

## **The complaint**

Mr W complains that The Royal London Mutual Insurance Society Limited (Royal London) caused avoidable delays to the in-specie transfer of his Self-Invested Personal Pension (SIPP) from it to a provider I'll refer to as provider H. Mr W says these delays prevented him from investing his pension as he'd have liked during this time.

Mr W also has a complaint with this service about the platform provider connected to his SIPP - a business I'll refer to as business T. My decision here will only cover Royal London's actions.

## **What happened**

This background will cover the actions of Royal London, business T and provider H. But as noted above, this specific complaint is only against Royal London. I'll therefore only comment on Royal London's actions in this decision.

All of Mr W's SIPP funds were invested with business T. Mr W wanted to complete a transfer of his SIPP with Royal London to provider H. Provider H tried to contact Royal London on 17 June 2024 and 5 July 2024 about this. But it didn't get a response as it'd used an incorrect email address.

Mr W called Royal London for an update on 8 July 2024. It replied on 9 July 2024 to say it had yet to receive a transfer out request. The reply stated that for an in-specie transfer, Mr W's independent financial adviser (IFA) would have to request discharge forms.

Mr W was frustrated that there'd been a delay due to the incorrect email address. He replied to Royal London, stating that he expected all parties to manage a smooth and simple transfer.

Royal London responded to say that even if it had received provider H's instruction sooner, it would still need Mr W's IFA to take the action it'd outlined earlier before the transfer could proceed.

Mr W replied to Royal London to confirm he wanted to transfer his remaining cash and assets to provider H as seamlessly as possible.

On 10 July 2024, Royal London received the transfer request from provider H.

On 11 July 2024, Royal London emailed Mr W. It said it appeared he wanted to transfer his portfolio by in-specie transfer. As such, both he and provider H would need to complete the attached discharge form. Royal London said that once this had been completed and returned, the process could be started. The email also stated that in-specie transfers typically took about two months to complete.

On 12 July 2024, provider H sent the completed forms to Royal London. It received them on 15 July 2024. Provider H also requested a list of Mr W's assets, which Royal London sent to provider H on 16 July 2024. Provider H then sent confirmation of its acceptance of the

assets to Royal London on 23 July 2024. Royal London received this on 24 July 2024.

On 25 July 2024, Royal London asked its trading team to start the in-specie transfer. That team then emailed business T the in-specie request letter on 26 July 2024. Business T confirmed it'd received this.

Royal London received the original transfer authority in the post on 29 July 2024. Business T sent provider H a valuation of Mr W's portfolio and asked it to send its acceptance of the transfer and its re-registration details.

By 5 August 2024, provider H hadn't replied, so business T chased it again, copying in Royal London's trading team. It asked provider H to provide its valuation acceptance and its re-registration details.

Provider H replied on 7 August 2024. It said it'd already sent its acceptance. This appeared to refer to the acceptance it'd sent to Royal London alone on 23 July 2024. Provider H attached another copy dated 7 August 2024. Business T then started the in-specie transfer. However, it incorrectly keyed two assets, stating that for those two assets, only 100 units of each should be transferred instead of 100% of the units.

Also on 7 August 2024, Royal London emailed Mr W to remind him that in-specie transfers could take a couple of months, noting that his IFA should've made him aware of this. It also updated him on what'd happened to date. It stated the following:

*Please note Royal London have very little input into this process, and the majority of the work is undertaken by the platform provider (business T), and fund managers you are invested in. We have no influence or control over external providers turnarounds.*

Mr W replied the same day to state that there was no excuse for the transfer of his assets to take very long as he felt they were straightforward holdings. He asked Royal London to speak to business T to get a clear timetable.

The same day, Royal London sent an internal email asking its team to speak to business T to speed up the request.

Business T said that 100 units in each of the two funds where it'd keyed the wrong number of units were transferred electronically to provider H as follows:

- On 7 August 2024: 100 units of Man GLG High Yield Opportunities Fund Prof C (Acc) (fund A);
- On 8 August 2024: 100 units of Artemis Corporate Bond Class I (Acc) (fund B).

Royal London then chased business T on 9 August 2024. But its email didn't include the business T portfolio number. Business T replied on 12 August 2024 to ask for this. Royal London then provided it later that day, pointing out that this had been in the letter sent on 26 July 2024.

On 12 August 2024, Business T emailed provider H to confirm it held all remaining funds in Certificateless Registry for Electronic Share Transfer (CREST) and confirmed the trade and settle dates.

On 16 August 2024, all the remaining funds were transferred to provider H except for the remaining units of fund A and fund B.

I understand that on 19 August 2024, business T realised that it hadn't transferred all of Mr W's units in fund A and B. So it requested an electronic transfer for the remaining units.

