

Sir Geoffrey Clifton Brown MP
Chair, Public Accounts Committee
House of Commons
London
SW1A 0AA

5th June 2026

Dear Sir Geoffrey,

Following Capita's evidence to the Public Accounts Committee on 26 March 2026, and in line with my previous correspondence, I am writing to provide our monthly update for May on progress against the Civil Service Pension Scheme (CSPS) recovery plan.

Current service standard

Throughout May, Capita continued to further stabilise service performance, with a focus on urgent and priority cases. I can report that backlogs in payments and quotations have reduced, and member-facing services are operating with greater consistency:

- **Payroll:** Since 1st December 2025, Capita has paid £4.1billion to members. All 90 scheduled payroll runs in May totalling c.£660m were delivered.
- **Critical cases:** Since 1st December 2025, Capita has processed a total of 2,053 death-in-service and ill-health cases. As of 3rd June 2026, Capita has 470 active death-in-service and ill-health cases which are workable or in data triage. Separately to this, at the time of writing, Capita has 543 death-in-service and ill-health cases awaiting third party input (for example, data or evidence has been requested from an employer, member's family or probate). Moreover, for divorce cases, Capita has completed 3,796 cases since 1st December, and currently has 822 workable or data triage cases, and 627 cases with third parties (such as members or solicitors).
- **Member portal:** Usage of the member has continued to increase, with over 325,000 members now accessing services digitally. I can confirm that the 2025 Annual Benefit Statement functionality has been restored and now members can access their 2025 benefits information. During the week commencing 25th May 2026, over 2,800 queries were resolved using the AI chatbot function, helping members to undertake simple tasks such as resetting their account.
- **Contact centre:** Average answer times for critical lines in May were: 1) bereavements - 57s; 2) hardship - 97 seconds. Across all case types, throughout May, contract centre performance fluctuated, and had an average wait time of around 30-minutes.
- **Bereavement cases:** Since 1st December, Capita has completed 15, 837 bereavement cases. As of 3rd June 2026, Capita there are 11,816 bereavement cases. Of these, 7,812 are workable/in data triage, and 4,007 are with third parties such as members, or in probate where further data/evidence is required.
- **Arrears:** Across April and May, a significant proportion of pension payment arrears have now been cleared. Capita now has 5,480 pension payment cases, this amounts to a 29% reduction in cases since the end of April. Of these 5,480 cases, 1,823 cases are with a third party (such as employer or member) to progress before Capita

can process the case, and the remaining 3,657 cases are either workable or being data triaged.

Quotations: Capita currently has 18,341 retirement quote cases where the retirement date is less than four months away. In line with CSPA scheme rules, these cases can be processed. I can share with the Committee that quotation output increased during May, with c.2,900 quotations issued, the bulk automation of quotations now commenced, and data-triage requests now issued to employers. As Capita has now received significant member employment data requests back from employers, we expect to issue significantly more retirement quotations to members in June.

Notwithstanding the above progress, we still have improvement to deliver to achieve full contracted service performance. While many members are now experiencing a good service, this is not yet consistent, and far too many members are not receiving the service they deserve.

I would like to again extend my apologies for this ongoing impact.

Throughout June, Capita will focus on further backlog reduction, driven by improved data quality and increased automation. A structured data cleanse programme is also underway to address incomplete or inconsistent records – a key dependency for scaling quotation output and improving end-to-end processing to members.

Service expectations at the end of June

We are committed to achieving the service recovery plan that we agreed with the Cabinet Office by the end of June. We remain on trajectory to achieve this.

This will deliver a materially more stable service for the majority of members; however, this may not represent full recovery across all services.

By the end of June:

- **Case management:** Most new priority cases are expected to be processed within service levels, although a small number of complex or non-standard cases may still take longer. Cases supported by complete documentation received by early June are expected to be processed, with some remaining dependent on employer input.
- **Quotation output:** As quotation output has now increased, it will mean that, by the end of June, any retirement quotations with clean data received from the beginning of June will be processed and then issued to members.
- **Backlog cases:** The Committee will recall that Capita inherited a backlog of c.86,000 cases along with c.15,000 unindexed emails, which generated a further 3,787 cases created, of which 78 were high priority. The cases were predominately made up of historic and complex case types. I can assure the historic backlog will have been cleared being either resolved or have clear next steps in place.
- **MP casework:** MP casework raised prior to early June is expected to have been acknowledged, updated or responded to.
- **Members Portal:** Capita expects a continued growth in members using the portal and chatbot with the advancement of new features, such as an advanced 'Track My Case' function. Capita expects further enhancements to Track My Case (giving

members more information on the status of their cases) to go-live before the end of June. This will provide members and employers even greater insight.

There are areas which will extend beyond June:

- **Transfers:** Members seeking to transfer in and out of the CSPA will not be fully resolved, although policy easements are in place to mitigate member impact. However, these have been de-prioritised until the service is recovered.
- **McCloud remedy cases:** These cases will continue beyond June as part of a longer-term programme.

Given the number of retirement quotations issued before the end of June, across July and August, Capita is expecting: 1) a significant number of retirement cases as members activate their quotations, 2) queries and potential changes to quotations and 3) pent up demand of members who have delayed retirements requesting quotations. Capita is building the required capacity to manage this.

MP casework engagement

Capita recognises that response times to MP casework have been below expectations and has taken steps to improve engagement.

During May, Capita has:

- Issued regular written updates to MPs alongside substantive case responses where available;
- Delivered a parliamentary drop-in session attended by 39 MPs, covering 179 individual cases;
- Offered follow-up one-to-one clinic meetings with MPs' offices; with 64 meetings scheduled or having taken place at the time of writing. These MP clinics have daily availability.

Conclusion

Capita has made measurable progress during May in stabilising services, reducing backlogs and improving operational control, supported by increased automation, improved digital services and strengthened governance.

However, we recognise that recovery is not yet complete. Performance remains uneven, and further work is required to improve service to members. Capita can assure the Committee it is now on a clear trajectory to have a more normalised the CSPA service by the end of June, with continued improvements and automation changing the service the members expect.

I recognise the impact on members and reiterate our apology for delays experienced. I can assure the committee that recovery of the CSPA remains Capita's highest operational priority.

We will continue to update the Committee as progress continues and service performance stabilises.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Richard Holroyd', with a large, stylized flourish at the end.

Richard Holroyd
CEO, Capita Public Services