

Clerk, Select Committee on the Armed Forces Bill

(by email)

Select Committee on the Armed Forces Bill transcript 25.02.26

Thank you for your email of 25 February 2026.

I can confirm that I do not need to make any corrections to the transcript.

I have attached detailed information on the work DWP does under the Armed Forces Covenant.

I also said I would come back to the Committee on the Universal Credit “marker”. Armed forces status is self-reported by claimants. A claimant’s status can be recorded as “currently serving”, “served in the past”, “not served” or “prefer not to say”. Universal Credit is a household benefit. In the case of couples, they have to make a joint claim and both provide information in support of that claim, so if both were serving, for example, they would both have a marker.

I hope this is helpful.

A handwritten signature in black ink, appearing to be 'NH' with a long horizontal stroke extending to the right.

Nick Hamer

Chief Risk Officer and DWP Armed Forces Advocate

DWP KEY SPECIAL RULES AND PROVISIONS IN PLACE FOR VETERANS, SERVICE PERSONNEL, AND THEIR FAMILIES

Armed Forces Champions

In April 2021, DWP put in place, for the first time, dedicated middle management roles at DWP Group level. There are 11 Armed Forces Champion leads (AFCLs) posts, one in each DWP Group.

The AFCLs oversee 50 Armed Forces Champions (AFCs) posts across the Jobcentre Plus network (including at least one in each Jobcentre Plus District). The AFCs have specific responsibilities for supporting members of the Armed Forces community and their role involves front line responsibilities including building staff capability within their districts, personally handling some claims, supporting veterans into work and helping resolve complex cases where necessary. The AFCLs make up a virtual network and are responsible for building capability within the champions network and sharing best practice across DWP.

The DWP is proud to continue to provide vital and significant support services for veterans which recognises their particular needs and circumstance.

Every Work coach is trained on how to provide tailored and personalised support to members of the Armed Forces community and their families, working in partnership with their Armed Forces Champions.

In those areas where there are particularly high levels of demand, for example garrison towns, this will form a significant part of the work done in individual Jobcentres.

Universal Credit “marker”

The Department for Work and Pensions (DWP) has continued its work to identify Universal Credit claimants who are members of the Armed Forces community. Coverage continues to improve over time, and by August 2025 data was held on the Armed Forces status of approximately 82% of the Universal Credit caseload in Great Britain, an increase of 6% reported last year. Of those, 4,700 claimants had a status recorded as ‘currently serving’ and 83,000 had a status of ‘served in the past’.

Armed Forces Independence Payment

MoD in conjunction with DWP introduced the Armed Forces Independence Payment (AFIP) from 8 April 2013. AFIP 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.

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.

Eligible seriously injured service personnel receive at least as much under this arrangement as they did from the highest rates of Disability Living Allowance or Personal Independence Payment.

Around 1,000 seriously injured service personnel are receiving AFIP. AFIP is available on the basis of an award of a Guaranteed Income Payment of 50% or more under the Armed Forces Compensation Scheme.

Connect to Work

Connect to Work is our £1bn, voluntary, locally commissioned, Supported Employment programme for anyone who is disabled, has a health condition or has complex barriers to work, including veterans and their partners. It will support around 300,000 people by the end of the decade and covers all of England and Wales. Around half of the delivery areas are now open for participants with the remaining opening over the coming months.

Participants are given a dedicated specialist employment support adviser who works alongside them to understand their career goals and help them to address any specific barriers to employment. Participants are supported to have conversations with prospective employers, removing the need to go through complex application processes. The employment adviser works with both the employer and the participant to ensure that the transition into work is smooth and that the workplace is inclusive.

Out of Work participants will receive one-to-one support for up to 12 months to help identify and fulfil employment goals that are suitable for their circumstances. In work participants who are at risk of falling out of employment or self-employment due to disability, health conditions and complex barriers to work will receive up to 4 months support.

Veterans who would benefit from the intensive support provided by Connect to Work are able to self-refer to support in their local area. For veterans that are engaging with JCP, their work coach can signpost them to Connect to Work.

Connect to Work will complement other existing provision including the Department for Work and Pensions' WorkWell programme, NHS England's Individual Placement and Support for People with Severe Mental Illness programme and the Office for Health Improvement and Disparities' Individual Placement and Support for Drug and Alcohol Dependency programme, and other locally led programmes.

