

PO-CH/NL/0377  
PART A

Page A

**CONFIDENTIAL**

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Begins: 4/11/88.  
Ends: 1/2/89.



PO -CH /NL/0377



PART A

Chancellor's (Lawson) papers:

**PROPOSALS TO ENCOURAGE  
HOME OWNERSHIP AMONGST  
MEMBERS OF THE ARMED  
FORCES**

DD's: 25 Years

*Phillips*

6/12/95.

PO -CH /NL/0377

PO -CH

PART A

CONFIDENTIAL

BF 9/11/14

MP



FROM: Ms K ELLIMAN  
DATE: 4 November 1988

PS/FINANCIAL SECRETARY

cc PS/Chancellor  
PS/Chief Secretary  
PS/Economic Secretary  
Sir Peter Middleton  
Mr Anson  
Dame Anne Mueller  
Mr C W Kelly  
Mr Robson  
Mr Fox  
Ms Seammen  
Mrs Chaplin  
Mr Tyrie  
PS/Inland Revenue

**HOME OWNERSHIP FOR THE FORCES**

I attach for you and copy recipients a self-explanatory note circulated at last Wednesday's Backbench Defence Committee.

2. The Paymaster General would welcome your advice and that of copy recipients.

*Kim Elliman*

**KIM ELLIMAN**  
Private Secretary



## HOME OWNERSHIP FOR THE FORCES

### 1) THE PROBLEM

The soldier is on the horns of a miserable dilemma. If he leaves at the end of his service, without having bought a house, much of his working life is behind him. During that time he has been paying rent, which is totally dead money; his chances of buying a decent home are poor compared with a civilian counterpart who has been steadily mounting the rungs of the property ladder.

On the other hand, if he buys a property and lets it he is exposed to considerable economic risk, as he pays rent one end and a heavy mortgage the other, with no guarantee of getting a tenant. (Contacts in the building societies envisage these risks getting worse because of a number of factors in the rental market).

In practice, servicemen are desperately worried and a growing number are applying for premature voluntary release (50% up since 1983 in the Army - particularly heavy in 28-35 category). In the case of the Army, housing is by far the most important factor.

### 2) BACKGROUND

Quarters in the Army and RAF are graded (e.g. for Army Officers from 1 to 5), according to standard scales, based largely on size. Rent is charged according to scale alone and independent of location. Roughly half the Army and one fifth of the RAF are serving abroad, where quarters and rent are on the same scales as the UK. It is important for reasons of morale that most servicemen and their families should live in these quarters.

### 3) THE AIM

The aim of this scheme is to offer the soldier and airman an opportunity to enjoy the same inflation protection and tax benefits as his civilian counterparts, without engaging in any unreasonable commercial risks. Limitation - the cost to the taxpayer must be minimal.

### 4) THE SCHEME

(i) Indices should be identified, and if necessary enhanced, to show the national average price for houses equivalent to each scale of service quarter (building societies already publish broad indices).

(ii) Each serviceman should be given the chance to purchase a 'notional' quarter of the scale he is living in at the indexed price. He would borrow the money in the same way as anyone else from a building society and enjoy the same tax relief.



(iii) There is no rent paid while he is in the quarter. There would, however, be modest maintenance charge, equivalent to typical civilian costs. There is no need, however, for present maintenance arrangements to be changed in any way.

(iv) As long as he stays in a quarter of that scale anywhere in the world, there is no further transaction. When he moves up to a higher scale he sells the 'notional' quarter back to the MOD at the new indexed price. If he wishes to do so, he then buys a notional quarter at the higher level.

(v) If a serviceman is posted to a station where there is no quarter of the scale he has bought he should be given a choice of either:

(a) A monthly refund equivalent to the rent on the quarter he is leaving towards the cost of renting something in the area of his new station;

or

(b) Living temporarily rent free in the Mess leaving his family in the original quarter, until one of the right scale is free at his new base.

(vi) At the end of his service he sells the notional quarter back to the MOD at the final indexed price.

(vii) Throughout, the security for the building society is effectively a government bond based on this indexed property value, rather than a specific property.

## 5) EVALUATION

The scheme would require the Treasury's approval to treat such purchases in the same way as ordinary house purchases, probably requiring a small change in tax law. Then the serviceman would obtain the same tax advantages as his civilian counterpart.

