

What's happening and why

In recent times company pension schemes have received a lot of attention in the news for many reasons, one of which is how to make good pension schemes affordable and sustainable for the future.

Network Rail is proud to be able to continue to offer flexibility and choice for its employees, including the Railways Pension Scheme. These short videos and the information you receive at home explain the changes taking place from July 2012.

The latest valuation of the Network Rail Section of the RPS was carried out as at the end of 2010. A valuation adds up all the money in a pension scheme and compares it to the total funds the Trustee needs to pay pensions and other benefits as they fall due.

The 2010 RPS valuation showed that our Section was underfunded by 8%, which is around £331 million of deficit.

The RPS is a shared cost scheme; which means that Network Rail pays 60% of the cost and members pay 40%. With a funding deficit we need to put more money into the scheme, and we need to do this in a way that is affordable for all, both now and in the future.

Network Rail wants to ensure we can keep the RPS open for staff who are members now, and for those who join later. We need to act to ensure we get back on track and try to prevent future deficits.

The solutions see some changes which will affect all Network Rail members and also the creation of some revised terms for new members from 1 July 2012. As an existing RPS member you will have a one-off option to change, if you wish.

Please watch the rest of the short films to learn more about the changes, the choice you have, and what you need to consider.