



Catherine Little CB
Permanent Secretary
Cabinet Office
70 Whitehall
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(via email)

15 May 2026

Dear Cat,

Dealing with member complaints about the impact of the unacceptable performance of civil service pension scheme administrators

I am writing to you about serious concerns I have about the process for handling the significant number of complaints that members will raise about the impact of the unacceptable performance of civil service pension scheme administrators. I have also attached a letter I sent to the Pensions Ombudsman about related issues for information.

I completely understand, and agree, that the priority of your officials is, and will remain the recovery of this service and the processing of delayed pensions and retirement quotes.

However, the handling of members' complaints about these problems also has the potential to cause significant distress and bring management of the scheme into further disrepute, so getting ahead of that to develop appropriate support, resources and protocols to action those complaints is vital.

From the point of view of members, the complaints process is not just an administrative requirement somewhat separate from the general operation of the scheme, but a fundamental part of resolving the problems that the unacceptable performance of scheme administrators have caused.

Consider a member who had to put most of their living expenses on credit cards during the eight-month period they were without any income while waiting for their pension to be paid. This member first experienced detriment at the point they retired, but it was only partly resolved when the pension was finally paid eight months later. This member also incurred substantial financial losses related to their use of credit cards caused by the delay to their pension. Recovering these losses, and compensation for non-financial losses, is a fundamental part of the process of making this member whole again. If the scheme is not prepared to deal with this complaint, and takes many more months, or even years, to deliver an outcome, this greatly exacerbates the impact on this member.

More generally, most scheme members have experienced high levels of frustration trying to contact the scheme and resolve the various issues they experienced. If a dedicated complaints process is not established promptly, and resourced properly, this will add to these frustrations and undermine efforts to restore confidence by returning services to the contracted standards.

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It is vital that the Cabinet Office immediately starts to put the necessary resources into place to be able to deal with the thousands of complaints about serious maladministration, such as delayed pensions, that members will be submitting.

There is obviously a great deal of uncertainty about the proportion of the tens of thousands of scheme members with legitimate grounds for complaint who will submit a claim. The Cabinet Office must regularly monitor these statistics so resources can be added rapidly if the number of complaints is significantly higher than originally anticipated. Building on the open approach to dealing with CSPA challenges, we would ask that the data is shared with trade unions.

Prospect also has concerns about the initial attitude that Cabinet Office officials seem to have taken towards the determination of compensation for non-financial losses. Preliminary discussions have given us the impression that Cabinet Office officials do not foresee circumstances where compensation of more than £2,000 would be payable. This seems somewhat obtuse given the widely known cases of the most serious maladministration caused by these problems. It would also prejudice the handling of complaints brought through this process.

Any attempt to effectively cap, or otherwise systematically underpay, compensation for non-financial losses would be unacceptable, particularly in the context of the serious detriment these members have already suffered. It would also undermine confidence in the process and ultimately generate substantial numbers of complaints to the Pensions Ombudsman.

I hope you agree that confirming a responsive, resourced and supportive process for handling members' complaints about the impact of extremely poor scheme administration is a priority. For the reasons given above, I am concerned that it will not be given the resources necessary to determine complaints and pay compensation efficiently and fairly. Failure to deal with these complaints appropriately will only exacerbate an already very difficult situation and bring further criticism.

I will share this letter with the Chairs of the Public Accounts and Public Administration and Constitutional Affairs Committees and with Prospect members.

Yours sincerely,

Steve Thomas

Deputy General Secretary