



Pension Review Group

Pension Talks "Constructive and Positive"

The Pension Review Group (PRG) has reacted with cautious optimism to a letter from RPF/SPS Chairman Greg Meekings in which he says that discussions with the Company on a new pension agreement have been ♦constructive and positive♦. See the full text of the Meekings letter by clicking [here](#).

His comments were in response to an earlier letter from PRG Chairman Angela Dean in which she underlined pensioners ♦continuing concerns about the declining value of their pensions.

With discretionary annual increases paid in only three of the last nine years the real value of RPF pensions has dropped substantially because of inflation.

Pensions need 16.7% boost

The PRG calculates that pensioners would need an increase of 16.7% to bring the value of pensions back to the levels of early 2003. And the rise needed will jump to 23.3% if no increase is awarded next January.

Discussions between RPF, SPS and the Company aim to produce a new pensions agreement effective from 31 March, 2012. The current agreement only allows for annual inflation increases if the fund is in surplus.

The PRG was encouraged by comments made almost a year ago by Chief Executive Tom Glocer expressing his concern about the position of UK pensioners and calling on those responsible to find a way of resolving the problem, both now and in the future.

The PRG met on 26 October to consider the Meekings letter and decided to await the outcome of the current discussions before taking any further action, in the hope that the positive comments so far would translate into an agreement which would guarantee an annual increase in pensions.

Deadline of 31 March

The PRG hopes there will be an announcement about the new agreement before the 31 March deadline next year. However, if not, any annual increase awarded for this year would be backdated to 1 January, 2012.

Dean asked Meekings in her earlier letter to provide relevant detailed information on the RPF and the SPS so that PRG members could take a more informed view about the real situation.

Most, but not all, the requested information has been provided and was extremely valuable in the PRG discussion.

PRG continues to maintain its objective of restoring inflation-linked increases and bringing certainty to pensioners in future by ensuring there is a sound agreement in place that protects the value of pensions and the security of the pension fund.

We have recently included on the front page of the website links to news items on pensions issues. These are updated automatically by Google.

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