

2023 No. 1265

PENSIONS

The Occupational Pensions (Revaluation) Order 2023

Made - - - - - 23rd November 2023

Laid before Parliament 27th November 2023

Coming into force - - - 1st January 2024

The Secretary of State makes the following Order in exercise of the powers conferred by section 182(2) and paragraph 2(1) of Schedule 3 to the Pension Schemes Act 1993(a).

Citation, commencement and extent

1.—(1) This Order may be cited as the Occupational Pensions (Revaluation) Order 2023 and comes into force on 1st January 2024.

(2) This Order extends to England and Wales and Scotland.

The higher and lower revaluation percentages for each revaluation period

2. For the purposes of paragraph 1 of Schedule 3 to the Pension Schemes Act 1993 (methods of revaluing accrued pension benefits: the final salary method)(b), for each revaluation period specified in an entry in column 1 of the table—

- (a) the higher revaluation percentage(c) is the percentage specified in the corresponding entry in column 2 of that table; and
- (b) the lower revaluation percentage(d), if any, is the percentage specified in the corresponding entry in column 3 of that table.

(a) 1993 c. 48; paragraph 2(1) of Schedule 3 was amended by section 101 of, and paragraphs 1 and 3(1) and (2) of Schedule 2 to, the Pensions Act 2008 (c. 30).

(b) Paragraph 1(1) to (3A) of Schedule 3 was substituted by section 101 of, and paragraphs 1 and 2 of Schedule 2 to, the Pensions Act 2008. Paragraph 1(1E) of Schedule 3 was amended by paragraphs 18 and 26 of Schedule 4 to the Marriage (Same Sex Couples) Act 2013 (c. 30) and paragraph 11(1) and (9) of Schedule 5 to S.I. 2014/3229. Paragraph 1(5) and (6) of Schedule 3 was inserted by section 19(4) and (5) of the Pensions Act 2011 (c. 19).

(c) Provision as to the higher revaluation percentage which the Secretary of State is to specify in relation to a revaluation period is made in paragraph 2(3) of Schedule 3 to the Pension Schemes Act 1993. Paragraph 2(3) of Schedule 3 was substituted by section 101 of, and paragraphs 1 and 3(1) and (3) of Schedule 2 to, the Pensions Act 2008.

(d) Provision as to the lower revaluation percentage which the Secretary of State is to specify in relation to a revaluation period is made in paragraph 2(3A) of Schedule 3 to the Pension Schemes Act 1993. Paragraph 2(3A) of Schedule 3 was substituted by section 101 of, and paragraphs 1 and 3(1) and (3) of Schedule 2 to, the Pensions Act 2008.

Column 1	Column 2	Column 3
Revaluation period	Higher revaluation percentage	Lower revaluation percentage
1st January 1986 - 31st December 2023	242.9%	-
1st January 1987 - 31st December 2023	232.6%	-
1st January 1988 - 31st December 2023	219.2%	-
1st January 1989 - 31st December 2023	202.0%	-
1st January 1990 - 31st December 2023	180.7%	-
1st January 1991 - 31st December 2023	153.1%	-
1st January 1992 - 31st December 2023	143.1%	-
1st January 1993 - 31st December 2023	134.7%	-
1st January 1994 - 31st December 2023	130.5%	-
1st January 1995 - 31st December 2023	125.5%	-
1st January 1996 - 31st December 2023	117.1%	-
1st January 1997 - 31st December 2023	112.6%	-
1st January 1998 - 31st December 2023	105.2%	-
1st January 1999 - 31st December 2023	98.9%	-
1st January 2000 - 31st December 2023	96.7%	-
1st January 2001 - 31st December 2023	90.4%	-
1st January 2002 - 31st December 2023	87.2%	-
1st January 2003 - 31st December 2023	84.1%	-
1st January 2004 - 31st December 2023	79.1%	-
1st January 2005 - 31st December 2023	73.7%	-
1st January 2006 - 31st December 2023	69.1%	-
1st January 2007 - 31st December 2023	63.3%	-
1st January 2008 - 31st December 2023	57.1%	-
1st January 2009 - 31st December 2023	49.6%	44.8%
1st January 2010 - 31st December 2023	51.8%	41.3%
1st January 2011 - 31st December 2023	47.2%	37.9%
1st January 2012 - 31st December 2023	39.9%	34.5%
1st January 2013 - 31st December 2023	36.9%	31.2%
1st January 2014 - 31st December 2023	33.3%	28.0%

Column 1	Column 2	Column 3
Revaluation period	Higher revaluation percentage	Lower revaluation percentage
1st January 2015 - 31st December 2023	31.7%	24.9%
1st January 2016 - 31st December 2023	31.9%	21.8%
1st January 2017 - 31st December 2023	30.6%	18.9%
1st January 2018 - 31st December 2023	26.8%	16.0%
1st January 2019 - 31st December 2023	23.8%	13.1%
1st January 2020 - 31st December 2023	21.6%	10.4%
1st January 2021 - 31st December 2023	15.8%	7.7%
1st January 2022 - 31st December 2023	10.3%	5.1%
1st January 2023 - 31st December 2023	5.0%	2.5%

Signed by authority of the Secretary of State for Work and Pensions

23rd November 2023

Paul Maynard
Parliamentary Under Secretary of State
Department for Work and Pensions

EXPLANATORY NOTE

(This note is not part of the Order)

Section 84 of the Pension Schemes Act 1993 (c. 48) requires certain pensions and other benefits under occupational pension schemes to be revalued by the final salary method (which is dealt with in Schedule 3 to that Act). For the purpose of the revaluation of benefits payable to or in respect of persons who attain their scheme's normal pension age in 2024, and as required by paragraph 2 of Schedule 3 to that Act, this Order specifies the necessary revaluation percentages for each of the revaluation periods between 1st January 1986 and 31st December 2023. It is not necessary to specify a lower revaluation percentage for revaluation periods which start before 1st January 2009.

This Order amends an existing regulatory regime by a pre-determined formula, and the administrative impact of its implementation is negligible. A full impact assessment has not been produced for this Order as no, or no significant, impact on the private, voluntary or public sector is foreseen.

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