Ministry of Defence

Armed Forces Pension Scheme 2015 Pension Remedy - Divorce

Information Note

Updated 24 July 2026

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Introduction

Divorce and Pension Sharing Orders

This information note is designed to update members on the current position with Divorce in the context of the 2015 Pension Remedy. It therefore only applies to those members who are eligible for the 2015 Pension Remedy. It does not alter the general principles of how remedy impacts divorce, which are outlined in Chapter 9 of the 2015 Pension Remedy explained booklet, nor does it replace some of the broader guidance available in in Pension Sharing on Divorce MMP131.MMP 131 Pension Benefits on Divorce or Dissolution of Civil Partnerships.

To comply with 2015 Pension Remedy legislation (The Armed Forces Pensions (Remediable Service) Regulations 2023) updated guidance is required to enable the Armed Forces Pension Scheme to respond to requests for Cash Equivalent Values (CEVs) and to implement or recalculate Pension Sharing Orders (PSO) that relate to an eligible member's remediable service.

Remediable service refers to an eligible period of pensionable service under the Armed Forces Pension Scheme which occurred during the period 1 April 2015 to 31 March 2022.

Following the finalisation of the divorce guidance, the pension scheme administrator must ensure it is properly implemented so that members' benefits are assessed correctly. This is essential, as to comply with legislation CEV requests must correctly reflect remediable service and court orders need to be implemented against members' revised entitlements.

The 2015 Pension Remedy is a complex piece of legislation. This has meant the guidance in relation to divorce has had to be compiled in stages, through collaboration between the MOD, Government Actuary's Department (GAD), legal advisers and other government departments before confirming the appropriate methodology. All of this guidance has now been delivered; however, a technical assessment is required to update existing systems. Following this, calculations require an enhanced quality and assurance procedure to ensure accuracy. Only when these processes have been completed can calculations commence.

Pension Sharing Order Basics

A Pension Sharing Order is a court order that sets out how a pension is to be divided at the time of the divorce or dissolution of a civil partnership. To determine a Pension Sharing Order the court requires financial information from both parties.

A pension scheme cannot divide or transfer any pension without instruction from the court.

Once an assessment has been made, the court will award a percentage (a monetary amount can be specified in Scotland) of one party's pension value to the other person. The award to the ex-spouse/partner is known as a pension credit and they become a Pension Credit Member. The amount deducted from the pension scheme member is known as a pension debit and they are referred to as Pension Debit Member.

In applying for and implementing a Pension Sharing Order there are some key terms to be familiar with.

Cash Equivalent Value (CEV) – This is the cash value placed on your pension benefits and is used by the court to determine the pension sharing order. It is sometimes referred to as a Cash Equivalent Transfer Value (CETV) but this term is only valid when pension benefits are not in payment.

Initial Calculation Date - The day the CEV is calculated for the purposes of negotiation or a court hearing. This must be dated within one year of the date of the issuing of divorce/dissolution proceedings.

Transfer Day - This is the date on which a Pension Sharing Order takes effect and the recipient of a pension credit becomes legally entitled to the pension credit. A pension sharing order can only take effect on the latter of:

- The date on which the Decree Absolute is granted.
- 28 days from the date of the PSO, or where the court has specified a period for filing an appeal notice, 7 days after the end of that period.
- Where an appeal has been lodged, the effective date of the order determining that appeal.

Valuation Day - This is the day on which the pension scheme administrator recalculates the CEV during the 'implementation period' in order to implement the Pension Sharing Order. It is any day within the 'implementation' period as the scheme administrator may specify by notice in writing to the parties. Any benefits accrued since the transfer day are excluded from the valuation exercise as this is the date on which the Pension Sharing Order takes effect.

Implementation Period – The implementation period takes place in accordance with section 34(1) of the Welfare Reform and Pensions Act 1999 (WRPA 1999). Implementation should take place within a four-month period beginning on the later of:

- the date of the transfer day.
- the date the scheme administrator receives the relevant pension sharing information under the Pensions on Divorce etc (Provision of Information) Regulations 2000, including:
    - the Pension Sharing Order.
    - the pension annex(es) (Form P1).
    - a copy of the decree absolute/final dissolution order.
    - the information specified in the applicable paragraphs of the pension annex(es), and
    - payment of its charges.

Implementation can be delayed if the scheme administrator does not have all the required information to implement the order.

To re-iterate, if there is a delay to the valuation day this does not translate to the Transfer Day. Only the members pension benefits accrued up to the Transfer Day will be used in the recalculation.

We acknowledge the frustration caused by the delays in the process. However, we are unable to provide ex-spouses with updates on the process of CEV requests due to data protection regulations. This is limited to the relevant scheme member only.

Cash Equivalent Values requested since 1 October 2023

Update to Actuarial Factors

The Government Actuary's Department (GAD) has recently completed its review of the actuarial factors used in CEV calculations following announcement of an update to the SCAPE discount rate. Due to this review, and the subsequent time needed to update our systems, we have been unable to process CEV applications since 19 May 2026.

As of 23 July 2026, we have now resumed processing CEV applications that have accumulated in order of date received. At this stage, we are unable to provide a definitive timescale for when you will receive your CEV but please be assured that we working to clear the backlog of cases as swiftly as possible.