Royal London emailed business T for an update on the transfer on 23 August 2024. Business T replied the same day to explain its mistake. Its email set out how it was going to put things right. The email stated that Royal London would need to take actions to amend its records.

Royal London emailed Mr W the same day to tell him what had happened. Mr W raised a complaint against both it and business T. He said: "*given the recent market volatility I have been seriously disadvantaged by the incompetence of both firms and now have no idea when this matter will be resolved*". Royal London forwarded the complaint on to business T. It asked business T for clarification about what it needed to do. And to confirm that business T had made the error, and that it was in the process of fixing it.

Royal London asked business T to resolve the error as soon as possible, given Mr W was already disappointed with how long the transfer was taking. It asked for a timescale of when business T expected the transfer to be fully completed.

On 27 August 2024, provider H chased business T for the outstanding assets. Business T replied the same day to confirm it'd sent the stock transfer forms and relevant documents for fund B on 23 August 2024. It said the transfer should complete in the coming days.

Mr W chased Royal London about his complaint on 27 August 2024. He'd asked for a timetable covering when his transfer would complete. Royal London said it couldn't provide one as the process was with business T.

On 28 August 2024, provider H asked business T for an update on the transfer of the remaining units in fund A. Business T replied the same day to say that the transfer should complete in the coming days.

When business T posted manual stock transfer forms to the fund managers for the remaining units held in fund A and fund B, it found that the funds couldn't be transferred electronically by the fund managers because the original electronic transfer of 100 units had completed. This meant it couldn't transfer any further units as part of that electronic transfer request. Business T emailed provider H to let it know the stock transfer forms had been sent to the fund managers by post. The remaining units in fund A then transferred to provider H on 30 August 2024.

On 3 September 2024, Mr W chased Royal London and business T for an update. He'd noticed the fund value shown in his provider H account was incorrect. He also said that the £160K he'd had in cash in his portfolio hadn't transferred. He asked what was going on.

Business T said that the remaining fund B units were yet to complete. It said it was chasing this. It said the cash wouldn't be transferred until the in-specie transfer was fully completed. Business T said that if Mr W wanted, it could arrange for most of the cash to be sent ahead of the final in-specie transfer.

Mr W said he expected all his cash to be transferred immediately, with nothing held back for closing fees.

The remaining fund B units were transferred to provider H on 4 September 2024.

After further emails from Mr W and Royal London, business T confirmed on 5 September 2024 that provider H had now received the final units and was reconciling them. It said the

cash element of the transfer should complete by 9 September 2024.

Provider H also separately updated Royal London. It then asked business T to send the cash to it and provide a closing statement and confirmation once the transfer was fully completed.

On 6 September 2024, Mr W emailed Royal London and business T. Although his remaining units in fund B had arrived, his cash hadn't. He was also still waiting for two Royal London bonds to transfer.

Royal London said it was still waiting for the final funds from business T. It said once it'd received those it would be in a position to complete the transfer.

Mr W asked why his two Royal London holdings had yet to be transferred. Royal London said it was because a partial transfer out of a flexi-access plan wasn't possible, so all the funds had to transfer at once.

Business T emailed Royal London later the same day to say it'd closed the portfolio and sent £159,844.60 in cash by faster payment to it. Mr W then emailed both Royal London and business T to again ask why the two Royal London funds hadn't been transferred.

On 9 September 2024, Royal London chased internally for a transfer update. It transpired that it was still waiting for a closing statement from business T.

Royal London's trading team then transferred the funds to Royal London so they could be transferred to provider H as soon as it'd received the closing statement. Royal London sent Mr W an update to explain that it couldn't complete its part until business T and provider H had completed the re-registration process and that just the closing statement was outstanding. Mr W was unhappy as he felt the delays had led to him being unable to use his cash to invest during the transfer period.

Business T sent Royal London the closing statement on 11 September 2024. On 12 September 2024, Royal London confirmed the funds had been received from the trading team and the closing statement from business T. £342,399.54 was transferred that day, completing the transfer.

On 12 September 2024, Mr W contacted Royal London to say that the values on the closing statement weren't correct. He'd also understood that the two Royal London funds would be transferred in-specie.

On 13 September 2024, Royal London emailed business T to ask it for clarification on the values in the closing statement. It asked it to look into this immediately. It wrote to Mr W to tell him that business T had failed to call it back that day as promised, and that it'd failed to send it a corrected closing statement. But it noted that the correct business T value had been moved across to provider H.

Royal London told Mr W that his two Royal London funds couldn't be transferred in-specie and that it hadn't yet had an update from business T. It received this clarification on 17 September 2024.

Royal London issued its final response to the complaint on 8 October 2024. It didn't think it'd done anything wrong. It felt it'd acted within reasonable timeframes throughout and that it hadn't caused any avoidable delays. Royal London thought it'd managed Mr W's expectations at the start of the process when it'd told him it could take months for the transfer to complete.

