



Ministry  
of Defence

# The Armed Forces Pension Scheme 2015

## Your Pension Scheme Explained





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# 1. Introduction

The Armed Forces pension schemes are designed to reflect the special features of Service life, to provide a retirement income for you and your dependants, and to incentivise retention in service as a key part of your overall remuneration package.

**The Armed Forces Pension Scheme 2015 (AFPS 15)** implements the recommendations set out by Lord Hutton's Independent Public Service Pensions Commission to reform public service pension schemes, to ensure that they are more affordable and sustainable and also fair to scheme members and the taxpayer. **AFPS 15** is a non-contributory pension scheme and will help to provide financial security for you and your dependants until your retirement age and beyond.

The Public Service Pensions Act 2013 granted powers to the Government to close existing pension schemes to new members and transfer existing members to the new public service schemes, unless they qualified for **transitional protection** which is explained in this booklet [Chapter 3, Membership](#).

This booklet provides you with guidance about the pension benefits you could earn as a member of **AFPS 15**. It also provides information on other benefits you may receive on leaving the Armed Forces such as the **Early Departure Payment (EDP)** and **Resettlement Grant** and scenarios you may need to consider such as ill-health and rejoining the Armed Forces.

There are some specific terms associated with pensions and the related benefits which you will need to familiarise yourself with. They appear in bold letters throughout this guide and you will find the terms explained in full in [Chapter 2, Pension Terms You Need to Know](#).

If you have accrued pension and related benefits as a member of a legacy pension scheme, you are advised to read the relevant policy documents which provide detailed information on each of the pension schemes. Links to these documents can be found in [Chapter 17, Further Information](#).

The information in this booklet is for members of **AFPS 15**. It is to be used for general guidance as it does not give a full explanation of the rules, neither does it cover every personal circumstance or past entitlement. The definitive rules can be found in the following **AFPS 15** Legislation:

- [The Armed Forces Pension Scheme Regulations 2014 \(www\)](#)
- [The Armed Forces Early Departure Payment Scheme Regulations 2014 \(www\)](#)

In the event of any dispute over your pension or related benefits, the appropriate legislation, as detailed above, will prevail over the information contained in this booklet, the JSP or any other supplementary guidance.

If you have any queries about **AFPS 15** or any of the legacy Armed Forces pension schemes, you can find other sources of information in [Chapter 17, Further Information](#). You can also refer to **JSP 905 - Armed Forces Pension Scheme 2015, Accrued Rights and Related Benefits**.

## 2. Pension terms you need to know

<b>Abatement</b>	When a pension which is already in payment is reduced on rejoining the Armed Forces. This applies to legacy pensions only; AFPS 15 pension is not abated.
<b>Accrual Rate</b>	The rate at which pension benefits accrue for each scheme year.
<b>Accrued Rights Member</b>	An individual who has accrued pension benefits in legacy pension schemes for service prior to 1 April 2015; these benefits are protected.
<b>Added Pension</b>	Tax deductible payments made by a scheme member to enhance the member, or member and dependants' benefits.
<b>Adult Dependant</b>	An adult dependant may be deemed to exist providing there was a degree of financial dependence upon the member or financial inter-dependence.
<b>Armed Forces Attributable Benefits (AFAB)</b>	AFAB are paid under the AFAB Scheme 2010 where an injury or death was caused by Service before 6 April 2005. If an injury, illness or death was caused by Service on or after 6 April 2005, attributable benefits are paid under the Armed Forces Compensation Scheme.
<b>Armed Forces Compensation Scheme (AFCS)</b>	A Compensation scheme for members of the Regular and Reserve Forces. It provides compensation for all injuries, ill-health and deaths which were predominantly caused by Service on or after 6 April 2005.
<b>Armed Forces Pension Scheme 2015 (AFPS 15)</b>	The pension scheme for Regular and Reserve Service personnel who join the Armed Forces from 1 April 2015, and those Service personnel who were already in Service on that date and did not qualify for transitional protection.
<b>Armed Forces Pension Scheme 2005 (AFPS 05)</b>	The pension scheme for Regular Service personnel who joined the Armed Forces from 6 April 2005, and from 6 April 2006 for Regular Service personnel who elected to transfer from AFPS 75 as a result of the Offer To Transfer. AFPS 05 closed to new members from 1 April 2015 onwards with the exception of members with transitional protection.
<b>Armed Forces Pension Scheme 1975 (AFPS 75)</b>	The pension scheme for Regular Service personnel which was introduced in April 1975 and closed to new entrants from 6 April 2005.
<b>Aggregation</b>	When 2 or more separate periods of qualifying service are added together.
<b>Allocation</b>	When a member chooses to allocate a proportion of their annual pension (but not an ill-health pension) to one or more nominated dependants who must be financially dependent on the member in order for them to receive an income for life. The maximum that may be allocated is 37.5% of the annual pension.
<b>Annual Allowance (AA)</b>	The limit on what can be added each tax year to the value of the pension without a tax charge. The rule is that, when added together, the increase in the value of an individual's pension savings in any input period may NOT exceed the AA. Any amount over the AA is taxed at 40%, which is due as a lump sum when the tax liability is calculated.
<b>Attachment Order</b>	A Court Order made as part of a divorce or dissolution settlement to pay all or part of a scheme members' pension benefits to the member's former spouse or civil partner.
<b>Attributable</b>	The term used to describe a death, injury or illness which was caused, hastened or significantly aggravated by Service in the Armed Forces.
<b>Average Weekly Earnings Index (AWE)</b>	The AWE is published monthly and is designed to capture changes in average earnings of employees in Great Britain. For AFPS 15 it is the method used to increase the value of a member's pension (except deferred pensions and pensions in payment) up to the point at which the member leaves the Armed Forces.

<b>Benefits Crystallisation Event (BCE)</b>	The point at which a pension comes in to payment.
<b>Benefits Transfer</b>	A payment made from one pension scheme to another.
<b>Career Average Revalued Earnings (CARE) Scheme</b>	A CARE pension scheme is one which provides pension benefits which are directly proportionate to pensionable earnings received throughout a career.
<b>Civil Partner</b>	A person of the same sex with whom there is a legally recognised partnership.
<b>Commutation</b>	When a member gives up part of the pension income in return for a tax-free lump sum.
<b>Consumer Price Index (CPI)</b>	This is published monthly to measure the change in price levels in the UK. For AFPS 15 it is the index used by HMT to increase the value of a pension once a member has left the Armed Forces (HMT could change the method by which indexation is applied in the future).
<b>Continuous Service</b>	When rejoining the Armed Forces, periods of service which are broken by gaps of 5 years or less can be regarded as continuous service for pension and EDP purposes (some exceptions apply).
<b>Deferred Pension</b>	Awarded when an individual has vested in the scheme but then leaves the Armed Forces before reaching the AFPS 15 Normal Pension Age (age 60). The deferred pension then comes into payment at State Pension Age.
<b>Dependants</b>	A scheme members spouse, civil partner, eligible partner or eligible children.
<b>Earmarking Order</b>	A Court Order under Scottish law, made as part of a divorce or dissolution settlement to pay all or part of a member's pension to the member's former spouse or civil partner.
<b>Early Departure Payment (EDP) 2005</b>	A payment made to members of AFPS 05 who leave the Regular Armed Forces before age 55, after a minimum of 18 years qualifying service AND who are at least age 40.
<b>Early Departure Payment (EDP) 2015</b>	A payment made to scheme members of AFPS 15 who leave the Regular Armed Forces before age 60, after a minimum of 20 years qualifying service AND who are at least age 40.
<b>Eligible Child / Children</b>	A natural child or any child, who is financially dependant on the scheme member and who is:  Under 18; Under 23 and in full time education or vocational training, or unable to engage in full time gainful employment because of a physical or mental impairment and the person was dependant on the scheme member at the time of death.  This includes children born within one year of the scheme member's death.
<b>Eligible Partner</b>	Someone with whom a scheme member was cohabiting, in an exclusive and substantial relationship with financial dependence or inter-dependence with whom they were not prevented from marrying or forming a civil partnership.
<b>Final Pensionable Earnings (FPE)</b>	The greatest amount of the members' total pensionable earnings in the best 365 consecutive days of their final 3 years of service.
<b>Final Salary Link</b>	The Final Salary Link allows for accrued pension benefits to be paid at rates related to the scheme member's salary or rank at the point of leaving the Armed Forces.
<b>Full Time Reserve Service Pension Scheme 1997 (FTRSPS 97)</b>	The pension scheme applicable to Reserve Service personnel who gave Full Time Reserve Service before 6th April 2005. The scheme was closed to new entrants and those starting new commitments from 6 April 2005.

<b>Indexation</b>	Annual increase in pension value in line with inflation.
<b>Inverse Commutation</b>	When a scheme member exchanges all of an EDP lump sum for an increase in the amount of monthly EDP income.
<b>Life Time Allowance (LTA)</b>	The Lifetime Allowance (LTA) is the maximum amount of pension savings (pension and lump sum) that an individual can build up over their life from all registered pension schemes before incurring a tax charge.
<b>Member</b>	An individual who has joined AFPS 15 and is earning benefits under the scheme (active member), or has a deferred pension under the scheme (deferred member), or is receiving a pension from the scheme (pensioner member).
<b>Non Regular Permanent Staff Pension Scheme (NRPS PS)</b>	The pension scheme for members of the Reserve Forces who serve on a full time basis in units or posts responsible for the Army Reserve. The scheme closed to new members or those on new commitments from September 2011.
<b>Normal Pension Age (NPA)</b>	The earliest age at which a person is entitled to an unreduced pension payable immediately on leaving service. The NPA for AFPS 15 is 60.
<b>Opting Out</b>	Occurs when an individual chooses not to become a member of AFPS 15, or chooses to leave the scheme, if already a member.
<b>Pension Board</b>	The Pension Board is responsible for assisting the Scheme Manager to comply with the scheme regulations and other legislation relating to the governance and administration of the scheme.
<b>Pension Credit Member</b>	A former spouse or civil partner who becomes a member of a pension scheme in their own right as a result of a Court order which decrees that a percentage of the value of a scheme members' pension benefits are transferred to them permanently.
<b>Pension Debit Member</b>	A scheme member whose pension is reduced as a result of a Court order which decrees that a percentage of the value of their pension benefits are transferred to their former spouse or civil partner.
<b>Pensionable Earnings</b>	Basic pay including assumed pay and X-factor but excluding allowances, expenses, bonuses, financial incentives, Loan Service Pay and any form of Recruitment and Retention Pay.
<b>Pensionable Service</b>	Any period in which a member is in scheme employment and is receiving pensionable earnings or assumed pay.
<b>Pension Sharing Order (PSO)</b>	An order made by the Court on divorce or dissolution of a civil partnership creating pension benefits for a former spouse or civil partner. The former spouse or civil partner becomes a member of the scheme in their own right.
<b>Qualifying service for a Resettlement grant</b>	All continuous service in the Regular Armed Forces excluding periods of unauthorised absence, unpaid leave, service detention and imprisonment. All Regular paid service in AFPS 05, and all Regular paid service in AFPS 75 (from age 18 for other ranks and from age 21 for officers) will also count.
<b>Qualifying service for AFPS 15 EDP</b>	All continuous service in the Regular Armed Forces excluding periods of unauthorised absence, unpaid leave, service detention and imprisonment. NB. Other criteria may apply.
<b>Qualifying service for pension</b>	All paid service in the Armed Forces, provided a member has vested.
<b>Resettlement Grant (RG)</b>	A lump sum payable to Regular service personnel who do not qualify for an EDP or ill-health benefits but who have completed more than 12 years service.

