

The complaint

Mr M's complaint is about a Self-Invested Personal Pension ('SIPP') he holds jointly with his wife, and about its transfer from The IPS Partnership Limited trading as James Hay Partnership ('JHP') to Dentons Pension Management Limited ('Dentons'). He says JHP caused delays, between 2020 and 2024, in the transfer, and is responsible for financial loss, and trouble and distress, resulting from that. His wife's interest in the matter has been separated into another complaint, so this decision is only about Mr M.

JHP accepts responsibility for delays it caused in the transfer, and it has offered Mr M £2,000 compensation for the trouble and distress the matter caused him. The disputes in the complaint are about the extent of JHP's responsibility for the transfer delays, how redress for financial loss should be approached and the level of compensation for trouble and distress (Mr M has counter proposed £2,500).

What happened

The JHP SIPP held seven commercial properties (with an associated bank account for rental income), an invested 71M portfolio and a cash holding. For reasons he has explained to us, Mr M and his wife decided to transfer the SIPP to a new provider/administrator. The transfer was instructed in November 2020 on an in-specie basis. JHP's standard practice for such transfers was to prioritise and complete the transfer and re-registration of the invested elements (beginning with the commercial properties and followed by the portfolio) before transferring the cash holding. The JHP SIPP transfer guide issued to Mr M at the time confirmed this.

Both sides have given us summarised chronologies of the main events.

Mr M says JHP was broadly inactive in the process between 25 November 2020 (when his transfer discharge documentation was submitted) and until around June 2021 when JHP instructed its solicitors for the transfer of the properties. JHP says it received the transfer application on 3 December 2020, and the stage in the process that followed involved the completion of associated checks before its property transfer team could begin the stage in which the properties would be transferred. It accepts that the checks were not completed until 1 February 2021, but it says it instructed its solicitors for the transfer process on 11 February 2021.

Mr M refers to enquiries, about the properties, he received from the solicitors in June 2021, which, by 21 July 2021, were addressed. He says he chased the solicitors, and JHP, for progress thereafter, in August, September and October 2021, then he received a further enquiry from JHP in January 2022, which he responded to on the 15th of that month. He says this was followed by further inaction from JHP/its solicitors for, in the main, the rest of 2022.

He refers to an issue, around early 2023, concerning authority held by his financial adviser, which he says was addressed but was also drawn out into around May 2023, whilst the transfer process itself lacked progress. He also refers to an email he received on 22 May 2023 from JHP, with an attached invoice (from its solicitors) dated 16 February 2022 (related

to the property transfers). He says no explanation was given for the delay in issuing the invoice, but it included notice that JHP/the solicitors would soon be in a position to complete the transfers.

JHP says transfer of the last property was processed on 6 December 2023.

Mr M says on 20 October 2023 he received confirmation from JHP that six of the properties had been transferred on 17 October 2023, then there was a delay in transferring the seventh due to late notice from Dentons about an issue associated with the property, and that transfer of the property was eventually completed on 12 December 2023.

With regards to the portfolio and cash holding components, Mr M says he had to chase JHP for progress in January 2024. On 25 January 2024, he complained about the delays in the transfer process.

JHP says it asked 7IM for a valuation of the portfolio on 22 January 2024, and, after receiving it, the valuation was forwarded to Dentons on 1 February 2024. JHP accepts that Dentons informed it, on 13 March 2024, that it had opened a new account with 7IM for the portfolio, but this communication was missed at its end, so it (JHP) was unaware of this until it received Dentons' reminder on 3 May 2024.

JHP refers to disinvesting the SIPP's cash holding (from the bank account it was held in) between 10 and 25 April 2024, and to informing Dentons (in the same month) of the partial cash transfer amount it could potentially allow.

On the portfolio, it says a letter of authority for the transfer and transfer details were sent to 7IM on 15 May 2024, that it had to chase for a response before learning, on 4 June 2024, it required a signed instruction from all the trustees of the trust in which the portfolio was held. It accepts that the required instruction was initially sent to the wrong address on 10 June 2024, before it was sent to the correct address on 20 June 2024.

It says – it chased 7IM for progress three times in July and again on 22 August 2024 (when it contacted 7IM and Dentons); it heard from Dentons the next day (saying the transfer had been completed) but it still required confirmation directly from 7IM; it chased further, and on 12 September Dentons forwarded confirmation from 7IM that the portfolio's transfer had been processed on 18 July 2024; it completed its checks on the transfer on 16 September 2024, and transferred the portfolio to Dentons on 17 September 2024; then the cash holding was sent the next day, concluding the transfer.

JHP says a second transfer completion statement was issued on 25 November 2024, because the first statement issued on 6 November 2024 had an error in it.

Mr M agrees that on 18 September 2024 the cash holding (around £432,000 for his interest in the SIPP and around £70,000 for his wife's) was transferred to Dentons. However, he also says there was a £60,000 discrepancy between the 25 November transfer statement and the cash actually received, so he raised this with JHP, it apologised for and undertook to resolve the matter, but the resolution (issuing a new statement) was also delayed.

He says the final transfer closing statement was received on 11 December 2024, that he understood the transferred cash could not be used until this statement was received, that he accessed Tax Free Cash from the SIPP on 24 January 2025 and that, on 20 March 2025, he invested £170,000 of the cash balance in the 7IM portfolio.

One of our investigators looked into the complaint. She acknowledged that JHP concedes responsibility for causing delays in the transfer, and she concluded the complaint should be

upheld. In her view, the extent of JHP's responsibility was slightly greater than it had calculated.

She noted JHP's calculation of a total of approximately 48 weeks' worth of delays, covering the following – eight weeks delay in instructing its solicitors (between 24 December 2020, when it should have happened, and 11 February 2021 when it happened); nine weeks delay in asking Mr M's financial adviser for bank statements for rent reconciliations (happened on 23 March 2021, should have happened on 15 January 2021); 15 weeks delay in completing the rent reconciliations and giving consent for the transfer after receiving the bank statements on 18 June 2021 (delay between 8 October 2021, when it should have been completed/consent given, and 7 February 2022 when that happened); five weeks delay in starting the portfolio transfer process (began on 22 January 2024, should have begun around 15 December 2023); eight weeks delay in forwarding Dentons' re-registration details to 7IM (details received on 11 March 2024 but not forwarded to 7IM until 15 May 2024); and three weeks delay between the incorrect transfer statement issued on 6 November 2025 and the correct statement issued on 25 November 2024.

