# Nestlé pension payments delayed by HSBC banking glitch, sparking frustration among pensioners



Nestlé, the multinational confectionery giant, has recently come under fire for leaving pensioners without their expected payments for several days. The company, known for popular products such as KitKat and Nespresso, blames this disruption on a glitch in banking services provided by HSBC, their payment processing partner.

Pensioners who rely on the firm's contributions had been anticipating their payments on May 29, only to discover that they were not credited to their accounts. This unexpected delay has caused significant frustration, particularly among older adults who depend on these funds for their everyday expenses. Affected pensioners have voiced their concerns on various platforms, including a message board established by consumer champion Martin Lewis. One pensioner shared their experience, stating, "When I've contacted them, they say that the fault is with HSBC that didn't transfer the money," further expressing anxiety about covering essential direct debits. Despite the stress of the situation, some pensioners indicated that they had not yet incurred any financial penalties but highlighted the hassle involved in managing their finances during this delay.

Nestlé has responded to the complaints through its social media, offering apologies and providing reassurance regarding the resolution of the issue. The company's announcement confirmed that the delays were due to a failure on HSBC's part, stating: "We are aware that there has been an issue with this month’s pension payment... We can confirm that pensions will be paid on Tuesday, June 3." Additionally, a Nestlé spokesperson reiterated that this was a third-party issue outside their control, promising a thorough review to prevent future occurrences.

Issues with HSBC are not unprecedented. The bank has faced similar incidents in the past, including a significant glitch in 2015 that affected hundreds of thousands of payments across various users and businesses. While HSBC managed to resolve the situation swiftly and ensured most affected payments were made, this history of glitches raises questions about the bank's reliability as a payment processor.

Such problems are particularly concerning given the broader context of disruptions faced by UK banks. In recent months, numerous institutions, including HSBC, have encountered outages that impeded payments and access to online banking on crucial days such as paydays. This raises significant concerns regarding the stability of banking infrastructure that serves a population increasingly reliant on timely transactions.

Simultaneously, Nestlé is undergoing its own transitions within its pension management strategies. Recently, the company announced a shift in its investment approach, reducing its focus on real estate in favour of increased allocations in bonds and equities. This move reflects a broader strategy to enhance financial performance and risk management within its pension schemes.

As these pensioners await their payments, the situation underscores the critical nature of reliable banking services for vulnerable populations. While Nestlé is committed to rectifying the immediate concerns of its pensioners, the recurring issues with HSBC could signal the need for a reevaluation of partnerships that manage essential financial services.

### 📌 Reference Map:

* Paragraph 1 – [[1]](https://www.dailymail.co.uk/news/article-14772039/Pensioners-left-without-money-Nestle-fail-pay-hsbc.html?ns_mchannel=rss&ns_campaign=1490&ito=1490), [[4]](https://www.proactiveinvestors.com/companies/news/1050817/hsbc-barclays-nationwide-users-suffer-outages-on-payday-1050817.html)
* Paragraph 2 – [[1]](https://www.dailymail.co.uk/news/article-14772039/Pensioners-left-without-money-Nestle-fail-pay-hsbc.html?ns_mchannel=rss&ns_campaign=1490&ito=1490), [[5]](https://www.ipe.com/news/nestle-pension-fund-launches-new-investment-strategy/10074222.article)
* Paragraph 3 – [[2]](https://www.bbc.com/news/uk-34095626), [[3]](https://www.bbc.com/news/business-34084767)
* Paragraph 4 – [[1]](https://www.dailymail.co.uk/news/article-14772039/Pensioners-left-without-money-Nestle-fail-pay-hsbc.html?ns_mchannel=rss&ns_campaign=1490&ito=1490), [[6]](https://www.ipe.com/nestle-shakes-up-global-pension-management-operations/10019033.article)
* Paragraph 5 – [[4]](https://www.proactiveinvestors.com/companies/news/1050817/hsbc-barclays-nationwide-users-suffer-outages-on-payday-1050817.html), [[7]](https://www.theretirementgroup.com/featured-article/nestle-interest-rates-creep-upward)

Source: [Noah Wire Services](https://www.noahwire.com)

## Bibliography

1. <https://www.dailymail.co.uk/news/article-14772039/Pensioners-left-without-money-Nestle-fail-pay-hsbc.html?ns_mchannel=rss&ns_campaign=1490&ito=1490> - Please view link - unable to able to access data
2. <https://www.bbc.com/news/uk-34095626> - In August 2015, HSBC experienced a computer glitch that delayed 275,000 payments, affecting both HSBC customers and those expecting payments from HSBC accounts. The bank resolved the issue by processing all outstanding payments and apologised for the inconvenience caused. Customers were advised to contact their own banks if they had not received payments by the following Saturday morning. The fault was traced to an error in a file sent to Bacs, the UK's payment processing system, and was not attributed to a major systems failure or hacking.
3. <https://www.bbc.com/news/business-34084767> - Following the August 2015 HSBC payment glitch, the bank reported that 99% of affected payments had been processed, with the remainder completed overnight. HSBC apologised for the inconvenience and committed to ensuring no one lost out due to the problem. Customers who did not receive delayed payments by Saturday morning were advised to contact their banks. The issue was linked to an error in a file sent to Bacs, the UK's payment processing system, and was not considered a major systems failure or hacking.
4. <https://www.proactiveinvestors.com/companies/news/1050817/hsbc-barclays-nationwide-users-suffer-outages-on-payday-1050817.html> - In June 2024, customers of major UK banks, including HSBC, Barclays, Nationwide, and Virgin Money, experienced outages on payday, preventing them from processing payments or accessing online banking services. Virgin Money resolved the payment issues but continued to face online banking access problems. HSBC acknowledged the issue and worked to restore services promptly. The outages affected users' ability to access funds and process transactions, leading to significant inconvenience for customers.
5. <https://www.ipe.com/news/nestle-pension-fund-launches-new-investment-strategy/10074222.article> - In June 2024, Nestlé's pension fund announced a new investment strategy, reducing its exposure to real estate by 2 percentage points and increasing allocations to parallel bonds and listed equities. This strategic shift aims to optimise the fund's performance and manage risks more effectively. The decision reflects Nestlé's ongoing efforts to adapt its pension fund management in response to changing market conditions and investment opportunities.
6. <https://www.ipe.com/nestle-shakes-up-global-pension-management-operations/10019033.article> - In May 2017, Nestlé underwent a significant overhaul of its global pension management operations, affecting all regional operations. The restructuring involved internal asset managers being stripped of mandates, indicating a strategic shift in how the company manages its pension funds. This move aimed to enhance efficiency and effectiveness in managing pension assets across Nestlé's global operations.
7. <https://www.theretirementgroup.com/featured-article/nestle-interest-rates-creep-upward> - As of January 2025, Nestlé's pension plan interest rates have increased, with the first segment at 4.74%, the second at 5.55%, and the third at 5.92%. This rise in interest rates has led to a decrease in pension lump-sum values, as higher interest rates typically result in lower lump sums. Employees considering lump-sum options are advised to consult with financial advisors to understand the impact of these rate changes on their retirement benefits.