

## Ombudsman's Determination

Applicant	Mrs N
Scheme	Local Government Pension Scheme ( <b>LGPS</b> )
Respondents	Merseyside Pension Fund ( <b>MPF</b> ) School Improvement Liverpool ( <b>SIL</b> ) Liverpool City Council ( <b>LCC</b> )

## Outcome

1. Mrs N's complaint is partly upheld. To put matters right MPF, SIL and LCC shall pay Mrs N a total of £1,000, taking into account the £500 already paid by SIL and LCC, in recognition of the serious distress and inconvenience which Mrs N has suffered dealing with this matter.

## Complaint summary

2. Mrs N complained that an April 2020 estimate of benefits for her LGPS pension (**the April 2020 Estimate**), which she relied on when deciding to retire, was incorrect due to alleged mismanagement of her pay and pension dating back to 2014. She sought redress for the amount of any lost pension, along with compensation for the distress and inconvenience suffered as a result of this matter.

## Background information, including submissions from the parties

3. The sequence of events is not in dispute, so I have only set out the key points. I acknowledge there were other exchanges of information between all the parties.
4. On 1 September 2014, Mrs N became employed by LCC and joined the LGPS. Her Normal Retirement Date (**NRD**) was 66 which she reached in December 2021.
5. On 1 November 2014, Mrs N's role transferred to a new employer, SIL, a local authority organisation owned by LCC. Her new role was on the same terms and conditions of service as her previous role and she was enrolled into the Teachers' Pension Scheme (**TPS**).

6. In December 2015, Mrs N contacted LCC and queried why she was in the TPS rather than the LGPS.
7. On 1 February 2016, LCC agreed that Mrs N should be in the LGPS and arranged with MPF to transfer her service into the LGPS accordingly. The MPF is a section of the LGPS. The LGPS is a defined benefits (**DB**) pension scheme. LCC is the administering authority for the MPF.
8. In October 2016, Mrs N's TPS' contributions and pay details were transferred to the LGPS.
9. During August of each year from 2016 to 2020, MPF uploaded Mrs N's Annual Benefit Statement (**ABS**) for the previous tax year to an online portal called MyPension. Relevant extracts from the 2016, 2017, 2018, 2019 and 2020 uploaded ABSs are provided in the Appendix.
10. On 24 August 2018, MPF sent an email (via a third party which sent bulk emails to members) to Mrs N which said:

"News Update For Registered Users of MyPension.

As a registered user of [MPF]'s 'MyPension' service, who was an active member of [LGPS] as at 31 March 2018, you can now view your 2018 [ABS] online:

To login to MyPension to view your 2018 statement, please click here

If you have forgotten your MyPension login details, please click here for more information.

To read the explanatory note designed to help you better understand the information contained on your 2018 statement, please click here.

You can read more information about your [ABS] on our website at [mpfund.uk/active2018](http://mpfund.uk/active2018). This information includes help if you are having difficulties locating your Statement in MyPension."

11. On 16 August 2019, an email with the same wording as the 24 August 2018 email was sent to Mrs N.
12. On 24 April 2020, LCC sent Mrs N the April 2020 Estimate. This showed her estimated benefits due under the LGPS based on a retirement date of 31 August 2020, and payable from 1 September 2020. Namely:
  - a full pension of £9,014.49 per annum, or
  - a Pension Commencement Lump Sum (**PCLS**) of £38,633.52 plus a reduced pension of £5,795.03 per annum
13. The April 2020 Estimate included the following warning:

“It is extremely important that you read and check the details of your estimate thoroughly. This includes checking your service history with Merseyside Pension Fund. If you have not already registered, please go to <https://mypension.wirral.gov.uk/altairMSSWeb/login> to request access to MyPension where you can check that any breaks in service (such as maternity, strike or leave without pay) or changes to your working hours have been recorded correctly. You should advise us immediately of any changes to your service which don't appear to have been notified to Merseyside Pension Fund. The figures we provide should be used for guidance only - they are not legally binding and the City Council cannot be held to them. It is therefore your responsibility to satisfy yourself that the final pensionable pay has not been overestimated.”

and

“The Local Government Pension Scheme is regulated by law and there is no discretion, which can be exercised in the calculation of benefit. Liverpool City Council cannot be bound to provide benefits in excess of those limits provided by the scheme regulations. Therefore, to prevent possible financial difficulties or disappointment in the future, please take a few moments now to verify your own details. If you are unsure contact us anyway.”

14. In May 2020, Mrs N submitted her resignation to SIL.
15. On 13 August 2020, MPF was notified of Mrs N's decision to resign.
16. On 14 August 2020, MPF wrote to Mrs N. As relevant, MPF said:

“I note from my records that you are eligible to receive payment of your benefits with effect from 1/9/2020.

...

I would be obliged if you would declare your relationship status on the enclosed LGP1b form, as the entitlement to survivors benefits may depend on your relationship status.

Please return the completed form, together with your birth certificate and other relevant certificates...

Details of your benefit entitlement will be sent upon receipt of the completed Retirement Declaration Form. If you require sight of the figures payable before making a decision, please see section 3 where there is an option for further information to be provided.

If however you do not wish to access your benefits at this time please return the enclosed LGP79 form...”

