



Government Actuary's Department

Armed Forces pension arrangements:

Report on membership data as at 31 March 2012

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1 Introduction

- 1.1 This report is addressed to the Ministry of Defence (MoD). This report should not be reproduced or disseminated to other parties without prior consent. The Government Actuary's Department (GAD) does not accept any liability to third parties, whether or not it has agreed to the disclosure.
- 1.2 This report discusses and summarises the membership and accounting data provided to GAD to be used for the purposes of the actuarial valuation of the Armed Forces Pension Scheme and related arrangements (AFPS or 'the Scheme') which is being carried out as at 31 March 2012 in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 (the 'Directions'). It also sets out the checks that GAD has undertaken on this data.
- 1.3 The results of the valuation will be critically dependent on the quality and correctness of the data used. The purpose of this document is to ensure that users of the valuation report understand the issues relating to the data used and in particular those issues that may have a material impact on the valuation result.
- 1.4 Experience data used to inform the assumptions appropriate for the valuation is the subject of a separate report, *Armed Forces pension arrangements: Actuarial valuation as at 31 March 2012: Report on data used for experience analysis* (dated 24 February 2015).
- 1.5 All member data provided and discussed in this report was supplied by Defence Business Services (DBS). Annual accounts for the relevant period are publicly available.
- 1.6 In preparing this report, GAD has relied on data and other information supplied by DBS as described in the report. Any checks that GAD has made on this data and information are limited to those described in the report, including any checks on the overall reasonableness and consistency of the data. These checks do not represent a full independent audit of the data supplied and do not by themselves confirm or guarantee the overall quality or correctness of the data. In particular, GAD has relied on the general completeness and accuracy of the information supplied without independent verification.
- 1.7 The contents of this report have been discussed and agreed with the Ministry of Defence (MoD). MoD has confirmed that it is content that the resulting data is appropriate for use in the 2012 actuarial review of the Armed Forces pension arrangements.
- 1.8 There were a number of issues with the membership data supplied for this valuation. GAD has made adjustments to address these issues, as described in Sections 4-6 of this report. In GAD's opinion these adjustments are reasonable and appropriate for the purpose of this actuarial valuation. However, it should be noted that the results of this valuation might have been different if more reliable data had been available. GAD recommends that MoD takes forward initiatives to improve valuation data quality before the next actuarial valuation as at 31 March 2016.



- 1.9 Throughout this report the totals given for summed data may not be exactly the same as the sum of the components shown due to rounding effects.



2 Description of data provided

Individual member data (main schemes)

- 2.1 Individual member data was supplied for active members, deferred members and current beneficiaries of the following schemes (the 'main schemes'):
- > Armed Forces Pension Scheme 1975 (AFPS 75)
 - > Armed Forces Pension Scheme 2005 (AFPS 05)
 - > Full Time Reserve Service Pension Scheme 1997 (FTRS PS)
 - > Reserve Forces Pension Scheme 2005 (RFPS)
 - > Non-Regular Permanent Staff Pension Scheme (NRPS PS)¹
- 2.2 The data items provided in respect of these members are set out in Appendix A.
- 2.3 This is the first valuation to take account of members of AFPS 05 and RFPS, which were introduced for new joiners from 6 April 2005.

Supplementary data (other schemes)

- 2.4 Additional data was supplied in respect of members of the Gurkha Pension Scheme (GPS), Non-Regular Permanent Staff Pension Scheme (NRPS PS) and Royal Gibraltar Regiment Pension Scheme (RGRPS).
- 2.5 The data items provided in respect of these members are set out in Appendix B.

Accounting information

- 2.6 Published annual accounts were available for the inter-valuation period (since 31 March 2005). These include summaries of the Scheme's membership and membership movements for each accounting period as summarised in Section 3. Certain pieces of financial information from the accounts are used to perform independent checks on the valuation data as explained in Sections 4 and 6.

¹ The main scheme data for NRPS PS was not used – see Sections 4-6 for details.



Benefit information

- 2.7 A summary of the main benefits provided to members of the Scheme is shown in Appendix D. The benefits provided are set out in various regulations and orders, including:
- > The Navy, Army and Air Force Pensions (Armed Forces Pension Scheme 1975 And Attributable Benefits Scheme) (Amendment) Warrants 2010
 - > The Armed Forces Pension Scheme Order 2005
 - > The Armed Forces Early Departure Payments Scheme Order 2005
 - > The Armed Forces Pension Regulations 2014
 - > The Armed Forces Early Departure Payments Scheme Regulations 2014
- 2.8 MoD has confirmed that the only uncertainties that it is aware of about the form of benefits that the Scheme is liable to provide is the potential requirement for sex equalisation of GMPs and the potential requirement for the equalisation of contingent partners' pensions.



3 Reconciliation of membership

- 3.1 This section summarises how the numbers of members have changed since the last actuarial assessment of the Scheme (carried out as at 31 March 2005).
- 3.2 A reconciliation between membership movements as provided in the main scheme valuation data and the corresponding information provided in the Annual Accounts is shown in Table 3.1 below. The following notes apply to this table:
- > No movement experience data was collected for deferred members as part of the 2012 valuation.
 - > The annual accounts numbers in some cases reflect numbers of benefit records rather than number of members.
 - > Totals may not sum due to rounding.

Table 3.1: Reconciliation of membership 31 March 2005 to 31 March 2012

	Actives		Deferreds		Pensioners	
	Valuation data (000s)	Accounts (000s)	Valuation data (000s)	Accounts (000s)	Valuation data (000s)	Accounts (000s)
Number at 31/3/05	199	196	288	290	347	345
Additions	136*	136	n/a	95	107*	107
Deductions	(159)	(156)	n/a	(42)	(66)	(71)
Adjustments	-	17	n/a	91	-	25
Number expected at 31/3/12	177	192	n/a	435	388	406
Data at 2012	191	192	403	435	380	406

* Not available – assumed as per accounts

Reconciliation of movements data

- 3.3 The above table shows a significant discrepancy between the number of active members at 2012 and the number expected based on the movement data, and a smaller discrepancy in the corresponding figures for the number of pensioners. No movement data was collected for deferred members.



