

Police Pension Scheme 2020/02

Who should read:	<ul style="list-style-type: none">• The Chief Constable of Police Scotland• Pension Administrators• Scheme members
Action:	For information and implementation
Subject:	Public Service Pension Indexation and CARE Scheme revaluation 2020
Date:	5 March 2020

The purpose of this circular is to confirm that, in common with other public service pension schemes, there will be a 1.7% increase in the value of police pensions in payment (and deferred pensions) from 6 April 2020.

Please note that the rate to be used for the annual revaluation of benefits accrued in the 2015 Police Pension Scheme by active members is 2.95%.

Public Service Pensions Indexation

Public service pensions in payment, together with those that are deferred for payment at a future date, are indexed annually based on the annual change in the Consumer Price Index (CPI) measured as at the previous September.

In the 12 months to September 2019, CPI was 1.7%. As a result, an increase of 1.7% is to be applied from 6 April 2020 for pensions in payment and deferred pensions.

The UK Government will lay the Pensions Increase (Review) Order 2020 in due course.

CARE Scheme Revaluation

The Police Pension Scheme (Scotland) Regulations 2015 were made under the Public Service Pension Act 2013 (the Act). The 2015 pension scheme is a Career Average Revalued Earnings (CARE) scheme and Section 9 of the Act deals with the annual “in-service” revaluation of CARE scheme benefits, preserving their value in line with rises in the cost of living. The SPPA’s website provides [further information](#) on the principles of CARE scheme revaluation.

The Police Pension Scheme (Scotland) Regulations 2015 provide for annual revaluation by reference to changes in prices. For active members this is at the rate of CPI plus 1.25%; for deferred members at the rate of CPI included in any Pension Increase (Review) Order.

Section 9(2) of the Act requires the change in prices used for revaluation to be such percentage increase or decrease as is specified in an order made by HM Treasury. The Public Service Pensions Revaluation (Earnings) Order 2020 will fulfil that requirement in relation to earnings and reflects the increase in Average Weekly Earnings in the 12 months to September 2019. The Chief Secretary to the Treasury has issued a [written statement](#) to this effect, with the Public Service Pensions Revaluation Order 2020 coming into force on 1 April 2020.

As a result of the increase for CPI, the in-service revaluation for the 2015 Police scheme in respect of 2017-18 will be 2.95%.

Online Pensioner Services

Our new member [online portal](#) allows members to log in and view their monthly payslips and P60 documents. Please update your retirement guidance to inform retiring members of this service.

Any questions?

Please contact mhairi.kinnaird@gov.scot if you have any enquiries about this circular.

For all other general enquiries, please contact sppapolicypensions@gov.scot or 01896 893000.

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