
EXPLANATORY NOTE

(This note is not part of the Order)

Under section 59 of the Social Security and Pensions Act 1975 (c. 60) where the Secretary of State for Work and Pensions, under the Social Security Administration Act 1992 (c. 5), directs the sums in section 150(1)(c) are increased by a specific percentage, the Treasury shall provide by order for the increase in the rates of public service pensions. The Pensions (Increase) Act 1971 (c. 56) defines certain terms, sets out when a pension “begins” and how the increase applies to lump sums.

The increase is the percentage by which the Secretary of State for Work and Pensions has, by direction under section 151(1) of the Social Security Administration Act 1992 (c. 5), increased the additional pension entitlements accruing to employees in respect of earnings after 5th April 1978.

For pensions which began before 11th April 2022 the increase is 10.1 per cent. For pensions which began on or after 11th April 2022 the increases (following the calculation set out in article 3) are as follows—

<i>Pensions beginning</i>	<i>Pensions increase</i>
11th April 2022 to 25th April 2022	10.1%
26th April 2022 to 25th May 2022	9.26%
26th May 2022 to 25th June 2022	8.42%
26th June 2022 to 25th July 2022	7.58%
26th July 2022 to 25th August 2022	6.73%
26th August 2022 to 25th September 2022	5.89%
26th September 2022 to 25th October 2022	5.05%
26th October 2022 to 25th November 2022	4.21%
26th November 2022 to 25th December 2022	3.37%
26th December 2022 to 25th January 2023	2.53%
26th January 2023 to 25th February 2023	1.68%
26th February 2023 to 25th March 2023	0.84%

Article 3(3) of the Order provides for increases on certain deferred lump sums which become payable on or after 11th April 2022 and before 10th April 2023.

The Order also makes provision for the amount by reference to which any increase in the rate of an official pension is to be calculated to be reduced by the amount equal to the rate of any guaranteed minimum pension entitlement deriving from the employment which gives rise to the official pension.

A full impact assessment has not been produced for this instrument as no, or no significant, impact on the private, voluntary or public sector is foreseen.