

Women's State Pension age: our findings on injustice and associated issues

Women's State Pension age: our findings on injustice and associated issues

Presented to Parliament pursuant to Section 10(3) of the Parliamentary
Commissioner Act 1967

Ordered by the House of Commons to be printed on 21 March 2024



© Parliamentary and Health Service Ombudsman copyright 2024

This publication is licensed under the terms of the Open Government Licence v3.0 except where otherwise stated. To view this licence, visit nationalarchives.gov.uk/doc/open-government-licence/version/3.

Where we have identified any third party copyright information you will need to obtain permission from the copyright holders concerned.

This publication is available at www.gov.uk/official-documents.

Any enquiries regarding this publication should be sent to us at phso.enquiries@ombudsman.org.uk

ISBN 978-1-5286-4755-7

E03092505 03/24

Printed on paper containing 40% recycled fibre content minimum

Printed in the UK by HH Associates Ltd. on behalf of the Controller of His Majesty's Stationery Office

Contents

Introduction.....	6
Part A: Summary of our findings.....	7
Part B: The evidence we have considered	10
Part C: DWP’s communication about National Insurance qualifying years	11
Part D: Complaint handling	36
Part E: Our consideration of injustice	52
Part F: Remedy.....	86
Annex A.....	93
Annex B.....	94
Annex C.....	96

Introduction

1. We have investigated complaints that since 1995 the Department for Work and Pensions (DWP) has failed to provide adequate, accurate and timely information about State Pension age and the number of qualifying years' National Insurance contributions needed to claim the full rate of State Pension. Our investigation had three stages. The first stage considered DWP's communication of changes to State Pension age. We published our findings for stage one in July 2021. We found that DWP began writing to people affected by the 2011 Pensions Act promptly. But maladministration led to a delay in DWP writing to women about their State Pension age changing as a result of the 1995 Pensions Act.
2. Research reported in 2004 showed that only 43% of all women affected by the 1995 Pensions Act knew their State Pension was 65, or between 60 and 65. The research report said it was 'essential' that particular groups, including 'women who would be affected by the change', should be 'appropriately targeted with accessible information on the equalisation of [State Pension age]'.
3. Also in 2004, the Secretary of State for Work and Pensions publicly stated that too often people do not understand how information about pensions related to their own retirement prospects. He said the Government needed to help provide people with individually tailored information simply explaining their situation and options.
4. DWP failed to take adequate account of the need for targeted and individually tailored information when making decisions about next steps in August 2005. That was maladministration.
5. In 2006, DWP first proposed direct mail to women whose State Pension age was between 60 and 65. It then failed to act promptly on that proposal, or to give due weight to how much time had already been lost since the 1995 Pensions Act. That was also maladministration.
6. This document sets out our findings for stage two and stage three of our investigation. During these stages we considered:
 - DWP's communication about the number of National Insurance qualifying years needed for a full State Pension
 - DWP's complaint handling
 - the Independent Case Examiner's (ICE) handling of complaints about DWP's communication of changes to State Pension age
 - whether maladministration led to injustice
 - remedy.

Part A: Summary of our findings

DWP's communication about National Insurance qualifying years

7. We find that timely and accurate information was available about changes to the number of qualifying years needed for a full State Pension as a result of the 2014 Pensions Act and the introduction of the new State Pension. This includes information about how someone's individual National Insurance record links to how much State Pension they can claim once they reach State Pension age. Research showed the majority of people knew about reforms to the State Pension brought about by the 2014 Act.
8. However, research also showed that too many people did not understand their own situations and how the new State Pension affected them personally. The gap between awareness and understanding was highlighted by the Work and Pensions Committee and the National Audit Office. DWP did not adequately use this research and feedback to improve its service and performance. In this respect, DWP did not demonstrate principles of good administration. That was maladministration.

DWP's complaint handling

9. We find that some aspects of DWP's complaint handling reflected applicable standards, including that information about how to complain was easily available and that it took a proportionate approach to similar complaints. But DWP did not adequately investigate or respond to the complaints it was considering or avoid unnecessary delay. In these respects, DWP did not demonstrate principles of good complaint handling. That was also maladministration.

ICE's complaint handling

10. We find that ICE's complaint handling reflected applicable standards and guidance. ICE acted within the scope of its remit, which is set out in its contract with DWP. We note, however, our view that the contract meant ICE could not address complainants' key concern that they did not have as much personal notice of changes to their State Pension age as they should have.
11. We do not consider there was sufficient evidence available for ICE to conclude that DWP had written to individual complainants who said they had never received a letter about their State Pension age. We do not, however, consider this shortcoming means there was maladministration in its complaint handling overall.

Injustice

12. We find that maladministration in DWP's communication about the 1995 Pensions Act resulted in complainants losing opportunities to make informed decisions about some things and to do some things differently, and diminished their sense of personal autonomy and financial control. We do not find that it resulted in them suffering direct financial loss.
13. We find that maladministration in DWP's communication about National Insurance qualifying years did not lead to an injustice for the sample complainants.
14. Before 2016, people built up 'qualifying years' towards a Basic State Pension by paying National Insurance or through, for example, receiving benefits credits towards their National Insurance record. Some people paid National Insurance to build up entitlement to an earnings-related State Pension on top of the Basic State Pension. The earnings-related State Pension was called the Additional State Pension.
15. Not everyone paid National Insurance towards the Additional State Pension. Some people who joined personal or workplace pension schemes 'contracted out' of the Additional State Pension when they joined those schemes. While they continued to build up qualifying years for a Basic State Pension, they gave up their entitlement to the Additional State Pension for the period they were contracted out because they contributed less into the National Insurance system. So a person who had always contracted out would have been entitled to the Basic State Pension and their personal or workplace pension when they reached State Pension age, instead of being entitled to the Basic State Pension and Additional State Pension.
16. From 6 April 2016, the new State Pension replaced the Basic State Pension and the Additional State Pension. The full rate of the new State Pension is higher than the full rate of the old Basic State Pension. People who were contracted out of the Additional State Pension before 6 April 2016 but have reached, or will reach, State Pension age on or after 6 April 2016 may not be eligible for the full rate of new State Pension. A 'contracted out deduction' is made when calculating their starting amount of new State Pension to reflect the periods when they contributed less into the National Insurance system in return for a personal or workplace pension.
17. Transitional arrangements introduced with the new State Pension mean the starting amount of the new State Pension for the complainants - and people like them - is no less than what their starting amount of State Pension would have been under the 'old' rules. The transitional arrangements also allow them to do things to add to their starting amount of new State Pension if it is lower than the full rate. Having looked at the complainants' individual circumstances, we do not consider they have lost any opportunities to add to their starting amount.

18. We find that maladministration in DWP's complaint handling caused complainants unnecessary stress and anxiety and meant an opportunity to lessen their distress was lost. For some complainants, it also caused unnecessary worry and confusion.

Remedy

19. When we find that complainants have suffered injustice as a result of maladministration, we would usually recommend their injustice is remedied in line with our Principles for Remedy. When making recommendations for financial remedy, we take account of our guidance on financial remedy and our severity of injustice scale.
20. While it is unusual for organisations we investigate not to accept and act on our recommendations, we have no powers to compel them to comply. When an organisation does not comply with our recommendations, we can lay a report before Parliament so that Parliament can act to protect citizens' rights.
21. What DWP has told us during this investigation leads us to strongly doubt it will provide a remedy. Complainants have also told us they doubt DWP's ability or intent to provide a remedy. Given the scale of the impact of DWP's maladministration, and the urgent need for a remedy, we are taking the rare but necessary step of asking Parliament to intervene. We are laying our report before Parliament under s10(3) Parliamentary Commissioner Act and asking Parliament to identify a mechanism for providing appropriate remedy for those who have suffered injustice. We think this will provide the quickest route to remedy for those who have suffered injustice because of DWP's maladministration. To help Parliament with its considerations, we have set out in this document what we would consider an appropriate remedy.
22. We say more about DWP's stance and the basis for our approach in this report.

Part B: The evidence we have considered

23. We have carefully considered the evidence available to us, including:

- what complainants and their representatives have told us, and evidence they have sent us
- evidence DWP has provided
- evidence ICE has provided
- relevant legislation
- information available online, including on GOV.UK and parliament.uk
- relevant press reports
- relevant research reports, including House of Commons briefing papers and reports
- evidence from the All Party Parliamentary Group on State Pension Inequality for Women
- comments we received on our provisional views
- relevant applicable standards.

Part C: DWP's communication about National Insurance qualifying years

C.1 Background information about the relationship between National Insurance, qualifying years and the State Pension

24. The information in this section summarises elements of the State Pension system, and its relationship with National Insurance, relevant to the complaints we have considered about National Insurance contributions.
25. People who pay or are treated as having paid (including via credits or voluntary contributions) enough National Insurance over the course of a tax year (between 6 April and 5 April) build up a 'qualifying year' of entitlement towards a State Pension.
26. Before April 2010, men needed 44 qualifying years and women needed 39 qualifying years to claim the full, Basic State Pension. There were additional contribution rules that applied prior to 2010. The number of qualifying years both men and women needed was reduced to 30 in April 2010 as a result of the Pensions Act 2007.
27. For many years an earnings-related State Pension was available on top of the Basic State Pension. The first earnings-related element, graduated retirement benefit, was replaced by the Additional State Pension. The Additional State Pension was known as the State Earnings-Related Pension Scheme (SERPS) between 1978 and 2002, and the State Second Pension (S2P) between 2002 and 2016. While SERPS was only available to employees, S2P allowed people claiming certain benefits the opportunity to earn credits towards the Additional State Pension too.
28. People with private pensions could 'contract out' of the Additional State Pension, either by choice (for example, by setting up an appropriate personal pension) or by joining a 'contracted out' workplace pension scheme run by their employer.
29. If a person contracted out, they either paid lower National Insurance contributions, or some of their National Insurance contributions were redirected into their private pension scheme. In return, they gave up their entitlement to the Additional State Pension for the period they were contracted out.
30. In March 2012, the Government announced its plan to simplify the State Pension system. The January 2013 White Paper 'The single-tier pension: a simple foundation for saving' proposed to introduce a single-tier State Pension. The Pensions Act 2014 created this single-tier system, known as the

‘new State Pension’. It took effect from 6 April 2016. The new State Pension replaced what was the Basic and Additional State Pensions, resulting in the end of contracting out.

31. Men born on or after 6 April 1951 and women born on or after 6 April 1953, who have a minimum of ten qualifying years, can claim some new State Pension once they reach State Pension age. People who begin earning qualifying years for the first time on or after 6 April 2016 need 35 qualifying years to be eligible to claim the full amount of new State Pension.
32. For some time yet, the majority of people will have a National Insurance record that straddles the ‘old’ and ‘new’ State Pension systems. How much new State Pension they are entitled to depends on their National Insurance record.
33. The starting amount of new State Pension for people who have earned qualifying years before 6 April 2016 but will reach, or have reached, State Pension age on or after 6 April 2016 is calculated according to ‘transitional arrangements’. DWP compares what their National Insurance record as of 6 April 2016 would entitle them to under both the ‘old’ and ‘new’ system rules. Their starting amount of new State Pension is the higher of these two calculations.
34. This means the starting amount of new State Pension for everybody whose National Insurance record straddles 6 April 2016 is no less than what it would have been under the ‘old’ system, provided they have a minimum of ten qualifying years. But some people may find that they are not eligible to claim the full rate of new State Pension, even if they have 35 or more qualifying years, because they were contracted out of the Additional State Pension in the past.
35. If someone has fewer than the number of pre-April 2016 qualifying years needed for the full rate of new State Pension (30 for starting amounts calculated using the ‘old’ rules, or 35 for starting amounts calculated using the ‘new’ rules), they have until April 2025 to decide whether to make voluntary contributions to fill any gaps in their National Insurance record at a lower cost for tax years 2006/7 to 2015/16, inclusive. Each additional pre-April 2016 tax year ‘bought back’ adds a further one-thirtieth to the equivalent of what was their Basic State Pension under the ‘old’ rules, or a further one thirty-fifth of new State Pension under the ‘new’ rules, up to the maximum full rate.
36. Regardless of the number of qualifying years a person has, or whether or not they were previously contracted out of the Additional State Pension, anyone whose starting amount is lower than the full rate of new State Pension as of April 2016 can also add to that amount after April 2016 by:
 - continuing to pay full tax years of National Insurance contributions

- making voluntary contributions to ‘buy back’ gaps in their post-2016 National Insurance record (they can do this up to six years after each tax year has ended), and/or
 - having credits made to their National Insurance record by claiming certain benefits.
37. Each additional post-2016 year of National Insurance contributions or credits adds a further one thirty-fifth of the full rate of new State Pension to a person’s starting amount, up to the maximum full rate.
38. The impact assessment for the 2014 Pensions Act (published in May 2014) includes that one of the intended effects of introducing the new State Pension was that:
- ‘individuals have a better understanding of the State Pension system, including how much they can expect to receive and, therefore, engage more actively in planning for retirement’.

C.2 What should have happened: the relevant standards

39. The overarching standard we have applied is our Principles of Good Administration. The Principles of Good Administration explain that good administration by public bodies includes:
- ‘getting it right’, which includes:
 - public bodies should follow their policy and procedural guidance, whether published or internal
 - public bodies should act in accordance with recognised quality standards, established good practice or both
 - proper decision-making should give due weight to all relevant considerations, ignore irrelevant ones and balance the evidence accordingly
 - ‘being customer focused’, which includes:
 - public bodies should provide services that are easily accessible to their customers. Policies and procedures should be clear and there must be accurate, complete and understandable information about the service
 - public bodies should aim to ensure that customers are clear about their entitlements; about what they can and cannot expect from the public body; and about their own responsibilities
 - public bodies should communicate effectively, using clear language that people can understand and that is appropriate to them and their circumstances
 - ‘seeking continuous improvement’ which includes:
 - reviewing policies and procedures regularly to ensure they are effective
 - using feedback to improve public services and performance.

40. In deciding what ‘getting it right’ would have meant in these circumstances, we have considered the following policy and procedural guidance and quality standards.

DWP’s Service Standards

41. DWP’s Service Standards, first published in May 2013, set out the standard of service customers could expect to receive.
42. We have not seen the May 2013 edition, but the June 2013 version includes that DWP will aim to give customers ‘accurate information and the right advice’ to help them:
- get the pension or benefit they are entitled to
 - understand the conditions of receiving their pension or benefit
 - understand DWP’s decisions
 - decide what to do.
43. They also include that ‘More and more we will encourage people to find information ... online’.
44. The version re-published in November 2014 includes these same points.
45. DWP’s Service Standards were withdrawn in December 2017.

DWP’s Customer Charter

46. DWP published its Customer Charter in August 2013. It sets out DWP’s promises to customers, including its commitment to ‘do our best to help you’ and ‘give you the right information, making it clear what you can expect from us and what your responsibilities are in return’.
47. The Customer Charter was revised and expanded in April 2014. It includes that DWP will:
- do what it says it will do
 - provide customers with the correct decision, information or payment
 - publish information about benefits and services online at GOV.UK.

Government communications standards

48. The Government Communication Service (GCS - the professional organisation for public service communicators working in government) was established in 2014. It publishes guidance and aims to ‘deliver world-class public service communications which support ministers’ priorities, enable the efficient and effective operation of public services, and improve people’s lives’.
49. GCS uses the OASIS framework in the planning, implementation and development of government communications campaigns. The OASIS

framework includes considering the target audience - who the campaign is aimed at and how they will be reached. It also includes 'you should monitor outputs, outtakes and outcomes throughout your campaign, and evaluate them once it is complete'.

50. From 2012, the Government has published annual Communications Plans. Key components of the Government Communications Plans involve partnership working between departments and with other organisations, and evaluating communications to refine them.
51. The 2013/14 Plan stated that one of the primary functions of government communications was 'To help the public understand the Government's programme, including specific activities and priorities'. The 2016/17 Plan stated that good communication contributes to policy implementation in 'explaining government policies or programmes and clarifying legal or statutory requirements - for example, publicising welfare reform ...'.
52. Successive Communications Plans show the Government's intention to:
 - 'further increase awareness and understanding of workplace pensions, state pensions and saving for retirement ...' (the 2013/14 Plan)
 - 'empower more people to save for the retirement they want with communications to support the introduction of the new single tier pension ...' (the 2015/16 Plan)
 - 'explain how we are simplifying the State Pension, the biggest change to the system for 40 years. Our campaign will help people to "Know the Facts" and encourage them to obtain a state pension statement, which gives a forecast of what they could get' (the 2016/17 Plan)
 - explain 'pension and welfare reforms so that people understand how they can benefit from government schemes' (the 2017/18 Plan)
 - 'inspire people to put thought into their retirement and help them to understand how they can save towards it' (the 2019/20 Plan).

C.3 What did happen

53. In March 2013, the Work and Pensions Committee recommended the Government produce a high-level communications strategy for informing the public about the proposed reforms to the State Pension system. Among other issues, it highlighted the public needed to understand:
 - what they could do to get a complete National Insurance record
 - whether they had been contracted out and the impact of contracting out ending
 - the eligibility criteria for the full rate of the new State Pension, given some people incorrectly believed they would be entitled to the full rate.
54. The Government's response, submitted by the Secretary of State for Work and Pensions in May 2013, included that 'effective communications [were]

crucial to the success of these reforms’, and that it was committed to making ‘timely information available to all affected’. The Government shared a high-level communications strategy with the Committee.

55. A version of a communications strategy, dated April 2014, includes:

‘In line with the principles of good administration, the strategy has been designed to ensure that information about the State Pension reforms is complete, consistent, clear and accurate.’

56. It says DWP’s priorities were to:

- make clear and accurate general information available from the point the legislation was passed
- encourage people to access that information
- provide individualised information to help people understand the impact of the changes for them, focusing initially on those closest to State Pension age.

57. DWP’s ‘core objective’ was:

‘We want people to know what to expect from their State Pension, to support them in planning for their retirement’.

58. The communications strategy was developed and refined over time in response to a range of feedback, including after research done to help define target audiences and better understand the most appropriate timing and approach for effective communication.

59. To help measure progress towards meeting its communication objectives and shape future activity, DWP commissioned Ipsos MORI to track public awareness and understanding of the new State Pension.

60. DWP’s communications activities ran in phases. Particular audiences were targeted, including current and future pensioners, partner organisations, employers, pension scheme providers and trustees. The reforms were publicised through a variety of means.

Awareness campaigns

61. DWP ran three multi-channel, digital-first communication campaigns:

- ‘Your State Pension. Your Future’ (also referred to as ‘Your Pension. Your Future’) launched in November 2014. It included encouraging people, particularly those over 55, to consider what the changes meant for them and to request a State Pension statement.

At launch, the Secretary of State for Work and Pensions said:

‘The new State Pension is one of this government’s boldest reforms; it will give people clarity over their retirement income ... It’s of paramount importance that people have confidence that planning for their future and saving into a pension is a worthwhile enterprise. This campaign is all about making sure people understand what the changes mean for them personally ...’.

- ‘Our State Pension is changing’ (also referred to as ‘Your State Pension is changing’ and ‘The State Pension is changing’) launched in September 2015. It targeted people within ten years of State Pension age and encouraged them to find out how the new State Pension would affect them, based on their own National Insurance record.

At launch, the Pensions Minister said:

‘Huge efforts have been put into reforming the mind-blowingly complicated State Pension system that exists today into something that, over time, will be clearer and fairer for everybody. But the job of explaining to people how the reforms will affect them hasn’t been done well enough. People need to understand, so they can make the right decisions about saving and preparing for later life. One of my first actions on becoming Pensions Minister was to identify this priority ...’.

- ‘Know the Facts’ launched in April 2016, when the new State Pension was introduced. It continued to encourage working-age adults to find out how the changes affected them and to get a State Pension statement to ensure they were better placed to plan. ‘Know the Facts’ was superseded by the ‘Your State Pension’ (also referred to as ‘Get to know your State Pension’) and ‘Get to know your Pension’ awareness campaigns.
62. These general campaigns encouraged people to get more tailored information online, or to ask for a State Pension statement to find out what the changes meant for them.
63. The core messages were that:
- the State Pension was changing for people reaching State Pension age on or after 6 April 2016
 - State Pension would still be based on a person’s National Insurance record
 - people already claiming the State Pension would not be affected
 - people could find out more by visiting GOV.UK or by requesting a personalised State Pension statement.
64. These core messages were communicated on billboards, through local, national and specialist press, in advertorials in women’s and consumer

magazines, on digital displays, on internet search engines and social media, and through radio advertising. Beginning with a BBC Radio 2 phone-in on the 'Jeremy Vine Show' in November 2014, the Pensions Minister made a series of 'soap box' appearances to discuss the reforms on BBC and commercial radio stations across the UK (including in Scotland, Manchester, Newcastle and Kent).

