



# AFPS Quarterly Digest

## 2015 Remedy

The AFPS Policy and Communications team have developed 4 bitesize videos to help in understanding the reasons for the introduction and application of the 2015 Pension Remedy following the McCloud judgment. They are now available to view on the MOD YouTube channel, as well as on defnet for serving

members. Further videos will follow in due course which provide more in-depth information on the AFPS15 Scheme.

[bit.ly/AFPS-Remedy-Videos](http://bit.ly/AFPS-Remedy-Videos)

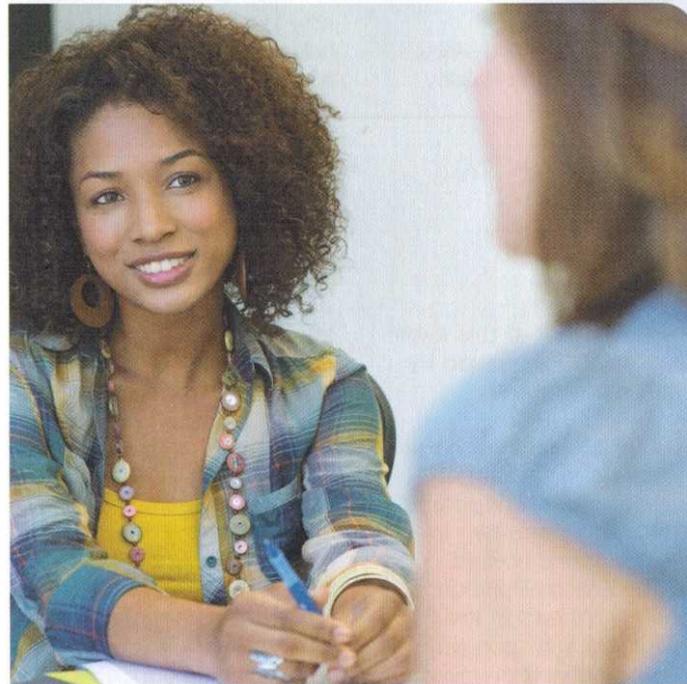
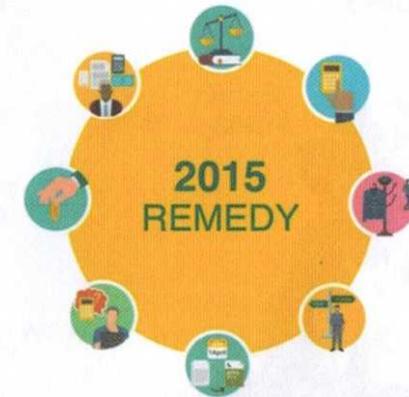
We hope that these videos will be useful in helping members understand the complexities of

the 2015 Pension Remedy in relation to their Armed Forces Pension.

For serving members, infographics are in development and will be hosted on our 2015 Pension Remedy Defence Connect page, which will illustrate some example scenarios of how legacy and AFPS15 benefits will be calculated for straightforward cases.

To find out more information and for regular updates on policy development, legislation being passed and the 2015 remedy, please visit our 2015 Remedy Defence Connect Page. For members no longer in service, all key information regarding the 2015 Pension Remedy will be available on the Armed Forces Pensions pages on [www.gov.uk](http://www.gov.uk).

<https://jive.defencegateway.mod.uk/groups/mccloud>



## Medical Discharges

Your pension scheme provides ill-health benefits to approximately 1,400 members who are medically discharged every year.

If you have service in the AFPS75 Scheme and you are medically discharged, you will receive a Service Invaliding Pension (SIP) from discharge in respect of that service.

If discharging with service in the AFPS05 or AFPS15 Schemes, Veterans UK will assess your capacity for full-time employment in any achievable civilian role, as well as whether you

condition is likely to improve before your normal pension age, and will award you a 'Tier Award'.

Veterans UK will award you a Lump Sum if you have to leave service due to ill-health but you are not assessed as being significantly impaired from achieving full-time civilian work until pension age. Around 85% of service personnel who medically discharge receive an ill-health Lump Sum. This lump sum is commonly referred to as a 'Tier 1 Lump Sum'.

If you are assessed as being significantly impaired from

achieving full-time civilian work until pension age, Veterans UK will award an ill-health pension from discharge. Around 10% of service personnel who medically discharge receive an ill-health pension. This pension is commonly referred to as a 'Tier 2 Pension'.

If you are assessed as being incapable of any full-time civilian employment until pension age, Veterans UK will award an enhanced ill-health pension from discharge. Around 5% of service personnel who medically discharge receive an enhanced ill-health pension. This pension is

commonly referred to as a 'Tier 3 Pension'.