- 3.4 These discrepancies are most likely due to issues with the member movement data received. Information on the issues with the member movement data and comments on the accounting adjustments can be found in our report *Armed Forces pension arrangements: Actuarial valuation as at 31 March 2012: Report on data used for experience analysis* (dated 24 February 2015).

Reconciliation with annual accounts

- 3.5 The valuation data records around 403,000 deferred members as at 31 March 2012 compared with the annual accounts which record around 435,000 members. However, the figure in the annual accounts represents the number of benefit records rather than the number of members. The corresponding number of members was around 406,000. The remaining discrepancy mainly relates to a downward adjustment of around 3,000 members, chiefly in respect of unclaimed deferred benefits, made subsequent to the 31 March 2012 annual accounts being published.
- 3.6 The valuation data records around 380,000 pensioners as at 31 March 2012 compared with the annual accounts which record around 406,000 members. The discrepancy mainly relates to around 24,000 GPS pensioners for whom valuation data was supplied separately, and around 2,000 Malta pensioners who are outside the scope of this actuarial valuation.
- 3.7 We note that there have been significant data cleansing exercises during this period in relation to deferred members, resulting in accounting adjustments in 2008-09 (around 40,000 records added) and 2011-12 (around 10,000 records added). MoD have confirmed that the deferred membership extract supplied for the purpose of this valuation is complete to the best of their knowledge.



4 Active member data

4.1 This section summarises the data provided for active members for the purposes of this valuation. It also summarises the checks and adjustments we have made to the data and shows summary statistics about the data following implementation of the required data adjustments.

4.2 DBS provided data as at 31 March 2012 for 192,202 active members of the main schemes.

4.3 Certain items of data were requested but reliable details were not available, in particular:

- > specialist career markers
- > supplements for specialist groups
- > transfers in
- > added years purchased by voluntary contributions.

We do not expect this to have a significant impact on the valuation results.

4.4 Under the terms of the reforms being made to the Armed Forces pension arrangements from 2015 members within 10 years of their normal pension age as at 1 April 2012 will remain in their existing schemes until retirement. These members are termed 'Protected Members'. All other members are termed 'Unprotected Members'. Since the benefits to be provided for members after 1 April 2015 will depend on which group they fall within we have identified those members within each group.

4.5 The active member data used will help determine the past service liability, the contribution rate payable from 2015 and the employer cost cap.

Active data provided as at 31 March 2012 (main schemes)

4.6 DBS provided data covering 192,202 active members as at 31 March 2012. The data provided is summarised below.

Table 4.1: Active main schemes data summary as at 31 March 2012

Gender	Number of members (000s)	Total pensionable pay (£m)	Average age*	Average reckonable service (years)*
Male	174	5,322	34.9	12.8
Female	18	549	32.6	10.2
Total	192	5,871	34.7	12.6

* Weighted by pensionable pay



Checks applied to active member data

- 4.7 All data provided was checked against the specification requested for both completeness and consistency.
- 4.8 Reasonableness checks were carried out on the active data. These included reasonableness checks on each individual member's salary, age, service and part-time proportion. From these checks, no significant errors were found with the data provided, subject to the comments in paragraph 4.13 below.
- 4.9 The combined dataset was also compared against the dataset from the previous actuarial assessment as at 31 March 2005 to ensure that there were no unrealistic changes over the periods, eg in average age or average service. Appendix C (a) compares the active member data as at 31 March 2012 with that as at 31 March 2005.

Checks against the accounts

- 4.10 The dataset was also subjected to an independent check using accounting data. The total pensionable payroll in the data was compared against contribution payments recorded in the annual accounts. The conclusions arising from this checking process are explained below.
- 4.11 Employer contributions reported in the 2011-12 annual accounts amounted to around £2.106bn and reported in the 2012-13 annual accounts amounted to around £2.023bn. As employer contributions were payable at the rate of 30.8% of pay (other ranks) and 42.8% of pay (officers), and other ranks made up approximately 72.6% of the total payroll, an estimate of the actual payroll for 2011-12 is £6.179bn and for 2012-13 is £5.936bn. Taking the average of these figures (no adjustment is needed because of the pay freeze imposed across the public sector), we estimate the actual payroll as at 31 March 2012 to be around £6.058bn.
- 4.12 There is a difference of approximately 0.4% between the salary roll derived from the valuation data (£6.080bn) and that derived from the contributions (£6.058bn).

Adjustments to be applied to the active data

- 4.13 The following adjustments were made to the active main scheme data (as agreed with MoD):
- > The active main scheme data included 1,230 members of NRPS and 6 members of GPS. DBS have informed GAD that these may not be reliable. These records were removed from the active data and the valuation results will be rated up to allow for NRPS and GPS members.
 - > There were 11 active records with no rank given. We have assigned ranks consistent with the service and age of the members concerned. Of these records, 10 had no salary given. We have assigned average salaries based on the assigned ranks.



Data summaries

- 4.14 The final main scheme data to be used in the valuation, allowing for the adjustments set out above, and broken into the groups identified in paragraph 4.4, is summarised below. A summary has also been included in Appendix C.

Table 4.2: AFPS75 membership data (including FTRS97)

Category	Rank	Gender	Number of members (000s)	Total pensionable pay (£m)	Average age*	Average reckonable service (years)*
Protected	OF	Male	5	357	49.2	22.8
		Female	0.2	17	48.8	20.3
		Total	6	374	49.2	20.3
	OR	Male	4	177	48.0	25.9
		Female	0.2	9	47.8	23.4
		Total	5	185	48.0	25.7
	All	Male	10	533	48.8	23.8
		Female	0.5	26	48.5	21.4
		Total	10	559	48.8	23.7
Unprotected	OF	Male	12	650	38.0	14.9
		Female	2	107	36.3	12.4
		Total	14	757	37.8	14.5
	OR	Male	66	2,182	34.7	14.7
		Female	7	214	33.6	13.3
		Total	72	2,396	34.6	14.6
	All	Male	78	2,832	35.4	14.7
		Female	9	321	34.5	13.0
		Total	87	3,153	35.3	14.5
All Members	OF	Male	18	1,006	42.0	17.7
		Female	2	125	38.0	13.5
		Total	20	1,131	41.5	17.2
	OR	Male	70	2,358	35.7	15.5
		Female	7	222	34.1	13.7
		Total	77	2,581	35.5	15.4
	All	Male	88	3,365	37.5	16.2
		Female	9	347	35.5	13.6
		Total	97	3,712	37.4	15.9