The serviceman would avoid the commercial risks and costs inherent in trying to let a property, with a mortgage on it while paying rent on the quarter he is actually occupying.

The services would also gain because the drift away from married quarters should be reversed. Needless to say the impact on the wastage of trained officers would be even more important.

The costs should be minimal. Mortgage relief on a notional quarter costs the Treasury no more than similar tax reliefs if a serviceman buys and lets a property. As far as the MOD is concerned there would actually be a cash flow advantage in the short term and the scheme should be self financing as numbers of people buying and selling should roughly balance each year.

FROM: B FOX

DATE: 8 November 1988

PS/PAYMASTER GENERAL

cc: PS/Chancellor  
 PS/Chief Secretary  
 PS/Financial Secretary  
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 Sir Peter Middleton  
 Mr Anson  
 Dame Anne Mueller  
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 Mr Robson  
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 Mrs Chaplin  
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 PS/Inland Revenue

### HOME OWNERSHIP FOR THE FORCES

Your minute of 4 November sought comments on the proposed home ownership scheme for the Forces circulated at last weeks Back-bench Defence Committee.

2. Before turning to the scheme itself, it is worth dwelling on the problem as perceived by the author of the paper.

#### The Problem

3. Essentially the author's analysis is that servicemen find it extremely difficult to enter the housing market, are desperately worried by this and are thus leaving the Forces in disturbing numbers. The analysis is not, on the whole, borne out by the facts. In practice the Serviceman is able, and does, get into the private housing market. The latest figures I have for home ownership (expressed as a percentage of married personnel) are as follows:-

	<u>Navy</u>	<u>RAF</u>	<u>Army</u>
Officers	87.8	71	69.8
Other Ranks	65.5	43	16.7

These figures are for 1983 (the last full survey). We know from the vacancy margins in married quarters that there has been a further large drift away from married quarters. We also know, unsurprisingly, that the Army have the most rapid growth rate. The figures compare with a national home ownership rate of 63% (1987).

4. As regards wastage, whilst PVR exit rates are up on 1983, 1983 happens to be the lowest wastage point in the last ten years. For officers PVR exits are 19% down on 1979 (35% down for servicemen). In both cases current PVR rates are down on 1985 levels. And we are dealing with very low levels of PVR exits - 3.21% for officers and 2.87% for servicemen: most professions would regard such wastage rates as pretty good. Indeed the Services themselves, who are not renowned for making light of their problems, regard the position as generally satisfactory although there are some shortages in certain trades (tending to reflect shortages in the economy at large).

5. As regards the reasons for PVR exits, whilst there is natural concern on the part of servicemen about the housing market, it is far from the major cause of premature exit: in all three Services, job satisfaction, the turbulence of Service life and the inability to plan ones domestic life feature high followed by dissatisfaction with the management regime. It should be recognised, of course, that home ownership is likely to figure more in future dissatisfaction surveys both because servicemen will be concerned, given house price movements, about the house purchasing power of their pension lump sum and because there is less council accommodation available (the traditional post-retirement accommodation for soldiers). As the heat goes out of the housing market so the serviceman's concern will revert to the more traditional factors outlined above. It is interesting to note that schemes not dissimilar to that proposed in the circulated note were forwarded in 1979-80 (on exactly the same grounds) after the last peak in the house price movement but have not been pursued in the intervening years.

6. Finally it must be recognised that the serviceman not only wants to be in the housing market but also, so far as possible, wants to live in his own home.

7. It was in recognition of these factors that the review of allowances earlier this year placed emphasis on (a) getting the Services to specify accommodation policies which enabled more people to live off base in their own homes and (b) making inroads into some of the more anachronistic allowances (such as leave warrants) and transferring money into a new home owners package to assist with the costs of moving. The Services plan to increase the real value of this package in 1991.

### The Scheme

8. The proposed scheme itself is riddled with problems, both conceptual and practical. The main problems are as follows.

9. First, the serviceman is offered a package of salary, benefits and lifestyle. It is either sufficient to recruit and retain or it is not. MOD and AFPRB monitor this carefully and we do not currently have a general or serious problem. The declared aim of the proposed scheme is to give the serviceman the "same inflation protection and tax benefits as his civilian counterparts". "Benefit picking" from the circumstances of other groups is a favourite occupation of the Services and their lobbyists. But the serviceman's package includes free travel to work, leave warrants, boarding school allowances, low food and accommodation charges etc, not enjoyed by other groups.

