



PENSION
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Update for members on the Office of National Statistics proposals to change the basis for the calculation of RPI

If you have logged on to our website recently, you will have seen that the Trustee participated in the Office of National Statistics (ONS) consultation towards the end of 2012 on possible changes to the basis of calculating the Retail Prices Index (“RPI”), to align it more with the Consumer Prices Index (“CPI”).

As RPI is used in the calculation of the annual increase in members’ benefits, the Trustee was concerned that the changes proposed by the ONS could result in lower benefits for members in future, compared with those that would be payable should the methodology for calculating RPI remain unchanged. The Trustee therefore made representations to the ONS highlighting the potential impact on members’ benefits and suggesting that no material changes in the calculation of RPI were warranted.

We are pleased to advise you that the Chief Statistician announced on 10th January 2013 that no fundamental changes would be made to the basis of calculating RPI at this point in time.

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