



COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON, D.C. 20548

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AUG 18 1965

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Dear Mr. Speaker:

Billeting facilities in two hotels leased by the Department of the Air Force in downtown London, England, could, in our opinion, be used to a greater extent by military personnel on official duty. The use of these facilities could result in significant savings of monetary allowances that are otherwise payable to personnel who do not use the facilities.

Although the billeting facilities of the hotels are considered Government quarters established primarily to provide temporary lodging for personnel on official duty in the London area, regulations do not require that these personnel use these quarters to the maximum extent possible.

Personnel without dependents under permanent-change-of-station orders, upon arrival in or before departure from the London area, were paid basic allowance for quarters and temporary lodging allowance, but, if they had resided in these hotels, such payments would have been avoided. In addition, personnel on official temporary duty receive per diem at a rate of \$17; residence in the hotels would reduce this amount to \$8.50. We estimate that annual payments of these allowances to personnel who could be occupying the billeting facilities in the two hotels could be reduced by as much as \$159,000.

The Assistant Secretary of Defense (Manpower) commented on our findings in a letter dated April 3, 1965. He stated that, in the future, the facilities would be utilized to the fullest extent practicable by personnel on official duty in the London area. He stated further that, in order to improve the occupancy rate by these personnel, a policy change had been effected which required that all unaccompanied personnel reside in these facilities during their temporary lodging allowance period and during temporary duty periods if space was available. The Assistant Secretary indicated that this policy change would increase the percentage of official duty occupancy and would effect additional savings in temporary housing allowance and temporary duty funds.

We have reviewed the regulations issued by the Departments of the Navy and the Air Force implementing the policy change referred to by the Assistant Secretary of Defense. We agree that proper administration

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of these regulations should result in a substantial improvement in the use of the facilities by personnel on official duty in the London area. Maximum utilization of the facilities should result in savings of as much as \$159,000 annually in quarters allowance, temporary lodging allowance, and per diem payments.

Owing to the policy change referred to by the Assistant Secretary of Defense, we are not recommending any action with respect to the use of the hotel billeting facilities in London at this time. However, since the several military services have obtained facilities in various foreign countries similar to those leased in London, we are recommending that the Secretary of Defense direct that action be taken to determine whether conditions such as those described in this report exist at other locations so that remedial measures can be taken as required.

We are reporting this matter to the Congress to demonstrate the substantial savings that can result from the effective utilization of available Government quarters and for appropriate consideration by the Government agencies responsible for similar activities at other locations.

This report is also being sent today to the President of the Senate. Copies are being sent to the President of the United States, the Secretary of Defense, and the Secretaries of the Navy and the Air Force.

Sincerely yours,

FRANK H. WEITZEL

Acting Comptroller General
of the United States

The Honorable John W. McCormack
Speaker of the House of Representatives