

The complaint

Mr D complains that Countrywide Assured Plc (“Countrywide”) failed to treat him fairly when it gave him information about the transfer value of some pension savings. And he further complains that, despite agreeing to the return of his pension savings, Countrywide has failed to correctly apply the returned monies to his pension plan.

What happened

I issued a provisional decision on this complaint last month. In that decision I explained why I thought the complaint should be upheld and what Countrywide needed to do in order to put things right. Both parties have received a copy of the provisional decision but, for completeness, I include some extracts from it below. In my decision I said;

I first want to note that Countrywide has failed to engage with us at all on this complaint, either by providing its business file of information, or by responding to the investigator’s assessment. So all the information I refer to in this decision has been provided by Mr D. I do need to warn him that, if Countrywide provides information in response to this decision, I might find that alternative findings on the complaint are appropriate, and so need to issue a further provisional decision.

Mr D holds pension savings with Countrywide in a pension plan that was due to mature in early 2025. He says that Countrywide had told him that, at maturity, the value of his pension benefits would be calculated on the basis of their highest value over the term of the pension plan. And he was told the same approach would be applied if his pension savings were transferred to another provider.

In October 2023 Mr D requested a transfer value for his pension savings. He was told that the transfer value was £96,034. But when the transfer was completed only £87,904.35 was sent to the new firm. Countrywide accepted that it had provided incorrect information to Mr D and agreed to accept the return of the pension savings that had been transferred. Countrywide told Mr D it had received the funds back into its bank account, but in early November 2024 Mr D told us they had still not been placed back into his pension plan.

As I have no evidence from Countrywide, I don’t see any reason to doubt the information that Mr D has provided. What he has said happened appears to be plausible. And I would agree with him that the actions he has described Countrywide as taking have caused him loss.

Countrywide failed to provide accurate information about how Mr D’s pension savings would be valued when he asked to transfer them to another provider. Given that Mr D would have lost guarantees on the value of those pension savings less than two years later by making that transfer I entirely accept his conclusions that he wouldn’t have made the transfer had correct information been provided. So I think Countrywide acted reasonably in agreeing to the return of the pension savings from the new provider.

But it doesn't seem that, despite an extended period of time having elapsed, Countrywide has correctly allocated those returned funds back into Mr D's pension plan. I agree with Mr D that failure will have potentially caused him to lose out in two ways.

Mr D says that Countrywide's failure to reinstate his pension plan has meant that he has been unable to make the regular pension contributions that he intended. He estimates that means that he has not contributed £3,010.80 to his pension. And he also points out that both his original returned pension savings, and the contributions he has been unable to make, will have missed out on some investment growth.

So in my redress below I will make provision for both those aspects as part of the compensation that I will ask Countrywide to pay to Mr D. But in order to be fair to both parties, I would ask Mr D to set out the contributions he would have expected to pay, and if those don't mirror previous regular contributions, I would ask him to explain why he thinks those contributions would have been paid during the past year.

There is little doubt that the protracted nature of this complaint, and Countrywide's failure to engage with this Service on its resolution, will have caused distress and inconvenience to Mr D. So I also intend to direct further compensation of £500 is paid to Mr D in this regard.

I invited both parties to provide us with any further comments or evidence in response to my provisional decision. As before Countrywide has failed to engage with the complaint and so hasn't provided us with anything further. Mr D has provided some additional comments. Although I am only summarising here what Mr D has said, I want to reassure him that I have read, and carefully considered, his entire response.

Mr D has provided details of his missed monthly contributions. His last contribution (of net £250.90) was paid on 1 October 2023. And Mr D says his pension plan provided for contributions to automatically increase in August each year. So the missed contributions since 1 August 2024 would have been higher. Mr D has also questioned the amount of compensation I have proposed for his distress and inconvenience. He says that he is currently facing significant health concerns, some of which are made worse by stress.

Mr D has said that he will want to move his pension savings away from Countrywide when his complaint has been resolved. But he has concerns that Countrywide will not complete any transfer request efficiently, or at all. And he has asked for confirmation about whether Countrywide will be able to pay any compensation into his pension plan.

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.

As I set out in my provisional decision, 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 D, and that Countrywide has failed to engage with the complaint. 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.

And I repeat my reflections on the role of this service. This service isn't intended to regulate or punish businesses for their conduct – that is the role of the Financial Conduct Authority.

