

## Ombudsman's Determination

Applicant	Mrs S
Scheme	Teachers' Pension Scheme ( <b>the Scheme</b> )
Respondents	Department for Education Teachers' Pensions ( <b>TP</b> )

## Outcome

1. I do not uphold Mrs S' complaint and no further action is required by Department for Education or TP.
2. My reasons for reaching this decision are explained in more detail below.

## Complaint summary

3. Mrs S has complained that TP ought to have told her in 2015 that it was possible for her to take a phased retirement within the Scheme.

## Background information, including submissions from the parties

4. Phased retirement was introduced by the Scheme in 2007. TP has said that it wrote to Scheme members at the time to inform them about this option.
5. In 2015, Mrs S decided to reduce her hours with her employer to care for her mother, which resulted in a reduction in income. She has said that, had she known about phased retirement, she would have utilised this option to reduce the impact of a lower employment income.
6. Mrs S feels that TP is responsible for not directly telling her about phased retirement. TP has said that the information is also available online, however Mrs S argues that individuals nearing retirement may not be as proficient with using IT, so TP ought to have written to her specifically about the phased retirement option.
7. Mrs S has asked TP to backdate her phased retirement payments to 2015. TP has said that it is now too late for Mrs S to apply for benefits from this date. Mrs S argues that if she did not know about this option then a deadline cannot apply.

## **Adjudicator's Opinion**

8. Mrs E's complaint was considered by one of our Adjudicators who concluded that no further action was required by Department for Education or TP. The Adjudicator's findings are summarised briefly below:-
- TP wrote to its members in 2007 when it introduced the option for phased retirement.
  - As Mrs S was looking to reduce her hours and was nearing retirement age it would be reasonable for her to contact TP or an independent financial adviser for guidance on her options.
  - TP has not caused a financial loss.
  - TP moved its information services online, which is in line with government initiatives to reduce paper correspondence.
  - TP has applied the correct regulation as an election for phased retirement must be made within three months of the salary reducing.
9. Mrs S did not accept the Adjudicator's Opinion and the complaint was passed to me to consider. Mrs S provided her further comments which do not change the outcome. I agree with the Adjudicator's Opinion and I will therefore only respond to the key points made by Mrs S for completeness.
10. In summary, Mrs S' comments were:-
- TP has never written to her about phased retirement.
  - TP has never written to her to say that the website would become the only source of information.
  - The reason TP has moved its information services online is irrelevant.
  - TP has diluted its responsibility to communicate adequately with its members
  - If the onus is now on members to go looking for changes then TP should have made this clear in writing to all its members before moving its services online.

## **Ombudsman's decision**

11. TP has said that it ran several mail campaigns which included the introduction of phased retirement. Mrs S has said that she received no such letters. Whilst I do not disbelieve Mrs S, it is plausible that, in 2007, phased retirement was not something Mrs S was considering. So it is equally possible that Mrs S did receive the notification but had no reason to give this much consideration.

12. I appreciate Mrs S' frustration, but TP is not expected to provide financial advice and suggest whether phased retirement was suitable for Mrs S based on her circumstances. I would expect TP, if contacted, to have provided guidance and information about the options available or explained where this information could be found on their website.
13. Even if Mrs S had received the letters in 2007, she had not yet reached age 55. So, in any case, she could not have taken advantage of phased retirement at that time. Further, Mrs S has not said that she was considering retiring or considering her options in 2007.
14. The fact remains, in 2015 Mrs S did reduce her hours and did so because her personal circumstances warranted this. It is not unreasonable to expect a member, in similar circumstances, to explore all the options available. Mrs S could have contacted her employer, TP or an independent financial adviser, in order to consider all of her options before making a significant financial decision. I have seen no evidence that Mrs S contacted TP or her employer in 2015 to enquire about the options available.
15. When Mrs S reduced her hours, TP would not have been aware of the reasons for doing this, so there was no onus on TP to provide guidance to Mrs S.
16. Therefore, I do not uphold Mrs S' complaint.

**Anthony Arter**

Pensions Ombudsman  
20 December 2017