

## **The complaint**

Mr W has complained about the way in which Phoenix Life Limited trading as Standard Life dealt with a transfer of his pension benefits into a personal pension plan.

## **What happened**

Mr W decided to transfer pension benefits he held within an occupational pension scheme ('OPS') into a Standard Life personal pension. Standard Life received a transfer in application form on 14 February 2024, and the next day it asked Mr W to request discharge forms from the OPS. I understand that he did this on 15 February, and Standard Life received discharge forms on 11 March.

On 25 March Standard Life sent the completed discharge forms to the OPS, but on 22 April the OPS informed Standard Life that it had completed these incorrectly. The forms were revised and sent again to the OPS on 23 April.

During this time, in error Standard Life also sent copies of the discharge forms to a different OPS for an employer which Mr W had never worked for. The incorrect OPS contacted Standard Life on 18 April to say that it could not trace any benefits for Mr W. This led to Standard Life emailing Mr W on 21 May asking him for details of his benefits accrued with this incorrect OPS. Mr W responded to confirm that he'd never worked for that employer, and he asked Standard Life for clarification about this. He received no response to his question, or to a subsequent enquiry he made.

On 30 May Standard Life received the transfer payment from Mr W's OPS and it set up a policy for Mr W on the same day.

On 10 June Mr W lodged a complaint with Standard Life. He highlighted that Standard Life had incorrectly completed the OPS's discharge forms. He also pointed out that he'd not received a response to his question about why he'd been asked to confirm details relating to an employer he'd not worked for, and he suggested that Standard Life may have mixed up his details with another customer. Mr W asked for an update on the progress of his transfer in to Standard Life, saying that he did not know what was happening with this.

On 17 June Standard Life emailed Mr W confirming that his transfer in had been successfully completed and his policy could be viewed online. In terms of why Mr W had been asked questions about an OPS which he'd never been a member of, Standard Life apologised and said that some emails had been mixed up.

Having been told on 2 August that his complaint was still being investigated, Mr W responded to register his dissatisfaction with this. On 9 August Standard Life wrote to him accepting that it had not dealt with the transfer in an efficient or timely way, and referencing its error completing the OPS discharge form. It also said that its communication with Mr W had not been as clear as it should have been. Standard Life said that contacting the incorrect OPS had been an error. It offered Mr W compensation of £400 to reflect its poor service, and it said that it was checking to see if the delay in transferring the benefits had caused him a financial loss.

Mr W responded on 12 and 19 August, stating that Standard Life had provided a “*bare bones*” explanation for the events that had occurred with the transfer. He said that Standard Life had failed to respond to his complaint in the required timescales, or to his enquiries more generally, and had not explained why his personal details had been shared with the incorrect OPS.

Standard Life provided a further complaint response on 23 August. It stated that a member of staff had mixed up paperwork with another customer, resulting in the OPS’s discharge form being sent to both the correct OPS and also the incorrect one. It apologised that Mr W’s personal details had been shared with the wrong OPS, and accepted that it should have noticed its error on 18 April when the incorrect OPS said it couldn’t trace benefits for Mr W. Standard Life stated it had contacted the incorrect OPS explaining its error and asking it to delete Mr W’s information from its records. It commented that it had caused Mr W frustration by not responding to his 21 May email asking for clarification about what had happened.

In terms of its error when completing the correct OPS’s discharge forms, Standard Life said that it should have told Mr W about this at the time it occurred. To calculate whether the delays in the transfer had caused Mr W a financial loss, it explained that it had asked the OPS to confirm what the transfer value would have been if it had been received by Standard Life on 12 March 2024. It said it would update Mr W about this in due course.

Standard Life acknowledged that it had taken too long to respond to Mr W’s complaint, and said that its response on 9 August did not properly explain what had gone wrong with the transfer, or what action it was taking to resolve matters.

Dissatisfied with Standard Life’s handling of this matter, Mr W brought a complaint to this service on 6 October. He highlighted that Standard Life had not told him the transfer had been completed at the time that it happened. He also commented that Standard Life did not seem to recognise that sharing his personal details with the wrong OPS was a serious issue. Mr W reiterated his unhappiness that emails he’d sent to the business had not been replied to.

