

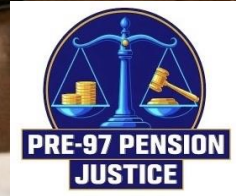
**More than 3/4 Million pensioners**  
***left behind*** \*  
**for quarter of a century**  
**with typical person losing over *100K***

\*Baroness Sherlock, Minister of State, House of Lords April 2026



# It should be this obvious!

1. Pensioners did not sign up for & contribute to pensions that erode
2. Some companies chose to benefit from Pension Act 1995



# Pension Act 1995

Cut off date 1997 was based on fear that legal requirement for indexation would cause schemes or companies to fail

Made it legally possible for successful companies to save money & cut off indexation

*OVER 30 YEARS AGO!!*



# Cause:

First the legislation changed Pension Act 1995; indexation for Pre-97 *not legally required*

**Effect:** Payments for Pre-97 ceased



		Pensions Act 1995 triggered the change in the payment of Pre-1997 increases								
		PRE-97 INCREASES ACROSS "ALLIANCE" COMPANIES								
Year	Historical RPI	Amex	3M	Pfizer	AIG	HP/HPE	John Wood Group	ATOS / SEMA	STMicro Electronics	Chevron UK
1989	7.80%	7.8%	7.8%	0.0%	7.8%	7.00%	7.8%	7.8%	7.8%	7.8%
1990	9.50%	9.5%	0.0%	0.0%	9.5%	5.80%	9.5%	9.5%	6.0%	9.5%
1991	5.90%	5.9%	3.8%	11.5%	5.9%	10.00%	5.9%	5.9%	6.0%	5.9%
1992	3.70%	3.7%	2.7%	0.0%	3.7%	4.10%	3.7%	3.7%	5.0%	3.7%
1993	1.60%	1.6%	1.8%	6.0%	1.6%	1.70%	1.6%	1.6%	2.0%	1.6%
1994	2.40%	2.4%	2.2%	0.0%	2.4%	1.25%	2.4%	2.4%	2.8%	2.4%
1995	3.50%	3.5%	3.9%	5.0%	3.5%	0.00%	3.5%	3.5%	3.5%	3.5%
1996	2.40%	2.4%	2.1%	0.0%	2.4%	3.00%	2.4%	2.4%	3.4%	2.4%
1997	3.10%	1.2%	3.6%	5.0%	3.1%	2.80%	3.1%	3.1%	2.9%	3.1%
1998	3.40%	1.8%	3.2%	0.0%	3.4%	0.00%	3.4%	3.4%	3.6%	3.4%
1999	1.50%	1.4%	1.1%	4.5%	1.5%	4.00%	1.5%	1.5%	3.2%	1.5%
2000	3.00%	0.9%	3.3%	0.0%	3.0%	2.00%	3.0%	3.0%	3.3%	3.0%
2001	1.80%	1.5%	1.3%	4.5%	1.5%	1.50%	1.8%	1.8%	3.3%	1.8%
2002	1.70%	0.4%	1.7%	0.0%	0.0%	0.00%	0.0%	1.7%	1.7%	0.0%
2003	2.90%	0.0%	2.8%	4.1%	1.0%	0.00%	0.0%	2.9%	1.7%	0.0%
2004	3.00%	3.9%	3.1%	0.0%	0.0%	1.00%	0.0%	3.0%	0.0%	5.0%
2005	2.80%	0.0%	2.7%	0.0%	0.0%	0.00%	0.0%	0.0%	0.0%	0.0%
2006	3.20%	0.0%	2.5%	0.0%	1.8%	0.00%	0.0%	0.0%	0.0%	4.5%
2007	4.30%	0.0%	2.5%	3.0%	0.0%	0.00%	0.0%	0.0%	0.0%	4.0%
2008	4.00%	6.5%	2.5%	3.0%	1.8%	1.00%	0.0%	0.0%	0.0%	4.8%
2009	0.00%	0.0%	0.0%	0.0%	0.0%	0.00%	0.0%	0.0%	0.0%	0.0%
2010	4.60%	0.0%	0.0%	0.0%	0.0%	0.00%	0.0%	0.0%	0.0%	0.0%
2011	5.20%	0.0%	0.0%	3.0%	0.0%	0.00%	0.0%	0.0%	0.0%	4.5%
2012	3.20%	0.0%	0.0%	0.0%	3.0%	0.00%	0.0%	0.0%	0.0%	5.0%
2013	3.00%	0.0%	0.0%	0.0%	0.0%	0.00%	0.0%	0.0%	0.0%	2.8%
2014	2.40%	10.1%	0.0%	3.0%	0.0%	0.00%	0.0%	0.0%	0.0%	0.0%
2015	1.00%	0.0%	0.0%	0.0%	0.0%	0.00%	0.0%	0.0%	0.0%	0.0%
2016	1.80%	0.0%	0.0%	0.0%	0.0%	0.00%	0.0%	0.0%	0.0%	0.0%
2017	3.60%	0.0%	0.0%	0.0%	2.0%	0.00%	0.0%	0.0%	0.0%	0.0%
2018	3.30%	0.0%	0.0%	0.0%	0.0%	0.00%	0.0%	0.0%	0.0%	4.5%
2019	2.60%	0.0%	0.0%	3.0%	0.0%	0.00%	0.0%	0.0%	0.0%	0.0%
2020	1.50%	0.0%	0.0%	0.0%	0.0%	0.00%	0.0%	0.0%	0.0%	2.8%
2021	4.10%	0.0%	0.0%	0.0%	0.0%	0.00%	0.0%	0.0%	0.0%	0.0%
2022	11.60%	0.0%	0.0%	0.0%	2.0%	3.00%	0.0%	0.0%	0.0%	7.8%
2023	9.70%	0.0%	0.0%	0.0%	0.0%	0.00%	0.0%	0.0%	0.0%	0.0%
2024	3.60%	0.0%	0.0%	0.0%	0.0%	0.00%	0.0%	0.0%	0.0%	5.0%

