



GET POLITICS NEWS STRAIGHT TO YOUR PHONE BY JOINING OUR



Advertorial

'We're proper in love with Florida after our TUI holiday'



Sinead O'Connor's cause of death update given by coroner



Sponsored

No Joke: This Is How Much A Will Should Actually Cost

Local Will Wri...

Learn More



Na
far
sta

Fresh pension scandal sees £1billion owed to mothers who stayed at home with children

187,000 women who stayed at home to raise their families are entitled to pay-outs in latest state pension scandal.

By **SARAH O'GRADY - DAILY EXPRESS SOCIAL AFFAIRS EDITOR**

23:40, Thu, Jul 6, 2023 | UPDATED: 23:40, Thu, Jul 6, 2023



BOOKMARK 

13



Mums now in their 60s and 70s are being hit (Image: Getty)

"Shocking" state pension errors left women who stayed at home to raise their families out of pocket by more than £1billion.

Sponsored Link by Taboola

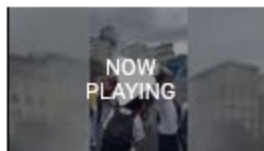


Urologist Begg Brits To "Deflate" Prostate With This Tip (Every Morning)

Nutritional Sciences Ltd

In the latest scandal engulfing the Department for Work and Pensions, it has emerged around 187,000 are entitled to payouts. Refunds are worth an average of £5,000 each...though this could be much higher, depending on people's personal circumstances.

But tragically, some 43,000 of those owed the cash have died since the error was discovered. Last year, state pension errors hit a record high, leaving people £670million out of pocket. Civil servant mistakes account for £580million, or 87 percent, of total state pension underpayments, according to official figures.





Those affected by the latest blunder are likely to be women who are now in their 60s and 70s who made a claim for child benefit before May 2000.



Tactical X

Men 40+ Are Getting Ripped Thanks To This New Military Device

by Taboola

If they did not include their National Insurance number, it is possible their credits – previously known as the home responsibilities protection – may not have been transferred to their NI account.

READ MORE Millions set to receive DWP £450 cost of living payment - when you'll get sum



Families out of pocket by more than £1billion (Image: Getty)

The mistake was discovered during an audit of NI records 15 years ago. That resulted in £85million being paid out. But further investigations have revealed thousands more have been affected and the amount owed much larger than initially thought.

Former pensions minister, Sir Steve Webb, now a partner at financial firm Lane Clark & Peacock, said: “The scale of these errors is huge. It is shocking that so many women have been underpaid so much money.” LCP has launched a “mothers missing millions” campaign and website (lcp.uk.com/mothersmissingmillions) to help people see if they are affected.

Tom Selby, of investment firm AJ Bell, said: “The most important thing now is that those who have been underpaid are identified as quickly as possible and put back in the position they should have been. Tragically, it is inevitable some will have died before they can receive the compensation they are owed.”

The scandal, revealed in the DWP's annual report, shows a £1.043billion central estimate of owed money. But there is a huge margin of uncertainty. The final sum is thought to be between £300million and £1.5billion.

Ex-pensions minister and Tory peer Baroness Ros Altmann said: "Surely this shows political interference with state pensions over so many years has resulted in a complex mess of different entitlements so convoluted and difficult to work out that even those supposed to be implementing all the rules are unable to do this correctly."

Don't miss...

187,000 Britons owed £1billion after state pension error [LATEST]

Pensioners struggling to pay energy bills discover they can get £16,086 boost [DISCOVER]

State pensioners with arthritis or joint pain may get an extra £407 a month [INSIGHT]





Tory peer Baroness Ros Altmann (Image: Getty)



GET THE LATEST MONEY TIPS AND EXCLUSIVE NEWS

SIGN UP FOR **FREE** ALERTS

Enter your email address here

SUBSCRIBE

We use your sign-up to provide content in ways you've consented to and to improve our understanding of you. This may include adverts from us and 3rd parties based on our understanding. You can unsubscribe at any time. [More info](#)

TRENDING



I lived in dreary seaside town full of abandoned shops - making friends was hard



The seaside city somehow named UK's second best and third worst place to live



The ridiculously pretty seaside town named among the UK's poshest places to live

“Ordinary citizens are left to trust in a system that has let them down and, for thousands, has not been corrected in time for them to benefit from the correct payments before they die. This whole sorry saga seems to confirm that the current state pension system is not fit for purpose.”

Pension expert Helen Morrissey, of Hargreaves Lansdown, said the scale of the underpayment was “truly staggering”.

She warned: "Given the experience of other groups, we know it's going to be a long process and many people face significant waits before receiving what they are due.

"In this case, many records do not even exist any more and so the DWP faces a laborious process of going through National Insurance records to try and identify people. There's every chance many could continue to be overlooked and not receive what they are entitled to."

DON'T MISS

POWERED BY  mantis



State pensioners could 'be winners' if wages rise higher than inflation under triple lock

EXPRESS  [17](#) COMMENTS

'Glimmer of hope': Married women given a major boost in their fight for higher payments



'Glimmer of hope': Married women given a major boost in their fight for higher payments

EXPRESS  [64](#) COMMENTS

Reach
Advertisement

A Government spokesman said: "We have identified and are correcting an issue related to the historical recording of home responsibilities protection on the National Insurance records for people who first claimed child benefit before May 2000.

“Most records will be unaffected and we will shortly be launching a new online tool to help people check whether they need to claim. **HMRC** will also begin writing to those likely to be affected from the autumn.”

Comment by Sir Steve - Webb Partner at consultants LCP



Sir Steve Webb (Image:)

It is hard to believe the Government has now owned up to another huge error in state pension payments. Remarkably, this only came to light when the DWP conducted the first proper checks on state pension payments for 15 years.

They only did this after being alerted to a whole raft of other pension errors – still being corrected – affecting married women and widows.

Last year, officials started phoning a sample of women whose state pensions were short of the full amount and realised that in many cases this was because National Insurance “credits” for their time at home with children were missing from the NI records.

Now HM Revenue and Customs has announced it will start writing to families who may be affected. The problem has happened because, prior to May 2000, it was not mandatory to put your NI number on your child benefit claim form.

Unfortunately, if you did not do so, there was no automatic way of linking your child benefit claim to the separate National Insurance computer.

As a result, vital home responsibilities protection for time at home with children since the scheme was introduced in 1978 could be missing. For some women, the amounts could be very significant.

To give an example, a woman on the new state pension with just five years short on her record could be due a pension increase of nearly £30 per week.

And, if she had been underpaid for six years, she should get arrears of more than £9,000. Once again, it is women who have been the main victims of these errors.

I welcome the fact HMRC will start contacting people in the autumn – but we need guarantees that those who are affected will get their pension corrected and arrears paid without further delay.