65. Stakeholders (such as DWP staff, trades bodies, charities, private sector firms, consumer and pensions industry organisations, and the media) were encouraged to share information with the public and/or employees directly and/or over digital and social media, including with people who would likely be detrimentally affected by the changes, such as those with too few qualifying years.
66. Briefing documents and information packs explained the changes to DWP staff and other stakeholders. DWP staff were updated about what was happening through regular internal newsletters. Bulletins containing the latest releases, news and events were issued to 1,700 stakeholders each week. DWP appointed stakeholder engagement officers to brief organisations about the changes at a local level. It also held quarterly forums about the changes with stakeholders, discussed feedback with them at a State Pension communications group, and worked with them to produce their own guides about the changes and develop DWP's communications services and products.
67. DWP told us that, in order to address the range of pension reforms introduced by the 2014 Act, it had needed to align its State Pension campaigns with campaigns about workplace pensions and Pension Wise (a free, impartial service offering pensions advice to anyone over 50 who has a private pension), particularly after April 2016. This had included agreeing Pension Wise marketing plans to ensure joined-up working. It also included attending a conference held by the Pensions and Lifetime Savings Association (a trades association representing workplace pensions scheme) and co-sponsoring Pensions Awareness Week.
68. A National Audit Office report shows that by April 2016 £3 million had been spent on State Pension campaigns, and a further £7 million was planned to be spent on communications between 2016 and 2020.

Online material

69. From 2013 onwards, detailed information about State Pension reform was publicly available on GOV.UK. It was updated and expanded over the following years. From 2015/16, a GOV.UK microsite also provided general information about the State Pension and linked to the main GOV.UK page. The microsite was updated in 2017 to include information about National Insurance, how much new State Pension a person may receive, and how they could get more information.

70. Leaflets DWP published in March and April 2014 (for example, ‘State Pensions - Your guide’, ‘Support for planning your retirement’ and ‘Deferring your State Pension’) explained that the State Pension rules would be changing in April 2016 and were still being finalised. They directed the reader to GOV.UK for the latest news about what was happening.
71. In May 2014, the front page of DWP’s section of GOV.UK highlighted ‘historic reforms to create new State Pension’ with links to the Pensions Minister’s summary of what was changing and more information about what the changes meant for individuals. Since 2014, GOV.UK has included information about:
 - eligibility for the new State Pension, including that people who do not have a National Insurance record before April 2016 will need 35 qualifying years to claim the full rate
 - how the starting amount of new State Pension someone can claim is calculated, based on their National Insurance record
 - that a deduction is made when calculating a person’s starting amount if they were contracted out of the Additional State Pension
 - how people can increase their starting amount by adding to their National Insurance record, including by making voluntary National Insurance contributions if they have gaps in their National Insurance record
 - how people can check their National Insurance record.
72. By January 2015, a ‘State Pension Toolkit’ was available on GOV.UK, primarily to help stakeholders and employers communicate the changes to people directly, or through their own digital activity (such as social media). This included:
 - a PowerPoint presentation that could be used to explain the reforms
 - online videos, including ones called ‘For people who build up their National Insurance record entirely in the new scheme’ and ‘For people in the new scheme and people in the current scheme’
 - branded emails, articles, posters and ‘question and answer’ sheets summarising the introduction of the new State Pension, including the changes to contracting out
 - several factsheets, branded infographics and photo case studies, including ones explaining how the new State Pension is calculated and about the effects of contracting out
 - a ‘Your State Pension explained’ leaflet, first published in November 2014 and updated annually (most recently, in April 2022)
 - joint guidance published by DWP and HM Revenue and Customs (HMRC) in January 2015 for employers, employees and trustees about the end of contracting out.
73. Other digital activity included:
 - a ministerial blog about the latest developments on GOV.UK

- a dedicated pensions YouTube channel (PensionTube) from November 2014 containing case studies, interviews, video blogs (vlogs) and animations. (The last video was uploaded in 2018. PensionTube has since been discontinued. DWP continues to upload videos to its own YouTube channel)
- information about State Pension, National Insurance and contracting out hosted on the Pension Wise website. (This information has since been transferred to the Money and Pensions Service website)
- a media partnership with 'Older is Wiser' (a social networking site for people over 50, with 800,000 monthly users) which hosted a 'pensions hub' promoting the changes on its main websites
- a 'Pensions Personality' quiz run with 'Silver Surfers' (a website for people over 50) that was promoted to 275,000 followers on Facebook.

Paper State Pension statements

74. The evidence shows that, because of the funding and work needed to create State Pension statements that reflected the impact of the reforms, DWP prioritised making 'new-style' paper statements available to people closest to State Pension age.
75. Following a pilot in September 2014, DWP launched its 'Get a State Pension statement' service in October 2014. Anyone due to reach State Pension age over the following five years (around 2.5 million people) could request a personalised written estimate of the starting amount of new State Pension they could expect to receive, based on their National Insurance record to date. Before this service was launched, if someone within five years of State Pension age requested a State Pension statement, staff from DWP's Future Pension Centre arranged to phone them to discuss how the reforms may affect them, and to advise them to request a 'new' State Pension statement from September.
76. These 'new' State Pension statements included an explanation about when a deduction had made in calculating someone's starting amount to reflect periods they had been contracted out of the Additional State Pension. In August 2015, they were expanded to include the amount of the deduction, and from November 2015 they explained that the amount deducted would be paid as part of a person's private pension.
77. The 'Get a State Pension statement' service was subsequently extended:
 - to people aged 55 and over in February 2015
 - to people aged 50 and over in April 2015
 - to all people of working age from April 2016 (when the 2014 Act became law).
78. Before April 2016, anyone who asked for a statement but was not eligible for a 'new' State Pension statement would have received one based on the

existing ('old') system rules. They were sent a flyer with the statement explaining the State Pension would be changing and that they could get a 'new' State Pension statement from April 2016.

79. Leaflets were enclosed with all State Pension statements and updated regularly. They contained explanations about what was in the statements, as well as information about the new State Pension, including about National Insurance contributions and contracting out. The leaflets, flyer and State Pension statements also included advice about further information being available online. The flyer and leaflets included contact information for DWP. Some of the statements did too.
80. A National Audit Office report shows that, between September 2014 and March 2016 inclusive, DWP issued 801,000 'new' State Pension statements (equivalent to 11% of people aged over 55), and a further 282,000 statements were issued between April and August 2016.

Online State Pension statements

81. In February 2016, DWP and HMRC introduced a 'Check your State Pension' digital service. Working-age people can access their estimated State Pension online, based on their National Insurance record up to the end of the most recent tax year. Unlike paper statements up to this point, the service includes a forecast of how much State Pension someone may get at State Pension age, including the full amount of State Pension they could be entitled to if they made voluntary National Insurance contributions to fill any gaps in their National Insurance record. It also provides links to additional information, including about the impact of having been contracted out and how people can check their National Insurance record. HMRC runs the service and refers people to DWP's Future Pension Centre if they require any further help or advice.
82. A 'Support for Check your State Pension' service was subsequently introduced in February 2017. People unable or unwilling to use the digital service can contact DWP's Future Pension Centre to access a 'real-time' State Pension statement by telephone or in writing. They can also speak to DWP staff about ways they can improve their future State Pension.
83. Evidence suggests that 'Check your State Pension' was driven by the Government's agenda to encourage people to maintain interest in, and plan for, pension provision throughout their working lives; to provide a modern, digital way to access the service; and to change how people interact with the Government by reducing written, telephone and email contact. It remains DWP's preferred channel for communicating information about future State Pension entitlement.
84. The National Audit Office report shows that, in February and March 2016, 122,421 unique visits were made to the 'Check your State Pension' website.

There were a further 882,395 between April and August 2016. A DWP press release suggests that, of the 1.5 million State Pension statements issued in the first six months after April 2016, 80% were accessed online.

85. DWP statistics show that in the five years after 'Check your State Pension' was introduced (February 2016 to March 2021), 27.3 million requests were submitted through 'Check your State Pension', and 1.6 million requests were submitted through 'Support for Check your State Pension'. DWP told us it cannot say how many of these are unique requests (that is, requests made by different people as opposed to multiple requests by a smaller group of people).

Direct mailing

86. From January 2012 DWP wrote directly to people whose State Pension age had changed because of the 2011 Pensions Act. This direct mailing was paused in January 2013 so the letters could be amended to include messaging about the new State Pension. Letters then issued between May and November 2013 described the Government's 'plans to change the State Pension by replacing the present scheme with a simpler, single-tier State Pension'.
87. Recipients were directed to GOV.UK for further information about the changes. They were also advised to consider the Government's proposals when deciding whether they needed to make voluntary National Insurance contributions. The revised letter will have been sent to a proportion of the 4.5 million men and women born between 6 April 1955 and 5 April 1960 that DWP wrote to about their State Pension age between October 2012 and November 2013.
88. Evidence from DWP shows that in November 2014 it wrote to 6,000 adults about the new State Pension. We have seen an example of that letter. It is headed 'Your State Pension is changing - how will it affect you?'. It tells the recipient they 'should get a State Pension statement that will give you an estimate of your State Pension based on your National Insurance record to date' and 'to find out more' either via GOV.UK or by calling a helpline. In 2016, the Pensions Minister told the Work and Pensions Committee that only 79 people had responded to that letter.
89. An April 2016 ministerial submission commenting on direct mail options notes that previous direct mail exercises had had a low response rate. It highlights that only 33% of people sent letters in 2012 about State Pension age remembered receiving them, only 4% had responded to deficiency notices issued by HMRC in 2012, and the 2014 mailing about new State Pension had led to a very low number of calls to ask for a State Pension statement.

90. The submission includes:

‘Direct mail was therefore excluded from the [new State Pension] campaign following this test in 2014 as it had limited effectiveness in driving the desired behaviour of seeking personalised, additional information.’

Research and commentary

Tracking surveys

91. DWP commissioned Ipsos MORI to survey the public’s response to its campaigns about the new State Pension. Ipsos MORI conducted face-to-face surveys with a sample of adults aged 22 and over, and the data was weighted to represent British adults of working age and above. A ‘baseline’ survey in July 2014 was followed by five follow-up tracker and dip surveys. The tracker and dip surveys were staggered through stages of its campaigns.
92. The results monitored awareness and understanding of the State Pension reforms among all adults, and within particular subgroups. Initial tracker surveys included people who would retire within five years of 2016 (‘the first five years group’) as a subgroup. From October 2015, the subgroups included people who would reach State Pension age within ten years of 2016 (the ‘first ten years group’).
93. Key findings of the July 2014 baseline survey include that:
- when prompted, just over half (56%) of the first five years group said they had seen, heard or read that the Basic and Additional State Pensions would be replaced by the new State Pension, compared with just over a third (36%) of all respondents
 - understanding of the detail of the changes (including that the amount of State Pension someone would receive is linked to their National Insurance record and that contracting out was ending) was generally low
 - 39% of the first five years group reported knowing how they would be affected by the reforms, compared with 22% of all respondents
 - the majority of all respondents felt confident about where to go for information about their State Pension (70% of the first five years group and 55% of all respondents)
 - 19% of the first five years group said they had ‘contacted organisations/asked for a statement’ within the past six months, compared with 10% of all respondents.
94. The follow-up surveys showed that, over time, more people reported being aware of the reforms, the detail of them, and where to go for further information:
- Prompted awareness of the new State Pension had not increased in June 2015, but by October 2015 had risen. By April 2016, 74% of the first ten

- years group reported having heard that the Basic and Additional State Pensions would be replaced by the new State Pension.
 - Up to January 2016, a greater proportion of people reported knowing the detail of the changes than during the previous surveys. By April 2016, 84% of the first ten years group reported knowing about the link between National Insurance and State Pension and 67% reported knowing that contracting out was ending.
 - Following some year-on-year fluctuation, by January 2016, 80% of the first ten years group reported they knew where to go to find out more about the new State Pension. This dipped slightly to 78% by April 2016.
95. The follow-up surveys also showed that, over time, more people reported having taken action as a result of what they had seen or heard about the new State Pension, including contacting DWP, speaking to others, and starting saving/saving more. But in April 2016, only 18% of the first ten years group reported having looked for information on GOV.UK, 13% reported having contacted DWP, and 5% reported having asked for a State Pension statement.
96. Ipsos MORI's commentary on the follow-up surveys over the years repeatedly highlighted gaps in people's understanding of how they would be personally affected:
- in June 2015, it commented there was 'significant uncertainty over how the changes will affect "me personally" both overall and among the first five years group', along with 'ongoing misconceptions about the State Pension, around how much control people have over their amount'
 - in October 2015, it commented 'many have not yet come to terms with the personal implications'
 - in January 2016, it commented 'six in ten of the first ten years group believed working 35 years or more entitled them to the full rate of new State Pension, which would not necessarily be the case'.
97. In April 2016, around one half (51%) of the first ten years group reported they knew how the changes would affect them. But 61% of that group thought someone retiring after April 2016 who had worked for 35 years or more would always get the full rate of new State Pension, and 58% thought everyone eligible for the new State Pension would get the same amount if they had paid National Insurance for 35 years. Ipsos MORI commented that 'two fifths of the first ten years group still feel they don't need to find out more' and 'the campaign might consider clearer calls-to-action for specific groups'.
98. DWP told us its strategy from May 2016 included more personalised contact and nuanced messaging, and so linked to Ipsos MORI's recommendation for a clearer 'call to action'. It said a key message was to signpost people to tailored information on GOV.UK including the microsite, and the 'Check your State Pension' service (a 'digital call for action'). DWP has told us activity after May 2016 included:

- cross-campaigns with workplace pensions and Pension Wise
- digital services being promoted through the press
- case summaries and messaging about not everyone being entitled to the same amount of new State Pension on social media and GOV.UK ('myth busting')
- addressing issues about understanding through the pensions latest blogs, and PensionTube vlogs
- new resources on the 'State Pension Toolkit' being promoted to stakeholders, and a 'push' for them to share information about GOV.UK on their own channels
- running workshops with target audiences to gather insight.

99. DWP has told us further tracker surveys were done after May 2016. It has been unable to provide copies of those survey results.

The Work and Pensions Committee

100. Having considered what DWP had done since 2013, the Work and Pensions Committee published a further report in March 2016. It highlighted concerns that the focus on general awareness campaigns may have over-simplified the key messages, and the campaign relying on people to request a State Pension statement or get one online risked 'missing those it most [needed] to reach' and 'who most needed to plan financially for retirement'.

101. The Committee also highlighted concerns that transitional arrangements were still poorly understood. In particular, it said:

'During transition ... the majority will not receive a single flat rate. This has not been made sufficiently clear in Government communications that have focused on the full flat rate ... contributing to confusion about the new system.'

102. It recommended the Government should:

- send an annual State Pension statement to all people aged 50 or over, unless they have opted out of the digital system
- write directly to people most affected by the changes to explain their personal circumstances, including those with gaps in their National Insurance record
- offer a telephone hotline to allow affected people an opportunity to discuss a strategy for increasing their State Pension entitlement with an expert.

103. In its response to the Committee in June 2016, the Government agreed that it could not rely solely on the general awareness campaigns and this was why it had taken a 'cost-effective multi-channel but digital first approach, embedding "Check your State Pension" through an individual's working life'.

104. The Government decided not to carry out most of the Committee's recommendations. It explained:
- Issuing automatic pension statements offered no additional 'functionality' than was already available via the 'Check your State Pension' service. It also said it would be too expensive, would require changes to DWP's IT systems, and it raised data protection issues.
 - It could not write to most of the groups the Committee had highlighted because it was not possible to identify them. It also said that direct mailing was not effective when 'the audience is wide and difficult to target; the message is generic and there is no specific call to action'. It highlighted evidence of the limited effectiveness of direct mail.
 - A hotline was not needed, as people could use existing telephone and written channels to contact DWP if they wanted to.
105. The Government said it would explore writing to people with fewer than ten qualifying years about the changes. It also said that this activity may feed into its future campaigns.
106. The Government explained it would continue to ask people to find out what their State Pension is, so that it could provide wholly personalised information, and would continue to direct people to GOV.UK and 'Check your State Pension' to enable them to do that. It said that this approach 'should prove both cost effective and encourage people to engage with pensions'.
107. We have seen no evidence to suggest the Committee did not accept the Government's reasons for not accepting its recommendations.
108. In January 2018, the Pensions Minister wrote to the Chair of the Committee explaining that DWP had decided not to write to people with fewer than ten qualifying years. He said it had proven more difficult than anticipated to identify them. He also explained it was unnecessary, given that 'Check your State Pension' - which had been in its infancy when the recommendations were made - had been expanded, was now a central feature of its 'Get to Know Your Pension' campaign, and had provided over 6 million State Pension estimates since then.

The National Audit office

109. The National Audit Office issued a report in November 2016 into the implementation of the new State Pension. Among other things, the report considered whether DWP's campaigns raised awareness of State Pension reform, improved people's understanding of how they would be affected, and prompted them to take action.
110. The report highlighted that the Government's communications campaigns 'showed many aspects of good practice', including developing a phased approach, continuously monitoring impact, refocusing communications

channels, and tailoring messages. It found that the campaigns had successfully ‘improved general awareness of the changes to the state pension, especially among people closest to retirement’.

111. But the report also found that attempts to improve people’s understanding of their State Pension had had limited success. It said this meant people were ‘less likely to act as the Department intends’.

112. Notably, the report highlighted concerns that:

‘There remain misconceptions about the new state pension. For example, about 60% of people think that if someone retires after April 2016, having worked for 35 years or more, they will always get the full amount of state pension. In fact, the amount they receive will depend on their National Insurance record, taking account of any periods when they were contracted-out.’

113. Alongside two other recommendations, the National Audit Office recommended DWP should ‘increase its emphasis on changing people’s behaviours towards their future retirement provision and tackle the barriers to saving’ by:

- increasing the transparency of information by promoting the online service for people to find out more about their State Pension entitlement, and considering how best to inform them about their starting amount
- working with other governmental departments to use existing channels to provide information more directly to people and better educate them about the need for retirement planning
- engaging with other stakeholders to explore how to extend support to people who need it and ensure people directly affected have clear information about how they would be impacted by the reforms.

114. Between 2017 and 2019, DWP provided regular updates to the National Audit Office in response to its recommendation. It explained:

- its public relations- and stakeholder-led approach aimed to reach young people and instil a lifelong savings culture, and it had taken the lead in developing a Pensions dashboard to change the way people engage with retirement provision
- it had aligned State Pension and workplace pensions communications under the ‘Get to Know your Pension’ campaign, with campaign activity, information on GOV.UK and stakeholder engagement helping people to understand the importance of getting to know their State Pension
- it had run communications across radio, press and digital channels encouraging people to access the GOV.UK microsite about retirement planning

- the GOV.UK microsite offered a range of tailored retirement advice for people of different ages. It promoted the State Pension as the foundation of retirement income, and encouraged people to build savings in other ways, such as workplace pensions (DWP told us the microsite had been accessed 1.7 million times by May 2018)
 - it had continued to encourage people to use the ‘Check your State Pension’ service, and worked with the pensions industry and other stakeholders to signpost people to it
 - 8 million State Pension statements had been issued through ‘Check your State Pension’ by May 2018 (over five times more than issued under the previous system), which enabled people to understand their likely State Pension entitlement
 - communications continued to be evaluated through tracker research.
115. DWP met with the National Audit Office about concerns it had that DWP’s response did not ‘clearly demonstrate a structured and strategic approach’ to engaging stakeholders and driving changes in behaviour. The records of that meeting are no longer available, so we have not been able to review them. However, in April 2019, the National Audit Office confirmed that ‘sufficient information has been provided to evidence the implementation of this recommendation’.

C.4 Our findings about DWP’s communication about National Insurance qualifying years

116. Complainants have told us DWP failed to provide accurate, adequate and timely information about the number of years National Insurance contributions required for a full State Pension. They said they were not made aware of the increase in the number of qualifying years needed. They also told us that they do not understand why they cannot claim the full rate of State Pension, even though they have 35 or more qualifying years.
117. DWP told us that the new State Pension is a new social security benefit that replaced a different social security benefit. It said qualifying years are only one part of a larger set of rules that determine the starting amount of new State Pension someone is entitled to, and cannot be seen in isolation of those other rules.
118. It is not our role to investigate or comment on the eligibility criteria for the State Pension. That is decided by Parliament and set out in law. As we explained in our report for stage one of our investigation, it is also not our role to substitute DWP’s decisions about how policy changes should be communicated with our own. Our consideration here focuses on whether what DWP did to communicate the changes reflected applicable standards of good administrative behaviour.

