

Our investigation into DWP's communication of changes to State Pension age and associated issues

We shared our provisional views for stage two of our investigation with you in August. We received comments from complainants, their representatives, DWP and ICE about our provisional views and have carefully considered them. The comments have not led to us changing our overall view that:

- there was maladministration in DWP's communication about National Insurance qualifying years
- there was maladministration in DWP's complaint handling
- there was no maladministration in ICE's complaint handling
- maladministration in DWP's communication about State Pension age and about National Insurance qualifying years, and its complaint handling, did not lead to all the injustices claimed.

We have now completed stage two of the investigation. We are sharing our findings with you now so you can see the additional information we have included, and the conclusions we have reached, having considered the comments and further evidence provided.

While our decisions for stage two of the investigation are now final, we do not intend to publish the report for stage two until we have completed our consideration of what DWP should do to provide a remedy.

You will see that we have:

- clarified that DWP should have written to women affected by the 1995 Pensions Act at least 28 months earlier than it did. For the reasons set out in paragraphs 265 and 299-303 of the document, we cannot be

- any more precise about how much more notice of their State Pension age women would have had if the maladministration had not happened
- included additional information we received from sample complainants about what they would have done differently if the maladministration in communication of State Pension age had not happened
- included more information we received from DWP about what it did to communicate State Pension reforms introduced with the 2014 Pensions Act, the standards it was working to, the feedback it took into account, and what it did in response to feedback
- reflected DWP's comments about the approach it took to handling complaints concerning its communication of State Pension age
- reflected what ICE told us about the approach it took to reaching a balance of probabilities decision about whether DWP had written to complainants about their State Pension age
- clarified that ICE did not misunderstand that one of the sample complainant's redundancy had been compulsory.

A lot of the comments we received indicated people misunderstood the summary section of our stage two provisional views. They suggest people thought we were considering DWP's communication of State Pension age when we were considering its communication about National Insurance qualifying years. For clarity, we have restructured the summary section (including dividing it into headed subsections).

Some of the comments we received were about the findings we made during stage one of the investigation about DWP's communication of State Pension age. These include people disagreeing with our decision about when DWP should have begun writing to women individually about their State Pension age following the 1995 Pensions Act. Our stage one findings are final. Our assessment of injustice during stage two is therefore based on our decision that DWP should have begun direct mail at least 28 months earlier than it did. Some complainants told us they did not think the sample of complaints we have considered adequately represented all affected women. The sample complaints reflect the issues women complained to us about. We recognise, however, that the maladministration may have affected some women differently. We are accounting for that in our thinking about remedy. Some complainants raised concerns about DWP not having written to women born between 6 April 1953 and 5 April 1955 about the 1995 Pensions Act. Because DWP paused its direct mailing pending the 2011 Pensions Act, it did not write to these women about their State Pension age until after the 2011 Act became law. Our view is that DWP should have started to write to all women affected by the 1995 Act by December 2006 at the latest. We recognise the possibility that some women might have got a letter more than 28 months sooner if the maladministration had not happened. There is too much we cannot know about what would have happened. We address this in our findings.

Some complainants told us they disagree that maladministration in DWP's communication about State Pension age did not lead to financial loss. While many people have told us about what they might have been able to do differently, we have seen no evidence that has led us to change our view on this point.

Our provisional views about remedy

When we shared our provisional views for stage two of the investigation with you, we explained we would be adjusting our approach to the remainder of the investigation. We said we would begin considering what action DWP should take to provide a remedy.

We have done that. As well as our findings for stage two of the investigation, we are also enclosing our provisional views about remedy. The provisional views set out how we make decisions about remedy and our current thinking about what DWP should do to 'put things right' and to help prevent failings from happening again.

These are our provisional views. We are giving you and DWP the opportunity to comment on our provisional thinking. We will then consider how any comments affect our thinking.

Our provisional view about remedy is that DWP should:

- • publicly acknowledge maladministration in its communication about changes to State Pension age resulting from the 1995 Pensions Act and maladministration in its complaint handling
- • publicly apologise for the impact that maladministration has had on the sample complainants and others similarly affected
- • pay each sample complainant £1000 compensation for the injustice they have suffered
- • establish and fund a compensation scheme to provide equivalent compensation to anyone else who has suffered the same injustice as the sample complaints because of maladministration in its communication about State Pension age and its complaint handling
- • provide an adequate and proportionate financial remedy to anyone who can evidence they suffered financial loss because they lost opportunities to make different decisions due to maladministration in DWP's communication about State Pension age
- • provide an adequate and proportionate financial remedy to anyone who can evidence they lost opportunities to add qualifying years to their National Insurance record because of DWP's maladministration in not adequately using research and feedback about people's understanding of the new State Pension to improve its service and performance.

- DWP's Customer Charter
- DWP's Financial redress for maladministration: staff guide
- DWP's Financial redress for maladministration: a guide for special payment officers
- HM Treasury's Managing Public Money.

We also provisionally think DWP should take action to prevent the maladministration recurring.

Next steps

These are our provisional views about remedy - nothing is yet decided. We will take account of any comments we receive from you and DWP before we make any final decisions.

We have referenced the standards we have relied on in our provisional views. Our Principles for Remedy and Severity of Injustice Scale can be found on our website

(www.ombudsman.org.uk). The following documents can be found on gov.uk:

Please let me have any comments about our provisional views by 20 January 2023. If you would prefer to discuss your comments over the phone, please call me on the number at the top of this letter.

We will carefully consider any comments we receive on our provisional views before publishing our findings about stage two and remedy.