



Department  
for Work &  
Pensions

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**Rt Hon. Stephen Timms MP**  
**Chair WPSC**  
**House of Commons**  
London  
SW1A 0AA

Sent electronically

2 March 2022

*Dear Stephen*

## **GMP INDEXATION – REVIEW OF THE FACTSHEET**

We have now completed the review of the GMP factsheet which was published on GOV.UK on 12 August 2021. This 6-month routine post-publication review looks at people's perceptions of the factsheet and a copy is at the end of this letter.

Further to my reply of the 18 January to your letter of 15 December, I wanted to come back with further information to the points you raised to consider at the review stage. Our responses to the points raised are below.

- 1. What steps have been taken to promote the factsheet to people who might be affected, and how effective has that promotion been:**

The factsheet has been placed on GOV.UK in line with the normal approach to providing government information.

- 2. If the factsheet has been accessed by a very small number of people, and if you have received very little feedback on it, what more will be done to test the factsheet on users:**

As mentioned in the factsheet review attached to this letter, the factsheet has received a minimum of 6,922 unique views.

- 3. How many people have contacted DWP as a result of the factsheet, and whether you have had enough contacts to provide a robust evidence base for the review:**

As explained in the Annex, the review process is intended to test customer perception of the factsheet itself. Information on customer contacts is included at question 8 below.

- 4. Whether you have consulted the complainants whose cases were upheld by the Ombudsman, and others who have been negatively affected, to hear their feedback about the factsheet, and if not, why not:**

When selecting appropriate participants for research the user research team must ensure that participants do not have a high level of pre-existing knowledge of the topic. This would bias research so we ask participants for their own understanding of information. If the participant had a substantial level of prior knowledge for example a complainant, they would use this as a framework to interpret the information within the factsheet.

We focus research on understanding and usability without requiring prior knowledge. This ensures that the factsheet is understandable, usable and useful for people without detailed knowledge about the impact of new State Pension on Guaranteed Minimum Pension.

**5. Whether the Department considers that it has fully met the PHSO's condition that the factsheet should properly convey the potential for significant financial impact, and what its evidence is for that:**

This is covered by the section of the factsheet on "New State Pension ended government paying living cost increases on your GMP". This includes an example and states "Somebody with a large GMP reaching State Pension age from April 2016 to March 2017 could have a notable loss over their whole retirement."

**6. Whether the Department considers that it has fully met the PHSO's condition that the factsheet be tested on "a relevant group of those affected/those that have knowledge of GMPs", and what its evidence is for that:**

The User Testing report outlines our approach to user testing and it makes clear that, "Before publishing content on GOV.UK we need to evidence our understanding of our users' needs and show how the content meets those needs."

**7. Whether the Department considers that the factsheet adequately explains to people "what to do next if they think they have been negatively affected", as required by the Ombudsman, and what its evidence is for that.**

The factsheet provides details on when and how to contact us including providing an electronic link as well as a correspondence address.

**8. Is there a mechanism for people in the same position as the two complaints to apply for the same payments in recognition of the injustice they have suffered? a. How many people have applied for compensation?**

As I mentioned in my letter to you of 18 January, nobody has applied for compensation at this point. I also mentioned that, of the four people who had contacted us in response to the factsheet, two were unaffected by the policy change as their scheme will be uprating their GMP directly. One could build a new State Pension £38.42 a week higher than their position in the old system because of the transitional arrangements which can be greatly beneficial to people who have been contracted out. I also reported that one person would not have seen their GMP uprated in any event because of the rules of the old scheme. We have now received a further enquiry from someone who is in the same situation. The fixed rate revaluation of their GMP means that at 2016 they would not have seen any price protection until annual uprating of their additional State Pension of £73.33 exceeded their GMP of £121.65.

The analytical review shows positive usage of the factsheet with GOV.UK pages giving users the opportunity to select if the page is useful and 57% of users who gave feedback selecting 'yes' to 'Is this page useful?'.