17. On 21 August 2020, Mrs N replied to MPF. As relevant, she said:

“Thank you for the pension forms and information. I have now completed these and they are enclosed, along with the requested document copies as follows:

- My birth certificate
- My decree absolute

My current partner’s birth certificate.”

18. On 31 August 2020, Mrs N left her post at SIL.

19. On 21 October 2020, MPF wrote to LCC as follows:

“Please could you confirm the member’s **CARE** [Career Average Revalued Earnings] for the period 1/4/2016-31/3/2017 [is] £143,434.39 as this year seems relatively high in comparison to other CARE years.”

20. On 22 October 2020:-

- LCC replied to MPF and said “I can confirm that the member’s CARE pay from 1/4/2016-31/3/2017 is £61,730.23.”
- MPF replied to LCC and requested an Amended Annual Return (LGP4) form.
- LCC provided the LGP4 form which stated the “FFP – Full Time Equivalent [**FTE**] Final Pay” [CARE] for year 2016/17 to be £61,730.23.
- MPF tried unsuccessfully to telephone Mrs N to inform her that her pension options were incorrect because of incorrect CARE figures held on the system and that revised figures were to be sent to her.

21. On 28 October 2020<sup>1</sup>, MPF sent Mrs N an Election Form (LGP18) with a choice of retirement benefit options payable as follows:-

- Immediate reduced benefit: annual retirement pension (payable backdated from 1 September 2020): £7,323.93, or
- Immediate reduced converted benefit: Pension Commencement Lump Sum (**PCLS**) of £31,388.16 plus an annual retirement pension (payable backdated from 1 September 2020): £4,708.25, or
- Preserved benefits: annual retirement pension (payable from 10 December 2021): £7,825.98.

22. On 27 November 2020:-

- Mrs N spoke with MPF about the delays in receiving her benefits. MPF’s telephone note from the conversation said Mrs N was enrolled into the TPS by

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<sup>1</sup> This letter was also sent out pre-dated by email in advance to Mrs N on 23 October 2020.

either SIL or LCC in error, and that she thought she may be owed a refund of contributions because she paid higher contributions in the TPS compared to the LGPS. The telephone note also said Mrs N wanted to defer access to her retirement benefits until 1 January 2021.

- MPF wrote to LCC regarding Mrs N's 2016/17 pay figures. MPF said Mrs N had confirmed that her payslips for that year showed her earnings to be £52.25 higher than LCC had recorded on a LGP4x form. MPF asked LCC to review this pay data and submit a revised form.

23. On 1 December 2020:-

- LCC replied to MPF and confirmed the 2016/17 CARE pay should be £61,782.48, and said it would contact Mrs N with an explanation of the refund.
- MPF wrote to LCC and said it had received two LGP1A forms for Mrs N with conflicting pensionable remuneration information and requested an amended form be sent.

LCC replied to MPF and enclosed a new LGP1A form but said it produced the same figures as previously. LCC confirmed that the monthly salary was £4,668.67 and that the CARE pay should be correct. LCC also said that Mrs N had not done any overtime in the 2020/2021 tax year but that she had done significant overtime in the 2019/2020 tax year.

24. On 2 December 2020, MPF wrote to Mrs N and asked if she agreed with the pay details provided by SIL. If she agreed, MPF said it could proceed with her request to defer her pension benefits with effect from her date of leaving (31 August 2020) and provided pension options with a retirement date of 1 January 2021 as follows:-

- Pensionable pay (for the period 1/9/2019 – 31/8/2020); £70,030.05
- CARE (for the period 1/4/2020 – 31/8/2020): £23,343.35

25. On 4 December 2020, Mrs N replied to MPF and confirmed that the figures provided were in line with her own calculations of her earnings.

26. On 9 December 2020, MPF sent Mrs N an Election Form (LGP18) with three options. Namely:

- an immediate reduced benefit: an annual retirement pension (payable from January 2021) of £7,452.01, or
- an immediate reduced converted benefit: a PCLS of £31,937.16 plus an annual retirement pension (payable from 1 January 2021) of £4,790.58, or
- a preserved benefit: an annual retirement pension (payable from December 2021) of £7,827.14.

