



Joining the queue

Pensions Age takes a closer look at the role of lead cases in The Pensions Ombudsman's plans to cut down waiting times, including in the ongoing Boots pension dispute

Whilst perhaps not the most glamorous of pension institutions, the value of The Pensions Ombudsman (TPO) is undeniable, providing a source of redress for members who feel shortchanged or hard done by on pension disputes.

But perhaps the biggest challenge facing those savers in recent years has been the growing wait time at TPO.

Some progress has been made, as TPO's latest update suggested that the results from the first year of the Operating Model Review (OMR) improvement programme have been "excellent", with a record volume of complaints concluded during the year.

However, in a recent update, TPO chief operating officer, Robert Loughlin, admitted that, despite the improvements already made and a "Herculean effort", TPO was only able to maintain the status quo around its waiting times in 2024/25. This, according to TPO, was due to an "unprecedented" year with the number of new complaints growing by much more than expected.

Loughlin acknowledged that

"unfortunately, there is no quick answer to the challenges that we face around the caseload and the growing volumes of complaints that we are seeing – much of which remains outside our control as an organisation".

"Our strategy for tackling it, however, remains clear," he stated, confirming that TPO will continue to increase its operational efficiency in order to address issues around growing caseloads and wait times, targeting a further 4 per cent year-on-year improvement target for 2025/26.

As part of this work, TPO will be working to bring in pensions expertise at the earliest stage of its process, in order to help identify and resolve complaints much earlier in the process.

Lead cases, such as that being pursued in relation to the Boots Pension Scheme are also expected to help reduce waiting times *[see boxout]*, as well as expedited determinations.

TPO will also streamline the current process for jurisdiction decisions and when it asks respondents for a formal response to the applicant's complaint, which is expected to have a positive impact on reducing waiting times.

And future investment is also expected to help, as Loughlin said that TPO is working closely with its Department for Work and Pensions (DWP) colleagues to set out the case for investment in the ombudsman.

"In the longer term we will be looking for investment in our systems to enable automation and AI to transform our ways of working," he said.

But if anything, financial support for TPO's activities is seemingly weakening, as TPO recently confirmed that its pilot Pensions Dishonesty Unit (PDU) had come to an end, after broader government funding constraints meant that funding for the PDU ended on 31 March 2025.

Whilst run-off funds are available until October 2025 to complete specific investigations, TPO confirmed that it will still need to discontinue up to 50 complaints, involving 17 schemes.

The ombudsman also acknowledged that the threat posed by pensions scams has not gone away, stating that it will still ensure that affected customers receive signposting to appropriate reporting avenues, such as The Pensions Regulator (TPR) and Action Fraud, which can limit the impact of wrongdoers and, where possible, hold them to account.

Despite the end of the pilot programme, TPO also said that the ombudsman may, in the future, still decide that a specific case within an occupational scheme may be investigated

where there is no prospect of alternative redress, where there is a reasonable likelihood of redress and/or there is a novel legal issue or different type of scam involved.

However, it confirmed that “this is likely to be the exception rather than the rule”.

Hailed as a “significant development” for the industry, the unit, which launched in November 2021, investigated allegations of serious breaches of trust, misappropriation of pension funds and dishonest or fraudulent behaviour.

To date, it has issued determinations

in relation to 12 pension schemes involving more than 800 members and directed redress of over £40 million.

However, TPO admitted that, whilst the PDU has been able to provide justice, it has proven difficult in practice to ensure that scheme members are compensated for losses by the wrongdoers directly.

This is because parties at fault have been able to delay or avoid liability by filing for bankruptcy, or by appealing our determinations, which forces the other parties, notably the affected members, into court proceedings with the ensuing litigation risk and cost.

This means that the actual recoveries to date are “substantially” more modest

than the £40 million directed.

But some are still optimistic that this funding can be clawed back, with former ombudsman and TPO chair, Anthony Arter, recently writing to the Work and Pensions Committee expressing his hope that, if there is a future easing of public finances, monies will be found to continue this important work.

“When one looks at pension complaints surely one of the most serious complaints is where someone has lost their entire pension savings through being scammed,” he stated.

✉ Written by Sophie Smith



Taking the lead

One key way that TPO is looking to address the backlog of complaints is through lead cases. According to TPO, lead cases are an efficient way of dealing with a significant volume of complaints of a similar nature caused by the same incident. They can be accelerated through our processes to final Determination, providing clarity for all parties as early as possible. This reduces the impact that large volumes of

individual incoming complaints can have on waiting times for all our customers.

Perhaps the most notable example of this is the news that TPO has chosen to take a ‘lead case’ approach in respect of the ongoing dispute between the trustee of the Boots Pension Scheme and some members of the scheme concerning the ability to take an unreduced pension at 60, due to the number of members potentially affected by the issue. Members of the Boots Pension Scheme previously raised concerns after the scheme’s buy-in with Legal & General (L&G) removed the option to take a full pension from age 60, led by The Pharmacists’ Defence Association (PDA).

The union confirmed that its members have sought support after communications from the trustee of the scheme explained that the decision to secure a buy-in with L&G included the removal of the option to take a full pension from age 60.

Commenting at the time, the union argued that there was “insufficient evidence” to fully support the trustees’ claim that the option to take an unreduced pension from 60 was discretionary and not a right.

“We are therefore questioning whether this option should have been secured as part of the buy-in and not ended with immediate effect,” PDA Union national officer, Paul Moloney, explained. “We believe benefit statements issued to members, at the very least are contradictory, and clearly state that a full pension will be payable from a member’s 60th birthday, with no reference to this benefit being discretionary and therefore subject to a regular review by the trustees.

“Instead, the benefit statements give the impression that an unreduced pension from 60 is a right with no indication that retirement plans should not be based on the benefit statements.”

And whilst Moloney recognised the potential advantages a buy-in can bring to the overall security of benefits, he argued that “it is important that it is done correctly”.

Members impacted by the dispute have still been encouraged to submit a complaint in the meantime, however, as a spokesperson for TPO said: “If you are affected by this issue and may want to make a complaint to TPO about this in the future, we expect you to make a complaint to the trustee under the scheme’s internal dispute resolution procedure (IDRP).

“Once the lead complaints are determined, our expectation is that these determinations will inform how the trustee responds to all IDRP complaints. At that stage, any member who has a specific situation not covered by the lead complaint determinations may apply to TPO.

“If you have a complaint about the Boots Pension Scheme regarding a separate issue, you can raise this through the scheme’s IDRP in the usual way (making it clear your complaint is different to the lead cases), and then with TPO if you are not satisfied with the outcome of the IDRP”