

## The complaint

Mr T complains that Evelyn Partners Investment Management Services Limited trading as Bestinvest ('Bestinvest') incorrectly confirmed to a pension provider (that I'll refer to as Business A) that it/Mr T's Self-invested Personal Pension ('SIPP') could accept payment of compensation owed to Mr T after he had already transferred his pension to another pension provider (that I'll refer to as Business I). Mr T says that this caused a delay in payment of compensation and significant distress and inconvenience.

## What happened

Mr T had a pension with Business A, which was transferred to Bestinvest (that pension was administered by a provider that I'll refer to as Business E). Following the outcome of a complaint made to this service about Business A relating to the aforementioned transfer, Business A contacted Bestinvest in relation to calculating and then paying the relevant compensation.

On 22 August 2024, Business A asked:

*"...The Financial Ombudsman Service's decision instructed this should be paid to his arrangement with you if possible.*

*Could you confirm that you're able to accept the money and let me know the bank details and any references that should be used for the payment?"*

Bestinvest responded confirming that it was able to accept the money and it also provided the relevant payment details for the compensation to be paid to Business E.

Earlier in 2024, whilst the complaint about Business A had been ongoing with our service, Mr T had transferred his pension again to Business I.

The compensation was received by Business E on 9 September 2024. As I understand it, Business E sent the monies it received on to Business I on the same day. Despite this the compensation wasn't remitted to Mr T's account. Mr T ultimately arranged for Business A to pay the compensation to him direct. Mr T then struggled to arrange the repayment of the compensation Business A had paid to his previous pension provider.

## Background to the complaint

Unhappy with the situation, Mr T complained to Bestinvest that:

*"I wish to raise a complaint. Despite transferring the above SIPP to [Business I] some time ago, why did you tell [Business A] that you were prepared to accept a redress payment from them? As a result of that incorrect information resulting in a payment being sent to you, it then took you weeks to forward this to [Business I], so I had no access to the funds in the interim. I arranged to get a new payment from [Business A] because this was not showing anywhere else at the time, but I'm now stuck trying to get the original payment returned to [Business A] and you have been less than*

*helpful in arranging this. None of this would have happened if you had correctly informed [Business A] that you could not accept the payment as you did not have an open SIPP. I don't care whose fault it was, you or the administrator, I want you to sort this out without further delay and to compensate me for the trouble and upset your negligence has caused me."*

One of our investigators reviewed Mr T's complaint and concluded that it should not be upheld. Mr T disagreed with the outcome reached and made further submissions. I've read and considered Mr T's submissions in their entirety. Here I've set out a brief summary of what I consider to be the material points. He said, amongst other things, that:

- It was not his choice that Bestinvest use Business E as its SIPP administrator and, as the principal business, Bestinvest is ultimately responsible for what its administrators do.
- It is open to us to add Business E to this complaint.
- He had transferred his entire Bestinvest SIPP to Business I by 29 April 2024 and the Final Decision in his complaint about Business A was only issued on 13 June 2024, so there was no reason for his Bestinvest SIPP to still be in "pre-closing" status.
- Also, the funds were never actually remitted to his Bestinvest SIPP prior to being sent to Business I.

The investigator acknowledged Mr T's comments. They confirmed that Business E was a separate entity, and it couldn't be added to this complaint. And, explained that whilst they understood that Mr T felt that Bestinvest erred in telling Business A that it could accept the funds, they didn't agree that this was an error because the funds were accepted but they then had to be passed to Mr T's SIPP with Business I.

We shared Mr T's comments with Bestinvest and it noted, amongst other things, that:

- It appointed Business E as its SIPP administrator but this does not equate to it being responsible for any delays or issues with Business E's service. Business E is a separate entity, which has its own complaints procedure that is currently being followed to investigate the allegation that the relevant funds weren't sent to Business I in a timely manner.
- This is an administrative issue involving Mr T's SIPP, which falls within the remit of Business E not Bestinvest.
- It was on the direction of the Financial Ombudsman Service that Business A paid the compensation to Mr T's Bestinvest SIPP rather than to his new SIPP with Business I, that is the crux of how this situation arose – and Mr T's comments don't alter that.