The investigator took the view that JHP was responsible for a total of approximately 52 weeks' (or 262 working days') worth of delays. She calculated this with allowance for five working days per step taken by JHP in the process, and in the context of the process involving third parties.

She noted as follows – by 18 December 2020 JHP was in a position to instruct its solicitors, so the delay it caused from this date (36 working days) is slightly greater than it has calculated from 24 December 2020; it caused a delay of 79 working days in asking for the bank statements required for rent reconciliations; it should have asked the financial adviser on 15 January 2021, as it has calculated, but it should also have put the request directly to Mr M sooner than it did, after the adviser did not provide the information; on this basis it should have contacted him on 19 February 2021 (after allowing reasonable time for the adviser to respond) instead of contacting him on 16 June 2021; it caused a delay of 83 working days in completing the rent reconciliations and giving consent for the transfer (same 15 weeks delay calculated by JHP over the same period); it caused a delay of 25 working days in starting the portfolio transfer process; the last property was transferred on 6 December 2023, so JHP should have started the next stage (the portfolio transfer) no later than five working days thereafter (on 13 December 2023) instead of on 22 January 2024; and it caused a delay of 39 working days in forwarding Dentons' re-registration details to 7IM (same period used in JHP's calculation, but counting after 18 March 2024 when it ought to have forwarded the details).

She also explained the following – she could not conclude, with available evidence, that periods of inactivity between February 2022 and January 2023 were caused by JHP; its chronology shows that, in February, March, May, June and July 2022 its solicitors were chasing and awaiting responses from Dentons' solicitors related to the transfer documents, that in October 2022 they learnt Dentons had instructed new solicitors, and that as of December 2022 they were still awaiting said responses; JHP is prepared to consider the cash holding as part of its calculation of redress for financial loss, it has been fair and reasonable in doing so, despite the argument that could be made about Mr M having been free to invest the cash at any time during the transfer process; in this context, there is a lack of evidence to support his claim that he would have invested £400,000 of the cash earlier (around April 2021), so the calculation of redress for the cash holding should be based on the total delays JHP caused in the transfer process; and JHP's offer of £2,000 for trouble and distress is fair and reasonable, there are no grounds to consider a higher award.

Mr M disagreed with this outcome. He asked for an Ombudsman's decision. JHP asked for clarification of the investigator's redress proposal.

Mr M says the investigator misled herself by using working days in her calculations, because that failed to reflect the fact that the delays existed on and affected (in terms of financial loss) each and every calendar day relevant to the calculation. He also says another flaw in her approach is the failure to attribute to JHP the delays caused by its solicitors. He argues that the solicitors were acting under JHP's instructions and that they were JHP's responsibility, so any delays they caused should also be JHP's responsibility (and that any such delays might have resulted from poor instructions from JHP).

On the investigator's calculation of the delays, he mainly says – JHP holds some responsibility for the delays between February 2022 and January 2023; Dentons disputes its claim that it chased Dentons on various enquiries during this period; he gave JHP notice of the transfer on 27 October 2020, it should have instructed its solicitors within five working days thereafter, and not as late as 18 December 2020 (as the investigator says); no allowance should be given in the calculations for JHP contacting the financial adviser for bank statements, the discharge forms clearly stated he had no financial adviser, so JHP should have contacted him directly at the outset of this stage; time for completing the rent reconciliations/consent for the transfer has been significantly overestimated; it could have been done in a *couple of weeks*, leading directly to completion of the property transfers; he provided the bank statements on 18 June 2021 and three days later JHP's solicitors confirmed they were satisfied with the titles for all seven properties and with all but four aspects of the rent reconciliations (which were subsequently quickly resolved); and JHP should have instructed 7IM to arrange the transfer of the portfolio immediately after receiving his notice of transfer.

With regards to compensation for trouble and distress, and redress for financial loss concerning the cash holding, Mr M mainly says –

- £2,000 is inadequate compensation for being deprived the use of a significant amount of cash for investment over four years.
- There is evidence in JHP's transfer guide showing the guidance that led him to believe the money could not be used during the transfer process – that being content in the document that said no cash will be transferred until after the invested assets had been transferred. In addition, JHP did not tell him, at the time, that he could use the cash during the process.
- The investigator's view is that Dentons' letter to him of 19 November 2020 indicated he could use the money during the process, but that letter is not relevant to what he understood directly from JHP's guidance document. Furthermore, the letter confusingly referred to assets held with "insurer", so he would have thought that meant the 7IM portfolio, not the cash holding.
- It should be obvious that he intended to invest the cash, given that the purpose of a SIPP is self-investment. As soon as the transfer was completed, he invested most of the cash in the 7IM portfolio, so this shows what his intentions were. It also shows that it cannot be reasonable to conclude he would have left the money uninvested. As a minimum, it would be fair to compensate him for being deprived income from the cash holding during the delayed transfer period.

JHP asked for clarification on approaching redress for the invested in specie element of the transfer, given that the values of the assets that were transferred as they were (by Mr M's choice) would have been unaffected by any delay. It considered that whilst JHP could be responsible for additional SIPP fees which could have been avoided but for the delays – where duplicated fees were applied by JHP and Dentons during the same delay period (including where JHP's fees were higher than Dentons') – there is nothing to redress in terms of the invested assets themselves. The investigator agreed, on the basis that this was

what she addressed and intended in her view.

She also noted that fees were deducted from the SIPP, so the calculation also had to reflect that any additional fees would have had performance, but for the deductions, and that any redress payable to Mr M from the calculation should, if possible, be paid back into the SIPP.

JHP said given that Mr M has been free to use the cash holding in any way he wished since the transfer was completed, the end date for calculating redress in this respect should not go beyond the date on which the transfer was completed. The investigator explained that reference to the date of settlement as end date in her view meant the date on which the transfer was settled/completed.

