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STATUTORY INSTRUMENTS

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**2023 No. 338**

**The Pensions Increase (Review) Order 2023**

**Pension increase: annual rate and lump sums**

3.—(1) This article applies to an official pension if—

- (a) a qualifying condition is satisfied; or
- (b) the pension is—
  - (i) a derivative pension;
  - (ii) a substituted pension; or
  - (iii) a relevant injury pension.

(2) In relation to any period on or after 10th April 2023, the pension authority may increase the annual rate<sup>(1)</sup> of the pension—

- (a) for a pension which began before 11th April 2022, by 10.1 per cent;
- (b) for a pension which began on or after 11th April 2022, by 10.1 per cent multiplied by—

$$\frac{A}{12}$$

where A is the number of complete months in the period between the beginning date of the pension and 10th April 2023.

(3) In relation to a lump sum which is payable on or after 11th April 2022 but before 10th April 2023, the pension authority may increase the lump sum by 10.1 per cent multiplied by—

$$\frac{A}{12}$$

where A is the number of complete months in the period between the beginning date of the lump sum (or, if later, 11th April 2022) and the date on which it becomes payable.

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(1) Section 59(5) of the Social Security Pensions Act 1975 provides that increases in the rate of a pension are to be calculated by reference to the basic rate of the pension as authorised to be increased by section 1 of the Pensions (Increase) Act 1971 or by an order under section 2 of that Act or section 59 of the Social Security Pensions Act 1975.