27. On 12 December 2020, Mrs N:-

- Signed the Election form, which she returned to MPF, opting to receive an annual pension of £7,452.01 payable from 1 January 2021.
28. Submitted a complaint to MPF, LCC and SIL, invoking the LGPS' Internal Dispute Resolution Procedure (**IDRP**). Mrs N said that due to inaccurate information provided by SIL, LCC payroll and MPF, she had been given incorrect financial information on which to base decisions on work, retirement and income. This had led to her making irreversible and life changing decisions such as the decision to reduce her hours to 0.8 FTE in preparation for retirement and to retire in September 2020, rather than 2021.
29. As part of her IDRP submissions Mrs N said:-
- She had been financially disadvantaged by her pension being £1,562.48 per year lower than anticipated. Since her retirement on 31 August 2020, she had not received any pension at all from MPF.
  - She discovered in November 2020 that LCC held incorrect pay information for her for the year 2016/17 and had a recorded figure of £143,434.49. She had no way of knowing this as it did not show in her payslips and the first she knew of it was a letter giving information about a change in tax code. This issue had also affected other members of her team and when they queried it, were assured that it was a purely administrative error and that it had been resolved. She said she had no reason to query this, as her pay and tax appeared unaffected.
30. She had not been able to access the MyPension website to check her ABSs between the end of July 2020 and 27 November 2020.
31. On 6 January 2021, MPF wrote to Mrs N and said:-
- Her complaint should be addressed by SIL as the incorrect pay and estimate was provided by her former employer.
  - She would receive her first monthly pension payment on 8 January 2021. As she was drawing her pension before her NRD, a reduced annual pension was payable of £7,452.01.
32. On 9 February 2021, SIL responded to Mrs N under stage one of the LGPS' IDRP. SIL said:
- "I...agree there was a discrepancy between the estimated figures provided and the actual pension benefits you are entitled to. This appears to be because your quote was based on service history which had not been updated by [MPF] following updates (LGP4x forms) sent to them by our payroll provider (LCC) amending your pension record for 2014/15 and 2015/16. Consequently, incorrect figures were used in the calculation resulting in an over-estimation of both your lump sum and annual pension payments. Please accept my apologies for this error.

Once again, I apologise for the unfortunate oversight when recording your information which resulted in a miscalculation of the estimated figures provided, however I must also take into account that the [April 2020 Estimate] letter clearly stated:

“It is extremely important that you read and check the details of your estimate thoroughly. This includes checking your service history with Merseyside Pension Fund.”

and

“You should advise us immediately of any changes to your service which do not appear to have been notified to [MPF]. The figures we provide should be used for guidance only - they are not legally binding. ...It is therefore your responsibility to satisfy yourself that the final pensionable pay has not been overestimated.”

The correspondence requests that you check your pension figures thoroughly and report any anomalies. Had your service history been amended, it is reasonable to assume you would have seen the estimated value of your benefits decrease noticeably. The fact that this did not occur must, in turn, have raised the possibility for you that the information had not been corrected.

Provision of incorrect information does not, of itself, create an entitlement to be treated as though the information was correct. In addition, it is well established that we cannot lawfully agree to pay sums which are not authorised by statute therefore I have concluded that SIL has not entered into a binding agreement to pay a pension at a level which exceeds your entitlement under [LGPS] Pension Regulations.

However, whilst not accepting the error caused you to be entitled to a lower pension than you should have been entitled under your membership of the Scheme, I would like to offer you the sum of £500 as a gesture of goodwill and by way of compensation for the distress and inconvenience you suffered.”

33. On 23 March 2021, Mrs N appealed the stage one IDRP decision. Mrs N said:

“...Whilst I accept that it is the responsibility of an employee to check for anomalies in a pension statement, I note that I could not possibly have known that there was an anomaly in 2016/17, as you have previously stated. This is due to previous errors and delay on your part, in reinstating monies paid in error to Teachers Pension, which it took 18 months for [MPF] to resolve. Therefore, the first statement received from [MPF] contained the error and since there were no notable anomalies in statements from that point, I had no reason to suppose that there was any anomaly or issue. This was not due to any lack of diligence on my part, but to an initial error by [MPF], followed by their failure, on 4 separate occasions following this, as above, to update my service history...”

34. On 20 August 2021, MPF responded to Mrs N under stage two of the IDRP. MPF said:

“Under the [IDRP] I am only able to consider whether your employer and the Pension Fund have complied with the requirements of the [LGPS] Regulations.

...at the time the [LCC] payroll department provided [the April 2020 Estimate, Mrs N's] record included an erroneous pensionable salary figure for the year 2016/17 of £143,434.39 rather than the correct figure of £61,782.48. In calculating [Mrs N's] CARE pension rather than adding £1,260.87 plus revaluation to her pension account a figure of £2,927.23 plus revaluation was added and retained.

[During the calculation process following MPF being notified of Mrs N's resignation – MPF said it was notified on 13 August 2020] all prime documents on a member's record are checked against the Altair benefits system record and at this stage it was discovered that there was clearly a significant variation in the pay recorded for the year 2016/17 as supplied by the employer...

...Although unfortunate, the erroneous enrolment into the [TPS] and subsequent refund of contributions does not materially impact on the flawed estimate.

...

I believe your actual benefits under the pension regulations have been correctly calculated by the Pension Fund in accordance with the relevant legislation.

I can fully understand your concern and disappointment that the pension benefits you received when you retired were not as you had been led to believe given the estimate and [ABSs].

I am however unable to direct that pension benefits should be paid in accordance with the incorrect estimate provided and must confirm that the actual final benefits are correct given your membership in the Scheme.”

35. Following the complaint being referred to the Pensions Ombudsman (**TPO**), Mrs N, SIL, LCC and MPF made further submissions that have been summarised below.

### **Mrs N's position**

36. Mrs N submitted:-

- Poor management of her pension, including being wrongly enrolled into the TPS in 2014 for a period, led to inaccurate payroll information being used over a number of years while she worked for LCC and SIL. This led to her being provided with incorrect pension benefits information, specifically in the April 2020 Estimate, which she based decisions regarding her work, retirement and income on.
- Based on the incorrect information in the April 2020 Estimate, she reduced her hours to 0.8 FTE in preparation for retirement. She calculated the loss of income



from reducing her hours to 0.8 FTE from 1 September 2018 to 31 August 2019 to be £27,512.40.