The complaint was referred to 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.

Having done so, I have reached the same conclusion expressed by the investigator. My calculation of the total delay caused by JHP is slightly different to hers, because of a specific recalculation I conducted in one of the sub-stages of the process. However, I do not consider that it diminishes my agreement with her main findings on the delays and in the complaint.

I uphold Mr M's complaint. Its merits are broadly undisputed. Available evidence shows, quite clearly, that the SIPP transfer process was subjected to delays between 2020 and 2024. JHP accepts responsibility for delays it caused in the process. However, as I said at the beginning of this decision, there are issues that remain to be determined – the extent of JHP's responsibility and the matters of compensation (for trouble and distress) and redress (for financial loss).

My approach below is to use an introduction to focus on the key aspects I will be considering and some fundamental findings related to them, then to address each of those key aspects, to reach a conclusion on the extent of JHP's responsibility for the delays, and then to use that conclusion as a basis to address the matters of compensation and redress.

Introduction

As he has said, Mr M gave notice of the transfer to JHP on 27 October 2020. His communication asked for the discharge forms required for the transfer. He sent two chasers for the forms, and then received them (along with JHP's SIPP transfer guide) through Dentons (to whom JHP had sent them) on 19 November 2020. The transfer process was then formally initiated on 25 November 2020 when Dentons forwarded to JHP his completed and signed discharge form. The form confirmed he had not received advice from an adviser in connection with the transfer.

The transfer guide informed him about the process to follow. Information in this respect included –

“In-specie transfers

On receipt of a completed request, we will conduct due diligence checks, cancel any regular investment centre sales, and liaise with the receiving scheme to arrange the registration of any investments that are being transferred in-specie.

Once the investments have been successfully transferred in-specie, we will forward any cash remaining in your SIPP bank account to the new provider, after outstanding charges have been settled, before closing your SIPP."

"Property

Property held within your SIPP can also be transferred in-specie. Please note that we will not commence the transfer of any other investments or cash until the property has been successfully transferred.

When transferring a property, solicitors will need to be instructed on our behalf, and this must be a different firm from those appointed by the receiving scheme. If the property is subject to a mortgage within your SIPP, this will need to be discharged before the transfer can be completed."

Dentons' letter of 19 November also said the following about the JHP SIPP –

"Your benefits currently held with this insurer remain invested in line with your existing instructions, you may therefore wish to reconsider how your funds remain invested until your transfer is complete and in the meantime instruct the insurer directly."

Based on the above, when he signed the discharge form on 25 November Mr M would have understood there were three main stages in the transfer process – first, the transfer and re-registration of the commercial properties, then the transfer and re-registration of the 7IM portfolio and then the transfer of the cash holding – with sub-stages (for tasks such as due diligence checks and registration activities) to be expected within each. He would have been reminded of this up to the point he completed the discharge form, because section 5 of it had a form of reminder of this sequence in the process.

Dentons also informed him, on 19 November, that he remained responsible for how the SIPP's assets were invested until the transfer was completed, and that he could instruct JHP in that respect. On balance, I consider this to have been the natural interpretation of Dentons' notice, and I do not accept that the notice was confusing or that he would have thought it related to the 7IM portfolio. Dentons letter was sent even before the transfer was formally initiated and it referred to JHP, so whilst he might have viewed it as odd that it used the words 'this insurer' it would have been clear that reference was being made to JHP, not 7IM, and to the assets held in the JHP SIPP.

In terms of his point about JHP providing such notice to him, JHP did not play an advisory role in the matter. It was not its place to make any statement or suggestion about Mr M investing the SIPP's cash – or about him considering investment of the SIPP's cash – during the transfer process. Its role was to process the transfer. Investment considerations and decisions in the SIPP belonged to Mr M.

In terms of timing, the JHP guide said – *"The transfer process can take time to complete, as we are reliant on third parties for part of the process. We are therefore unable to guarantee that any transfer to a receiving scheme will be completed by a specific deadline."*

As noted above, the investigator's approach towards time in the process allowed five working days per step taken by JHP. I am satisfied with the explanation she gave in response to Mr M's query about the use of working days. The effects of the delays on weekends and public holidays and any overall effect of the delays on Mr M (in terms of time and/or opportunity) are not being ignored. They are all implicit in the approach. Focus on working days is relevant to considering the actions JHP should have taken, on working days, in the process, but weekends and public holidays still exist around them. For example,

reference to a total delay of 10, 20 or 30 working days still covers a period that includes any weekends or public holidays between those 10, 20 or 30 working days.

There is a June 2018 guidance document, in the public domain, entitled “Industry-wide framework for improving transfers and re-registrations”. Relevant explanation in its ‘Background and Purpose’ section includes the following –

“In February 2016, eight of the leading investment and pension trade associations established the Transfers and Re-registration Industry Group to drive forward best practice in transfers and re-registration of pensions and investments. This initiative was prompted by the findings of a Financial Conduct Authority Business Model and Sector Analysis on SIPP and Platform providers in 2015.”

“This Framework summarises the TRIG’s agreed position on what providers are expected to deliver to customers, in relation to the timeliness of transfers and re-registrations, and communications during the process.”

“The associations in the TRIG endorse the Framework and encourage their members to adopt it.”

“This Framework is intended to support providers in developing, maintaining and improving their own strategy and procedures for dealing with transfers and re-registrations, in order to improve customer experience and outcomes.”

“It sets out good practice standards for providers when making their own judgements on how best to manage the timeliness and customer communications for transfers and re registrations. The good practice standards are supported by illustrative examples of different types of transfers and re-registrations. The framework is voluntary, not intended to be prescriptive and designed to complement providers’ existing practices, while also encouraging providers to do better than the guidance where they can, and encouraging ongoing refinement and improvement of the process.”

I have referred to this document only for some guidance and for comparison with the five working days approach used by the investigator. As explained in the quotes above, its contents do not have any binding effect. I also have no cause to address whether (or not) JHP was a member of TRIG. Even if it was, the framework’s guidance remains non-binding and voluntary. Further on in the document, guidance is provided on using a ‘step-by-step standard’ for transfers that are not limited to cash only and/or have multiple counterparties, and up to three business (or working) days per step is proposed for this standard.

