



FPS Factsheet

Payment of Pension Benefits



Do you understand how your pension benefits will be paid – particularly if you have rights in more than one scheme? The Forces Pension Society sets out the basics on what is payable and when for those who leave on other than ill-health grounds.

First a little background. The transfer of members into AFPS15 from their legacy (old) pension schemes on 1 April 2015 was ruled unlawful on age discrimination grounds so those affected will be moved back to their original scheme in respect of their service up to and including 31 March 2022. From 1 April 2022 everybody in those legacy schemes, irrespective of age, became an AFPS15 member, with transferees receiving protected rights in their legacy scheme, and, in due course, they will have a choice to make about which scheme their service between 1 April 2015 and 1 April 2022 is counted. When this choice is offered, members will find it very helpful to understand how the benefits work in both AFPS15 and their legacy scheme.

So, what are these important benefit points?

In AFPS75 Officers' reckonable service (RS) counts from age 21. To qualify for an Immediate Pension (IP) they need 16 years RS. Those who leave before their IP Point (IPP) with 9 or more years RS qualify for a Resettlement Grant*(RG). For Other Ranks (ORs), RS counts from age 18. To qualify for an IP they need 22 years RS. Those who leave before their IPP with 12 or more years RS qualify for a RG.

Those who leave before their IPP receive an AFPS75 Preserved Pension (PP) payable at age 60 for benefits earned before 6 April 2006 and age 65 for benefits earned from 6 April 2006. The part due at age 65 may be claimed at age 60 at an actuarially reduced rate.

AFPS05 members who leave at age 55 receive their pension immediately. If they leave earlier they qualify for a PP, payable at age 65, plus Early Departure Payment (EDP) Scheme benefits for those with a minimum of 18 years' service who are at least age 40 on discharge (the 18/40 Point). EDP benefits comprise a lump sum worth 3 times the AFPS05 PP and an annual income of at least 50% of the AFPS05 PP, payable until age 65.

AFPS15 members leaving at age 60 or after receive their pension immediately. If they leave before age 60 they qualify for a Deferred Pension (DP) payable at state pension age (SPA). Those with a minimum of 20 years' service who are at least age 40 on discharge (the 20/40 Point) also qualify for EDP benefits. These comprise a lump sum worth 2.25 times the AFPS15 DP and an annual income of at least 34% of the AFPS15 DP, payable until SPA.



FPS Factsheet

Payment of Pension Benefits



For both AFPS05 and AFPS15, those leaving with more than 12 years' service with no other immediate benefits qualify for an RG. Their PP or DP may be claimed from age 55 with actuarial reductions, without affecting any EDP income in payment.

What does this protection mean in practice if you are a member of AFPS15 with protected rights in either AFPS75 or AFPS05?

- A former AFPS75 member who leaves before age 60 but at/after IP would receive the AFPS75 pension earned plus any AFPS15 EDP and DP they qualified for. Those who do not qualify for an IP or EDP will receive a PP and a DP, and an RG if they qualify.
- A former AFPS05 member, who leaves at age 55 but before age 60, will receive their AFPS05 pension immediately plus any AFPS15 EDP and DP they qualify for. If they leave at/after the 18/40 Point (but before age 55) they will receive AFPS05 EDP benefits, an AFPS05 PP and an AFPS15 DP. If they have reached the 20/40 Point, they would also receive an AFPS15 EDP. If they have 12 years' service but less than 18, they will receive an RG. Otherwise, they will receive a PP and a DP only.

Why are we reminding you about these important milestones? **Well, there are several thousand unclaimed benefits on Veterans UK records - benefits which, in the current financial climate, could make a big difference to some households.** It may be some time before you are old enough to claim your PP or DP but, whatever happens, don't forget to do it. If you are leaving with EDP benefits in payment, you, too, must claim your PP or DP when the time comes – your pension will not come into payment automatically. You can claim using [AFPS Form 8](#) available on the GOV.UK/Veterans UK website.

We are keen that you should not become a statistic in a future AFPS Annual Report!

*Current Resettlement Grants can be found on the GOV.UK/Veterans UK website.

For more about the Forces Pension Society scan the QR code or visit forcespensionsociety.org