<b>Reserve Forces Pension Scheme 2005 (RFPS 05)</b>	The pension scheme for Reserve Service personnel starting or renewing a Full Time Reserve Service (FTRS) commitment, including those on Additional Duties Commitment (ADC) terms on or after 6 April 2005. Personnel mobilised under parts 4, 5 or 6 of the Reserve Forces Act 1996, (or corresponding provisions of the Reserve Forces Act 1980) from that date could choose to become members of RFPS 05. Members of FTRSPS 97 were given an opportunity to transfer to RFPS 05 from this date. RFPS 05 closed to new members from 1 April 2015 onwards with the exception of those with transitional protection.
<b>State Second Pension (S2P) (will cease to exist from 1 April 2016)</b>	A State benefit derived from National Insurance Contributions. The S2P will end on 1 April 2016.
<b>Scheme Actuary</b>	The actuary appointed by the scheme manager to provide a consulting service on actuarial matters relevant to the scheme.
<b>Scheme Manager</b>	The Scheme Manager is the Secretary of State and is responsible for managing the scheme.
<b>Scheme Administrator</b>	Defence Business Services – Veterans UK is the Scheme Administrator for all Armed Forces pension schemes.
<b>Scheme Advisory Board</b>	The Scheme Advisory Board has the authority to recommend changes to scheme rules; the Pension Board will ensure that those rules are followed.
<b>Scheme Manager</b>	The Secretary of State for Defence is the Scheme Manager.
<b>Scheme Pays</b>	Introduced on 11 August 2011 by HMRC, Scheme Pays assists individuals in meeting part or all of any tax bill arising as a result of breaching the AA. Armed Forces Pension Scheme members who incur an AA tax bill exceeding £2,000 may elect for the tax due to be paid by the pension scheme. This amount will then be recovered by a reduction in the pension benefits paid on retirement.
<b>Spouse</b>	A legally married (including separated but not divorced) partner of the scheme member.
<b>Substantial Relationship</b>	To establish whether a relationship is substantial, various factors are taken into consideration, such as; children, financial dependence or inter-dependence, shared commitments such as a mortgage, prime beneficiary of a will, shared accommodation, the length of the relationship and the absence of a legal spouse or civil partner (on either side).
<b>Transfer Value</b>	The sum of money that a member requests to transfer between two pension schemes.
<b>Transitional Protection (may also be referred to as Full Protection)</b>	Transitional protection is the protection awarded to individuals who, as of 1 April 2012, had ten years or less to serve to reach their Public Service Pension Scheme's Normal Pension Age. Individuals with transitional protection remain in their existing pension scheme and do not transfer into AFPS 15.
<b>Vesting Period</b>	The period of 2 calendar years service (excluding periods of unauthorised absence, unpaid leave, service detention and imprisonment) required before a member will be eligible to receive any pension benefits (other criteria may apply).
<b>War Pension Scheme (WPS)</b>	The WPS provides no-fault compensation for all ex-Service personnel where illness, injury or death is caused by service before 6 April 2005.



## 3. Membership

If you are a serving member of the Regular Armed Forces or Reserve Forces (see categories listed under [Chapter 15, Reserve Forces](#)) and are in service on or after 1 April 2015, you will be an active member of **AFPS 15**, providing you do not meet any of the categories listed below. Membership starts from your first day of paid service unless you choose to opt out.

The following Service personnel are excluded from membership of AFPS 15:

- those with **Transitional (Full) Protection** in other Armed Forces pension schemes;
- those who have opted out of the scheme.

Whilst you are an active member of **AFPS 15**, you cannot also be a member of another occupational pension scheme which is related to your military service (for example the pension scheme of a company you join whilst on secondment). You may, however, pay into a stakeholder or personal pension, subject to Her Majesty's Revenue and Customs (HMRC) limits. For further information about Stakeholder pensions see [Chapter 11, Increasing your Benefits](#).

### Option not to join AFPS 15

You may opt not to join the scheme by completing AFPS Form 16 available from the DBS Veterans UK website and submitting it through your Commanding Officer to DBS Veterans

UK (see [Chapter 17, Further Information](#) for the Veterans UK address). The form must be submitted within 3 months of joining the Armed Forces.

## Option to leave AFPS 15

As an active member you may opt to leave the scheme by completing AFPS Form 16 and submitting it through your Commanding Officer to DBS Veterans UK (see [Chapter 17, Further Information](#) for the Veterans UK address). You will no longer be a member from the start of the first pay period after the letter is received by DBS Veterans UK.

**IF YOU ARE CONSIDERING OPTING OUT OF AFPS 15, YOU ARE STRONGLY ADVISED TO SEEK ADVICE FROM AN INDEPENDENT FINANCIAL ADVISOR BEFORE DOING SO.**

Opting out of **AFPS 15** does not affect any entitlement you have to an **Early Departure Payment (EDP)**, the Armed Forces Redundancy Schemes or a **Resettlement Grant** but it will affect entitlement to Ill-Health and Dependants' Benefits.

## Option to rejoin AFPS 15 after opting out

If you opt to leave **AFPS 15** (or not to join), but later decide that you want to rejoin (or join) the pension scheme, you can do so by completing AFPS Form 16 and submitting it through your Commanding Officer to DBS Veterans UK (see [Chapter 17, Further Information](#) for the Veterans UK address). You can do this once in any 12 month period, providing you are still in Service. If you are a Reservist and mobilised for short periods, you can choose to opt out of **AFPS 15**. You have the opportunity to opt out/in once per period of mobilisation. You will be deemed to have joined the scheme on the date your letter is received by DBS Veterans UK. For further information see [Chapter 15, Reserve Forces](#).

## Vesting Period

The vesting period must be served before you become a full member of a pension scheme. In order to be eligible to receive any pension benefits, you will be required to serve for a vesting period of 2 calendar years, starting from your first day of paid service (but excluding periods of unauthorised absence, unpaid leave, service detention and imprisonment). Vested service as a member of a legacy Armed Forces pension scheme may also count towards vesting in **AFPS 15**, provided the gap between the periods of service is 5 years or less. A period of pensionable service transferred in from another pension scheme will also count as qualifying towards the 2 year vesting period but any **Added Pension** you have purchased will not. Personnel who have not completed the 2 year vesting period and who become ill, are injured, or who die for reasons that are attributable to their service, will still be eligible to receive benefits from the **Armed Forces Compensation Scheme**.

## Pension Benefits Accrued in Legacy Armed Forces Pension Schemes

Prior to the introduction of **AFPS 15** and other public service pension schemes, the Government made a commitment to protect pension benefits already earned in existing schemes, up to the implementation date of any new scheme. This is known as **accrued rights**.

**If you were in Service prior to 1 April 2015 then you will have earned benefits in another Armed Forces Pension Scheme (unless you opted out). The accrued rights protection means that these benefits, up to and including 31 March 2015, will be guaranteed and you will be entitled to receive that proportion of these benefits at the same time as you would originally have expected to receive them (in accordance with the relevant scheme rules). Providing there is no break in service of more than 5 years, your pension will also be linked to your final pensionable salary at the date of leaving the services - not the salary/rank at the time you transferred into AFPS 15.**



## 4. What your pension scheme provides

### General

The Armed Forces pension schemes are designed to reflect the special features of Service life and to provide adequate retirement income and protection for you and your dependants. You may also be eligible for either a **Resettlement Grant** or an **Early Departure Payment (EDP)** at the point of leaving the Armed Forces which is separate to your retirement income, providing you meet the qualification criteria.

### Pension Board and Scheme Advisory Board

The Public Service Pensions Act 2013 mandated the requirement for a formal Governance structure specifically for Public Service pensions. From 1 April 2015, a **Scheme Advisory Board** and a **Pension Board** are responsible for ensuring that all Armed Forces pension schemes are managed and administered efficiently and effectively and with transparency.

The **Scheme Advisory Board** is responsible for providing advice on the requirement for any major changes to the pension schemes. Meetings take place only when scheme valuations are conducted or when significant policy changes are required. The **Pension Board** is