119. The new State Pension was introduced with the aim of simplifying the complicated multi-tier system that preceded it, to enable people to better plan and save for retirement. DWP understood ‘effective communication’ of the State Pension reforms was crucial and committed to making timely information available to everyone affected. It shared a high-level plan for communication with the Work and Pensions Committee a year before the changes became law. Government Communications Plans for 2015/16 and 2016/17 reflect the recognised need for effective communication.
120. DWP explained to us that attempting to communicate the volume and complexity of wide-ranging pension reforms risked overwhelming people and leaving them unable to grasp which changes were relevant to them. It also said State Pension campaigns were run alongside other welfare and employment reform campaigns, and it had needed to ensure that no one message was ‘drowned out’ by another.
121. DWP said that the most effective and proportionate approach was for it to provide general messaging across various media (including through ‘trusted partners’ and employers). That messaging encouraged people to take account of the reforms and plan for retirement, and directed them to get more detailed and individually tailored information about how the changes affected them.
122. We have seen that from 2013, information about State Pension changes - including about National Insurance contributions and the impact of having been contracted out of the Additional State Pension - was available in factsheets and leaflets, on GOV.UK, and through DWP and HMRC staff. It was also delivered by employers and other stakeholders working with DWP. DWP continued to make information available using these and other channels (including the press, radio and social media) after the changes became law. The evidence shows timely information about the changes was publicly available.
123. One DWP press release from October 2014 could be read to suggest that all ‘people with 35 qualifying years of National Insurance will receive the full rate’ of new State Pension. Other press releases from November 2014 and November 2015 more clearly explain that ‘People making National Insurance contributions for the first time from 2016 who have 35 qualifying years of National Insurance contributions will receive the full rate [of new State Pension]’ and that ‘in time’ people will receive the full amount of new State Pension if ‘they have 35 years of full-rate National Insurance’. The rest of the communication materials we have seen contain accurate information about the changes, in line with the Principles of Good Administration, DWP’s Service Standards and its Customer Charter.
124. Guidance published on GOV.UK from 2014 explained that people would need 35 qualifying years for the full rate of new State Pension if they did not have a National Insurance record before April 2016. It also explained that the

amount of new State Pension someone can claim is based on their National Insurance record, and that people may get less than the full rate if they were contracted out before April 2016. Guidance about when and why a deduction would be made in calculating someone's starting amount of new State Pension and how they could increase their starting amount was also available on GOV.UK. DWP's Customer Charter says it will publish information about benefits and services on GOV.UK. DWP's Service Standards say it will encourage people to find information online. The evidence shows that is what DWP did.

125. We have seen little evidence that people needing 35 qualifying years for the full rate of new State Pension featured prominently in DWP's communications. But that information is mostly only relevant to people who began paying National Insurance from 6 April 2016. For some time yet, the vast majority of working-age people, who will have paid National Insurance before April 2016, will be affected by the transitional arrangements. It would therefore not have been helpful for DWP to have made the 35-year eligibility criteria a key feature of its messaging about the new State Pension.
126. Complainants have told us they were unaware they had been contracted out of the Additional State Pension, and/or they did not know a 'contracted out deduction' applied. It is not our role to consider whether people made informed decisions about joining private pensions schemes, or whether they understood the implications of joining a contracted out scheme when those decisions were made. We note, however, that guidance was available on GOV.UK from 2014 about how people could check whether they were members of contracted out pension schemes and, as already mentioned, about deductions made in calculating people's starting amount of new State Pension to reflect periods when they had been contracted out of the Additional State Pension.
127. Publicising that the State Pension was changing, and directing people to find out what that meant for them, was at the centre of DWP's communications activities. We have considered whether DWP should have written to people individually about the reforms. DWP told us it would have been 'difficult and costly' to send personalised communications to everyone, particularly as evaluation showed that letters were not the best approach. We have seen that DWP tested the effectiveness of direct mail about the new State Pension when deciding how to communicate the pension reforms. It decided not to pursue direct mailing based on what that test showed, as well as the results of other direct mail exercises. Its decision here was based on relevant considerations.
128. The evidence shows DWP actively considered which audiences it should target, in line with GCS guidance and the OASIS framework. 'Your State Pension. Your future' (November 2014) encouraged people aged 55 and over (i.e. those reaching State Pension age between 2014 and 2025) to consider

what the changes meant for them. ‘Our State Pension is changing’ (September 2015) continued to target the same group of people - those reaching State Pension age over the next ten years (i.e. between 2015 and 2025). DWP’s decision to prioritise people closest to State Pension age was reasonable given the relevant considerations of when particular audience groups would be affected and the speed with which the reforms were to take effect.

129. From October 2014, people due to reach State Pension age between April 2016 and April 2021 could request a paper-based new State Pension statement. New State Pension statements were extended to people aged 55 and over from February 2015, to people aged 50 and over from April 2015, and to all working-age people from April 2016.
130. The new State Pension statement included an estimate of the recipient’s starting amount of new State Pension, based on their National Insurance record up to that point. It also included information about deductions made in calculating the starting amount for people who had contracted out. From August 2015, the specific amount that had been deducted was included, and from November 2015 statements included that the amount deducted would be paid as part of a person’s private pension. The leaflets sent with statements gave more information about the changes, including what people could do to add to their starting amount. Statements also pointed to further information available on GOV.UK.
131. Anyone not eligible for a new State Pension statement before April 2016 would have received a statement based on the ‘old’ system rules. The leaflet and flyer enclosed with it, as well as the statements themselves, pointed to further advice about the new State Pension being available online too.
132. By the time the reforms took effect, new State Pension statements were available to all working-age people, including online through the ‘Check your State Pension’ service. The ‘Check your State Pension’ service provided information about gaps in people’s National Insurance record. ‘Support for Check your State Pension’ catered for people unwilling or unable to use online services.
133. We consider that accurate and timely information about State Pension reforms, the eligibility criteria for the new State Pension, how someone’s starting amount is calculated and the relationship between National Insurance and State Pension was available through DWP’s awareness campaigns, its staff, online and through it working with stakeholders to publicise the changes. This reflects the Principles of Good Administration, DWP’s Service Standards and its Customer Charter.
134. DWP told us it proactively sought feedback about its services and products through conducting interviews and surveys, and testing new approaches before they went live. For example, DWP said it conducted customer research

and worked with service users to design, develop and pilot ‘Check your State Pension’ and ‘Support for Check your State Pension’, and made incremental changes to State Pension statements and GOV.UK in response to feedback. This included steps taken to address the misunderstanding about 35 qualifying years entitling someone to the full rate of State Pension.

135. DWP said this ‘user centred design’ approach helped build-on, improve and develop its citizen-facing services (online, telephone, paper) and online services iteratively, in a ‘quick, timely ... continuous’ and efficient way. Because of the incremental nature of the improvements it made in response to feedback, DWP said it could not link any specific piece of feedback to a specific new product or approach.
136. DWP told us it also took account of feedback from other sources, including recommendations from the Work and Pensions Committee and the National Audit Office, what its partners and employers were saying, operational and service intelligence, media commentary, and ministerial and parliamentary correspondence. As well, it said that its approach would have been influenced by factors such as legislative changes, court decisions, ministerial priorities, Ombudsman and Tribunal decisions, complaints, media coverage, available funding and other strategies it was running.
137. DWP explained that its communication professionals used the OASIS framework to score and evaluate inputs (content), outputs (such as articles or broadcasts), outtakes (awareness), outcomes (such as advocacy) and organisational impact (uptake of a service). It said there would have been quarterly assessments of progress against campaign targets and objectives. DWP no longer holds records of these quarterly evaluations.
138. DWP regularly reviewing what it was doing so it could improve services and performance reflects our Principles of Good Administration.
139. The Ipsos MORI tracker surveys show that by the time the reforms took effect, awareness of the changes had increased among the target groups, with more than three quarters of them knowing where to go to find more information. National Audit Office statistics, however, show that between September 2014 and March 2016 only 801,000 ‘new’ paper State Pension statements had been issued to people aged 55 and over.
140. Given we know from DWP’s schedule for direct mailing about the 2011 Pensions Act that at least 5.77 million men and women born on or after April 1953 were affected by the reforms, what the National Audit Office statistics tell us is that more than 4.9 million of the people DWP was targeting to March 2016 had not requested a ‘new’ paper State Pension statement. (The actual number of affected people aged 55 and over will be higher since the direct mail schedule does not include men born between 6 April 1951 and 5 April 1953). Even accepting that some of those people are likely to form a proportion of the 122,421 visits to ‘Check your State Pension’ in February and

March 2016, this shows that, up to 2016, people knowing where to go for information had not necessarily translated into them requesting statements.

141. DWP told us the number of paper State Pension statements issued is not a reliable measure of the effectiveness of its communications. It said the campaigns not only encouraged people to get a State Pension statement, but also provided information about how they could find out more about the changes. DWP said people may have got the information they needed online, or from another source (such as a financial adviser, colleague or friend). It pointed to its operational data from 2015 showing the top three queries made to DWP staff during bursts of the campaign included ones about ways to increase the starting amount of State Pension and contracting out. (The third was about why someone was not receiving the full amount of State Pension, but we note the new State Pension had not yet taken effect in 2015). DWP also said online searches about the State Pension and the value of the State Pension were common.
142. The evidence indicates statements were intended to be the means by which people could find out their individual State Pension entitlement. While we accept people could access information about the new State Pension elsewhere, encouraging people to get a State Pension statement tailored to their individual circumstances was an integral pillar of DWP's communications strategy from the outset. The evidence shows not enough people were doing what DWP had wanted them to.
143. DWP's core communication objective was that people would know what to expect from the State Pension so they could effectively plan for their retirement. That objective is reflected in Government Communications Plans. To be able to plan, people need to understand how they are affected and what they can do to improve their State Pension. The need for understanding was recognised by the Secretary of State when DWP launched its awareness campaign in November 2014. It was re-stated by the Pensions Minister in September 2015, who also recognised that 'the job of explaining to people how the reforms will affect them [had not] been done well enough' up to that point.
144. The Ipsos MORI surveys showed that despite being aware of the reforms, too many in the first ten years group did not understand what the reforms meant for their own State Pensions. They also show too many of them did not understand that having 35 qualifying years does not necessarily entitle someone to the full rate of new State Pension. We note too that Ipsos MORI commented in April 2016 that 'two fifths of the first ten years group still feel they don't need to find out more'. People will not seek information if they do not understand they need it.
145. The gap between awareness and understanding was highlighted in other feedback from the Work and Pensions Committee and the National Audit

Office in 2016. The National Audit Office noted that a lack of understanding meant people were less likely to act as DWP had intended.

146. DWP has commented to us that people needed to take personal responsibility for engaging with the information it provided, and finding out what the changes meant for them. It said that if people did not understand the changes having read the available information, they should have followed its advice to contact DWP. It also pointed out that, even if people know and understand the changes, they may not take action about their future pension. While we do not deny the element of personal responsibility, DWP's argument does not account for people not realising they have misunderstood. If they do not know they have not properly understood the information, they are unlikely to seek out more information to clarify their position or to get a State Pension statement.
147. In spring 2016, Ipsos MORI recommended DWP might consider 'clearer calls to action' for people to find out more about the reforms and how they were affected by them. Around the same time, the Work and Pensions Committee made recommendations about more DWP could do, and the National Audit Office recommended DWP place more emphasis on changing people's behaviour. DWP should have used that combined feedback to improve its service and performance.
148. DWP's reasons for not doing what the Committee had suggested took account of relevant considerations, including the balance of resource, effort and what benefit could be achieved. Also, close to two-and-a-half years after it had made its recommendation, the National Audit Office confirmed it was satisfied with DWP's response to it.
149. We note too that 'Check your State Pension' was in its infancy when these recommendations were made, and the 'Know the Facts' campaign had just been launched. DWP has told us what it did from May 2016 showed it was 'thinking about new ways to target information effectively, including complex information', working with stakeholders to share that information, and seeking ongoing feedback. But what it did from 2016 largely replicates what it had done before - using media, publicising information online, using blogs and vlogs, working with stakeholders and target audiences, and 'cross campaigning'.
150. DWP told us a key 'call to action' following Ipsos MORI's recommendation was for people to get a personalised State Pension statement via 'Check your State Pension'. Since May 2016, far greater numbers of State Pension statements have been requested online. This suggests that since the National Audit Office's report significantly more people have acted as DWP intended. However, more people getting a State Pension statement does not provide evidence that people better understand their own situations.

151. Because DWP has been unable to share the results of surveys done after May 2016 we have no evidence to demonstrate that what it did after that time improved people's understanding of how State Pension reform affected them personally. What we do know is the methods by which DWP educated them about State Pension reform after 2016 and encouraged them to find out more mirror the methods it used before 2016. Those methods had already led to not enough people understanding how the reforms affected them personally. That lack of understanding is reflected in the complaints we received.
152. The Principles of Good Administration include that public bodies should ensure customers are clear about their entitlements and what they can expect. DWP's Service Standards say it will help people 'understand the conditions of receiving their pension'. Research and feedback in 2016 suggested the information DWP provided about the new State Pension did not help enough people understand their own situations or that having 35 qualifying years does not necessarily entitle them to the full rate of new State Pension.
153. DWP's Customer Charter says it will do what it says it will do. The evidence indicates that up to 2016 DWP's communication had not sufficiently achieved its own objectives. While it is clear DWP sought feedback to inform and modify its approach, it did not adequately use feedback in 2016 to improve service delivery. Instead, it relied on the same methods and channels of communication that had already led to not enough people understanding their own situations, and expected people to act differently in response to the same calls to find out more information and/or get a State Pension statement. We have seen no evidence that what it did after 2016 led people to 'know what to expect from their State Pension'. We find that DWP did not 'get it right' or 'seek continuous improvement'. That was maladministration.

Part D: Complaint handling

154. We now turn to whether DWP adequately considered and responded to complaints about its communication of changes to State Pension age and the number of qualifying years National Insurance contributions needed for a full State Pension. We also consider whether ICE adequately considered, responded to, and remedied complaints.

155. Complainants told us that both DWP and ICE:

- sent responses containing factual inaccuracies
- sent standardised responses
- took too long to respond to complaints.

156. They also told us that DWP:

- failed to investigate and/or respond to all issues raised
- failed to provide adequate information about how to complain

and ICE:

- inappropriately restricted its remit and so did not adequately investigate their complaints
- made an incorrect balance of probabilities judgment about whether DWP wrote to them about their State Pension age.

D.1 What should have happened: the relevant standards

157. Our Principles of Good Complaint Handling explain that good complaint handling by public bodies means:

- ‘getting it right’, which includes:
 - following their own policy and guidance on complaint handling
- ‘being customer-focused’, which includes:
 - telling complainants how long they can expect to wait for a reply, and keeping them regularly informed about progress and the reasons for any delays
 - making sure they understand what the complaint is about
 - considering whether they need to adjust their normal approach to handling a complaint, given the particular circumstances
- ‘being open and accountable’, which includes:
 - ensuring that information about how to complain is easily available
 - giving clear, evidence-based explanations, and reasons for decisions
- ‘acting fairly and proportionately’, which includes:

- investigating complaints thoroughly and fairly, basing decisions on the available facts and evidence, and avoiding undue delay. Similar circumstances should be handled similarly
- ensuring the response to an individual complaint is proportionate to the circumstances
- ‘putting things right’, which includes:
 - providing fair and proportionate remedies.

158. In deciding what ‘getting it right’ meant for DWP’s and ICE’s complaint handling, we have considered their own complaint handling standards and guidance.

DWP’s complaints process

159. People can complain to DWP about the service they have received. If they are not satisfied with DWP’s initial response, they can ask for the complaint to be considered further.

160. At the time that the sample complainants complained to DWP, a complaint would go through two stages after initial consideration. At each stage, the complainant should be contacted within 15 working days with either the outcome or a timescale for a response.

ICE’s complaints process

161. ICE provides a complaint resolution and investigation service for people who are unhappy with the way their complaint has been dealt with by DWP.

162. ICE’s published service leaflet¹ gives examples of the types of complaints it can consider, including:

- failure to follow proper procedures
- excessive delays
- poor customer service.

163. It also explains which complaints ICE cannot deal with, including complaints or disputes ‘that are, or have been subject to legal proceedings’ or ‘that involve the Parliamentary and Health Service Ombudsman’. These exclusions are set out in ICE’s contract with DWP.

164. ICE’s internal process guide includes that ‘ICE deals with complaints about maladministration, for example complaints about ... [DWP’s] failure to deal adequately or objectively with complaints’. It also says ICE cannot deal with ‘complaints about DWP policy’. ICE’s contract with DWP also includes that it

¹ ‘Our Service. How to bring a complaint to the Independent Case Examiner’. The current guidance took effect from May 2017. ICE has told us its previous guidance was ‘broadly similar in terms’.

cannot consider complaints ‘involving policy decisions with application beyond an individual case’.

165. Cases that cannot be resolved or settled will be investigated. Since May 2017, ICE has aimed to complete investigation reports within 20 weeks of a complaint being allocated an Investigation Case Manager (ICM). Before then, a 15-week timescale applied to investigations. Cases are dealt with in date order.

166. The process guide explains that ICMs will identify:

- what happened based on evidence from the complainant and DWP. This may involve reaching a balance of probabilities decision
- what should have happened ‘based on the business procedures in place at the time’
- where things went wrong (if they did) and what action (if any) has been taken to rectify matters.

167. Complaints will either be:

- upheld - where there is evidence of maladministration which has not been remedied
- justified - where there is evidence of maladministration but it was remedied before ICE became involved
- not upheld - where there is no evidence of maladministration.

D.2 What did happen

D.2.1 The complaints to DWP

168. Between July and August 2016, each sample complainant complained to DWP that they had not been given adequate notice that their State Pension age was increasing. Five of the six used a template letter, tailored to reflect their personal circumstances, that included DWP had failed to provide ‘clear, complete, consistent and accurate information’ about the changes, and that a government website had incorrectly stated that women’s State Pension age was 60 as late as February 2016.

169. Each complainant said when they had personally become aware their State Pension age was increasing, ranging from two to eight years before they turned 60. They said that DWP not telling them their State Pension age was changing early enough to allow them to adjust their financial plans was maladministration. They referred to evidence in support of their claim of maladministration.

170. Some complainants also complained that:

- DWP had not told them the number of qualifying years needed for the full State Pension had increased from 30 to 35

- they could not understand why they were not entitled to the full rate of State Pension, despite having sufficient qualifying years
 - DWP had given them conflicting information about making voluntary National Insurance contributions.
171. The complainants explained how the alleged maladministration had affected them, including financial loss, lost opportunities to adjust their plans and make informed choices, and the emotional impacts late notice of their State Pension age had had. They also told DWP what outcomes they were seeking, including compensation for the lost opportunities and/or the emotional impact of late notice.
172. DWP responded to each complaint in August 2016. It sent five of the complainants the same template response. The one complainant who had not used a template complaint letter received a non-template response. What it said was broadly similar, though it also commented on her complaint about voluntary National Insurance contributions.
173. DWP told us it had taken a ‘special approach’ to complaints about communication of State Pension age in light of the high volume of complaints it had received with no additional resource to manage them, and its responsibility to ensure public money was spent appropriately. It said dealing with each of the complaints individually would have risked causing unacceptable delays for customers.
174. DWP’s special approach involved preparing a template response for each stage of the complaints process. It said these templates reflected the main points raised in template complaint letters published online by a campaign group, which were used by a large number of complainants.
175. The template response DWP sent the sample complainants in August 2016 included an explanation of the legislation, what had prompted it, and the steps DWP had taken to communicate the changes. It referred to 2006 and 2012 survey results about awareness of State Pension age. It explained that the issues had been fully debated in Parliament, and no further changes or concessions were planned. Any challenge to the policy of State Pension equalisation would need to go through ‘statutory appeals channels or the courts’.
176. The complainants all wrote back to DWP later that month, using a template letter tailored to their personal circumstances. They stressed they were not complaining about the policy but about how the change to State Pension age had been communicated, and the impact a lack of notice had had on them. They also said DWP’s complaint responses contained inaccurate or irrelevant information, and had not addressed their concerns. Some said responses had been sent late.

177. DWP sent another template response to all six complainants between August and September 2016. It explained what had prompted the legislation and what it had done to communicate the changes, including direct mailing between 2009 and 2011. DWP said it had corrected information on the government website within 24 hours of becoming aware it was inaccurate, apologised, and explained what it would do to ensure online information was up to date.
178. DWP explained that, while there was no legal requirement to notify people about State Pension age changes, it recognised the importance of doing so, and intended to give people ten years' notice of any future changes.
179. DWP also said that while its special payments scheme allowed it to 'make good a loss caused by our maladministration', the financial impact women were claiming resulted from the increase in State Pension age, which was a policy matter and not maladministration.
180. Each complainant wrote to DWP a third time between September 2016 and February 2017, using another template letter and again saying they had been given inadequate notice of the changes. They described when and how they had found out their State Pension age had changed and why they considered what DWP had done to communicate the changes had been inadequate.
181. Some complainants included concerns about being given misleading information about how many qualifying years National Insurance contributions were needed for a full State Pension, or contradictory information about making voluntary National Insurance contributions.
182. DWP issued template responses between October 2016 and March 2017. It apologised that the complainants were unhappy with its earlier responses. It said it was satisfied it had provided a comprehensive explanation that addressed their concerns, and there was nothing further it could add. DWP repeated the legislative background to the changes to State Pension age, said it was bound by that legislation, and that a challenge to legislation would need to go through 'statutory appeals channels or the courts'.

D.2.2 The complaints to ICE

183. The sample complainants contacted ICE between October 2016 and March 2017. Some used a template letter. They said they had not received adequate notice of changes to their State Pension age since 1995 and cited evidence to support their claim.
184. They said women should have been notified personally in 1995 and stressed they were complaining about communication of the changes, not the changes themselves. They described how what DWP had done was inadequate, how they had been affected, and what they would have done differently if they had known their State Pension age earlier.

