

Sir Geoffrey Clifton-Brown MP

Chair, Public Accounts Committee

Simon Hoare MP

Chair, Public Administration and Constitutional Affairs Committee

House of Commons

London SW1A 0AA

22nd July 2026

Dear Sir Geoffrey, Simon

Oral evidence session on the administration of the Civil Service Pension Scheme (CSPS)

Thank you again for the opportunity to give evidence to the joint session of the Committee of Public Accounts (PAC) and the Public Administration and Constitutional Affairs Committee (PACAC) on Wednesday 8th July 2026. I am writing to follow-up and offer clarifications as requested during the hearing.

Before turning to those, I want to repeat the apology given by Capita's colleagues in the session. We recognise that the service has not been good enough for CSPS members who have dedicated their careers to public service and we are sorry for the distress and inconvenience this has caused. Below I have taken each issue in turn:

Call-centre wait time

The Chair asked for further information regarding the longest call wait times. We did not have that specific figure to hand during the session and undertook to write to provide this information. The longest individual call wait time recorded in June was 03:14:16.

By way of context, calls for bereavement and hardship are prioritised and are answered fastest, which means non-priority calls can wait longer than the average. Overall performance has nonetheless improved markedly:

- **Average speed of answer (all calls):** 8 minutes 57 seconds in June 2026.
- **Calls answered:** In June, Capita received a total of 48,223 calls of which 86.54% (41,732) were answered, with 99.2% of bereavement calls and 98.5% of hardship calls being answered.

A breakdown of call wait times is as follows:

Wait Time	Total	Percentage
Under 1 minute	24,632	59.02%
Under 2 Minutes	2,902	6.95%
Under 5 Minutes	3,041	7.29%
Under 10 Minutes	2,295	5.50%
Under 20 Minutes	2,570	6.16%
Over 20 Minutes	6,292	15.08%

As we outlined during our oral evidence, the increased use of webchat by members, the number of cases resolved at first contact on the phone and the wider service recovery are all helping to reduce call volumes and wait times.

Rectification plan

Capita was requested to submit its detailed draft Rectification Plan on 14th July 2026. I can confirm that this has been submitted. Both Capita and the Cabinet Office intend to work with the appointed Remedial Adviser (Grant Thornton LLP) to ensure the draft Rectification Plan is acceptable to deliver the services.

Overspend on the contract to date and to recover the service

Capita can now provide an update to the Committees following a market disclosure on 9th July 2026. Given that Capita will be undertaking the work documented in the draft Rectification Plan along with the potential impact of payments withheld, likely performance credits and the additional investment required, Capita cannot yet confirm the precise overspend figure. However, based on current estimates, across 2026, Capita expects a net cash-flow impact of £35m – £50m due to CSPS.

Data to demonstrate progress

In response to questions from Luke Taylor MP, we undertook to provide specific data demonstrating that the service is improving. The following reflects this:

- **Payments maintained:** Capita has not missed a payroll payment since 1 December 2025 and has paid £4.8 billion to more than 700,000 members.
- **Contact centre performance:** Call volumes have fallen from a peak of around 25,000 calls per day to around 9,000. A second contact centre in Sheffield is now operational, and both the proportion of calls answered, and the average speed of answer, have improved as set out above.
- **Automation supporting increased throughput:** A bulk retirement quote functionality is now live, with capacity of up to 5,000 quotes per week compared with around 200 processed manually. The sending of automated death-in-service letters went live on 22 June 2026, and bulk widow and dependant payment tooling went live on 30 June 2026. This will soon have capacity to deliver c.1,000 cases per day.
- **Portal:** There are now over 330,000 registered portal users and since the portal went live, members have completed more than 300,000 successful document downloads and c.30,000 successful uploads.

McCloud Remedy

As Mr Clements stated in oral evidence on 8th July, Capita is currently in discussions with the Cabinet Office regarding this statement of work. It will be resourced and managed separately from the main CSPA contract.

I hope this correspondence is helpful. I would like to reassure the Committees we remain wholly committed to delivering the CSPA to the standard that members are entitled to expect, and to keeping your Committees fully informed as we do so.

Please do not hesitate to contact me if the Committees would like any further detail on any of the points above.

Yours sincerely,



Richard Holroyd
CEO, Capita Public Services