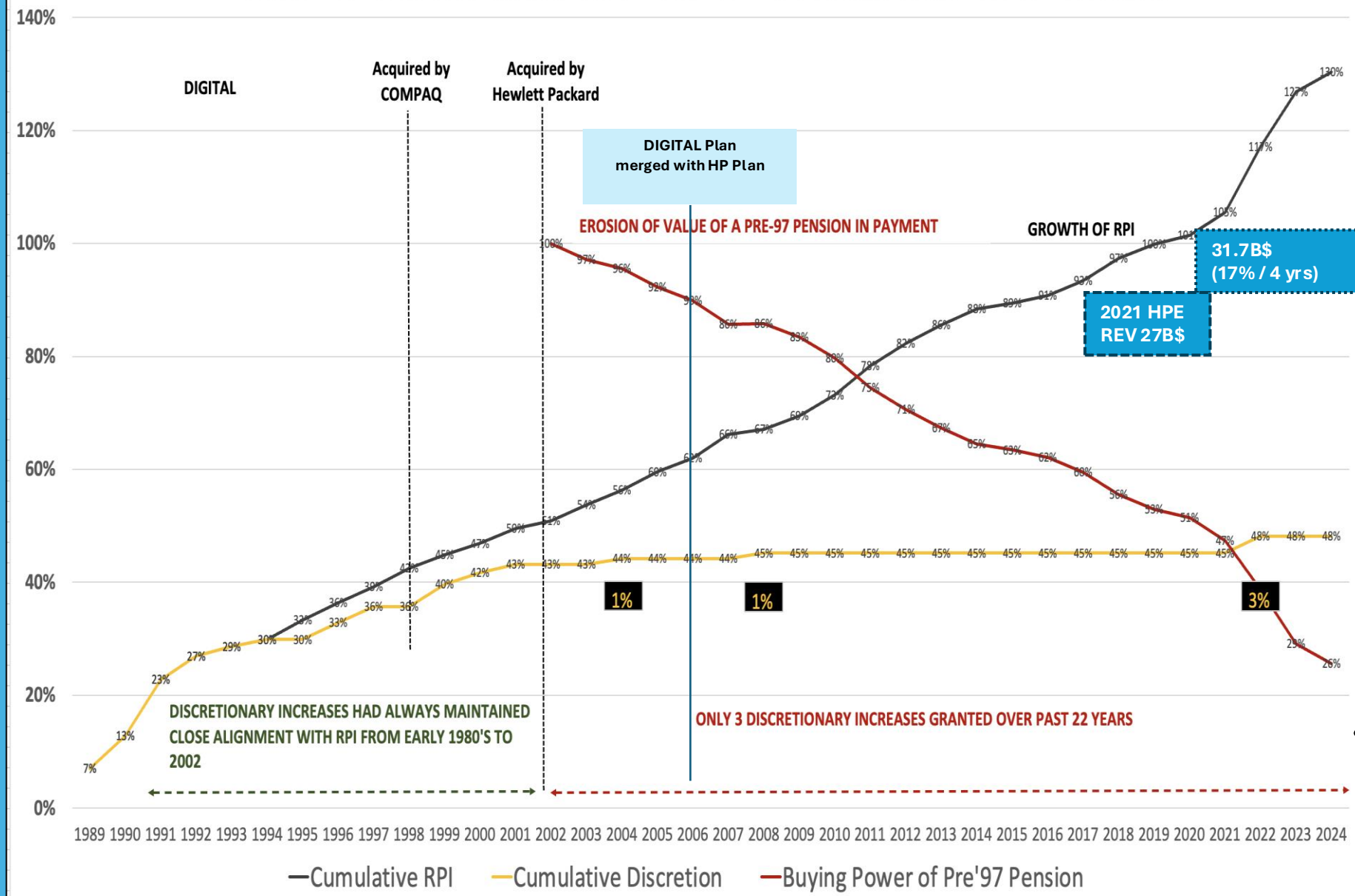
Code: Green = increase paid  
Pink = no increase paid