185. Some complainants included additional concerns, for example, that State Pension forecasts and statements did not include the individual's State Pension age or that it had increased.
186. ICE told us it received 'an unprecedented volume' of complaints about DWP's communication about State Pension age, and it received no additional resources to deal with them. It said the vast majority of complainants used a standard template. ICE selected a 'lead case' (one of our sample complainant's complaints) for investigation and then applied its findings in that case to each of the cases it investigated. It found there was no requirement for DWP to inform women of changes to their State Pension age, and that DWP had no standards for communicating changes about State Pension.
187. ICE sent the sample complainants its reports between June 2017 and April 2018. It did not uphold any of the complaints about communication of changes to State Pension age.
188. ICE's investigation reports describe its role, how it considered complaints, and the matters it could and could not look at. They include:
- it cannot consider the reasonableness of government policy or legislation, or remedy financial loss resulting from changes to the law
 - it has no role in assessing the adequacy of general information/awareness-raising in respect of State Pension age changes
 - its remit covered whether DWP actioned its agreed communication approach.
189. The reports set out the background to the changes to women's State Pension age under the 1995, 2007 and 2011 Pensions Acts, and explained how the changes applied to the complainants. ICE explained DWP's approach to communicating the changes and what it did between 1993 and 2013. The reports say that, starting in 2012, DWP had decided to personally notify individuals directly affected by the 2011 Act. They include when and how DWP wrote to people about the 2011 Act and what happened in the complainants' cases.
190. ICE reached a balance of probabilities decision about whether a letter had been sent in cases where complainants said they had not received their letters.
191. Some of ICE's reports:
- explained entitlement to State Pension was based on individual circumstances
 - responded to complainants' concerns about information in State Pension forecasts and statements being incomplete and about the government website containing inaccurate information

- set out where DWP had not responded to particular issues complainants had raised
- explained that, as DWP had not committed to communicating changes to State Pension age individually to those affected, and given that accurate information was available on request, DWP not notifying women personally from 1995 onwards did not amount to maladministration.

D.3 Our findings about complaint handling

D.3.1 DWP's complaint handling

Failure to investigate or respond to all the issues raised

192. Complainants told us DWP did not properly investigate their concerns or adequately respond to all issues. Their concerns include that DWP focused on the policy about increasing State Pension age rather than communication, its responses referred to irrelevant survey findings, and it did not find failings or uphold their complaints.
193. The evidence indicates DWP broadly addressed many of the issues raised. Its responses set out the background to changes to women's State Pension age and the 1995 and 2011 Pensions Acts. This was relevant context for the issues complained about. It also briefly explained what DWP did to communicate the changes, including its pensions education campaigns, leaflets and letters.
194. Each of the sample complainants had specifically complained about the short notice they personally received about the changes. It is clear they felt DWP should have notified them individually much sooner than it did.
195. DWP referred to its direct mailing about the 1995 and 2011 Pensions Acts. It did not, however, relate this to the complainants' own situations or give any rationale for when letters were sent about the 1995 Act. DWP has told us that its proportionate approach to managing the volume of complaints meant it could not tailor responses to individual circumstances. Even accounting for that, DWP did not explain whether or how it considered information was timely, accurate and complete.
196. DWP has told us it set out the facts of what it did to communicate State Pension age. It said it preferred to let complainants determine for themselves whether this addressed their concerns, and it does not usually provide a commentary on how well it thinks it did. Our view is that DWP's failure to provide a rationale for when letters were sent shows it did not fully understand and adequately respond to the complaints.
197. DWP's template responses referred to its 2006 Attitudes to Pensions Survey (which found high levels of general awareness about future rises to State Pension age) and a 2012 survey (which found only 6% of women within ten years of their State Pension age thought their State Pension would still be

paid at age 60). Research showing what women knew about their State Pension age was relevant for considering whether DWP had done enough to communicate the changes.

198. DWP was aware, however, of other research done in 2003/4, 2005, 2006 and 2007 which showed information was not reaching women who needed it, and that too many women did not know their own State Pension age. DWP has told us its letters did not refer to all the evidence it considered, but summarised its conclusions. We have seen nothing to suggest evidence that did not support its conclusions was considered. We know that DWP's responses did not balance evidence supporting its conclusions with evidence that did not. We therefore consider DWP did not take account of all evidence relevant to whether women were given adequate notice of the changes, and whether communication was clear.
199. DWP did not find failings, and so did not uphold the complaints. Had it considered all the evidence it should have, it is possible it would have reached a different conclusion.
200. DWP told us the campaign group that published online template complaint letters encouraged women to progress their complaints to the next stage of the complaints process as soon as they received a response. It considers the campaign group's aim was for complaints to progress to us, regardless of the quality of DWP's responses.
201. DWP also told us the volume of complaints it received meant it would have been a disproportionate use of staff time to tailor its replies to individual complaints. It has accepted it missed some issues women added to template complaint letters and it overlooked National Insurance issues raised by sample complainants. It said once it realised template letters were being adapted by complainants, it put in a process to identify and respond to them.
202. The sample complainants told us they complained to us because DWP failed to investigate their complaints and respond to the issues they raised. Whatever DWP's perception of people's motives for complaining, it had a responsibility to investigate thoroughly. DWP did not address all specific points raised in complaints, leading to complainants having to repeat them in subsequent letters. Initial responses overlooked concerns about an error on the government website. DWP addressed this issue in later responses.
203. Some questions DWP did not answer were broad and could have been perceived as rhetorical. For example, a complainant asked DWP how she was supposed to pay her bills. There is nothing DWP could have done within its complaints process to investigate how the complainant could pay her bills.
204. Other omissions in DWP's complaint responses are more significant. Most sample complainants raised issues relating to National Insurance contributions. DWP has acknowledged it did not always cover National

Insurance issues. We understand DWP needed to adapt its approach given the volume of complaints it received. However, we find DWP did not investigate thoroughly.

Factual inaccuracies

- 205. Complainants told us DWP's responses implied it had written to all women affected by the 1995 Act between April 2009 and March 2011. Other concerns include that DWP gave conflicting information about National Insurance contributions.
- 206. DWP's initial complaint responses included that between April 2009 and March 2011 it had written to all women affected by the 1995 Pensions Act. It subsequently clarified that it only wrote to women born between 6 April 1950 and 5 April 1953, and that it wrote to those also affected by the 2011 Pensions Act changes between January 2012 and November 2013. DWP has accepted its initial response was not accurate.
- 207. One sample complainant told us DWP gave conflicting information about her National Insurance contributions when it responded to ICE's recommendations. ICE found that DWP had not given her clear and complete information about the number of qualifying years she needed for a full State Pension. It recommended DWP should apologise and clarify the situation.
- 208. DWP's response explained how the new State Pension system worked, how the complainant's entitlement had been calculated and how she could increase her State Pension. But it contained a discrepancy about how many qualifying years the complainant had, compared to previous pensions statements it had sent her. DWP did not explain this discrepancy. Rather than put things right, DWP's response led to further confusion. DWP told us it has since apologised to the complainant.

Standard responses

- 209. Some complainants told us they received standard, rather than personalised, responses to their complaints.
- 210. DWP explained to us that it sent template responses to similar complaints it had received about its communication of changes to State Pension age in order to manage the volume of complaints it received. Many people were complaining to DWP about the same issues and many were using template complaint letters to do that. It was inevitable DWP's responses would contain the same or similar information, given it was responding to the same or similar complaints.
- 211. The Principles for Good Complaint Handling include that organisations should deal with complaints consistently so that 'similar circumstances are handled similarly'. They also include that complaint responses should be

proportionate. Given the volume of similar complaints DWP was handling, the use of template response letters was proportionate to the circumstances. It was also appropriate for DWP to ensure a consistent response to similar complaints.

212. We do not consider DWP using templates was inappropriate, so long as those templates adequately addressed the issues complained about. The evidence is they did not. As noted above, the template responses do not take account of all relevant evidence and do not fully address the complaints DWP was considering.

Delay

213. Complainants have told us DWP took too long to respond to their complaints.
214. In one sample case, DWP apologised for a small delay after the initial complaint. It responded promptly to the rest of the complainant's correspondence in line with its own standards. In these circumstances, we do not consider the initial short delay is maladministration.
215. In most cases, DWP replied to complainants' letters within its 15 working day timescale. However, because responses did not fully address all the issues raised (for example, concerns about timeliness of notice and National Insurance issues) the complaints process was unnecessarily elongated. DWP did not, therefore, 'act fairly and proportionately' to avoid unnecessary delay.

Information about how to complain

216. Complainants told us DWP did not provide adequate information about its complaints process. This includes DWP not providing information about how to make a complaint when it sent State Pension statements and leaflets in 2013 and 2016, and DWP not explaining its complaint process when it was contacted by phone.
217. We do not consider it proportionate for DWP to provide details of its complaint process with all customer correspondence, or during every customer contact. But DWP should have ensured that information about how to complain was easily available.
218. Information about DWP's complaints process was publicly available before and when these complaints were raised. For example, DWP's website in 2013 explained how to complain. Its website in 2016 contained more detailed information about the complaints process, including service standards and its Customer Charter, as well as details of how to complain to ICE and us. It also included contact details for different business areas and a postal address. DWP was 'open and accountable'.

D.3.2 ICE's complaint handling

Failure to investigate and remit

219. Complainants told us that ICE inappropriately restricted its remit, and so did not adequately investigate complaints. They say ICE did not properly consider the lack of personal notice of changes to their State Pension age, the time they had to reassess their financial position, and that State Pension age was not flagged in State Pension forecasts and statements. They are unhappy that ICE did not find failings or uphold their complaints.
220. ICE told us it cannot consider the reasonableness or otherwise of government policy or legislation, and its remit meant it could not consider whether DWP's approach to communicating legislative changes was adequate or reasonable. Instead, it could only look at whether the steps DWP took were in line with its own communication strategy. It explained that policy decisions are translated into business decisions by DWP, and then 'operationalised by [DWP's] operational procedures'. When considering whether there is maladministration, it looks at whether DWP acted in line with those operational procedures.
221. ICE told complainants something similar. It said it had no role in considering the adequacy or otherwise of general information/awareness-raising in respect of State Pension age. It said it could only consider whether DWP appropriately administered any of its policies or procedures for communicating changes to State Pension age. It also told them there were no DWP standards or procedures for communicating changes to State Pension age.
222. ICE's contract with DWP says it cannot consider complaints 'involving policy decisions with application beyond an individual case'. Its guidance reiterates that it cannot look at matters of policy. ICE has interpreted the contract to mean it was unable to look at whether what DWP did to communicate changes to State Pension age was reasonable, since that was a matter of policy. We consider that was a reasonable interpretation.
223. It may be possible to interpret ICE's contract with DWP differently. A different interpretation may have enabled ICE to take a more expansive view of its jurisdiction. However, it is not within our jurisdiction to comment on contractual matters or substitute ICE's interpretation of its contract with any we might have.
224. We agree that there are no DWP standards specifically about communicating State Pension age. DWP's Public Information Policy Statement described the expected quality standard for information it provides, and its customer charters set out standards of customer service (including about providing information), but that policy statement and the charters have 'application beyond an individual case'. So ICE was unable to consider them.

225. All ICE could consider was whether DWP did what it set out to do. In other words, whether DWP delivered the awareness campaigns, direct mailing, etc. that it decided to. Given women's complaints were about when they personally found out their State Pension age, ICE would have needed to look at whether DWP's approach to communication was reasonable if it was to adequately consider these complaints. But the contract, as interpreted, meant it could not.
226. ICE's contract meant it was unable to adequately investigate complaints about communication of State Pension age. We do not consider ICE inappropriately restricted its remit, since its remit is set out in contract.
227. Turning to ICE's conclusions about State Pension forecasts and statements, we have seen no evidence it did not adequately consider or respond to these concerns. While acknowledging that a pension forecast did not include State Pension age, it noted the accompanying leaflet explained changes arising from the 1995 Pensions Act and that later statements included information about when a complainant could claim her State Pension. ICE's conclusions were evidence-based.

Factual inaccuracies

228. Some complainants told us ICE's investigation reports contained factual inaccuracies, including saying they had not raised issues when they had.
229. In one sample case, the complainant and her husband both complained to DWP. The investigation report ICE sent the complainant says there was no record she had asked DWP two questions. It based this on the letter written by the complainant's husband, which did not include these questions. ICE has accepted it mistakenly assumed the letters were duplicates.
230. We have seen no evidence that ICE was sent a copy of the complainant's letter to DWP. While we think it unlikely seeing the letter would have significantly affected ICE's investigation or conclusions given the nature of these two questions, evidence shows ICE was aware of it and so should have sought a copy (if it did not already have it) to ensure it properly understood the complaint and that what it said was correct.
231. The same complainant told us ICE misinterpreted her wording to suggest her redundancy was voluntary rather than compulsory. ICE's report said the complainant had confirmed her redundancy was compulsory during a telephone conversation. The evidence therefore is that ICE understood the nature of the redundancy.
232. While there was a factual inaccuracy in ICE's response to this complainant's complaint (that there was no record she had asked DWP two questions), we have seen no other factual inaccuracies in its responses to other sample

complainants' complaints about DWP's communication of State Pension age. We do not consider the overall standard of accuracy fell significantly short.

Standard responses

- 233. Some complainants told us ICE sent them standardised responses to their individual complaints.
- 234. ICE's investigation reports follow a standard format, tailored to reflect complainants' individual circumstances. Like DWP, ICE was investigating many similar complaints. Using a standard format for its investigation reports would have helped ensure similar complaints were dealt with consistently, in line with 'acting fairly and proportionately'. We consider ICE took a proportionate approach in the circumstances.

Delay

- 235. Half the sample complainants told us ICE took too long to look at their complaints about DWP. One raised concerns about there being only three ICMs handling these complaints and that this led to a backlog and delays.
- 236. In two cases, ICE issued decisions around ten months after the complaints were made. In the third case, ICE issued a response almost 13 months after the complaint was received.
- 237. We know that in two of these cases ICE met its timescale for completing investigations within 20 weeks of allocation. However, there was a significant wait (of over seven and 11 months) before cases were allocated. We do not know when the other case was allocated to an ICM so we cannot determine how quickly the investigation was completed.
- 238. The evidence shows ICE acknowledged receipt of complaints and told complainants which elements of their complaint it would be taking forward for investigation. It then told complainants their complaint had been placed in a queue, awaiting allocation. In May 2017, ICE wrote to all complainants explaining that, due to the volume of complaints it had received, it would not be able to contact them again until their case had been allocated to an ICM.
- 239. At the start of July 2017, ICE wrote to complainants about its plan to set up a dedicated team in October. It said it would contact complainants again when their case was allocated for investigation. Sending updates and explaining its approach was customer-focused and in line with our Principles.
- 240. In October 2017, ICE set up a dedicated team of three ICMs, tasked solely with investigating complaints about communication of women's State Pension age. The team investigated 192 complaints before the remaining 2,500 cases

ICE had in hand were closed after permission for judicial review² was granted. In deciding to prioritise a lead case and set up a dedicated team, ICE responded flexibly to the circumstances and appropriately adjusted its normal approach.

241. Given limited resources and exceptional demand, delays were inevitable. We consider ICE took as customer-focused approach as possible in the circumstances.

Balance of probabilities judgment

242. Complainants are unhappy with ICE's balance of probabilities judgment about whether DWP had written to them about their State Pension age.

243. ICE noted that DWP has not retained copies of letters sent to individuals. It concluded that it was more likely than not letters had been sent to complainants, at the correct address, given:

- DWP wrote to people in their age group at a particular time
- letters were sent via an automated process, using address details held by HMRC
- ICE had confirmed the addresses HMRC held on record at the time were correct.

244. ICE also noted it was disappointing complainants said they had not got a letter, but explained it was not persuaded that happened as the result of maladministration by DWP.

245. Complainants told us ICE had no evidence to support its conclusion and had implied they were lying about not having received letters.

246. We do not consider ICE's response implies complainants were lying about having never received a letter. There are several possible explanations for why letters were not received (for example, because they were lost in the post).

247. ICE told us it considered evidence from DWP (about letters being issued in batches via the automated process, using addresses supplied by HMRC), checked the mailing lists, and verified with complainants whether they were at that address when the letters were sent. ICE said it had also confirmed that 'many customers' on the mailing lists had received their letters. Based on the information from DWP and complainants, it concluded it was more likely than not letters had been sent to the correct addresses, regardless of whether they arrived or complainants recalled receiving them.

² R (Delve) v Secretary of State for Work and Pensions [2019] EWHC 2552 (Admin) and [2020] EWCA Civ 1199.

248. DWP has no record of who it wrote to or when, meaning that information was never available to ICE. We do not consider the evidence that did exist was sufficient for ICE to conclude it was more likely than not DWP had written to the individual complainants who said they never received a letter. What ICE should have said in the circumstances is that it could not determine whether or not DWP sent letters to those individual complainants at the time it wrote to people in their age group.
249. While ICE reached a balance of probabilities decision, as required by its own guidance, we do not consider there was sufficient evidence available for it to say what most likely happened in individual women's cases. So we do not consider its decision here was evidence-based.

D.4 Summary of our findings about DWP's and ICE's complaint handling

250. Several aspects of DWP's complaint handling reflected applicable standards, including that information about how to complain was easily available and that it took a proportionate approach to similar complaints. We understand why DWP needed to adapt its approach given the volume of complaints it received about its communication of State Pension age. We do not consider template responses per se were inappropriate, but DWP did not:
- adequately investigate or respond to the issues complained about
 - avoid unnecessary delays.
251. In these respects, what DWP did fell significantly short of our Principles of Good Complaint Handling. That was maladministration.
252. ICE generally managed and responded to complaints in line with its guidance and our Principles of Good Complaint Handling. While some aspects could have been better, we do not consider that, overall, what it did fell so far short of applicable standards that it was maladministration.
253. We understand complainants' frustration at how long they waited for answers to their complaints and why they feel those answers did not adequately address their concerns. It seems unsatisfactory for them that ICE was unable to address complainants' key concerns about a lack of personal notice of changes to their State Pension age. But we accept that ICE's remit was limited by its contract with DWP. Given the exceptional demand it was facing with no additional resource, we consider ICE took as customer-focused approach as possible.
254. We have considered DWP's and ICE's handling of complaints made by a sample of complainants. Other women have complained to us about similar issues, and also that DWP and ICE 'closed' their complaints when judicial review proceedings began. We can understand why those women were unhappy about their complaints not being considered.

255. DWP paused looking at complaints about communication of State Pension age when permission for judicial review was granted. It did not consider it appropriate to investigate issues which were before the Courts. ICE guidance says it cannot deal with complaints or disputes that are, or have been, subject to legal proceedings or complaints that we are involved in. It closed all live complaints about communication of changes to State Pension age once that issue became subject to judicial review. Both DWP and ICE wrote to the complainants to explain their decisions.
256. The judicial review judgment might have led to DWP changing its view about whether it had adequately communicated the changes. ICE's remit does not allow it to look at issues that are subject to legal proceedings. In light of these facts, we have seen no indications of maladministration in their decisions to pause or close complaints.

Part E: Our consideration of injustice

257. This section considers whether maladministration led to injustice. Complainants told us that maladministration in DWP's communication about State Pension age and about the number of qualifying years National Insurance contributions needed for a full State Pension led to financial loss, financial hardship and suffering and meant they lost opportunities to make informed decisions and effectively plan for retirement. They also said it led to negative effects on their health and wellbeing, and caused disruption to their domestic lives.
258. They told us that maladministration in DWP's complaint handling compounded their stress and anxiety.

E.1 Our approach to considering injustice

259. Our published Service Model Guidance says when considering injustice, 'the key question is "did the injustice claimed occur in consequence of the maladministration/service failure we have found?"' We consider what would have happened and whether someone would have been in a different position if the maladministration had not occurred.
260. We understand from the evidence we have seen, including campaign activities, that some women are angry and distressed about their State Pension ages changing and the impact that has had on them and their families' financial situations. We cannot consider the financial consequences of changes in the law about when women can claim their State Pension. We can only make judgments about whether it is more likely than not that DWP's failings had the financial, emotional and domestic consequences women claim they did.

E.2 Whether maladministration in DWP's communication about State Pension age led to injustice

E.2.1 What would have happened if the maladministration had not occurred

261. During stage one of our investigation, we found that DWP failed to take adequate account of the need for targeted and individually tailored information when making decisions about how to communicate the effect of the 1995 Pensions Act in August 2005. That was maladministration.
262. We think if the maladministration in August 2005 had not happened, DWP would have decided then to write directly to affected women about the 1995 Pensions Act. Its 2006 options appraisal document says 'a targeted, personalised mail-out' was the 'most appropriate' option for getting

information to women who needed it. We noted during stage one of our investigation that it is reasonable to infer DWP would have made a similar decision about direct mail, and begun exploring how to write directly to women, if it had made a reasonable decision in August 2005.

263. When women would have been sent their individual letters depends on:

- to whom DWP would have written
- the sequencing of direct mail, and when it would have begun
- whether direct mail would have been paused at any point.

264. We have considered these issues in light of what complainants, their representatives and DWP have told us and the other evidence available to us. Complainants and their representatives told us if direct mail had started in December 2006, it would have been concluded by July 2009 at the latest. They said if that had happened, pauses would have been avoided.

E.2.1.i To whom DWP would have written

265. DWP told us it would likely have written only to women in the ‘transitional group’ to begin with. It says its options appraisal document and original schedule for direct mail suggest it would only have planned to write to women born between April 1950 and March 1955.