As the investigator noted, we have used up to five working days per step as a reasonable yardstick in cases like Mr M’s.

I appreciate that transfer of his SIPP involved one transferor and one transferee, but there were bound to be some complex elements within the process given the seven commercial properties which required a somewhat parallel process of conveyancing (the transferring of legal ownership of each of the properties from the JHP SIPP’s trust entity to the Dentons SIPP’s trust entity), given the roles for matching solicitors within this sub-process, given the added complexities in the commercial nature of the properties (including aspects related to tenants and rents), given that there were multiple properties, given the later involvement of yet another third-party in the form of 7IM (for the portfolio), and given the portfolio and cash that subsequently had to be processed and transferred after the properties were dealt with.

In another case, depending on the circumstances, I might find grounds to use the TRIG proposal of up to three working days per step. However, overall, on balance and in the

circumstances of Mr M's case, I do not consider it wrong to use the standard of five working days per step.

There is helpful guidance in the TRIG framework about 'stop-the-clock' events, where a party is unable to progress or complete a step for a legitimate reason (for example, because one party is awaiting action from another before being able to proceed). It is quite clear from the facts of Mr M's case that a number of stop-the-clock events took place in the transfer of his SIPP.

The Property Transfers

I find that JHP did nothing wrong in beginning with this element of the SIPP transfer, and I disagree with Mr M's argument that it should have arranged for transfer of the 7IM portfolio around the same time, or immediately after his notice of 27 October.

As I said above, the sequence for the transfer was known to him at the outset, so he knew that the first stage was limited only to the transfer of the properties.

JHP gave the following explanation to Dentons in its email of 11 May 2022 – *"As this transfer has many properties it is our procedure to not instruct any investment holdings until all properties have completed. This is because if we did, and the properties failed we would have to return the holdings as they were held before."* In other words, it did not consider it sensible to transfer anything else until it knew that all the properties could be transferred and had been transferred, thereby avoiding having to return the portfolio (or cash) if it later transpired that a property (or properties), and therefore the SIPP, could not be transferred.

JHP also gave us the following explanation –

"When undertaking an in-specie transfer of a SIPP to another pension provider it is our standard procedure to complete the re-registration of assets before transferring any cash being held, this is explained in the Transferring your SIPP away from James Hay guide. If properties are held then transferring the ownership of these is the first stage of the process. Solicitors must be appointed by both the ceding scheme and receiving scheme to undertake conveyancing and drawing up transfer paperwork. We will also undertake a rental reconciliation to ensure everything is in order before the properties transfer, as any rental discrepancies concerning a connected tenant are required to be reported to HMRC. When the properties have transferred the transfer of any other assets can commence. When we have received confirmation and evidence all assets have transferred we will then transfer the cash element of the transfer and provide transfer statements to the receiving pension scheme. Whilst the in-specie transfer of assets is underway customers are still at liberty to sell and purchase investments as they see fit."

I am persuaded that the aforementioned explanations provide good reasons why JHP prioritised the property transfers before the transfers of the other components of the SIPP.

Dentons sent JHP the completed and signed discharge forms on Wednesday 25 November, and JHP says it received them on Wednesday 3 December.

On 9 December it responded to Dentons to say the forms had not been fully completed, and that confirmation was needed that the transfer decision had not resulted from a cold call approach to Mr M. I consider this a valid enquiry, especially in the context of the responsibility pension providers had at the time (and still have) to make the effort (as defined by the regulator) to protect pensions, and warn pension holders, against pension scams.

Mr M's notice of 27 October was not clear on the grounds for his decision to transfer. The notice said "*We refer to your letter dated 24 July 2020 advising us of some changes to the charges for the management of our SIPP which came into effect on September 2020*", then it proceeded to say he and his wife had decided to transfer the SIPP. He might argue that dissatisfaction with the changes to charges could have been inferred as the reason for the transfer, but the letter did not explicitly say so. Furthermore, the completed discharge form confirmed that he had not received advice in connection with the transfer. This could reasonably have been noted by JHP as cause for concern, in terms of the possibility that Mr M was acting without advice that could have warned him against pension scams. Furthermore, the sections in the form asking whether (or not) JHP could contact his adviser and, importantly, whether (or not) his transfer decision had resulted from an unsolicited cold call/email/pension review were left blank.

In the above context, JHP's enquiry to Dentons/Mr M was reasonable.

Mr M responded to the enquiry, directly to JHP, on Friday 11 December. Friday 18 December was five working days thereafter. I agree with the investigator's finding that JHP should have taken the next step in the property transfers stage by instructing its solicitors on this date. The 36 working days delay (excluding the Bank Holidays on 25 and 28 December 2020 and on 1 January 2021), between this date (18 December) and 11 February 2021 (when JHP instructed its solicitors) rests on this finding.

Mr M argues that JHP should be held responsible for its solicitors' role in the process, including any delays they might have caused. I understand the argument, but I also consider it limited in merit and in practice, to the extent that I am not persuaded by it. The solicitors were/are an independent firm, they were/are not employees of JHP. JHP did not have overall control of its solicitors in the way that would arguably be needed in order to regard the former as responsible for the latter. JHP gave instructions limited to the specific transaction(s) the solicitors were advising on and managing, and the solicitors provided a professional legal service in response. The solicitors retained responsibility for their own professional (and regulated) conduct. In the circumstances of this case, I do not consider it reasonable for me to arbitrarily substitute that responsibility with one belonging to JHP.

With regards to JHP's responsibility for incorrect or poor instructions to the solicitors, I understand Mr M's point. Depending on the facts/circumstances, such a thing might be worth considering in another case. However, in his case, I have not seen evidence of incorrect or poor instructions from JHP to its solicitors.

For the above reasons, I do not hold JHP responsible for its solicitors.