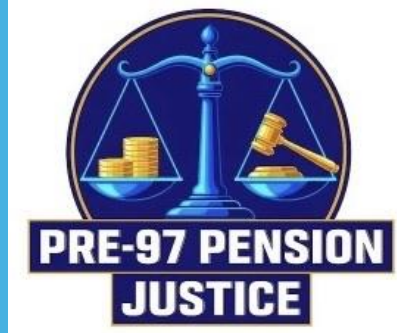
# Legacy of Pensions Act 1995

## For 17% of DB Scheme Members Pension Value Erodes While Company Value Grows

PROFILE OF DISCRETIONARY INCREASES BEFORE AND AFTER ACQUISITION BY HEWLETT PACKARD



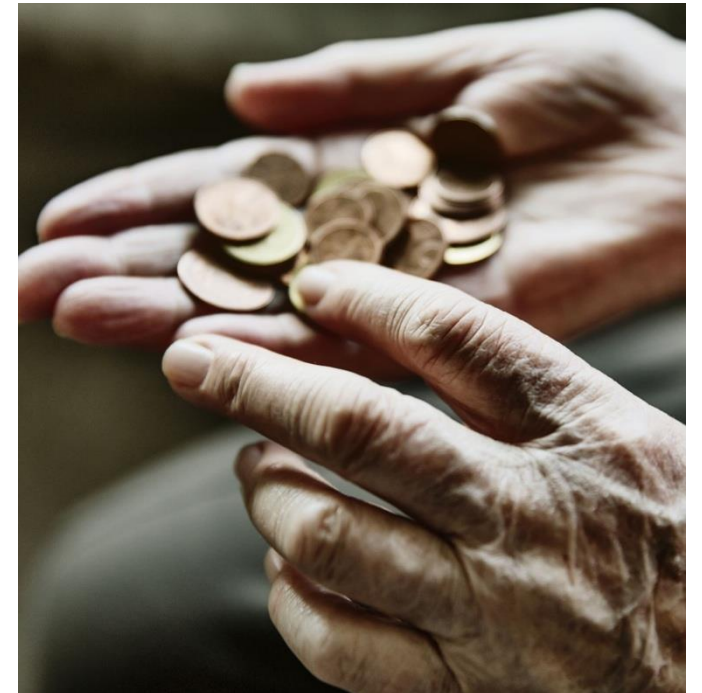
1. Average annual pension for an HPE/DEC retiree £9700
2. Lack of increases has caused loss of pension value & pushed people into hardship which will increasingly harm pensioners and their families
3. Total loss over 100K per pensioner



