

## Ombudsman's Determination

Applicant	Mrs D
Scheme	Teachers' Pensions
Respondent	Teachers' Pensions

## Outcome

1. I do not uphold Mrs D's complaint and no further action is required by Teachers' Pensions
2. My reasons for reaching this decision are explained in more detail below.

## Complaint summary

3. Mrs D has complained that Teachers' Pensions calculated her pension benefits incorrectly as a result of an error in her pensionable service history.

## Background information, including submissions from the parties

4. On 30 January 2015, Teachers' Pensions received a notification from Mrs D's former employer. The notification said that, between 1 April 2014 and 27 January 2015, she was employed on a supply contract, on a part time basis. It also said that Mrs D had no earnings in this period. In accordance with this information, on 26 February 2015, Teachers' Pensions calculated Mrs D's pension benefits on the basis that she had accrued no pensionable service between 1 April 2014 and 27 January 2015.
5. Teachers' Pensions issued a retirement benefits statement to Mrs D on 26 February 2015 and she retired on 27 February 2015.
6. Teachers' Pensions received an update from Mrs D's former employer on 2 March 2015 disclosing that, in fact, she earned £9,822 between 1 April 2014 and 27 January 2015.
7. Mrs D telephoned Teachers' Pensions on 16 March 2015 to tell it that she believed her retirement benefits statement was incorrect. She said she had been employed on a full time basis between April and August 2005 and did not believe the statement took these hours into account. Teachers' Pensions made enquiries of Mrs D's former employer.

8. On 17 March 2015, Mrs D's former employer emailed Teachers' Pensions to confirm that she had been employed on a full time basis between 1 April and 31 August 2005.
9. On 23 April 2015, Teachers' Pensions recalculated Mrs D's pension benefits to take account of the revised information it had received from Mrs D and her former employer.
10. Mrs D submitted a letter of complaint to Teachers' Pensions on 3 May 2015. She said some of the service information provided by her former employer was incorrectly recorded by Teachers' Pensions, resulting in the incorrect retirement benefits statement.
11. Teachers' Pensions says it was only acting on the basis of the information submitted by Mrs D's former employer and, as such, there was no maladministration on its part.

### **Adjudicator's Opinion**

12. Mrs D's complaint was considered by one of our Adjudicators, who concluded that no further action was required by Teachers' Pensions. The Adjudicator's findings are summarised briefly below:
  - The Adjudicator noted that, under Regulation 131 of the Teachers' Pensions Regulations 2010 (**the Regulations**), Mrs D's former employer is responsible for submitting accurate information. He pointed out that Teachers' Pensions is entitled to expect employers to comply with this requirement and that it relies on this information being accurate when calculating pension benefits.
  - The Adjudicator observed that on 30 January 2015, Mrs D's former employer notified Teachers' Pensions that she received no earnings between 1 April 2014 and 27 January 2015. Teachers' Pensions said that during this period, Mrs D was employed as a supply teacher, on a part time basis. It further explained that it is not unusual for supply teachers to have no earnings for significant periods. In these circumstances, the Adjudicator saw no reason for Teachers' Pensions to question the accuracy of the information submitted by Mrs D's former employer.
  - The Adjudicator also noted that on 2 March 2015, Mrs D's former employer updated her employment record with information showing that she earned £9,822 between 1 April 2014 and 27 January 2015. Prior to this date, the information Mrs D's former employer had submitted to Teachers' Pensions said she had not worked during this period.

- Teachers' Pensions explained that it received a telephone call from Mrs D on 16 March 2015, in which she notified it that she had worked on a full time basis between April and August 2005. Teachers' Pensions contacted Mrs D's former employer on 16 March 2015, querying the information submitted in respect of her service history during this period. Teachers' Pensions provided the Adjudicator with a copy of an email in which Mrs D's former employer confirmed that she had been employed on a full time basis during this period. Teachers' Pensions recalculated Mrs D's pension entitlement in light of the revised information on 23 April 2015.
- Accordingly, the facts of the case did not suggest Teachers' Pensions had recorded information incorrectly. As a result, the Adjudicator concluded that there was insufficient evidence of maladministration on the part of Teachers' Pensions to uphold the complaint.
- Mrs D responded to the Adjudicator's Opinion with further comments. She noted the point, made by Teachers' Pensions, that her former employer initially submitted information showing she did not work between 1 April 2014 and 27 January 2015. She said that, if this was the case, then the respective service histories recorded on the online portal on 31 March 2014, and the retirement benefits statement issued on 26 February 2015, should have been the same. That is, 10 years and 183 days. She explained that, in fact, the retirement benefits statement gave a service history of 10 years and 157 days – 26 days less. In support of her argument, Mrs D submitted a screenshot of the Teachers' Pensions online portal from 31 March 2014, which showed a service history 10 years and 183 days. Mrs D said Teachers' Pensions should have flagged this discrepancy with her former employer before issuing the retirement benefits statement on 26 February 2015.
- Mrs D also noted that her former employer maintains that it submitted the correct information to Teachers' Pensions in respect of her service history between April and August 2005.
- The Adjudicator forwarded a copy of Mrs D's response to Teachers' Pensions and asked for its comments.
- Teachers' Pensions responded with the following points:
  - On 9 November 2006, it received an annual service return from Mrs D's former employer, indicating she worked part time hours between 6 June and 31 August 2005. Teachers' Pensions added this information to its systems on 1 December 2006.
  - However, on 6 February 2007, Mrs D's former employer notified Teachers' Pensions that she actually worked full time between 6 June and 31 August 2005. This resulted in three update errors being recorded on Mrs D's member record.

