.00 | |
| | | 2,006,059.97 |

| | | |
|--|--|---------------------|
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 4,898,879.82 |
|--|--|---------------------|

FINANCED BY

| | | |
|----------------------------------|--------------|---------------------|
| Capital Reserves Brought Forward | 1,050,230.96 | |
| General Reserves Brought Forward | 3,218,203.16 | |
| Excess Income/Expenditure | 630,445.70 | |
| Suspense | 0.00 | |
| | | 4,898,879.82 |



March 2022 – HRFCA's Ray Watt (left) presented Aboyne-based HorseBack UK with the ERS Bronze Award. Richard 'Taff' Teague accepted the award on behalf of the charity.



October 2021 – Employers visited Salisbury Plain during the 7th Battalion The Royal Regiment of Scotland (7SCOTS) Annual Camp, Ex Highland Fury 3.



June 2021 – HRFCA Head of Engagement Michelle McKearnon attended HMS Spey's formal commissioning ceremony in Invergordon. While there, she met Royal Navy reservist Leading Seaman Nicola Triggs (pictured).

CONCLUSION

Rear Admiral Chris Hockley has stepped down as Vice Chair (Navy) and is being replaced by Captain Tom Knowles RNR, a previous Commanding Officer of HMS SCOTIA.



Chris Hockley



Tom Knowles

I would like to thank Chris for his first-rate representation of the Maritime Reserve, wise counsel and meaningful contributions to the Board; Chris remains a member of the RFCA External Scrutiny Team and will continue to engage with us on the EST's work.

At the same time I'd like to say farewell and many thanks to Colonel Iain Cassidy, Vice Chair Cadets, and welcome his replacement Colonel Gordon Rae.

Gilly Moncur hands over the Southern Area Committee after six years to Capt Chris Smith, but Gilly remains with us as Chair of the Engagement and Outreach Committee.

Whilst the Association continues to deliver each day on our mandated tasks, at the strategic level implementation of the NDPB remains the matter of the day. We endeavour to influence the shape of the future organisation and maintain the expertise held across the Highlands in our Membership; simply put, this is needed so as to do that which we excel at in support of the service Cadets and representing our reserves in the traditions of Haldane.

Thank you for your continued support, it is truly appreciated, and finally a particular 'BZ' to the permanent staff of the Highland Reserve Forces' and Cadet's Association for so ably keeping the show on the road.

N R V Dorman

Captain N R V Dorman RD,
Chair HRFCA



Iain Cassidy



Gordon Rae



Chris Smith

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