Because agreement couldn't be reached, this case was passed to me for review.

As part of my review of the complaint, I asked the other parties to the transaction for additional information.

Business A confirmed that if it had been told that Mr T had transferred his pension away from Bestinvest, then it would have sought to make payment to his then current provider Business I.

We set out our understanding of the timeline of events based on the information we had at that stage to Business I:

- 9 September 2024: Business E sent the compensation it received on to Business I.

- 24 September 2024: the funds were returned to Business E – and because it couldn't hold monies received following the completion of a transfer, the monies were resent to Business I again on the same day.
- 18 October 2024: the monies were returned to Business E again, and it returned the monies to Business I once again on the same day.
- 30 October 2024: Business I contacted Business E and said that Mr T had told it that the compensation shouldn't have been paid to Business I and should be returned to Business E.
- 6 November 2024: Business E responded explaining that it hadn't sent the monies in error and that because Mr T no longer held a pension with it, it couldn't hold the payment and hadn't heard anything since.

Business I confirmed that, based on its records, the timeline was accurate. It also provided us with copies of relevant correspondence exchanged, whilst the issue was ongoing. Business I also confirmed that:

*"We explained to [Business E] that we needed to return the funds, which [Business E] would then need to return to [Business A], as the customer had made alternative arrangements with [Business A] directly regarding the compensation payment."*

Mr T has kindly confirmed that he received the compensation payment (by alternative means) on 24 October 2024. Based on correspondence exchanged between Business I and Business A it was not until around March 2025 that the funds were returned to Business A and the situation resolved.

I sent my provision decision to Mr T and Bestinvest explaining why I thought the complaint should be upheld. Mr T accepted my provisional decision. Bestinvest disagreed and made further submissions. I've read and considered its submissions in their entirety. Here I've included a brief summary of what I consider to be the key points:

- Business A was directed by our service to pay compensation into Mr T's Bestinvest SIPP, if possible, and Business A asked Bestinvest if this money could be accepted and it confirmed that the compensation could be accepted. There's nothing inaccurate about the information provided based on the communication received from Business A.
- It is unfair to conclude that Bestinvest should have highlighted that Mr T had arranged to transfer his SIPP to a new pension provider given our service's instruction to Business A and the question it posed to Bestinvest.
- It is common for residual funds to be realised and sent after a transfer has taken place and it wasn't reasonable for Business I to have returned the compensation payment upon receipt.
- Mr T made the decision to request a direct payment of the compensation from Business A, any delays or inconvenience caused to Mr T resultant from this action were outside of Bestinvest's control.

Overall, Bestinvest's involvement in this matter was limited to its response to Business A's initial query regarding payment of compensation, which it considers it answered correctly. Any subsequent events were outside of Bestinvest's control, and it isn't reasonable to conclude that Bestinvest is responsible for how these impacted Mr T.

## **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 reconsidered all of the information provided throughout the course of this complaint, including Bestinvest's response to my provisional decision, my findings remain as set out in my provisional decision and I've largely reiterated these below.

The parties to this complaint have provided detailed submissions to support their respective positions. I'm grateful to them for taking the time to do so. I've considered these submissions in their entirety. However, I trust that they will not take the fact that my decision focuses on what I consider to be the central issues as a discourtesy. The purpose of this decision is not to address every point raised in detail, but to set out my findings, on what I consider to be the *main points*, and reasons for reaching them.

It's my role to fairly and reasonably decide if the respondent business (in this case Bestinvest) has done anything wrong in respect of the individual circumstances of the complaint made and – if I find that the business has done something wrong – award appropriate redress for any material loss or distress and inconvenience suffered by the complainant (in this case Mr T) as a result of this.