Mr M did not quite declare, in the discharge form, that he did not have an adviser. He only confirmed that he had not been advised in connection with the transfer. The reason JHP was able to contact his financial adviser was because that adviser was on record for the SIPP. In the circumstances, and even though it had been told the transfer was non-advised, I can see why JHP would have thought it appropriate to contact the adviser. It sought rent collection related bank statements for the rent reconciliation task it was about to begin, and insurance documents for the property transfers. It was arguably a reasonable presumption to make that the adviser on record for the SIPP could potentially address such enquiries.

However, there is also some merit in Mr M's point about the message conveyed from the completed discharge form. Having been informed that he was not being advised in the transfer, JHP ought reasonably to have understood that he was conducting the transfer himself. In this context, any enquiries it had for him should have been put to him. Or, at the very least, the enquiries put to the adviser should have been copied to him at the outset.

JHP's instruction of its solicitors could be viewed as a stop-the-clock event, given that it would have had to await and be led by steps taken by or advised by the solicitors. It should have instructed them on 18 December. Given that the following week included the Christmas Bank Holidays and the week thereafter led into the New Years Day Bank Holiday, it could be argued that meaningful progress was unlikely until after 1 January 2021. It appears that the solicitors took around a fortnight, from their appointment, to start raising enquiries for the property transfers. Based on instructions being given on 18 December, and on the holiday period allowances noted above, this would probably have happened around the week beginning Monday 4 January 2021.

In the above context, I consider that by the following Monday, 11 January 2021, JHP's bank statement and insurance certificate enquiries should have been put to Mr M or to Mr M and the adviser, as explained above. This would then have been another stop-the-clock event, whilst it awaited Mr M's reply.

JHP's enquiry was put to the adviser on 23 March. The adviser responded a month thereafter, on 22 April, and essentially directed JHP to Mr M. JHP emailed Mr M on 7 May, 25 May and 16 June, before he responded with the required information/documentation on 18 June. This segment consumed a total of almost three months.

The initial communication should have been put to Mr M or copied to him, so he would have been on notice, at the outset, about the information and documentation required. The above shows that, in reality, he was late in responding. His email of 18 June apologised for this and explained that it had taken him some time to gather six years' worth of bank statements.

There were 29 working days between 7 May and 18 June (excluding the Spring Bank Holiday on 31 May 2021), so it is reasonable to apply the same time in calculating when the bank statements and insurance certificates would have been provided to JHP had it asked Mr M for them on 11 January. The result is that JHP would have received Mr M's response by 19 February. In reality, JHP received his response on 18 June. I have already applied his delay of 29 working days in the matter, so the remainder delay between 19 February and 18 June belongs to JHP. The total of that delay is 84 working days (also excluding the Spring Bank Holiday on 31 May 2021).

I have considered the events that followed after 18 June. I have done so in order to take a view on what would probably have happened if, but for JHP's delay, his response had been received on 19 February.

There were multiple activities spread out over almost every month, including and from June 2021 onwards, culminating in JHP's consent for the transfer of the properties on 7 February 2022.

In total, this period lasted around eight months. The activities mainly featured JHP, its solicitors and Mr M. They appear to have included steps to address legal charges on some of the properties, determination of which property a particular rental payment(s) was connected to, clarification of other queries about rental payments and the bank account they were received in, resolution of valuation issues connected to the rent reconciliation exercise, and treatment of gaps in the information used for the exercise. During this period, in September 2021, JHP appears to have signed the relevant property transfer documentation, but because of the unresolved issues and enquiries it seems no final consent could be given until they were resolved.

On balance, I am persuaded that the same period of around eight months would have been consumed by the same or similar activities, even if this segment happened from 19 February 2021 onwards. On this basis, I am satisfied that, as JHP accepts, the rent reconciliation

exercise (including resolution of the associated enquiries) should have been completed by on or around 8 October 2021, with consent for the transfer of the properties issued at the same time. Instead, this stage was not reached until 7 February 2022 – hence the 83 working days delay.

After this period the process experienced a lull in meaningful activity. After JHP's solicitors received its consent to transfer the properties, on 7 February, and after they fed back to JHP, on 16 February, that they were awaiting confirmation of readiness to proceed from Dentons' solicitors, little appears to have happened until January 2023. On 16 January the solicitors informed JHP that Dentons had signed the transfer documents and that they were being checked. JHP says obtaining Dentons' agreement to complete the transfer then became the pursuit, including, it appears, emails exchanged with Mr M on 3 and 7 February in this respect. His feedback, on the latter date, was that Dentons was awaiting JHP's clarification of the beneficial ownership of the SIPP's assets.

This issue appears to have been resolved by September 2023, when a new issue hindered completion (a need to re-sign the documentation because the authorised signatory list had changed since JHP signed the transfer documentation in late 2021). This was resolved by early October and, in the same month, six of the seven properties were transferred. A title issue appears to have complicated completion of transfer for the seventh, but that transfer was eventually done on 6 December.

It is unclear to me that JHP caused the lull in activity after February 2022 and up to January 2023, and it has not been clearly established that it caused any delays thereafter, and up to the transfer of all the properties being completed.

In the first period, it appears to have been awaiting confirmation from Dentons' solicitors that they were prepared to proceed with the property transfers JHP had consented to on 7 February (after it had signed the property transfer documentation in September 2021), and confirmation that they were prepared to complete the transfers. I make no finding about how Dentons dealt with the matter at its end, because I do not need to. This appears to have been another stop-the-clock event, so I mainly need to consider when JHP could reasonably have taken the next step or an alternative step to progress the process. There was no alternative to obtaining Dentons' agreement to proceed and complete, so it needed to wait for that agreement to take the next step.

Dentons signed transfer documentation was confirmed in January 2023. Between February and September, there appears to have been another lull in activity, seemingly alongside JHP having to clarify to Dentons the beneficial ownership of the SIPP and Dentons having to confirm agreement to complete the transfer. Again, it is unclear, from available evidence, that JHP caused a delay during this period. The signatory issue that arose thereafter was JHP's responsibility to resolve, but I do not consider it unreasonable for it to have needed to re-execute the transfer documentation because its authorised signatory list had changed since it was last executed. Indeed, it could have been criticised if it did not do that, and if it instead used the existing documentation and created a problem arising from a mismatch between the signatures on the document and the updated authorised signatory list.