There is no evidence at this time that further iteration of the factsheet is required and there is no trigger for further research.

*Yours  
Peter*

**Peter Schofield CB**  
Permanent Secretary

## **Guaranteed Minimum Pension Factsheet - Review**

### **Purpose of the Review**

As with our other live DWP services and products, User Research recommends a number of activities take place 6 months after publication. These include:

- an analytics review to establish usage of the GMP factsheet page, including mapping the routing in and from the factsheet
- a thematical feedback review on feedback received through GOV.UK Feedex
- a review of the contacts triggered by the factsheet to establish if people contacting are those that have been targeted from the policy intent.”

### **Findings**

The User Centred Design process used to create the ‘Guaranteed Minimum Pension’ factsheet included a range of quantitative and qualitative research methodologies to facilitate its development.

Quantitative research can simply be described as the ‘what’ people are doing. It looks at higher numbers of people but does not provide in-depth understanding of why people are acting that way.

Qualitative research focuses on the why people are behaving that way. It looks at small numbers in each research set but gives an in-depth understanding of why that behaviour is happening. Ensuring that design and content decisions are based on what the user needs and not what we think a user needs. This is addressed in more detail in the original submission document.

### **Analytical review of factsheet**

Page data for the ‘Guaranteed Minimum Pension (GMP) and the effect of the new State Pension’ factsheet on GOV.UK, was sourced using the GOV.UK Content Data Publishing Service, for the time-period 7 August 2021 – 6 February 2022.

The GOV.UK Content Data Publishing Service holds a range of analytics for pages on GOV.UK. From 20 December 2019 they only have analytical data for users who consent to cookies. The amount of data is limited by this, so after this date, data might not be representative. Therefore, usage may be higher than the figures collected but it cannot be lower. This data is collected and maintained by GOV.UK and is not quality assessed by the Department for Work and Pensions.

From 12 August 2021 the ‘Guaranteed Minimum Pension (GMP) and the effect of the new State Pension’ factsheet located on GOV.UK, has had 6,922 unique page views. But due to data only being collected for those who have consented to cookies, the amount of data is limited and therefore usage may be higher.

On the GMP factsheet there is a GOV.UK search box. This on-page search function has only been used 19 times, (0.3% of users) since 12 August 2021 which is very low.

The factsheet is the most viewed page on GOV.UK with the phrase ‘Guaranteed Minimum Pension’ in the title.



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**Stephen Timms MP**  
**Chair**  
**Work and Pensions Committee**  
House of Commons  
LONDON  
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*Sent electronically*

18 January 2022

*Dear Stephen*

### **GUARANTEED MINIMUM PENSION**

Thank you for your letter of 15 December 2021.

You asked that at the six-month review of the factsheet on GMP indexation published on 12 August 2021 the Department should consider a number of points that the Committee has raised.

The review is intended to look at whether the factsheet can be successfully accessed by all users and if its content is clear and relevant. I can confirm that we will factor the Committee's points (1 to 7 in your letter) into our review. I will update the Committee on the outcome of the Department's six-month review of the factsheet when the review is complete.

You also asked two questions, on which I will respond now, concerning compensation and the mechanism citizens can use if they feel they have been negatively affected by our communication on GMP. You asked (1) if there is a mechanism for people in the same position as the two complaints to apply for the same payments in recognition of the injustice they have suffered? And (2), how many people have applied for compensation?

In response to your first question, the factsheet explains the GMP policy change, provides examples of how people could be negatively affected by it and also describes that, after other policy factors are taken into account, people do not necessarily lose out because of the GMP change. The factsheet concludes by asking people to write to the Department if they would like advice about their own position.

