

Early Leavers – Pension Rights Notice

The Ministry of Defence (MOD) has identified an issue concerning the notification of 'Early Leavers' of their rights under Chapter 2 of Part 4ZA of the Pensions Schemes Act 1993. In accordance with this legislation, members who leave the armed forces or opt out of the Armed Forces Pension Scheme after completing at least 3 months' service but less than 2 years' service, should be provided with a notification of their right to a cash transfer sum to another pension scheme or a refund of their employee contributions, where applicable. It has come to the Department's attention that the MOD has not been fulfilling this notification requirement since the relevant provisions came into effect on 6 April 2006.

The MOD is committed to resolving this matter and will provide those affected the choice of a cash transfer sum to another pension scheme or a refund of their employee contributions. The administrative processes and systems required to confirm eligibility and deliver this redress are being urgently developed. Once plans are finalised, a further update will be provided including how affected Armed Forces Pension Scheme members will be contacted.