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## Waspi update on compensation to come "as soon as humanly possible"

The government says an announcement on state pension compensation for Waspi women will be made in the coming weeks, following an ombudsman ruling back in March







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(Image credit: Getty Images)



BY RUTH EMERY PUBLISHED 3 DAYS AGO IN NEWS

The Waspi women might finally be about to receive news about what compensation they're entitled to after failings in the way state pension age changes were communicated to them.

When questioned during his trip to the G20 summit in Brazil about the delay in pension compensation for women born in the 1950s, prime minister Keir Starmer responded: "The DWP secretary will be making a statement on this in the not too distant future."

The Department for Work and Pensions (DWP) secretary Liz Kendall also said last week: "I want to respond to this as soon as possible. I know how long this issue has taken [...] It needs to be sorted, I will do it as soon as humanly possible."

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Meanwhile, pensions minister Emma Reynolds told the Commons earlier this month that the government hoped "to be able to update the House in the coming weeks".



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The announcement will follow almost a decade of campaigning by the Waspi (Women Against State Pension Inequality) group, which highlights the plight of women born in the 1950s who suffered a financial loss as a result of changes to the state pension age being poorly communicated and made with little notice.

In March, the Parliamentary and Health Service Ombudsman found the DWP guilty of "maladministration" over how it had communicated these changes.

The <u>ombudsman called on parliament to secure funding for up to £10.5</u> <u>billion</u>. This would allow for a payout of between £1,000 and £2,950 for each woman affected.

Angela Madden, chair of Women Against State Pension Inequality (Waspi), says "the government must carry out the recommendations of the ombudsman's report and put right this historic injustice".

She added that Waspi had launched a <u>petition</u> asking the government to "announce a holding statement prior to Christmas and set out compensation proposals by 21 March 2025". So far, more than 57,000 people have signed the petition.

However, Baroness Ros Altmann, a former pensions minister, warns that the women may be disappointed, as she tells *MoneyWeek* that given the way the government has treated pensioners over changes to the <u>Winter Fuel Payment</u>, any Waspi redress could simply be a "means-tested hardship fund".



# What has the government said about Waspi?

Following the ombudsman's ruling, MPs pressured the then-Conservative government to make an <u>announcement about compensation before the</u> <u>summer recess</u>, but this did not happen.

Steve Webb, the former pensions minister, then warned that the <u>general</u> <u>election would inevitably delay any decision about redress for Waspi women</u>.

There was no mention of Waspi in <u>Labour's manifesto</u>, and there was little said after Labour's election victory.

However, in the last few weeks ministers have started speaking on the issue. Reynolds said earlier this month: "The ombudsman took six years to look at what are a range of complex cases, and we are looking at the complexity of those cases. I was the first minister in six years to meet with representatives of the Waspi campaign."

Kendall was then questioned about the issue of compensation at the Work and Pensions Committee on 13 November.

John Milne, a Liberal Democrat MP, asked Kendall: "I appreciate that you have taken rapid action on the infected blood scandal and the Horizon scandal to sort out compensation there. Waspi women, however, are a notable absence of these hangover things from the last administration. What people would like to know is when do you think you can address it?"

In her response, the secretary highlighted that the previous government did not respond to the ombudsman's ruling, adding: "I met the Waspi campaign when I was a shadow secretary of state for work and pensions. I want this resolved as quickly as possible but this is again extremely complicated. There is lots of information to go through. We need to get it right but I want this resolved as soon as possible."

Kendall declined to give a timescale.

## What sort of compensation could be paid out?

The ombudsman suggested that compensation of between £1,000 and £2,950 could be suitable for each person affected by the DWP's failings, and that the government should set aside funding of up to £10.5 billion.

Its report found that affected women should have received at least 28 months' more notice of the rise in the state pension age. Millions of women had insufficient time to make financial preparations and adjust their retirement plans.

A payout of less than £3,000 is a lot lower than the £10,000 some Waspi women were hoping for.





However, Altmann fears that the ombudsman's suggested payout won't be accepted by the government. "I am very intrigued to see what the government actually announces," she tells *MoneyWeek*.

"Given the way it has treated very poor pensioners, taking hundreds of pounds away from them if they are not claiming means-tested benefits, it is very difficult to imagine anything other than a means-tested hardship fund that the women can claim from."

A government spokesperson said: "This was a serious report, requiring serious consideration. We will continue to listen respectfully to the women involved, and ensure we take on board any lessons learnt."

There have been reports of fake compensation claim forms encouraging women to apply for compensation of up to £2,950 if they're impacted by the state pension age increase. Do not fill these in: these are a scam that will steal your personal details.

