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**SCOTTISH TEACHERS' SUPERANNUATION SCHEME  
CIRCULAR 08/2013**

**WHO SHOULD READ:** STSS members, Directors of Education, Directors of Finance, HR Managers, Payroll Managers, Teachers' Unions and Representatives.

**ACTION:** A link to this circular has been sent by e-mail to all stakeholders on SPPA's circulation list and should be circulated widely to all STSS members

**SUBJECT:** 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. Employers should apply these increases to mandatory and discretionary compensation payments that they pay to retired teachers.

The Pensions Increase (Review) Order 2013 (SI 2013604) 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 links:

[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](#).

**Carolyn Fraser**  
**Policy Officer**  
**22 March 2013**

**Contact information:**

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**A. Deferred lump sums which become payable on or after 8 April 2013.**

These are eligible for the same increase as pensions which begin 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 09 April 2012 to 8 April 2013**

(i) If the lump sum began before 09 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 according to 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 09 April 2012) an increase is payable in April (08 April 2013 in this case) according to the table below.

In calculating the length of period, count complete months starting with the beginning date (or 09 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.