* Weighted by pensionable pay



Table 4.3: AFPS05 membership data (including RFPS)

Category	Rank	Gender	Number of members (000s)	Total pensionable pay (£m)	Average age*	Average reckonable service (years)*
Protected	OF	Male	2	169	51.8	22.2
		Female	0.1	5	52.6	8.6
		Total	2	174	51.9	8.6
	OR	Male	3	113	50.3	24.0
		Female	0.1	2	49.7	17.1
		Total	3	115	50.3	23.9
	All	Male	5	282	51.2	23.0
		Female	0.1	7	51.7	11.3
		Total	5	289	51.2	22.7
Unprotected	OF	Male	8	297	30.0	4.8
		Female	2	63	29.8	4.0
		Total	10	361	30.0	4.6
	OR	Male	72	1,561	25.7	4.0
		Female	7	157	25.5	3.9
		Total	79	1,718	25.7	4.0
	All	Male	80	1,859	26.4	4.1
		Female	9	220	26.7	4.0
		Total	89	2,079	26.4	4.1
All Members	OF	Male	10	466	37.9	11.1
		Female	2	68	31.4	4.8
		Total	12	535	37.1	10.2
	OR	Male	75	1,675	27.3	5.4
		Female	7	159	25.8	4.1
		Total	82	1,833	27.2	5.3
	All	Male	85	2,141	29.6	6.6
		Female	9	227	27.5	4.2
		Total	94	2,368	29.4	6.4

* Weighted by pensionable pay



Table 4.4: Active membership data – all members

Category	Rank	Gender	Number of members (000s)	Total pensionable pay (£m)	Average age*	Average reckonable service (years)*
Protected	OF	Male	8	526	50.0	22.6
		Female	0.3	22	49.7	17.7
		Total	8	548	50.0	22.5
	OR	Male	7	290	48.9	25.1
		Female	0.3	11	48.2	22.1
		Total	8	301	48.9	25.0
	All	Male	15	815	49.6	23.5
		Female	0.6	33	49.2	19.2
		Total	16	848	49.6	23.4
Unprotected	OF	Male	20	947	35.5	11.7
		Female	4	171	33.9	9.3
		Total	24	1,118	35.3	11.3
	OR	Male	138	3,743	30.9	10.2
		Female	14	370	30.1	9.3
		Total	151	4,113	30.8	10.1
	All	Male	158	4,690	31.8	10.5
		Female	17	541	31.3	9.3
		Total	175	5,231	31.8	10.4
All Members	OF	Male	28	1,473	40.7	15.6
		Female	4	193	35.7	10.3
		Total	32	1,665	40.1	15.0
	OR	Male	145	4,033	32.2	11.3
		Female	14	381	30.7	9.7
		Total	159	4,414	32.1	11.2
	All	Male	173	5,506	34.5	12.4
		Female	18	574	32.3	9.9
		Total	191	6,080	34.3	12.2

* Weighted by pensionable pay



5 Deferred member data

- 5.1 This section summarises the data provided for deferred members of the Scheme for the purposes of this valuation. It also summarises the checks and adjustments we have made to the data and shows summary statistics about the data following implementation of the required data adjustments.
- 5.2 DBS provided data as at 31 March 2012 for 403,453 deferred members of the main schemes (excluding NRPS PS members for whom a rate-up adjustment will be applied). A summary of this data is set out in paragraph 5.3.

Summary of deferred member data provided

- 5.3 DBS provided a dataset covering 403,453 deferred members, which is summarised below:

Table 5.1: Deferred extract data summary as at 31 March 2012

Gender	Number of members (000s)	Total deferred pension* (£m)	Average age**
Male	360	864	47.1
Female	44	116	44.9
Total	403	981	46.9

* Including pension increases awarded up to and including 1 April 2012

** Weighted by deferred pension

Checks applied to deferred member data

- 5.4 All data provided was checked against the specification requested for both completeness and consistency.
- 5.5 Reasonableness checks were carried out on the deferred data. These included reasonableness checks on each individual member's deferred pension and their age at 31 March 2012. From these checks no significant errors were found with the data provided, other than those identified in paragraph 5.9 below.
- 5.6 The dataset was also compared against the dataset from the previous actuarial assessment as at 31 March 2005 to ensure that there were no unrealistic changes over the periods, eg in average age or average deferred pension. Appendix C (b) compares the deferred member data as at 31 March 2012 with that as at 31 March 2005.
- 5.7 We note that there have been significant data cleansing exercises during this period in relation to deferred members, reflected by accounting adjustments. The net effect of these adjustments was an increase of around 70,000 deferred member records over the period.



Independent checks on the deferred data

- 5.8 We do not have a data source to perform an independent check on the deferred data provided. For active and pensioner categories, the contributions received and pensions paid detailed in the Scheme's annual accounts are used to perform an independent check on the data for these categories. There is no data item in the annual accounts which can be used to perform a similar check on the accuracy of the total deferred pensions for the deferred category.

Adjustments made to the main scheme deferred member data

- 5.9 The following adjustments were made to the deferred member dataset (as agreed with MoD):
- > Rank details were missing for 2,688 records. Given the information available, we have assumed that all these records were other ranks rather than officers.
 - > There were 4,696 records in respect of deferred members who were seven years or more beyond their latest deferred pension age at the valuation date. No liability has been valued in respect of these, for consistency with the approach adopted for the purpose of annual accounts. This reflects MoD's assumption that such members will not claim their pension benefits.
 - > There were 5,368 records with pensions below £250 pa, and 28 records with pensions above £50,000 pa. These were unlikely to be genuine values. We have adjusted these pension values to be average amounts based on the remainder of the deferred membership.

