



Pensions Act 1995

1995 CHAPTER 26

PART I

OCCUPATIONAL PENSIONS

Indexation

54 Sections 51 to 53: supplementary.

- (1) The first increase required by section 51 in the rate of a pension must take effect not later than the first anniversary of the date on which the pension is first paid; and subsequent increases must take effect at intervals of not more than twelve months.
- (2) Where the first such increase is to take effect on a date when the pension has been in payment for a period of less than twelve months, the increase must be of an amount at least equal to one twelfth of the amount of the increase so required (apart from this subsection) for each complete month in that period.
- (3) In sections 51 to 53 and this section—

“annual rate”, in relation to a pension, means the annual rate of the pension, as previously increased under the rules of the scheme or under section 51,

^{F1}

^{F2}

[^{F3}“the commencement day” means the day appointed for the coming into force of section 278 of the Pensions Act 2004 (amendments to section 51),]

“pension”, in relation to a scheme, means any pension in payment under the scheme and includes an annuity.

Textual Amendments

F1 Words in s. 54(3) omitted (6.4.2016) by virtue of [Pensions Act 2014 \(c. 19\)](#), s. 56(4), [Sch. 13 para. 60](#)

F2 Words in s. 54(3) repealed (6.4.2005) by [Pensions Act 2004 \(c. 35\)](#), s. 322(1), [Sch. 13](#); [S.I. 2005/275](#), art. 2(7), [Sch. Pt. 7](#)

Changes to legislation: Pensions Act 1995, Section 54 is up to date with all changes known to be in force on or before 27 May 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

F3 Words in s. 54(3) inserted (15.3.2005 for specified purposes, 6.4.2005 in so far as not already in force) by Pensions Act 2004 (c. 35), **ss. 278(8), 322(1)** (with s. 313); S.I. 2005/275, art. 2(7), Sch. Pt. 7; S.I. 2005/695, art. 2(4)

Modifications etc. (not altering text)

C1 Ss. 51-54 modified (30.12.2005) by The Occupational Pension Schemes (Cross-border Activities) Regulations 2005 (S.I. 2005/3381), regs. 1, 14, **Sch. 2 para. 3**

Commencement Information

I1 S. 54 in force at 6.4.1997 by S.I. 1997/664, art. 2(3), **Sch. Pt. 3**

Changes to legislation:

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

- Blanket amendment words substituted by [S.I. 2011/1043 art. 36](#)

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

- s. 37(1A)(b) inserted by [2015 c. 8 Sch. 2 para. 7\(b\)](#)
- s. 51(5A)-(5C) inserted by [2015 c. 8 s. 43\(1\)](#)
- s. 51(7A) inserted by [2015 c. 8 s. 41\(1\)\(b\)](#)
- s. 51(9)(10) inserted by [2015 c. 8 s. 42\(3\)](#)
- s. 67A(3)(aa)-(ac) inserted by [2015 c. 8 s. 45\(3\)](#)
- s. 67A(9)(a)(viii)-(x) inserted by [2015 c. 8 s. 45\(6\)\(a\)](#)
- s. 67A(9)(b)(vi)-(viii) inserted by [2015 c. 8 s. 45\(6\)\(b\)](#)
- s. 73(2)(2A) substituted for s. 73(2) by [2015 c. 8 Sch. 2 para. 11](#)
- s. 75(1)-(1B) substituted for s. 75(1) by [2015 c. 8 Sch. 2 para. 12](#)
- s. 175(2)(ca) inserted by [2004 c. 35 s. 240\(2\)](#)
- s. 175(2)(za) inserted by [2015 c. 8 s. 43\(2\)](#)