# Central issue

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- Public sector pensions & most private sector pensions are “inflation proof”
- **Some** pre 1997 DB pensions are not “inflation proof” and rely on discretionary increases to maintain the value of their pensions
- **Some companies have long established patterns of 0% discretionary increases,** overriding Trustees recommendations, even when funds are in surplus
  - a significant devaluation of the pensions
  - less purchasing power for their pensioners
  - not fulfilling reasonable expectations

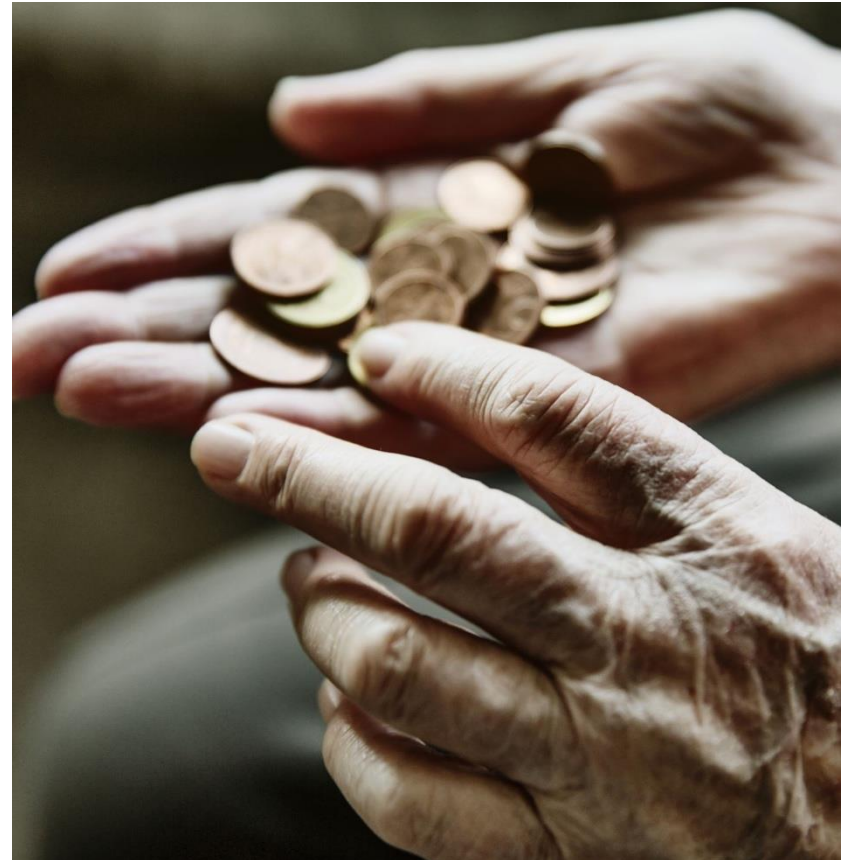


# Members say -

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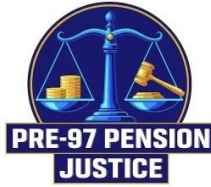