In terms of Standard Life’s responses to his complaint, Mr W questioned why it had not confirmed a timescale for when it would be able to say whether its calculations showed he’d suffered a financial loss as a result of the transfer delays. Mr W explained that he wanted to resolve matters so that he could transfer his benefits away from Standard Life because he had lost faith in its standards of administration. However his experience was that each stage of Standard Life’s resolution of his complaint had taken too long. Mr W also stated that the business did not seem to accept accountability or responsibility for its errors.

Mr W said that he’d been caused inconvenience and distress by Standard Life’s actions, and that the business had missed opportunities to rectify the problems he’d encountered with the transfer. Taking into account the length of time that he’d been caused difficulties by Standard Life, and based on this service’s external guidance about compensation payments, Mr W suggested that he should receive a compensation amount towards £750.

After we’d received this complaint, Mr W forwarded a letter from Standard Life relating to its transfer delay loss calculation. The business had explained that the OPS had not responded to its request for a transfer valuation for 12 March 2024. As Mr W had now requested that his benefits be transferred to a new provider, Standard Life said that it needed to complete any corrective work to his policy before the transfer took place. It had therefore agreed with Mr W that it would use the transfer value it had received from the OPS on 30 May 2024 to calculate how many units would have been purchased with that amount on 13 March 2024. As this would have resulted in additional units valued at £567.22 being added to the policy,

Standard Life had added this to the plan. It said that it was now prioritising Mr W's request to transfer his benefits away from Standard Life, and I understand that this transfer was carried out with effect from 23 October 2024.

Commenting on this letter, Mr W said that whilst he accepted the redress methodology Standard Life had now used, it could have proposed this in July 2024, bearing in mind that the OPS transfer had been from a defined benefit scheme. He said it was therefore Standard Life's fault for the delay in carrying out the loss calculation.

Mr W also said that the letter Standard Life had sent him confirming that his policy had been 'topped up' with the loss amount had not included his flat number in the address. It had been delivered to a neighbour who had opened it by mistake. Mr W said that for a second time Standard Life's actions had led to his personal information being shared with a third party, and he asked for the business to be held to account for this.

Our investigator's view was that Standard Life's loss calculation relating to the delays it had caused completing the transfer was reasonable, and she noted that Mr W did not disagree with the way this calculation had been done. Although she acknowledged that Mr W was unhappy about the length of time it had taken for Standard Life to carry out the loss calculation, she considered it was reasonable that it had asked the OPS to confirm the transfer value which would have applied on 12 March 2024. She said it would have been difficult for Standard Life to have estimated how long this calculation would take.

The investigator considered that Standard Life should have explained to Mr W at an earlier date that it had made an error when completing the OPS's discharge form. She also said it had caused Mr W confusion when it had contacted the incorrect OPS and then asked Mr W questions about this. In terms of sending Mr W's personal details to the incorrect OPS, the investigator noted the data protection responsibilities upon Standard Life, and she said that the incorrect OPS was also legally bound to dispose of Mr W's personal data. However she accepted the seriousness of this issue.

With regard to Standard Life sending its letter about the compensation 'top up' to an address without Mr W's flat number included, the investigator said that because the issue had arisen since this complaint had been referred to this service, it would firstly need to be raised with the business. If Mr W was dissatisfied with the response, the investigator said he could refer this new issue to our service.

Taking into account the transfer delays, confusion and data breach Standard Life had caused, the investigator considered the £400 compensation offered to be fair.

Mr W disagreed with the investigator's findings, stating that she had listed several months of failings by Standard Life, but concluded the business' conduct was fine. He commented that Standard Life knew the transfer was coming from a defined benefit scheme, and that its value would not be based on market conditions. Mr W said that when it first offered to carry out a loss calculation, Standard Life could have asked him whether he agreed that it use the actual transfer value received and applied it as at 13 March 2024. By failing to do so, he said Standard Life had caused a two month delay which was avoidable. He also reiterated his concerns that the business had delayed properly investigating his complaint.

