

To: Salaries and Wages  
 Human Resources  
 Pension Contacts

Circular 06/2017  
 14 April 2017

At: All Employing Authorities

Dear Colleagues,

**Notification of Reduction to Late Retirement Increase Factors**

This Circular has been issued to advise employing authorities of a **reduction** to the late retirement increase factors that are used in retirement calculations with effect from 1 August 2017. This will apply to all members retiring after their normal pension age with a date of retirement after 31 July 2017.

Pension benefits coming into payment are increased if they are taken after the following ages:

- For service before 1 April 2015 (final salary service): age 65
- For service after 31 March 2015 (CARE): State Pension Age or, if higher, age 65.

In the event of late retirements the pension and any lump sum are increased by a percentage increase for each day the member works past the ages set out in the bullet points above.

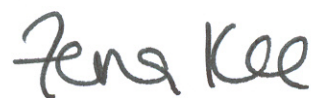
The old and the new percentage increase rates are set out in the table below:

Effective date	Pension increase	Lump sum increases
Retirements on or before 31 July 2017	0.014%	0.007%
Retirements after 31 July 2017	0.010%	0.001%

We have been given a notice period of just over three months to allow those affected by the change time to retire (during the period up to 1 August 2017) using the old factors. Employers are reminded to send us the leavers' forms, LGS16 and LGS15, promptly for any members retiring who are over age 65.

If you have any questions regarding the content of this Circular, please contact either myself or any member of the Pensions Development Team.

Yours sincerely

A handwritten signature in black ink that reads "Zena Kee". The letters are cursive and fluid, with the first letter of each name being capitalized and larger than the others.

Zena Kee  
Pensions Manager