A similar finding applies to the title issue that delayed the transfer of the seventh property. Such things can sometimes happen in property conveyancing matters, and I have not seen evidence that JHP caused the issue or was unreasonable in the steps it took in addressing it. From what I have seen, all parties, including Mr M, cooperated to resolve the issue.

For all the reasons given above, I am persuaded that JHP caused only the aforementioned working days delays in the property transfer stage of the SIPP transfer process – those delays being 36 plus 84 plus 83 working days (or 203 working days in total).

The 7IM Portfolio Transfer

JHP completed the property transfers on 6 December 2023. The stage that followed was for the transfer of the 7IM portfolio. I have already explained, above, why I disagree with the argument that this stage should have been arranged around the same time the property transfers stage began.

I agree with the investigator's finding that the portfolio transfer process should have begun no later than five working days after completion of the previous stage – that is, no later than 13 December 2023.

JHP should have contacted 7IM on 13 December 2023 to start the portfolio transfer process, instead it did not do so until 22 January 2024 – hence the 25 working days delay (excluding the Bank Holidays on 25 and 26 December 2023 and on 1 January 2024) it caused in this respect.

After JHP's email to 7IM on 22 January, 7IM provided the portfolio's list of assets and valuation on 31 January. JHP forwarded this to Dentons on 1 February, along with a request for confirmation that the portfolio could be accepted, a request for Dentons' re-registration details and information on the percentage split between Mr M and his wife. Dentons provided the required confirmation and re-registration details on 11 March. In between the above dates, both firms appear to have been discussing, mainly, transfer of the cash holding, which I address further in the next section.

Despite receiving Dentons' re-registration details on 11 March, JHP did not forward them to 7IM until 15 May, and I have not seen grounds that justifies this delay. As the investigator said, after allowing five working days to do so, JHP should have forwarded the details to 7IM by 18 March. Therefore, it is responsible for a delay that lasted 39 working days (excluding the Bank Holidays on 29 March, 1 April and 6 May 2024) between 18 March and 15 May 2024.

The subsequent events mainly featured processing of the transfer by 7IM, including the requirement it raised about having the instruction signed by all trustees connected to the portfolio. As noted in the background section above, JHP lost some days in June by sending the required instruction to the wrong address, but as I have also noted it had to chase 7IM (and Dentons) for progress in July and August, before learning in September that the portfolio had been released for transfer. Therefore, I do not consider that the lost days in June made much of a difference to the time taken in this segment of the process.

The confirmation JHP received about the portfolio was on 12 September, by 16 September it had concluded its checks for the formal transfer to Dentons, and that formal transfer happened on 17 September. I find no undue delays in this respect.

For all the reasons, given above, I consider that JHP caused only the aforementioned working days delays in the 7IM portfolio transfer stage of the SIPP transfer process – those delays being 25 plus 39 working days (or 64 working days in total).

The Cash Holding Transfer

Having completed the transfer of the 7IM portfolio on 17 September 2024, both parties (JHP and Mr M) confirm that on the following day (18 September) the cash holding was transferred. There is no room to find a delay in this regard.

Reference has been made to the notion of facilitating a partial transfer of the cash much

earlier in the process. JHP acknowledges that Dentons raised this earlier in the process, and, as I said above, there was discussion between both firms in early 2024 about this.

A partial cash transfer appears to have been a discretionary matter. The terms of the transfer process were known to everyone, and those terms made clear that cash was to be transferred last, after all other assets had been transferred. Mr M was informed about this at the outset, so it is unlikely he expected JHP to be obliged to grant an early cash transfer or an early partial cash transfer.

Available evidence suggests that even though JHP appears to have agreed, with Dentons, in February 2024 to allow a partial cash transfer, the discussions about the arrangements required to make that happen appear to have dragged into around the middle of the year, at which point they remained unresolved. Both firms picked up the discussion again in September. The cash that was transferred on 18 September appears to have been done on a discretionary basis, because it seems to have happened before receipt of the closing statement from 7iM formally concluding the portfolio transfer stage.

Overall and on balance, I am not persuaded that JHP did anything wrong in the process for transferring the cash holding.

I am also not persuaded that there are grounds to conclude that Mr M was deprived of the opportunity to invest the cash at any time prior to when it was transferred. I do not accept the argument that he would have invested the cash earlier and during the transfer process, had he known he could do so. I have already addressed the grounds on which he ought reasonably to have been aware that he could do so. Dentons' letter to him of 19 November 2020 arguably indicated to him that he could. Furthermore, there is no evidence of any statement or action from JHP (or anyone else) telling him he could not.

I also consider that evidence from his own submissions appear to defeat the argument. Amongst his submissions to us, he said –

"When we gave notice to transfer the SIPP to Dentons, we decided that we would wait until after the SIPP was transferred before investing the cash in the SIPP. We had no confidence in JHP and the way in which they were managing the SIPP. JHP's decision, announced in September 2020, to close the SIPP account with Lloyds Bank and put our funds with all other SIPP funds which they manage was the last straw for us. In any event, JHP made clear to us that they would not agree to transfer the cash in the SIPP unless and until the in specie investments were transferred. We understood this to mean that we could not invest the money until the whole SIPP was transferred. I note that JHP have told you that we could have made the investment at any time. It is important to note that they never told us that this was the case, even though I asked them many times to transfer the cash to Dentons so that we could invest it." [my emphasis]

Whilst the above statement maintains Mr M's position that he understood he could not invest the cash until the SIPP was transferred, it also confirms, as I have emphasised, that he had no desire or intention to invest the cash until after the SIPP was transferred and away from JHP, because he had lost confidence in JHP.

