



Ministry
of Defence

Amanda Struby
Defence People AF Rem Allces
Level 06, Zone M
Main Building
Whitehall
London SW1A 2HB

Telephone: 020 7218 7434
GTN: 9621 87434
Switchboard 020 7218 9000
Fax 020 7307 8068
E-Mail: amanda.struby100@mod.gov.uk

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**DIRECTED LETTER (DL) – CONTINUITY OF EDUCATION ALLOWANCE (CEA) –
REGULATORY FLEXIBILITY IN RESPONSE TO CORONAVIRUS (COVID-19) – UPDATE 1**

1. I am directed to inform and update you on the **increased flexibility** introduced to the arrangements for Continuity of Education Allowance (CEA) in response to Coronavirus (COVID-19) and associated border control restrictions. This DL replaces the previous DL issued on 12 October 2020.
2. **These arrangements are effective immediately and will remain in place until further notice by Armed Forces Remuneration (Allowances).**

Background

3. Under current circumstances it is necessary to introduce further flexibility into current CEA policy. This will reassure CEA claimants that any deviation from CEA eligibility criteria caused, (or contributed to), directly by COVID-19, will not adversely affect their CEA eligibility. Circumstances that may require a deviation from current CEA policy are detailed at Annex A of this DL. Any other circumstances not covered by this DL should be declared to the PACCC, where consideration will be given to the ongoing circumstances brought about by COVID-19.
4. CEA claimants should continue to claim CEA and pay the school fees for each academic term as presented to them. If they subsequently become liable for any additional school fees, as a result of the COVID-19 related scenarios at Annex A, they will be eligible for reimbursement under the provisions of this DL. Any claims for additional school fees for boarding and tuition relating to these scenarios will be considered separately from the main termly CEA claims; the arrangements for reimbursement of additional costs are also detailed at Annex A.
5. **Similarly, any reimbursements from the school to the claimant that arise because of COVID-19 must be declared to the department and (where necessary) repaid within 30 days of receipt.** Failure to declare and repay any refund or reimbursement from the school may lead to disciplinary or administrative action. The arrangements for the repayment of reimbursed fees are detailed at Annex B.

Accompanied Status

6. Accompanied Status remains an underpinning principle of qualification for CEA. The guidance on Accompanied Status¹, requires that when a Service person's spouse/civil partner is absent from the Residence at Work Address (RWA) for a period of 90 days or more during a 12-month period, their ongoing eligibility for CEA will be reviewed by their Commanding Officer (CO)².

7. If the circumstances relating to COVID-19 cause or contribute to the spouse/civil partner being absent from the RWA for in excess of 90 days³, **the CEA claimant should remain assured that the CO will acknowledge this during their assessment of their accompanied status⁴.**

8. Every reasonable effort must be made by the spouse/civil partner to re-join the Service parent as soon as is practicable once any COVID-19 related travel restrictions are reversed⁵.

Summary

9. It is important to note that parents, or appointed Guardians, are responsible for the welfare of children attending boarding school in the UK at all times. It will be necessary for parents to keep up to date with the situation as it develops in the UK, as well as in host nation/overseas assignment areas for those assigned overseas. SP should make decisions based on the facts and guidance published by the UK Government (www.gov.uk), Defence ([Defence Advice Notes](#)) as well as any guidance and arrangements published by host nations. Parents should also ensure that they inform their CofC of any changes to their personal circumstances.

10. UK Self-isolation requirements are set out in the Government guidance available at <https://www.gov.uk/uk-border-control>.

11. **The terms of this DL will remain in place until rescinded or replaced by Armed Forces Remuneration (Allowances).** Details of any additional costs to CEA as a result of COVID-19 are to be retained so the information is available for auditing purposes.

Signed on Defnet

Amanda Struby
AHd Allowances
Defence People Armed Forces Remuneration

¹ JSP752, Chapter 2, Section 1, Annex A

² It is important to note that "review" does not mean "withdrawal". It is essential, however, that the CO determines whether absence by the spouse/civil partner was reasonable in the circumstances.

³ For example, mandatory periods of quarantine or isolation, governmental travel restrictions etc.

⁴ In doing so, the CO should notify the PACCC of the outcome of the review.

⁵ This includes circumstances in which service families are evacuated in accordance with JSP 752, Chapter 12, Section 6 (Evacuation from a Permanent Assignment Station Overseas).

