



Ministry  
of Defence

Army Secretariat  
Army Headquarters  
IDL 24 Blenheim Building  
Marlborough Lines  
Andover  
Hampshire, SP11 8HJ  
United Kingdom

Reference: Army HQ/Sec/15/01

E-mail: Army Sec-group@mod.gov.uk

Website: www.army.mod.uk

See Distribution

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### **GURKHA PENSION SCHEME – 2019 AWARD**

References:

- A. Army HQ/Sec/15/01/02 dated 28 March 2018.
- B. Gurkha Pay and Pension Manual.

1. I am directed to inform you that the existing rates of Gurkha Retirement Pension, Gurkha Service Pension, Gurkha Disability Pension and Gurkha Family Pension have been revised with effect from 1 April 2019. The current rates, which are based on Indian Army pensions, but incorporate a welfare related cash uplift to take account of the benefits in kind provided to Indian Army ex-servicemen, have received a 2019 pension increment of 3.7% to take account of cost of living increases in Nepal. In line with existing policy the increase is based on the Nepal Rastra Bank consumer price index for inflation in Nepal. All revised rates supersede those at Reference A.

2. **Gurkha Retirement Pension**. The revised rates of Retirement Pension payable to Gurkha Commissioned Officers, are shown at Annex A.

3. **Gurkha Service Pension**. The revised rates of Gurkha Service Pension payable to Queen's Gurkha Officers granted honorary rank, Queen's Gurkha Officers and Gurkha Other Ranks are:

a. **Queen's Gurkha Officers Granted Honorary Rank**. Revised rates for Queen's Gurkha Officers granted honorary rank are shown at Annex B.

b. **Queen's Gurkha Officers, Honorary Queen's Gurkha Officers and Gurkha Other Ranks**. Revised rates for Queen's Gurkha Officers, Honorary Queen's Gurkha Officers and Gurkha Other Ranks are shown at Annex C.

4. **Gurkha Disability Pension**. The Gurkha Disability Pension is made up of two elements, a service pension element and a disability element. Revised rates of the service pension element are in accordance with those shown in Annexes A, B and C. Revised rates of the disability element are shown at Annex D.

5. **Gurkha Family Pensions**. The revised rates of Gurkha Family Pension for all ranks are shown at Annex E to this letter.
6. **Minimum Rates of Pension**. The minimum rate of pension shown in Chapter 9 of Reference B has been raised to ICR 19,601.84 per month with effect from 1 April 2019.
7. **Indian Army Rates of Pay**. Following the introduction of standard Army terms and conditions of service for serving Gurkhas from 1 April 2007, Indian Army rates of pay were only required for the calculation of gratuities for those personnel who remained on the Gurkha Pension Scheme. These rates are no longer required from 1 April 2019 as there are no pensioners eligible for the death element of the Death cum Retirement Gratuity.
8. **Indian 7th Central Pay Commission**. The results of the Indian 7<sup>th</sup> Central Pay Commission (7CPC) have been announced separately and are not included in these new rates from 1 April. Full 7CPC rate tables will be issued in due course following implementation.
9. **Gurkha Pay and Pensions Manual**. Reference B is to be amended to reflect the changes promulgated above.
10. **Pension Credits to Individual Accounts**. The new rates of pension will be applied to the Far East and Nepal Administration System for the pensions run of April 2019. Pension rates will be converted to Nepali rupees for payment at the peg rate of ICR1 : NCR 1.6. Pensioners paid in cash at the Pension Payment Offices will have the new rates due available from 1 May 2019. Banking pensioners will have their accounts credited by the end of April 2019, although this may be later depending on location and the bank used. Payments in cash from Area Welfare Centres will be made in May/June 2019 according to the programme published by Headquarters British Gurkhas Nepal.

*Damian Paterson*

Damian Paterson  
Head, Army Secretariat & Civilian Workforce  
Army Secretariat

Annexes:

- A. Gurkha Commissioned Officers – Rates of Retirement Pension.
- B. Gurkha Service Pension Rates for Queen's Gurkha Officers Granted Honorary Rank.
- C. Gurkha Service Pension Rates for Queen's Gurkha Officers, Honorary Queen's Gurkha Officers and Gurkha Other Ranks.
- D. Gurkha Disability Element Pension Rates.

E. Gurkha Family Pension Rates.

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