- Based on incorrect information in the April 2020 Estimate, she retired in September 2020 rather than December 2021 (**NRD**). She calculated the loss of income from retiring on 1 September 2020 rather than 31 December 2021 to be £98,327.68.
- She should be paid the annual pension benefits quoted in the April 2020 Estimate, which was £1,562.48 higher than those she is in receipt of.
- MPF delayed the payment of her pension. She received no pension at all between her retirement on 31 August 2020 and 1 January 2021, despite beginning the application process in March 2020.
- She was only told the April 2020 Estimate was wrong in October 2020.
- She was unable to access the MyPension portal from the end of July 2020 to 26 November 2020.
- She believes that there was a shortfall in her pension contributions recorded for the 2016/17 tax year.
- The issues have caused her financial hardship and mental stress.

### **MPF's position**

37. MPF submitted:-

- Since 2016, paper copies of ABSs were no longer provided to members unless specifically requested. All ABSs are provided online via a secure web portal called MyPension. MPF is required by LGPS Regulations to publish the latest online ABS by 31 August each year.
- The respective dates Mrs N's ABSs were produced and available online to be viewed on MyPension were 15 August 2016, 15 August 2017, 23 August 2018, 2 August 2019 and 22 August 2020. MPF's system audit logs do not identify which ABSs were viewed by Mrs N, but all statements remain available and are listed in reverse chronological order.
- MPF's audit logs showed Mrs N registered for MyPension on 19 April 2018 and she accessed it as follows:-
  - 19 April 2018 – logged on reviewed her address and membership details.
  - 14 January 2019 – logged on and accessed ABSs.
  - 27 August 2019 – logged on and accessed ABSs.
  - 22 October 2019 – logged on and accessed ABSs.

- 30 September 2020 – logged on and accessed ABSs.
- 21 October 2020 – logged on and accessed ABSs
- An incorrect CARE figure of £143,434.39 for the year 2016/17 was provided by LCC and used in the April 2020 Estimate which inflated Mrs N's projected pension benefits. It was notified of the correct figure of £61,782.48 by LCC on 22 October 2020.
- Public funds cannot be used to pay inaccurate pension benefits and Mrs N is in receipt of the correct pension benefits.
- Mrs N opted to take her benefits from 1 January 2021. She was given the option in October 2020 of taking her pension backdated to September 2020. There were no delays in the first payment which was paid on 8 January 2021.
- There was no evidence Mrs N made irreversible decisions based on the incorrect statement.

### **SIL's and LCC's position**

#### **38. SIL and LCC submitted:-**

- There were errors in the estimated pension benefit figures provided to Mrs N. The errors were caused by mistakes in her service history record in 2014/15 and 2015/16. It has apologised for the errors and has paid £500 compensation to Mrs N for the distress and inconvenience caused to her.
- The online MyPension portal showed the inflated 2016/17 career average earnings. Mrs N had a personal responsibility to review her pension record and ensure its details were accurate.
- The April 2020 Estimate contained warnings and reminders to check all figures appeared correct.
- Enrolling Mrs N into the TPS on 1 September 2014, was the correct process at this time for LCC employees on a "Soulbury grade".
- Due to delays with the TPS approving the withdrawal of membership, it wasn't until October 2016 that the reversal of pensionable pay (£81,651.91) and the associated employer and employee contributions from the TPS back to the LGPS could be processed. As a result, the system then held an inflated amount of £143,434.39. This figure was wrongly reported as Mrs N's 2016/17 CARE on the MPF annual return. The correct figure was £61,782.48.
- It agreed an adjustment of £605.68 for 2016/17, processed in March 2017, was an error. This should have been an employer adjustment, rather than an employee adjustment. Mrs N has accepted a refund for this amount (minus tax).
- Mrs N has provided no evidence of irreversible decisions or expenditure.

## **Adjudicator's Opinion**

39. Mrs N's complaint was considered by one of our Adjudicators. The Adjudicator concluded that the complaint should be partly upheld, and MPF, SIL and LCC should together pay Mrs N £1,000 (taking into account the £500 already paid by SIL and LCC) in recognition of the serious distress and inconvenience which she has suffered. The Adjudicator's findings are set out below in paragraphs 38 to 48.
40. The Adjudicator explained that applications to TPO needed to be made within three years of when the events complained about happened or, if later, within three years of when the applicant first knew about it (or ought to have known about it). Although relevant events more than three years before Mrs N's application to TPO in June 2021 were referenced for background context, the focus of the investigation was the provision of incorrect information to Mrs N in the April 2020 Estimate.
41. LCC, SIL and MPF agreed that an incorrect CARE figure was used for the year 2016/17 in calculating Mrs N's projected pension benefits. All three respondents agreed that this had impacted subsequent ABSs, and the April 2020 Estimate, so there was no dispute that a problem had occurred. SIL, on behalf of itself and LCC, paid Mrs N £500 for the distress and inconvenience caused by the error.
42. The 2017 ABS showed Mrs N's CARE in 2016/17 as £143,434.39. The correct figure was £61,782.48. This mistake led to subsequent pension benefit estimates being erroneously inflated, including the incorrect information in the April 2020 Estimate. The 2017 ABS showed a large increase in both Mrs N's annual pension and PCLS in comparison to the 2016 ABS.
43. While the error was not the fault of Mrs N, as she acknowledged, she had a responsibility to check the accuracy of her pension statements. A warning on each of the ABSs and on the April 2020 Estimate specifically reminded her of this responsibility. The issues Mrs N said she had previously with her pension dating back to 2014 would, in the Adjudicator's view, have made her more sensitive to possible errors. In the Adjudicator's opinion, the 2017 ABS showed such significant errors that it should have been clear to Mrs N that there was a problem. She should not have based a decision to retire on this and other ABSs without having drawn the mistakes to the attention of MPF. Had she done so, the mistakes would likely have been identified and corrected.
44. Mrs N said she based her decision to retire in September 2020 rather than in 2021, and her decision to reduce her hours to 0.8 FTE in preparation to retire, on incorrect information, specifically the incorrect April 2020 Estimate.
45. Mrs N confirmed that she reduced her hours by 20 per cent from 1 September 2018 until her retirement on 31 August 2020. Since this decision was taken before she received the incorrect April 2020 Estimate, the Adjudicator said it was clear that the decision was not impacted by the misinformation.