10. Second, rent is not "totally dead money". In general, rents are lower than the cost of acquiring and maintaining a property. In the case of the Services this is certainly true since rents are based on equivalent council rents but abated by 42% (to take account of an assumed lack of security of tenure). This, together with other elements of undercharging in the system, means that the serviceman, despite getting a salary equivalent to his civilian counterpart, pays significantly less than an economic rent. We are trying to get MOD and AFPRB to address this issue. But until

the system is changed there is nothing to prevent the serviceman investing the difference between the rent he pays and the economic cost of accommodation in a property related form of saving so as to supplement the pension lump sum he earns (incidentally at a faster rate than other sections of the public service).

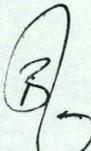
11. Third, and critically, a scheme on the lines proposed would be a large open ended commitment. If sellers were to exceed buyers by an appreciable degree at some future date, the taxpayer could be left picking up a large tab. In addition, given that there are exit points on promotion (a change in entitled scale of accommodation), the opportunities are rife for profit taking at the peak of the house price cycle and moving back into subsidised rented quarters. Finally the proposed "bond" is presumably little more than a straight guarantee and would therefore count as public expenditure.

12. Fourth, quite apart from the implications for other groups who have tied accommodation (eg prison officers), there are surely real problems in accepting the principle that one can get tax relief on borrowing to purchase a notional property. The Inland Revenue will no doubt comment.

13. Fifth, there are not only problems associated with changing scales of accommodation as a man works through the ranks but also of the different quality (ranked 1-4 and for which different rents are payable) likely to be found as he moves between postings at the same rank. The amount of chopping and changing of arrangements would be considerable with consequent high costs in administration.

14. Sixth, the proposed scheme in addition to giving us a deadweight of tax relief, would encourage a move back towards married quarters, which are expensive to acquire and maintain and do not meet the increasing aspirations of today's servicemen (and, as important, their wives) to spend their private lives outside a service environment. The Services' accompanied Service policy can be met by having people in their own homes but within reasonable distance (up to 50 miles) from their place of work. Any substantial move back to married quarters would also limit the scope for subsidised sales of surplus married quarters to servicemen.

15. Finally, you will wish to be aware that the Services are working up a scheme based on a buy and forget principle. Essentially this scheme would run in co-operation with financial institutions and agents so as to give the serviceman the opportunity to purchase a property, probably a flat in an area where the demand is high and likely to remain so, and at a keen mortgage rate, which the agent would undertake to keep filled. This might give the serviceman reasonable confidence about his ability to service his mortgage and get the financial benefits of home ownership. The scheme which was due to be launched in January with a fanfare has taken a step backwards because of fears, following Barlow Clowes, about the possible implications of the Services encouraging servicemen into this kind of arrangement. I understand that the scheme is now back on the rails but that publicity for it may be more muted. This kind of self-help is, perhaps, a more apt response to the problems in this area.



B FOX

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*Kim*  
FROM: Ms K ELLIMAN  
DATE: 14 November 1988

MR FOX

cc PS/Chancellor  
PS/Chief Secretary  
PS/Financial Secretary  
PS/Economic Secretary  
Sir Peter Middleton  
Mr Anson  
Dame Anne Mueller  
Mr C W Kelly  
Mr Robson  
Ms Seammen  
Mrs Chaplin  
Mr Tyrie  
PS/Inland Revenue

**HOME OWNERSHIP FOR THE FORCES**

The Paymaster General has seen your submission of 8 November and was most grateful for this comprehensive advice.

**KIM ELLIMAN**  
Private Secretary



A handwritten signature in dark ink, appearing to be "R C M Satchwell".

FROM: R C M SATCHWELL  
DATE: 14 November 1988

PS/PAYMASTER GENERAL

cc

PS/Chancellor  
PS/Chief Secretary  
PS/Economic Secretary  
Sir P Middleton  
Mr Anson  
Dame A Mueller  
Mr Kelly  
Mr Robson  
Mr Fox  
Ms Seammen  
Mrs Chaplin  
Mr Tyrie  
PS/IR

A large, handwritten mark in dark ink, resembling a stylized 'L' or a checkmark.

HOME OWNERSHIP FOR THE FORCES

The Financial Secretary has seen your minute of 4 November and Mr Fox' minute of 8 November. The Financial Secretary agrees with Mr Fox that this proposal looks wrong in principle and flawed in practice.