266. The 2004 research that DWP was considering in August 2005 showed that women’s knowledge of their State Pension age was linked to their working status and occupation type but that, overall, more than half of women affected by the 1995 Pensions Act did not know their State Pension was 65, or between 60 and 65. The research report says it was ‘essential’ to target particular groups, including ‘women who will be affected by the change’, with accessible information about equalising State Pension age.

267. While it would have been reasonable for DWP to prioritise writing to those who would be affected soonest (older women in the ‘transitional group’ born between 6 April 1950 and 5 April 1955), it would not have been reasonable for it to have planned to write only to them and not also women whose State Pension age was 65, given what the research had shown.

E.2.1.ii The sequencing of direct mail

When direct mail would have started

268. In the report for stage one of our investigation, we said if DWP had made a reasonable decision about direct mail in August 2005, and over a year of planning and implementation time had not been lost, it was likely that DWP would have begun writing to women affected by the 1995 Pensions Act within 16 months of August 2005 (that is, by December 2006). We know it took 16 months to issue letters once DWP decided to send them in 2007.

269. DWP's 2008 Communication Plan indicates the work that was involved in planning the direct mail exercise it ran from April 2009. This included setting up a working group to scope the project, considering how to identify and contact women, deciding what to include in letters and when letters should be sent, assessing the potential operational impact, and identifying actions to mitigate any impacts. It also refers to testing letters with focus groups and then considering and reflecting feedback, and developing internal products and processes.
270. DWP told us that ancillary services also needed to be established, such as a call number to include in letters, option numbers on telephone systems, and training to enable staff to handle queries.
271. We recognise that DWP would have needed to spend time planning a direct mail exercise.
272. We also said in our stage one report that it was possible direct mail could have started earlier than December 2006, depending on whether DWP had used its CIS database, or a different means of identifying women to write to. DWP has again told us it could not have started direct mail any earlier than it did. It pointed to the difficulties in knowing the correct addresses to write to, the systems it had available at the time, and concerns over data protection issues. It told us its CIS database went live in 2005 with 'very restricted capability' and was developed and enhanced between April 2005 and June 2008. We considered these issues during stage one of our investigation.
273. DWP has also suggested that direct mail could not have begun in December 2006 given likely staff leave. We understand that point, but it is reasonable to assume that government departments can and do continue to implement agreed workstreams throughout the year. We consider that staff leave, most likely in the latter part of December, would not necessarily have prevented letters from being sent out earlier that month.
274. We have considered whether proposals to further raise State Pension age would likely have affected when direct mail about the 1995 Pensions Act would have begun. In November 2005, the Pensions Commission proposed reforms to public and private pensions, including further increasing State Pension age. The Government took time to consider the Pensions Commission's recommendations before publishing a White Paper in May 2006. Among other things, the White Paper proposed State Pension age would increase to 66 over two years from 2024, and then rise over time to 68. The public was invited to send DWP comments on the proposals by 11 September 2006.
275. Once the consultation closed and comments had been considered, the Bill preceding the 2007 Pensions Act had its first reading in the House of Commons in November 2006. The 2007 Pensions Act was passed in July 2007.

It raised State Pension age for women (and men) born on or after 6 April 1959.

276. DWP told us it is ‘highly unlikely’ direct mail would have begun while the 2007 Act was transitioning through Parliament and it was possible the proposed legislation would be amended. It pointed to over 80 amendments and 31 new clauses having been tabled in January 2007, over 20 amendments and 47 new clauses having been tabled in April 2007, and 169 amendments having been tabled in April 2007 when the Bill reached the House of Lords.
277. In contrast, complainants and their representatives told us that DWP would have known before the Bill was presented to Parliament that most 1950s-born women were not affected by proposals in it, so there was no need for the Bill to delay direct mail about the 1995 Pensions Act. They also told us letters could have been sent earlier and included a warning that a further change in State Pension age was possible.
278. We consider it unlikely that direct mail about the 1995 Pensions Act would have started before the Bill had been finalised and DWP knew who was affected by proposals in it. While recognising the possibility, we think it unlikely DWP would have begun writing to women about the 1995 Pensions Act and warned them of a further increase in State Pension age at the same time as further legislation about State Pension age was being proposed. Given the planning, resource and cost considerations, we think it more likely that DWP would have delayed direct mail until the Bill was introduced to Parliament. We say this bearing in mind decisions DWP made in the period preceding the 2011 Pensions Act.
279. DWP paused the direct mail it began in 2009 around the time the Green Paper preceding the 2011 Pensions Act was published (June 2010). It resumed direct mail to women born between 6 April 1952 and 5 April 1953 from February 2011, after the Bill leading to the 2011 Act had been introduced to Parliament and while Parliament was still considering it. In February and March 2011, DWP wrote to the women it had not already written to who were not affected by proposals in the Bill.
280. The Bill preceding the 2007 Pensions Act was introduced to Parliament in November 2006. DWP would have known then that the vast majority of women born in the 1950s were not affected by those proposals. What happened in 2011 suggests the Bill would not necessarily have led to DWP delaying direct mail to women about the 1995 Pensions Act. DWP could have written to women not affected by proposals in the Bill that Parliament was considering.
281. DWP also told us it is ‘very unlikely - if not impossible’ that direct mail would have begun within one month of the Bill being introduced to Parliament, given the planning work involved. We do not underestimate the planning needed, but we consider that the planning would have begun in August 2005.

The likely planned sequencing of direct mail

282. Complainants' and their representatives' belief that direct mail could have been concluded within 31 months assumes that the sequencing of direct mail would have mirrored what happened between April 2009 and November 2013, but with no pauses. Table 1 in Annex A shows when DWP sent letters about the 1995 Pensions Act (and 2011 Pensions Act) between 2009 and 2013.
283. Complainants and their representatives have also suggested that if direct mail about the 1995 Pensions Act had begun earlier, it would likely have taken less than 31 months because DWP would have needed to send fewer letters than it did from January 2012 (it would only have been writing to women affected by that single Act).
284. We do not think the sequencing would have matched what happened between April 2009 and November 2013. The timing and pace of direct mail after April 2010 was influenced by the 2011 Pensions Act, including the limited time available to let people know about the effects of that Act from January 2012. Those considerations would not have applied earlier. We also note that DWP's CIS database was fully embedded by April 2009, whereas it was still being developed and enhanced before then.
285. We have considered what a plan for direct mail most likely would have looked like.
286. When DWP was exploring options for direct mail in 2006, it considered the advantages and disadvantages of a 'big bang' approach (issuing 1.7 million letters over an eight- to 12-week period) versus phased mailings. Its 2006 options appraisal document shows it decided the advantages of a phased approach outweighed the disadvantages and was preferred over a 'big bang'.
287. A phased approach means letters are issued during certain months of the year rather than continuously across all months of the year or within a very short space of time. The 2006 options appraisal document proposed that letters would be sent to women born between April 1950 and May 1955 during April, July, October and January, beginning in April 2009 and ending in January 2012. When DWP began direct mail in 2009, letters were issued in April 2009, July 2009, October 2009, January 2010 and April 2010 before mailing was paused.
288. Complainants and their representatives told us DWP's decision-making about 'big bang' versus phased mailing was flawed. They said DWP did not adequately consider key issues, specifically:
- what the 'optimum' time for women to receive letters would have been
 - that women were labouring under a misapprehension about their State Pension age

- that a ‘big bang’ direct mail exercise would have led to widespread discussion so the ‘word would have spread’ quickly about women’s State Pension age having increased.
289. The options appraisal document says one of the advantages of phased mailing was the opportunity to ‘reach women at the optimum time’. But it also says more work was needed to determine when the ‘optimum time’ was.
290. The options appraisal document refers to what research in 2004 and 2005 had shown about awareness of equalising State Pension. This suggests to us that DWP was mindful of the possibility that women were labouring under a misapprehension about their State Pension age.
291. Even if DWP had done more to consider the issues complainants and their representatives have raised, the evidence is that DWP would most likely still have decided on a phased approach given the views it had about the advantages and disadvantages. Furthermore, it is not our role to substitute our view on what would have been a discretionary decision, certainly in circumstances where the arguments in favour of both approaches would have seemed fairly balanced at the time. We therefore cannot say DWP should have taken a ‘big bang’ approach, or that it was maladministration that it did not.
292. It is usual for DWP to take a phased approach to direct mail so it can manage any operational impacts, such as the additional customer contacts that direct mail generates. DWP is able to deal with enquiries that direct mail generates during the months when letters are not issued. We think it likely DWP would have taken its usual approach and planned for letters to be issued in phases.
293. DWP told us that direct mail is scheduled to take account of operational capacity, including peak periods of staff leave (such as Christmas and school holidays), periods of staff training, and times when it knows it will likely already be receiving significant numbers of enquiries (such as when welfare uprating notices and winter fuel letters are issued). It also suggested scheduling takes account of capacity in the postal service, and times when the postal service would likely already be busy.
294. DWP also explained that a Pensions Transformation programme began in 2005, focused on modernising services. All Pensions Service delivery staff were trained on the new operating model over several years. Staff being involved in training decreases their availability to deal with queries, and capacity to deal with queries resulting from direct mail exercises influences scheduling.
295. DWP said the availability and capacity of IT and printing services also needs to be factored in. DWP has a contractual printing allowance. Direct mailing would cost more if allowances were exceeded, taking into account other mailing activities.

296. Based on what DWP told us about capacity influencing sequencing, what it proposed in 2006 and what it began in 2009, we think it likely DWP would have planned for letters to be issued every third month. This type of phased mailing allows space for DWP staff to deal with any resulting queries and minimises the risk that services are overwhelmed. It can also mitigate the competing demands of training activities and prevent demand on IT and printing services exceeding capacity.
297. We have considered what a three-monthly phased mail schedule would have looked like. The ‘possible approach to phasing’ in DWP’s 2006 options appraisal paper suggests letters would be issued to groups of women according to their date of birth. When DWP began direct mail in 2009, women’s date of birth was factored into sequencing.
298. DWP, complainants and their representatives highlighted to us that women’s date of birth alone is insufficient as a basis for determining sequencing. They said scheduling would have needed to balance DWP’s capacity to issue letters and the volume of letters to be sent.
299. DWP told us the capacity considerations mentioned above, together with a competitive mail tendering process introduced in 2006, the introduction of a new supplier, and Royal Mail strikes between 2007 and 2009 would have influenced the numbers of letters it could send in each phase. It said that factoring in capacity considerations, direct mail could have been scheduled to run to 2013.
300. Complainants and their representatives said what DWP did between 2003 and 2006/7 and in 2012 shows that a high volume of letters could have been sent. In May 2003, DWP announced it would be writing to 13 million people about direct payments over the following 18 months. Between 2003 and 2006, it issued unsolicited Automatic Pension Forecasts (APFs) to approximately 17.8 million people. In 2012, in a single month (February), DWP issued 1.021 million letters about State Pension age to people affected by both the 1995 and 2011 Pensions Acts.
301. We do not think we can make any reliable inferences about DWP’s capacity to deliver direct mail from December 2006 based on what had gone before, given business demands change over time and the factors influencing capacity from 2006 that DWP told us about. Neither do we think it is reasonable to infer from what happened in February 2012 that DWP would have planned to, or had capacity to, send over a million letters in a month or phase from 2006. By 2012, CIS was fully embedded, the Pensions Transformation programme had concluded and DWP knew from experience what volume of enquiries the letters would generate and what additional demands would be placed on its services.
302. We agree that capacity would have been an influencing factor in deciding a direct mail schedule. We also think women’s dates of birth would have

influenced when they were sent a letter, given what was proposed in 2006 and what happened from 2009.

303. We cannot know more than DWP has told us about its capacity to deliver a direct mail exercise from December 2006 because records no longer exist. Based on the available evidence, we think it likely DWP would have planned for phased mail to be delivered over a longer period than the 33 months proposed in the options appraisal document.
304. The options appraisal document includes proposals to write to women born between April 1950 and May 1955. We recognise the document says that further work was needed to explore the proposed options for contacting them (in respect of costs, effectiveness, operational implications and identifying women in the ‘target group’), but it is reasonable to assume that the volume of letters to be sent had some bearing on the sequencing and timescales proposed for writing to that group of women. DWP research from 2004 says 1.8 million women were born between April 1950 and April 1955. If a similar number of women were born between April 1955 and April 1960, DWP would have needed to write to approximately 3.6 million women. Campaign groups and House of Commons research suggest 3.8 million women were affected by the change to State Pension age, so it is possible even more letters would have been needed. We do not think DWP would have planned to write to double the number of women in the 33 months it had proposed for writing to women born between April 1950 and May 1955.
305. We think DWP planning for direct mail to happen over a longer time would have been reasonable given the scale of the exercise, the volume of queries that could have generated, CIS being developed, the Pensions Transformation programme and other factors influencing capacity.

E.2.2 Whether direct mail would have been paused at any point

306. DWP told us direct mail campaigns ‘do not proceed exactly as planned’, as illustrated by the direct mail that began in April 2009 being paused several times. DWP paused direct mail after April 2010, after March 2011 and in January 2013. It said it is extremely unlikely that direct mail begun earlier would not have been paused for evaluation and reflection or encountered other problems. In contrast, complainants and their representatives have told us pauses would have been avoided.
307. DWP told us the 2007 Pensions Act could have led to direct mail being paused and pointed to the example of direct mail having been paused ahead of the 2011 Pensions Act. We have already explained that we do not consider the proposals leading to the 2007 Pensions Act would have prevented direct mail about the 1995 Pensions Act beginning in December 2006. For similar reasons, we do not consider it should have led to direct mail being paused after December 2006.

308. We have considered whether the pause after April 2010 could have been avoided.
309. DWP told us it paused direct mail after April 2010 in light of proposals leading to the 2011 Pensions Act to avoid confusion and the need to send women multiple, inconsistent letters in quick succession. So it had identified benefits of pausing.
310. DWP would have known that research had shown that a proportion of affected women did not know their State Pension age. It should have also been aware of the risks associated with not letting women know they would have to wait longer than expected to claim their State Pension. Time to let them know they could not claim it at 60, and allow them to adjust their retirement plans, was diminishing.
311. An alternative option available to DWP at the time would have been to continue direct mail to let women know about the 1995 Pensions Act but adjust the letter to explain it was possible their State Pension age might rise again. DWP paused direct mail about State Pension age in January 2013 so letters could be amended to include information about proposed further State Pension reform. It could have done something similar in 2010. Adjusting the letter in 2010 would have prevented the pause that happened after March 2011.
312. DWP told us it would have been just as expensive and complicated to administer sending women ‘non-specific’ letters saying their State Pension age would, or would likely, be changing and it would not have been particularly beneficial to them. It said it would not have been a proportionate use of resources. It also said a lack of specific information could have led to phone calls from women seeking clarity.
313. We agree that DWP would not have been able to confirm whether the recipient’s State Pension age would rise again. But it could have clarified that they would not be able to claim their State Pension at 60 and indicated what further reform was being proposed. We do not agree that this type of letter would have been completely ‘non-specific’. Letting women know their State Pension age had already changed, and that it might change again, would have been customer-focused.
314. Even if DWP had adjusted the letter along these lines, it would have needed to pause direct mail so the text could be revised, possibly tested, and the revised text approved. The January 2013 pause lasted for around four months. Factoring in a similar length pause beginning in June 2010, we think direct mail would likely have resumed in October 2010.
315. Complainants and their representatives have suggested to us that four months to adjust a letter would have been excessive. Our view that direct mail would have resumed in October 2010 is based on what happened in 2013 when a

similar exercise to adjust and approve a letter about State Pension age was undertaken.

316. Other factors DWP suggested could have affected the delivery of direct mail from December 2006 include:

- the ongoing Pensions Transformation affecting operational capacity
- the change in Government in 2007, and the varying priorities of new Ministers (there were three changes in Secretary of State, and three changes in Minister for Pensions between December 2006 and May 2010)
- the 2007 global financial crisis resulting in cuts to departmental budgets
- its CIS database being developed between 2005 and 2008.

317. DWP has suggested, for example, that new Ministers might have decided that communication relating to the financial crisis should have taken priority and so affected the delivery of direct mail about State Pension age.

318. We recognise that departmental budgets and staff availability would have influenced capacity for direct mail, but we think issuing letters four times a year already accounts for that. We do not agree that the change of Government in 2007, or change in Ministers from 2007, would have had a significant impact, given the continuity in policy position concerning State Pension age. DWP would have been writing about a change that had already been enacted.

319. DWP also explained to us that the pace of direct mail exercises might be either accelerated or slowed down depending on the circumstances at the time.

320. We have not seen a planned schedule for direct mail about the 2011 Pensions Act, but a DWP memo from May 2013 indicates that it was projected to run until mid-2014. This mailing concluded in November 2013, which supports what DWP told us. DWP told us staff recall that direct mail was sped up from October 2012 because the letters were generating little customer contact. DWP was able to accelerate the direct mail due to the lower than anticipated impact on resources.

321. We think it unlikely that the planned delivery of direct mail from December 2006 could have been accelerated, given the capacity considerations DWP has highlighted to us and CIS being developed, even if letters had generated a lower than anticipated volume of enquiries. We recognise factors emerge that can slow the pace of direct mail but think phased scheduling allows for accommodating those. We also note that the direct mail DWP did between the months of April 2009 and April 2010 was not sped up or slowed down. So it is highly unlikely a direct mail exercise begun in December 2006 would have been sped up or slowed down between April 2009 and April 2010, assuming similar volumes of letters would have been issued during those months.

E.2.3 Summary of what would have happened if the maladministration in communication about State Pension age had not occurred

322. We consider it likely that direct mail about the 1995 Pensions Act would not have begun until the Bill preceding the 2007 Pensions Act was presented to Parliament, and DWP had an idea of who would be affected by the proposals to further raise State Pension age Parliament was being asked to consider.
323. We consider DWP would likely have planned to issue letters in three-monthly phases, and the delivery of direct mail would likely have been paused after June 2010. Factoring in that pause, by the time the 2011 Pensions Act was passed DWP would have written to all women born on or before 5 April 1959. There would then likely have been another pause before DWP wrote to women born on or after 6 April 1959. Had direct mail resumed four months after the 2011 Pensions Act was passed, DWP would have written from March 2012 to women born on or after 6 April 1959.
324. Table 2 in Annex B shows when we think letters would have been sent about the 1995 Pensions Act if direct mail had begun in December 2006. For our sample complainants it means:
- Ms I would have been sent a letter in June 2009
 - Ms E would have been sent a letter in September 2009
 - Ms L would have been sent a letter in December 2009
 - Ms R would have been sent a letter in December 2009
 - Ms U would have been sent a letter in October 2011
 - Ms W would have been sent a letter in October 2011.

E.2.4 Whether maladministration in communication about the 1995 Pensions Act led to injustice

325. This section considers whether maladministration in DWP's communication about the 1995 Pensions Act led to the sample complainants suffering injustice. It also explains the approach we take to remedying injustice.
326. The sample complainants told us maladministration led to them suffering financial loss and losing opportunities to make informed decisions. They also told us it affected their health, wellbeing and family lives. In contrast, DWP has suggested there could not have been any injustice.
327. DWP told us that four sample complainants would have known their State Pension age from other correspondence it sent them between 2005 and 2007. It said there can be no injustice for these complainants simply because there was a delay in DWP sending them **further** correspondence indicating their State Pension age was changing.

328. DWP said the State Pension statement it sent Ms U in May 2007, and the leaflet that would have been included with it, would have alerted her to the fact her State Pension age had changed. Ms U told us she received a single page of a statement, which did not state her State Pension age or when she would be entitled to claim her State Pension, and no leaflet was enclosed. Ms U told ICE that while the page she received was marked 'Page 1 of 3', she assumed the missing pages were not relevant to her and so she did not contact DWP or make any further enquiries at the time. She told us that if the missing pages were relevant to her, she would have expected to receive the whole document.
329. DWP told us that the statement gave Ms U the opportunity to ask questions if she had any concerns, including about why DWP had apparently sent her just one page of a three-page letter. Ms U told us she had requested the statement to know how much State Pension she could claim. She did not make further enquiries because that information was on the page of what she received.
330. We have seen a copy of the page of the statement Ms U received. Her State Pension age is not clearly stated. The statement focuses on how much State Pension she would receive rather than when she could claim it.
331. DWP told us the missing pages would have signposted Ms U to the enclosed leaflet and sent us a complete copy of an example statement. Recognising that Ms U told us she did not receive a leaflet, the example statement does not prompt the reader to think it would include information about State Pension age.
332. We do not agree that what Ms U says she received in 2007 is sufficient to alert her to her State Pension age, or to prompt her to ask questions about her State Pension age.
333. DWP told us that Ms I, Ms L and Ms E would have known from the Automatic Pension Forecasts (APF) it sent them, and the leaflets sent with them, that their State Pension age had changed. It said evidence they shared with ICE and us showed that Ms I was sent an APF in June 2006, Ms L and Ms E were sent one in 2005, and they had each read the accompanying leaflet containing information about State Pension age but had not recognised that the information affected them. DWP said the APFs and leaflet should at least have prompted them to find out more about their State Pension age.
334. We found during stage one of this investigation that APFs did not mention that State Pension age is changing. DWP told us then that communicating State Pension age was not the primary purpose of APFs and that State Pension age was deliberately omitted from them due to data protection concerns. DWP's own evaluation of APFs (and accompanying leaflets) published in 2006 showed 'There were no marked differences between the APF and control sample in knowledge of age at which State Pension could be drawn, either

within each segment or at a total level. Neither were those who recalled or read the letter any more likely than the control to know the correct [State Pension] age.'

