

LSAP - Long Service Advance of Pay

Long Service Advance of Pay (LSAP) has been frozen from 1 April 2014 while the Forces Help to Buy (FHTB) scheme is in force. If you have LSAP, you will continue to make your normal monthly payments but you can apply to extend your loan to the FHTB limit if you are moving home and are eligible under the new rules. In these circumstances your LSAP loan amount will be consolidated into one arrangement under the FHTB scheme.

LSAP is a loan to help you with the deposit towards a home. It can help you buy a property in the UK and help meet housing needs arising from changing personal circumstances during your Service career.

With effect from 6 April 2014 all outstanding LSAP loans will not attract any individual tax liability.

Repaying the LSAP

How you repay it depends on how long you have left to serve, and other criteria, for example, if you serve beyond retirement, or if you're declared bankrupt. If you have enough time left to serve, LSAP is normally repaid from two years after the advance at 10% per year. For more detail contact JPAC (LSAP) - see below.

Permission to let

Following your or your immediate family's initial occupation of the property you may apply to your Commanding Officer for permission to let a property bought or extended with the aid of an LSAP. A letting or cessation of letting must be reported immediately to JPAC (LSAP) through your parent unit. If you do let, interest will be charged at the HMRC official rate.

Entitlement to Service Family Accommodation (SFA)

If you are assigned with your immediate family to an area (within 50 miles) in which you own a property purchased or extended with the help of an LSAP you have to occupy that property and are disqualified from occupation of SFA or SSFA, at the new place of duty, except in certain circumstances. Contact JPAC (LSAP) for more information - see below.

Contact details for JPAC

Joint Personnel Administration Centre (Long Service Advance of Pay) (JPAC(LSAP))
Veterans UK
Centurion Building
Grange Road
Gosport
Hants, PO13 9XA

Tel Internal – 94560 3600; External – 0141 224 3600