

## **The complaint**

Mr S is unhappy that he was re-enrolled into a Group Personal Pension (GPP) without his knowledge.

## **What happened**

Mr S's employer enrolled him in their GPP which is administered by The Royal London Mutual Insurance Society Limited (Royal London) in 2019. In June 2020 Mr S stopped making contributions.

Mr S's 2021 annual statement was returned to Royal London stamped 'addressee gone away' so they removed Mr S's address from their system. They contacted Mr S's employer to ask for his up-to-date information. They didn't receive a response.

In July 2023, three years after Mr S had stopped making regular contributions, his employer asked Royal London to re-enrol him into the GPP, via automatic enrolment. They produced a re-enrolment pack but this wasn't sent to Mr S as they didn't have any contact information for him.

Contributions began being taken again in June/July 2023. Mr S has let us know that these deductions were noted in his monthly payslips. He had until 13 August 2023 to opt out.

At the beginning of April 2024 Mr S contacted Royal London to complain. He said that he had not been told that he would be opted back in to the GPP and he didn't want to be opted in. He asked for the money that had been put into his GPP, to be reimbursed.

Royal London issued a final response letter on 9 April 2024. They apologised for not sending out the re-enrolment pack to Mr S in July 2023 and offered £350 to compensate him for the inconvenience this caused. They explained that they administered the GPP but don't decide who is opted-in to the scheme – Mr S's employer does. And as it was outside of the opt out period they could not opt him out. They told Mr S that if he did not want to make any further contributions, he would need to contact the human resources department of his employer and let them know.

Mr S did not contact his employer to stop contributions to the GPP.

Mr S referred his complaint to this service on 19 April 2024. An investigator reviewed it, they thought the offer of compensation was fair. Mr S remained unhappy, so he asked for an ombudsman to review the complaint. He said that irrespective of which firm did what being re-enrolled was not his fault, money had been taken by Royal London without his permission and he is trapped in the scheme for the foreseeable future.

The complaint was passed to me for consideration.

## **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 understand this might come as a disappointment to Mr S, but whilst I am upholding his complaint, I am satisfied that the compensation offered by Royal London is fair and reasonable under the circumstances and so I'm not asking they do anymore.

Mr S responded to the investigator's view by explaining that he wanted to be refunded the amount that had been deducted from his wages and put into the GPP. And he wanted to stop making contributions. He explained that he was not interested in which firm were responsible for refunding his money – just that he wanted it to be refunded. And he felt trapped in the scheme.

I am only able to comment on Royal London's actions – I am not able to consider what Mr S's employer should have done, or award compensation if they have done anything wrong.

Royal London are the administrator of Mr S's employer's GPP, so they act on instructions they receive from his employer. There are rules that employers need to follow which are set out by The Pensions Regulator. One of those rules states that employers must automatically re-enrol staff members regularly into their work-based pension scheme if they fall under certain criteria.

Royal London have said that Mr S's employer automatically re-enrolled Mr S into the GPP as per these rules. And, Royal London don't ask his employer to make deductions from Mr S's salary – his employer sends them the contributions each month. So, Royal London are not taking funds from Mr S's wages – rather they are receiving funds that are being sent to them. So Royal London are not responsible for Mr S being automatically re-enrolled and they're not asking for the funds to be sent to them. As such I am not asking them to reimburse Mr S the contributions made via his salary.

I appreciate Mr S has said that he didn't know he had been automatically re-enrolled. He didn't receive the re-enrolment pack as Royal London did not have the correct contact information for him. But, even so, I would expect Mr S to take steps to mitigate his perceived loss. I can't see that he has done anything to stop his employer from continuing to deduct pension contributions from his salary, even after he says he became aware of the deductions in April 2024. Mr S has told this service that he has not been in touch with his employer.

It would have been apparent to Mr S that he had been enrolled in a work-based pension scheme on receipt of his July 2023 payslip. Had he got in touch with his employer at this point he would have been able to opt out of the re-enrolment. Any payment that had been made would have been refunded to him.

When Mr S got in touch with Royal London they told him that if he wanted to stop making contributions he could ask his employer to stop them. He has not done so, so I'm not persuaded that Mr S's intention is to stop making contributions to his GPP. And if he does not wish to be enrolled in the GPP, he hasn't taken any action to mitigate his loss by contacting his employer, as Royal London advised him to do in April 2024. For all the reasons above I'm not asking Royal London to reimburse the contributions that have been made to the GPP.

### **Putting things right**

Royal London offered £350 compensation to Mr S by way of an apology for not sending out the re-enrolment pack. I think Royal London could have done more to chase Mr S's

employer for his up to date contact information in order for them to be able to issue the re-enrolment pack to him and any future correspondence such as annual statements. And I can understand why this was frustrating for Mr S, so I think the award of £350 is fair compensation for this aspect of Mr S's complaint and am directing Royal London to pay it.

### **My final decision**

I uphold Mr S's complaint and direct The Royal London Mutual Insurance Society Limited to pay £350 total compensation if this has not already been paid.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 19 September 2024.

Cassie Lauder  
**Ombudsman**