Data summaries

- 5.10 The final main scheme deferred member data to be used in the valuation, allowing for the adjustments set out above, is summarised below. A summary has also been included in Appendix C.



Table 5.2: AFPS75 deferred membership data (including FTRS97)

Rank	Gender	Number of members (000s)	Total deferred pension* (£m)	Average age**
OF	Male	9	46	47.6
	Female	2	9	44.6
	Total	11	55	47.0
OR	Male	325	771	46.6
	Female	39	101	45.0
	Total	364	872	46.4
All	Male	334	817	46.7
	Female	41	110	45.0
	Total	375	927	46.5

* Including pension increases awarded up to and including 1 April 2012

** Weighted by deferred pension

Table 5.3: AFPS05 deferred membership data (including RFPS)

Rank	Gender	Number of members (000s)	Total deferred pension* (£m)	Average age**
OF	Male	3	4	43.1
	Female	0.7	1	39.6
	Total	3	5	42.4
OR	Male	19	26	32.1
	Female	2	5	38.5
	Total	21	31	33.1
All	Male	21	30	33.7
	Female	3	6	38.7
	Total	24	36	34.5

* Including pension increases awarded up to and including 1 April 2012

** Weighted by deferred pension

Table 5.4: All deferred final data

Rank	Gender	Number of members (000s)	Total deferred pension* (£m)	Average age**
OF	Male	12	50	47.2
	Female	3	10	44.1
	Total	14	61	46.6
OR	Male	344	797	46.2
	Female	41	105	44.7
	Total	385	902	46.0
All	Male	355	847	46.2
	Female	44	116	44.7
	Total	399	963	46.0

* Including pension increases awarded up to and including 1 April 2012

** Weighted by deferred pension



6 Pensioners and dependants

- 6.1 This section summarises the data provided for pensioner and EDP recipient members and dependants for the purposes of this valuation. It also summarises the checks and adjustments we have made to the data.
- 6.2 DBS provided a dataset covering 381,118 current beneficiaries of the main schemes.

Summary of pensioner data

- 6.3 The data provided is summarised below.

Table 6.1: Pensioner data summary as at 31 March 2012

Gender	Number of members (000s)	Total pension* (£m)	Average age**
Male	339	3,006	63.8
Female	42	215	69.5
Total	381	3,221	64.2

* Including pension increases awarded up to the valuation date (excludes 1 April 2012 increase)

** Weighted by pension

*** Includes pension credit members

Checks applied to pensioner data

- 6.4 All data provided was checked against the specification requested for both completeness and consistency.
- 6.5 Reasonableness checks were carried out on the pensioner data. These included reasonableness checks on each individual member's pension and their age at 31 March 2012. From these checks no significant errors were found with the data provided (subject to the comments in paragraph 6.10 below).
- 6.6 The dataset was also compared against the previous valuation dataset as at 31 March 2005 to ensure that there were no unrealistic changes over the period. Appendix C (c) compares the pensioner data as at 31 March 2012 with that as at 31 March 2005.



Checks against the accounts

- 6.7 The dataset was also subjected to an independent check using accounting data. The total pensioner payroll in the data was compared against total pensions paid as recorded in the annual accounts. The conclusions arising from this checking process are explained below.
- 6.8 Total pensions paid in the 2011-12 scheme year amounted to £3.242bn and total pensions paid in the 2012-13 scheme year amounted to £3.475bn. Taking the average of these pension rolls, after adjusting the 2012-13 pension roll to allow for the pension increase of 5.2% awarded on 9 April 2012, we estimate the actual pension payroll as at 31 March 2012 to be around £3.27bn (excluding the 9 April 2012 pension increase).
- 6.9 The pension roll from the main scheme valuation data before adjustments was around £3.22bn. The main reason for the difference is that the main scheme valuation data excludes Gurkha Pension Scheme pensions, which are included in the accounts.

Adjustments to be applied to the main scheme pensioner data

- 6.10 The following adjustments were made to the pensioner dataset (as agreed with MoD):
- > There were 654 records marked as NRPS PS in the main schemes dataset. DBS informed us that these may not be reliable. We removed these records. The valuation results will be rated up to allow for NRPS PS members.
 - > There were 328 records with no indicator of which scheme the members were in. As a best estimate approach given the overall pensioner profile we have set the scheme to AFPS 75 for these members.
 - > There were 21,191 records with blank, unknown or non-NATO rank indicators. As a best estimate approach given the overall pensioner profile we have set the rank indicator to 'other ranks' for all these records.
 - > There were 53,323 records with no pension type indicator. As a best estimate approach given the overall pensioner profile we have set the pension type as follows:
 - o For females aged 21 or over – set to adult dependant (30,859 records)
 - o For males aged 21 or over – set to member (20,129 records)
 - o For those under 21 – set to child (2,335 records).



- > There were 13,322 records with ill-health indicators. The number of ill-health records was queried because it was significantly lower than previous information would suggest. No further information could be provided and there was considerable uncertainty about the reliability of ill-health pension indicators. Therefore, for the purpose of the 2012 valuation, we have disregarded the ill-health indicators provided and treated all member pensioners as normal health retirements. (For consistency, the mortality assumptions to be used have been derived using the experience of all pensioners, normal and ill-health.)
- > For pensioners currently below age 55 the 'pension start date' field is used to determine the cumulative pension increases that will be applied at age 55. DBS indicated that there was uncertainty attached to this information for some individuals. We have therefore used this information in aggregate for each age, ensuring that the cumulative pension increases are reasonable on a global basis. The following adjustments to pension start date were made as part of this approach:
 - Pension start dates after valuation date: set equal to valuation date (402 records)
 - Pension start dates before 1952: set equal to 1952 (40 records)
 - Blank pension start dates: set equal to average pension start date (8,586 records)
- > Current AFPS 75 pensioners aged below 55 who opted for resettlement commutation will receive an uplift to their pension at age 55. The individual data provided did not appear sufficiently reliable to determine this on an individual basis. Instead we will make a global adjustment to the calculated liabilities to allow for resettlement commutation.
- > Of those records with a pension type marker of 'spouse's pension', 30,299 were identified as male and 546 as female. DBS confirmed that the gender and date of birth markers in the data supplied related to the original member rather than the spouse, but that the pension amounts did relate to the spouse. We have therefore reversed the gender markers for these records, and adjusted the dates of birth using the valuation assumption that males are 3 years older than their spouses and vice versa.
- > Liabilities in relation to pensions which commenced before 1 April 2001 are to be excluded for the purpose of the valuation, as prescribed in the Directions.