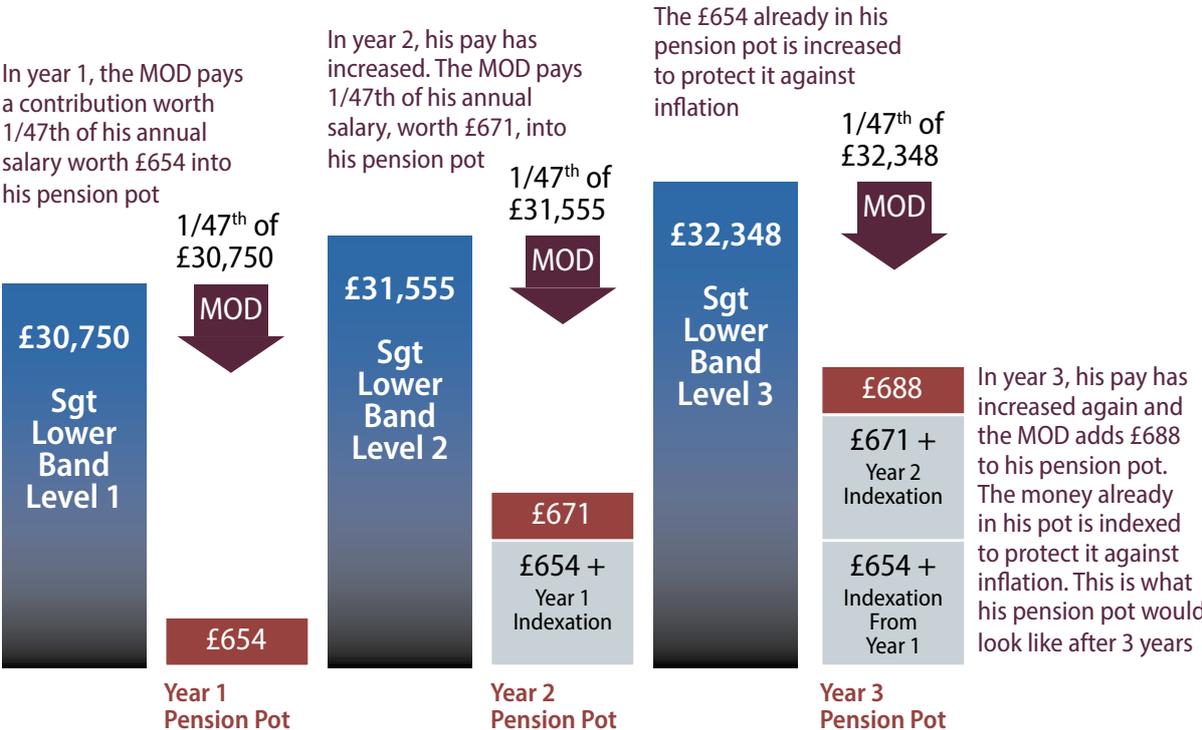
responsible for assisting the **Scheme Manager** in ensuring that the scheme regulations and other legislation relating to the governance and administration of the scheme are adhered to.

## How your Benefits are Calculated and Paid

Your pension entitlement starts accumulating from your first day of paid service and you will be eligible to receive pension benefits provided you have completed at least 2 years **qualifying service**. Your pension is calculated using a system called **Career Average Revalued Earnings (CARE)**.

Every year, the MOD adds an amount equal to 1/47th of your annual pensionable earnings for that year, to your individual 'pension pot'. Your 'pension pot' starts to accumulate from your first day of paid service and is carried forward into each year where it grows slightly to ensure that it tracks inflation and maintains its value. This growth, known as **indexation**, is based on the **Average Weekly Earnings index** and is similar to money in a bank account earning interest. This process is repeated every year until you leave the Armed Forces.

**The diagram below demonstrates how a CARE scheme works for a Sgt earning £30,750 in 2014/15:**



## Early Departure Payment (EDP)

In addition to a pension, you may also be entitled to an **EDP**. The **EDP** is an additional benefit which is entirely separate to your pension. The purpose is to retain Regular

personnel in Service through to at least age 40 and to compensate for the fact that a full career to age 60 is not available to the majority.

You will need to serve as a **Regular** for 20 years or more **and** reach at least age 40 to be eligible for an **EDP**. This is known as the **20/40 EDP** point. If you have had a break in service of more than 5 years, on returning to the Armed Forces you will not be able to link the 2 periods of service together and you will need to serve for at least another 20 years in order to qualify for an EDP. Further information can be found in [Chapter 6, Early Departure Payment](#).

## Resettlement Grant

The **Resettlement Grant** is paid to Regular members of the Armed Forces who leave after 12 or more years service but before they qualify for any other form of immediate pension or EDP benefits. It is not linked to your pension entitlement but it is intended to help you adjust to civilian life. Further information can be found in [Chapter 7, Resettlement Grant](#).

## Deferred Pension

If you leave the Armed Forces having completed at least 2 years **qualifying service** or have vested because a **transfer value payment** has been accepted by the **Scheme Administrator**, you will be entitled to a **deferred pension**. This is paid at the Deferred Pension Age (linked to your State Pension Age). Your deferred pension will increase annually in line with the **Consumer Price Index (CPI)** when you leave Service.

Providing you are aged 55 or over you can apply to have your **deferred pension** paid early, subject to an actuarial reduction, which reflects the fact that the pension will be paid over a longer period.

## Full Pension (Serving to Age 60)

If you have at least 2 years **qualifying service** and you serve until age 60 you will be entitled to claim your pension immediately. Once in payment, your pension will increase annually in line with **CPI**.

You will not receive an **EDP** (see [Chapter 6, Early Departure Payment](#) for further information) because your pension benefits will be payable immediately upon leaving the Armed Forces.

## Commutation

**AFPS 15** will not automatically pay you a pension lump sum, however, you can create a tax-free lump sum by 'surrendering' a part of your annual pension. This is known as **commutation**. HM Revenue and Customs (HMRC) currently allow up to 25% of your overall pension benefits to be taken as a lump sum. The commutation rate is fixed at 12 to 1; so for each £1 of your pension you give up, you will be 'buying' a lump sum of £12. This decision is made for life therefore choosing to 'give up' part of your pension cannot be reversed. The decision to commute must be made within the 6 months before your pension is due to be paid.

If you qualify for an **EDP**, you will receive a tax-free **EDP** lump sum (see [Chapter 6, Early Departure Payment](#) for more details). You can choose to 'give up' your **full EDP** lump sum to increase the monthly **EDP** income. This is known as **inverse commutation**. The **EDP** is replaced at State Pension Age by the **deferred pension**. The decision to inversely commute the **EDP** lump sum must be made within the 6 months before it is due to be paid.

## Dependants' Benefits

If you die, either in Service or after leaving the Armed Forces, benefits may be paid to your **nominee, spouse, civil partner, eligible partner** and **eligible children**. (See [Chapter 9, Benefits Paid in the Event of your Death](#) for more details).

## Allocation

You can choose to allocate a proportion of your annual pension (but not an ill-health pension) to one or more nominated dependants who must be financially dependent on you in order for them to receive an income for life.

You can only make an allocation within the 6 months immediately prior to your pension first coming into payment. The maximum that may be allocated is 37.5% of your pension, however, not everyone will be able to make an allocation. An allocation cannot be made if it would reduce the benefits that your existing dependants would receive. You will be advised by DBS Veterans UK if this applies to you when you submit your request to allocate.

An allocation will result in a reduction in the amount of pension you receive until you die. When you die, the person who you have chosen to make an allocation to will then be entitled to receive their pension for life. If you die within 2 years of choosing to make an allocation, that pension may be withheld, particularly if it is believed that a false health declaration was made.

If you die after reaching age 75, the amount paid under the allocation may be reviewed and adjusted as determined by the **Scheme Manager**.

## Ill-Health Benefits

If your Armed Forces career is cut short by illness or injury and you have completed at least 2 years' **qualifying service**, you may receive an ill-health award. The amount is based on a three tier system.

- **Tier 1 awards** provide a tax-free lump sum, or, if you have reached the 20/40 **EDP Point**, you will receive an **EDP**, whichever provides a greater amount. You will also be awarded a **deferred pension** which will come into payment at your State Pension Age.
- **Tier 2 & Tier 3 awards** provide an immediate pension (with the option to generate a tax-free lump sum via **commutation**) based on your length of service, plus an enhancement. (See [Chapter 8, Ill-Health Benefits](#) for more details).

Ill-health benefits are paid in addition to any benefits you may be eligible for under the **Armed Forces Compensation Scheme (AFCS)**, however, these awards may be reduced to take account of pension benefits received. See <https://www.gov.uk/government/collections/armed-forces-compensation> for more details.



## 5. Pension forecasts

### Online Pension Calculator

It is important that you have a good understanding of your Armed Forces pension benefits. To help you understand what pension and related benefits you might receive and when they are due to be paid, the Online Pension Calculator will produce an online forecast based on your Service career. It will also allow you to profile different career scenarios and see how leaving the Armed Forces at various times could affect your future benefits.

The Online Pension Calculator will provide a forecast which includes both pension benefits earned under **AFPS 15** and pension benefits accrued under other legacy Armed Forces pension schemes.

It is important to note that the information generated by the calculator is for guidance purposes only and does not constitute an entitlement to the benefits stated. The figures produced will not take into account salary increases or indexations.

You can access the calculator at:

[www.mod-abc.co.uk](http://www.mod-abc.co.uk)

## Manual Pension Forecasts

If you are able to use the Online Pension Calculator to obtain a benefit forecast then you should do so. If you are not able to use the Calculator, DBS Veterans UK are able to produce written forecasts. All Service personnel are entitled to request one written pension forecast each year at no cost by completing and submitting a form which is available at the following links:

**DII:** DBS Veterans UK Armed Forces Pension Forms:

<http://www.ipublish.dii.r.mil.uk/nlapps/docs/default.asp?fid=1997>

**Internet:** DBS Veterans UK Pension Forms (www):

<https://www.gov.uk/government/publications/service-personnel-and-veterans-agency-spva-pensions-forms>

Once completed the form should be printed and sent by post to the following address:

**Defence Business Services**

**Veterans UK**

**Mail Point 480**

**Kentigern House**

**65 Brown Street**

**Glasgow G2 8EX**

Additional forecasts can be requested. Each forecast will cost £75 +VAT.

In addition, you are entitled to request one free surviving **spouse/civil partner** or surviving **eligible partner** pension forecast every year.

## Benefit Information Statement

The Benefit Information Statement (BIS) is your annual pension and related benefits statement. From 1 August 2015 an annual BIS will be introduced for all serving members of an Armed Forces and Reserve Forces pension scheme on their birthday. It will show what pension and other benefits you have built up in the Armed Forces and Reserve Forces pension schemes to date.

The statement is an indicative forecast only and is based on your current substantive rank and pay. It does not take account of acting rank, future promotions, changes to your service or pay increases. It also does not show how benefits may change to reflect inflation, which cannot be predicted.

The statement will be based on the information held on your service record. Any errors or omissions on your service record will affect the figures shown. You are responsible for checking your own service record; if you believe that there is an error, you should contact your Unit Administration Officer (UAO).

The statement will only cover your standard pension, **EDP** and **dependants'** benefits. It only includes benefits from previous periods of military service if they are linked to your current employment in the Armed Forces. Any added pension, transferred-in pensions or pensions subject to a **Pension Sharing Order**, are also not included, and can be covered under a separate statement upon request.



## 6. Early Departure Payment

The **Early Departure Payment (EDP)** Scheme aims to retain Regular personnel in Service through to at least age 40 and to compensate for the fact that a full career to age 60 is not available to the majority of Regular Service personnel. The **EDP** is a benefit which is entirely separate to any pension you may be entitled to. Reserve service does not qualify towards an **AFPS 15 EDP**.

