

## **The complaint**

Ms P has complained to Phoenix Life Assurance Limited that it caused unnecessary delays in transferring two personal pension policies (PPPs) to a new pension provider. Ms P has said that she needed to become involved in the transfer process to ensure it was completed.

## **What happened**

Phoenix received a request from Ms P for transfer forms on 21 June 2020 and it posted these to her on 24 June 2020. These forms included documents which needed to be sent to the new provider – Royal London. They included a discharge form, a transfer questionnaire, and a declaration form.

Phoenix reissued these forms on 3 July 2020. Ms P then signed Royal London's letter of authority and sent it to that provider on 20 July 2020.

Ms P then called Phoenix three times on 23 July 2020 enquiring about the status of the transfer. It transpired that Royal London had sent Phoenix an email, but Phoenix hadn't been able to open this as it was encrypted. On 29 July 2020, Ms P spoke to Royal London, and thereafter Phoenix called Ms P to confirm that it had received the email and that it would be processed within two days.

On 30 July 2020, Phoenix contacted Ms P to say that it couldn't open the email from Royal London, but it nevertheless sent the requested information to Royal London on the same day. And a further transfer quote was issued to Ms P on 31 July 2020.

Royal London then created a transfer request using the "ORIGO" system on 5 August 2020 and this showed an expected completion date of 17 August 2020. Ms P complained to Phoenix on the same day.

On 6 August 2020, Phoenix confirmed to Ms P that the pension funds had been transferred, and these were received by Royal London on 10 August 2020.

Phoenix responded to Ms P's complaint by letter on 30 September 2020, but Ms P has said that she didn't receive this. She emailed Phoenix on 26 October 2020, and then again on 17 November 2020 and was then informed that the outcome had been posted on 30 September 2020 – but that it would post a further copy to her.

Phoenix then contacted Ms P further on 1 December 2020 saying that the email received on 23 July 2020 wasn't sufficient to be able to transfer the pension funds and that it had needed to issue new transfer documentation.

Ms P referred her complaint to this service in November 2020, and it was considered by one of our investigators. He thought the complaint should be upheld, saying in summary that although Phoenix informed Ms P that it had located the email from Royal London on 29 July 2020 – five working days after the first contact from Royal London – that email hadn't included the necessary documentation to process the transfer and it was when the ORIGO request was received on 5 August 2020 that Phoenix was then able to transfer the fund the

next day.

He concluded that Phoenix hadn't materially delayed the transfer, but he did think that it could have kept Ms P better informed during the transfer process, especially once she'd felt the need to become involved to speed things up. As an example, he said that Phoenix hadn't explained to Ms P at the time that the request from Royal London on 23 July 2020 had been insufficient to process the transfer. Nor did it do so in its response to her complaint on 30 September 2020. Although not caused by Phoenix, this was material to the delay incurred, and the investigator considered this to be a significant omission.

Although Ms P then tried to intervene to resolve the issue of the encrypted email issued by Royal London on 23 July 2020, the investigator didn't think that this should have been up to her, and that both Phoenix and Royal London should have worked together to resolve it.

And whilst the investigator acknowledged that Phoenix's service level for dealing with correspondence was ten working days, he didn't think that this should apply to every "touch point" of the process, especially where a transfer or dealing instruction had been provided.

He noted that Ms P had provided a call log which consisted of 17 phone calls to Phoenix, amounting to over two hours. Ms P had said that this had cost her around £32. And there had also been several outbound calls made to Ms P by Phoenix.

The investigator concluded that this would have caused Ms P a significant amount of inconvenience, when all that she should have needed to do was complete the relevant transfer forms. As such, he recommended that Phoenix pay to her both the cost of the calls and an additional sum of £250 in respect of the trouble and upset the matter had caused her.

Ms P agreed with the investigator's conclusion, but Phoenix didn't, saying that it had reviewed the calls between it and Ms P on 23 July, 29 July and 30 July 2020, and that in each of the calls Ms P was aware that Royal London hadn't completed the transfer documents. It said that Ms P had confirmed that Royal London wouldn't do so until it had received the relevant policy information from Phoenix.

The call handler had told Ms P that there was a ten day service standard to provide the policy information, but that if the ORIGO system was used, it would be the quicker route.

