



Dominic Harris  
Pensions Ombudsman  
10 South Collonade  
Canary Wharf  
London  
E14 4PU  
(via email)

15 May 2026

Dear Dominic,

**Guidance about handling member complaints about the impact of the unacceptable performance of civil service pension scheme administrators**

I am writing about the unacceptable service from the administrators of the Civil Service Pension Scheme, and the need to ensure there is a robust and fair process to assess the significant volume of complaints that will inevitably arise, and that appropriate levels of compensation are paid to affected members in a timely and efficient manner.

The Pensions Ombudsman is key to delivering these goals, both directly through its role investigating complaints, and through clarification of important questions and guidance to other parties.

I am, of course, aware of your statement of 30 January about issues raised by the transfer of Civil Service Pensions from MyCSP to Capita. The legislation is clear that members must first raise complaints with the Civil Service Pension Scheme and must complete the scheme's formal 'Internal Dispute Resolution' (IDR) process before complaining to the Pension Ombudsman.

I am not suggesting any material changes to the established framework for dealing with complaints.

However, I believe that the Pensions Ombudsman can provide clarity and guidance that will be important in supporting the Civil Service Pension Scheme in delivering an IDR process that can cope with the unprecedented number and nature of complaints that it is expected to handle.

It is impossible to predict the number of additional complaints that the scheme will have to handle because of the recent disastrous performance of scheme administrators. But we know, for example, that about 8,500 retired members were waiting for their delayed pension to be paid on 1 December 2025, while about 7,000 dependents' pensions were outstanding on the same date. On 23 April there were 23,000 delayed retirement quotes in the queue for processing.

On top of this, tens of thousands of members were affected by issues ranging from being unable to log onto the pension portal, to delays in the finalisation of divorces due to a lack of information from the scheme.

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Clearly, there is the potential for many tens of thousands of members to bring complaints through the scheme's IDR process.

Even presuming there is a significant increase in resources to process complaints, this will inevitably have implications for the time it takes to deliver outcomes. It is difficult to believe that it will not also affect the quality of outcomes.

The potential scale of complaints about the scheme's IDR decisions also presents a significant risk to the Pensions Ombudsman's own operations.

The unprecedented nature, as well as the enormous scale, of these problems greatly adds to the challenges in dealing with them.

Helping the Civil Service Pension Scheme deliver the right outcomes, would benefit scheme members and reduce pressure on the system.

I have raised several points below where I believe that clarification or guidance from the Pensions Ombudsman would simplify the process of submitting complaints and help deliver better, and more efficient, outcomes.

### **(1) Application of time limit on bringing a complaint to the Pensions Ombudsman**

In most cases, applications need to be made to the Pensions Ombudsman within three years of the event being complained about, or, if later, within three years of when the member was first aware of the issue or should have been aware of it.

In the last year, thousands of civil service pension scheme members have experienced delays to pension payments. They will usually have become aware of these delays around the time they retired.

However, a complaint to the scheme's IDR may only have been made when the situation was resolved, the pension was finally paid, and the detriment could be fully assessed.

It is possible to apply the Pension Ombudsman's time limit from the point the delay started, or from when it was resolved and it was possible to submit an IDR complaint. The difference can be up to a year in some cases.

Given the likelihood that the scheme's IDR process will be overwhelmed by the volume of complaints, it is possible that it will take over two years to issue determinations in some cases.

So, the consequence of applying the time limit from the point of retirement could be that substantial numbers of members have to make a complaint to the Pensions Ombudsman before the outcome of the scheme's IDR process is known, just to preserve their position in relation to the time limit.

This seems potentially burdensome for members, the scheme and the Pensions Ombudsman.

If you could confirm that, in relation to complaints about these delays, the time limit will apply from the point the delay was resolved, and the full detriment could be assessed, there would be greater clarity for members and improved efficiency throughout the process.

### **(2) Waiving time spent in the scheme's IDR process against the time limit**

The Pension Ombudsman has discretion to discount time spent in schemes' IDR processes against the three-year limit for making a complaint, though often it is not applied.

Again, the practical impact of this, in the context of pressures on the IDR processes that could result in cases taking two or more years to resolve, is that members will have to

submit a complaint to the Pensions Ombudsman before they even know the outcome of the IDR process, just to preserve their position in relation to the time limit.