*R.c.m.s.*

\_\_\_\_\_  
R C M SATCHWELL  
Private Secretary



**Inland Revenue**

BF 18/11 21/11  
Savings and  
Investment Division  
Somerset House

FROM : B O'CONNOR  
16 November 1988

PS/PAYMASTER GENERAL

**HOME OWNERSHIP FOR THE FORCES**

1. You asked (minute 4 November) for advice on the note circulated to the Backbench Defence Committee.

2. In his note of 8 November, Mr Fox has commented on the general background and identified a significant number of objections to the proposed scheme.

**Mortgage Interest Relief**

3. Mortgage interest relief is already pretty generously structured for a member of the armed services required to serve away from any home he might be purchasing, since he is regarded as living in job-related accommodation. This means that any residence he is purchasing in the United Kingdom (or, for historical reasons, the Republic of Ireland) and which he intends to use in due course as his only or main residence qualifies for mortgage interest relief. If the property is not let, relief is allowed for interest paid on any purchase loan up to the limit of £30,000. If the property is let at a commercial rent, or is

cc. PS/Chancellor  
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Mr Fox  
Ms Seammen  
Mr Culpin  
Mr Gilhooly  
Mrs Chaplin  
Mr Tyrie

Mr Isaac  
Mr Corlett  
Mr Pitts  
Mr Bush  
Mr Davenport  
Mr Orhnial  
Mr O'Connor  
PS/IR

available for letting for more than twenty-six weeks in any period of fifty-two weeks, interest paid on any purchase or improvement loan is also allowed up to the assessable rental income. Mortgage interest relief is accordingly allowed whether or not the property is let.

4. As Mr Fox points out in paragraph 3 of his note, home ownership amongst members of the armed forces is, in many cases, running at a higher level than among the civilian population. The notable exception is other ranks in the Army.

5. It is not clear whether the idea is that the scheme should be made available to all members of the forces or only to those who do not own a home. If available to all, with mortgage interest relief and taken up by someone who already owned a home, relief would have to be disallowed on the existing home unless it were let at a commercial rent. That is because there can be only one only or main residence qualifying for mortgage interest relief up to the £30,000 limit.

6. If - as is more likely - the intention is that it should be available only to someone who does not already own a home, he could qualify for mortgage interest relief on any loan used to purchase a one-quarter interest in a property owned by MOD in the UK. To qualify for relief, three conditions must be satisfied. The home must be the only or main residence, the borrower must have an interest in that home (which need not be a 100 per cent) and he must pay interest on a loan used to purchase that interest.

7. Under the present law, mortgage interest relief is not allowable unless the borrower acquires a real interest in the property and that property is situated in the UK or Republic of Ireland. To extend relief either for notional interests in property or to overseas properties would set very awkward precedents in relation to civilians.

## Capital taxes

8. The position again depends on the meaning of "notional interest". If a quarter share is really acquired, the principal private residence exemption for capital gains tax should run provided no other property is owned. If a second property were owned the serviceman could elect which should qualify for exemption. For inheritance tax we assume that, on death, the quarter would be sold back to MOD at the indexed price and this is the sum likely to be taken into account.

## Conclusion

9. Overall the scheme seems to be an unnecessarily complicated way of giving members of the armed forces an allowance to compensate for house price inflation. The main benefit of introducing such complications will go to the building societies and other lenders making loans guaranteed by the Government.

10. It is not true, as suggested in the final paragraph of the circulated note, that "mortgage relief on a notional quarter costs the Treasury no more than similar tax reliefs if a serviceman buys and lets a property". Where property is let, taxable rental income is generated and mortgage interest relief is restricted to the assessable income. Main residences, which are not let, generate no taxable income but mortgage interest relief up to the £30,000 limit is still allowed - even to non-taxpayers under the MIRAS scheme.

11. For the above reasons and those mentioned by Mr Fox the proposal looks very unattractive.



B O'CONNOR



pwp

Chy

You asked for a note  
on Julian Brazier's scheme  
to assist servicemen with  
buying property.

This was looked ~~at~~<sup>at</sup> at the PMG's  
instigation, in the autumn, and  
as you will see, received a  
pretty lukewarm reception.

Shall I let Nigel F. know  
that the scheme has been  
looked at "properly" and  
found wanting?

Yes PSL ✓  
@IS

From: Nigel Forman.  
1st February 1989.

