

## The complaint

Mr B complains that Financial Administration Services Limited (Fidelity) provided a poor service and caused avoidable delays when he was trying to transfer his pension from a provider I'll refer to as provider S to it.

## What happened

After taking financial advice, Mr B decided to transfer his pension to Fidelity.

On 19 October 2023, Mr B signed the paperwork to transfer and returned this to his Independent Financial Adviser (IFA).

At the end of October 2023, Fidelity requested funds from provider S through the Origo transfer system. It then chased provider S on 15 and 23 November 2023. But it didn't receive a response.

On 18 December 2023, Fidelity tried to call provider S but it couldn't get through.

On 22 December 2023, provider S told Fidelity the transfer couldn't be processed through Origo as it needed a signed Letter of Authority (LOA).

On 28 December 2023, Fidelity noted that the transfer instruction would have to be processed manually. It sent Mr B's IFA a blank LOA, which I understand it sent onto Mr B to sign on 4 January 2024. Fidelity received the signed LOA on 9 January 2024. At this point it started the manual transfer process.

On 22 January 2024, Fidelity sent an enquiry letter with an LOA and transfer request to provider S.

Mr B said he was first informed of '*some confusion*' with his pension transfer on 24 January 2024 by his IFA. He said he now suspected that this related to the fact that his transfer required the consent of the trustees.

Mr B said that on 13 February 2024, he called his IFA and that it'd confirmed that permission of the trust holders would be required to transfer his pension. He said he'd assumed that Fidelity was aware of this.

Fidelity called provider S on 20 February 2024. That provider said it would send Fidelity an email with the information it needed. Fidelity noted that the pension was held under trust and that provider S would send Trust Assignment forms to Mr B.

On 6 March 2024, Fidelity again tried unsuccessfully to call provider S about some paperwork it needed. The following day provider S told it that it'd sent that paperwork directly to Mr B on 2 February 2024. Fidelity said it'd asked provider S to send it a copy by email but it didn't receive anything.

On 14 March 2024, Fidelity received provider S's transfer discharge forms through Mr B's IFA. Mr B had signed the forms on 29 February 2024.

On 27 March 2024 Fidelity sent the transfer request to provider S. It confirmed this to Mr B's IFA. Fidelity chased provider S for updates on the transfer on 26 April 2024 and 16 May 2024.

The transfer still hadn't taken place on 3 June 2024 and as no update had been provided, Mr B contacted provider S who explained that it hadn't received all of the required documents to progress the transfer. Provider S explained that it still needed authority from the pension trustees. Mr B emailed his IFA the same day and asked when the trustees had first been made aware of the transfer request.

On 4 June 2024, Mr B contacted the trustees and Fidelity to establish when the trustees were first contacted regarding the transfer.

Fidelity replied on 6 June 2024. It said it didn't have the information regarding contact with the trustees. And that Mr B should contact the trustees directly.

Mr B contacted Fidelity again on 13 June 2024 to ask what was holding his transfer up.

On 13 June 2024, provider S confirmed that it had all the paperwork it needed from Fidelity. Provider S said it needed to speak to Mr B directly for some clarification before it could release the transfer funds. On 18 June 2024, Fidelity made Mr B aware of this. It explained that it'd chased provider S on 13 June 2024. It said provider S needed to speak with him directly and asked him to contact provider S.

On 19 June 2024, Mr B complained to Fidelity as he was unhappy he was being asked to chase his own transfer. He felt the professionals involved should be doing this for him. And was unhappy with how long it was taking.

Fidelity responded the same day to confirm it'd raised a complaint. It said that as it didn't have authority over the transferring pension yet, it didn't have the right to contact or chase the pension trustees. And that provider S would be in the best position to do that as it still held the pension. It said it understood that provider S wouldn't release the pension until it had clarified what it needed to with Mr B.

On 21 June 2024, Fidelity sent a letter to Mr B's IFA which said that provider S had confirmed the transfer would be delayed as the current scheme required Mr B's verbal approval to proceed.

On 24 June 2024, Mr B received a response from the trustees. It said he needed to complete a specific form (form L) to transfer from one provider to another.

On 26 June 2024, Fidelity sent the payment request to provider S again, including the updated HMRC screenshot.

Fidelity issued its final response to the complaint on 4 July 2024. It didn't think it'd done anything wrong. It said it hadn't intended to suggest that Mr B was required to chase the transfer for it to proceed, noting that it was still actively chasing the transfer on his behalf. Fidelity said that provider S did need to undertake an action to progress the transfer.

Although it acknowledged that there was one occasion in February 2024 where it could've chased sooner, Fidelity said it'd regularly chased provider S and didn't think that the one occasion it hadn't chased as quickly as it could've had impacted the overall timeline. It said this was because it'd been awaiting action from provider S at that time. Fidelity said it'd completed all of its required actions in a timely manner.