Instead this service looks to resolve individual complaints between a consumer and a business. Should we decide that something has gone wrong we would ask the business to put things right by placing the consumer, as far as is possible, in the position they would have been if the problem hadn't occurred.

As I have explained, Countrywide has failed to engage with us on this complaint. The regulator's expectations for firms are set out in its DISP handbook. Of particular relevance here are the provisions in sections 3.5.9 and 3.5.14 of the rules. They say;

3.5.9 The Ombudsman may:

(3) reach a decision on the basis of what has been supplied and take account of the failure by a party to provide information requested;

3.5.14 If a respondent fails to comply with a time limit, the Ombudsman may:

(1) proceed with consideration of the complaint; and

(2) include provision for any material distress or material inconvenience caused by that failure in any award which he decides to make.

Countrywide has been given at least four opportunities to dispute the information that Mr D has provided. It failed to send him a final response letter on his complaint. It didn't send us a copy of its business file. And it failed to respond to either the investigator's assessment, or my provisional decision. Given that I don't think it unreasonable for me to adopt Mr D's testimony as representative of what has happened here.

I've thought carefully about what Mr D has said. And whilst his comments do not lead me to change my conclusions on the complaint I do think it would be helpful for me to provide some further explanations on the points that he has raised.

I have noted the contributions Mr D has said he would have paid. It does seem those were set by his pension plan, and the automatic increases it contained. So I don't think there is much doubt about the contributions Mr D would have made to his pension plan since November 2023 had nothing gone wrong. So, I will direct that Countrywide now accepts those contributions from Mr D should he still wish to make them, and backdate their application to his pension savings to the dates on which they would normally have been paid.

It is my understanding that Countrywide will be able, under the relevant legislation, to accept those pension contributions from Mr D providing he hasn't made other contributions that have exceed his annual contribution limits. But if that were the case, Mr D wouldn't have been able to make these contributions anyway. So an inability for Mr D to make these contributions, because he had exceeded his annual limits, would actually be representative of what would have happened had nothing gone wrong.

Any complaint that is referred to us is looked at via a two-stage process. That means that either party will always have the opportunity to comment on any new findings. But what it also means is that once a complaint is referred to an ombudsman, as is the right of either party to request, the findings of the investigator do not need to be complied with. So, specifically here, the investigator's request for Mr D to be paid £500 compensation for his distress and inconvenience is replaced by, rather than supplemented with, my direction for £500 compensation to be paid to Mr D for his distress and inconvenience.

And I still think that amount of compensation is appropriate here. I was very sorry to hear of the health problems that Mr D continues to face. And it is disappointing that Countrywide's

actions might be increasing the levels of stress that he is facing. But taking all the circumstances into account, and that my redress directions below will put Mr D back into the same position he would have been had nothing gone wrong, I think the compensation I have directed for Mr D's distress and inconvenience is fair and reasonable.

I can understand why Mr D might wish to move his pension savings to another provider once this complaint has been resolved. Countrywide has a standard process for making transfers of that nature, and it wouldn't be appropriate for me to interfere with that process at this stage. Mr D should be clear that the actions I am directing Countrywide to take here to put things right should not change his relationship with the firm. Should he wish to move his pension savings he should be treated as any other client of the firm. And should Mr D find that problems arise with any future transfer request, he would then be able to make a new complaint about those problems.

So, in summary, I don't think Countrywide has treated Mr D fairly in the way it managed his transfer, and the reversal of that transaction. So it needs to follow the steps set out below in order to put things right.

Putting things right

I direct Countrywide to do the following in order to put things right for Mr D;

- Unless it has already done so, complete the return of Mr D's transferred pension savings back into a pension plan on the same terms as were previously applicable to the savings. The investment of the returned funds should be backdated to the date that they were originally transferred out.
- Mr D has provided us with a plausible intended contribution schedule. Countrywide should accept backdated pension contributions from him on the basis set out earlier in this decision. Those contributions should be applied to Mr D's pension savings as at the date they would have been paid had they not been delayed by Countrywide's failure to restore Mr D's pension savings.
- Provide Mr D with a full statement showing the corrective transactions applied to the pension plan, and its potential future value at maturity in January 2025.
- Pay Mr D £500 for the inconvenience he has been caused.

My final decision

My final decision is that I uphold Mr D's complaint and direct Countrywide Assured Plc to put things right as detailed above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 16 January 2025.

Paul Reilly
Ombudsman