### How to qualify

You will need to serve as a **Regular** for 20 years or more **and** reach at least age 40 to be eligible for an **EDP**. This is known as the **20/40 EDP** point. If you have had a break in service of more than 5 years, on returning to the Armed Forces you will need to serve for another 20 years or more in order to qualify for an **EDP**.

You will not be eligible if you have reached the Normal Pension Age (age 60); you are in receipt of a lump sum for incapacity for service in the Armed Forces or if you are already in receipt of an **AFPS 15** pension, including an **AFPS 15** ill-health pension.

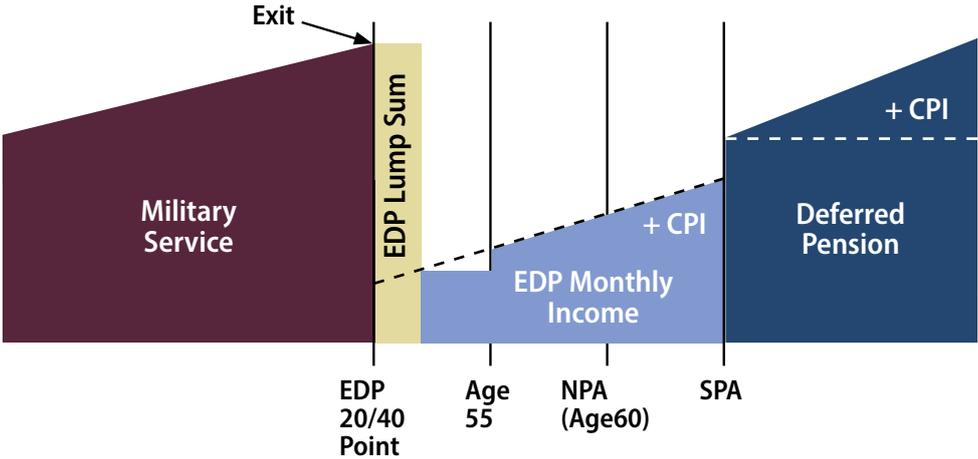
### What you will receive and when

If you leave the Armed Forces on or after the **20/40 EDP** point but before your pension comes into payment, you will receive a tax-free lump sum equivalent to 2.25 times your **deferred pension** plus a monthly income of 34% of the value of your annual **deferred**

**pension.** For each whole year served beyond the 20/40 EDP point, the value of the EDP will be increased by 0.85% of your **deferred pension**. From age 55, the EDP income is adjusted to take account of annual increases in the **Consumer Price Index (CPI)**, CPI increases will be backdated to the point at which you left the Armed Forces.

At your State Pension Age the EDP income stops and is replaced by the **deferred pension**.

The diagram below illustrates the point at which the EDP is paid and then replaced by the Deferred Pension:



## Effect on EDP of rejoining the Regular Armed Forces

If you are in receipt of an **AFPS 15 EDP** and you rejoin the Regular Armed Forces within 5 years, you can choose to have your **EDP** treated in one of two ways. Both options are explained in full in [Chapter 14, Re-employment in the Armed Forces](#).

**Option 1:** You can choose to retain your **EDP** lump sum and continue to receive the EDP monthly income; this choice must be made within 1 month of rejoining the Armed Forces. Your **EDP** will remain in payment but will not be recalculated when you leave the Armed Forces at the end of the second period of service. **EDP** payments will stop at the Deferred Pension Age when the pension comes into payment.

**Option 2:** You can choose to have your **EDP** monthly income stopped immediately on rejoining and repay in full any lump sum already received. Repayment of the lump sum will include interest. At the end of the latter period of service, you will be entitled to a new **EDP** lump sum and monthly income. This will be recalculated to take into account both periods of service, however, if you serve to age 60 your pension will be paid immediately instead.

If you are in receipt of an **EDP** and then rejoin the Regular Armed Forces more than 5 years after you originally left, you will retain all of the **EDP** lump sum and the monthly income will continue. Your payments will not be recalculated in respect of any subsequent period of service and will stop when your pension comes into payment at the Deferred Pension Age.

## Effect on EDP of joining the Reserve Armed Forces

If you are in receipt of an **AFPS 15 EDP** and you join the Reserve Forces, you will retain all of the **EDP** lump sum and the monthly income will continue. The **EDP** will not be recalculated at the end of your Reserve service and will stop once you are in receipt of your **AFPS 15** pension, or when you have reached the **Deferred Pension Age**.

If you are in receipt of an **AFPS 05 EDP** you are advised to check the **AFPS 05** rules on rejoining. [See Chapter 17, Further Information](#) for details of where to find them.



## 7. Resettlement Grant

The **Resettlement Grant** is paid to Regular members of the Armed Forces who leave after 12 or more years service but before qualifying for any other form of immediate pension or **EDP** benefits. It is not linked to your pension entitlement but it is intended to help you adjust to civilian life.

When you leave the Armed Forces you will be entitled to a lump sum payment provided you:

- have served for at least 12 years;
- are not entitled to an **EDP**, an ill-health award or an immediate pension from a legacy pension scheme;
- have not previously received a **Resettlement Grant**;
- are not a member of the Reserve Forces.

### Rejoining the Armed Forces

If you rejoin the Regular Armed Forces more than 5 years after leaving, you may not **aggregate** your previous service with the new period of service in order to qualify for a **Resettlement Grant**.

If you receive a **Resettlement Grant** and then rejoin the Regular Armed Forces, or Reserve Forces, you are entitled to keep the lump sum. However, if you rejoin as a Regular or a member of the Full Time Reserve Service (FTRS) within 31 days of leaving, you will be required to repay the full amount. If you repay the lump sum having rejoined as a full time Reservist, on leaving the Reserve Forces you will not be entitled to a further **Resettlement Grant**.

If you rejoin the Regular Armed Forces and keep the lump sum, at the end of the second period of service you will not be entitled to a further **Resettlement Grant**. If you are required to repay the lump sum, at the end of the second period of Regular service you will be entitled to a new **Resettlement Grant** providing you have not qualified for an **EDP** or **pension**.

If you rejoin as a Part Time Voluntary Reservist (PTVR) you will not be required to repay the lump sum.



## 8. Ill-health benefits

If you leave the Armed Forces early because you are assessed as medically unfit for further military service, you may be awarded ill-health benefits to ease the transition into civilian life and to compensate you for the loss of your career. The type of benefits you will receive are dependent upon your individual circumstances and the degree of disability.

For death, injury or illness which occurs as a result of your Service in the Armed Forces, additional compensation may be paid under the **Armed Forces Compensation Scheme (AFCS)**. For injury or death caused by Service before April 2005, compensation may be paid under the **War Pension Scheme (WPS)** or **Armed Forces Attributable Benefits (AFAB)** scheme. For more details, see <https://www.gov.uk/claim-for-injury-received-while-serving>.

You will only be entitled to receive an ill-health award if you have vested in the scheme (completed 2 or more calendar years of **qualifying service** in any Armed Forces Pension Scheme).

There are 3 levels of ill-health award that can be made if you are medically discharged under **AFPS 15**, depending on the severity of your medical condition.

**Tier 1.** A Tier 1 award is made if you are deemed to be unfit for service in the Armed Forces because of physical or mental impairment but your ability to obtain gainful civilian employment is not deemed to be significantly impaired.

**Tier 2.** A Tier 2 award is made if you are deemed to have suffered a breakdown in health, as a result of which, your capacity for gainful employment is significantly impaired and is expected to remain so until you reach age 60.

**Tier 3.** A Tier 3 award is made for the most serious conditions and is granted if you are deemed to have suffered a permanent breakdown in health involving incapacity for any gainful full time employment.

## Tier 1 Awards

If you are medically discharged because you are deemed to be unfit for further military service, but your ability to obtain gainful employment outside of the Armed Forces is not deemed to be significantly impaired, you will be awarded a tax-free lump sum to help you adjust to your new circumstances.

The award will be calculated on the basis of 1/8th of your **final pensionable earnings** (the best 365 consecutive days in the last 3 years) multiplied by the number of years service in **AFPS 15**, subject to a minimum of 6 months and a maximum of 24 months **final pensionable earnings**. If the calculation produces an award which would be greater than 24 months final pensionable earnings, the award is capped at 24 months. If the Tier 1 calculation produces an award that would be less than 6 months **final pensionable earnings**, it will be rounded up to equal 6 months.

If you transfer into **AFPS 15** from a legacy Armed Forces pension scheme, your ill-health award will be based proportionately on time served within the **AFPS 15** scheme and time served within the legacy scheme. The proportion of time spent in legacy pension schemes will be calculated as per the rules of that scheme, and the proportion of time in **AFPS 15** will be calculated using **AFPS 15** rules.

## Early Departure Payment Point

If you are discharged after reaching the **EDP** point, you will receive an **EDP** lump sum and monthly income instead of a Tier 1 lump sum (or whichever provides the greater amount).

## Examples of Tier 1 Award Calculation:

### Example A

An individual joins at age 20 and is medically discharged after 5 years Service. Final pensionable earnings equal £20,000, the Tier 1 award is calculated as follows:

$$\frac{\text{£20,000 (FPE)} \times 5 \text{ (Number of years Service)}}{8} = \text{£12,500}$$

(1/8 of pensionable earnings)

### Example B

An individual joins at age 20 and is medically discharged after 2 years Service. Final pensionable earnings equal £30,000, the Tier 1 award is calculated as follows:

$$\frac{\text{£30,000 (FPE)} \times 2 \text{ (Number of years Service)}}{8} = \text{£7,500}$$

As £7,500 is less than the minimum of 6 months pay, the Tier 1 award is increased to **£15,000**.

### Example C

An individual joins at age 20 and is medically discharged after 17 years service. Final pensionable earnings equal £40,000, the Tier 1 award is calculated as follows:

$$\frac{\text{£40,000 (FPE)} \times 17 \text{ (Number of years Service)}}{8} = \text{£85,000}$$

As this exceeds the maximum of two years pay, the lump sum award is reduced to **£80,000**.

You will not be able to receive both an **EDP** and a Tier 1 lump sum. If you receive an EDP, the monthly income will cease once you reach State Pension Age and will be replaced by the **deferred pension**.

## Discharge after Age 60

If you are medically discharged after reaching age 60, you will receive your pension immediately and will not be paid an AFPS 15 Tier 1 lump sum.

## Tier 2 Awards

If you are medically discharged with a condition that is not deemed to leave you permanently incapable of gainful employment, but your employment prospects are

significantly impaired (and are expected to remain so until you reach age 60), you will be awarded an enhanced taxable income which will be paid for life.

