

Millions of state pensioners underpaid by £530million last year - are you one of them?

More than one in 10 pensioners – which is around 1.3 million people – did not receive their full state pension payment last year

(Image: Getty Images/iStockphoto)



[Pensioners](#) across the UK were underpaid their [state pension](#) by £530million last year, according to Government figures.

Analysis of the figures by the [Labour Party](#) found more than one in 10 pensioners – which is around 1.3 million people – did not receive their full benefit.

The average underpayment was more than £400 per person.

The reason for the underpayments was cited as "processing errors" by the Department for Work and Pensions ([DWP](#)), [HMRC](#) or local authorities reports the [Daily Express](#).

The underpayments were discovered because the Government is now actively carrying out checks rather than using estimates - this is the first time they are doing this.

This suggests underpayments could have been much higher in previous years.

Ex-pensions minister, Sir Steve Webb, said £530million was an "extraordinary" amount of money.

Sir Steve, a partner at pension consultants LCP, said: "It is all the more shocking that proper checks have not been done for more than 15 years.

"These figures are the first year that checks have been done properly - they've actually been phoning people up - and unsurprisingly the underpayments are very high."

Overall, the official data reveals that mistakes made by Government officials cost state pension and benefit claimants £1.1 billion in 2021-22.

State pensions accounted for 48% of underpayments with [Universal Credit](#) claimants missing out on £140 million during the same period.

People claiming Employment and Support Allowance (ESA) were also left £130,000 short.

Overall, around 1.8 million people are believed to be affected by underpayments

Shadow work and pensions secretary [Jonathan Ashworth](#) commented: "When so many families and pensioners are struggling, these levels of

incompetence are staggering.

“It’s time blundering Tory ministers got a grip.

“Labour would crack down on these failures and take action to get living standards up and tackle the growing poverty crisis facing the country.”

Just last month, separate DWP figures revealed that pensioners had received [£300million to counter underpayments](#).

Of the 173, 538 accounts checked between January 11, 2021 and February 28, 2023, exactly 46,716 underpayments were identified.

The DWP has been contacting those affected by these errors, mostly women who are widowed, divorced or who have some of their entitlement based on their husband’s pension contributions.

The DWP started working to fix this particular problem on January 11, 2021, and said that it expects to make repayments by the end of this year.

If you are owed money - or believe you are - you'll likely have to sit tight and wait for the DWP to send you a letter confirming your payment.

Initial government estimates for the 2022-23 financial year are due to be released on May 11.

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A DWP spokesperson told the Daily Express: “State pension underpayment rates remain low at 0.5% of expenditure.

“In 2021-22 we spent over £104billion and in 2022-23 we were forecast to spend over £110billion on the State Pension, supporting over 12.5 million pensioners.

“Our priority is ensuring everyone receives the financial support to which they are entitled and, where errors do occur, we are committed to fixing them as quickly as possible.”