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**DIRECTED LETTER – CEA – REGULATORY FLEXIBILITY IN RESPONSE TO
CORONAVIRUS (COVID-19) – UPDATE 1**

COVID-19 RELATED DEVIATIONS FROM CEA POLICY + CLAIMING ADDITIONAL COSTS

1. The circumstances that may require a deviation from current CEA policy include (**but are not be limited to**):

- a. **The child is prevented from travelling to join their parents by governmental travel directive and/or the imposition of a mandatory period of quarantine or isolation and they are unable to join a designated guardian for valid reasons (e.g. the guardian is self-isolating) and continue to be accommodated at their school.** In this case, where the child remains at the school, (outside of the normal academic term times), the CEA claimant will be entitled to reclaim any additional fees without paying any parental contribution. This is providing they are proportional to the routine boarding element of the school fees.
- b. **Where the school has decided it is unsafe for a child to remain in the boarding environment at the school, but it is practicable for the child to convert to day-pupil status for the period covered by these arrangements.** In this case, if the child can live with their parents or a designated guardian and travel to the school daily, the claimant may convert to claiming CEA(Day) from the beginning of the next academic term¹. This will apply even if their child has not completed three consecutive academic terms at the same school as a full boarder. Should the school subsequently be required to close altogether, the child should stay with their parents or a designated guardian. In these circumstances CEA eligibility will not be adversely affected.
- c. **The child travels to an overseas area but is prevented from returning to their school because of a government travel restriction, school closure or the imposition of a mandatory period of quarantine or isolation.** Where a child is required to remain at the overseas duty station, the parent will continue to receive the appropriate accompanied rate of Local Overseas Allowance (LOA) until the child is able to return to their school. CEA eligibility will be unaffected.
- d. **Where a parent does not wish for their child to return to school following a School Children's Visit (SCV) or other authorised absence because of restrictions placed (by the school) on future absences².** In these circumstances, if the school agrees to provide online tuition, the child may remain with the parents and CEA eligibility will be unaffected. Where the parent is assigned overseas, the appropriate rate of LOA will remain in issue until the child returns to the school. This concession applies only until COVID-19 lockdown restrictions are withdrawn or the end of Academic Term Spring 21, whichever is sooner.
- e. **Where a parent does not wish for their child to return to school following a SCV or other authorised absence from school. There are no specific restrictions on the child returning to school (including mandatory periods of quarantine or self-isolation) and the school has not placed any restrictions on future absence.** In these circumstances, if the school agrees to provide online tuition, the child may remain with the parents and CEA eligibility will be unaffected. Where the parent is assigned overseas, the appropriate rate of LOA will remain in issue until the child returns to the

¹ In accordance with JSP 752 (Chapter 14, Section 3).

² This includes circumstances where the school requires the child to remain at the school for a specific period of time in order to create a "bubble" with their peers.

school. This concession applies only until COVID-19 lockdown restrictions are withdrawn or the end of Academic Term Spring 21, whichever is sooner.

f. **Where a claimant is about to complete their service and a delay in examinations causes an extension to an Academic year.** In these circumstances the CEA claimant will be entitled to reclaim any additional fees, (less the parental contribution). This is providing they are proportional to the routine boarding and tuition elements of the school fees. This must be authorised by the CO and supported by advice from the Children's Education Advisory Service (CEAS) with the CO notifying the PACCC in the process. This provision will last for as many academic terms as necessary to complete the academic year.

g. **Where COVID-19 impacts on critical stages of education (GCSEs, A-Levels, B-TECs and Scottish Nationals and Highers or equivalents) and the school recommends an extra academic year.** Where the school has recommended an additional academic year, the claimant should make a written application to the CEAS (including the advice of the school). The CEAS will make its own recommendation and forward to the PACCC for a decision³. Reimbursement of any additional school fees will be limited to those in respect of the subjects for which the child was studying before the COVID-19 crisis began and will be subject to the usual parental contribution.

h. **For claimants of Guardians Allowance (GA) where the child must remain with the guardian after the end of the academic year.** In these circumstances GA will remain in issue until the child is reunited with their parents or the travel restrictions are reversed; whichever is sooner.

