

DWP Central Freedom of Information Team

e-mail: [freedom-of-information-request@dwp.gsi.gov.uk](mailto:freedom-of-information-request@dwp.gsi.gov.uk)

Our Ref: Fol 3141

DATE: 17 August 2017

Dear Joyce Peggrem,

Thank you for your Freedom of Information request received on 26 July 2017. Your request is set out below:

*'Why were most of us born in the 50's not sent letters informing us we would not receive our pension aged 60. If we had known about it before we rang you to collect it, we would have been able to budget, as it is a lot of us are now signing on for universal credit and struggling.*

*We have been working all our lives since leaving school. Where has the money we paid in lieu of our retirement for all these years gone?*

*The Government say we should have received information in order for us to budget but we didn't, who is to be held accountable for this?*

*The humiliation of signing on and employers not even getting past our age is most humiliating'.*

## **DWP response**

In relation to your questions it may be helpful if I explain the role of the Freedom of Information Act. The Act provides a right of access to recorded information held by a public authority like DWP (subject to certain exemptions). The Act does not oblige a public authority to create new information to answer questions; nor does it require a public authority to give advice, opinion or explanation in relation to issues/policies under question.

If you ask a question, rather than requesting recorded information, we will provide you with the information that best answers the question. Once we have provided the information, we have met our obligations under the Act.

Please see the below table, which indicates which year letters were sent out and how many.

<b>Date of birth</b>			<b>Date notified</b>	<b>Number of letters sent</b>
6 Apr 1950	to	5 Jul 1950	April 2009	99,985
6 Jul 1950	to	5 Oct 1950	Jul 2009	96,356
6 Oct 1950	to	5 Apr 1951	Oct 2009	191,465
6 Apr 1951	to	5 Oct 1951	Jan 2010	196,189

6 Oct 1951	to	5 Apr 1952	Apr 2010	188,515
6 Apr 1952	to	5 Oct 1952	Feb 2011	196,594
6 Oct 1952	to	5 Apr 1953	Mar 2011	191,665
6 Apr 1953	to	5 Dec 1953	Jan 2012	275,000 <sup>1</sup>
6 Dec 1953	to	5 Oct 1954	Feb 2012	646,000 <sup>1</sup>
6 Oct 1954	to	5 Apr 1955	Feb 2012	375,000 <sup>1</sup>
6 Apr 1955	to	5 Apr 1960	Oct 2012 - Nov 2013	4,475,000 <sup>1</sup>

**Note 1:** Please note that these figures have been rounded to the nearest 1,000 and relate to letters sent to people affected by the 2011 Pensions Act. Previous letters were sent to people affected by the 1995 Pensions Act.

You also refer to money paid in lieu of retirement – by this we assume you mean National Insurance contributions. The National Insurance scheme operates on a 'pay-as-you-go' basis. This means that today's contributors are paying for today's social security entitlements and pensions, and those paying contributions previously were paying for the pensioners of that time. In other words, contributors do not accumulate an individual pension fund of actual monies they have paid, which is personal to them. Instead, payment of contributions entitles them or, in certain circumstances, their spouses to a range of social security entitlements which are available on the basis of the rules applicable at the time of the claim.

Furthermore, in their evidence to John Cridland's State Pension age Review, the independent Pensions Policy Institute provided an example of how the National Insurance people pay into the system relates to the State Pension they receive. They described how for two women aged 60 in 2016 (i.e. who were born in 1956); a low earner, one in the 10th income percentile, will pay 15 per cent of what they will receive in State Pension through National Insurance contributions, while a high earner, one in the 90<sup>th</sup>, will pay 54 per cent.

If you have any queries about this letter please contact me quoting the reference number above.

Yours sincerely,

DWP Strategy Fol Team

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#### **Your right to complain under the Freedom of Information Act**

If you are not happy with this response you may request an internal review by e-mailing [freedom-of-information-request@dwp.gsi.gov.uk](mailto:freedom-of-information-request@dwp.gsi.gov.uk) or by writing to DWP, Central Fol Team, Caxton House, Tothill Street, SW1H 9NA. Any review request should be submitted within two months of the date of this letter.

If you are not content with the outcome of the internal review you may apply directly to the Information Commissioner's Office for a decision. Generally the Commissioner cannot make a decision unless you have exhausted our own complaints procedure. The Information Commissioner can be contacted at: The Information Commissioner's Office, Wycliffe House, Water Lane, Wilmslow Cheshire SK9 5AF [www.ico.gov.uk](http://www.ico.gov.uk)