The award will be made in lieu of an **EDP** and any other form of AFPS 15 pension. There is no automatic lump sum; instead, you may opt to commute up to 25% of your ill-health pension at a rate of 12:1, so for every £1 of pension you give up, you generate £12 of lump sum.

The Tier 2 award is calculated by multiplying your average pension by the number of years **AFPS 15** service plus an enhancement to reflect the loss of your Armed Forces career. Your average pension is calculated by dividing the pension in your CARE 'pension pot' by the number of years **AFPS 15** service. The enhancement is calculated as one third of the years remaining until age 60 (this is the **Normal Pension Age (NPA)** for **AFPS 15**).

**Example of a Tier 2 Award Calculation:**

An individual joins at age 25 and is medically discharged after 15 years Service. The total CARE pension is £6,000pa, the Tier 2 award is calculated as follows:

Average Pension:

$$\frac{\text{£6000 (CARE pension)}}{15 \text{ (number of years service)}} = \text{£400}$$

Enhancement:

$$\frac{60 \text{ (NPA)} - 40 \text{ (Age)}}{3} = 6.66$$

Total Pension:

**Average pension x (Years Service + Enhancement)**

$$400 \times (15 + 6.66) = \text{£8,664pa}$$

## Tier 3 Awards

If you are medically discharged because you are deemed to have suffered a breakdown in health which will leave you permanently incapable of any further full-time employment, you will be awarded an enhanced taxable income which will be paid for life.

A Tier 3 award is made in lieu of an **EDP** and any other form of **AFPS 15** pension. There is no automatic lump sum; instead, you may opt to commute up to 25% of your ill-health pension at a rate of 12:1, so for every £1 of pension you give up, you generate £12 of lump sum.

The award is calculated by multiplying your average pension by the number of years **AFPS 15** service plus an enhancement. Your average pension is calculated by dividing the pension in your CARE 'pension pot' by the number of years **AFPS 15** service. The enhancement is calculated as one half of the years remaining until age 60 (this is the **NPA** for **AFPS 15**).

A Tier 3 award is subject to a minimum payment based on a guaranteed minimum length of service. This is 25 years, or for those who joined the Armed Forces late and who would never have been able to serve for 25 years, their guaranteed minimum length of service is the time between their age at joining the Armed Forces and **NPA**.

If you are diagnosed with less than 12 months to live, you can request a single lump sum payment equivalent to 5 times your annual pension (this is equivalent to 5 times a Tier 3 pension); all further pension rights are then extinguished. Your **Dependants'** benefits are not affected.

### **Example of a Tier 3 Award Calculation:**

An individual joins at age 30 and is medically discharged after 8 years Service. The total CARE pension is £6,000pa. The Tier 3 award is calculated as follows:

#### **Average Pension x (Years served + Enhancement)**

Average Pension:

$$\frac{\text{£6000 (CARE pension)}}{8 \text{ (number of years service)}} = \text{£750}$$

Enhancement:

$$\frac{60 \text{ (NPA)} - 38 \text{ (age at exit)}}{2} = 11$$

Total award:

$$\text{£750} \times (8 + 11) = \text{£750} \times 19$$

**19 is less than the guaranteed minimum length of service of 25 years so it is rounded up to 25.**

$$\text{£750} \times 25 = \text{£18,750}$$

Note:

If the (years served + enhancement) equalled more than 25 years, no rounding up would be required.



## 9. Benefits paid in the event of your death

In the event of your death, your eligible **dependants** will receive benefits that may consist of a tax-free lump sum (in some circumstances) and a taxable pension for life. If you have not made a nomination and also have no dependants, the lump sum will be paid to your estate. The type of benefits paid will depend on when you die. The benefits described in this chapter are only available to the eligible **dependants** of members of **AFPS 15**.

If your marriage or civil partnership took place within 6 months of your death, the award of a pension to your surviving spouse or civil partner will not be automatic. The **Scheme Administrator** will examine the circumstances of these cases to ensure that the marriage or civil partnership was not entered into purely for financial gain.

If your surviving spouse or civil partner is more than 12 years younger than you, their pension will be reduced to take account of the fact that the pension can be expected to be paid over a longer period.

### Nomination for Lump Sum Death Benefits

A tax-free lump sum is payable in the event of your death and you can decide who should receive it. You may nominate one or more individuals; one incorporated or unincorporated body i.e. a charity or social club; or a combination of one or more individual and one

incorporated or unincorporated body to receive your death benefit lump sum only. You cannot nominate someone to receive your pension. Your nomination can specify how payments are to be divided between two or more individuals; or one or more individuals and one incorporated or unincorporated body.

Nominations must be made in writing to DBS Veterans UK by completing a Nomination Form (AFPS Form 2) available from the DBS Veterans UK website using the links provided in [Chapter 17, Further Information](#).

If you die without making a valid nomination, your lump sum will normally be paid to your spouse, civil partner, eligible partner or eligible children as detailed above. If there is no such person, the lump sum will be paid to your estate.

Even where a spouse, civil partner or eligible partner exists, a valid nomination will take precedence. It is your responsibility to review your nomination and to ensure that it is up to date and remains valid, especially when there has been a change in personal circumstances i.e. marriage, divorce, dissolution of a civil partnership, separation, change of eligible partner, or becoming a widow(er). You may revoke or alter a nomination at any time by submitting a further Nomination Form to DBS Veterans UK.

## Eligible Partner

A cohabiting partner may be eligible to receive a pension providing that it can be demonstrated that a substantial and exclusive relationship existed and that there was no legal reason preventing you from getting married or forming a civil partnership.

## Eligible Child

An eligible child is defined as a child who is under 18 years of age and who was financially dependent upon you on the date of your death. Additionally, those under the age of 23 who are in full-time education or vocational training are also eligible, as are children, of any age, who are unable to obtain gainful employment due to a physical or mental impairment.

## Death in Service

You must have vested (completed 2 or more calendar years of **qualifying service** in any Armed Forces Pension Scheme) for your dependants to receive any pension, however, a death in service lump sum will be paid whether you have vested or not.

Should you die in service, for any reason, your nominee, spouse, civil partner or eligible partner will receive a tax-free lump sum of 4 times your **final pensionable earnings**. No

other lump sum is payable from service completed as a member of a legacy pension scheme. If there is no surviving nominee, spouse, civil partner or eligible partner, all eligible children will share the lump sum. If there is no other eligible person, the lump sum will be paid to your estate.

In addition to the lump sum, your nominee, spouse, civil partner or eligible partner will receive an immediate pension paid for life. The immediate pension paid to a dependant following a death in service is calculated in the same manner as a Tier 3 ill-health pension. The spouse, civil partner or eligible partner then receive 62.5% of this award, while eligible children will share the remaining 37.5%, subject to a maximum of 25% per child. If there is no spouse, civil partner or eligible partner, all eligible children will share 100% of the pension, subject to a maximum of 33.3% per child. A former spouse, from whom you are divorced, or a former civil partner, (if you have legally dissolved the civil partnership) is not eligible to receive a pension.

## Death in Deferment

If you leave the Armed Forces having qualified for a **Deferred Pension**, but you die before that pension comes into payment at State Pension Age, your nominee, spouse, civil partner or eligible partner will receive a tax-free lump sum of 3 times your pension. Your spouse, civil partner or eligible partner will also receive an immediate pension equivalent to 62.5% of your pension. Eligible children will share the remaining 37.5%, subject to a maximum of 25% per child. If there is no spouse, civil partner or eligible partner, all eligible children will share 100% of the pension, subject to a maximum of 33.3% per child.

If you have accrued pension rights to any of the legacy pension schemes, your spouse, civil partner or eligible partner will receive a percentage of each pension as shown below (increased in line with the **Consumer Price Index**), which will be paid immediately.

## Death in Retirement

If you die whilst in receipt of a pension, your spouse, civil partner or eligible partner will receive 62.5% of that pension. Dependant children will share the remaining 37.5% subject to a maximum of 25% per child. If there is no surviving spouse, civil partner or eligible partner, all eligible children will share 100% of the pension, subject to a maximum of 33% per child.

There will also be a tax-free lump sum equal to 5 times your pension, less the combined total of all pension payments and lump sum that you had already received since retirement. Eligible children will share the 100% of the lump sum if there is no nominee, surviving spouse, civil partner or eligible partner.

## Allocation

You can choose to allocate a part of your annual pension (but not an ill-health pension) to one or more dependants, provided they are financially dependent on you in order for them to receive an income for life.

You will then receive a reduced pension (even if the person the pension is allocated to dies before you). Upon your death the person to whom you have chosen to make an allocation will then be entitled to receive a pension for life. If you die within 2 years of electing to make an allocation, that pension may be withheld, particularly if it is believed that a false health declaration was made.

If you die after reaching age 75, the amount paid under the allocation may be reviewed and adjusted as determined by the **Scheme Manager**. Further information can be found in [Chapter 4, What Your Pension Scheme Provides](#).

## Legacy Pension Scheme Benefits

### **Armed Forces Pension Scheme 1975 (AFPS 75), Non-Regular Permanent Staff Pension Scheme (NRPS) and Full Time Reserve Service Pension Scheme 1997 (FTRSPS 97):**

Your spouse or civil partner may receive a tax-free lump sum plus an immediate pension equivalent to 50% of your pension. Unmarried eligible partners can be awarded a pension if your death is **attributable** and they qualify for a payment under the **Armed Forces Compensation Scheme**. Eligible children will share the remaining 50%, subject to a maximum of 25% per child. If there is no spouse or civil partner, all eligible children will share 100% of the pension, subject to a maximum of 33.3% per child.

### **Armed Forces Pension Scheme 2005 (AFPS 05) and Reserve Forces Pension Scheme 2005 (RFPS 05):**

Your spouse, civil partner or eligible partner may receive a tax-free lump sum plus an immediate pension equivalent to 62.5% of your pension. Eligible children will share the remaining 37.5%, subject to a maximum of 25% per eligible child. If there is no spouse, civil partner or eligible partner, all eligible children will share 100% of the pension, subject to a maximum of 33.3% per eligible child.



## 10. How divorce/dissolution of a civil partnership can affect your pension

### Pension Earmarking and Attachment Orders

If you divorce, your civil partnership is dissolved or you are judicially separated, a Court can order the **Scheme Administrator** to pay all or part of your pension to your former spouse or civil partner as part of a divorce/dissolution or legal settlement. This can be as periodical payments or as one or more lump sums at the point when these benefits become payable. This is known as an **Attachment Order**. If your former spouse/ civil partner remarries or enters a new civil partnership, the pension payments will stop. The Court can also make an order making the lump sum which is payable to your estate, payable to your former spouse or civil partner in the event of your death in service.