Mr W asked that the complaint be passed for review by an ombudsman.

### **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.

Standard Life has accepted that it made errors and caused delays when handling the transfer in of Mr W's pension benefits. I need to consider what represents fair compensation for Mr W to reflect how the business handled matters. I should confirm that I have not considered the issue raised by Mr W when Standard Life sent him the 'top up' compensation letter in October 2024 that did not have his flat written in the address, as that issue was raised after this complaint was referred to this service.

In terms of the delays to the transfer that Standard Life caused, it offered to carry out a calculation to see if Mr W had suffered a loss because the transfer had not been completed on 13 March 2024. This calculation led to £567.22 being used to buy additional units under the policy, and my understanding is that Mr W has accepted that this represents a fair way in which to compensate for the financial loss caused by the transfer delays. My view is that this calculation carried out by Standard Life was reasonable. However, Mr W is also unhappy with the time it took to determine this loss amount.

Mr W has highlighted that the transfer came from a defined benefit scheme. As such, he has questioned why Standard Life asked his former OPS to provide a transfer value for 12 March 2024. I appreciate why Mr W considers that at outset Standard Life should have used the transfer value it actually received in May 2024 in its calculations, rather than doing this having waited two months for the OPS to provide a March 2024 value, which ultimately it didn't do. However on balance it does not seem unreasonable to me that Standard Life sought to obtain a transfer value from the OPS for 12 March 2024, in an attempt to ensure it was appropriately compensating Mr W for the delays it had caused.

Aside from the time taken to calculate financial loss, Mr W's dissatisfaction with Standard Life also relates to delays it caused with the transfer, sending his personal details to the incorrect OPS, failing to update him with progress or respond to his queries, and the general level of customer service. I appreciate why Mr W has been so frustrated by the events relating to the transfer; in my view this represented a relatively straightforward transaction which Mr W reasonably believed would be carried out promptly and without difficulties.

Further to this, Mr W is unhappy about the way in which Standard Life responded to him once he queried what was happening with the transfer, and why he'd been asked details about an employer he'd never worked for. Mr W says that Standard Life did not take responsibility for its errors, and has only given partial explanations for what went wrong. I would agree that Standard Life should have been much quicker to confirm to Mr W what errors it had made, and why these had occurred. This undoubtedly has led to further frustration for Mr W, as he has sought to understand what has happened.

As Mr W has said, the sharing of his personal details with the incorrect OPS was a serious matter, and it's clearly caused him concern. Standard Life has taken steps to ensure that data is deleted by the OPS in question. The incorrect completion of discharge forms for the correct OPS represented a failing in administration by Standard Life. Combined with this, Standard Life failed to communicate regularly and accurately with Mr W.

In summary, my view is that Standard Life has caused Mr W significant unnecessary distress and inconvenience, over and above that which might normally occur when dealing with a financial transaction of this nature. Mr W's view is that the compensation amount of £400 insufficiently recognises the difficulties he's been caused by Standard Life.

I have carefully considered Mr W's comments in this regard. Although I appreciate that my conclusions are likely to come as a disappointment to him, taking into account awards made by this service on cases with similar circumstances, I consider £400 compensation for

distress and inconvenience is a fair compensation payment in this case. In doing so, it is not my intention to underestimate or underplay the problems Mr W experienced as a result of Standard Life's handling of matters originating from the transfer. However, it seems to me that the compensation offered by Standard Life fairly reflects the errors it has made, and the difficulties these errors then caused Mr W.

### **My final decision**

My final decision is that the offer of compensation made by Phoenix Life Limited trading as Standard Life to add units to Mr W's policy to reflect transfer delays and to pay £400 to reflect distress and inconvenience caused to Mr W is fair in all the circumstances.

If Phoenix Life Limited trading as Standard Life has not as yet paid the £400 compensation amount to Mr W, it should now do so.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 20 June 2025.

John Swain  
**Ombudsman**