

## **The complaint**

Mr C's complaint against AEGON Investment Solutions Ltd ("Aegon") is about the time taken to complete the transfer of his ISA funds.

## **What happened**

Mr C submitted transfer requests to Aegon, through his independent financial adviser (IFA), on 3 April 2020. Mr C wanted to transfer the cash ISA balances he held with two other providers (A and B) and invest the funds as part of his Aegon portfolio.

On 10 April 2020, Aegon confirmed they'd requested the funds from A and B. Mr C heard nothing more about the transfers until January 2021 when his IFA contacted Aegon and was told that the funds had not been received. Aegon sent the requests to A and B again, the transfers were completed, and Mr C's funds were invested on 8 February 2021.

Mr C complained that he lost out because his funds were not transferred and invested in his Aegon portfolio when they should have been. He said Aegon should compensate him for his losses.

In response to Mr C's complaint, Aegon said they didn't act incorrectly or cause a delay to the transfers. They said they made the transfer requests according to their process and waited for the funds to arrive. There was an onus on A and B to complete the transfers and on Mr C's IFA to chase things up if necessary.

Our investigator looked into Mr C's complaint. In summary, his findings were:

- Aegon provided copies of emails they had sent to providers A and B on 9 and 10 April 2020, but neither provider had any record of having received them. Our investigator thought there had been an error at Aegon's end.
- Aegon had said it was not their policy to chase transfer requests, but our investigator thought they should have followed up Mr C's requests as they had only recently begun contacting providers by email instead of post due to the covid pandemic.
- Our investigator considered whether Mr C's IFA had taken any action to help mitigate Mr C's potential losses from the delay. He said there was no evidence that Mr C's IFA had attempted to contact Aegon in writing until January 2021.
- In relation to Mr C's potential losses, Aegon had provided a calculation based on a transfer date of 1 May 2020. Our investigator said Aegon should pay Mr C half the amount suggested by that calculation, which he thought would fairly reflect the role they played in the delay of the transfer. He did not think Aegon should pay the remaining half as Mr C's IFA could have mitigated his losses by following up the transfer request sooner than January 2021.

Aegon disagreed with our investigator's findings and said they were not responsible for any losses Mr C feels he has suffered. They said:

- They sent the initial transfer requests in April 2020 to valid email addresses at providers A and B.
- It is not their policy to chase transfer requests and they do not agree that they should have done so in this case. They didn't previously chase requests sent in the post and they were of the view that email requests had less chance of going astray. If A and B hadn't got the initial requests, it would not have made any difference to send second emails to the same addresses.
- They would only chase a transfer if asked to do so by the customer. Mr C and his IFA should have been monitoring whether the transfers had been made, but they didn't take any action for nine months. Although Mr C's IFA said he couldn't get through to Aegon on the phone, he could have tried sending an email or letter.

As Aegon disagree with our investigator, Mr C's complaint has been passed to an ombudsman for a final decision.

### **What I've decided – and why**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Aegon have said they contacted A and B promptly after receiving Mr C's transfer requests in April 2020. They have provided copies of emails that they sent to what appear to be valid email addresses. However, when our investigator contacted A and B, they both said they had no record of having received the emails from Aegon.

I can't be sure what happened with the emails. But as neither A nor B has any record of having received a transfer request from Aegon, I think it is more likely than not that any problem was with the sending of the emails from Aegon. And that contributed to the delay in transferring Mr C's funds.

Aegon have said it was not their policy to chase transfer requests and that the onus was on Mr C's IFA to contact them if he was concerned about any delay. They have also said that email requests were less likely to go astray than those sent in the post. I've considered what Aegon have said about their policy, and why they don't think they were responsible for the delay in Mr C's transfers.

But, ultimately, Mr C's transfer request took almost 10 months to complete. I think the initial cause of the delay was most likely a problem with the sending of the emails from Aegon. And I think it would have been reasonable for Mr C to expect Aegon to follow up the transfer requests when no response had been received from either A or B. So, I think Aegon are responsible for at least some of the delay experienced by Mr C.

In considering what Aegon should do to put things right, I have looked at whether Mr C could have done anything to mitigate any losses. Mr C's IFA contacted Aegon after about nine months to chase up the transfer requests. I note that Mr C has said his IFA tried to call Aegon before then but couldn't get through. But I think it would have been reasonable for Mr C, or his representative, to have done more to contact Aegon sooner than they did and I have taken account of that in determining fair compensation.

### **Putting things right**

Based on the evidence I've seen, if nothing had gone wrong, I think Mr C's funds would have been invested with Aegon as they were in February 2021, but much sooner. Although Aegon did not accept responsibility for any losses on Mr C's part, they did provide a calculation of how much Mr C lost out on by not investing his transferred funds in May 2020. That estimate was £2,835.56. Although I can't be sure exactly when Mr C's funds would have been invested, taking account of all the information available, I think that is a reasonable basis for estimating Mr C's loss.

Taking account of everything I have said above, I think it would be fair and reasonable for Aegon to compensate Mr C for 50% of that sum, which is £1,417.78.

### **My final decision**

For the reasons I've explained, my final decision is that I uphold Mr C's complaint against AEGON Investment Solutions Ltd.

Aegon should pay compensation of £1,417.78 to Mr C.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 16 November 2022.

Matthew Young  
**Ombudsman**