Phoenix also said that it had already sent the policy information to Ms P, which should have sufficed for Royal London's purposes.

With regard to accessing the email from Royal London, the call centre staff didn't have access to such emails, but the call handler had said that they would prioritise the matter with the administration team.

Phoenix said that it hadn't taken five days to locate the email from Royal London on 23 July 2020. It was "uploaded" on 28 July 2020 and identified as being encrypted on the same day. The call centre team leader contacted Royal London on 29 July 2020 and asked them to email him directly, which it then did.

The email was forwarded to the administration team, who responded on 30 July 2020, but as this was encrypted, Royal London couldn't open it. Phoenix sent an unencrypted email the same day. It had therefore taken five working days to action the email, rather than simply locate it, Phoenix said.

It further said that it had sent the transfer pack on 3 July 2020 and the transfer paperwork which Ms P completed for Royal London was received by it on 13 July 2020 – but it didn't

then contact Phoenix for policy information until 23 July 2020.

The investigator considered Phoenix's further comments, but reiterated that his reasons for upholding the complaint weren't related to the actual delays incurred – which he repeated weren't caused by Phoenix – but to the omission of important information relating to the delays and which he said would have better managed Ms P's expectations.

In particular, he said that Phoenix didn't communicate to Ms P that the content of the 23 July 2020 email wasn't sufficient to enable the transfer to proceed, nor was this conveyed to her in the complaint response of 30 September 2020. This was Phoenix's opportunity to address Ms P's concerns and may have helped her understand the process.

The investigator remained of the view that Phoenix's actions had caused, or contributed to, the inconvenience she'd experienced. As such, his view on the compensation payments also remained unchanged.

Phoenix continued to disagree, however, saying that Ms P was fully aware that the email of 23 July 2020 didn't contain the transfer paperwork and was only a request for policy information. She had herself made it clear in the call that Royal London wouldn't be submitting the transfer documents until it was in possession of the policy information. And Ms P wanted Phoenix to send the policy information to Royal London to speed up the transfer process.

Phoenix said that Royal London had no reason to request the policy information as the information which had already been provided should have sufficed. But Ms P was in any case informed that the quickest way of processing the transfer was by ORIGO, which is then how the transfer happened.

Phoenix therefore disagreed that it had failed to inform Ms P of the reason why the transfer couldn't proceed on the basis of the information contained within the email of 23 July 2020. The call from the same day evidenced that Ms P was fully aware of the reason.

It also said that, in its complaint response dated 30 September 2020, it had explained that the call centre manager had liaised with the contact at Royal London and had sent over a response to the requested information. And it had also explained the situation in its further response of 1 December 2020, in which it said that although the 23 July 2020 email had a letter attached which requested the transfer, it would have needed to issue a transfer quotation and paperwork to be completed and sent back by post.

As agreement couldn't be reached on the matter, it was referred to me for review.

I issued a provisional decision on the matter on 28 July 2022, in which I set out my reasons for partially upholding the complaint. The below is an extract from those findings.

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

*Having done so, I broadly agree with the investigator's position that Phoenix didn't unduly delay the transfer process up until 23 July 2020. I also think it's clear from the call of 23 July 2020 that Ms P was aware of the reason as to why the transfer couldn't proceed at that particular point. Further, Ms P was made aware that the ORIGO process would be the quickest means of achieving her objectives, and when this was ultimately used, the transfer proceeded without delay.*

*There's an additional issue here – and this relates to the nature of the call of 23 July 2020,*

*and the subsequent action taken by Phoenix. It's accepted that Ms P was keen for the policy information to be provided to Royal London – this is the basis on which Phoenix has said that Ms P was aware that the transfer couldn't proceed immediately. She knew that the policy information needed to be provided first.*

*And so this begs the question as to why, then, the email from royal London needed to be picked up and "processed". It seems that all parties were aware of the nature of the email request which couldn't at that point be accessed. So ordinarily I might be inclined to conclude that Phoenix unduly delayed matters here. But I also note that the processing of the information request, notwithstanding the difficulties in opening the Royal London email, was completed by 30 July 2020 – so within five working days of the information request. And so whilst it's possible that the information could have been provided quicker, I don't think that timeframe is necessarily unreasonable.*

