

## The complaint

Mr C complains that Pension Insurance Corporation plc ('PIC') has provided him with a poor service in response to requests that he has made for information and his requests that it desist in sending him marketing emails.

Mr C has additionally asked us to intervene in PIC's refusal to engage with him about a missing feature of his pension contract.

## What happened

Mr C held deferred benefits in an occupational pension scheme (OPS). That scheme was wound up around 2014 and the scheme trustees put in place alternative benefits for its members with PIC.

Mr C became aware, prior to 2018, that his policy with PIC didn't provide a feature of his previous pension which was called a '*Value for Money*' ('VFM') provision which provided guarantees for pension increases. Some time around then Mr C complained to PIC about the absence of that feature which he said had existed with his OPS.

Mr C was not satisfied with PIC's response and he referred that complaint to the Pensions Ombudsman ('PO'). The PO gave its determination on that in 2018.

Mr C complained again to PIC in 2021 about several issues. And within that complaint he was still complaining about the loss of the VFM feature of his pension. That complaint was referred to our service in March 2022. That case ultimately came to me to give a final decision on.

I first issued a provisional decision to explain my decision on the parts of his complaint we could deal with. In that complaint I determined that Mr C was asking our service to investigate the issue he had with the lack of a VFM feature in his PIC pension contract. I decided that the part of Mr C's complaint relating to the loss of the VFM feature would not be investigated by our service. I explained that was because the Dispute Resolution (DISP) part of the FCA Handbook, in section DISP 3.3.4A(2), allow us to dismiss complaints where the subject matter has been dealt with by a comparable Alternative Dispute Resolution ('ADR') entity. In Mr C's case, that meant that the Financial Ombudsman Service will not investigate the issue that the Pension Ombudsman gave its determination on in 2018.

Mr C retained his PIC policy. And in 2023 complained about several service failings by PIC, over a number of emails and telephone calls.

Mr C referred his complaints to our service in February 2024. I summarise the issues that he referred to us as follows:

1. In April 2023, July 2023, and September 2023, it took PIC several months to send routine information he'd asked for about his pension.
2. He received eight junk emails from PIC between 19 September 2023 and 1 December 2023 when he had declined marketing contact.

- He says that he had to email and call after each one to ask them to stop.
3. Incorrect information being given about his pension. He cites the following examples:
    - a) Being told that the growth rate in deferment is the Consumer Price Index ('CPI') up to a maximum of 5%.
    - b) Being told that the revaluation date when his pension was in deferment was 10 June each year.
    - c) Being told on two occasions that he would be able to get current pension valuations if he opened an online account. But that was not the case.
  4. PIC continuously refused to answer any of his questions about his pension benefits and the legality of his pension buy-out in 2014. Mr C believes wrongdoing occurred in that process, having since learnt of the Pensions Act 1995. He wants us to make PIC answer his questions about his pension.

Our investigator explained to Mr C that our service would not investigate the issues that he had previously had an answer from the PO about. She addressed the various service failings and was of the opinion that PIC's service had fallen short of what a customer could expect. She explained that there had been no financial loss, but considered there was distress and inconvenience caused by the cumulative failings and suggested that compensation of £350 was a fair and reasonable way to address those.

PIC accepted our investigator's opinion, but Mr C did not. He was cross that we were not making PIC respond to his questions about the differences in benefits between his OPS and his policy with PIC. So this complaint has been passed to me to give a final decision on.

### **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.

Mr C has been in regular and lengthy correspondence with our service since bringing this further complaint about PIC to our service. He has set out his detailed views on his complaint a number of times. I would like to assure Mr C that I have reviewed and considered everything he and PIC have sent us. And am satisfied that there is enough information for me to give a fair decision in this dispute without any further information or speaking with either party about this any further.

I will explain why I haven't commented on everything Mr C has said in his emails. Our service exists to provide an alternative resolution service to the courts, which is done with a minimum of formality. It isn't practical or necessary to respond to everything said, in lengthy written correspondence, to give a fair decision. Mr C will notice that, like our investigator, I have also concentrated on the things that I consider to be the crux of the complaint. I have the discretion to do this to reach a fair and reasonable outcome.

### **What our service will not consider**

Before I go on to address the issues that Mr C has with PIC's service, I will re-iterate why we will not be considering the issue he has with any loss of benefit features because of the events of 2014.

I gave Mr C a decision on this very issue in 2022. Which was that I was dismissing his complaint about any benefits that may not have been insured with PIC by his OPS trustees in 2014. I told him in that decision that the actions of the trustees were not something that

our service had jurisdiction to investigate. And I explained that the issues about the benefits that PIC's policy offer in comparison was dealt with by the PO in 2018. I will not repeat my decision on that from 2022 and instead refer Mr C back to it.

I understand that Mr C thinks that his complaint is new because he is now referring to the Pensions Act 1995 which he says he only became aware of in February 2024. Whilst I accept that his knowledge of this law may postdate the PO's decision, it is irrelevant to my earlier decision to dismiss this matter. The Pensions Act 1995 is not new evidence that has come to light since. It was in force well before the buy out he still has issue with. His complaint remains the same as it always was. And it therefore remains dismissed. We will not look at it and I encourage Mr C not to try to bring this issue to our service again, even as a part of a future complaint about PIC.

Mr C repeatedly demands that our service determines that PIC should respond to his requests for information about the features he says are missing from his policy. But his question is not so straightforward as he suggests. Mr C has been asking the same questions of PIC repeatedly since 2018. He has been told by PIC, since before my previous decision in December 2022, that it will not respond to him any further on that issue. I don't think it's unreasonable for a business to refuse to enter into further correspondence on the same issue once it has been through a resolution service. Even if the consumer remains unhappy with the final answer. In short, I do not think that failing to respond to emails and phone calls about things that have been thoroughly dealt with before is unreasonable in this case.