Summary of data used

- 6.11 The final pensioner data to be used in the valuation, allowing for the adjustments set out above, is summarised below. A summary has also been included in Appendix C.



Table 6.2: all pensioner data

Rank	Gender	Number of members (000s)	Total pension* (£m)	Average age**
Officer	Male	47	877	65.9
	Female	18	161	74.9
	Total	64	1,038	67.3
Other Ranks	Male	262	2,099	62.4
	Female	54	211	67.5
	Total	316	2,310	62.9
All	Male	309	2,976	63.5
	Female	71	372	70.7
	Total	380	3,348	64.3

* Including pension increases awarded up to the valuation date (includes 1 April 2012 increase)

** Weighted by pension

*** Includes pension credit members

Table 6.3: Pre-2001 pensioner data (excluded from valuation)

Rank	Gender	Number of members (000s)	Total pension* (£m)	Average age**
Officer	Male	30	521	72.1
	Female	10	82	78.7
	Total	39	603	73.0
Other Ranks	Male	170	1,449	67.2
	Female	32	121	71.7
	Total	201	1,571	67.5
All	Male	200	1,970	68.5
	Female	41	203	74.5
	Total	241	2,174	69.1

* Including pension increases awarded up to the valuation date (includes 1 April 2012 increase)

** Weighted by pension

*** Includes pension credit members



Table 6.4 Post-2001 AF75 pensioner data (including FTRS97)

Type of Pensioner:	Rank	Gender	Number of members (000s)	Total pension* (£m)	Average age**
Member	Officer	Male	14	287	56.7
		Female	1	14	50.1
		Total	15	301	56.3
	Other Ranks	Male	89	606	51.6
		Female	4	23	47.1
		Total	92	629	51.5
	All	Male	103	893	53.2
		Female	5	38	48.3
		Total	108	931	53.0
Dependant	Officer	Male	0.1	1	40.9
		Female	7	63	76.3
		Total	7	64	75.8
	Other Ranks	Male	1	4	53.7
		Female	18	64	67.4
		Total	20	69	66.6
	All	Male	1	5	51.5
		Female	25	128	71.8
		Total	27	133	71.0
All	Officer	Male	15	288	56.6
		Female	8	78	71.5
		Total	23	365	59.8
	Other Ranks	Male	90	610	51.6
		Female	22	88	62.0
		Total	112	698	53.0
	All	Male	105	898	53.2
		Female	30	165	66.5
		Total	134	1,063	55.3

* Including pension increases awarded up to the valuation date (includes 1 April 2012 increase)

** Weighted by pension

*** Includes pension credit members



Table 6.5 Post-2001 AF05 pensioner data (including RFPS)

Type of Pensioner:	Rank	Gender	Number of members (000s)	Total pension* (£m)	Average age**
Member	Officer	Male	2	67	57.5
		Female	0.0	1	58.9
		Total	2	68	57.5
	Other Ranks	Male	3	39	54.5
		Female	0.1	1	49.2
		Total	3	40	54.5
	All	Male	5	107	56.4
		Female	0.1	1	54.5
		Total	5	108	56.4
Dependant	Officer	Male	0.0	0	18.3
		Female	0.1	1	49.9
		Total	0.1	1	46.2
	Other Ranks	Male	0.1	0	19.2
		Female	0.2	1	42.1
		Total	0.3	1	38.9
	All	Male	0.1	0	18.8
		Female	0.3	2	46.0
		Total	0.4	3	42.5
All	Officer	Male	2	67	57.4
		Female	0.1	2	53.0
		Total	2	69	57.3
	Other Ranks	Male	3	40	54.4
		Female	0.3	2	44.2
		Total	3	41	53.9
	All	Male	5	107	56.3
		Female	0.4	4	48.7
		Total	5	111	56.1

* Including pension increases awarded up to the valuation date (excludes 1 April 2012 increase)

** Weighted by pension

*** Includes pension credit members



Table 6.6 all post-2001 pensioner data

Type of Pensioner:	Rank	Gender	Number of members (000s)	Total pension* (£m)	Average age**
Member	Officer	Male	17	354	56.9
		Female	1	15	50.5
		Total	18	369	56.6
	Other Ranks	Male	91	645	51.8
		Female	4	24	47.2
		Total	95	669	51.7
	All	Male	108	1,000	53.6
		Female	5	39	48.5
		Total	112	1,039	53.4
Dependant	Officer	Male	0.2	1	37.7
		Female	7	64	75.9
		Total	7	65	75.2
	Other Ranks	Male	1	4	52.3
		Female	18	66	67.0
		Total	20	70	66.1
	All	Male	2	5	49.5
		Female	26	130	71.4
		Total	27	135	70.5
All	Officer	Male	17	355	56.8
		Female	8	79	71.0
		Total	25	435	59.4
	Other Ranks	Male	93	650	51.8
		Female	22	89	61.7
		Total	115	739	53.0
	All	Male	109	1,005	53.6
		Female	30	169	66.1
		Total	140	1,174	55.4

* Including pension increases awarded up to the valuation date (excludes 1 April 2012 increase)

** Weighted by pension

*** Includes pension credit members



Appendix A: Individual member data items

A.1 The data items provided for individual members of the main schemes are set out below.