*As it was, ORIGO was eventually used on 5 August 2020 to effect the transfer, with funds being sent to Royal London on 6 August 2020, and so this was in any case within a ten working day turnaround time from 23 July 2020.*

*The investigator's position was, in essence, that Phoenix didn't manage Ms P's expectations as to why the transfer couldn't occur on 23 July 2020. But I'm currently inclined to agree with Phoenix that it's fairly clear that Ms P was aware as to why this was the case – hence her request for the policy information to be sent.*

*Phoenix has repeatedly said in its responses to the investigator that it had already issued the relevant policy information – as such, I think Phoenix could also have made it clearer at the time that this was the case, but as I've said above, I don't think that the actual amount of time it then took to transfer the funds was unreasonable.*

*The letter of 1 December 2020 indicated that further information would have needed to be sent – contrary to Phoenix's position that Ms P already had the relevant information to give to Royal London and I think this would have been rather confusing. But Ms P had by this time already submitted her complaint to this service, and so I don't think better clarity on this would have prevented, or curtailed, Ms P's complaint.*

*In terms of the more general customer service issues here, it seems that, following the call on 5 August 2020 in which Ms P raised her complaint, she was expecting a call back to discuss it further. It wasn't then until 14 August 2020 that Phoenix returned Ms P's call to discuss the complaint.*

*However, I've also noted that Phoenix sent Ms P an acknowledgement to her complaint on 6 August 2020, in which it said that due to the circumstances relating to the pandemic and the home working situation of the majority of its employees, it would only be able to deal with complaints via email. And so I think by calling Ms P back on 14 August 2020 (which then needed to be rescheduled to 17 August 2020), it was treating Ms P fairly.*

*Ms P then received what I'm assuming was a "holding" email on 3 September 2020, but then, as she'd not heard anything further regarding the outcome of her complaint, sent a further chaser on 26 October 2020, to which she didn't receive a response. I've noted that Phoenix has said that the reason it didn't respond to this was because it had recently issued the final response letter and Ms P may not have received it before she sent that email. But I think the courteous thing to do would have been to follow this up and check that Ms P had in fact received the final response letter.*

*Ms P then chased Phoenix again on 17 November 2020, and at that point was informed that a response to her complaint had been issued on 30 September 2020.*

*Ms P sent several follow up emails between 17 and 19 November 2020, in which she said that she'd been offered £50 by a contact at Phoenix in relation to the cost of her phone calls. But Ms P didn't receive a response to these.*

*Phoenix then sent a copy of the final response letter to Ms P on 20 November 2020.*

*So, whilst I don't think that errors which would warrant compensation were made in the transfer process itself, I think there were some service failings that Phoenix ought to have appreciated might have exacerbated the anxiety which Ms P was feeling about the overall process, and what she perceived to be Phoenix's previous errors.*

*And so, overall, and albeit for slightly different reasons, I think that the investigator's recommendation that Phoenix pay Ms P a sum in respect of the customer service she received is warranted here. But given the nature of the actual failings, I think a sum of £100 is probably about right.*

*I've thought carefully about the proposed refund of the cost of the phone calls, but I also note that several of these occurred before Ms P submitted her complaint, and related to the transfer – a matter in which, for the reasons given, I don't think Phoenix made any significant errors. And with regard to those which Ms P made following the complaint on 5 August 2020, as I've said above, Phoenix had said in its acknowledgement that it could only deal with complaints by email. And so I don't currently think that an additional amount in respect of the cost of the calls would be a fair outcome."*

Phoenix didn't make any further comment in response to the provisional decision, but Ms P did, firstly expressing dismay at the amount of time it had taken for this service to provide a reply to her complaint.

Ms P also said that Phoenix had demonstrated a lack of care in responding to both her own complaint and to information requests submitted by this service. The failure to respond in a timely manner had transgressed Phoenix's regulatory obligations, Ms P said.

Further, Phoenix had lost several call recordings, which both contravened its position that it recorded all calls, and also delayed the complaint's progress.

Phoenix hadn't taken responsibility for its lack of competence in its ways of working, Ms P said, and most of its staff seemed to be untrained and unable to assist with basic queries. It should either compensate customers for the poor service, or cease to operate, she added. Ms P also said that the proposed redress didn't take into account how badly she's been treated as a customer and that at one point she had effectively been the liaison person between Phoenix and Royal London. Had she not been, the transfer would never have happened, she said.