Work and Health Programme

Early voluntary entry to the Work and Health Programme was available for veterans and HM Armed Forces reservist participants that would benefit from more intensive, tailored employment support to enter into and stay in work. For this programme, a veteran is a person who has served in the Armed Forces for any day within the last three years. Early access to the Work and Health programme was also available to partners of currently serving and ex-service personnel where appropriate. The programme closed to new referrals in September 2024 with support continuing for existing referrals until July 2026.

Service Leavers' Adjustment Passport

The MOD and the Department for Work and Pensions launched the Service Leavers' Adjustments Passport in June 2023. It is hosted by DWP on GOV.UK, as well as being signposted to service leavers by Defence Transition Services, the Career Transition Partnership (CTP), Veterans Services and the third sector. The Service Leaver Passport follows the success of the Health Adjustment Passport, enabling Service leavers to communicate any reasonable adjustments or specific requirements they may have to employers, in a way which empowers and is confidential to the individual. The adjustment passport pilots have shown that the passport can support the user by providing:

- a clear gateway of adjustment support, and raise the visibility of support available for each stage of the transitions journey
- provide the user with an up-to-date transferable record of their adjustments to support the adjustments journey
- a communication tool to empower the user to have more structured discussions with employers
- raise the visibility of in-work support with the user and their employer
- help to build the confidence of the user and provide assurance that support is available if they need it to progress in work
- support the user with their Access to Work applications by reducing the need for an assessment if the needs are known

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.

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: United Kingdom Reserve Forces (including army reserves, Royal Navy and Royal Marines reserves, Royal Auxiliary Air Force and Special Forces (reserves)).

Spouse/partner employment opportunities

Early voluntary entry to the Work and Health Programme for partners of serving members of HMF and for partners of veterans who would benefit from specialist employment support to find work.

NI Credits for spouses following a member of the Armed Forces abroad

In April 2010, DWP introduced an award of Class 1 National Insurance credits for Service spouses and civil partners to cover periods in which they were accompanying a member of the Armed Forces abroad.

The credits will help protect the eligibility of Service spouses and civil partners to a basic state pension and contribution-based working-age benefits.

Pre-2010 Armed Forces Credits

DWP and MoD worked together to introduce a new measure into the Pensions Act 2014 which allows military spouses and civil partners to apply for National Insurance credits for the years prior to 2010 that they have spent accompanying their Service partner on postings outside the UK.

People who reach State Pension age from 6 April 2016 onwards can apply for these credits. This covers periods from 1975 that they have spent accompanying the member of Armed Forces on postings outside the UK.

The credit is administered by HM Revenue & Customs (HMRC) and helps a person gain qualifying years that provide entitlement to the new State Pension.

Easing the contribution conditions for spouses/partners of Service personnel accompanying on a posting abroad

The first contribution condition for both contributions-based Jobseeker's Allowance and contributory Employment and Support Allowance (now known as New Style Jobseeker's Allowance and New Style Employment and Support Allowance) for the spouses and civil partners of members of the Armed Forces who have accompanied their spouse or civil partner abroad has been eased.

This will help these spouses and civil partners to claim New Style Jobseeker's Allowance or New Style Employment and Support Allowance when they return to the UK. The easement will assist these people by treating them as having satisfied the first contribution condition where sufficient NI contributions have been paid in any previous complete tax year prior to their posting overseas.

Easing voluntary unemployment conditionality for spouses/civil partners claiming Jobseeker's Allowance

Spouses of Service personnel who leave employment to follow their partner should not be refused new style Jobseeker's Allowance on the grounds of voluntary unemployment. Each case will be assessed separately.

Access to benefits for medically discharged personnel

Where the claimant can provide further evidence of their health condition or disability, including evidence from a Service Medical Board, this will be considered by our assessment provider along with any other evidence we already hold. If the assessment provider can then provide advice to DWP on the claimant's capability for work without the need for the claimant to attend a face-to-face, telephone or video assessment, they will do so.

Work Capability Assessment

A WCA assesses an individual against a set of functional descriptors to determine how their health condition or disability affects their ability to work. A key principle is that a WCA considers the impact that a person's disability or health condition has on them, not the condition itself.