Regarding your second question, nobody has applied for compensation. By way of background, to date we have received four letters in response to the factsheet. Two were from people who had public service pensions and are unaffected by the change

(their GMPs are being uprated by their schemes). One was from someone who had a "fixed rate revaluation" and would not have had their GMP uprated under the old rules until their gross additional State Pension of £52.22 a week had been uprated by prices annually until it exceeded their GMP of £97.92 a week. The final case concerned someone under State Pension age whose State Pension would be £38.42 a week higher than their position in the old system because of the transitional arrangements which can be greatly beneficial to people who have been contracted out.

All four correspondents received a full account of how the GMP change and the other policy factors affected their State Pension entitlement.

*Yours sincerely*  
*Peter Schofield*

**Peter Schofield CB**  
Permanent Secretary



## Work and Pensions Committee

House of Commons, London, SW1A 0AA

Tel 020 7219 8976 Email [workpencom@parliament.uk](mailto:workpencom@parliament.uk)

Peter Schofield  
Permanent Secretary  
Department for Work and Pensions

15 December 2021

Dear Peter,

### **Guaranteed Minimum Pension**

Further to your letter of 12 August 2021, I am writing about the work that the Department is doing to respond to the PHSO's finding that DWP failed to make its external communications about GMP sufficiently clear.

The Ombudsman recommended that the Department should:

Within three months of this report, review and report back on to us on the learning from this investigation, including action being taken to ensure that affected individuals receive appropriate communication from the DWP about their state pensions. In particular, the DWP should ensure that their literature clearly and appropriately references that some individuals, who have large GMPs and reach State Pension Age in the early years of the new State Pension, may be negatively affected by the changes. The DWP should advise individuals to check their circumstances, and should provide instructions for how to do this.

DWP proposed to respond to this recommendation by publishing a factsheet. In your letter of 12 August 2021, you told us that the factsheet had that day been published on gov.uk and would be formally reviewed after a period of six months. You have told us that that review will include:

- an analytics review to establish usage of the GMP factsheet page, including mapping the routing in and from the factsheet
- a thematical feedback review on feedback received through GOV.UK Feedex
- a review of the contacts triggered by the factsheet to establish if people contacting are those that have been targeted from the policy intent

In advance of that review, I am writing to set out some points that the Committee would like to see covered, as follows:

- 1. What steps have been taken to promote the factsheet to people who might be affected, and how effective has that promotion been;**



## Work and Pensions Committee

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- 2. If the factsheet has been accessed by a very small number of people, and if you have received very little feedback on it, what more will be done to test the factsheet on users;**
- 3. How many people have contacted DWP as a result of the factsheet, and whether you have had enough contacts to provide a robust evidence base for the review;**
- 4. Whether you have consulted the complainants whose cases were upheld by the Ombudsman, and others who have been negatively affected, to hear their feedback about the factsheet, and if not, why not;**
- 5. Whether the Department considers that it has fully met the PHSO's condition that the factsheet should properly convey the potential for significant financial impact, and what its evidence is for that;**
- 6. Whether the Department considers that it has fully met the PHSO's condition that the factsheet be tested on "a relevant group of those affected/those that have knowledge of GMPs", and what its evidence is for that;**
- 7. Whether the Department considers that the factsheet adequately explains to people "what to do next if they think they have been negatively affected", as required by the Ombudsman, and what its evidence is for that.**

One of the purposes of publishing the factsheet is to help people to understand "what to do next if they think they have been negatively affected". The Department has already made payments to the two complainants in recognition of the injustice they have suffered, in line with PHSO's recommendations. When you gave evidence to the Committee on 24 November, you said that you would let us know how many people have applied for compensation.<sup>1</sup>

- 8. Is there a mechanism for people in the same position as the two complaints to apply for the same payments in recognition of the injustice they have suffered?**
  - a. How many people have applied for compensation?**

I would be grateful for a reply by 13 January 2022.

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<sup>1</sup> Q 102



## Work and Pensions Committee

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Yours sincerely,

A handwritten signature in black ink that reads "Stephen Timms". The signature is written in a cursive style and is positioned to the left of a vertical line.

**Rt Hon Stephen Timms MP**

Chair, Work and Pensions Committee