

20 November 2023

Capita Business Services to take over administration of the Civil Service Pension Scheme

The contract has been awarded to Capita after a bidding process and will start in 2025.

Capita Business Services announced today (20) that it has secured a ten year contract covering administration of the Civil Service Pension Scheme from September 2025

Changes are now having to be made to very high numbers of pension accounts as a result of the McCloud Judgement to remove age discrimination from pension changes made by the government in 2015.

Although most of this work should be completed before the new contract starts in 2025, privatised pension administration since 2010 has been problematic and beset by problems.

Capita were previously stripped of the same contract in 2014 when aspects of pension administration failed. A re-tender and a highly critical investigation by the National Audit Office followed. Capita were also recently unsuccessful in retaining administration of the Teachers' Pension Scheme and are currently beset by the fallout from major data breaches arising from attacks on its servers by cyber criminals.

PCS will be working to secure the future for pensions administration staff who will be covered by the provisions of TUPE.

PCS general secretary Mark Serwotka said: "Privatised payroll and pension services have been a costly failure. There was never a good case for it and there has been a disastrous decline in the level of service. This was another missed opportunity to integrate the processes by bringing the work back in-house."