The assessment is not to determine whether the claimant is fit for their old/previous job in the armed forces, but rather to assess whether they are capable of some form of work. Veterans who have been discharged from the armed forces in medical grounds may, in some instances be capable of other forms of work.

During the WCA people / claimants are encouraged to provide any evidence they have that is relevant to their case, such as an MOD F Med 23 medical report, letters from their outpatient clinic or specialist, or information from other professionals involved in their care, for example support workers, carers and community mental health nurses. Healthcare professionals who carry out the assessment are expected to seek further evidence if it might help them provide advice without requiring the claimant to attend a face-to-face, telephone or video assessment. In all instances if it is possible to assess a claimant on the basis of paper evidence alone, we will do that.

Housing Benefit reform/Families of Service Personnel

Adult children who are in the Armed Forces but who continue to live with parents will be treated as continuing to live at home when deployed on operations if they intend to return to their parents' household.

The parents therefore do not see a reduction in their Housing Benefit entitlement as a result of their adult child's bedroom being unoccupied during that period of absence. In addition, the non-dependant deduction (i.e. that any adult child is normally expected to make towards their living expenses) ceases and does not restart until they return home.

Benefit cap exemption

Receipt of Armed Forces Compensation Scheme Guaranteed Income Payments, War Pension Scheme payments, exempt a recipient and household from the benefit cap.

WORKING WITH OTHERS

Career Transition Partnership and MoD/OVA

DWP works closely with the Career Transition Partnership in supporting veterans into employment. DWP Armed Forces Champions can directly help veterans who need extra support, including in finding work.

DWP will signpost veterans to VALOUR and FORTITUDE support as appropriate.

Armed Forces Covenant - promotion among national employers

The DWP Strategic Relationship Team (SRT) continues to actively encourage national employers and partner organisations within its network to formally commit to the Armed Forces Covenant. There are currently 112 employers that have signed the Armed Forces Covenant on the SRT portfolio. Through strategic collaboration with key stakeholders such as employers, local authorities, trade associations and third-sector organisations, SRT continue to promote the Armed Forces Covenant and Covenant principles, enhancing awareness. SRT can identify barriers to inclusion, promote best practices with stakeholders and across Jobcentre Plus sites, and advocate the Covenant's commitment to fairness and respect.

Additionally, and in co-ordination with the MODs Defence Relationship Management (DRM) team, SRT have worked with Covenant committed employers to assist them deliver against and extend their promise to the armed forces community. Examples include GXO Logistics supported by SRT to Gold Award status and working with DHL and their continued support of veterans, reservists, service families, and Cadet Force Adult Volunteers retaining their prestigious Gold Award status. SRT take the lead in chairing a monthly meeting of DWP Armed Forces Leads and District Armed Forces Champions. These meetings have included presentations from DRM, the Career Transition Partnership (CTP), Forces Families Jobs (FFJ) and a variety of employers and partners who wish to support service leavers, veterans and their families. Across Government, SRT have engaged with Department for Transport to encourage veterans into the logistics sector and with the Ministry of Justice on employment opportunities for veterans who have served custodial sentences.

In addition, SRT and Armed Forces Champion Leads have worked in partnership with X-Forces to promote self-employment amongst service leavers, veterans, reservists and family members. The Strategic Relationship Team have coordinated Armed Forces involvement in support of national large-scale redundancies which offers the transition from redundancy to a career in the military including those who have served previously.

Supporting veterans into specific employment sectors

The DWP SRT have actively encouraged employers operating in the logistics industry to target service leavers as part of a campaign to attract this cohort into the workplace. The-SRT have again taken the lead in chairing a monthly meeting of DWP Armed Forces Leads and District Champions. These meetings have included presentations from Defence Relationship Management and a variety of employers and partners who wish to support service leavers, veterans and their families.

Across Government the team have engaged with the Ministry of Justice, in particular the New Futures Network, on employment opportunities for veterans who have served custodial sentences. In addition, the Strategic Relationship Team alongside Armed Forces Champion Leads continue to work in partnership with X-Forces Enterprise CIC to promote self-employment among service leavers, veterans, reservists and family members, and are building on their working relationship with the CTP to assist the redeployment of service leavers and veterans (especially those medically discharged), reservists, and family members.