If you could confirm that, in relation to these complaints, any time spent in the scheme's IDR process will not be counted against the Pension Ombudsman's time limit, this would also improve clarity for members and the efficiency of handling complaints.

### **(3) Additional resources for the increase in complaints to the Pensions Ombudsman**

This situation will generate an unprecedented number of complaints about one scheme over a short period.

Many tens of thousands of members have been affected, a proportion of those will make complaints, and a further proportion of those will be raised with the Pensions Ombudsman.

It is important that you make a strong case to DWP and others that additional resources will be necessary to deal with these complaints, while also maintaining delivery of business as usual.

### **(4) Guidance for the scheme manager and administrator on accepting complaints through the IDR process**

There have been suggestions that the scheme administrator is attempting to "gatekeep" the IDR process in some cases. Some members have reported that the scheme administrator has told them that they must submit a complaint and await a response, before using the IDR process. We cannot independently verify these reports, but we are aware of several different accounts of this happening.

It is crucial that you make sure the scheme manager and administrator are fully aware of the requirements of the Pensions Act 1995 and the Occupational Pension Schemes (Internal Dispute Resolution Procedures Consequential and Miscellaneous Amendments) Regulations 2008 and that their communications to members are consistent with those requirements.

### **(5) Guidance for the scheme manager on assessing complaints**

The scheme manager is obviously responsible for its IDR process.

However, it operates that process in a wider framework that includes the member's right to complain to the Pensions Ombudsman, and the Pension Ombudsman's guidance on issues such as redress for non-financial injustice.

It is crucial that the scheme's IDR process delivers the right result as often as possible, both to maximise members' experiences of the process, and to minimise the burden on the Pensions Ombudsman.

There will be significant numbers of claims for financial losses. While often substantial, these may be less controversial because they will be largely fact dependent.

There will also be many thousands of claims for non-financial injustice / losses. The Pensions Ombudsman has issued general guidance on this subject which I believe is under review as of March 2026.

However, there is a risk that the unprecedented nature of the situation experienced by members of the civil service pension scheme, could affect the relevance and suitability of this guidance to these cases.

The main issue is that so many civil service scheme members have been affected so badly, that levels of detriment that has historically been exceptional, is much more standard for these members.

Consider the thousands of scheme members living on credit cards, borrowing from family members or taking other desperate measures to survive months without income as they waited for their pensions to be paid. Many of these cases will involve non-financial injustice equivalent to those the guidance classifies as exceptional.

There have also been many cases of the utmost seriousness raised by MPs at various Parliamentary debates and committee hearings in recent months. Several of these appear to involve detriment that would typically be considered exceptional.

There are even thousands of members that may not immediately appear to have suffered detriment who can potentially demonstrate they meet the criteria for exceptional awards in relation to non-financial losses. Significant numbers of members have delayed retirement because the scheme administrator could not provide required information or they feared being without any income for many months. While the reasons for the delay are different, the Pension Ombudsman determination in Foster (82418/1) also considers a case where a scheme caused the member to delay retirement. The determination was that the impact justified an exceptional level of compensation for distress and inconvenience of £4,000. The facts in each case will be different, but clearly it is possible that some of the thousands of members who delayed their retirement plans will be entitled to compensation for non-financial losses at the exceptional level.

Without additional guidance that is specific to the experiences of members of the Civil Service Pension Scheme, there is a significant risk that the scheme manager will calibrate outcomes of the IDR process to deliver very few, or even no, cases of non-financial losses awarded compensation at the exceptional level, requiring compensation of more than £2,000.

As well as delivering the wrong level of compensation to scheme members, this approach would also result in significant numbers of members taking complaints to the Pension Ombudsman.

It is crucial that the Pensions Ombudsman provides updated guidance that is tailored to the types of cases that members are expected to raise because of the problems in this scheme. This will help the scheme manager deliver the right outcome through the IDR more often, increase the efficiency of the process and reduce the burden on the Pensions Ombudsman and others.

I hope you agree that the clarity and guidance I have requested from you would be useful and result in better outcomes. Any assistance you can provide would be greatly appreciated, especially by the thousands of members who will submit complaints about the impact these problems have had on them.

Given the seriousness of this issue and wider public discourse, I will share this letter with Cabinet Office officials, the Chairs of the Public Accounts and Public Administration and Constitutional Affairs Committees as well as Prospect members.

Yours sincerely,

**Steve Thomas**

Prospect Deputy General Secretary