**In Scotland only:** If you divorce, your civil partnership is dissolved or you are judicially separated, a Court can order the **Scheme Administrator** to pay a lump sum to your former spouse or civil partner as part of a divorce / dissolution or legal settlement. This is known as an **Earmarking Order** and will happen at the point when these benefits become payable. As a lump sum is not automatically payable under **AFPS 15** rules, any earmarking or attachment against the lump sum can only be completed if you opt to commute your pension benefits or a Court compels you to commute your benefits to create a lump sum.

## Pension Sharing on Divorce/ Dissolution

A **Pension Sharing Order (PSO)** is an order made by a Court on divorce or dissolution of a civil partnership, creating pension benefits for a former spouse or civil partner out of the benefits that the member has built up in the scheme. The former spouse or civil partner becomes a member of the scheme in their own right (known as a **Pension Credit Member**) and this is known as a clean break settlement. Payment of the pension is made directly to your former spouse or civil partner at the Deferred Pension Age and is not affected by changes in your circumstances or those of your former spouse or civil partner.

The **PSO** will specify the percentage (or amount for Scottish divorces) to be deducted from your shareable benefits at the time of your divorce. Your former spouse or civil partner receives payment of their part of your pension at their Deferred Pension Age. Alternatively, they can opt to have their pension paid at age 55 but it will be actuarially reduced to account for the early payment.

Because **AFPS 15** is an unfunded public service pension scheme, your former spouse or civil partner cannot transfer their pension credit benefits out of **AFPS 15** into another pension arrangement, nor can they add to them.

## Sharing Benefits Accrued in Legacy Armed Forces Pension Schemes

Where a Court order is made on or after 1 April 15, both **AFPS 15** benefits and any benefits earned under other Armed Forces pension schemes that have been accrued up to the point of the Court order, may be taken into consideration and a Court could make an order, sharing either one or both sets of benefits.

Where both sets of benefits are part of the **PSO**, the former spouse or civil partner will receive two separate credits. Pension credits are set up based on the Deferred Pension Age of the scheme. The first credit will be based on the existing preserved

pension age in respect of their share of the legacy pension scheme's accrued rights. The second credit will be payable at the Pension Credit member's State Pension Age in respect of their share of **AFPS 15** benefits.

Note: The above arrangements only apply to pension benefits; **Early Departure Payments** will be unaffected.

DBS Veterans UK will only make payments to your former spouse or civil partner when a court order has specifically instructed them to do so. Without such an order, DBS Veterans UK will continue to make payments only to you. If you die before your former spouse or civil partner, unless the benefits are subject to a PSO, they will not receive any payments in respect of your pension after the date of your death.



## 11. Increasing your pension benefits

Occupational pension schemes such as **AFPS 15** provide pension benefits in addition to those provided by the State pension. Her Majesty's Revenue and Customs (HMRC) allow certain tax concessions to pension schemes such as **Annual Allowance**, **Lifetime Allowance** and the introduction of Scheme Pays. Full details about all of the concessions can be found on their website: [www.hmrc.gov.uk/pensionschemes](http://www.hmrc.gov.uk/pensionschemes).

The options for increasing your benefits include the following:

### Added Pension

As a member of the Scheme you can pay personal contributions in order to purchase **Added Pension** to increase either your retirement benefits and/or dependants' benefits. You can choose to pay either a lump sum or fixed monthly payments over a scheme year. This is a contract between you and the **Scheme Administrator**. You will need to take out a new contract for each scheme year that you intend to purchase **Added Pension** and any **Added Pension** contracts taken out part way through a scheme year will cease at the end of the scheme year and will be shorter than 12 months. A new contract will need to be taken out at the beginning of the next scheme year. Only one **Added Pension** contract can be taken out per scheme year.

The amount of **Added Pension** you purchase will increase annually in line with the **Consumer Price Index (CPI)** in each subsequent scheme year until the pension comes into payment. The amount of **Added Pension** a member can purchase throughout their public service career will be subject to Her Majesty's Treasury (HMT) limits. The total amount of **Added Pension** that can be purchased over your public service career will be capped and from 2015 is £6500 but could be subject to change in the future.

You may cancel your **Added Pension** contract at any time but you will only receive a proportion of the amount of **Added Pension** you would have received had you paid the full contributions. If you leave the Armed Forces before you have completed 2 calendar years **qualifying service**, you will receive a refund of your personal contributions, less any relevant tax charges.

## Stakeholder Pension

The Stakeholder Pension is a flexible, low cost, private pension introduced by the Government to help people save for their retirement. Stakeholder Pensions are money purchase arrangements under which contributions are invested to provide a fund at retirement. They do not top up benefits under **AFPS 15, AFPS 05, AFPS 75 or RFPS 05** but are in addition to and separate from those provided by the Armed Forces pension schemes.

When considering whether to take out a Stakeholder Pension, you need to ensure that your total pension provision (from all pension funds – Private Pensions, AFPS, **Added Pension** and Stakeholder Pension) does not exceed the **Annual Allowance (AA)** and **Lifetime Allowance (LTA)** or you may incur a tax charge.

As with other money purchase arrangements, the Stakeholder Pension provided at retirement is not guaranteed as it depends on the amount of money saved, the investment return on these savings, the age at which retirement benefits are drawn and the annuity rates at the time of retirement. Scottish Widows are the preferred provider of Stakeholder Pensions to the Armed Forces. Their contact details are:

### Scottish Widows

Direct Sales  
69 Morrison Street  
Edinburgh  
EH3 0BR

Tel : 0845 608 0376

Fax : 0131 655 5300

Email: [armedforces@scottishwidows.co.uk](mailto:armedforces@scottishwidows.co.uk)

Website: [www.scottishwidows.co.uk/armedforces/](http://www.scottishwidows.co.uk/armedforces/)

## Further Information and Advice

When considering whether to take out any additional benefits, either **Added Pension** or a stakeholder pension, you can obtain further information from the Defence Intranet and Internet sites and the booklet '**Increasing Your Pension Benefits**' – MMP/128'.

Before making a decision, you are advised to take independent financial advice about the purchase of additional benefits, to obtain a product which is right for you. Information about independent financial advisors accredited by the Services Insurances and Investment Advisory Panel are listed on their website at <http://siiap.org/>. Additionally, the Financial Services Authority (FSA) can advise you on many issues, including how to find a financial advisor, via their website <http://www.fca.org.uk/consumers> or their Consumer Helpline **0800 111 6768**.

# 12. Transferring your benefits

## Transferring Benefits into AFPS 15

If you were previously a member of an occupational pension scheme with a former employer before joining the Armed Forces, or if you have a personal pension, you can request to transfer the value of some, or all of those benefits into **AFPS 15**. This does not include benefits which are attributable to a **pension credit** i.e. where a **Pension Sharing Order** has been awarded.

The transfer of the value of the benefits earned in another pension scheme will involve converting the value of those benefits, using the appropriate scheme factors, into an amount to be credited to your **AFPS 15** pension.

A request must be made in writing to DBS Veterans UK and must specify both the anticipated amount of payment and the pension scheme or arrangement from which the transfer value payment is to be made. **Any transfer request must be made within 5 years of leaving the previous employer and must also be made within 12 months of becoming a member of AFPS 15.** You may be required to provide a statement of entitlement from the other pension scheme stating the amount of transfer value. This should be supplied within 2 months of the transfer being made.

If you transfer in service from another occupational pension scheme the service will count towards the 2 year **vesting period** but will not count towards the **qualifying service** for an **Early Departure Payment (EDP)** or for a **Resettlement Grant**.

If you wish to transfer pension benefits from a final salary pension scheme into your Armed Forces pension, due to the different design of the schemes, final salary benefits cannot be transferred into a **CARE** pension. Instead, the final salary benefits will be transferred into **AFPS 05** which is the most recent Armed Forces final salary pension scheme. The transferred in benefits will then be treated in the same way as other accrued rights in accordance with the rules of those schemes.

## Effect of Transfer on EDP Qualification

Any transfer into **AFPS 15** from another occupational or personal pension scheme, whilst increasing the value of an **EDP**, will not count towards **EDP qualifying service**. You will still need to complete the required 20 years service in the Armed Forces and reach age 40 to qualify for an **EDP**.

## Transfers between Public Service Pension Schemes

If you request a transfer payment to be made from another Public Service pension scheme, into your Armed Forces pension scheme, you must request a statement from the previous scheme showing the amount of public service pension earned. This must be provided to the new **Scheme Administrator** within 2 months of the transfer request.

## Transferring pension benefits to another Occupational Pension Scheme

If you leave the Armed Forces before your pension is payable (and therefore become a Deferred Member) and take up new employment where a registered occupational pension is available or a personal pension scheme, you can request payment of a transfer value in respect of your accrued benefits under **AFPS 15** and other legacy Armed Forces pension schemes. This does not include benefits which are attributable to a pension credit.

If you wish to apply for a **transfer value payment**, you must apply in writing to DBS Veterans UK for a statement of entitlement. You cannot transfer your benefits once your pension has come into payment.

If you have been provided with a statement of entitlement then you can apply to DBS Veterans UK for a **transfer value payment**. The application must state the pension scheme to which the transfer value should be paid. You are permitted to withdraw an application for a **transfer value payment** by writing to DBS Veterans UK, but an application can not be allowed to be withdrawn if an agreement has already been entered into with the new pension scheme.

**Government Legislation introduced on 1 April 2015 does not allow transfers from unfunded defined benefit public service pension schemes to defined contribution schemes, therefore, a transfer of benefits to some pension schemes may not be possible.**

## Leaving with less than 2 years Service

If you leave the Armed Forces before you have vested in **AFPS 15** i.e. with less than 2 calendar years service, you will not qualify for a **Deferred Pension**. However, you may be able to transfer the value of the pension earned in this time to another pension scheme. You must have completed a minimum of 3 months service and you must apply to DBS Veterans UK within 6 months of leaving the Armed Forces and before your State Pension Age.

# 13. Making the most of your membership

Some of the actions you may wish to take in relation to your pension or related benefits are time limited.

The table below explains what these time limits are; please make sure you do not miss out by exceeding them. Benefits you have accrued in other Armed Forces pension schemes may have slightly different time limits. You should check the relevant scheme booklets for the time limits which apply to other Armed Forces pension schemes.