Mr B brought his complaint to this service in October 2024. He said there'd been several months without progress on his transfer. So he'd made some calls and established that his pension was administered by trustees and therefore required form L to give authority.

Mr B felt this had delayed matters and should've been identified at the outset. He said he'd completed his part of the form and forwarded it to his IFA, but his transfer still hadn't taken place. And that it still didn't progress when he took the same actions again.

On 4 of September 2024, Mr B said that Fidelity had denied ever having received the form from his IFA. But he said the pension trustees had assured him that they hadn't received the completed form L which was required for the transfer.

Mr B felt that Fidelity should've tried to sort out his transfer. He said that the process had caused him a great deal of anger and stress, and inconvenience in trying to rectify the matter.

On 26 November 2024, Fidelity wrote to Mr B's IFA about the transfer. It said that provider S had told it that there would be a delay to the transfer and that it needed Mr B to contact it in order to proceed.

On 3 December 2024, Fidelity felt that Mr B had raised new issues to this service which hadn't been part of his original complaint or its initial complaint investigation. It hadn't therefore been able to cover those points in its July 2024 final response. It therefore raised a new complaint to cover Mr B's further points. These were:

- As Mr B's pension was administered under trust, Mr B had discovered that an additional form was needed for the trustees to give authority before the transfer could proceed. Mr B felt Fidelity should've identified this requirement at the outset.
- Fidelity had denied ever having received the form from Mr B's IFA on 4 September 2024.
- As at 16 October 2024, the trustees had yet to receive the completed form L required for the transfer.
- Mr B felt that if his pension had transferred in a timely manner, it would've grown at a higher rate than with provider S.
- He felt that Fidelity hadn't ever voluntarily contacted him to inform him of problems. And that it'd said his transfer was taking place in accordance with usual timescales, despite the issues still being faced.

Fidelity said it would investigate the processing of the transfer since the July 2024 final response and the additional points raised by Mr B since then.

I understand that Mr B contacted Fidelity to cancel the transfer on 8 January 2025.

On 11 January 2025, Mr B told this service that provider S had told his IFA that the reason his pension hadn't transferred to Fidelity was because he was currently taking a pension from that fund. He didn't think this was correct. However, given the stress the transfer had caused him and Government changes to pensions, he said he'd told all parties concerned that he no longer wanted to pursue the transfer. He said he still wanted to pursue his complaint.

On 30 January 2025, Fidelity told this service that the trustees had told it that Mr B's pension

was ineligible for transfer to it, as he was already taking pension payments from provider S.

On 7 February 2025, Mr B shared Fidelity's second final response letter, dated 21 January 2025, with this service. This letter covered the complaint for events from July 2024 onwards.

Fidelity said it wasn't aware that the transfer had a trust element, or that additional forms were needed until 8 July 2024, when it'd received form L from Mr B's IFA. It said it wouldn't have been aware that the pension had additional elements at the outset, noting that the onus had been on provider S as the ceding provider to ensure that both it and Mr B had all the necessary discharge information. However, Fidelity did agree that once it'd received the forms, it hadn't acted on them until much later.

Fidelity said it should've acknowledged and queried form L with provider S when it first received it on 8 July 2024, the date it'd sent the discharge forms provider S had needed. It also said it should've contacted the trustees, Mr B's IFA and Mr B himself if it still needed clarification.

Fidelity said that on 12 September 2024, after provider S uploaded more forms, it again only processed the discharge forms. It also said it received a further letter from provider S with the forms on 21 October 2024. But said that it was only through further contact from Mr B that it began to directly liaise with the trustees about form L on 24 November 2024.

Fidelity apologised for the poor service it provided about form L. It said its mistakes had caused a sixteen-week delay between 8 July 2024 and 24 November 2024.

Fidelity said it'd arranged to pay Mr B £300 compensation in recognition of the poor service he'd experienced and for incorrectly saying it hadn't received form L.

Our investigator didn't consider Fidelity's second final response letter as his view only covered what'd happened between 30 October 2023 and 19 June 2024, when Mr B had raised his complaint. He also said that he was only considering the complaint Mr B had then made, which was if there was more Fidelity could've done to ensure the transfer happened more quickly. He didn't think Fidelity had treated Mr B unfairly.

Our investigator said that provider S, Mr B's IFA and Fidelity all had a role in the transfer. He said that Fidelity's role was to request the transfer from provider S and chase for updates if needed. It should also respond to any information requests it received from Mr B or his IFA.

Our investigator felt that Fidelity had carried out its role. He said it had chased provider S for updates. He didn't consider it was Fidelity's responsibility if provider S didn't then respond. Nor did he hold Fidelity responsible for the time it took to complete the transfer, given it'd regularly chased for updates.

