



### **Pensioners' campaign victory**

Four pensioners recently won their High Court case over the collapse of their final salary pension schemes. The judge ruled that the Pensions Minister had acted unlawfully in rejecting the Parliamentary Ombudsman's report which said that the government was guilty of maladministration and should consider offering compensation to those who had lost out. The judge agreed with the Ombudsman that government publications of the time, published after the coming into force of the 1995 Pensions Act, had been misleading. They gave the impression that the occupational pensions of all scheme members would be secure even if the scheme were to be wound up. The judge said that, between 1995 and 2005 (when the law changed again), members of the public could not possibly have known that if their employer went out of business just before they retired, they might not receive any pension because they would not be covered by the Minimum Funding Requirement. This is the rule that final salary pension schemes must contain a minimum level of assets to meet the pension liabilities of the scheme, and that trustees of the scheme must make good the deficit if funding falls below this level. Both sides have been given permission to appeal to the Court of Appeal. If the claimants win, the next step will be to decide whether they are entitled to any compensation. Unless a group settlement is agreed by the government, individual claimants will probably have to prove that they relied on government information in deciding to join or stay in their occupational pension scheme.