Action	Time Limit
Making a <b>transfer</b> of pension benefits from a pension scheme with a former employer into <b>AFPS 15</b> .	You must apply within <b>5 years</b> of leaving your former employer and within <b>12 months</b> of joining <b>AFPS 15</b> .
Making a transfer of pension benefits (in or out of) <b>AFPS 15</b> .	For transfers under the non-Public Sector Pension Scheme arrangements, the application must be within <b>12 months</b> of joining the new pension scheme and before your pension is due to be paid.
Making a transfer out of <b>AFPS 15</b> pension benefits (minimum of 3 months service required) after leaving the Armed Forces with less than 2 years' service.	You must apply within <b>6 months</b> of leaving the Armed Forces and before your pension is due to be paid.
<b>Commutation</b> of pension to create lump sum.	You must apply within <b>6 months</b> before your pension is due to be paid.
<b>Inverse commutation</b> of your full <b>EDP</b> lump sum to increase the monthly <b>EDP</b> income up to state pension age.	You must apply within <b>6 months</b> before your <b>EDP</b> is due to be paid.
Election to retain <b>EDP</b> lump sum and continue to receive monthly income on rejoining the Regular Armed Forces within 5 years of receiving an <b>EDP</b> .	You must apply within <b>1 month</b> of rejoining the Armed Forces.
Election to make an <b>allocation of your pension</b> to one or more nominated individuals who are financially dependent on you.	If you decide to allocate a part of your pension you must do so within your final <b>6 months</b> of service.
Claim a <b>deferred pension</b> .	There is no time limit but you are advised to submit your claim to DBS Veterans UK at least <b>3 months</b> before your pension is due for payment at the deferred pension age. There is no requirement to claim your pension if you are already in receipt of an <b>EDP</b> . For any pension which is claimed after the date it becomes payable, no back payments will be issued. Instead, a late payment supplement will be added to your pension; this increased pension is then payable from the date it is claimed.
Make a nomination for an individual/ organisation to receive your Death Benefit Lump Sum.	A nomination can be made at any time. You may revoke or alter a nomination at any time by submitting a further Nomination Form to DBS.



## 14. Re-employment in the Armed Forces

If you leave the Armed Forces you may decide to rejoin, either as a Regular or Reserve. You may be allowed to add your pension benefits, or **qualifying service**, together.

If you leave the Armed Forces with an AFPS 15 pension in payment and are re-employed (as a Regular or Reserve) within 28 days of your last day of paid service, any payments already made to you will be recovered and you will be treated as though you had never left. If you rejoin the Armed Forces after 28 days, you will keep your AFPS 15 pension in payment although legacy pensions may still be subject to abatement.

The pension is not to be confused with the EDP monthly income which will be treated as per the guidance below (Re-employment following Early Departure Payment).

If you rejoin (after 28 days) with an AFPS 15 pension already in payment, there will be no **abatement** which means that your pension payments will not be reduced if your pension and new salary combined, equal more than your previous salary. You will be treated as an entirely new joiner and previous service will not be counted towards vesting for the new period of service, **Resettlement Grant** or EDP.

## 5 Year Rule

### **Break of less than 5 years**

If your pension has not yet come into payment and the gap between your two periods of service is 5 years or less, any **AFPS 15 deferred pension** will be reactivated and increased in line with the **Average Weekly Earnings (AWE)** Index across the break. If rejoining as a Regular, previous service can also then be counted towards **Resettlement Grant** and **EDP**.

If you rejoin the Armed Forces and have been a member of another public service pension scheme between your 2 periods of military service, providing no single gap in pensionable public service is more than 5 years, you are considered to have maintained continuous service in the Armed Forces and the above paragraph also applies.

### **Break of more than 5 years**

If the gap between the two periods of **AFPS 15** service is more than 5 years, your **AFPS 15** pension will remain deferred and a new pension account will be established i.e. you will be treated as a new joiner. When rejoining after more than 5 years, previous service will not be counted towards **vesting** in **AFPS 15**, **Resettlement Grant** or **EDP**.

### **Re-employment with Legacy Pension Scheme Benefits**

Pension benefits accrued under legacy pension schemes will remain subject to legacy pension scheme rules on rejoining, and abatement may apply. You are advised to check these rules and the impact it will have on your pension and related benefits if you are considering rejoining the Armed Forces. Links to relevant scheme information can be found in [Chapter 17, Further Information](#).

## Re-employment following Ill-Health Discharge

**Tier 1 Ill-Health Award:** If you rejoin the Armed Forces having previously been discharged with a Tier 1 Ill-Health Lump Sum, the lump sum will be re-calculated proportionately based on the length of time you've spent outside of the Armed Forces and you will need to repay the unexpired portion of the lump sum on rejoining.

If, having rejoined the Armed Forces, you are medically discharged with a second lump sum for the same or a different medical condition, only the second period of service will count as qualifying service towards the new award.

**Tier 2 or 3 Ill-Health Award:** If you were previously discharged with a Tier 2 or Tier 3 Ill-Health award, your pension will be made up of two elements:

- the 'base' pension you accrued up to the point of exit;
- the ill-health 'enhancement' based on the number of years between the point you left service and the scheme **NPA**.

If you rejoin the Armed Forces, the 'base' pension will become deferred and payable from State Pension Age. The 'enhancement' element will be lost permanently because, by rejoining the Armed Forces, you no longer meet the Tier 2/3 ill-health criteria. You will begin to accrue pension benefits for the second period of service in accordance with the rules for a new member. You will need to complete the 2 years **qualifying service** to vest in the scheme.

The standard 5-year rejoiner rule (as explained above) does not apply to those in receipt of ill-health pensions because a **Benefits Crystallisation Event (BCE)** has occurred i.e. the pension came into payment and therefore the two periods of service can not be linked (aggregated) and treated as continuous.

## Re-employment following payment of the Early Departure Payment

### **Break of less than 5 years**

If you are in receipt of an **AFPS 15 EDP** and you rejoin the Regular Armed Forces within 5 years, you can choose to have your **EDP** treated in one of two ways.

**Option 1:** You can choose to retain your **EDP** lump sum and continue to receive the monthly income; this must be done within 1 month of rejoining the Armed Forces. Your **EDP** will remain in payment but will not be recalculated when you leave the Armed Forces at the end of the second period of service. **EDP** payments will stop at the Deferred Pension Age when the pension comes into payment.

**Option 2:** You can choose to have your **EDP** monthly income stopped immediately and repay in full any lump sum already received. Repayment of the lump sum will include interest and at the end of the latter period of service, you will be entitled to a new **EDP** lump sum and monthly income. This will be recalculated to take into account both periods of service unless you serve to age 60, at which point your pension will be paid immediately.

### **Break of more than 5 years**

If the gap between the two periods of **AFPS 15** service is more than 5 years, your **AFPS 15 EDP** will be unaffected, you will not be required to repay the lump sum and you will retain the monthly income. You will be treated as a new joiner and your previous service will not be counted towards earning a second **EDP**.

## Re-employment following Redundancy

If you are re-employed as a Regular or Full-Time Reserve, having previously received a redundancy compensation payment from the Armed Forces, you may be required to repay all or some of the compensation payment. This will depend upon the length of time between leaving the Service on redundancy and rejoining.



## 15. Reserve Forces

This chapter applies to the Reserve groups listed below. If you are a Regular who is considering leaving and later rejoining as a Reserve it is recommended that you read this chapter and also [Chapter 14, Re-Employment in the Armed Forces](#).

The following Reserve personnel are eligible to be members of AFPS 15 and will be automatically enrolled into the scheme.

- All individuals on paid service within the Part Time Volunteer Reserve (PTVR) (this includes Royal Naval Reserve, Royal Marine Reserve, Army Reserve (Group A only) and Royal Auxiliary Air Force)
- Full Time Reserves (Full Commitment, Home Commitment and Limited Commitment)
- Additional Duties Commitment
- Non-Regular Permanent Staff
- Ex-Regular Reserve

# Membership

If you are serving in the Reserve Forces, you will be an active member of **AFPS 15** providing you have not opted out of the scheme or have **Transitional Protection** (explained below). Regardless of Transitional Protection, all members of the Part Time Volunteer Reserve (PTVR) will become members of **AFPS 15** on 1 April 2015. Mobilised PTVR who have **Transitional Protection** will remain a member of their existing scheme until the end of their mobilisation; thereafter they will join **AFPS 15**. All other members of the PTVR will join **AFPS 15** on 1 April 2015.

In order to be eligible to receive any **AFPS 15** pension benefits, you will be required to serve for 2 calendar years, starting from your first day of paid service on or after 1 April 2015 (but excluding periods of unauthorised absence, unpaid leave, service detention and imprisonment). Any pensionable service in legacy Armed Forces pension schemes between 1 April 2010 and 31 March 2015 will also count towards the 2 year **vesting period**, providing you had previously vested in those schemes and the gap in service is less than 5 years.

## Pension options available to Part Time Volunteer Reserves

Members of the PTVR will be automatically enrolled into AFPS 15, but you can choose to opt out at any time. If you choose to opt out within 3 months of joining the scheme, you will be treated as never having joined.

**Option 1: Join AFPS 15.** You will be automatically enrolled in the scheme at the start of your engagement (or on 1 April 2015 if you were already a serving member). No contributions are necessary, you will accrue a pension based upon your earnings within the Armed Forces and you can continue to be a member of your civilian employer's occupational pension scheme.

**Option 2: Opt out of AFPS 15.** You can decide to opt out of **AFPS 15** at any time, but you can only choose to opt back in again once per year, or once per period of mobilisation. During any period of mobilisation, you may opt out and request that MOD makes employer contributions to your existing civilian pension scheme (providing you continue to make your own employee contributions). You may opt out of the scheme by completing AFPS Form 16 and submitting it through your Commanding Officer to DBS Veterans UK (see [Chapter 17, Further Information](#) for the DBS Veterans UK address). If you choose this option, you will be ineligible for the ill-health and death benefits provided by **AFPS 15**, but you may still be eligible for compensation from the **Armed Forces Compensation Scheme** should you suffer a medical condition which is attributable to your service.

You are responsible for your own tax and financial affairs and are advised to seek Independent Financial Advice prior to making any decision to opt out.

**Making contributions to a private pension.** You can be a member of **AFPS 15** and make your own contributions to a private pension scheme. This type of pension is a private arrangement between you and your chosen pension provider which is entirely separate to the MOD and Armed Forces pension schemes.

## Opportunity to Rejoin AFPS 15 after Opting Out

If you opt to leave **AFPS 15** (or opt not to join) you may opt to rejoin/join the scheme by completing AFPS Form 16 and submitting it through your Commanding Officer to DBS Veterans UK once in any 12 month period, or once per period of mobilisation. You will be deemed to have joined the scheme on the date the letter is received by DBS Veterans UK.