To: Chancellor.

Miscellaneous Requests from Back-Benchers.

1. I recently received a letter from Ian Taylor, in his capacity as President of the Vauxhall Conservative Association, inviting you to speak at a fund-raising dinner over the river some time between April and June of this year. He tells me that an audience of about 120 could be expected. I suggest that this is a strong candidate for an affirmative answer, if you can fit it into your other commitments in the diary. It is also conveniently close and would be a real shot in the arm for loyal Conservatives who are working away in a seat which we are unlikely to win at present (but which could be won in future, I suppose, if the gentrification of Battersea is anything to go by)!

2. Julian Brazier (who is assisting with Operation Do Them Down) has consistently badgered me to get the Treasury to look seriously at his scheme for a cost effective route to home ownership for army servicemen. This was an argument to which he drew attention in a 10 Minute Rule Bill yesterday and I enclose a copy of his memorandum which he left with me in case one has not reached the Treasury by another route. Do you think it could be looked at properly, if this has not already been done?

*Re para 1, speak after adjourn.*  
*Re para 2, a note, p. 511.*

*707*

*⇒ Duncan*

*I have dealt with para 1.*

*Is para 2 for you?*

*Julie  
6/2.*



NOTE FOR THE RT HON GEORGE YOUNGER TD MP

### Owning a Home - A Cost Effective Route to the Soldier's Problem

The rate of premature voluntary release in the Army is growing; it has gone up by over 70% in the last five years. A number of factors are quoted by those leaving, but one predominates:- the overwhelming disadvantage the soldier faces in the housing market. Hitherto, this matter has been tackled by the MOD on the basis of encouraging servicemen in all three services to buy houses, as the only route to providing the necessary index linking and tax advantages to enable a serviceman to own a house at the end of his service. This approach impinges very differently on the Army from the other two services, however.

Most naval families are static and live in the UK so that buying a house normally leads to owner occupation as in the civilian world. In the Army's case, however, just over half of the trained strength are serving outside mainland Britain (including accompanied tours in Ulster) and the dispersal of Army units within Britain is considerable for most regiments and corps. The result is that a soldier who buys a home will probably spend most of his service letting it (unless he becomes a Whitehall warrior and commutes!). The RAF's position is a middle case; it is superficially similar to the Army, but in practice over 80% of RAF families are in the UK and the dispersal is much less, eg transport units are concentrated around Oxfordshire.

The result is that in encouraging sailors, and to a lesser extent airmen, to become home owners the MOD is encouraging owner occupation. In contrast, in the Army, house buying commits the owner to the uncertain business of letting. A soldier has to pay a mortgage one end, rent the other and nobody can guarantee him a tenant. To offer this very risky position to young corporals (and indeed young Captains) as the only route to an eventual home is not satisfactory.

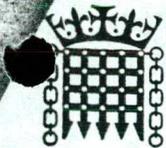
The soldier faces exactly the same interest rate risks as any other buyer, but the additional risks involved with tenants hundreds of miles away are not a reasonable burden for a young family to bear; furthermore great waste exists through middlemen, not least managing agents who charge 15-20% of rent. Of course if the rental market turns down, as it has in parts of America and Europe, and reliable tenants cannot be got at all, soldiers will only be able to balance their accounts either by leaving the Army and living in the houses they have bought, or by giving up and selling up; many wives will understandably press for the former option.



Over 80% of young people are, or expect to become, owner occupiers, if recent studies are to be believed; in practice this means that to attract and retain men of calibre at any level in the Army a satisfactory route to home ownership must be provided. In the outside world, even council and housing association tenants are building up capital through their housing payments, in the form of accumulating discounts. Owner occupiers and these two categories together make up 90% of the population. Most people at all levels of the Army now effectively fall into the unfortunate 10% of the population who have (by reason of service) to make housing payments, for which they get no capital return.

What is needed is not a fresh grant of public money to be absorbed by middlemen while soldiers chance their family's welfare in distant letting projects. Instead a way must be found of enabling soldiers to enjoy the same tax benefits as their civilian counterparts, who are owner occupiers, but using these benefits in a scheme which involves saving for a house, without owning and letting one during service, with all the risks that entails. What is required is to change the tax rules so that soldiers can take advantage of the tax benefits already available to them if they buy and let but applied instead to an approved housing scheme which does not involve the soldier in any more commercial risk than his civilian counterpart. The scheme must also ensure that he gets some lasting return on his housing payments, as most civilians do. Annex 1 outlines one such scheme which would involve minimal cost to the taxpayer. Other simpler alternatives exist but they all have the common feature that a modest change in the tax laws would be needed, to allow the £30,000 MIRAS relief and capital gains protection to be applied to an approved MOD housing scheme for servicemen living in MOD accommodation, in the same way as a civilian can apply it to a house.