Our investigator acknowledged that Mr B felt that Fidelity should've been aware of what was required for his transfer to go ahead. But said that he'd expect provider S as the ceding business to make Fidelity aware of the transfer requirements. He didn't think it was unreasonable for Fidelity to have asked Mr B to contact provider S, given that provider had made it clear that it needed to speak to him before the transfer could be completed.

Our investigator also felt that it was Mr B's adviser's role, not Fidelity's, to have kept him updated with the transfer's progress. Based on the evidence for the period in question, he couldn't say that Fidelity had caused a delay in the transfer.

Mr B provided a detailed response to our investigator which explained why he disagreed with his view. Many of the points he made related to provider S and his IFA's involvement in this

transfer, rather than Fidelity's. As my decision here is purely about Fidelity's actions, I've only considered the points Mr B made about it.

Mr B didn't agree with our investigator. He felt that Fidelity had failed to understand the requirement for form L, in addition to the standard transfer forms.

Mr B felt that Fidelity never fully understood the process of transferring a pension when trustees were involved. He said that as of October 2024, a full year after the process began, the trustees still hadn't received the required form L.

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

I asked Fidelity if it would give me its permission to consider both the July 2024 and the January 2025 final response letter in my decision. It said the following:

*Whilst we can appreciate the relevance of the second complaint to assess the total impact the transfer process had on Mr B, the [second final response] should only be reviewed in the context of this case to determine if Fidelity has fairly recompensed Mr B for the overall process, whilst accepting that the errors acknowledged in the second complaint did not constitute part of this case.*

### **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, I'm not going to uphold it. I know this will be disappointing for Mr B. I'll explain the reasons for my decision.

Before I start, I'd like to explain that my decision here only considers the complaint addressed in Fidelity's July 2024 final response letter and that part of the January 2025 final response letter that covers the compensation Fidelity has paid to Mr B in respect of the transfer delays it has acknowledged.

I first considered if I agree with the delays Fidelity has acknowledged.

#### ***Avoidable delays***

In its January 2025 final response letter, Fidelity accepted that it'd delayed the potential transfer from 8 July 2024 to 24 November 2024.

From what I've seen, Fidelity did what it was supposed to do as the receiving scheme up to 8 July 2024, when it first became aware that the transfer had a trust element and that form L would be needed. I say this because I'm satisfied that the evidence shows that Fidelity was reasonably carrying out its role of chasing the transfer it'd requested up to this point.

While I can see that Mr B considers that Fidelity didn't understand the requirement for form L, and that it never fully understood the transfer process where trustees were involved, I can't fairly agree. I say this because I agree with Fidelity that it was provider S's responsibility to ensure that all the correct information was gathered for the transfer.

I also agree with Fidelity that it should've acted differently when it received form L from Mr B's IFA on 8 July 2024. Without repeating everything Fidelity said in its January 2025 final response letter, I consider that it caused avoidable delays connected with form L from 8 July 2024 - when I'm persuaded it first became aware of this requirement - to 24 November 2024,

when it began to directly liaise with the trustees about form L. This is because I agree with Fidelity that it should've taken steps to liaise with the trustees about form L as soon as it found out about the requirement for that form.

I next considered if the avoidable delays Fidelity has acknowledged led to a financial loss for Mr B.

*Did the delays cause a financial loss?*

I note that it hasn't been possible for Mr B to complete the transfer.

Based on the evidence I've seen, the transfer wouldn't have been possible even if there had been no avoidable delays. As the transfer has not and cannot go ahead, I can't fairly say that Mr B has suffered a financial loss as a result of Fidelity's acknowledged delays.

I finally considered whether the £300 Fidelity has paid Mr B for the poor service and for incorrectly telling him that it hadn't received form L is fair under the circumstances of this complaint.

*Distress and inconvenience*

I can see that the transfer process has been a protracted and frustrating one for Mr B. And that it's caused him significant inconvenience. Mr B has explained that the process caused him a great deal of anger, stress and inconvenience in trying to sort things out.

However, as I noted above, given the transfer didn't go ahead, I can't fairly say that Mr B has suffered a financial loss.

I think that the avoidable delays Fidelity caused, and the error it made when it told Mr B that it hadn't received form L when it had, caused Mr B more than the usual levels of frustration and inconvenience over a period of more than three months. And that its failings required Mr B to get involved to sort things out.

I'm pleased to see that Fidelity has acknowledged that it caused delays and made an error. And that it's paid Mr B £300 compensation in respect of the inconvenience caused. But as this is in line with what I would've otherwise recommended, I don't require Fidelity to increase the level of compensation paid.

Overall, although I can see that Fidelity should've acted differently when it received form L on 8 July 2024, I'm satisfied that it has taken reasonable steps to put things right. And I don't uphold the complaint.

**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 B to accept or reject my decision before 9 July 2025.

Jo Occleshaw  
**Ombudsman**