i. **Where the school has reduced its fees to below the appropriate CEA maximum, will Admissible Extras⁴ be payable?** Where the revised net fee (less the appropriate parental contribution) is less than the appropriate maximum rate of CEA, then compulsory costs directly leading to public examinations⁵ will be considered admissible. Examples of such costs are, examination entrance fees (but not re-sits) or the cost of essential or compulsory textbooks. Where there is any doubt Unit HR should review the advice on repayments at Annex B. Where doubt remains, they are to seek advice from the PACCC who should consult the CEAS if necessary. Any costs considered admissible are subject to the usual parental contribution.

j. **Where CEA claimants are preparing to submit a CEA Eligibility Certificate for their child's 6th Form stage of education.** Under CEA regulations, claimants are advised to submit their CEA Eligibility Certificates (CEA ECs) during a window between 15 months and 6 months before the academic term in which their child is expected to enter the 6th form or "A" Level (or equivalent) stage of education⁶. For those CEA claimants with a child due to start 6th form in September 21, the window has been open since June 20; closing at the end of Mar 21. CEA claimants should note, that due to potential future restrictions on the PACCCs ability to process CEA ECs due to COVID-19, the response times for 6th Form applications may be longer than usual and may go beyond the 20-working day target for a response.

Payments

2. For the purposes of submitting routine CEA claims and claiming back additional costs, the

³ This is contrary to JSP752 (Paragraph 14.0114b(2) in order to expedite the process.

⁴ But see JSP752 (Paragraph 14.0118c)

⁵ GCSEs, A-Levels, B-TECs and Scottish Nationals and Highers or equivalents

⁶ JSP752 (Paragraph 14.0117).

following applies:

- a. CEA claimants are to continue to claim for their main termly CEA claims in accordance with routine procedures.
- b. Where CEA claimants incur additional costs as detailed in this Annex, they are to be claimed using a manual CEA claim form⁷ clearly identified as COVID-19 Additional Costs. Defence Business Services (DBS) will process claims allowing SP to be reimbursed above normal CEA ceilings.
- c. CEA claimants should ensure that they have all the appropriate receipts, invoices and associated correspondence when submitting claims for additional costs.
- d. Standard DBS response times may need to be extended to facilitate the processing of manual claims in the COVID-19 environment.

⁷ JPA Form F001 for CEA and JPA Form F002 for GA [JPA Form Library](#)

**DIRECTED LETTER – CEA – REGULATORY FLEXIBILITY IN RESPONSE TO
CORONAVIRUS (COVID-19) – UPDATE 1**

ARRANGEMENTS FOR THE REPAYMENT OF REIMBURSED CEA

1. When CEA claimants are advised of a reduction or refund in fees by their child's school, they should immediately inform their Unit HR providing details of the original school bill and the reduced fees.
2. The instructions detailed in this Annex were first introduced for Summer Term 20. However, depending on current and future restrictions that may be caused by COVID-19 and for how long those restrictions endure, these instructions should be considered (where necessary) to apply also to any subsequent academic terms.
3. Claimants must bear in mind that CEA is publicly funded money and as such, refunds offered in any form in relation to school fees must be accepted and declared to their Unit HR. Failure to do so may result in disciplinary or administrative action. There are various scenarios in which a reduction in fees may occur:
 - a. **The claimant has paid the school fees for the academic term and has subsequently received a revised bill indicating a refund.** In these circumstances the claimant should declare the refund to their Unit HR and provide a copy of the original and reduced bills. Unit HR will then conduct an assessment and inform the claimant of the necessary repayment, copying to DBS Debt Management (Recovery & Write-Off) by E-Mail (see details below). The claimant must then repay the CEA to MOD in accordance with the arrangements at paragraph 5 of this Annex.
 - b. **The claimant has paid the school fees for the academic term but had not submitted a claim for CEA when they received a subsequent revised bill indicating a refund.** In these circumstances, the claimant should declare the refund to their Unit HR providing a copy of the original and reduced bills. They should then submit their CEA claim but for the reduced amount.
 - c. **The CEA claimant has paid the school fees for the academic term, has not received a revised bill but has received a payment direct from the school.** In these circumstances, the claimant should declare the payment to their Unit HR. They should provide copies of the original school bill and any documentation showing the payment made to them by the school. The Unit HR will then conduct an assessment and confirm the value of the necessary CEA repayment with the claimant, copying to DBS Debt Management (Recovery & Write-Off) by E-Mail (see details below). The claimant must then repay the CEA to MOD in accordance with the arrangements at paragraph 5 of this Annex.
 - d. **The CEA claimant has paid the school fees for the academic term, the school has offered no reimbursement for the academic Term but has offered to reduce their fees for the next academic term.** In these circumstances, if the claimant does not get a retrospective amendment to the bill for the current term, they should declare the intended fee reduction for the subsequent term to their Unit HR. They should then claim the reduced fees for that term in accordance with the routine process.
 - e. **Where the school has closed or entered administration.** In these circumstances, the claimant should pay any outstanding bills to the school. They should then declare any unused CEA to their Unit HR providing a copy of the original and reduced bills. If necessary, Unit HR will then conduct an assessment and inform the

