

Pension Increase 2017

Annual Increase to Pensions in Payment 2017

Most pensioners receive a standard increase on 1 April each year. For the majority of benefits the amount of the increase is calculated by looking at the annual rise in the Retail Prices Index (RPI) in the 12 months to December. In line with the Scheme's rules, the minimum increase that could be applied is 3% and the maximum is 5%.

This year, the annual rise in the RPI to December 2016 is 2.5% so the increase that will apply to most pensions in payment on 1 April 2017 is 3%

Some parts of your pension are increased differently, depending on the section of the Scheme to which you belonged:

- Pension for members who joined after 5 April 2000 receives an increase of 2.5%
- Pension earned after 5 April 2006 receives an increase of 2.5%
- Guaranteed Minimum Pension (GMP) earned between 6 April 1978 and 5 April 1988 is increased by the State and paid as part of your State Pension, not by the Scheme
- Guaranteed Minimum Pension (GMP) earned between 6 April 1988 and 5 April 1997 is increased for most members by 1% - the annual increase in the Consumer Price Index (CPI) to September 2016.
- Guaranteed Minimum Pension (GMP) earned between 6 April 1988 and 5 April 1997 is increased for members of certain categories identified in the 2012 review of the Scheme's rules by 2% - this is the annual increase in the RPI to September 2016, capped at 3%
- Pension earned by previous members of the Electricity Supply Pension Scheme (ESPS) will receive 2%
- Pension earned before 6 April 1997 under the Pension Increase Exchange (PIE) option will not receive an increase
- Pension earned between 6 April 1997 and 5 April 2006 under the Pension Increase Exchange (PIE) option will receive an increase of 1.6%. – Consumer Price Index (CPI) 12 months to December
- Pension earned after 5 April 2006 under the Pension Increase Exchange (PIE) option will receive an increase of 1.6% - Consumer Price Index (CPI) 12 months to December

Some sub-sections of the scheme have further guarantees that were agreed at the time your former schemes were merged with the Scheme. In accordance with the rules, these members will have the appropriate increase applied.

The Government has established the Pensions Service to provide pensions, benefits and retirement information. If you have any questions about your GMP entitlement, please contact the Pension Service on 08456 060 265. You may have earned GMP whilst a member of another company pension scheme and the Pension Service will be able to see all of your records.