



Pension Schemes Act 1993

1993 CHAPTER 48

PART V

ANNUAL INCREASES OF PENSIONS IN PAYMENT

CHAPTER II

GUARANTEED MINIMUM PENSIONS

109 Annual increase of guaranteed minimum pensions.

- (1) The Secretary of State shall in each tax year review the general level of prices in Great Britain for the period of 12 months commencing at the end of the period last reviewed under this section.
- (2) Where it appears to the Secretary of State that that level has increased at the end of the period under review, he shall lay before Parliament the draft of an order specifying a percentage by which there is to be an increase of the rate of that part of guaranteed minimum pensions which is attributable to earnings factors for [^{F1}the tax years in the relevant period] for—
 - (a) earners who have attained pensionable age; and
 - (b) [^{F2}widows, widowers and surviving civil partners].
- (3) The percentage shall be—
 - (a) the percentage by which that level has increased at the end of the period under review; or
 - (b) 3 per cent.,whichever is less.

[^{F3}(3A) The relevant period is the period—

- (a) beginning with the tax year 1988-89, and
- (b) ending with the last tax year that begins before the principal appointed day [^{F4}...]

Changes to legislation: *Pension Schemes Act 1993, Section 109 is up to date with all changes known to be in force on or before 22 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes*

- (4) If a draft order laid before Parliament in pursuance of this section is approved by a resolution of each House, the Secretary of State shall make the order in the form of the draft.
- (5) An order under this section shall be so framed as to bring the alterations to which it relates into force on the first day of the next tax year after that in which the order is made.
- (6) Where the benefits mentioned in section 46(1) to (7) are not increased on the day on which an order under this section takes effect, the order shall be treated for the purposes of that section as not taking effect until the day on which those benefits are next increased.

Textual Amendments

- F1** Words in s. 109(2) substituted (4.2.1997) by [Pensions Act 1995 \(c. 26\)](#), **ss. 55(a)**, 180(1) (with s. 121(5)); S.I. 1997/216, art. 2(2)
- F2** Words in s. 109(2)(b) substituted (5.12.2005) by [The Civil Partnership \(Contracted-out Occupational and Appropriate Personal Pension Schemes\) \(Surviving Civil Partners\) Order 2005 \(S.I. 2005/2050\)](#), art. 1(3), **Sch. 1 para. 22**
- F3** S. 109(3A) inserted (4.2.1997) by [Pensions Act 1995 \(c. 26\)](#), **ss. 55(b)**, 180(1) (with s. 121(5)); S.I. 1997/216, art. 2(2)
- F4** Words in s. 109(3A)(b) omitted (6.4.2016) by virtue of [Pensions Act 2014 \(c. 19\)](#), s. 56(4), **Sch. 13 para. 40**

Modifications etc. (not altering text)

- C1** S. 109 modified (6.4.2000) by [The Guaranteed Minimum Pensions Increase Order 2000 \(S.I. 2000/425\)](#), arts. 1, 2

Commencement Information

- I1** Ss. 1-187 in force at 7.2.1994 by [S.I. 1994/86](#), **art. 2**

Changes to legislation:

Pension Schemes Act 1993, Section 109 is up to date with all changes known to be in force on or before 22 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations.

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Changes and effects yet to be applied to :

- s. 109(2)(b) words substituted by [S.I. 2005/2050 art. 2\(1\)Sch. 1 para. 22](#)
- s. 109(2)(b) words substituted by [S.I. 2005/2050 art. 2\(1\)Sch. 1 para. 23](#)
- s. 109(2)(b) words substituted by [S.I. 2005/2050 art. 2\(1\)Sch. 1 para. 24\(1\)](#)
- s. 109(2)(b) words substituted by [S.I. 2005/2050 art. 2\(1\)Sch. 1 para. 24\(2\)](#)

Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 46(1A)(1B) inserted by [2008 c. 30 s. 103\(2\)](#) (This amendment not applied to [legislation.gov.uk](#). S. 103(2)(4)(5) repealed (1.10.2014) without ever being in force by [2014 c. 19, Sch. 12 para. 96\(a\)](#); [S.I. 2014/2377, art. 2\(1\)\(a\)\(ii\)\(3\)\(c\)](#))
- s. 46(1A) words substituted by [2011 c. 19 Sch. 3 para. 10](#)
- s. 71(1A) inserted by [2015 c. 8 s. 39\(2\)\(b\)](#)
- s. 82A inserted by [2015 c. 8 Sch. 1 para. 2](#)
- s. 83(1A)-(1AC) substituted for s. 83(1A) by [2015 c. 8 Sch. 1 para. 3](#)
- s. 84-84F substituted for s. 84 by [2015 c. 8 Sch. 1 para. 4](#)
- s. 85A inserted by [2015 c. 8 Sch. 1 para. 5](#)
- s. 86A86B inserted by [2015 c. 8 Sch. 1 para. 6](#)
- s. 94(2A)(a)(viii) inserted by [2014 c. 19 Sch. 17 para. 20\(2\)\(a\)](#)
- s. 94(2A)(b)(vi) inserted by [2014 c. 19 Sch. 17 para. 20\(2\)\(b\)](#)
- s. 101AI(8)(a)(viii) inserted by [2014 c. 19 Sch. 17 para. 20\(3\)\(a\)](#)
- s. 101AI(8)(b)(vi) inserted by [2014 c. 19 Sch. 17 para. 20\(3\)\(b\)](#)
- s. 113(4)(4A) substituted for s. 113(4) by [2015 c. 8 s. 38\(5\)](#)
- s. 145(1A)-(1C) inserted by [2004 c. 35 Sch. 12 para. 23](#)
- s. 146(6A) inserted by [2004 c. 35 Sch. 12 para. 24\(b\)](#)
- s. 175A inserted by [2008 c. 30 Sch. 10 para. 1](#)
- s. 185(2)(ca) inserted by [2018 c. 10 s. 19\(5\)](#)
- s. 186(3)(ba) inserted by [2015 c. 8 Sch. 1 para. 7](#)
- s. 186(3)(za) inserted by [2008 c. 30 s. 103\(5\)](#) (This amendment not applied to [legislation.gov.uk](#). S. 103(2)(4)(5) repealed (1.10.2014) without ever being in force by [2014 c. 19, Sch. 12 para. 96\(a\)](#); [S.I. 2014/2377, art. 2\(1\)\(a\)\(ii\)\(3\)\(c\)](#))
- Sch. 3 para. A1 and cross-heading inserted by [2015 c. 8 Sch. 1 para. 8](#)