For these reasons, as explained by our investigator, our service will not consider the issues that I've referred to in point 4 above.

#### Delays in sending information

Mr C requested a number of different pension projections and valuations in April 2023. He says that these came in batches with it taking weeks and chasing on his part in order to finally get the information he wanted.

Mr C's pension is a contract of insurance providing defined benefits based on a pension of £1,284.02 a year that was deferred from June 2008. It is revalued based on CPI. Which means that it is increased each year in deferment. It can be taken without actuarial reduction from age 60. The exact value of the benefits at retirement are therefore uncertain but projections are provided based on assumed future CPI. Over time these can vary as the calculations incorporate more past CPI figures which will impact the projected figures. So it is not unreasonable that Mr C would seek periodic projections to help him decide when to start taking his retirement benefits.

Our investigator explained that the delay in PIC's providing some of these projections was unreasonable. And PIC has not argued with this. I agree that requested information was not always provided in a reasonable time. Mr C didn't suffer any financial loss as a result of these delays. And he wasn't prevented from taking his benefits as he didn't want to take his benefits at that time. But I agree that it would have been frustrating for Mr C not to get these quotes all together and sooner. And he felt compelled to chase and send a number of emails requesting the quotes. So I uphold this part of Mr C's complaint.

### Unwanted marketing emails

Mr C received emails from PIC with invites to webinars between September and November 2023. Mr C did not want to receive these and clearly told PIC this after the first one. However PIC continued to send Mr C the full series of webinar invites. With Mr C asking PIC to stop after each email.

I think that PIC should have had a process to remove Mr C from the mailing list for non-essential pension correspondence if that was his preference. So I uphold this part of Mr C's complaint.

### Providing incorrect information

Mr C considers that he was told that his pension in deferment would increase by CPI up to a maximum of 5% each year. But I am not persuaded he has been clear when he was specifically told this. His pension projections give a figure for the index once it is in payment. For the rules about revaluation whilst deferred, he needs to look at the terms and conditions of his policy.

PIC have explained to us that, in deferment, the benefit accrued after 1997 increases in line with CPI but that there is a cap of 5% a year over the revaluation period. The 5% cap is not annual but averaged at a maximum of 5% a year over the deferred period. I think this is a reasonable explanation. And I think it is also reflected in the Policy Document Mr C has for his annuity policy. Which is covered in section 2.3 entitled '*revaluation before retirement*'.

This means that Mr C had clear information about this from the start of his policy. But it is evident that Mr C was not clear on this point and the explanation that PIC have provided to us could reasonably have been provided to Mr C much earlier.

Mr C is also frustrated that he was told that his pension was revalued on the anniversary of his leaving the scheme in June. But I think that this was brought about by a misunderstanding. I think that the information is clear in the Policy Document that Mr C was sent when his policy started. I think that the information in the projections that Mr C received caused confusion. PIC has since been clear that the policy is revalued on the anniversary of his leaving the OPS in June 2008. I think that PIC could have been clearer about this point to avoid any confusion.

I understand that Mr C is also frustrated at being directed to the online account by PIC as he doesn't think he should have to do that. But that is just a service that PIC offer. Mr C has not been compelled to use it. He is frustrated that he was directed to that when, it transpires, that it will not give him the information he wants. In that regard I think he's correct. Mr C routinely requests future projections to specific dates that will not be available online. And he has periodically requested the cash equivalent transfer value of his pension contract, which also were not available online. Overall, I think PIC could have been clearer about the limitations of what the online portal could provide. But I am not persuaded that making Mr C aware of its online service would reasonably have caused Mr C any significant distress or inconvenience.

Finally, I've seen the correspondence that Mr C sent, and listened to the calls he made in early 2023 asking that he be sent pension valuations every month until July. Mr C was told this would happen in a call, which, not unreasonably caused Mr C to expect this. But PIC failed to provide this service to Mr C. And has since explained that it cannot put in place a system to automatically prepare and send out projections monthly. They are only sent out on specific request. I think this is another example where PIC could have managed Mr C's expectations better and been clearer about what it was prepared or able to do. It's actions in

this regard have understandably added to the inconvenience that Mr C has suffered from PIC's service.

### **Putting things right**

In considering what PIC should do to put things right I have considered whether any of the failings I've referred to above have caused Mr C any financial loss. And I don't think they have. Mr C has not taken his benefits and has not provided any compelling evidence that the information he received has caused him not to take his pension benefits before now.

He hasn't been given any information that indicated his benefits would be more than they are now likely to be. So he hasn't suffered the kind of distress that may come from that form of elevated expectation.

But the collective issues have meant Mr C has contacted PIC to make repeated requests for things that he has already asked for. And that he has had to seek further clarification about misunderstandings that have arisen about technical details of his pension contract.

To balance this, I have also considered whether the sheer number and length of emails that Mr C sent PIC was a necessary consequence of PIC's mistakes. And I don't think that it was. Much of that correspondence appears to me to have been triggered by PIC's refusal to engage with Mr C's questions about any benefit features that his annuity did not include. I think those queries were unreasonable given the fact that PIC's position on that ought to have been clear to Mr C all along. And, I can see that the volume of this correspondence made it difficult for PIC to identify new issues in order to consider them.

For the above reasons, I think that it is fair and reasonable that PIC pay Mr C £350 compensation for the inconvenience he was caused by the collective service failings I have identified.

### **My final decision**

I uphold Mr C's complaint. If Mr C accepts my decision Pension Insurance Corporation plc should pay him £350 in compensation for the reasons I've set out above.

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

Gary Lane  
**Ombudsman**