- **I worry every day about how my spouse will cope on 60% of this worthless pension once I am gone- especially with world events**
- **I am in my 80's, I must work to make ends meet**
- **I have had to take equity release to pay household utility and maintenance costs**
- **I can no longer afford the pleasures I thought I had earned like a holiday**
- **I can't afford to get the help I need to live at home now that I am less mobile**
- **I have had to sell my house to pay for the residential care of my spouse**
- **I will have to move my spouse who suffers from dementia into another care home because I can no longer afford it with this flat line pension**

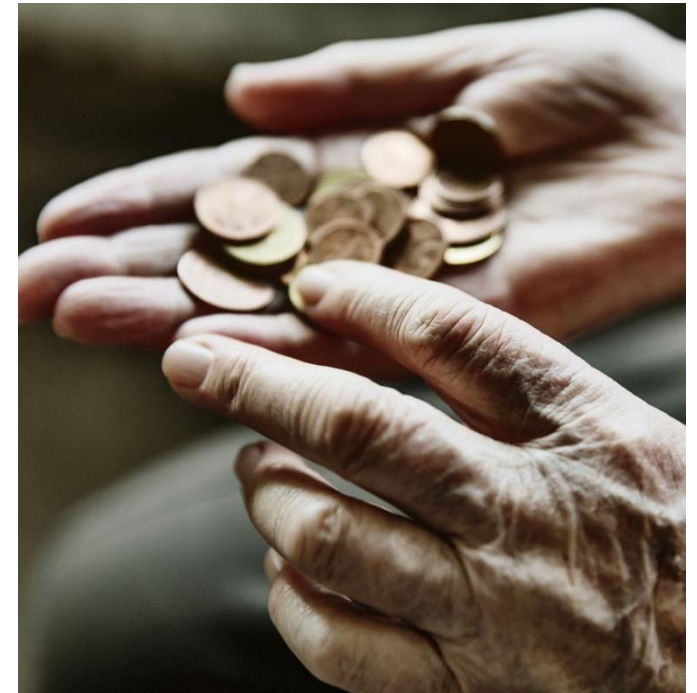


# Key Points

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- [Torsten Bell](#) “Members of these pension schemes are understandably concerned at seeing inflation erode the value of their retirement income”
- Most schemes do pay some pre-1997 indexation, because of scheme rules or as a discretionary benefit
- TPR data shows only 17 per cent of members of private sector defined benefit pension schemes do not receive any pre-1997 indexation on benefits
- Tip of the iceberg reveals more than 750K people
- This information can be found at: <https://www.thepensionsregulator.gov.uk/en/document-library/research-and-analysis/data-requests#f3a5fe60511a445f91112bd7dd8a64ae>



# Pre-97 Alliance– *the dishonourables*

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- Wood Group
- Hewlett Packard Enterprise
- ST Microelectronics
- ATOS/SEMA
- AMEX
- AIG
- Pfizer
- 3M
- Chevron
- NCR Scotland
- Lloyds Register
- Johnson & Johnson
- Nissan



# Pension Schemes Bill has passed & increases risk of permanent loss

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Easier exit routes without “squaring up”

1. “Surplus extraction” gives trustee power to pay surplus to employer – but **no powers** to pay surplus to members
2. “Buy in – buy out” - turns pensions into insurance policies

Reality is

- Trustee dominated by company
- For companies that have legally cheated their pensioners, there is nothing to require justice
- “Fiduciary duty” does not include discretionary indexation



# *Please! We need your help right now!*

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- Help get pensioners to the drafting table
- Pensioners must help shape secondary legislation & guidance
- While government has listened to the voice of industry in the Mansion House –
- The pensioners' voice has been missing!
- BTW – justice will not cost the taxpayer anything



# *Thank you for listening!*

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For more information –

- [patricia@hppa.org.uk](mailto:patricia@hppa.org.uk)
- <http://www.youtube.com/@Pre-97PensionJustice>
- <https://www.facebook.com/groups/pre97hppapensionjustice>