I am also not persuaded by what seems to be his argument that time spent awaiting the revised JHP transfer closing statement affected investment of the cash. As he has said to us – *"... the statement was not received until 11 December 2024. I received the tax-free sum of £267,000 on 24 January 2025 and arranged for £170,000 of the balance of cash to be paid into our 7iM investment on 20 March 2025."*

In other words, his position is that despite receiving the closing statement on 11 December

2024 and despite him extracting tax free cash on 24 January 2025, no cash investment happened until 20 March 2025. Therefore, the investment happened over three months after the closing statement was issued. It also happened around two months after he had conducted the post-transfer tax free cash transaction (which suggests activity in the new SIPP was already underway at the time, but seemingly not to the extent of investing any of the transferred cash). The 7IM portfolio was transferred before the cash. Overall, I consider this shows that time spent in waiting for the transfer closing statement made no meaningful difference to Mr M's investment of the transferred cash.

Compensation and Redress

Our service's guidance on how we approach awards for trouble, distress and inconvenience can be found on our website, at the following link – <https://www.financial-ombudsman.org.uk/businesses/resolving-complaint/understanding-compensation/compensation-for-distress-or-inconvenience>.

Under this guidance, awards between £1,500 and £5,000 can be considered where a firm's wrongdoing or mistake has caused sustained distress lasting more than a year. It is also important to note that these awards are not punitive in nature, and they do not substitute for, and are unrelated to, redress for financial loss. They are separate, so considerations concerning financial loss are not relevant to them.

JHP has offered Mr M £2,000 for the trouble and distress caused to him by the delayed SIPP transfer. The process began in November 2020 and did not conclude until around December 2024. That – four years – is a long period of time for a SIPP transfer. However, as I have found above, JHP's responsibility for delays amounts to a total of 267 working days (203 plus 64 working days), or around 53 weeks, or just over one year.

I fully appreciate that, from his perspective, Mr M experienced a protracted transfer process that lasted four years and that caused him considerable and sustained trouble and distress. However, JHP is the respondent to his complaint, so it is only fair to consider compensation from it (to Mr M) relative to its contribution to that experience. This is not intended to drift into the notion of punishing JHP. As I said above, that is not the purpose of the award. It is intended to ensure that a fair and reasonable balance is struck between the trouble and distress Mr M experienced and the extent to which he is entitled to compensation for that from JHP.

Taking that balanced approach towards his experience and towards the delays JHP contributed to that experience, I am satisfied that JHP's offer is a fair offer, and I am not persuaded to consider or issue a higher award for trouble and upset. I endorse the offer, and I will order, below, that JHP make the £2,000 compensation payment (for trouble and distress) to Mr M if he accepts this decision.

With regards to redress for financial loss, there are no grounds to consider financial losses within the SIPP's commercial properties and within the 7IM portfolio because they were all transferred in specie. The delays in the transfer process did not affect them, in terms of their invested status. They were not liquidated and taken out of their respective markets and, as such, there were no time sensitive reinvestments or lost reinvestment opportunities associated with them.

Putting aside investment based redress for the cash holding in the SIPP, which I address separately below, scope for financial loss to Mr M due to the delays caused by JHP would mainly relate to any fees under the JHP SIPP that were duplicated under the Dentons SIPP (including those that were lower under the Dentons SIPP) during the same period. But for JHP's delays, and had the transfer been completed 267 working days earlier, there would

have been only one SIPP (the Dentons SIPP) during this period. Therefore, any duplication of SIPP fees during the period would not have happened, and if any of the fees applied under the JHP SIPP were higher than their equivalents under the Dentons SIPP the difference would have been avoided.

Where such fees were deducted from the SIPP, as I understand they were, and where they are to be redressed, the consideration must also extend to cover lost investment performance (if deducted from investments) or lost performance in the form of interest (if deducted from cash) the fee amounts would have had, in the SIPP, but for the deductions.

The effect of all the above is broadly the same as what the investigator set out.

Below, I will give orders to JHP to carry out a redress exercise that reflects the above and, as the investigator noted, to make any resulting redress payment into Mr M's SIPP, if possible, given that the payment will relate to fees deducted from the SIPP.

With regards to redress for the cash holding, I agree with the position reached by the investigator.

As I have found above, Mr M did not plan to invest any of the cash holding until after the transfer was completed. JHP has referred to an erroneous transfer completion statement of 6 November 2024 and a corrected version of 25 November 2024, but Mr M refers to a further revised/corrected version that had to be issued thereafter and that he received on 11 December 2024.

He did not invest from the cash until March 2025. My understanding is that JHP is prepared to conduct the calculation of financial loss/redress as though he had invested when the transfer ought to have been completed – but for the delays it caused and based on the amount he actually invested. I acknowledge the gap of around three months between the actual transfer completion and when Mr M invested from the transferred cash, but, as I said, JHP is prepared to conduct the calculation from when the transfer ought to have been completed. In any case, this aspect has been fairly factored into the setting of the end date that I address below, with reasons, so in that respect it is not being overlooked.

On the above basis, the start date will be 267 working days earlier than the date of the *final and valid* transfer completion statement issued for the transfer (and relevant to Mr M's interest in the SIPP). This reflects the total of 267 working days delay caused by JHP.

The end date will be the date on which the transfer was completed/settled – in other words, the date of the final and valid transfer completion statement relevant to Mr M's interest in the SIPP. As I said above, up to three dates have been presented in relation to the transfer completion statement, but the facts should determine this date, there will be only one *final and valid* transfer completion statement, and it is the date of that statement that serves as the end date.

Upon completion of the transfer responsibility passed to Mr M to mitigate his position, with regards to investment from the transferred cash. The three months gap between the completion and his investment happened during this period of his responsibility, so it would not be fair to extend the end date (and therefore JHP's responsibility) up to when he eventually invested from the cash.

Putting things right

fair compensation

My aim is that Mr M should be put as closely as possible into the position he would probably now be in, but for the 267 working days delay JHP caused to the transfer of his SIPP. As stated at the outset, this decision is only about Mr M, so the provisions below relate only to his interest in the jointly held SIPP.

I have explained, above, the reasoning behind my approach towards compensation and redress to him in the matter. I have also explained, above, the start and end dates that must be used for the redress calculations. The period in between the start and end dates is the '*redress period*'.

I give my orders to JHP below. In this respect, I also order Mr M to engage meaningfully and co-operatively with JHP to provide it with all information and documentation, relevant to its calculation of redress, which it does not already have.

what must JHP do?