46. In the Adjudicator's view, on the balance of probabilities, Mrs N would not have done anything differently if the correct pension benefits had been provided to her in April 2020. The difference between the April 2020 Estimate and the benefits Mrs N was actually entitled to was 17.3%. While this represented £130 per month lower pension benefits, in the Adjudicator's view, this amount in relation to Mrs N's overall pension income, was not enough to reasonably affect her decision of when to leave her employment.
47. The difference between the incorrect projected pension benefit amounts in the April 2020 Estimate and the pension benefits put into payment did not represent a financial loss to Mrs N because she was never entitled to the higher amount. There was no contention that the April 2020 figures were correct or that she was in receipt of incorrect pension benefits. The Adjudicator was sympathetic to Mrs N's upset and disappointment upon realising the April 2020 Estimate was wrong, however the Adjudicator explained that the difference was a loss of expectation not an actual financial loss.
48. Mrs N complained that she was without a pension for the period 1 September 2020, when she resigned from her role, until 8 January 2021. MPF contacted Mrs N on 14 August 2020 confirming she was eligible to begin drawing her pension from 1 September 2020. She responded completing the relevant forms within one week. There appears to have then been a delay in payment commencing caused by the errors in the calculation. The errors were only discovered by MPF on 22 October 2020. At this time it queried the very high 2016/17 CARE amount with LCC. The following day a corrected estimate and Election form was sent to Mrs N. This included an option for Mrs N to draw her pension immediately, backdated to 1 September 2020. She chose to take her pension four months later, from January 2021, with a pension 1.7% higher than if she had opted for the backdated pension. While MPF was at fault for not finding the error sooner, Mrs N did have the option to take her pension backdated to the date she left her employment. For this reason, in the Adjudicator's view, this aspect of the complaint should not be upheld.
49. The Adjudicator also investigated whether an estoppel, either by representation or convention, or a contract, could be established to hold any or all of the three respondents to the incorrect benefits projections beyond Mrs N's entitlement under the LGPS Regulations. The Adjudicator considered that neither could be established.
50. In the Adjudicator's view, the provision of incorrect information amounted to maladministration. Although the calculation error occurred only once, in 2017, this calculation was the basis for all subsequent pension benefits projections until the error was discovered in October 2020. In addition, there was the delay between August 2020 and 23 October 2020 when MPF contacted Mrs N and notified her of the problems and issued a corrected pension benefits estimate. All of which would have caused Mrs N serious distress and inconvenience which should be recognised by SIL, LCC and MPF collectively. So, an award of £1,000 (minus the £500 already paid to Mrs N) should be paid to Mrs N.

51. MPF, SIL and LCC accepted the Adjudicator's Opinion. Mrs N did not accept the Adjudicator's Opinion, and the complaint was passed to me to consider. Mrs N, MPF and LCC have provided further submissions, which have been summarised below.

### **Mrs N's further submissions**

52. Mrs N provided copies of her payslips for September 2016, October 2016 and November 2016, which she says she received via Oracle at that time. She also said in summary:-

- The October 2016 payslip was different to the October 2016 payslip LCC supplied to TPO.
- She does not dispute the MPF's audit logs showing when she accessed the MyPension portal but says each time this was by calling the MPF helpline (**the helpline**) to arrange access for a short period. She called the helpline on several occasions to access the portal and would then be locked out again afterwards. She has never been able to access it independently. She had no issues accessing any other pension portals, including Lancashire LGPS, although she had issues accessing the Oracle portal to view her payslips for several months from November 2014.
- She does not recall receiving the emails of 24 August 2018 and 16 August 2019 notifying her that she could access her latest ABS on the MyPension portal and containing a link to do so. She thinks these emails could have been blocked by her employer's firewall as they were sent as bulk emails.
- Due to the problems accessing the MyPension portal, she had not seen the 2017 ABS until it was forwarded to her by TPO.
- She and her financial adviser had assumed the increase in her annual pension and PCLS between the 2016 and 2017 ABSs was due to the TPS refund in October 2016. The increase from the 2017 to 2018 ABS figures did not seem excessive.
- She also thought the April 2020 Estimate was accurate taking into account the October 2016 TPS refund.
- She was told by her line manager that the incorrect CARE figure issue had been resolved, so assumed that the statements were now also correct. So, it did not occur to her to also contact MPF about the same payroll issue.
- She disagreed that being provided with the correct information in the April 2020 Estimate would not have changed her retirement plans. This is because her partner was made redundant during this period and £130 a month was a considerable sum when neither partner was working., She had to undertake some consultancy work to boost her family's income.
- Regarding taking her pension from January 2021, rather than back-dated to September 2020, it was already 12 December 2020 by the time she was offered

