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**A quarter of major private sector firms expect to close their final salary pension schemes to existing members in the next few years, a survey suggests.**

Many companies have already closed their schemes to new members, saying they are too expensive to finance.

But barring current contributors will become more common, says the National Association of Pensions Fund, which is pressing for more government help.

It found 25 of the 100 firms which replied to its study expected to do so.

'Death knell'

(Final salary schemes, which offer guaranteed benefits to members, are facing pressure from plunging stock markets, falling interest rates and growing life expectancy.)

The latest estimate of total company pension deficits is nearly £200bn.

Many final salary schemes have already closed to new recruits - not much more than a quarter of private sector employers still hold them open.

But the NAPF's finding that some of Britain's biggest private companies, employing tens of thousands of workers, are planning to close them to existing members points to a new trend.

Ros Altmann, a former government adviser, said the "death knell" had been sounded for the final salary pension system.

"Employees cannot afford to fund these long term, open-ended commitments anymore," she said.

Closing schemes open to new members will be more likely because of the credit crunch, according to the NAPF survey.

The most recent official figures showed that 2,240 of the 8,490 private sector final salary schemes (26%) in the UK were open to new members.

So far, only a small minority of final salary pension schemes have been closed to existing members, with Rentokil being among the most high profile firms to do so.

When such a scheme is closed, members are generally told they can no longer contribute and must pay into another scheme instead - which is cheaper for the firm.

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Pension savings which have already been accrued are protected, but contributions made to the new fund tend to be more risky as they are tied to financial markets, rather than salary.

There is also the potential for people to save less, because when taken out of a final salary scheme, workers have discretion over how much they put aside.

Shut out

Former UK chief executive of the Prudential, Mark Wood, who now runs the Paternoster pensions business, told the BBC that more people being shut out of their final salary pension scheme was "almost inevitable in the current economic crisis".

"The impact could be very dramatic depending on someone's age and where they are in the career," he said.

"Over the next few years, the onus will be on personal responsibility rather than the company taking responsibility.

"People will have to take guidance on how much money to set aside. With low interest rates, the amount of money you need to pay into a pension is far greater than it was a year ago."

Joe Harris, general secretary of the National Pensioners Convention, said a "living state pension" was the best security in old age.

"If we are serious about giving everyone a decent income in retirement, we must end the over-reliance on private occupational pension schemes which are governed by a volatile stock market," he said.

Collective deficit

In 2007, open and closed, private sector final salary schemes had 2.7 million members - and 47% of those people were in schemes open to new members.

The collective deficit of the UK's final salary pension schemes hit £195bn in December, according to the official pension scheme safety net.

The Pension Protection Fund (PPF) said the deficit rose by 43% from the £136bn recorded at the end of November.

The deterioration in their finances since then has been largely due to the international credit crunch, the worldwide economic slowdown and the accompanying slump in share prices.

This has gone alongside poorer returns on bonds, which are used to calculate the value of the assets that pension schemes need to be able to pay pensions in the future.

Last month, both the PPF and the Pensions Regulator warned that final salary schemes were becoming riskier.

They pointed to both the declining value of scheme assets and the increasing possibility that more firms will go bust in the next year or so, leaving a hole in their pension funds.