Active and Deferred members

Owing to the effects of the Pension Remedy, requests require additional calculations which can impact on processing times. Cases will be processed in date received order. This will take time to process but will be dealt with as expeditiously as possible. New requests are currently taking up to 3 months to process, though every effort is being made to issue your CEV to you as soon as possible. We understand that this is frustrating, however, requests are being processed in date received order.

Please note for some members with reservist service, your CEV cannot be produced currently. You will receive a letter with further information if you are affected by this.

Pensioner Members who have made a remedy election and pension position is now settled

These members are in the same position as active and deferred members. Provided the remedy election has been made and enacted, any request for a CEV can be met. These requests are being dealt with in the same manner as active and deferred members.

Members who started receiving pension benefits who are yet to make their remedy choice

Where a remedy election has not been made and/or the member’s final pension position is not settled, a CEV cannot be produced as the necessary process changes to the calculation method have not yet been implemented. The timeframe on this is not yet known. In the interim, the scheme will monitor CEV requests in this position, and where possible prioritise the issuing of the member’s Remediable Service Statement (if not already issued) to achieve a settled position. It must be noted however, that until the election has been made and enacted, it would not be possible to issue a CEV. It may still take 2-3 months for your CEV to be issued following any revised benefits (if applicable) being put into payment.

Pension Sharing Orders Not Yet Implemented

Active and Deferred Members who have received a CEV prior to 1 October 2023

Pension Sharing Orders issued post 1 October 2023 can now be processed for active and deferred members.

Requests have accumulated since 1 October 2023 and such will be processed in date received order, this backlog will be prioritised over newly received requests. This will take time to process but will be dealt with as expeditiously as possible.

If you leave service with immediate pension benefits or begin receipt of deferred pension benefits prior to your PSO being implemented, we will be unable to apply a debit to your pension which may result in an overpayment which will be subject to recovery.

Active and Deferred Members who have received a CEV since 1 October 2023

The functionality to progress with these cases has been implemented and initial cases are being reviewed to ensure quality and accuracy of the calculations.

If you leave service with immediate pension benefits or begin receipt of deferred pension benefits prior to your PSO being implemented, we will be unable to apply a debit to your pension until the PSO is processed which may result in an overpayment which will be subject to recovery.

Pensioner Members on Transfer Day (i.e. pension in payment)

For those in receipt of pension benefits on the Transfer Day, the methodology to calculate the Pension Sharing Order cannot be implemented, therefore the scheme administrator cannot progress these cases. The timeframe for this is currently unknown. Further updates on this will be provided in due course.

If you were a pensioner on transfer day, your debit will be applied retrospectively once your PSO has been implemented which will result in an overpayment which will be subject to recovery.

Pay Award for those leaving service on or after 31 March 2026

For members who have left service since 31 March 2026 and who are unaffected by other issues, the scheme is unable to implement Pension Sharing Orders until the 2026 pay award has been announced and retrospective corrective action taken on members' benefits. We will aim to implement your Pension Sharing Order as soon as possible after retrospective action has been taken.

Pension Sharing Orders implemented since 1 April 2015

Leaving service where a Pension Sharing Order was implemented in the Remedy period

Currently it is not possible to apply a pension debit to a remedy member where a Pension Sharing Order was implemented in the remedy period and the Pension Sharing Order relates to both legacy and reformed schemes or reformed scheme only. To avoid any delay in the payment of pension benefits, a Remediable Service Statement will not be issued to these members, and legacy benefits will be paid without applying a Pension Debit. **Members should note this will result in an overpayment of pension benefits which will be subject to recovery, those affected will be advised of this when drawing their benefits. This will not affect EDP payments.**

Once the review and final internal processes have been completed, members will be issued with a Remediable Service Statement detailing the recalculated benefits with the applicable debit applied in the legacy and AFPS 15 options. Members will then be able to make an election, and the pension will be adjusted accordingly. Any overpayments of benefits owing to the delay in applying the pension debit may, at the request of the member, be offset against any pension or lump sum arrears that may be owed following the election. The timeframe for revaluing pension debits is currently unknown.

Active or Deferred Remedy Members requesting a Pension Forecast where a Pension Sharing Order was implemented in the Remedy Period

Where a member has had a Pension Sharing Order implemented in the remedy period, for the reasons outlined in the previous section, it is not currently possible to include any pension debits in the forecast.

Leaving service where a Pension Sharing Order was implemented after the Remedy period

For some members who have had a Pension Sharing Order implemented since 1 October 2023 and have subsequently left service we were unable to apply the pension debit to your pension benefits. You will have been notified by letter if you are affected by this and will have your pension debit applied retrospectively. **Members should note this will result in an overpayment of pension benefits which will be subject to recovery, those affected will be advised of this when drawing their benefits. This will not affect EDP payments.**

Remediable Pension Savings Statement (RPSS) Delay

Members who are subject to a Pension Sharing Order and are also due to receive a Remediable Pension Savings Statement (RPSS) must have the Pension Sharing Order calculated in accordance with the Remedy guidance before their RPSS can be issued. This is necessary to ensure the calculations are completed in the correct sequence and in compliance with the relevant legal requirement. Further information on pensions savings tax can be found by searching Armed Forces Pensions on gov.uk.

Further Information

All timeframe information provided in this guide remains under constant review. This guide will be updated with any significant change. Once all processes are in place MMP131 will be updated.

Any questions on the information outlined in this guide can be address to:

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