the back-dated pension. She decided to wait as it was only another three weeks until January 2021 to take the higher pension. If she had received the offer of the back-dated pension earlier, in October 2020, she would have taken it.

### **LCC's further submission**

53. LCC has provided system access logs indicating Mrs N accessed the Oracle portal in September 2014, then regularly from January 2015 to November 2020.

### **MPF's further submissions**

54. MPF submits:-

- The self-service MyPension portal has over 49,000 registered users. During the period July to September 2024, 9,343 members accessed their accounts recording a total of 32,859 visits. While the helpline does take telephone calls from members who have trouble registering or have forgotten their passwords, Mrs N's problems are not typical, and it cannot understand why she could not regularly access her online account.
- Mrs N has always had the option to receive her ABS' on paper as this is a service offered to all members. It has no record of Mrs N ever asking for a paper copy to be provided by post. It provides this information to members in an introductory letter, and this was sent to Mrs N on 4 March 2016.
- The bulk emails notifying members of their ABS goes out to the registered email address provided by members when they sign-up to the MyPension service. The registration process asks members to provide their personal email address, rather than their work email address, as this stays with people when they move jobs or retire. Mrs N registered her personal email address. It asks all participating employers to also send out emails to work accounts or provide intranet postings to their employees.

55. I have considered the additional comments made by the parties. They do not change the outcome. I agree with the Adjudicator's Opinion.

### **Ombudsman's decision**

56. Mrs N has complained that she relied on incorrect information in the April 2020 Estimate to make decisions concerning her retirement and that she has suffered a financial detriment as a result.

57. There is no dispute that Mrs N was provided with erroneous figures in the April 2020 Estimate.

58. Mrs N asserts that she was not aware that there was an error in the April 2020 Estimate as she had not seen the 2017 ABS until after she brought her complaint to TPO, which was in June 2021.

59. Mrs S was able to access the MyPension portal several times, although she says she had to call the helpline to do so on each occasion.
60. I consider that it would have been reasonable for Mrs N to have checked her ABSs when she did gain access to the MyPension portal to ensure that the information concerning her pension record was accurate. Further, MPF's audit logs showed that between 14 January 2019 and 21 October 2020, Mrs N had logged on to the MyPension portal and accessed her ABSs. So, Mrs N had the opportunity to review the information on her ABSs and to query any anomalies with them, prior to receipt of the April 2020 Estimate. The respondents cannot be held responsible for Mrs N's failure to do so.
61. Further the April 2020 Estimate also informed Mrs N that the figures should be used for guidance only, "they are not legally binding and the City Council cannot be held to them. It is therefore your responsibility to satisfy yourself that the final pensionable pay has not been overestimated." I consider that it was not reasonable for Mrs N to have relied on the figures in the April 2020 Estimate to make retirement decisions, without confirmation from MPF that the figures were accurate or without cross referencing the figures with older statements that were available on the MyPension portal, when she had accessed the MyPension portal.
62. Mrs N says when she did become aware of the incorrect pay information on the ABS, she did not raise the issue with MPF because her line manager had previously told her that the problem was resolved. Mrs N's line manager worked for her employer rather than MPF, so it would have been reasonable to verify with her pension fund that this issue had indeed been resolved.

As the Adjudicator explained, the reasons for the 2014 enrolment of Mrs N into the TPS and the subsequent refund are outside of my jurisdiction. However, the amount of the refund and the cost of buying pension rights in respect of the same service period in the LGPS is relevant to the investigation. Mrs N's contributions to the TPS from September 2014 to January 2016 totalled £9,127.94. This amount was refunded to Mrs N in October 2016 and appeared on her October 2016 payslip, which she has supplied to TPO as an "Ees Pension Adjustment". The amount she would have paid had she been enrolled in the LGPS for this period would have been £6,940.39. This amount was paid to her MPF pension in October 2016 and was shown on her October 2016 payslip as a "Pension Adjustment LGPS". The result was that Mrs N's gross pay for this month was increased by the difference, £2,187.55.

63. I note Mrs N says she had issues checking her payslips on the Oracle portal for several months from November 2014, although MPF's records indicate she was able to do so regularly from January 2015.
64. Mrs N has commented that there is a discrepancy between the October 2016 payslip she has submitted and the version supplied by LCC. I can see no significant difference between these. While the layout is different, the figures are the same.