335. Given DWP deliberately omitted State Pension age from APFs, and what its research showed, we do not accept that Ms I, Ms L and Ms E would have known their State Pension age because they were sent APFs.
336. DWP has also told us that letters sent earlier would have made no difference to the recipients' 'state of knowledge' about their State Pension age. It highlighted that research has shown people do not usually read and 'take in' the content of unsolicited letters. It told us that half of our sample complainants saying they did not receive letters, despite them having been sent through an automated process to the correct address, supports its view that people do not recall the content of letters, or receiving a letter. It said if a letter had been sent earlier, the likelihood was it would have made no difference.
337. The 2006 options appraisal document says DWP considered a 'personalised mail-out' was the 'most appropriate' option for providing information to women about equalising State Pension age. The sample complainants who told us they did receive letters remember them. There is no reason to doubt they would have remembered one sent earlier. Accordingly, we have concluded that the letters were a very important mechanism for providing information to women about State Pension age and so, as a generic point, letters sent earlier would have affected what women knew about their State Pension age.
338. Whether the sample complainants would have received a letter earlier will affect whether direct mail begun in December 2006 would have changed what they knew about their State Pension age.
339. We said in the report for stage one of our investigation that a direct mail exercise is unlikely to achieve a 100% success rate. DWP's 2008 Communication Plan says it had been advised to expect a likely failure rate of up to 15% in any direct mail exercise. 'Failure rate' is not defined, but we have interpreted it to refer to letters not being delivered to the intended recipient, whether due to errors in the database or errors in the postal service. This failure rate is broadly reflected in the complaints we accepted about DWP's communication about State Pension age. Approximately 16% of all complaints we accepted included explicit claims that DWP had not written to the complainant about their State Pension age.
340. Assuming a similar expected failure rate would have applied to a direct mail exercise begun earlier, a 15% failure rate indicates that most of those who should have been sent a letter would have received it. So we consider it is more likely than not the sample complainants would have received their letters had direct mail begun in December 2006. At the very least, because

direct mail did not start then, the sample complainants lost the chance to receive, read and act on a letter earlier.

E.2.4.i Whether the sample complainants experienced financial loss

341. We first consider the sample complainants' claims of financial loss and explain the approach we take to remedying financial loss.

Financial loss due to changes in the law

342. When considering claims of financial loss, we need to distinguish between any financial losses or hardship complainants may have experienced because their State Pension age changed, and any losses resulting from maladministration in DWP's communication about those changes. As we have explained, we cannot consider the impact of changes in the law about State Pension age.

343. Some sample complainants told us they have suffered financial loss because their State Pension age changed. For example, Ms U said she has suffered financial loss of £39,000, 'being the amount I would expect to receive from my perceived [State Pension age] to my actual [State Pension age]'. Ms W said she lost approximately £45,000 due to not reaching her State Pension age until six years later than expected.

344. Since these losses flow directly from changes in the law, rather than from how those changes were communicated, they are not losses resulting from maladministration. We would not recommend remedies for any losses that do not result from the maladministration.

Direct financial loss

345. Some sample complainants told us they have suffered 'direct financial loss' because DWP did not write to them about their State Pension age when it should have. They say decisions they made flowed from incomplete information, DWP is responsible for any losses resulting from those decisions, and those losses should be considered 'direct financial loss'.

346. Having considered comments made by complainants, it is important to clarify that when we use the term 'direct financial loss' we do so with reference to the approach set out in our guidance. In so far as this approach differs from any dictionary definition, then we take the approach set out in the guidance. Guidance we have published about our approach to financial remedy explains what we consider 'direct financial loss' to be, and what we would usually recommend to remedy such losses.

347. 'Our guidance on financial remedy' says 'If someone is left out of pocket because of an organisation's actions (experiences direct financial loss) we will recommend their expenses are reimbursed for the amount they have lost,

including any interest they are due'. The 'Financial remedy' guidance on our website says 'If a complaint relates to a direct financial loss such as care home fees or benefit payments, we will recommend the organisation reimburses the amount the complainant has lost, including any interest due'.

348. We consider direct financial loss is the loss of money someone would have been entitled to if the maladministration had not happened. In these circumstances the loss is quantifiable. For example, how much benefit someone would have been paid, or how much they would have avoided paying in care home fees, if the maladministration had not happened. We would recommend reimbursement of any such losses so the person affected is put back into the financial position they would have been in if the failings had not happened.
349. Our approach to considering financial loss draws a distinction between direct financial loss and cases where maladministration leads to the loss of an opportunity to make different choices, where that lost opportunity might have financial consequences. 'Our guidance on financial remedy' gives examples of injustices that we do not think amount to direct financial loss. These include 'loss of a significant financial opportunity', such as the loss of an opportunity to go to university or develop a career.
350. Complainants' representatives have suggested the approach we are taking to direct financial loss in this investigation deviates from the approach we have taken in earlier investigations.³ They say the standard for what is direct financial loss was set out in those earlier investigations and applies here.
351. The High Court has considered the application of standards with reference to the Health Service Commissioners Act 1993.⁴ The Court said:
- 'as a matter of principle, it is for the Ombudsman to decide and explain what standard [he] applies before making a finding of a failure in service. That standard as defined will not be interfered with unless it reflects an unreasonable approach'.
352. Similarly, in an earlier judgment relating to the Parliamentary Commissioner for Administration,⁵ quoted in the report for stage one of this investigation, the High Court found:
- 'It is for the Ombudsman to decide and explain what standard he or she is going to apply in determining whether there has been maladministration ... that standard will not be interfered with by the court unless it reflects and

³ 'State earnings-related pension scheme (SERPS) inheritance provisions' (2000) and 'Trusting in the pensions promise' (2006).

⁴ *Atwood v Health Service Commissioner* [2008] EWHC 2315 (Admin).

⁵ *R (Rapp) v The Parliamentary and Health Service Ombudsman* [2015] EWHC 1344 (Admin).

unreasonable approach. However the court will interfere if the Ombudsman fails to apply the standard they say they are applying’.

353. We consider these judgments apply to the approach we take to considering whether there has been direct financial loss as well as standards we apply when assessing whether there has been service failure or maladministration.
354. The approach to considering claims of direct financial loss set out in our published guidance post-dates the investigations the complainants’ representatives have pointed to.
355. We do not consider any loss that is dependent on the choices someone would have made if the maladministration had not happened is direct financial loss. This is because there are intervening events between the maladministration happening and the loss being experienced - the choices the person makes, the actions they take and the results those actions have. The choices people make also involve a balance of benefits and disadvantages. For example, somebody who does not work and instead spends time at home with family may experience the disadvantage of not earning money, but has the benefit of being with or caring for their family, or the other options that having additional time might bring.
356. Ms E told us she had suffered direct financial loss of approximately £186,000 because she would have found work had she been told her State Pension age. Similarly, Ms W said she lost over £442,000 in additional pay she would have earned had she known her State Pension age and remained in her job instead of giving up work. We do not consider these losses could amount to direct financial loss in accordance with our guidance since they result from different choices Ms E and Ms W would or might have made if they had known their State Pension age sooner. They do not reflect direct entitlements which Ms E and Ms W were deprived of because of DWP’s maladministration. If Ms E or Ms W had worked in the way that they suggested they would have done (and assuming that they found work), they would of course have earned more money, but they would also have had the disadvantages that work entails.
357. Our thinking about Ms E and Ms W applies more broadly to any complaint that direct financial loss has been experienced because of maladministration in DWP’s communication about the 1995 Pensions Act. We consider it is at best very unlikely that the maladministration could have led to the sort of direct financial loss envisaged in our guidance in any case. The delay in DWP writing to women about that Act did not cause direct financial loss in the sense that we use the term in the sample complainants’ cases, and we find it difficult to see how it could have done so for others.
358. Complainants have suggested that our approach to direct financial loss is wrong and would clearly prefer us to apply a different definition, but as previously indicated we consider our approach to be in line with our guidance.

Financial loss that is not direct financial loss

359. We do not think it is appropriate to quantify losses stemming from lost opportunities to make different choices in the way that we do with direct financial loss. To put a value on the loss we would have to apply a degree of judgment to value the choices someone would have made if the maladministration had not happened, and value the consequences those choices had. That would mean assessing and valuing a series of consequential matters (including all the intervening factors that would have affected outcomes), each on the balance of probabilities, to a degree that would quickly become speculative.
360. Any calculation of 'loss' would also need to factor in the benefits that would have been lost if different choices had been made. This means we would need to value the effect of removing the choices someone actually made (such as spending time at home with family rather than at work) and offset the value of any benefits of the choices that were made, including emotional benefits, when calculating the value of what would have happened instead.
361. The various intervening factors and inevitable level of speculation involved means that under our guidance we do not say on the balance of probabilities what the value should be. So under our guidance we would not recommend a financial remedy that would reflect a quantifiable value of the loss.
362. The sample complainants told us they lost out financially because they made decisions they would not have made if they had known, or known earlier, that their State Pension age had changed. Even if the sample complainants would have made different choices, any financial loss resulting from the choices they made is not direct financial loss. Their loss would flow primarily from the choices they made, for which DWP is not directly responsible or accountable.
363. To decide what is an appropriate amount of compensation in these circumstances we apply our severity of injustice scale. The scale describes six levels of injustice which increase in severity. Each level is linked to a range of amounts that we would recommend. The ranges represent the Ombudsman's judgment about the sort of sums that are appropriate and proportionate for us to recommend for each level of injustice.
364. The severity of injustice scale considers four categories of injustice: emotional, material, physiological and bereavement. It says multiple injustice types will not usually add to the overall severity of injustice, and we determine financial remedy based on the primary (most serious) injustice type. But it also says there will be some cases where an additional injustice type may mean a case will become higher on our scale. We have summarised levels of injustice and ranges of compensation in the severity of injustice scale in Annex C.

365. When considering where a ‘lost opportunity’ injustice sits on the scale, we consider the significance of the opportunity that was lost.

E.2.4.ii Whether the sample complainants lost opportunities to make different decisions

366. We have explained that we do not think the sample complainants experienced direct financial loss as a result of maladministration in DWP’s communication about State Pension age.

367. We now consider whether they lost the opportunities they say they did to do things differently.

368. We have considered each of the sample complainants’ situations below. As a general point, each of them has had to come to terms with the maladministration that happened and that they should have known earlier than they did that their State Pension age had changed. Each has had to look back to the past and attempt to reconstruct what they may have done differently had they known their State Pension age earlier.

369. For each of them we have had to consider their attempts to undertake that exercise. As we go on to discuss, we do not in every case consider there is sufficient evidence to show that what they think would have happened is what would have happened. That in no way reflects a judgement on the sincerity of the complainants’ views.

370. The sample complainants’ accounts share one theme - that none had the information DWP should have given them about their State Pension age to make informed decisions about particular life choices, and each is left with a sense that those choices may have been different. That has affected the level of personal autonomy they experience about their life choices. The sense of loss of financial control over their lives is an injustice common to them all that we think resulted from maladministration.

371. It cannot be possible for us to know without doubt what complainants would have done and what decisions they may have taken at different points in time had they known they could not claim their State Pension at 60. But we can and must take account of the relative likelihood of different choices being made, and what the consequences of those choices might have been, in considering the significance of any lost opportunity. To do that, we have considered what the sample complainants have told us, and what the evidence about their behaviours and actions at other times suggests they would have done.

Ms U

372. Ms U was born in February 1959. The 1995 Pensions Act raised her State Pension age to 65, so according to that Act she would have been able to claim

her State Pension in February 2024. DWP wrote to Ms U about her State Pension age changing in October 2013, 64 months before she expected to get her State Pension at 60. That letter gave her notice that under the 2011 Pensions Act she could claim her State Pension when she reached 66 (in February 2025).

373. If the maladministration had not happened, DWP would have written to Ms U about the 1995 Pensions Act in October 2011. So she should have received a letter 88 months before she turned 60. Ms U was, in fact, first alerted to the change in her State Pension age when DWP wrote to her (older) civil partner in October 2012. She actually had around 76 months' notice that she could not claim her State Pension at 60.
374. If direct mail had begun in December 2006, DWP would have written to Ms U's partner in September 2009. If Ms U's partner had received a letter then, Ms U would have known 37 months earlier than she did that she could not claim her State Pension at 60.
375. Ms U says she would not have made the 'irreversible decision' to retire early (in August 2006) if she had known her State Pension age. She also said that had she known her State Pension age had changed sooner, she and her partner would have reduced their outgoings by about £5,000 per year. She said that would have meant 'more years of less quality in retirement' than they had anticipated, but they would have had a savings 'buffer'.
376. Ms U told us that since finding out her State Pension age had changed, she and her partner have done all they can to reduce their spending and increase their savings to offset the loss of the State Pension they had expected to get at 60. This has included spending economically on food and freezing meals, buying second-hand clothing, moving from a private to an NHS dentist, stopping leisure activities and socialising with friends, not taking holidays or celebrating key life events, and not getting a new pet.
377. She said they have to budget constantly, which is stressful. She told us the 'stress and anxiety' of the situation is 'enormous'. She feels her and her partner's choices have been 'denied' and their social life has been affected. She said she cannot stress enough the 'outrage' that she feels at the position she is in, she is 'fearful' for her and her partner's futures and is constantly worried.
378. Ms U decided to retire before DWP should have begun writing to women about the 1995 Pensions Act. That being the case, we do not consider she lost an opportunity to make a different decision about taking early retirement. So we do not consider the maladministration had any bearing on Ms U leaving her job.
379. Based on what Ms U and her partner did when they discovered they would not get their State Pensions at 60, we accept it is likely they would have adjusted

their spending 37 months earlier if the maladministration had not happened. We find that maladministration led to the injustice that Ms U was denied the opportunity to make informed choices about managing her finances (spending less and saving more) between 2009 and 2012. Adjusting her spending earlier could have enhanced the ‘buffer’ available to her and could also have lessened the fear and worry she feels about her future.

Ms I

380. Ms I was born in February 1955. The 1995 Pensions Act raised her State Pension age to 64 years and 50 weeks. Under that Act she would have been able to claim her State Pension in January 2020.
381. Ms I told us she did not receive any letters from DWP about her State Pension age. She found out her State Pension age had risen when she requested a State Pension statement in January 2013, a few months before her husband was due to retire. The statement included that she would be able to claim her State Pension in February 2021 when she reached 66 (her State Pension age as determined by the 2011 Pensions Act). So Ms I had 25 months’ notice that she could not claim her State Pension at 60.
382. If the maladministration had not happened, DWP would have written to Ms I about the 1995 Pensions Act in June 2009. That would have given her 68 months’ notice that she could not claim her State Pension at 60, which would have been 43 months’ more notice than she actually had.
383. Like Ms U, Ms I told us she would not have retired early if she had known she would not be able to claim her State Pension at 60. She retired due to ill health in July 2005. She also told us that, in time, her health recovered and she would have returned to work had she known her State Pension age sooner. She said returning to work would have avoided her savings being depleted. She described how she and her husband could not afford to spend their retirement as they had planned, and could not afford to move closer to family or travel to see their family as much as they would have liked.
384. Ms I told us she lost the opportunity to make informed choices about her future. She explained that ‘knowing now that I could have had the choice to make the decision to cover the losses that I would have in the future is depressing’. Ms I also told us the effects on her future financial security had caused ‘a great deal of stress’. She said she lives with ‘stress and anxiety’ all the time, the situation has made her ‘so angry, frustrated and outraged’, and she has ‘a sense of loss of control of my life’. She also told us she experienced physical symptoms of stress, including chest pains, due to the loss of control over her life.
385. Because Ms I retired before DWP should have begun direct mail, we do not consider she lost an opportunity to make a different decision about retiring or that the maladministration had any bearing on her leaving her job.

386. Had DWP written to Ms I when it should have, she could have made different choices from June 2009 knowing she would not be able to claim her State Pension at 60. Those choices might have improved her financial position and meant she avoided adjusting her planned retirement activities. They might also have meant she could have avoided the need to draw on her savings, the stress associated with her financial position and any health issues relating to her stress. We have considered whether it is likely Ms I would have made different choices had she known her State Pension age in June 2009.
387. Ms I knew from the statement she received in January 2013 that she would have to wait a little over eight years to claim her State Pension. She chose not to return to work then. She told us she had felt it would be too difficult to get a job without recent employment history. She also said that in 2013 she was ‘used to a different lifestyle of being at home’ and she and her husband ‘did not want or feel that I should have to be forced to go back to the workplace’. She said they wanted to spend ‘time together in retirement’.
388. If Ms I had received a letter in June 2009, she would have known then she would wait ten and a half years for her State Pension. She told us she is confident her thinking would have been different in 2009, especially as it would have been four years before her husband was due to retire. The fact that her domestic situation would have been different supports that Ms I may well have made different choices about seeking work. While she would already have been out of the labour market for several years, which could have affected her confidence about looking for a job, she would have been out of the labour market for only around half of the time she had been by 2013. She would also have had a more recent work history compared with 2013.
389. There is necessarily uncertainty about whether Ms I would have got a job had she looked for one, and about how much she could have earned and for how long if she had. In these circumstances we cannot say she would most likely have avoided adjusting her planned retirement activities, drawing on her savings, the stress associated with her financial position and any health issues relating to her stress. But she should have had the opportunity to at least consider trying to return to work from June 2009 knowing she would not be able to claim her State Pension at 60. She was denied that opportunity because of the maladministration.

Ms L

390. Ms L was born in March 1956. Her State Pension age according to the 1995 Pensions Act was 65, so she would have been able to claim her State Pension under that Act in March 2021.
391. Like Ms I, Ms L told us she did not receive any letters from DWP about her State Pension age. She said she discovered her State Pension age from news reports. She initially told us and DWP that she discovered her State Pension

age in 2012 or 2013, but has since told us she is confident from reviewing her records it was most likely 2013. So she had somewhere between 27 and 38 months' notice that she could not claim her State Pension when she reached 60.

392. If the maladministration had not happened, DWP would have written to Ms L about the 1995 Pensions Act in December 2009, which would have given her 75 months' notice that she could not claim her State Pension at 60. So she would have had at least 37 months' more notice than she actually had.
393. Ms L told us she would have avoided re-mortgaging her home if she had known her State Pension age. She re-mortgaged in August 2011 to repay debts. She said that, at the time, she had anticipated claiming her State Pension in 2016, and that her State Pension along with her occupational pension would have allowed her to cover her remaining mortgage payments. She had planned to use the lump sum from her occupational pension to meet other daily living costs. She described the stress and distress of learning that her State Pension age had changed and that her future plans have been 'devastated'. At the time, she was also caring for her mother whose health was deteriorating.
394. Ms L said she would have taken out a consolidation loan instead if she had known she could not claim her State Pension at 60. She also said she would have avoided incurring additional debt because she would not have taken out finance to buy a car in 2009 and would not have taken a holiday in 2010. She is now planning to sell her home because of her financial position, which she is 'devastated' about. She also had to sell her car, which increased the travel time to care for her elderly mother.
395. DWP suggested to us that Ms L would have become aware of her State Pension age when she arranged her mortgage in 2011, either as part of the application or during the underwriting process. It implied that she had proceeded to re-mortgage her home knowing she could not claim her State Pension at 60. We have seen no evidence that Ms L did become aware of her State Pension age when she re-mortgaged, and what she has told us indicates that she did not.
396. Ms L retired from her job in 2017 after a year of being off work due to illness, and used the lump sum from her workplace pension to pay off her mortgage. She did some freelance work between 2018 and 2020 before ending her career in 2021. She told us that if she had known she would need additional income, she could have considered taking on additional freelance work.
397. Ms L told us that not being aware of her State Pension age had 'devastated' her life, and that not having the information needed to make informed choices and having to use her lump sum had reduced her quality of life. She said she has lost the security of having any savings in retirement. She described the 'stress' and 'distress' she experienced associated with not

knowing her State Pension age had changed and having to use her lump sum to clear her mortgage.

398. Ms L told us her financial position has caused her stress. She also described the stress of having to manage work alongside caring responsibilities, and the health difficulties associated with having to work longer than anticipated while suffering with chronic health problems. She believes stress worsened a pre-existing health condition.
399. If Ms L had received a letter about the 1995 Pensions Act in December 2009, she would already have bought her car, so we do not consider she lost an opportunity to avoid buying it knowing her State Pension age. But she should have known she would not be able to claim her State Pension at 60 before she decided to re-mortgage her home and take a holiday. We find the maladministration led to the injustice that she was denied opportunities to make fully informed decisions about whether to re-mortgage or take a holiday.
400. Having considered the financial information she has provided, we do not consider it likely that Ms L's overall financial position would have been improved significantly if she had been able to make informed choices, although she could have avoided paying for a holiday (but then would have lost the benefit of having had the holiday). She would still have needed to manage her debts, whether by re-mortgaging or taking out a consolidation loan. Because we do not think Ms L's overall financial position would have been improved, we cannot say she would likely have avoided the stress and any stress-related health issues associated with her financial position if the maladministration had not happened.
401. Whether Ms L could have avoided using her lump sum to clear her mortgage (or at least retained some of her lump sum) and avoided having to sell her car depends on the choices she would have made after December 2009, knowing her State Pension age. Those choices would have been influenced by the availability of freelance work, and how long she could have managed freelance work alongside caring for her mother while also experiencing her own chronic health conditions. Ms L did not take on additional freelance work alongside her job in 2013, even though she knew then that she would have to wait longer to claim her State Pension and would need to find a way to clear her mortgage. Ms L's actions after she learned she could not claim her State Pension at 60 suggest she would not have taken on additional work earlier.
402. From what Ms L has told us, she would always have carried on working had she known her State Pension age earlier. So we do not consider the maladministration meant she lost opportunities to avoid having to manage caring alongside work, or working with a chronic health condition. That said, Ms L should have had the opportunity to consider her employment options knowing her State Pension age three to four years earlier than she did. The

loss of that earlier opportunity is a further injustice resulting from the maladministration.