Unhappy, Mr W brought his complaint to this service in October 2024. He felt there'd been a catalogue of errors and delays with his transfer. He felt it was an industry issue that pension transfers took so long.

Mr W felt it was unacceptable for Royal London to make so many errors and refuse to acknowledge these or accept that these had put him at a disadvantage. He said that as he'd been unable to access his assets during the transfer period, he'd been unable to participate in the market by making new investments or selling existing assets during a period of increased market volatility. While he couldn't quantify his financial losses, he felt the avoidable delays to his transfer had put him at a disadvantage.

Our investigator felt that Royal London had acted in line with FCA guidelines. He acknowledged that Mr W felt that the transfer process should've been much quicker, but said this wasn't something this service had the power to tell Royal London to review. He explained that Mr W could raise his concerns to the FCA.

Mr W didn't agree with our investigator. He felt he'd had relatively few holdings so his transfer should've been handled in days or weeks rather than months.

As agreement couldn't be reached, the complaint has come to me for a review.

### **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.

Having done so, and whilst I appreciate that this will disappoint Mr W, I've reached similar conclusions as the investigator, and for broadly the same reasons. I'll explain the reasons for my decision.

I fully understand that Mr W feels that his transfer should've been as simple as transferring another financial product. And that it shouldn't have taken as long as it did. I acknowledge Mr W said he only had relatively few holdings. So he expected his transfer to be completed quickly.

But as noted by our investigator, we don't have the power to require a business to change its processes or systems. A more systemic review of Royal London's processes would fall to the regulator, the FCA, which does have the power to investigate customer journeys generally and, if necessary, require changes in processes or impose fines for poor behaviour.

I note that our investigator has already provided Mr W with the FCA's contact details, and so there's little else I think I can usefully add on these specific points.

We deal with individual complaints, looking at the individual circumstances of that complaint. In doing that, we work within the rules of the ombudsman service and the remit those rules give us.

I've reviewed all of the evidence to see if Royal London's service fell short of that it'd agreed to provide Mr W. And to see if it caused any avoidable delays to the transfer process.

Having done so, I agree with our investigator that there's no evidence that Royal London caused any avoidable delays to the transfer. I'll explain why.

Royal London told this service that it allowed up to five working days to process/reply during

a SIPP transfer. It felt this was an acceptable timescale. And noted that it had always responded within that timescale at every stage of the process. It also said that it'd processed its part of the transfer within ten working days throughout the process. And that it had regularly chased business T. It felt it had processed the transfer promptly and without error.

As our investigator noted, while there do appear to have been some missed emails in June and July 2024 from provider H to Royal London, it seems that provider H sent its requests to an incorrect email address. I'm therefore satisfied that the evidence shows that once provider H sent the transfer request to Royal London on 10 July 2024, it proceeded to work on the transfer in a timely manner.

I can see that Royal London made Mr W aware of how long his transfer was likely to take at the start of the process. I say this because it emailed Mr W one day after provider H sent it his transfer request to tell him that in-specie transfers typically took about two months to complete.

Royal London told Mr W on 7 August 2024 that it had "*very little input into this process*", given most of the work needed to be carried out by business T and Mr W's fund managers. It explained it didn't have any "*influence or control*" over the time third parties took. Despite that, the evidence shows that Royal London repeatedly chased business T to try to ensure that the transfer went ahead as quickly as possible. I'm persuaded that this shows that Royal London took reasonable steps to progress Mr W's transfer.

I next considered whether Royal London should've transferred Mr W's cash earlier.

Royal London told this service that the process for an in-specie transfer was that cash couldn't be sent before the funds were re-registered to the new provider. And that transfers like this were complex transactions, with receiving providers sometimes being unable to accept a fund's re-registration, so this could lead to the transfer collapsing. It also said that it didn't allow partial transfers for drawdown plans, such as Mr W's.

Our investigator felt that Royal London had provided a reasonable explanation for why Mr W's cash couldn't have been transferred earlier, and that it'd acted fairly. I agree with our investigator, and for the same reasons, that Royal London wasn't required to send the cash any sooner.

It's clear there were errors during the transfer. But I've not been provided with any evidence that Royal London was responsible for those errors. From what I've seen, Royal London told Mr W at the start of the process that it would take around two months to complete. It then completed its parts of the transfer process in a timely manner. It also chased the other providers involved in the transfer at various points in the process and kept Mr W reasonably informed about what was happening. I can't therefore fairly say that Royal London did anything wrong. And I don't uphold the complaint against Royal London.

### **My final decision**

For the reasons explained above, I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 17 June 2025.

Jo Occleshaw  
**Ombudsman**