65. Mrs N did not query the very large difference in her projected pension benefits shown on her 2016 and 2017 ABSs. This was because she assumed it was due to the refund of benefits from the TPS in October 2016. Mrs N has said her financial adviser assumed the same.
66. I do not agree that it was reasonable not to contact MPF regarding these issues, particularly given the size of the disparity in proportion to the amount of the TPS refund which was evident on Mrs N's October 2016 payslip. The 2017 ABS showed an increase of 2,370% in both her annual pension (from £202.60 to £4,802.39) and PCLS (from £868.20 to £20,581.56) in comparison to the 2016 ABS.
67. Regarding Mrs N's decision to take her pension from January 2021 rather than backdated from September 2020, there is no evidence that this decision caused her any financial loss because the pension paid four months later was paid at the higher rate. There is no allegation that the 1.7% increase in the pension between the two dates was not calculated correctly, or that Mrs N is not now receiving the correct pension benefits.
68. The provision of misinformation is maladministration and while I do not consider that Mrs N has suffered any financial loss which has not now been compensated, I find that the maladministration caused her serious non-financial injustice.
69. My awards for non-financial injustice are intended to acknowledge the distress and inconvenience that an applicant has suffered as a result of maladministration. I consider the matter warrants an award of £1,000. I do not consider it appropriate to direct a higher award.
70. I partly uphold Mrs N's complaint.

## **Directions**

71. Within 28 days of the date of this Determination, MPF, SIL and LCC shall pay Mrs N a further £500 in total, in recognition of the serious distress and inconvenience caused to her.

**Camilla Barry**

Deputy Pensions Ombudsman  
06 May 2025



## Appendix

### The 2016 ABS

As relevant, this states:

“Merseyside Pension Fund  
Annual Benefits Statement 2016 Active Members

This is only an illustration and is not legally binding on the Fund. The benefits you will receive on retirement may be different. You should request an estimate via your employer before making any decision to retire.

#### Section 1: Personal Details

...

Career Average Pay in year to 31/03/2016 - £9,927.34

...

It is important that the details above are correct as any inaccuracies will affect all of the calculations below. If any of the above details are incorrect please inform your employer's payroll or personnel/HR section.

#### Section 2: Summary of Total Benefits at 31/03/2016

Your standard benefits (as detailed in section 3):  
Annual Pension £202.60

Your Maximum Lump Sum Option (at retirement):  
Minimum annual pension £130.25  
Maximum lump sum £868.20

#### Section 3: Career Average Pension Benefits at 31/03/2016

Career Average Pay for Year to 31/03/2016 in Main Section - £9,927.34  
Career Average Pay for Year to 31/03/2016 in 50/50 Section - £0.00

Total Career Average Pay for year to 31/03/2017 - £9,927.34

#### Amount of Career Average Pension built up in the year to 31/03/2016

Main Section	50/50 Section	Additional	Transfers In	Total
£202.60	£0.00	+ Pension Bought	£0.00	= £202.60
		£0.00		

#### Your Pension Account to 31/03/2016

Opening Balance	Cost of Living Adjustment	In year build up (as shown above)	Total career Average Pension
£0.00	+ £0.00	+ £202.60	= £202.60

Projections assuming you continue contributing to the Scheme until 9/12/2021 (ie your Normal Pension Age (NPA) of 66 Yrs 0 Days).

Total Annual Pension at NPA - £1,356.03

...

Minimum Annual Pension at NPA - £871.74

...

## **2017 ABS**

As relevant, this states:

“Merseyside Pension Fund  
Annual Benefits Statement 2017 Active Members

This is only an illustration and is not legally binding on the Fund. The benefits you will receive on retirement may be different. You should request an estimate via your employer before making any decision to retire.

### Section 1: Personal Details

...

Career Average Pay in year to 31/03/2017 - £143,434.39

...

It is important that the details above are correct as any inaccuracies will affect all of the calculations below. If any of the above details are incorrect please inform your employer's payroll or personnel/HR section.

### Section 2: Summary of Total Benefits at 31/03/2017

Your standard benefits (as detailed in section 3):  
Annual Pension £4,802.39

Your Maximum Lump Sum Option (at retirement):  
Minimum annual pension £3,087.26  
Maximum lump sum £20,581.56

### Section 3: Career Average Pension Benefits at 31/03/2017

Career Average Pay for Year to 31/03/2017 in Main Section - £143,434.39  
Career Average Pay for Year to 31/03/2017 in 50/50 Section - £0.00

Total Career Average Pay for year to 31/03/2017 - £143,434.39

Amount of Career Average Pension built up in the year to 31/03/2017

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Main Section	50/50 Section	Additional	Transfers In	Total
£2,927.23	+ £0.00	+ Pension Bought + £0.00	£0.00	= £2,927.23

Your Pension Account to 31/03/2017

Opening Balance	Cost of Living Adjustment	In year build up (as shown above)	Total career Average Pension
£1,877.04	+ £-1.88	+ £2,927.23	= £4,802.39

Projections assuming you continue contributing to the Scheme until 9/12/2021 (ie your Normal Pension Age (NPA) of 66 Yrs 0 Days).

Total Annual Pension at NPA - £18,540.33

...

Minimum Annual Pension at NPA - £11,918.79

..."

**2018 ABS**

As relevant, this states:

"Merseyside Pension Fund  
Annual Benefits Statement 2018 Active Members

This is only an illustration and is not legally binding on the Fund. The benefits you will receive on retirement may be different. You should request an estimate via your employer's before making any decision to retire.

