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Sent electronically

12 December 2024

Sir Geoffrey

TREASURY MINUTE RESPONSE - AEA TECHNOLOGY PENSION CASE

Thank you for your letter of 26 November 2024. I am writing in response to your letter and to secure the Committee's agreement for a change in Target Implementation Date. I apologise for not writing sooner on this, and that it required the prompting of your letter for me to get in touch.

In the former Committee's report into AEA Technology Pension Case (HC1005), it was recommended that the Government should review ombudsman arrangements to ensure that all aspects of people's interactions with their pensions have an adequate route of appeal.

We agreed to the Target Implementation Date of Autumn 2024 to respond to the Committee's recommendation. In my previous letter, I said we would consider this as part of the independent review of the Pensions Ombudsman due this year. However, the work was paused due to the General Election, and we are currently awaiting guidance from the Cabinet Office on how they would like departments to scope and schedule a new series of independent reviews for Non-Departmental Public Bodies. Once a decision has been made by Cabinet Office we will provide the Committee with a further progress update.

You also asked about different treatment between pensioners of AEA Technology and British Steel. The AEAT Pension Scheme and British Steel Pension Scheme (BSPS) cases differ in nature and do not suggest inconsistent or different treatment. BSPS members were given personalised recommendations, AEAT members received general information which included

a suggestion for them to seek independent financial advice. The schemes, and their employers, were in different circumstances, correspondingly members received differing information and made different decisions.

We are shortly to respond to the Work and Pensions Committee Inquiry into Defined Benefit Pensions which included a recommendation relating to the AEAT Pension Scheme. Officials are working closely with the inquiry and the department remains committed to seeking a process that ensures all pension savers have an adequate route of appeal.

Yours sincerely

Chris Frohman

Sir Peter Schofield KCB
Permanent Secretary