The alternatives are either to allow wastage of valuable trained Army personnel to increase and bitterness to set in or to pump increasing sums of money into ever more elaborate schemes which increase the stress on the soldier, enrich the property middlemen and do not really meet the aim, which is to provide the soldier with a secure future, comparable to that of his civilian counterpart.



Home Ownership in the Army:- One Scheme

1) BACKGROUND

Quarters are graded, according to standard scales, based largely on size. Rent is charged according to scale alone and independent of location. Over half the Army (and nearly one fifth of the RAF) are serving abroad, where quarters and rent are on the same scales as the UK.

2) THE AIM

The aim of this scheme is to offer the soldier and airman an opportunity to enjoy the same inflation protection and tax benefits as his civilian counterparts, without engaging in any unreasonable commercial risks. Limitation - the cost to the taxpayer must be minimal.

3) THE SCHEME

(i) Indices should be identified, and if necessary enhanced, to show the national average price for houses equivalent to each scale of service quarter (building societies already publish broad indices).

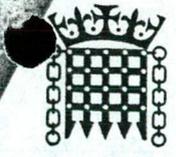
(ii) Each serviceman should be given the chance to purchase a 'notional' quarter of the scale he is living in at the indexed price. He would borrow the money in the same way as anyone else from a building society and enjoy the same tax relief.

(iii) There is no rent paid while he is in the quarter. There would, however, be a modest maintenance charge, equivalent to typical civilian costs. The scheme would not require maintenance arrangements to be changed (although the proposed changes in the PSA are welcome anyway).

(iv) As long as he stays in a quarter of that scale anywhere in the world, there is no further transaction. When he moves up to a higher scale he sells the 'notional' quarter back to the MOD at the new indexed price. If he wishes to do so, he then buys a notional quarter at the higher level.

(v) If a serviceman is posted to a station where there is no quarter of the scale he has bought he should be given a choice of either:

- (a) A monthly refund equivalent to the rent on the quarter he is leaving towards the cost of renting something in the area of he new station;



or

(b) Living temporarily rent free in the Mess leaving his family in the original quarter, until one of the right scale is free at his new base.

(vi) At the end of his service he sells the notional quarter back to the MOD at the final indexed price.

(vii) Throughout, the security for the building society is effectively a government bond based on this indexed property value, rather than a specific property; each participant is effectively holding a share, equivalent in size to his quarter, in the MOD's total housing stock, rather than an individual house. At a "macro" level the scheme should be soundly covered provided the MOD is willing to buy some of those homes it currently leases, if there is heavy buying by servicemen.

4) EVALUATION

The scheme would require the Treasury's approval to treat such purchases in the same way as ordinary house purchases, probably requiring a small change in tax law. Then the serviceman would obtain the same tax advantages as his civilian counterpart.

The serviceman would avoid the commercial risks and costs inherent in trying to let a property, with a mortgage on it while paying rent on the quarter he is actually occupying.

The services would also gain because the drift away from married quarters should be reversed. Needless to say the impact on the wastage of trained officers would be even more important.

The costs should be minimal. Mortgage relief on a notional quarter costs the Treasury no more than similar tax reliefs if a serviceman buys and lets a property. As far as the MOD is concerned there would actually be a cash flow advantage in the short term and the scheme should be self financing as numbers of people buying and selling should roughly balance each year.



## Trained Servicemen Locations

Annex 2

The table below illustrates why the problem is basically an Army one, not tri-service. The Navy are mostly not affected and the RAF can usually avoid the problem by living as owner occupiers near their bases.

### Overseas Postings as Proportion of Trained Service Strength

	% Abroad 1987
Army	52
Royal Air Force	19
Royal Navy	under 5

#### Notes

- 1) Includes those on accompanied tours in Ulster.
- 2) Excludes those on unaccompanied tours (including ships).
- 3) Most RN families are static. RAF families do generally move as the Army do although their bases, within the UK, are more geographically concentrated.