

The complaint

Mr W complains about the amount of time Options UK Personal Pensions LLP (Options UK) took to transfer his pension to a third-party provider. He believes the delays were unnecessary and avoidable and he asks to be compensated.

What happened

Mr W held a pension with Options UK which he decided to transfer to a third-party provider, I'll call "F".

Options UK received the initial transfer request on 7 May 2021.

On 7 September 2021, Options UK contacted F to request further information. This means that from what I can see there was a period of 4 months where no progress was made, nor does there appear to have been a reasonable attempt to progress matters.

What followed was a significant volume of correspondence back and forth between Options UK and "F" where each party seems to have needed either further information or required it in a different format i.e. by post rather than e-mail.

Mr W, who started his pension transfer some months earlier, became understandably increasingly frustrated as he went backwards and forwards between the two in an attempt to find out what was happening. He found each party blaming the other but still there was no progress with his transfer, so he complained to Options UK.

On 22 November 2021, Options UK issued its final response and confirmed the transfer had finally completed on 8 November 2021. It partially upheld Mr W's complaint explaining in its view, the delays were the responsibility of "F" but it acknowledged it could have started the transfer process sooner and so it offered £50 as a good will gesture for the initial delay. Dissatisfied, Mr W brought his complaint to this service.

An investigator looked into things for Mr W. In his view, he said the four months delay in starting the transfer were unnecessary and although he didn't identify a financial loss, he didn't feel Options UK had recognised the trouble and upset this matter had caused Mr W.

He upheld the complaint and recommended Options UK increase the compensation to £300. Options UK didn't agree. It felt the investigator had held Options UK solely responsible for the delays in the pension transfer when it had provided clear evidence to the contrary and as a financial loss had not occurred, in its view the £50 offered was fair and reasonable compensation.

As it didn't agree the complaint has been passed to me 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.

In deciding this complaint I've taken into account the law, any relevant regulatory rules and good industry practice at the time. I have also carefully considered the submissions that have been made by Mr W and Options UK.

Where the evidence is unclear, or there are conflicts, I have made my decision based on the balance of probabilities. In other words, I have looked at what evidence we do have, and the surrounding circumstances, to help me decide what I think is more likely to, or should, have happened.

I am very aware that there are more than one party involved in the transfer of Mr W's pension scheme, but for clarity I am looking at the role of Options UK and whether it acted fairly and reasonably.

I can see from 7 September 2021, there is a very clear communication chain between Options UK and "F" which I think the investigator acknowledged. Whichever party was responsible from that point on, I can see that Options UK continually chased up what information was needed and how it could or should be provided to "F". But that doesn't explain what happened between 7 May 2021 and 7 September 2021. There is a period of four months where Options UK seems to be silent. There is no presented communication between Options UK, the financial adviser, "F" or Mr W at any point during this four-month period.

I have taken not account the treating customers fairly principles and draw Option UK's attention to customer outcome three which states consumers should be provided with clear information and be kept appropriately informed at all times before, during and after a transaction and outcome six which details consumers shouldn't face unreasonable barriers to switch providers.

So, although Mr W hasn't suffered a financial loss, I don't think that minimises the worry, trouble and upset caused by Options UK's failure to start the transfer process for over four months and I don't agree £50 is a fair and reasonable recognition of that delay.

I don't think Options UK has treated Mr W fairly for its part in starting the transfer process and I'm satisfied the award should be increased. It's fair to say the awards this service makes for trouble and upset are relatively modest, again reflecting the fact this is a free service and alternative to the courts. But in the circumstances of this complaint I'm persuaded £300 is fair and reasonable compensation for the trouble and upset caused.

My final decision

For the reasons I have given I uphold this complaint and direct Options UK Personal Pensions LLP to:

- Pay Mr W £300 for the trouble and upset this matter has caused

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 31 January 2023.

Wendy Steele
Ombudsman