

# Armed Forces: Guidance

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## Introduction

As part of the [Armed Forces Covenant](#), the DWP has initiatives that help current and former Armed Forces personnel and families access Universal Credit services. This includes having an Armed Forces champion in every district.

## Couple claims

People falling into the following groups are habitually resident and will go through the standard claimant process:

- Armed Forces personnel
- Crown servants

Crown servants posted overseas and members of His Majesty's Forces posted overseas do not have to meet the basic condition that they be in Great Britain provided that they:

- are performing overseas the duties of an office or employment as a Crown servant or (as the case may be) as a member of His Majesty's Forces and
- were habitually resident in the UK immediately before the first posting (or the first of consecutive postings)

Normal Universal Credit entitlement, conditionality and sanctions rules will apply.

Non-householders including adult children who are members of the Armed Forces (including volunteer services such as the Territorial Army) are treated as living in the household when serving away from home (for example, training or active duty).

## Benefit cap exemption

Claimants in receipt of the Armed Forces Compensation Scheme Guaranteed Income Payments or War Pension Scheme payments are exempt from the benefit cap.

## **Access to benefits for medically discharged personnel**

When a service medical board decides a severely disabled person can no longer be employed in the Armed Forces and should be discharged, DWP now use the service medical board evidence where possible to determine eligibility to Universal Credit rather than conduct a face-to-face medical assessment.

This applies to the initial Work Capability Assessment made at the time of discharge. This will automatically be picked up by the Health Assessment Advisory Service (HAAS), when a referral is made.

## **Universal Credit and Reservists**

Reservists pay will be taken into account as earnings including commitment bonuses, paid as a loyalty payment, which are subject to Tax and National Insurance. The pay is subjected to Universal Credit work allowance and income taper rules.

Payments not treated as earnings include training allowances (also known as bounty payments). These are treated as capital and still need to be reported.

## **Rules regarding availability whilst undertaking reservist activities/duties**

Work search and work availability requirements can be switched-off for any period during which a claimant is accepted as being engaged in approved public duties such as a United Kingdom Reserve Forces. This includes:

- Army Reserves
- Royal Navy and Royal Marines reserves
- Royal Auxiliary Air Force and Special Forces (reserves)

For more information on what a claimant or spouse/partner who has served in the Forces might be entitled to see [Armed Forces access to Jobcentre Plus services](#).

## **Armed Forces pensions and benefits table**

Agents must ensure they are aware which Armed Forces pension and/or benefit is in payment to the claimant so that it can be treated correctly on their Universal Credit claim.

<b>Available Pensions and Benefits</b>	<b>Impact on Universal Credit</b>
<b>Armed Forces Compensation Scheme (AFCS)</b>  Payments can be made as regular and/or lump sum payments	Regular payments are not taken into account as income for Universal Credit

	For lump sum payments, please refer to the Personal Injury Payment section of the Capital Disregards guidance.
<p><b>Armed Forces Independent Payment (AFIP)</b></p> <p>This is a simplification of the financial support available for members of the Armed Forces who have been seriously injured as a result of military service since 6 April 2005.</p> <p>Since 8 April 2013 these individuals automatically receive on-going payments to help with the additional costs associated with their injuries, rather than face separate disability assessments.</p>	Not taken into account as income for Universal Credit
<p><b>Armed Forces Pension: Service Attributable Pension (SAP)/Service Attributable Retired Pension (SARP)</b></p> <p>Also known as Annual Compensation Payments. A non-taxable pension awarded to members of the Armed Forces who are discharged on medical grounds as a result of illness or injury attributed to service.</p>	<p>Unearned Income</p> <p>Not taken into account as income for Universal Credit</p>
<p><b>Armed Forces Pension: Service Invalidity Pension (SIP)/Service Invaliding Retired Pension (SIRP)</b></p> <p>A pension awarded to members of the Armed Forces who are discharged on medical grounds as a result of illness or injury attributed to service.</p> <p>Note: Only the non-taxable element is not taken into account and Service Invaliding Pensions are not automatically tax exempt. If the pension is considered tax exempt by</p>	Unearned Income

<p>the MoD, they will issue a confirmation letter to the recipient.</p> <p>Email address for general enquiries: EQvetsuksenioradmin@equiniti.com</p>	
<p><b>Armed Forces Pension: Service Pension</b></p> <p>An occupational pension based on number of years of reckonable service</p>	<p>Armed Forces Service Pension counts in full as income for Universal Credit.</p>
<p><b>War Disablement Pension/War Pension</b></p>	<p>Other benefits</p> <p>Not taken into account as income for Universal Credit</p>
<p><b>War Widow(er) Pension</b></p>	<p>Other benefits</p>