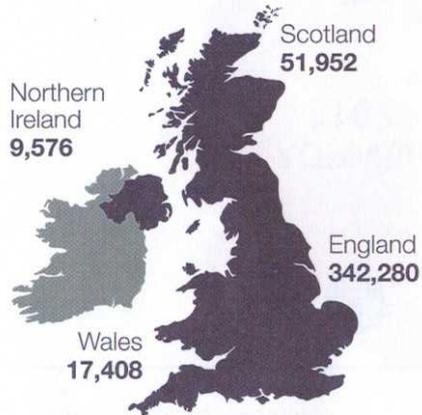
If you disagree with the decision of Veterans UK, there is a formal Internal Disputes Resolution Procedure (IDRP) and if a member's condition deteriorates or does not improve as expected after discharge, Veterans UK will review its decision on request until five years after discharge.

For full details of the provisions of your scheme, please read the relevant Your Scheme Explained booklets, found at

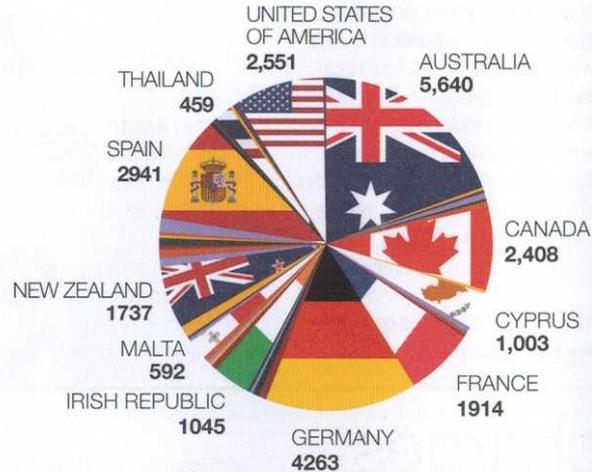
[www.gov.uk/guidance/pensions-and-compensation-for-veterans](http://www.gov.uk/guidance/pensions-and-compensation-for-veterans)

# Our Global reach – Armed Forces Pension members in numbers

## UK Members



## International Members



# Annual Allowance



If you are still serving, there is a tax-free limit on how much your pension can grow in a single tax year. This limit is set by HMRC and is known as Annual Allowance. Any pension savings made in a single tax-year above this Annual Allowance may be subject to taxation. The allowance has changed over the years and is currently £40,000 per tax year—any savings above that figure are taxable.

Each year, we will write to members who are potentially affected. This year's exercise has started and we will be issuing letters to those affected

in late September. If you receive a letter, it will provide the guidance you require to take any necessary action.

You can find a Step-By-Step Guide on the Armed Forces Pensions site on GOV.UK, and a Pension Taxation Booklet and a Pension Savings Taxation DIN are available on defnet.

Please look out for a series of videos from the Ministry

of Defence which provide information and guidance on pension taxation. These are available to all on the MOD Youtube channel and to members who are still serving on defnet. These short, digestible animations cover Annual Allowance, as well as how to determine whether you are liable for a tax charge, and how to pay it. We hope they will help to simplify pension taxation as much as possible.



## Help and Support

For help and support with your pension award, contact the Enquiry Centre on **0800 085 3600** or **0044 141 224 3600** if calling from abroad (Mon - Fri 7am to 7pm).

If your circumstances or details change, please contact our paying agent, Equiniti, on **0345 121 2514** or **0044 1903 768625** if calling from abroad (Mon - Fri, 8am to 6pm) to ensure your pension continues to be paid accurately and on time.

Please ensure you have your Service and National Insurance Numbers ready. You can find useful information on all the Schemes by visiting:

<https://www.gov.uk/guidance/pensions-and-compensation-for-veterans>

## Tell us how we are doing

Please take a couple of minutes to complete our **feedback survey**



[bit.ly/AFPSQDFeedback](https://bit.ly/AFPSQDFeedback)

# Pension Awareness Week 2022

To coincide with the annual Pension Awareness Day this year on 15th September, the Ministry of Defence is running Pension Awareness Week to provide serving members with clear and concise guidance on the various aspects of their Armed Forces Pension. The agenda for the week is now available to view on the Pension Awareness Week Defence Connect Page.

Please note that this event can only be accessed by serving members.

The event will feature the release of educational videos, new and updated fact sheets, and two live presentations hosted by the Forces Pension Society. Ahead of the event, we will soon be inviting serving members to ask any pension related



queries via our online forum which will guide the content of FAQ's released daily throughout the week. Please go to Defence Connect and search 'MOD Pension Awareness Week 2022' for more information. Further announcements with more information will follow on defnet, Twitter and wider social media, as well as via single Service representatives.