Active members

- > Scheme
- > Service (eg Navy/Army/Air Force)
- > Career marker
- > Date of birth
- > Gender
- > Rank
- > Marital status
- > Pensionable rank
- > Date of joining
- > Reckonable service
- > Non-reckonable service
- > Salary
- > Pensionable salary
- > Supplement service

Deferred members

- > Scheme
- > Service
- > Career marker
- > Date of birth
- > Gender
- > Marital status
- > Rank
- > Date joined scheme
- > Discharge date
- > Age 60 lump sum
- > Age 60 pension
- > Age 65 lump sum
- > Age 65 pension
- > Spouse's contingent lump sum
- > Spouse's contingent pension



Pensioners

- > Scheme
- > Service
- > Career marker
- > Date of birth
- > Gender
- > Marital status
- > Rank
- > Pension type
- > Discharge date
- > Pension date
- > Pension amount
- > AFPS 75 basic lump sum
- > AFPS 75 basic pension
- > AFPS 75 actual lump sum
- > AFPS 75 actual pension
- > AFPS 75 age 55 pension
- > AFPS 05 EDP lump sum
- > AFPS 05 EDP
- > AFPS 05 age 55 EDP
- > AFPS 05 age 65 lump sum
- > AFPS 05 age 65 pension
- > Spouse lump sum
- > Spouse pension
- > GMP pre-1988
- > GMP post-1988



Appendix B: Supplementary data

B.1 The additional data received in respect of GPS, NRPS PS and RGRPS members is set out below.

Category	Scheme	Number of members	Total pensionable pay / pension (£m)	Average pay / pension (£)	Average age (weighted by pay / pension)
Actives	GPS	0	0	0	n/a
	NRPS PS	1,214	n/a	n/a	n/a
	RGRPS	202	n/a	n/a	n/a
Deferreds	GPS	0	0	0	n/a
	NRPS PS	628	n/a	n/a	n/a
	RGRPS	29	0.1	3,590	42.8
Pensioners Pre 2001	GPS	21,292	4.7	223	65.8
	NRPS PS	n/a	n/a	n/a	n/a
	RGRPS	58	0.4	6,936	63.1
Pensioners Post 2001	GPS	2,227	0.3	157	53.8
	NRPS PS	n/a	n/a	n/a	n/a
	RGRPS	57	0.4	9,416	57.9
Pensioners Total	GPS	23,519	5.1	217	65.0
	NRPS PS	1,602	n/a	n/a	n/a
	RGRPS	115	0.8	6,969	54.3



Appendix C: Comparison of membership at 31 March 2005 and 31 March 2012

a) Actives

		2005					2012				
	Gender	Number of members (000s)	Total Representative Pay (£m)	Average Representative Pay (£)	Average age (*) (years)	Average reckonable service (*) (years)	Number of members (000s)	Total Pensionable Pay (£m)	Average Pensionable Pay (£)	Average age (*) (years)	Average reckonable service (*) (years)
Officers	Male	-	-	-	-	-	28	1,473	52,786	41	16
	Female	-	-	-	-	-	4	193	48,514	36	10
	Total	32	1,476	45,780	37	14	32	1,665	52,253	40	15
Other Ranks	Male	-	-	-	-	-	145	4,033	27,776	32	11
	Female	-	-	-	-	-	14	381	27,433	31	10
	Total	167	4,104	24,581	29	11	159	4,414	27,746	32	11
All	Male	-	-	-	-	-	173	5,506	31,806	34	12
	Female	-	-	-	-	-	18	574	32,121	32	10
	Total	199	5,580	28,013	32	12	191	6,080	31,836	34	12

* Weighted by pay



(b) Deferreds

		2005 ²				2012			
	Gender	Number of members (000s)	Total Deferred Pension (£m)	Average Deferred Pension (£)	Average age* (years)	Number of members (000s)	Total Deferred Pension (£m)	Average Deferred Pension (£)	Average age* (years)
Officers	Male	8	30	3,878	42	12	50	4,361	47
	Female	1	4	3,716	39	3	10	4,125	44
	Total	9	34	3,857	42	14	61	4,318	47
Other Ranks	Male	252	482	1,912	43	344	797	2,319	46
	Female	27	47	1,718	39	41	105	2,574	45
	Total	279	529	1,893	43	385	902	2,346	46
All	Male	260	512	1,971	43	355	847	2,385	46
	Female	29	52	1,800	39	44	116	2,665	45
	Total	288	563	1,954	43	399	963	2,415	46

* Weighted by deferred pension

² Since 2005 there have been significant adjustments to the deferred data arising from data cleansing, resulting in a net increase in the number of deferred members. The 2005 data should therefore be treated with caution.



(c) Pensioners

All:

		2005				2012			
		Number of members (000s)	Total Pension (£m)	Average Pension (£)	Average age* (years)	Number of members (000s)	Total Pension (£m)	Average Pension (£)	Average age* (years)
Officers	Pre 2001	72	789	10,998	69	39	603	15,303	73
	Post 2001	10	138	13,817	56	25	435	17,465	59
	Total	82	927	11,342	67	64	1,038	16,140	67
Other Ranks	Pre 2001	169	1,332	7,889	60	201	1,571	7,797	68
	Post 2001	96	242	2,514	48	115	739	6,445	53
	Total	265	1,574	5,937	58	316	2,310	7,306	63
All	Pre 2001	241	2,120	8,816	64	241	2,174	9,025	69
	Post 2001	106	380	3,577	51	140	1,174	8,410	55
	Total	347	2,500	7,211	62	380	3,348	8,799	64

* Weighted by pension



Members:

		2005				2012			
		Number of members (000s)	Total Pension (£m)	Average Pension (£)	Average age* (years)	Number of members (000s)	Total Pension (£m)	Average Pension (£)	Average age* (years)
Officers	Pre 2001	55	701	12,674	68	30	532	17,450	72
	Post 2001	6	113	18,673	53	18	369	21,053	57
	Total	61	813	13,264	66	48	901	18,767	66
Other Ranks	Pre 2001	131	1,250	9,557	60	173	1,470	8,509	67
	Post 2001	86	215	2,502	46	95	669	7,050	52
	Total	217	1,466	6,758	58	268	2,140	7,991	62
All	Pre 2001	186	1,951	10,483	63	203	2,002	9,849	68
	Post 2001	92	328	3,561	48	112	1,039	9,234	53
	Total	278	2,279	8,192	61	316	3,041	9,630	63

* Weighted by pension

Dependants and children:

		2005				2012			
		Number of members (000s)	Total Pension (£m)	Average Pension (£)	Average age* (years)	Number of members (000s)	Total Pension (£m)	Average Pension (£)	Average age* (years)
Officers	Pre 2001	16	88	5,354	77	9	71	7,980	80
	Post 2001	4	25	6,413	71	7	65	8,891	75
	Total	20	113	5,560	76	16	137	8,391	78
Other Ranks	Pre 2001	38	81	2,144	70	29	100	3,506	74
	Post 2001	10	27	2,619	62	20	70	3,541	66
	Total	48	108	2,244	68	48	170	3,520	71
All	Pre 2001	54	169	3,113	74	38	172	4,570	77
	Post 2001	14	52	3,678	66	27	135	4,990	70
	Total	69	221	3,230	72	65	307	4,746	74

* Weighted by pension



Appendix D: Summary of scheme benefits

Table D1 – AFPS 75 (broadly similar provisions apply for FTRS PS)

1.	Type of scheme	Final salary
2.	Contracting out status prior to 2016	Contracted out
3.	Employees covered	Staff who joined AFPS75 pre 6 April 2005 and did not opt to transfer at 6/4/06 in the Offer To Transfer
4.	Normal Pension Age (NPA)	Active members may retire with unreduced immediate pensions on attaining 16 years' service (for officers) and 22 years' service (for other ranks). The deferred pension age is 60 for benefits accrued prior to 6 April 2006 and age 65 for benefits accrued on or after 6 April 2006.
5.	Pensionable Pay (PP)	Representative Pay which is the same for members with same rank and service retiring in the same year, regardless of actual earnings. For 2 Star officers and above PP is actual basic pay.
6.	Averaging period for determining Final Pensionable Pay (FPP)	No averaging. Representative Pay or actual pay over final year prior to exit/retirement.
7.	Member's contributions	Non-contributory
8.	<u>Increase to pensions</u> - In payment - In deferment	Index linked increases based on Pension Increase Orders. Only paid after age 55 (including increases earned before age 55). Index linked increases based on Pension Increase Orders
9.	<u>Benefits on retirement</u> Age retirement (1) Member pension (2) Lump sum Ill-health retirement – Non attributable (1) Member pension (2) Lump sum	Full career pension (i.e. 48.5% of FPP) after 34 years' reckonable service as an officer or 37 years' reckonable service as an other rank. (Accrual over career is not uniform) 3 x member's pension Invaliding pension - based on length of service and may be enhanced if member has at least 5 years' reckonable service. 3 x member's invaliding pension



10.	<u>Benefits on death in service</u> (1) Lump sum (2) Spouse's/partner's pension (3) Spouse's short term pension	Max (lump sum that would have been paid on ill-health grounds, 3 x representative pay) 50% of the ill-health pension that the member would have received on date of death. A short term family pension is payable equal to full pay for the first 91 days of the widow(er)hood, extended to 182 days if there are children.
11.	<u>Benefits on death after retirement</u> (1) Lump sum (2) Spouse's/partner's pension (3) Spouse's short term pension	None 50% of member's pension on retirement Short term pension payable at the level of member's pension for the first 91 days of the widow(er) hood, extended to 182 days if there are children.
12.	<u>Benefits on withdrawal</u> - Less than 2 years' reckonable service - 2 or more years' reckonable service Immediate pension Preserved benefits Death before retirement (1) Lump sum (2) Spouse's/partner's pension Transfer value	No preserved pension, but can take transfer value equal to the value of the notional accrued pension Available to officers who have completed 16 years from age 21 or other ranks who have completed 22 years' service from age 18. Pension and lump sum payable from age 60 for pre-April 06 benefits and payable from age 65 for post-April 06 benefits. Preserved pensions are calculated as 3% of full career pension (ie 3% of 48.5%) for each year of service for officers and 2.75% of full career pension for each year of service for other ranks. 3 x member's preserved pension at death may be paid 50% of member's preserved pension Yes
13.	Children's pensions	One half of member's pension is divided equally between eligible children, with no one child receiving more than a quarter.
14.	Definition of partner	Spouse
15.	Cessation on remarriage	No



Table D2 – AFPS 05 (broadly similar provisions apply for RFPS)

1.	Type of scheme	Final salary
2.	Contracting out status prior to 2016	Contracted out
3.	Employees covered	New entrants on or after 6/4/05 and existing members who opted to transfer their earlier service on 6/4/06 in the Offer To Transfer
4.	Normal Pension Age (NPA)	55 from active service (but deferred pensions paid from 65)
5.	Pensionable pay (PP)	Basic pay (including that on Professional Aviator Spine) excluding any additional allowances.
6.	Averaging period for determining Final Pensionable Pay (FPP)	Highest amount of pensionable pay for 365 consecutive days' within the final 3 years of reckonable service with earlier tax years brought up to current value by application of the current appropriate indexation.
7.	Member's contributions	Non-contributory
8.	<u>Increase to pensions</u> - In payment - In deferment	Index linked increases based on Pension Increase Orders. Only paid after age 55 (including increases earned before age 55). Index linked increases based on Pension Increase Orders
9.	<u>Benefits on retirement</u> Age retirement (1) Member pension (2) Lump sum Ill-health retirement Tier 1 - Medically discharged because unable to do service job but ability to get gainful employment is not deemed to be significantly impaired. Tier 2 - Discharged with condition that is not deemed to leave you permanently incapable of gainful employment, although employment prospects deemed to be significantly impaired. Tier 3- Discharged with a serious disability which it is deemed leaves you permanently incapable of any further full time employment.	1/70th x FPP x reckonable service (max 40yrs) 3 x member's pension Either EDP benefits payable (see 12) OR a lump sum payable of 1/8 x PP x (Min(2,Max(6/12, Reckonable Service)) plus normal preserved pension and lump sum benefits payable at age 65 Benefits as on age retirement but with a service enhancement of one-third of the time remaining up to the normal retirement age of 55 Benefits as on age retirement but with a service enhancement of half the time remaining up to the normal retirement age of 55, with a minimum pension based on 20 years' service.
10.	<u>Benefits on death in service</u> (1) Lump sum (2) Spouse's/partner's pension (3) Spouse's short term pension	4 x PP 62.5% of the member's pension as if they had been awarded a Tier 3 Ill Health pension None