Ms R

403. Ms R was born in December 1955. As her State Pension age according to the 1995 Pensions Act was 65, she would have been able to claim her State Pension under that Act in December 2020.
404. Ms R told us she received a letter from DWP about her State Pension age around two years before she turned 60. Her representative referred to her receiving 'the November 2013 letter' so we have taken that to mean DWP wrote to her in November 2013. Ms R discovered then that she could claim her State Pension when she reached 66 (her State Pension age according to the 2011 Pensions Act). So she had 25 months' notice that she could not claim her State Pension at 60.
405. If the maladministration had not happened, DWP would have written to Ms R about the 1995 Pensions Act in December 2009. Had she received a letter then, she would have had 6 years' notice that she could not claim her State Pension at 60, which would have been 47 months' more notice than she actually had.
406. Ms R bought a retirement cottage in 2008. Owning the cottage has brought additional costs (for example, council tax, utility charges and maintenance and repair costs). She is now having to sell the cottage and has incurred further costs (for example, legal fees). She said she would not have bought the cottage if she had known she would not get her State Pension at 60.
407. Ms R purchased another property, a flat, in December 2012. While she did not take out a mortgage for the flat, she has had to manage the cost of running two properties. She told us that because she owns the flat, she was only eligible for Jobseekers' Allowance for six months after she was made redundant in 2015. She also told us the flat has depreciated in value (so she would lose money if she sold it).
408. Ms R told us she had intended to use her State Pension plus her private pension to cover the running costs of her properties, knowing that the 'uncertain' nature of her work carried a risk she would be made redundant. She said she would not have bought the flat had she known she would wait longer than anticipated for her State Pension.
409. Ms R also told us she was 'forced' to draw on her private pension earlier than she wished. She began drawing on the pension in 2016, after she was made redundant, to meet the running costs of her two properties. Drawing on the pension sooner than she had planned and during a 'falling share market' has left her with a smaller annuity. She says her physical and mental health and

family relationships have been affected by her situation and she has been unable to sleep.

- 410. Ms R told us more notice of her State Pension age would have allowed her to make ‘a fully informed choice’ and she ‘would definitely not have incurred the losses I have and which have been solely caused by DWP.’
- 411. Had DWP written to Ms R in December 2009, she would have already bought her cottage, so we do not consider the maladministration meant she lost an opportunity to make a different choice about buying it knowing her State Pension age, or that she has avoidably lost money because of owning it.
- 412. The evidence indicates that Ms R’s decision to draw on her private pension earlier than expected resulted from her redundancy and her needing an income. She would still have needed an income post-redundancy if she had known her State Pension age earlier. We do not consider the maladministration led to any losses relating to her drawing on her private pension early.
- 413. But Ms R should have been informed by DWP that she would not be able to claim her State Pension at 60 before she bought her flat. We find the maladministration led to the injustice that she was denied an opportunity to make a fully informed decision about buying the flat.
- 414. Whether Ms R could have avoided any financial losses related to owning the flat - and the effects her financial situation had on her health, wellbeing and family relationships - depends on whether she would still have bought it knowing her State Pension age. Ms R told us she had not necessarily intended to retire at 60, though she had thought about reducing to part-time hours. This indicates that she had intended her State Pension would supplement any income from employment and her private pension once she reached 60.
- 415. The evidence suggests that her losses and her current financial situation relate, at least in part, to her employment status. In these circumstances we cannot agree that any losses Ms R has experienced were ‘solely caused by DWP’.

Ms E

- 416. Ms E was born in April 1955. Like Ms R, her State Pension age according to the 1995 Pensions Act was 65. She would have been able to claim her State Pension under that Act in April 2020.
- 417. DWP wrote to Ms E about her State Pension age in October 2012. That letter explained her State Pension age according to the 2011 Pensions Act and that she would be able to claim her State Pension when she reached 66. So she had 30 months’ notice that she could not claim her State Pension at 60.

418. If the maladministration had not happened, DWP would have written to Ms E about the 1995 Pensions Act in September 2009. Had she received a letter then, she would have had 67 months' notice that she could not claim her State Pension at 60. She would have had 37 months' more notice than she actually had.
419. Ms E was made redundant in February 2009. After six months of being unable to find work similar to her old job she decided to stop looking and live more frugally, expecting she could claim her State Pension at 60. She believed she could 'manage' the six years to her expected State Pension age. She lived off a small private pension and, eight years later, re-mortgaged her home to alleviate financial pressures.
420. Ms E told us that she worked from the age of 16, and it is 'without question' she would have continued working had she known her State Pension age. She said she would have continued looking for a job until she found the right role while her skills were still fresh and she had the confidence to do so.
421. Ms E said she lost the opportunity to make different, informed financial decisions. She described having 'no control over [her] finances, and therefore [her] life' and said she has to rely heavily on her husband financially.
422. Ms E also told us that worry about her finances has affected her sleep and blood pressure. She believes this worsened a pre-existing health condition. She said that instead of retiring when he had planned to, her husband had to carry on working to his State Pension age to cover household costs. This meant he was not at home to care for her as much as she needed when she became unwell in 2021.
423. Ms E had the opportunity to look for work knowing her State Pension age from October 2012. We find that because of the maladministration she lost the opportunity to look for work knowing her State Pension age around three years earlier, when her skills were fresh and she had the confidence to do so.
424. Whether her financial position would have been improved if the maladministration had not happened, and whether any emotional, health and domestic consequences associated with her financial position would have been avoided, depends on the decisions she would have made from September 2009 and the results those decisions had.
425. The fact that Ms E had only very recently stopped looking for work in September 2009, and would have known then she would wait more than ten years to claim her State Pension, suggests she might very well have resumed looking for a job. If she had, there is the further uncertainty about whether she would have succeeded in getting a job (we note she had not found work after six months of looking), how long she could have worked and how much she would have earned if she had found work. But she should have had the

opportunity to look for work knowing her State Pension age earlier than she did.

Ms W

426. Ms W was born in March 1959. According to the 1995 Pensions Act she would have been able to claim her State Pension when she turned 65 in March 2024.
427. Ms W also told us she did not receive any letters from DWP about her State Pension age. If the maladministration had not happened, DWP would have written to her about the 1995 Pensions Act in October 2011, 89 months before she turned 60.
428. Ms W learned she would not be able to claim her State Pension at 60 when she requested a State Pension forecast in December 2011. If DWP had written to her in October 2011, she would only have had around two additional months' notice that she would be able to claim her State Pension at 60.
429. Ms W decided to give up her full-time job to care for her mother in April 2010, believing she could claim her State Pension in 2019. She told us she had calculated that she could afford to live off her savings until then. She subsequently left her job in November 2010. In March 2011, Ms W took on some part-time, freelance work alongside her caring responsibilities. Ms W said that if she had known her State Pension age, she would have made a 'totally different' decision about leaving her job and would have sought opportunities to advance her career. Alternatively, she may have had a window of opportunity to return to her former employer or, with support, get back into 'appropriate employment' had she received a letter sooner.
430. Ms W said her annual income reduced significantly due to working freelance, she has been unable to rebuild her savings, and she now has nothing left for emergencies. She said she lost the opportunity to make different financial decisions which would have improved her financial situation.
431. Ms W also told us she would never knowingly have put herself in the position of being financially reliant on her husband as being independent had always been a 'tremendous source of pride and satisfaction' to her. She said she took a course of action based on 'misinformation' that was 'catastrophic' for her self-esteem, and left her with 'a sense of failure, loss of self-confidence and feelings of guilt on all counts'. She felt she had let her family down. Ms W described how her mental health has been damaged due to 'stress, worry and anxiety', and that she feels 'angry, humiliated and frustrated'.
432. If DWP had written to Ms W in October 2011, it would have been close to a year after she had left her job and more than six months after she had begun her freelance work. So we do not consider the maladministration led to her losing an opportunity to remain in her job and advance her career with her former employer.

433. We consider it is unlikely an additional two months' notice would have improved Ms W's chances of seeking re-employment with her previous employer, especially as by then she would not have worked for them for almost a year. We do not think two additional months to consider her employment options would have significantly affected her chances of securing alternate employment. But Ms W should have had two months more than she did to consider her options. Maladministration led to the injustice that she was denied those two months.

E.3 Whether maladministration in DWP's communication about National Insurance qualifying years led to injustice

434. Ms R, Ms I and Ms L told us they have lost out financially because DWP did not adequately communicate changes to the number of qualifying years National Insurance contributions needed for a full State Pension. They have also described feeling confused, stressed and shocked.
435. These complainants began paying National Insurance before 6 April 2016, so their starting amount of State Pension is calculated according to transitional arrangements that take account of their individual National Insurance records. The transitional arrangements mean that their starting amount of new State Pension is no less than what it would have been under the 'old' system. They are not eligible to claim the full rate of State Pension because of the deductions made for times they were contracted out of the Additional State Pension in the past.
436. Ms R told us that inadequate communication meant she lost an opportunity to improve her State Pension. She told us that unclear information about making voluntary National Insurance contributions meant she was denied the opportunity to purchase two pre-April 2016 years. She said the information DWP gave her was confusing, and the time it took her to clarify what she was able to do caused her stress.
437. ICE noted that some of the information a DWP call handler gave Ms R in December 2015 about making voluntary National Insurance contributions was incorrect, and that it was understandable she was 'less than clear about the situation'. ICE also noted that when Ms R had complained to DWP about the information, it told her adding pre-April 2016 qualifying years would not benefit her, but adding post-April 2016 qualifying years would. ICE found that when it was apparent Ms R continued to be confused, DWP had not clarified its advice or apologised for giving confusing information.
438. We accept that being given incorrect, and then different, information would have been confusing for Ms R and led to a degree of stress. ICE recommended DWP clarify the situation and pay her £50 for having not adequately

addressed her concerns. That was an appropriate remedy for the confusion and stress she was caused.

439. Ms R already has enough qualifying years but a ‘contracted out’ deduction has been applied when calculating her starting amount of State Pension. The only way she could increase her starting amount would be to add to her post-April 2016 National Insurance record. We do not consider unclear information means Ms R was denied an opportunity to improve her State Pension. What she wanted to do would not have benefitted her.
440. Ms I got a State Pension statement in 2013 showing she had 32 qualifying years. She believed then that she had more than enough qualifying years for the full rate of State Pension. She got another State Pension statement in 2015 and found out that she would not be able to claim the full rate. She said she was shocked to learn she would have to buy additional qualifying years and that she would need to find the money to do it.
441. In 2017, Ms I borrowed money from her mother to buy three pre-April 2016 qualifying years. She told us that having to borrow money from her mother made her feel she had lost her dignity. She later found out that despite having bought the additional years, she would still not be able to claim the full rate. This again caused her shock. She feels it is unfair that she is not eligible for a full State Pension.
442. We appreciate it must have been shocking for Ms I to learn her State Pension entitlement was not what she thought, and we understand why she feels the way she does about borrowing from her mother. It is clear from what she has told us that she did not understand the implications of being contracted out of the Additional State Pension. We explained earlier that DWP knew in 2016 that too many people did not realise that having 35 qualifying years would not necessarily entitle them to the full rate of new State Pension, but it did not adequately act on that feedback.
443. We do not consider the shock Ms I experienced in 2015 would have been avoided if DWP’s maladministration had not happened, since it pre-dates the point research and feedback showed DWP that it needed to do more to help people understand how State Pension reform affected them personally. It is possible that Ms I’s shock in 2018 could have been lessened had DWP altered its methods and prompts after 2016 to ensure people understood the impact having been contracted out would have. But it would not have altered the fact Ms I does not qualify for the full rate of new State Pension, so any shock associated with her entitlement is unlikely to have been avoided.
444. Ms I now has 35 pre-April 2016 qualifying years. In March 2018 DWP wrote to her, at ICE’s recommendation, explaining that if she bought one additional post-2016 qualifying year it would increase her starting amount to the maximum she could be entitled to. During our investigation she told us that she could not afford to buy a further year at the time.

445. We do not consider Ms I has suffered a financial loss or been treated unfairly due to any failings in DWP's communication about the new State Pension. Her starting amount was calculated according to the rules that apply to anyone in a similar situation to her. She has increased her starting amount by buying back as many qualifying years as she told us she could afford.
446. Ms L also told us that not being entitled to what she thought she would get has caused her stress. Until 2016 she believed she needed only 30 qualifying years. In 2016 she requested a State Pension statement and learned that, even though she expected to have 50 qualifying years by the age of 66, she would not be able to claim the full rate because she had been contracted out of the Additional State Pension. The leaflet Ms L said she received with this statement said that people might be able to improve their starting amount by paying making voluntary contributions, and directed her to a website with more information.
447. Given Ms L's financial situation, we understand how learning that she would not be getting as much State Pension as she expected would cause her stress. Her stress stems from her not knowing what effect being contracted out of the Additional State Pension would have on her State Pension. For similar reasons as in Ms I's case, we do not think her stress could have been avoided if DWP's maladministration in 2016 had not happened.
448. We note that Ms L continued to make National Insurance contributions for the years 2016/17, 2017/18 and 2018/2019, which added to her starting amount. DWP wrote to Ms L in August 2019 and advised her that paying National Insurance for the tax years 2019/20 and 2020/21 would add a further two thirty-fifths of new State Pension to her starting amount. She told us she made National Insurance contributions for these years. So she has not been disadvantaged.
449. What Ms I and Ms L have told us shows they did not understand the implications of joining a contracted out pension scheme when they joined those schemes. That was not due to any failings in communication about the new State Pension by DWP.
450. It is clear from what these three sample complainants told us that they have not understood whether or how the eligibility criteria for the new State Pension introduced with the 2014 Pensions Act affected them. It is also clear that Ms R, Ms I and Ms L all found themselves in the position of being entitled to a lower starting amount of State Pension than they expected due to not understanding how their entitlement would be calculated.
451. We cannot say these complainants have suffered a financial loss as a result of DWP's communication about the new State Pension, given their starting amount of State Pension is no less than it would have been under the 'old' rules. Neither can we say they lost an opportunity to improve their starting amount given that what Ms R wanted to do would not have benefited her, Ms I

told us she could not afford to buy a further post-2016 qualifying year at the time, and Ms L was given information about how she could increase her starting amount.

452. While we understand the confusion, shock and stress Ms R, Ms I and Ms L claim, Ms R's confusion and stress has already been remedied. Ms I and Ms L's shock and stress due to not being eligible for the full rate of new State Pension would not have been avoided if the maladministration had not happened. Their shock and stress relates to rules around eligibility, not communication of those rules.
453. We recognise, too, that these three complainants all understood the need to actively seek out information about their State Pension entitlement and DWP gave them personalised information, including about what they could do to increase their starting amounts. As such, we cannot say the emotional impacts they claim result from DWP not doing enough to help them understand their situations.

E.4 Whether maladministration in DWP's complaint handling led to injustice

454. Complainants told us inadequate complaint handling compounded their stress and anxiety. For example, Ms R described the effect of inadequate complaint handling as 'tortuous'. Ms W told us that she believed DWP's response had been intended to make her feel her situation was a result of '[her] own stupidity'. She said this added to her distress about the increase to her State Pension age. She also said that, had DWP accepted part of the responsibility for her not being aware of changes, then they would have been 'easier to process'.
455. Each of the sample complainants feel aggrieved with DWP's responses to their complaints. They feel DWP has not acknowledged failings in its communication about their State Pension ages, and has not provided a remedy for its maladministration.
456. If the failings in DWP's complaint handling had not happened, it is possible it would have reached different conclusions. However, we cannot say it is more likely than not DWP would have acknowledged failings in how it communicated changes to State Pension age so we cannot say it would have provided a remedy. We therefore cannot say it is more likely than not complainants' distress about the outcome of DWP's investigation could have been avoided. That said, had DWP adequately investigated and responded to their concerns, their distress may have been lessened. We find an opportunity to lessen their distress was lost because of DWP's maladministration.
457. In addition, the stress and anxiety complainants experienced due to DWP unnecessarily elongating its complaint handling could have been avoided if DWP had adequately addressed all issues at the first opportunity.

458. Finally, we find that two sample complainants were caused unnecessary worry and confusion because of DWP's responses to their complaints. DWP did not initially respond to Ms L's concerns about National Insurance. She was worried she might have to make a fresh complaint to DWP about this issue. That worry would have been avoided if DWP had addressed all her issues at the first opportunity. And when DWP responded to ICE's recommendation to clarify Ms U's National Insurance contributions, the information it sent her contained a discrepancy. The confusion that caused could have been avoided if it had sent her consistent information. We note that DWP has told us it has now apologised for its error. We consider an apology to be adequate remedy.

E.5 Where the sample complainants' injustice sits on our severity of injustice scale

459. For most sample complainants we consider the primary injustice is that they were denied opportunities to make informed decisions about some things, and to do some things differently, because of maladministration in DWP's communication about State Pension age. That is a material injustice.

460. The exception is Ms W. She should have had just two additional months' notice of her State Pension age and so very limited opportunity to do things differently. She would not have had opportunities to do differently the specific things she told us she would have done differently.

461. But we recognise that Ms W has lived with the sense of loss of financial control for several years. The lasting impact this has had on her emotional wellbeing is evident in what she has told us. It is clear her sense of lost autonomy has 'taken over' her life to some extent. She also experienced the impact of maladministration in DWP's complaint handling.

462. We consider Ms W's primary injustice is emotional and falls at the lower end of level 4 on our severity of injustice scale.

463. DWP suggested to us that Ms W's sense of loss of control would have been 'restored' in December 2011 when she learned her State Pension age, that her injustice due to maladministration in communication of State Pension age lasted only two months, and that a level 4 remedy would not be proportionate. We disagree.

464. Ms W believes DWP should have informed her that her State Pension age had changed much earlier than we have assessed, and that she would have had opportunities to make different decisions about leaving her job. That has fuelled her sense of loss of control. If the maladministration had not happened, the opportunity for Ms W to believe she could have been in a different position now would not have arisen. The emotional impact on her did not end when she discovered her State Pension age.

465. We have considered which level the primary material injustice Ms U, Ms I, Ms R, Ms L and Ms E suffered sits within. What they have told us also indicates that the issues they complain about have ‘taken over’ their lives to some extent. That aligns with level 4 on our severity of injustice scale.
466. Level 5 material injustices include the ‘loss of significant financial opportunities or life chances, for example the loss of opportunity to go to university, or to develop a career, where we cannot say on balance that these opportunities would have been taken up’. Level 6 includes the ‘loss of a major life chance which we can say on balance of probabilities would have happened, e.g. the chance to attend university, start a new life in a different country, or pursue a chosen career’.
467. We have found that Ms U, Ms I, Ms R, Ms L and Ms E lost opportunities to do some things differently and the evidence suggests some of them may well have acted differently had they had those opportunities. For Ms I, Mr R, Ms L and Ms E there is considerable uncertainty about what the consequences would have been for them if they had chosen to act differently. For example, whether they would have found further work, or been able to organise their financial affairs differently. In Ms U’s case, we agree that she would have adjusted her spending earlier which could have enhanced the ‘buffer’ available to her. We must recognise, though, that she has already had the benefit of the money she would otherwise have saved.
468. The significance of a financial opportunity varies. For example, someone going to university aged 18, then starting a job at a higher level due to having university qualifications while in their early 20s, followed by decades of career progression and pension accumulation will reap greater long-term financial reward compared with someone going to university when they are much older. Similar can be said about the financial benefits stemming from opportunities to develop a career. While Ms U, Ms I, Ms R, Ms L and Ms E did lose financial opportunities, it does not necessarily follow that they lost ‘significant’ financial opportunities or ‘a major life chance’ to the extent that would bring their case to within level 5 on the severity of injustice scale.
469. Ms U should have had the opportunity to adjust her spending around three years earlier than she did. Ms I, Ms L and Ms E should each have had opportunities to make employment choices knowing their State Pension age three to four years earlier than they did. Ms U, Ms I, Ms L and Ms E each had opportunities to do the things they said they would have done had they known their State Pension age. The maladministration meant they were denied opportunities to do those things earlier. Those opportunities were important to them and should be compensated, but we do not think it brings them up to level 5 on the severity of injustice scale.
470. Ms L and Ms R should have had opportunities to make informed decisions about re-mortgaging or buying a second property. The evidence suggests Ms L’s overall financial position would not have been improved had she been

able to make an informed decision. The financial consequences of Ms R buying her flat have been influenced by her being made redundant and the flat depreciating in value. Whenever someone buys a property, they necessarily accept the risk that it might decrease in value. They also have to accept the risk that their income may change over time. These factors influence our assessment of the significance of the opportunities Ms I and Ms R lost to make different decisions.