Although Phoenix had made many mistakes throughout the complaint process, it hadn't acknowledged this, Ms P said. She thought that £250 plus £50 in respect of the calls she'd made was a fair and reasonable amount to be paid in respect of the poor service she'd received.

Phoenix had demonstrated a disregard for its customers, at a time when it should be increasing its levels of customer service, and online reviews corroborated her view on this, Ms P added.

Ms P said that she'd read several industry reports about how this service wasn't fully reading customer complaints and instead siding with large financial services companies. As such, she hoped that I'd be able to take on board all of the facts that she'd provided.

Online reviews evidenced that Phoenix wasn't operating in compliance with the regulator's requirements, but it needed to do so and also treat its customers fairly, Ms P asserted. She had made many phone calls, but Phoenix hadn't even refunded her this cost. This demonstrated Phoenix's unprofessional disregard for its customers, Ms P argued.

This service needed to stress that this was unacceptable behaviour to prevent it continuing and also ensure that customers were appropriately compensated, she said.

### **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.

I've carefully noted Ms P's further points, and I think I should begin by apologising for the length of time it's taken to settle the matter. We do endeavour to resolve complaints as quickly as possible, but due to the volumes we receive and the complexity of some of the issues we encounter, this sometimes takes longer than we'd like.

This particular complaint has taken longer to resolve due to it needing to be referred to an ombudsman for decision, but I do nevertheless acknowledge – and apologise for – Ms P's frustration with how long it's taken overall.

I'll then set out this service's remit when considering complaints, because several of Ms P's points relate to what she considers to be Phoenix's failure to adhere to its regulatory obligations, along with the action which she believes this service should take in that regard.

This service seeks to right financial wrongs – in other words, if a customer has been financially disadvantaged, or caused distress and/or inconvenience by the actions of a regulated firm such as Phoenix, we'll tell it to take appropriate steps to remedy that situation.

But we're not here to punish a firm or tell it how to run its business. This is the role of the regulator – the Financial Conduct Authority (FCA). And so if Ms P has concerns about the way in which Phoenix adheres to its regulatory obligations, this is something which she may wish to refer to the FCA.

My role as an ombudsman is to consider the available evidence of the case and decide whether the regulated firm – Phoenix – has done something wrong and, if so, tell it to put matters right.

And to allay Ms P's concerns about whether I've appropriately considered the evidence, I can assure her that I have. Having done so, I reached the conclusions as set out in my provisional decision. And although I realise that Ms P is disappointed that I considered a slightly lower payment to be justified here, I remain of the view that this is the right amount.

In particular, I know that Ms P feels that she needed to become directly involved in the liaison between Phoenix and Royal London, but I didn't think that the actual amount of time it took Phoenix to progress matters was unreasonable. I concluded that the conversation of 23 July had revealed the nature of the information request, and so Phoenix could have acted on this at that point.

But I also noted that the email of 23 July 2020 was "uploaded" and identified as being unreadable due to its encryption on 28 July 2020 and then the call centre team leader contacted Royal London the next day to ask it to email him with the request directly. This meant that the information request was completed within five working days, and I don't think

it's clear that Phoenix wouldn't in any event have progressed the matter within an acceptable timeframe had Ms P not called on 23 July 2020.

But I thought that the overall level of customer service Ms P had received, and in particular the way it dealt with her concerns between August and November 2020, meant that the payment of £100 was warranted.

I did also consider the matter of the telephone calls, and I note Ms P remains unhappy that the cost of these hasn't been refunded, but my view on those remains the same as that outlined in the provisional decision, and for the same reasons.

And so, overall, my position remains the same as that which I set out in the provisional decision. Although I don't think that any errors in the transfer process itself would warrant compensation, I think Phoenix could have handled some matters better here, and that it should compensate Ms P accordingly.

### **Putting things right**

Phoenix Life Assurance Limited should pay Ms P £100.

### **My final decision**

My final decision is that I uphold the complaint and that Phoenix Life Assurance Limited should pay Ms P £100.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms P to accept or reject my decision before 5 October 2022.

Philip Miller  
**Ombudsman**