claimant of the necessary repayment, copying to DBS Debt Management (Recovery & Write-Off) by E-Mail (see details below). The claimant should then repay the unused CEA to MOD in accordance with the arrangements at paragraph 5 of this Annex. Any refund received by the claimant in respect of subsequent academic terms should be similarly declared.

Any other circumstances not covered by this DL should be considered on a case by case basis and submitted to DBS Debt Management (Recovery & Write-Off) by E-Mail (see details below).

4. Examples of how Unit HR should assess any necessary repayments with guidance notes are detailed at Appendix 1 to this Annex.

5. Where it is necessary for the CEA claimant to repay CEA already received in the circumstances outlined in paragraphs 3.a, 3.c or 3.e above, separate payments should be made where they are claiming for more than one child. Payments must be made within 30 days of receipt as follows:

a. Each repayment must be clearly marked with a reference consisting of the individual's Service Number, the academic term to which it refers, the child's name and "COVID-19 CEA Repayment; e.g., 123456X Academic Term Smith, John COVID-19 CEA Repayment¹.

b. Payments may be made by the following methods:

(1) **Bank Transfer:**

Account Title: MOD DBS MIL PERS UK Receipts

Sort Code: 60 – 70 – 80

Account Number: 10021116

IBAN Number: GB87NWBK60708010021116

SWIFT Code: NWBKGB2L

Reference: Service Number – Academic Term – Child Name - School Name - COVID-19 - CEA Repayment.

N.B. DBS Debt Management (Recovery & Write-Off) must be notified when the Bank Transfer has been made². DBS Debt Management will acknowledge receipt of Bank Transfers.

(2) **Cheque Payment:**

Cheques should be made payable to: MOD DBS MIL PERS UK Receipts.

The reverse of the cheque should be annotated with the Reference, i.e., Service Number – Academic Term – Child Name - School Name - COVID-19 - CEA Repayment.

The cheque should be sent to:

Defence Business Services
Debt Management (Recovery and Write-Off)
Mail Point 600,
Kentigern House,
65 Brown Street,
Glasgow, G2 8EX.

¹ If the Bank website does not allow for the reference in its entirety, then the claimant must input at least their service number and "CEA". DBS will cross-check that reference with the correspondence copied to them by Unit HR.

² E-Mail Address - DBSMilPers-MilOps-DM-RWO-Group@mod.gov.uk

DIRECTED LETTER – CEA – REGULATORY FLEXIBILITY IN RESPONSE TO CORONAVIRUS (COVID-19) – UPDATE 1

Examples of the repayment calculation including acknowledgement of extras (both admissible and inadmissible) (See notes for guidance below).

<u>ORIGINAL SCHOOL FEES ABOVE CEA MAX</u>		<u>REVISED SCHOOL FEES BELOW CEA MAX</u>	
SCHOOL FEES	£11,000	SCHOOL FEES	£6,000
PARENTAL CONTRIBUTION (10%)	£1,100	PARENTAL CONTRIBUTION (10%)	£600
OUTSTANDING FEES	£9,900	OUTSTANDING FEES	£5,400
CEA (SENIOR) MAX ENTITLEMENT	£7,828	CEA (SENIOR) MAX ENTITLEMENT	£7,828
CEA PAID	£7,828	CEA PAID	£5,400
UNCOMPENSATED AMOUNT	£2,072	UNCOMPENSATED AMOUNT	£0
AVAILABLE CEA	£0	AVAILABLE CEA	£2,428
<u>EXAMPLES OF EXTRAS FROM PREVIOUS TERM</u>		<u>EXAMPLES OF EXTRAS FROM PREVIOUS TERM</u>	
PONY CLUB	£250 INADMISSIBLE	PONY CLUB	£250 INADMISSIBLE
"A" LEVEL ENTRY FEE	£150 ADMISSIBLE	"A" LEVEL ENTRY FEE	£150 ADMISSIBLE
EXTRAS THAT CAN BE CLAIMED (LESS 10% PC)	£0	EXTRAS THAT CAN BE CLAIMED (LESS 10% PC)	£135
10% PC FOR EXTRAS THAT CAN BE CLAIMED	£0	10% PC FOR EXTRAS THAT CAN BE CLAIMED	£15
CEA PAID AFTER ADMISSIBLE EXTRA	£7,828	CEA PAID AFTER ADMISSIBLE EXTRA	£5,535
TOTAL PARENTAL PAYMENT	£3,172	TOTAL PARENTAL PAYMENT	£615
		REPAYMENT = £7,828 Minus £5,535 = £2,293	

