

**LOCAL GOVERNMENT PENSION SCHEME (SCOTLAND)  
CIRCULAR SPN/LG No. 2/2013**

- WHO SHOULD READ:**
- The Secretary General**
  - Convention of Scottish Local Authorities**
  - The Chief Executive**
  - Scottish Local Authorities**
  - The Chief Executive**
  - Water Authorities**
  - The Principal Reporter**
  - Scottish Children's Reporter Administration**
  - The Chief Executive**
  - Scottish Environment Protection Agency**
  - The Director General**
  - Strathclyde Passenger Transport Executive**
  - The Clerk**
  - Strathclyde Passenger Transport Authority**
  - The Chief Executive/Director**
  - VisitScotland**
- ACTION:**
- This circular should be brought to the attention of Pension Managers, Superannuation Sections and LGPS Employer Payroll Departments. You may also wish to draw it to the attention of the Directors of Finance and Administration**
- SUBJECT:**
- The Pensions Increase (Review) Order 2013**

**About Circular No.2/2013:-**

The purpose of this circular is to notify employers of **The Pensions Increase (Review) Order 2013**.

**The purpose of this circular is to notify employers of the increase to public service pensions with effect from 8 April 2013.**

The Pensions Increase (Review) Order 2013 (SI 2013/604) provides for the payment of pensions increase resulting from the 2013 Review. A copy of the SI and Explanatory Note can be purchased from the Stationery Office or can be accessed using the following link:



## The Pensions Increase (Review) Order 2013

Increases are payable from 8 April 2013. For pensions which began before 9 April 2012 the increase is 2.2%. For pensions which began on or after 9 April 2012 the increases are as follows:

Pensions Beginning	Pensions Increase
09 April 2012 to 23 April 2012	2.20%
24 April 2012 to 23 May 2012	2.02%
24 May 2012 to 23 June 2012	1.83%
24 June 2012 to 23 July 2012	1.65%
24 July 2012 to 23 August 2012	1.47%
24 August 2012 to 23 September 2012	1.28%
24 September 2012 to 23 October 2012	1.10%
24 October 2012 to 23 November 2012	0.92%
24 November 2012 to 23 December 2012	0.73%
24 December 2012 to 23 January 2013	0.55%
24 January 2013 to 23 February 2013	0.37%
24 February 2013 to 23 March 2013	0.18%

Article 4 of the Order provides for the payment of increases on deferred lump sums which became payable before 8 April 2013 but on or after 09 April 2012.

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](#).

**David Lauder**  
**Policy Manager, LGPS**  
**27 March 2013**

### **Contact Information:**

Should you have any enquiries about this circular, or require further information, please contact either myself or Kim Linge, Policy Manager, LGPS.

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**A. Deferred lump sums which became payable in the period 9 April 2012 to 8 April 2012.**

These are eligible for the same increase as pensions which began on the same date as the lump sum begins. (See Multiplier tables, [Annex B and Annex C](#))

**B. Deferred lump sums which became payable in the period 9 April 2012 to 8 April 2013**

(i) If the lump sum began before 9 April 2012 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 8 April 2013 in accordance with the table below.

(ii) In years where there is an increase, if the lump sum began on or after April of the previous year (in this case it would have been 9 April 2012) an increase is payable in April (8 April 2013 in this case) in accordance with the table below.

In calculating the length of period, count complete months starting with the beginning date (or 9 April 2012 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	0.18
1 month 16 days to 2 months 15 days	0.37
2 months 16 days to 3 months 15 days	0.55
3 months 16 days to 4 months 15 days	0.73
4 months 16 days to 5 months 15 days	0.92
5 months 16 days to 6 months 15 days	1.10
6 months 16 days to 7 months 15 days	1.28
7 months 16 days to 8 months 15 days	1.47
8 months 16 days to 9 months 15 days	1.65
9 months 16 days to 10 months 15 days	1.83
10 months 16 days to 11 months 15 days	2.02
11 months 16 days to 12 months 15 days	2.20

It is not possible for the period to exceed 11 months 29 days if correctly calculated.