471. Complainants' representatives have suggested to us that the likelihood that someone's overall financial position would have been improved if they had not lost opportunities to act differently is not a relevant factor when assessing the significance of the opportunity that was lost. But the severity of injustice scale takes account of the impact injustice has on a person's life when categorising levels of injustice. It is necessary to take account of the likely financial consequences of the lost opportunities when considering how significant a financial opportunity was and the likely impact on a person's life.
472. DWP has suggested to us that the sample complainants had a reasonable amount of notice of the State Pension age, some had opportunities to make enquiries about their State Pension age (Ms U in response to the State Pension statement she got in 2007, Ms I and Ms E in response to the AFPs they were sent, Ms L in response to the APF and when she made her mortgage application in 2011), some had opportunities to do more to improve their financial situation (for example, Ms U could have sought paid work rather than adjust her spending), and most made significant decisions without having sought clarification of their State Pension age.
473. DWP said it is reasonable to expect that people making decisions about their future retirement will take steps to establish their own circumstances, for example, by phoning DWP, asking for expert advice or looking on the internet. It suggested these factors mitigate the injustice they suffered because of the maladministration.
474. But because of maladministration in DWP's communication about the 1995 Pensions Act, women did not know they had cause to take action to establish their circumstances. We know from stage one of our investigation that women did not seek information about their State Pension age because they felt they had no reason to question it.
475. Having considered the nature of the primary injustice, what the severity of injustice scale says, and the compounding emotional injustice arising from maladministration in DWP's complaint handling, we consider Ms U, Ms I, Ms R, Ms L and Ms E's injustice is at the higher end of level 4 on the severity of injustice scale.

Part F: Remedy

F.1 Our approach to remedy

476. Our published Principles for Remedy set out how we think public bodies should put things right when they have gone wrong. They explain ‘putting things right’ means that where maladministration or poor service has led to injustice or hardship, public bodies should try to offer a remedy that returns the complainant to the position they would have been in otherwise. If that is not possible, the remedy should compensate them appropriately.
477. Remedies may be financial or non-financial. An appropriate range of remedies will include:
- an apology, explanation and acknowledgement of responsibility
 - remedial action, which can include revising procedures to prevent the same things happening again
 - financial compensation for direct or indirect financial loss, loss of opportunity, inconvenience, distress or any combination of these.
478. The Principles for Remedy are reflected in guidance published by HM Treasury (‘Managing Public Money’, May 2023) which says remedies may take several different forms, including ‘financial payments, e.g. one off or as part of a structured settlement’ and/or ‘an undertaking to improve procedures or systems’.
479. DWP’s ‘Financial redress for maladministration: staff guide’ says: ‘When things go wrong, we should act quickly to put matters right ... The action we take to put matters right is sometimes referred to as redress. Redress can include a combination of:
- a sincere and meaningful apology
 - an explanation of what happened and/or what went wrong
 - putting things right (for example a change of procedure/revising published material)
 - a special payment (financial redress).’
480. When we find maladministration has led to injustice, we usually make recommendations to ‘put things right’, in line with our Principles for Remedy. It is extremely rare for government departments not to comply with recommendations we make following an investigation. But we cannot compel organisations to comply with our recommendations. When they do not comply, we have the power to lay our report before Parliament so that Parliament can act to protect the rights of citizens.
481. What DWP has told us during our investigation, and the fact that it has yet to acknowledge its maladministration, leads us to believe it will not remedy the

injustice. DWP has highlighted a number of reasons why it considers it could not provide a remedy (including compensation) such as the costs involved, the time it would take, the amount of resource it would involve, and the negative impact delivering a remedy would have on it being able to maintain other services. It told us it considers that providing remedy would be inconsistent with good administration or guidance published by HM Treasury ('Managing Public Money'). It also told us that using taxpayer funds to pay compensation for the consequences of the maladministration would likely need parliamentary and Treasury approval and, potentially, primary legislation.

- 482. Complainants have voiced concerns with us about DWP's intent or ability to deliver a remedy, as well as their disappointment with the fact that DWP has yet to acknowledge its maladministration or put things right for those affected by it.
- 483. We recognise that the women who complained to us, and others similarly affected, urgently need resolution. We have considered what the quickest route to remedy would be, given what DWP has told us.
- 484. Given the significant concerns we have that DWP will fail to remedy the injustice, the most expedient thing we can do is to move immediately to bringing matters to Parliament's attention. This is a rare decision, but we consider it necessary in the circumstances. It would be unsatisfactory and artificial for complainants to have to 'wait and see' whether DWP will act on our findings and then almost certainly experience further delay if it does not. We are therefore asking Parliament to intervene and identify a mechanism for providing appropriate remedy. We consider this approach to be in the complainants' best interests. It is, of course, open to DWP to forestall this process by acting on what we say to Parliament.
- 485. We recognise Parliament will make its own decision about remedy. We are sharing our thinking about remedy, and the standards that influence our thinking, to help guide Parliament in its considerations.

F.2 Acknowledgement and apology

- 486. Our Principles for Remedy say an appropriate range of remedies will include 'an apology, explanation and acknowledgement of responsibility'. DWP's 'Customer Charter' says it will 'say sorry and put it right if we make a mistake'. Its 'Financial redress for maladministration: staff guide' says it should 'accept responsibility' when things go wrong, and that redress can include 'a sincere and meaningful apology'.
- 487. We would have recommended DWP acknowledges the maladministration we have found and apologises for the impact it has had on complainants and others similarly affected.

488. Many women have told us they want personal apologies from DWP. Parliament may want to consider what would be the most proportionate and timely means of delivering apologies, given the need to balance appropriately responding to complaints and available resources.

F.3 Financial remedy

F.3.1 The sample complainants

489. We have explained our thinking about where on our severity of injustice scale the sample complainants' injustice sits. We would have recommended they are paid compensation at level 4 of the scale.
490. Our Principles for Remedy say that when deciding remedies people should be treated consistently and decisions on remedies should take proper account of previous decisions made on similar facts. DWP has suggested a level 4 remedy would not be consistent with other cases we have investigated. It referenced two cases where failures in communication of State Pension changes (relating to the Guaranteed Minimum Pension) led to complainants suffering an emotional injustice and we recommended a level 3 remedy. It also referenced cases we investigated as the Health Service Ombudsman relating to failures in clinical care where we recommended a level 4 remedy.
491. The cases DWP cite that most closely relate to this investigation are the ones concerning the Guaranteed Minimum Pension. In the first case we found that the complainant did not lose an opportunity to improve their financial position. They were aware that the introduction of the new State Pension and changes to the Guaranteed Minimum Pension could have a negative long-term impact on them, so DWP's failure to properly communicate had not prevented them planning their finances. We found they suffered frustration and outrage as a result of DWP's failure to be open with them and acknowledge their valid points and concerns over an extended period of time and recommended a remedy at the lower end of level 3 on the severity of injustice scale.
492. In the other case, we found the complainant was unaware the reforms could have a negative impact on them at the point they sought clarification from DWP. They had already retired by then. They told us this meant it was already too late for them to take significant action to improve their future financial situation. We recommended a remedy at the mid-range at level 3 for the frustration and outrage the complainant experienced and the worry, frustration, stress and inconvenience they suffered.
493. We do not consider these cases are directly comparable, particularly since the reforms did not affect when the complainants would receive their State Pension, albeit over time the reforms would affect the value of their pensions. Nor do we think the injustice in the two health cases DWP highlighted is comparable. One concerned a complainant being left with

unnecessary scarring and being in pain, and the other involved a delayed operation following a cancer diagnosis. Neither concerned claimed financial loss, loss of financial opportunity or loss of financial autonomy.

F.3.2 Others affected by DWP's maladministration

494. Our Principles for Remedy say public bodies should offer remedies, where appropriate, to others who have suffered injustice as a result of the same maladministration. We would have recommended DWP provides a remedy for others who have suffered injustice because of the maladministration we have identified.

F.3.2.i Injustice resulting from maladministration in DWP's communication about the 1995 Pensions Act

495. Not all women born in the 1950s will have suffered an injustice because of DWP's maladministration in communicating State Pension age. We know, for example, some women were aware their State Pension age had changed before DWP should have begun direct mail. DWP's research between 2000 and 2007 showed that although action was needed to improve awareness, a proportion of those affected knew their State Pension age had risen.

496. Some women would not have had opportunities to do things differently. For example, some women's personal circumstances would have limited their opportunities to do things differently, even if they would have wanted to. Other women may not have needed to consider doing things differently because their planning did not rely on their understanding of their State Pension age.

497. But there will likely be a significant number of women born in the 1950s who have also suffered injustice because of maladministration in DWP's communication about the 1995 Pensions Act. We would have recommended DWP remedy their injustice.

498. DWP and complainants have highlighted that the impact the maladministration had on women would have been variable depending on:

- how close to their expected State Pension age (60) they would have been when DWP should have written to them
- the extent of the opportunities they lost to act differently (in terms of the additional time they would have had available to do things differently).

They said any compensation needs to reflect individual experience and impacts.

499. We accept that some women would have been closer to 60 than others when DWP should have written to them about the 1995 Pensions Act and so would have had a smaller window of opportunity to do things differently. We also

recognise that some women's State Pension age rose by a matter of weeks or months as a result of the 1995 Pensions Act, while others' increased by years. The significance of any opportunities lost to do things differently will vary accordingly.

500. There are several factors that would have influenced the extent to which women would have had opportunities to do things differently. How close to 60 they were when DWP should have written to them is one, another is how much additional notice they should have had compared with when they found out their State Pension age had changed. Others include, but are not limited to, their employment status, their earnings, their caring responsibilities, their health and their domestic life. How these factors interact, and how significantly they would have affected individual women's personal experiences and opportunities, will vary from person to person. We do not think it follows that a longer notice period would have necessarily meant women having greater chances to do something different.
501. Our Principles for Remedy say each case should be considered on its own merits. Any guidance or procedure used to determine remedies should be flexible enough to consider fully individual circumstances and the need to provide appropriate remedy. Similarly, DWP's 'Financial redress for maladministration: staff guide' says the injustice resulting from maladministration should be addressed on a case-by-case basis. It says each case should be considered on its own merits with consideration given to the circumstances of the individual and the impact the maladministration had on them.
502. As a matter of principle, redress should reflect individual impact. But the numbers of people who have potentially suffered injustice because of the maladministration, the need for remedy to be delivered without delay, and the cost and administrative burden of assessing potentially millions of individual women's circumstances may indicate the need for a more standardised approach. HM Treasury's 'Managing Public Money' requires compensation schemes to be efficient, effective and deliver value for money. It also says the administrative costs associated with compensation schemes should not be excessive.
503. Parliament may want to consider a mechanism for assessing individual claims of injustice. Or it may consider a flat-rate payment would deliver more efficient resolution, recognising that will inevitably mean some women being paid more or less compensation than they otherwise would.
504. We recognise the very significant cost to taxpayers of compensating all women affected by DWP's maladministration. Compensating all women born in the 1950s at the level 4 range would involve spending between around £3.5 billion and £10.5 billion of public funds, though we understand not all of them will have suffered injustice. Our Principles for Remedy acknowledge that public bodies need to balance responding appropriately to people's

complaints and acting proportionately within available resources. But they also say finite resources should not be used as an excuse for failing to provide a fair remedy.

F.3.2.ii Injustice resulting from maladministration in DWP's communication about National Insurance qualifying years

505. We did not find that the sample complainants suffered an unremedied injustice because of maladministration in DWP's communication about the number of National Insurance qualifying years needed for a full State Pension. But it is possible others have lost opportunities to add qualifying years to their National Insurance record. We would have recommended DWP provides remedy in line with our severity of injustice scale for anyone who can show they lost opportunities to add to their National Insurance record.
506. DWP told us it does not consider anyone has lost opportunities to add qualifying years to their starting amount of new State Pension. It said it writes to people four months before they reach their State Pension age and encourages them (both at the time and during the subsequent claims process) to check their National Insurance record using the 'Check your State Pension' service, and to consider making voluntary contributions to 'buy back' gaps in their qualifying years. It also pointed to the resources available to help people know their future State Pension entitlement and how to improve it.
507. We think DWP's position overlooks key issues. Some people affected by the maladministration have not yet reached State Pension age so they will not have been through the claims process. We also recognise that people's financial circumstances change. By the time they reach the point of claiming their State Pension they may not be able to afford to buy back qualifying years when they could have afforded to earlier had they known that was possible. They may already have lost opportunities to earn more qualifying years by continuing to work, or to save over time to be able to afford to make voluntary contributions. They may also have lost opportunities to apply for certain benefits that would have resulted in credits being made to their National Insurance record.
508. We understand the opportunity to make voluntary contributions to buy back qualifying years from 2006 to 2007 onwards has been extended to 5 April 2025. But this does not remedy the injustice for anyone who can show they can no longer afford to make voluntary contributions but would have been able to if the maladministration had not happened. And it does not provide a remedy for people who could have worked for longer or claimed certain benefits had they known they had an opportunity to add more qualifying years to their National Insurance record.

F.4 Service improvements

509. Our Principles for Remedy say it is a false economy and poor administrative practice to deal with complaints only as they arise and to fail to correct the cause of the problem. ‘Seeking continuous improvement’ includes that ‘Part of a remedy may be to ensure that changes are made to policies, procedures, systems, staff training or all of these, to ensure that the maladministration or poor service is not repeated. It is important to ensure that lessons learned are put into practice.’
510. DWP’s ‘Financial redress for maladministration: staff guide’ says redress can include ‘putting things right (for example a change of procedure/revising published material)’, while Managing Public Money says:
- ‘Public sector organisations should seek to learn from their complaints. If an internal or external review, or [a Parliamentary Ombudsman] investigation, shows there are systemic faults, defective systems or procedures should be overhauled and corrected.’
511. Our investigation found repeated failures in DWP’s communication about State Pension reform. In 2005, DWP failed to adequately respond to research and feedback that showed information about State Pension age was not reaching the people who needed it, and that too often people did not understand their own situations. More than a decade later, DWP failed again to adequately act on what it knew about people not understanding how the introduction of the new State Pension affected them.
512. In 2018, the Chair of the Public Accounts Committee criticised DWP for having ‘failed to act on information and intelligence from its own front line’ about failures in a benefit migration exercise.
513. The evidence points to a systemic failure in how DWP responds to what research and feedback is telling it.
514. DWP told us the events are historical and it has since modernised and digitised its communications. It referred to its ongoing work to improve the services it delivers, including through acting on internal and external research and feedback (for example, customer feedback, surveys and complaints) and its use of user-centred design. It also told us its bespoke approach to handling complaints about State Pension age in response to campaign-led template complaints does not reflect its usual processes. It also pointed to it having more recently aligned its complaints quality standards with our UK Central Government Complaint Standards.
515. Given what our Principles, DWP’s own guidance and HM Treasury’s guidance say, Parliament may want to take steps to make sure DWP is held to account to demonstrate continuous improvement in the service it provides.

Annex A

Table 1: When DWP wrote to women between 2009 and 2013

People affected only by the 1995 Pensions Act

Date of birth	Mailing date	Number of letters issued
6 April 1950 to 5 July 1950	April 2009	99,985
6 July 1950 to 5 October 1950	July 2009	96,356
6 October 1950 to 5 April 1951	October 2009	191,465
6 April 1951 to 5 October 1951	January 2010	196,189
6 October 1951 to 5 April 1952	April 2010	188,515
Pause		
6 April 1952 to 5 October 1952	February 2011	196,594
6 October 1952 to 5 April 1953	March 2011	191,665
Pause		

People affected by the 1995 Pensions Act and the 2011 Pensions Act

Date of birth	Mailing date	Number of letters issued
6 April 1953 to 5 December 1953	January 2012	275,000
6 December 1953 to 5 October 1954	February 2012	646,000
6 October 1954 to 5 April 1955	February 2012	375,000
6 April 1955 to 5 April 1960	October 2012 to November 2013 (includes a pause from January to May 2013)	4,475,000

Annex B

Table 2: When letters about the 1995 Pensions Act would have been sent if direct mail had begun in December 2006

Date of birth	Date when turn 60	Increase in State Pension age above 60 years (in months)	How much earlier (in months) a letter should have been sent ⁶	When a letter would have been sent	Notice period (months between notification and 60 th birthday)
6 April 1950 to 5 July 1950	6 April 2010 to 5 July 2010	Up to 3	28	December 2006	40-43
6 July 1950 to 5 October 1950	6 July 2010 to 5 October 2010	3-6	28	March 2007	40-43
6 October 1950 to 5 April 1951	6 October 2010 to 5 April 2011	6-12	28	June 2007	40-46
6 April 1951 to 5 October 1951	6 April 2011 to 5 October 2011	12-18	28	September 2007	43-49
6 October 1951 to 5 April 1952	6 October 2011 to 5 April 2012	18-24	28	December 2007	46-52
6 April 1952 to 5 October 1952	6 April 2012 to 5 October 2012	24-30	35	March 2008	49-55
6 October 1952 to 5 April 1953	6 October 2012 to 5 April 2013	30-36	33	June 2008	52-58
6 April 1953 to 5 October 1953	6 April 2013 to 5 October 2013	36-42	40	September 2008	55-61
6 October 1953 to 5 April 1954	6 October 2013 to 5 April 2014	42-48	37-38	December 2008	58-64
6 April 1954 to 5 October 1954	6 April 2014 to 5 October 2014	48-54	35	March 2009	61-77
6 October 1954 to 5 April 1955	6 October 2014 to 5 April 2015	54-60	32	June 2009	64-70
6 April 1955 to 5 October 1955	6 April 2015 to 5 October 2015	60	37-50	September 2009	67-73
6 October 1955 to 5 April 1956	6 October 2015 to 5 April 2016	60	34-47	December 2009	70-76

⁶ How many months earlier a letter should have been sent does not necessarily reflect how many more months' notice of their State Pension age women would have had, as demonstrated in our assessment of the sample complainants' injustice.

Date of birth	Date when turn 60	Increase in State Pension age above 60 years (in months)	How much earlier (in months) a letter should have been sent ⁶	When a letter would have been sent	Notice period (months between notification and 60 th birthday)
6 April 1956 to 5 October 1956	6 April 2016 to 5 October 2016	60	31-44	March 2010	73-79
Pause					
6 October 1956 to 5 April 1957	6 October 2016 to 5 April 2017	60	24-37	October 2010	72-78
6 April 1957 to 5 October 1957	6 April 2017 to 5 October 2017	60	21-34	January 2011	75-81
6 October 1957 to 5 April 1958	6 October 2017 to 5 April 2018	60	18-31	April 2011	78-84
6 April 1958 to 5 October 1958	6 April 2018 to 5 October 2018	60	15-28	July 2011	81-87
6 October 1958 to 5 April 1959	6 October 2018 to 5 April 2019	60	12-25	October 2011	84-90
Pause					
6 April 1959 to 5 October 1959	6 April 2019 to 5 October 2019	60	7-20	March 2012	85-91
6 October 1959 to 5 April 1960	6 October 2019 to 5 April 2020	60	4-17	June 2012	88-94

Annex C

Summary of the levels of injustice and ranges of compensation in our severity of injustice scale

- **Level 1 (£0):** a short-lived, low impact injustice (such as annoyance or frustration, worry or inconvenience) where we consider an apology to be an appropriate remedy.
- **Level 2 (£100 to £450):** a relatively low impact injustice resulting in, for example, distress, inconvenience or a short period (up to a month) of financial or other hardship, where we consider an apology alone is not sufficient remedy. Level 2 injustices will not usually have a significant lasting impact.
- **Level 3 (£500 to £950):** a moderate impact usually experienced over a significant period of time, or a short-lived higher impact. The failings may affect to some extent the affected person's ability to live a relatively normal life, for example, due to stress, impaired sleep, or high levels of inconvenience or uncertainty. But, once the situation has ceased, the person affected would be expected to recover quickly.
- **Level 4 (£1,000 to £2,950):** a significant and/or lasting injustice that has, to some extent, affected someone's ability to live a relatively normal life. The injustice will go beyond 'ordinary' distress or inconvenience, except where this has been for a very prolonged period of time. The failure could be expected to have some lasting impact on the person affected. The matter may 'take over' their life to some extent.
- **Level 5 (£3,000 to £9,950):** a significant injustice that has had a marked and damaging impact on the person affected and their ability to live a relatively normal life. Level 5 injustices usually involve significant material or health injustices, or bereavement.
- **Level 6 (£10,000 or more):** a profound, devastating or irreversible injustice where the person has been affected permanently, recovery is likely to take several years, or their quality of life has been reduced for a considerable period. Typical examples are avoidable death and permanent injury.

Parliamentary and Health Service Ombudsman

Citygate
Mosley Street
Manchester
M2 3HQ
United Kingdom

Telephone: 0345 015 4033

Email: phso.enquiries@ombudsman.org.uk

www.ombudsman.org.uk

Follow us on:



If you would like this document in a different format, such as Daisy or large print, please contact us.

E03092505

978-1-5286-4755-7