



SCOTTISH PUBLIC PENSIONS AGENCY

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Chief Executives Fife Council and Dumfries & Galloway Council
Firemasters
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6 April 2004

Dear Sir/Madam

FIREFIGHTERS' PENSIONS CIRCULAR No 2004/2

THE PENSIONS INCREASE (REVIEW) ORDER 2004

1. I am writing about the above mentioned Order (SI 2004/758) which provides for the payment of pensions increase resulting from the 2004 Review. A copy of SI2004/758 can be purchased from the Stationery Office or can be accessed on www.legislation.hmso.gov.uk/stat.htm
2. **Please draw this circular to the attention of Pension Managers and Superannuation Sections. You may also wish to draw it to the attention of the Directors of Finance and Administration.**

The Increase

3. Increases are payable from 12th April 2004. For pensions which began before 7th April 2003 the increase is 2.8%. For pensions which began on or after 7th April 2003 the increases are as follows:-

Pensions Beginning	Percentage Increase
7 th April 2003 to 27 th April 2003	2.8%
28 th April 2003 to 27 th May 2003	2.57%
28 th May 2003 to 27 th June 2003	2.33%
28 th June 2003 to 27 th July 2003	2.10%
28 th July 2003 to 27 th August 2003	1.87%
28 th August 2003 to 27 th September 2003	1.63%
28 th September 2003 to 27 th October 2003	1.40%
28 th October 2003 to 27 th November 2003	1.17%
28 th November 2003 to 27 th December 2003	0.93%
28 th December 2003 to 27 th January 2004	0.70%
28 th January 2004 to 27 th February 2004	0.47%
28 th February 2004 to 27 th March 2004	0.23%

4. Article 4 of the Order provides for the payment of increases on deferred lump sums which became payable on or after 7th April 2003 and before 12th April 2004. These increases are set out in Annex A to this Circular. Multipliers for “preserved” pensions and lump sums can be accessed through the Public Service Pensions / Pensions Increases page using the following link www.hm-treasury.gov.uk .
5. Police Authorities are reminded that, in accordance with the provisions of Regulation E10 of the Police Pensions Regulations 1987 and Schedule 12 to the Police Pensions Regulations of 1971 and 1973, as amended, widows’ flat rate pensions and children’s flat rate allowances are increased directly by orders made under section 59 of the Social Security Pensions Act 1975. These awards may accordingly be increased by 2.8% on 12 April 2004. Fire authorities are similarly reminded that widows’ flat rate pensions and children’s flat rate allowances directly attract the provisions of orders made under section 59 of the Social Security Pensions Act 1975. These awards may also accordingly be increased by 2.8% on 12 April 2004.
6. As from the week beginning 12th April 2003, the discretionary increases in certain widows’ pensions (Regulation 30, 33 and 35 of the Police Pensions Regulations 1971 and Part VI of Schedule 3 to those Regulations) should take account of the rates of benefit set out in the Social Security Benefits Up-rating Order 2004 (SI 2004 No 552) which replaces those set out in the Social Security Benefits Up-rating Order 2003. Bereavement payment will be £2000.00 and the weekly rate of widow’s pensions payable after the first 26 weeks of widowhood will be £79.60. The age allowance is unchanged at £0.25.
7. Any telephone enquiries about this circular should be made to Jim Preston on 01896 893223.

Yours faithfully

Dorothy Hamilton
Policy Officer

INCREASES IN LUMP SUMS

A. Deferred lump sums which become payable on or after 12 April 2004.

These are eligible for the same increase as pensions which begin on the same date as the lump sum begins (See Multipliers table)

B. Deferred lump sums which became payable in the period 7 April 2003 to 12 April 2004.

- (i) If the lump sum began before 7 April 2003, it may have been eligible for increases under the Pensions (Increase) Act 1971. These should have been paid with the lump sum at the time it became payable. A further increase is payable on 12 April 2004 according to the table below.
- (ii) If the lump sum began on or after 7 April 2003 an increase is payable on 12 April 2004 according to the table below

In calculating the length of period, count complete months starting with the beginning date (or 7 April 2003 if later), and then count the remaining days, excluding the payable date itself –

eg 25 May to 7 July is 1 month (25 May to 24 June) and 12 days (25 June to 6 July).

Length of Period					Percentage Increase	
	16 days	to	1 month	15 days		0.23
1 month	16 days	to	2 months	15 days		0.47
2 months	16 days	to	3 months	15 days		0.70
3 months	16 days	to	4 months	15 days		0.93
4 months	16 days	to	5 months	15 days		1.17
5 months	16 days	to	6 months	15 days		1.40
6 months	16 days	to	7 months	15 days		1.63
7 months	16 days	to	8 months	15 days		1.87
8 months	16 days	to	9 months	15 days		2.10
9 months	16 days	to	10 months	15 days		2.33
10 months	16 days	to	11 months	15 days		2.57
11 months	16 days	to	12 months	15 days		2.80

It is not possible for the period to exceed 12 months 4 days if correctly calculated