To compensate Mr M fairly, JHP must:

- Pay him £2,000 for the trouble and distress caused to him in the delayed SIPP transfer process.
- Identify all duplicated fees that were applied/charged in the JHP SIPP and in the Dentons SIPP during the redress period.

Isolate all JHP SIPP fees charged, in this respect, during the redress period. This should cover JHP SIPP fees that duplicated Dentons SIPP fees (including JHP SIPP fees that were higher than Dentons SIPP fees) during the redress period.

Calculate how each fee, if any, deducted from the JHP SIPP's cash account would have performed, during the redress period, in the Dentons SIPP's cash account. Add each fee amount to the performance in order to update its notional value and to reach the total refund amount for each deduction. Repeat this calculation for all the relevant fees, if any, deducted from the JHP SIPP's cash account during the redress period.

Calculate how each fee, if any, deducted from the JHP SIPP's investments would have performed, during the redress period, in the investments (based on the relevant investments transferred in specie). Add each fee amount to the performance in order to update its notional value and to reach the total refund amount for each deduction. Repeat this calculation for all the relevant fees, if any, deducted from the JHP SIPP's investments during the redress period.

Pay the total of all the fee refund amounts into Mr M's pension plan to increase its value by the total amount of the compensation. The amount paid should allow for the effect of charges and any available tax relief. Compensation should not be paid into the pension plan if it would conflict with any existing protection or allowance.

If JHP is unable to pay the total amount into his pension plan, it should pay that amount direct to him. Had it been possible to pay into the plan, it would have provided a taxable income. Therefore, the total amount should be reduced to notionally allow for any income tax that would otherwise have been paid. This is an adjustment to ensure the compensation is a fair amount, it is not a payment of tax to HMRC, so Mr M would not be able to reclaim any of the reduction after compensation is paid.

The notional allowance should be calculated using his actual or expected marginal rate of tax at his selected retirement age. If he would have been able to take a tax-free lump sum, the reduction should be applied to 75% of the compensation.

- For the cash holding that was invested after the transfer, compare the performance of the investment in the table below with the fair value benchmark in the table below. If the actual value is greater than the fair value, no compensation is payable. If the fair value is greater than the actual value, there is a loss and the difference is the compensation payable to Mr M.
- Pay the compensation into Mr M's pension plan to increase its value by the total amount of the compensation and any interest. The amount paid should allow for the effect of charges and any available tax relief. Compensation should not be paid into the pension plan if it would conflict with any existing protection or allowance.
- If JHP is unable to pay the total amount into Mr M's pension plan, it should pay that amount direct to him. Had it been possible to pay into the plan, it would have provided a taxable income. Therefore, the total amount should be reduced to notionally allow for any income tax that would otherwise have been paid. This is an adjustment to ensure the compensation is a fair amount, it is not a payment of tax to HMRC, so Mr M would not be able to reclaim any of the reduction after compensation is paid.
- The notional allowance should be calculated using Mr M's actual or expected marginal rate of tax at his selected retirement age. If he would have been able to take a tax-free lump sum, the reduction should be applied to 75% of the compensation.
- Provide the details of the calculations to Mr M in a clear and simple format.

Income tax may be payable on any interest paid.

The Investment	Status	Benchmark	From ("start date")	To ("end date")	Additional interest
The cash amount from the transferred cash holding invested by Mr M after completion of the SIPP transfer	Still exists /Invested	FTSE UK Private Investors Income Total Return Index (prior to 1 March 2017, the FTSE WMA Stock Market Income Total Return Index)	The start date defined above	The end date defined above	8% simple per year on any loss from the end date to the date redress is paid.

actual value

This means the actual value of the investment at the end date.

fair value

This is what the investment would have been worth at the end date had it produced a return using the benchmark.

Any additional sums paid into the investment should be added to the calculation from the points in time when they were actually paid in. Any withdrawals from the investment should be deducted from the calculation at the points they were actually paid so they cease to accrue any return in the calculation from that point on. If there is a large number of regular payments, to keep the calculation simpler, I will accept if JHP totals all those payments and deducts that figure at the end to determine the fair value instead of deducting periodically.

why is this remedy suitable?

- The FTSE UK Private Investors Income total return index (prior to 1 March 2017, the FTSE WMA Stock Market Income total return index) is made up of a range of indices with different asset classes, mainly UK equities and government bonds. It is a fair measure for someone who was prepared to take some risk to get a higher return.
- I consider that the profile of the SIPP's growth model portfolio, into which I believe he invested the cash, can be broadly reflected in the FTSE UK Private Investors Income total return index (prior to 1 March 2017, the FTSE WMA Stock Market Income total return index) benchmark, in the sense that he was prepared to take some risk to achieve higher growth in his pension. It does not mean that he would have invested in some kind of index tracker investment. Rather, I consider this a reasonable benchmark that should broadly reflect the sort of return he could have obtained from investment of the relevant cash amount during the redress period.
- The additional interest is to compensate him for being deprived use of any loss amount from the end date to the date the redress is paid to him.

compensation limit

Where I uphold a complaint, I can make a money award requiring a financial business to pay compensation of up to £150,000, £160,000, £170,000, £190,000, £195,000, £200,000, £350,000, £355,000, £375,000, £415,000, £430,000 or £445,000 (depending on when the complaint event occurred and when the complaint was referred to us) plus any interest that I consider appropriate. If fair compensation exceeds the compensation limit the respondent firm may be asked to pay the balance. Payment of such balance is not part of my determination or award. It is not binding on the respondent firm and it is unlikely that a complainant can accept my decision and go to court to ask for such balance. A complainant may therefore want to consider getting independent legal advice in this respect before deciding whether to accept the decision.

In Mr M's case, the complaint events occurred after 1 April 2019 and the complaint was referred to us after 1 April 2024 but before 1 April 2025, so I believe the applicable compensation limit would be £430,000.

My final decision

I uphold Mr M's complaint, and I order The IPS Partnership Limited trading as James Hay Partnership to calculate and pay him compensation and redress as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 28 November 2025.

Roy Kuku
Ombudsman