The second of these says that the period from 6 June to 31 August 2005 had been wrongly recorded as part time. On 18 June 2007, Teachers' Pensions amended its records to indicate Mrs D worked full time during this period. Screen shots show the error resolution status as 'clean' on 18 June 2007.

- When Teachers' Pensions examined Mrs D's file in February 2015, in connection with her retirement application, it interpreted the annual service return received on 9 November 2006 to mean that her hours for the period 6 June to 31 August 2005 had been recorded incorrectly. Mrs D's service history for this period was amended again, to reflect the original, incorrect, information given on the service return issued on 9 November 2006. Accordingly, her pensionable service was reduced from the 10 years and 183 days recorded on the online portal on 31 March 2014, to the 10 years and 157 days referred to in the retirement benefits statement issued on 26 February 2015.
  - Mrs D telephoned Teachers' Pensions on 16 March 2015 to bring its attention to this discrepancy. Teachers' Pensions contacted Mrs D's former employer on the same day to clarify the hours she worked between 6 June and 31 August 2005.
  - Mrs D's former employer emailed Teachers' Pensions on 17 March 2015 to confirm that she worked full time throughout this period. Accordingly, Teachers' Pensions recalculated Mrs D's pension benefits to reflect the correct service history on 23 April 2015.
- Having considered this explanation, the Adjudicator considered that, after Mrs D brought the discrepancy with her pensionable service to its attention, Teachers' Pensions acted quickly to establish her correct pension entitlement. He did not consider an award for non-financial injustice was appropriate, in the circumstances.
13. Mrs D did not accept the Adjudicator's Opinion and the complaint was passed to me to consider. She provided her further comments, which do not change the outcome. I agree with the Adjudicator's Opinion, summarised above, and I will therefore only respond to the key points made by Mrs D for completeness.

### **Ombudsman's decision**

14. Mrs D contends that Teacher's Pensions had in fact been provided with correct information by her employer and reamending the amended records was maladministration and that she had to spend considerable time checking that her records were correct.
15. It is not disputed that in February 2015, Teachers' Pensions amended Mrs D's service history in error. As a result, the hours she worked between 6 June and 31 August 2005 were recorded incorrectly and the pension benefits statement issued on 26 February 2015 was based on an incomplete service history. It is clear that by 2007 the service history error created by her employer had already been rectified.

16. In explaining how the record came to be reamended Teachers Pensions said 'it appears that the 2006 employer declaration was taken to be evidence that the service for this period had not been amended correctly'. I can see no reasonable basis for that interpretation. The 2007 corrections plainly related to and post-dated the 2006 employer declaration. The contemporaneous record of the original correction does not appear to be ambiguous and I can see no evidence to support the decision to reverse it. I therefore agree that reversing the 2007 correction amounted to maladministration. However, after Mrs D telephoned Teachers' Pensions on 16 March 2015 to draw its attention to this issue, it contacted her former employer the following day to obtain clarification about her service history. Mrs D's former employer emailed Teachers' Pensions with the correct service history on 17 March 2015. Teachers' Pensions recalculated her pension entitlement in light of the correct service history on 23 April 2015 and Mrs D is now in receiving her full pension entitlement. It was unfortunate that Mrs D had to bring the problem to light, but the maladministration was remedied promptly when she did so, and in those circumstances I find that the non-financial injustice caused was not so significant as to require further remedy.
17. Therefore, I do not uphold Mrs D's complaint.

**Karen Johnston**  
Deputy Pensions Ombudsman

7 September 2016