## Retirement Benefits

Attendance based paid service, (for example Man Training Days and Drill Nights), counts as pensionable pay and will contribute to your pension. Elements of pay which will not contribute to your pension are the same as those which are not pensionable for Regular Service personnel such as Recruitment and Retention Payments (RRP) and allowances. Reserve Training Bounty payments are also non-pensionable.

Reserve service will not qualify towards **Early Departure Payment (EDP)** benefits or a **Resettlement Grant**. For more information, see [Chapter 6, Early Departure Payment](#) and [Chapter 7, Resettlement Grant](#).

## Abatement of Legacy Scheme Pension/ AFPS 05 EDP

If you rejoin the Armed Forces and have a legacy pension or **AFPS 05 EDP** in payment then it may be suspended or reduced to ensure that your pension or **EDP** income plus your new salary does not exceed your previous salary (the amount of which will be adjusted to take account of inflation). This is known as **abatement**.

If you rejoin the Armed Forces as a Reserve, **abatement** policy will **not** apply to the pension benefits you earned as a member of **AFPS 15**. However, it is important to note that if you were previously a member of a legacy pension scheme, because you retain accrued rights to the rules of that scheme, **abatement** policy will be applied to the proportion of your pension earned under that scheme.

## Abatement of AFPS 75 Pension

Your new salary plus your **Immediate Pension** must not exceed your total salary from the end of your previous period of service in the Armed Forces. If it does exceed

this amount, you will be paid your new Armed Forces salary, but your pension payments will be abated so that the total you receive does not exceed your salary at the point that you previously left the Armed Forces.

## Abatement of AFPS 05 EDP

If you rejoin the Armed Forces on a Full Time Reserve Service (FTRS) contract, your **AFPS 05 EDP** income will be stopped i.e. abated by 100%. It will restart again once you finally leave the Armed Forces. You may also have to repay your **EDP** lump sum if there has been an insufficient break in service. For example, if your **EDP** lump sum was the equivalent of 12 months of pay, but you take up an FTRS contract within 6 months of leaving Regular service, then you will have to repay a lump sum equal to the balance of 6 months pay and it will not be repaid when you subsequently leave again.

If you rejoin the Armed Forces on a Part Time Volunteer Reserve (PTVR) contract whilst in receipt of an **AFPS 05 EDP**, there will be no requirement to repay the **EDP** lump sum and there will be no abatement to the **EDP** income. The policy regarding abatement of the **AFPS 05 EDP** does not apply to PTVR service.

Treatment of the **AFPS 15 EDP** on rejoining is explained in [Chapter 14, Re-Employment in the Armed Forces](#).

# 16. Dispute and complaints resolution

If you are not satisfied with how the Armed Forces pension schemes' rules have been interpreted and applied by the **Scheme Administrator** you can use the Internal Disputes Resolution Procedures (IDRP) to resolve an issue. Disputes can be disagreements concerning fact or law or maladministration of a pension award. You must have reason to believe that the decision was not properly made or implemented.

If you wish to make a complaint you should, in the first instance, write to DBS Veterans UK at the following address:

## **Pay Allowances Casework & Complaints Cell**

DBS  
Mail Point 600  
Kentigern House  
65 Brown Street  
Glasgow  
G2 8EX

Tel (civ): 0141 224 2605

Tel (mil): 94561 2605

**Internal email:** [DBS MilPers-MilOps-PACCC-Group](mailto:DBSMilPers-MilOps-PACCC-Group)

**External email:** [DBSMilPers-MilOps-PACCC-Group@mod.uk](mailto:DBSMilPers-MilOps-PACCC-Group@mod.uk)

DBS will aim to acknowledge your complaint within 2 working days of receipt and respond within ten working days where possible.

## Internal Dispute Resolution Procedures

IDRP is a formal procedure set up to resolve disagreements between the **Scheme Administrator** and individuals who have an interest in the scheme, such as **members, spouses/ civil partners, or dependants**. It provides the opportunity to complain to the **Scheme Administrator** about matters relating to the pension scheme and maximise the opportunity to resolve the disagreement internally.

The IDR process consists of two stages:

- **Stage 1:** You should address your complaint to DBS Veterans UK, Mail Point 610, Kentigern House, 65 Brown Street, Glasgow G2 8EX, stating that you wish to invoke IDR Stage 1. Your complaint will be considered by an officer at OF4/ Band C1 level, who will take the necessary medical or legal advice as appropriate. If the complaint is straight forward this normally takes up to 2 months, although in more complex cases where further advice is sought, it may take longer than this.
- **Stage 2:** If you are not content with the outcome of your IDR Stage 1, you can invoke Stage 2. You need to do this within 6 months of the date of your Stage 1 decision letter. You should write to DBS Veterans UK, Mail Point 610, Kentigern House, 65 Brown Street, Glasgow G2 8EX stating that you are invoking IDR Stage 2. You need to provide a clear statement as to why you disagree with the Stage 1 decision and the outcome you are seeking. Your Stage 2 complaint will normally be considered by an officer at OF5/ Band B2 level who will take the necessary medical or legal advice as appropriate, which will normally be separate from the advice provided at Stage 1. This process will take up to 2 months, although more complex cases can take longer. You will be informed if it is likely that your case will take longer than 2 months. Under the second stage, you have the right of appeal to a higher level against the decision made on the first stage of your complaint.

If your complaint remains unresolved, you may then take it to the Pensions Ombudsman through The Pensions Advisory Service (TPAS).

## The Pensions Advisory Service (TPAS)

TPAS is an independent body which is financed in part by the Department of Work and Pensions. You may contact TPAS for advice at any stage during the IDR but you must have raised your complaint in writing to DBS before contacting TPAS for assistance. A TPAS advisor is available to assist you and your dependants through the process to help resolve any difficulties you have failed to resolve with DBS.

The contact details are:

**TPAS**  
11 Belgrave Road  
London  
SW1V 1RB

**Tel:** 0845 6012923

**Email:** [www.pensionsadvisoryservice.org.uk/online-enquiry](http://www.pensionsadvisoryservice.org.uk/online-enquiry)

Website: [www.pensionsadvisoryservice.org.uk](http://www.pensionsadvisoryservice.org.uk)

## Pensions Ombudsman

The Pensions Ombudsman has the power to investigate any complaints and settle disputes between a pension scheme and a complainant. They will usually only become involved if the IDRPs and the TPAS have been unable to address the problem. Complaints must normally go to the Ombudsman within 3 years of whatever event caused the dispute. The Ombudsman cannot investigate a dispute once formal legal proceedings have begun.

The contact details are:

**The Office of the Pensions Ombudsman**

11 Belgrave Road  
London  
SW1V 1RB

Tel: 020 7630 2200

Email: [enquiries@pensions-ombudsman.org.uk](mailto:enquiries@pensions-ombudsman.org.uk)

Website: [www.pensions-ombudsman.org.uk](http://www.pensions-ombudsman.org.uk)

## The Pensions Regulator (TPR)

The Pensions Regulator (TPR) is able to intervene in the running of pension schemes where the management of the scheme has failed to comply with the law.

The contact details are:

**The Pensions Regulator**

Napier House  
Trafalgar place  
Brighton  
BN1 4DW

Tel: 020 606 3636

Email: [customersupport@thepensionsregulator.gov.uk](mailto:customersupport@thepensionsregulator.gov.uk)

Website: [www.thepensionsregulator.gov.uk](http://www.thepensionsregulator.gov.uk)



## 17. Further information

If you have any queries about the basic principles of AFPS 15, you can obtain further guidance in the first instance from your Unit Administration Office (UAO).

DBS Veterans UK can also answer questions. They are responsible for the assessment, award, payment and maintenance of all Armed Forces pensions. Correspondence in relation to pensions should be clearly headed as such and sent to the following address:

**DBS Veterans UK**  
**Joint Personnel Administrative Centre (JPAC)**  
Veterans UK Pension Division  
Mail Point 480  
Kentigern House  
65 Brown Street  
Glasgow, G2 8EX

**Website (www):** <https://www.gov.uk/government/organisations/veterans-uk>

**Tel (Civ):** 0800 085 3600

**Tel (Mil):** 94560 3600

**Tel (from overseas):** 00 141 224 3600

**Email:** [DBS-PensionsHelp@dbspv.mod.uk](mailto:DBS-PensionsHelp@dbspv.mod.uk)

**Fax (Civ):** 0141 224 3586

**Fax (Mil):** 94561 3586

UAO and DBS Veterans UK staff are not financially accredited to give specific financial advice to individuals; should you feel this is what you need, you should contact an independent financial adviser. The Services Insurance and Investment Advisory Panel (SIAP) ([www.siap.org](http://www.siap.org)) can give specialist independent financial advice to Service personnel.

There is also further information about **AFPS 15** and related benefits as well as information about legacy Armed Forces pension schemes on the Defence Intranet/ Internet:

**Defence Intranet:**

<http://defenceintranet.diif.r.mil.uk/Personnel/Military/Remuneration/Pages/Remuneration.aspx>

**Internet:**

<https://www.gov.uk/pensions-and-compensation-for-veterans#armed-forces-pension-scheme-2015>

## Policy related to Armed Forces Pensions:

- **The Armed Forces Pension Scheme Regulations 2014**  
<http://www.legislation.gov.uk/uksi/2014/2336/contents/made>
- **The Armed Forces Early Departure Payment Scheme Regulations 2014**  
<http://www.legislation.gov.uk/uksi/2014/2328/contents/made>
- **JSP 764**  
<https://www.gov.uk/government/publications/jsp-764-armed-forces-pension-scheme-2005-afps-05>
- **AFPS 05 Your Pension Scheme Explained MMP/124**  
<https://www.gov.uk/government/publications/armed-forces-and-reserve-forces-pension-schemes-guidance-booklets>
- **AFPS 75 Your Pension Scheme Explained MMP/106**  
<https://www.gov.uk/government/publications/armed-forces-and-reserve-forces-pension-schemes-guidance-booklets>
- **RFPS05 Your Pension Scheme Explained MMP/146**  
[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/28846/RFPSMMP146version2.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/28846/RFPSMMP146version2.pdf)
- **AFPS Members Guide to Taxation of Pension Benefits**  
<https://www.gov.uk/government/publications/pension-tax-relief-guidance-booklets>
- **JSP 905 - Armed Forces Pension Scheme 2015, Accrued Rights and Related Benefits**



