Ombudsman remit in respect of the Government Actuary’s Department (GAD)

Thank you for your letter of 8th February regarding the AEA Technology Scheme and the remits of The Pensions Ombudsman and the Parliamentary and Health Service Ombudsman (PHSO) in relation to the Government Actuary’s Department (GAD).

Specifically, you ask whether the Government will consider bringing forward measures in the Defined Benefit White Paper to expand the scope of The Pensions Ombudsman or PHSO to investigate possible maladministration in respect of the type of information provided by GAD. The Defined Benefit White Paper will be published shortly and the Government has no plans to widen its scope at this late stage to include the remit of The Pensions Ombudsman.

As my predecessor, Richard Harrington MP, explained in the Westminster Hall debate on the AEA Pension Scheme in October 20161, there is nothing to stop GAD being named as a party to a case considered by the Pensions Ombudsman. The Pensions Ombudsman looks at maladministration: for example, when a trustee or a manager has been given incorrect advice or information. The Pensions Act 2004 broadened the scope of the Ombudsman’s powers to include the investigation of persons or bodies that have carried out an administrative function on behalf of the scheme. This could include GAD, but it is for the Ombudsman to consider whether the issues raised in a specific case fall within his jurisdiction. For the avoidance of any doubt, Government does not see any reason why the Pensions Ombudsman could not investigate a case involving the GAD.

The PHSO is also able to investigate cases brought against GAD in certain circumstances related to the exercise of its administrative functions. In the

1 https://hansard.parliament.uk/commons/2016-10-26/debates/6507189f-0f58-4810-9e60-576b861daac6/aeapensionscheme
Westminster Hall debate, Richard Harrington explained that the PHSO had decided not to investigate the complaints against GAD in relation to the AEA Technology Scheme. This decision was made on the basis that the complaints were not about the actions of a government department in relation to a citizen, which is what the PHSO service is for, but were regarding the information provided by that department in relation to employees and employees’ pension rights. As is the case for the independent Pensions Ombudsman, it is for the independent PHSO to consider cases on an individual basis and decide if they fall within his remit.

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