ORIGINAL SCHOOL FEES BELOW CEA MAX

SCHOOL FEES	£6,000
PARENTAL CONTRIBUTION (10%)	£600
OUTSTANDING FEES	£5,400
CEA (SENIOR) MAX ENTITLEMENT	£7,828
CEA PAID	£5,400
UNCOMPENSATED AMOUNT	£0
AVAILABLE CEA	£2,428

EXAMPLES OF EXTRAS FROM PREVIOUS TERM

PONY CLUB	£250 INADMISSIBLE
"A" LEVEL ENTRY FEE	£150 ADMISSIBLE

EXTRAS THAT CAN BE CLAIMED (LESS 10% PC)	£135
10% PC FOR EXTRAS THAT CAN BE CLAIMED	£15

CEA PAID AFTER ADMISSIBLE EXTRA	£5,535
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TOTAL PARENTAL PAYMENT	£615
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REVISED SCHOOL FEES BELOW CEA MAX

SCHOOL FEES	£4,000
PARENTAL CONTRIBUTION (10%)	£400
OUTSTANDING FEES	£3,600
CEA (SENIOR) MAX ENTITLEMENT	£7,828
CEA PAID	£3,600
UNCOMPENSATED AMOUNT	£0
AVAILABLE CEA	£4,228

EXAMPLES OF EXTRAS FROM PREVIOUS TERM

PONY CLUB	£250 INADMISSIBLE
"A" LEVEL ENTRY FEE	£150 ADMISSIBLE

EXTRAS THAT CAN BE CLAIMED (LESS 10% PC)	£135
10% PC FOR EXTRAS THAT CAN BE CLAIMED	£15

CEA PAID AFTER ADMISSIBLE EXTRA	£3,735
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TOTAL PARENTAL PAYMENT	£415
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REPAYMENT = £5,535 Minus £3,735 = **£1,800**

CEA REPAYMENTS – UNIT HR NOTES FOR GUIDANCE

1. These notes are to assist Unit HR's to assess the level of repayment of CEA for any academic term where the claimant has received a reduction in fees, or a reimbursement of fees already paid.
2. For the purposes of this note, CEA claimants should only make repayments in the circumstances detailed at paragraphs 3.a, 3.c or 3.e of this Annex.
4. Any extras (either admissible or inadmissible), should be included in, or excluded from, the calculation as necessary in accordance with JSP 752, Chapter 14, Section 1, Paragraph 14.0118c. Examples of such extras are included in the examples above¹.
3. In assessing repayments, Unit HRs are to note that the parental contribution payable in respect of State Maintained Boarding Schools is 8% and for Independent Schools it is 10%.
4. Unit HR are to maintain accurate records of all re-assessed CEA claims and any refunds advised; this is to be maintained with their CEA register. The detail is to be retained for 3 years and is to be available upon request to inform subsequent assurance.
5. Copies of all respective school bills used to support the CEA re-assessment (irrespective of whether a refund is due), are to be held for 3 years to support subsequent assurance; to be held with the CEA register.
6. Refunds of CEA are not to be paid into Cash and Bank Control Accounts (CBCA or Imprest accounts) or held in safe custody on behalf of CEA claimants. It is the CEA claimant's personal responsibility to make the payment.

¹ The examples do not include circumstances where the school fees remain above the CEA maximum after a refund is offered as the CEA claimant is not required to repay any CEA.