

The Secretary General, Convention of Scottish Local Authorities

The Director of Education, Director of Finance &
Human Resource Manager, Scottish Local Authorities

Principals of Further and Higher Education Institutions

Independent Schools

Official Correspondents of Other Participating Organisations

7 Tweedside Park
Tweedbank
Galashiels TD1 3TE
<http://www.sppa.gov.uk>

Telephone: 01896 893224
Fax: 01896 893230
Dorothy.hamilton@scotland.gov.uk

Our ref:

17 March 2008

Dear Sir/Madam

SCOTTISH TEACHERS' SUPERANNUATION SCHEME CIRCULAR 2008/1

THE PENSIONS INCREASE (REVIEW) ORDER 2008

1. I am writing about the above mentioned Order (SI 2008 No. 711) which provides for the payment of pensions increase resulting from the 2007 Review. A copy of the SI can be purchased from the Stationery Office or can be accessed using the following link [SI 2008/711](#).

Please note that there is an error on page 5 (the SI Explanatory Note) as follows:

In the table for Pensions Beginning dates, 23rd August 2006 should read 23rd August 2007.

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 7th April 2008. For pensions which began before 9th April 2007 the increase is 3.9%. For pensions which began on or after 9th April 2007 the increases are as follows:-

Pensions Beginning	Percentage Increase
9th April 2007 to 22nd April 2007	3.90%
23rd April 2007 to 22nd May 2007	3.58%
23rd May 2007 to 22nd June 2007	3.25%
23rd June 2007 to 22nd July 2007	2.93%
23rd July 2007 to 22nd August 2007	2.60%
23rd August 2007 to 22nd September 2007	2.28%
23rd September 2007 to 22nd October 2007	1.95%
23rd October 2007 to 22nd November 2007	1.63%
23rd November 2007 to 22nd December 2007	1.30%
23rd December 2007 to 22nd January 2008	0.98%
23rd January 2008 to 22nd February 2008	0.65%
23rd February 2008 to 22nd March 2008	0.33%

4. Article 4 of the Order provides for the payment of increases on deferred lump sums which became payable before 7th April 2008 but on or after 9th April 2007. These increases are set out in Annex A to this Circular. Multipliers for “preserved” pensions and lump sums can be accessed on the HM Treasury website on their Public Service Pensions / [Pensions Increases](#) page.
5. Any telephone enquiries about this circular should be made to Dorothy Hamilton on 01896 893224.

Yours faithfully

Dorothy Hamilton
Policy Officer

ANNEX A

INCREASES IN LUMP SUMS

A. Deferred lump sums which become payable on or after 7 April 2008.

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 9 April 2007 to 7 April 2008.

- (i) If the lump sum began before 9 April 2007, 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 7 April 2008 according to the table below.
- (ii) If the lump sum began on or after 9 April 2007 an increase is payable on 7 April 2008 according to the table below

In calculating the length of period, count complete months starting with the beginning date (or 9 April 2007 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		0.33
1 month	16 days	to	2 months	15 days		0.65
2 months	16 days	to	3 months	15 days		0.98
3 months	16 days	to	4 months	15 days		1.30
4 months	16 days	to	5 months	15 days		1.63
5 months	16 days	to	6 months	15 days		1.95
6 months	16 days	to	7 months	15 days		2.28
7 months	16 days	to	8 months	15 days		2.60
8 months	16 days	to	9 months	15 days		2.93
9 months	16 days	to	10 months	15 days		3.25
10 months	16 days	to	11 months	15 days		3.58
11 months	16 days	to	12 months	15 days		3.90