

## **Statement from Trustees of the BT Pension Scheme, Ford Pension Schemes and Marks and Spencer Pension Scheme**

The High Court has today dismissed the judicial review of the decision by the UKSA and Chancellor to align the Retail Prices Index ("RPI") with the housing cost-based version of the Consumer Prices Index ("CPIH") from 2030.

### **Responding to Mr Justice Holgate's judgment, a spokesperson for the Schemes said:**

"We are disappointed that the UKSA has been allowed to align the RPI with CPIH from 2030 without proper consultation and consideration of the impact such a decision will have on schemes holding RPI index-linked bonds and the retirement incomes of their members.

"Many investors, including pension funds, bought index-linked gilts in good faith and now face losses of £90 to £100 billion\*.

"This decision will leave millions of pensioners in defined benefit schemes with RPI linked benefits poorer through no fault of their own and facing substantial decreases in their year-on-year income. Women will be particularly impacted since they live longer and retire earlier."

The judgment also means that the Chancellor is not required to pay compensation as a result of the indexation change.

The action was brought by the Trustees of the BT Pension Scheme, Ford Pension Schemes and Marks and Spencer Pension Scheme to challenge the indexation reforms which significantly reduce the value of RPI-linked assets held to meet pension promises to members, weakening schemes' funding positions and, in turn, adding pressure on sponsoring employers.

The Schemes are considering the judgment, including whether to seek permission to appeal the judgment.

**– Ends –**