11.	<u>Benefits on death after retirement</u> (1) Lump sum (2) Spouse's/partner's pension (3) Spouse's short term pension	5 year guarantee of member's pension less the amount of lump sum taken at retirement 62.5% of member's pension on retirement None
12.	<u>Benefits on withdrawal</u> - Less than 2 years' reckonable service - 2 or more years' reckonable service Early departure payments (EDP) if over age 40 and served at least 18 years Preserved benefits Death Before Retirement (1) Lump sum (2) Spouse's/partner's pension Transfer Value	No preserved pension, but can take transfer value equal to the value of the notional accrued pension EDP income payments up to age 65. Amount is 50% of preserved pension, plus 1.66% for each year served past EDP qualification point. Amount steps up to 75% of preserved pension at age 55. EDP lump sum of three times preserved pension. In addition to the EDP benefits a normal preserved pension and lump sum as for Age Retirement benefits will also be payable from age 65. Pension and lump sum as for Age Retirement benefits but payable from age 65. 3 x member's preserved pension at death 62.5% of member's preserved pension Yes
13.	Children's pensions Where a spouse's pension is payable Where a spouse's pension is not payable	1 child – 25% of member's pension 2 or more children – the difference between the member's pension and the spouse's pension is divided equally between the children. Up to 3 children – 33% of member's pension is payable to each child. 4 or more children – member's pension is equally divided between the children. Note: on death in service the child's pension is based on the ill health pension that the member would have received at the date of death.
14.	Definition of partner	Widow(er) Civil partner Eligible partner
15.	Cessation on remarriage	No



Table D3 – AFPS 15

1.	Type of scheme	Career average revalued earnings
2.	Contracting out status prior to 2016	Contracted out
3.	Employees covered	All regulars, reserves and members of non-regular permanent staff except Protected Members
4.	Normal Pension Age (NPA)	60 from active service (but deferred pensions paid from State Pension Age)
5.	Pensionable pay (PP)	Basic pay and any other amount to be treated as pensionable. Excludes allowances and additions in respect of particular duties.
6.	Averaging period for determining Final Pensionable Pay (FPP)	Highest amount of pensionable pay for 365 consecutive days' within the final 3 years of reckonable service with earlier tax years brought up to current value by application of Pension Increase Orders.
7.	Annual earned pension (AEP)	1/47 th of PP for each scheme year
8.	Index adjustment in service (IA)	Based on Treasury orders, reflecting annual change in Average Weekly Earnings index.
9.	Member's contributions	Non-contributory
10.	<u>Increase to pensions</u> - In payment	Index linked increases based on Pension Increase Orders. Only paid after age 55 (including increases earned before age 55).
	- In deferment	Index linked increases based on Pension Increase Orders
11.	<u>Benefits on retirement</u> Age retirement (1) Member pension (2) Lump sum Ill-health retirement Tier 1 - Medically discharged because unable to do service job but ability to get gainful employment is not deemed to be significantly impaired. Tier 2 - Discharged with condition that is not deemed to leave you permanently incapable of gainful employment, although employment prospects deemed to be significantly impaired. Tier 3- Discharged with a serious disability which it is deemed leaves you permanently incapable of any further full time employment.	 The sum of each year's AEP revalued with the appropriate IAs to date of exit By commutation at 12:1 Either EDP benefits payable (see 14) OR a lump sum payable of $\frac{1}{8} \times \text{FPP} \times \text{Reckonable Service}$, with a minimum of $\frac{1}{2} \times \text{FPP}$ and a maximum of $2 \times \text{FPP}$ plus normal preserved pension payable at State Pension Age Benefits as on age retirement but with an enhancement equivalent to one-third of the time remaining up to the normal pension age of 60 Benefits as on age retirement but with a service enhancement equivalent to half the time remaining up to the normal pension age of 60, with a minimum pension equivalent to the lesser of > 25 years' service > pensionable service plus prospective service to normal pension age.



12.	<u>Benefits on death in service</u> (4) Lump sum (5) Dependant's pension	4 x FPP 62.5% of the member's pension as if they had been awarded a Tier 3 ill health pension
13.	<u>Benefits on death after retirement</u> (4) Lump sum (5) Dependant's pension	5 year guarantee of member's pension after commutation 62.5% of member's pension after commutation
14.	<u>Benefits on withdrawal</u> - Less than 2 years' reckonable service - 2 or more years' reckonable service Early departure payments (EDP) if over age 40 and served at least 20 years Preserved benefits Death Before Retirement (3) Lump sum (4) Dependant's pension Transfer Value	No preserved pension, but can take transfer value equal to the value of the notional accrued pension EDP income payments up to State Pension Age. Amount is 34% of preserved pension, plus 0.85% for each year served past EDP qualification point. EDP lump sum of 2.25 times preserved pension. In addition to the EDP benefits preserved benefits as for Age Retirement benefits will also be payable from State Pension Age. As for Age Retirement benefits but payable from State Pension Age. 3 x member's preserved pension at death 62.5% of member's preserved pension Yes
15.	Children's pensions Where a dependant's pension is payable Where a dependant's pension is not payable	1 child – 25% of member's pension 2 or more children – the difference between the member's pension and the dependant's pension is divided equally between the children. Up to 3 children – 33% of member's pension is payable to each child. 4 or more children – member's pension is equally divided between the children. Note: on death in service the child's pension is based on the ill health pension that the member would have received at the date of death.
16.	Definition of dependant	Widow(er) Civil partner Eligible partner
17.	Cessation on remarriage	No



Notes:

- > The above summaries show Non-Attributable benefits only.
- > Attributable benefits are in addition to the above and are provided under the structure of the Armed Forces Compensation Scheme (AFCS) regardless of the pension scheme to which the member belongs
- > Some specialist groups of employees (such as Professional Aviators) are entitled to additional supplement based benefits if they are members of AFPS 75