

**LOCAL GOVERNMENT PENSION SCHEME (SCOTLAND)  
CIRCULAR SPN/LG No. 5/2016**

**WHO SHOULD READ:** The Secretary General  
Convention of Scottish Local Authorities  
The Chief Executive  
Scottish Local Authorities  
The Chief Executive  
Water Authorities  
The Principal Reporter  
Scottish Children's Reporter Administration  
The Chief Executive  
Scottish Environment Protection Agency  
The Director General  
Strathclyde Passenger Transport Executive  
The Clerk  
Strathclyde Passenger Transport Authority  
The Chief Executive/Director  
VisitScotland

**ACTION:** This circular should be brought to the attention of Pension Managers, Superannuation Sections and LGPS Employer Payroll Departments. You may also wish to draw it to the attention of the Directors of Finance and Administration

**SUBJECT:** LGPS (Scotland) CARE Scheme revaluation 2015/16:  
Deferred Members

**About Circular No.5/2016:**

The purpose of this circular is to:

- confirm that the -0.1% revaluation of career average pension accounts does apply to LGPS members who left part way through the 2015/16 Scheme year but did not take their pension (i.e. were deferred members at 31 March 2016);
- revaluation should be applied to affected members' pension accounts on a proportionate basis;
- proportioning should be done in line with the dates of the Pensions (Increase) Order as set out in the LGPC's revaluation paper

**CARE Scheme Revaluation**

The Local Government Pension Scheme (Scotland) Regulations 2014 require that pension accounts are revalued at the end of the scheme year via a revaluation adjustment.

The Public Service Pensions Revaluation (Prices) Order 2016 specifies a decrease in prices of 0.1 per cent in relation to the period of 1 April 2015 to 31st March 2016 inclusive. This figure is based on the year on year change in the Consumer Prices Index to September 2015.

The -0.1% revaluation of career average pension accounts for mid-year leavers who became deferred members during the 2015/16 scheme year is to be applied on a proportionate basis, in line with the dates of the Pensions (Increase) Order as set out in the LGPC's revaluation paper available on [www.lgpsregs.org](http://www.lgpsregs.org).

Pro-rating the Treasury Order using this approach provides the following results for leavers during 2015/16:

Period	Revaluation
1st April 2015 to 26th April 2015	-0.00%
27th April 2015 to 26th May 2015	-0.01%
27th May 2015 to 26th June 2015	-0.02%
27th June 2015 to 26th July 2015	-0.03%
27th July 2015 to 26th Aug 2015	-0.03%
27th Aug 2015 to 26th Sept 2015	-0.04%
27th Sept 2015 to 26th Oct 2015	-0.05%
27th Oct 2015 to 26th Nov 2015	-0.06%
27th Nov 2015 to 26th Dec 2015	-0.07%
27th Dec 2015 to 26th Jan 2016	-0.08%
27th Jan 2016 to 26th Feb 2016	-0.08%
27th Feb 2016 to 26th March 2016	-0.09%
27th March 2016 to 31st March 2016	-0.10%

The approach to revaluation for future years will be considered, with the agreed approach to revaluation being set out in statutory guidance or included in amended regulations in the months ahead.

**Annette Greenslade**  
**Policy Manager, LGPS**  
**13 June 2016**

**Contact Information:**

Should you have any enquiries about this circular, or require further information, please contact Annette Greenslade, Policy Manager, LGPS or Kimberly Linge, Policy Manager, LGPS.

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