Section 1: Personal Details

...

Career Average Pay in year to 31/03/2018 - £65,023.70

...

It is important that the details above are correct as any inaccuracies will affect all of the calculations below. If any of the above details are incorrect please inform your employer's payroll or personnel/HR section.

Section 2: Summary of Total Benefits at 31/03/2018

Your standard benefits (as detailed in section 3):

Annual Pension £6,177.42

Your Maximum Lump Sum Option (at retirement):

Minimum annual pension £3,971.20

Maximum lump sum £26,474.64

Section 3: Career Average Pension Benefits at 31/03/2018

Career Average Pay for Year to 31/03/2018 in Main Section - £65,023.70

Career Average Pay for Year to 31/03/2018 in 50/50 Section - £0.00

Total Career Average Pay for year to 31/03/2018 - £65,023.70

Amount of Career Average Pension built up in the year to 31/03/2018

Main Section	50/50 Section	Additional	Transfers In	Total
£1,327.01	+ £0.00	+ Pension Bought	+ £0.00	= £1,327.01
		£0.00		

Your Pension Account to 31/03/2018

Opening	Cost of Living	In year build up	Total career
Balance	Adjustment	(as shown above)	Average Pension
£4,802.39	+ £48.02	+ £1,327.01	= £6,177.42

Projections assuming you continue contributing to the Scheme until 9/12/2021 (ie your Normal Pension Age (NPA) of 66 Yrs 0 Days).

Total Annual Pension at NPA - £11,078.28

...

Minimum Annual Pension at NPA - £7,121.76

..."

**2019 ABS**

As relevant, this states:

"Merseyside Pension Fund  
Annual Benefits Statement 2019 Active Members

This is only an illustration and is not legally binding on the Fund. The benefits you will receive on retirement may be different. You should request an estimate via your employer before making any decision to retire.

Section 1: Personal Details

...

Career Average Pay in year to 31/03/2019 - £59,625.74

...

It is important that the details above are correct as any inaccuracies will affect all of the calculations below. If any of the above details are incorrect please inform your employer's payroll or personnel/HR section.

Section 2: Summary of Total Benefits at 31/03/2019

Your standard benefits (as detailed in section 3):

Annual Pension £7,579.59

Your Maximum Lump Sum Option (at retirement):

Minimum annual pension £4,872.60

Maximum lump sum £32,483.88

Section 3: Career Average Pension Benefits at 31/03/2019

Career Average Pay for Year to 31/03/2019 in Main Section - £59,625.74

Career Average Pay for Year to 31/03/2019 in 50/50 Section - £0.00

Total Career Average Pay for year to 31/03/2019 - £59,625.74

Amount of Career Average Pension built up in the year to 31/03/2019

Main Section	50/50 Section	Additional	Transfers In	Total
£1,216.85	+ £0.00	+ Pension Bought	+ £0.00	= £1,216.85
		£0.00		

Your Pension Account to 31/03/2019

Opening	Cost of Living	In year build up	Total career
Balance	Adjustment	(as shown above)	Average Pension
£6,177.42	+ £185.32	+ £1,216.85	= £7,579.59

Projections assuming you continue contributing to the Scheme until 9/12/2021 (ie your Normal Pension Age (NPA) of 66 Yrs 0 Days).

Total Annual Pension at NPA - £10,856.76

...

Minimum Annual Pension at NPA - £6,979.35

...

**2020 ABS**

As relevant, this states:

“Merseyside Pension Fund  
Annual Benefits Statement 2020 Active Members

This is only an illustration and is not legally binding on the Fund. The benefits you will receive on retirement may be different. You should request an estimate via your employer before making any decision to retire.

Section 1: Personal Details

...

Career Average Pay in year to 31/03/2020 - £60,832.84

...

It is important that the details above are correct as any inaccuracies will affect all of the calculations below. If any of the above details are incorrect please inform your employer's payroll or personnel/HR section.

### Section 2: Summary of Total Benefits at 31/03/2020

Your standard benefits (as detailed in section 3):

Annual Pension £9,002.99

Your Maximum Lump Sum Option (at retirement):

Minimum annual pension £5,787.64

Maximum lump sum £38,584.20

### Section 3: Career Average Pension Benefits at 31/03/2020

Career Average Pay for Year to 31/03/2020 in Main Section - £60,832.84

Career Average Pay for Year to 31/03/2020 in 50/50 Section - £0.00

Total Career Average Pay for year to 31/03/2020 - £60,832.84

### Amount of Career Average Pension built up in the year to 31/03/2020

Main Section	50/50 Section	Additional	Transfers In	Total
£1,241.49	+ £0.00	+ Pension Bought	+ £0.00	= £1,241.49
		£0.00		

### Your Pension Account to 31/03/2020

Opening	Cost of Living	In year build up	Total career
Balance	Adjustment	(as shown above)	Average Pension
£7,579.59	+ £181.91	+ £1,241.49	= £9,002.99

Projections assuming you continue contributing to the Scheme until 9/12/2021 (ie your Normal Pension Age (NPA) of 66 Yrs 0 Days).

Total Annual Pension at NPA - £11,105.01

...

Minimum Annual Pension at NPA - £7,138.94

..."