When considering what is fair and reasonable in the circumstances, I need to take account of relevant law and regulations, regulator's rules, guidance and standards, codes of practice and, where appropriate, what I consider to have been good industry practice *at the relevant time*. Ultimately, I'm required to make a decision that I consider to be fair and reasonable in all the circumstances of the case.

*Did Bestinvest act fairly and reasonably in confirming to Business A that it could accept the compensation?*

Bestinvest still maintains that it didn't err in its response to Business A and that it could accept the compensation payment. I disagree. Whilst it/Business E arguably could receive the funds, it couldn't accept these or remit these to Mr T's SIPP. As a result of this, the compensation payment had to be immediately transferred to Business I (because Mr T's SIPP with Bestinvest – administered by Business E – had already closed).

I remain of the view that acting fairly and reasonably under the circumstances Bestinvest should, at the very least, have explained the then current position to Business A, to enable it to make an informed decision about how this impacted its payment of compensation.

To be clear, I think it is probable that Bestinvest was intending to be helpful in confirming that it could accept payment of the compensation, but I don't think that information was accurate and I think the potential for the type of issues this caused was foreseeable.

*What would have happened if Bestinvest had highlighted the position with Mr T's SIPP when asked about receiving the compensation payment?*

Business A has said that if it had been told that Mr T had transferred his SIPP to Business I, it would have checked if this impacted the compensation and then attempted to make payment to Mr T's then current SIPP provider (Business I).

So, I've considered what would have happened if Business A had been provided with full and accurate information and contacted Business I to arrange payment of compensation.

Business E transferred the monies received on the same day they were received from Business A, so this, in itself, didn't cause a delay. However, because Business I received these monies that it didn't expect to receive, that it didn't think it could accept and without explanation, this did ultimately cause a delay in Mr T receiving compensation and a significant amount of confusion.

Given the approach that Business I took to receipt of the compensation (including after it had been confirmed that these monies weren't paid in error and what they related to), I'm not persuaded it is more likely than not that Business I would have accepted payment of the compensation into Mr T's SIPP. Consequently, I think that the compensation payment would have been made to Mr T direct in any event – but, I think this would have happened at an earlier date and I think the lengthy back and forth between all of the parties involved in the transaction could have been avoided.

The compensation payment itself does not appear to be in dispute but, for completeness, as I understand it the compensation was calculated on the basis of a final decision issued by this service on a separate complaint and I cannot now comment on, add to or amend the redress awarded in that complaint by proxy of this decision.

Provider A asked Bestinvest about making payment of the compensation on 22 August 2024 and the original payment was received on 9 September 2024. If Bestinvest had provided Business A with accurate information about the status of Mr T's SIPP, as I've found it ought to have done, on 23 August 2024 (the date of its actual response), then Business A would more likely than not have promptly contacted Business I. As above, I think it is likely that Business I wouldn't have accepted the payment and the compensation would have been paid to Mr T direct. But I think that this position would have been clarified within a reasonable timeframe and payment could have been made by 9 September 2024 (when the initial payment was made but not received by Mr T in this case).

This is, of course, not an exact science and it is possible that in the counterfactual scenario payment would have been made a little earlier or a little later than that – but, under the circumstances, I think that using 9 September 2024 as the payment date is fair and reasonable.

For the reasons set out above, taking everything into account, I think that Mr T's complaint should be upheld. I don't think that Bestinvest acted fairly and reasonably in the provision of information about Mr T's SIPP and its/Business E's ability to accept payment of compensation from Business A. I'm satisfied that this caused a delay in Mr T receiving his compensation. It also caused Mr T distress and inconvenience. And, I think that both would more likely than not have been avoided if Bestinvest had provided accurate information at the outset.

To be clear, in reaching the above findings, I note and have taken into account the fact that Bestinvest's involvement was limited to its initial interaction with Business A, during which it confirmed that it could accept the compensation payment into Mr T's Bestinvest SIPP – which was no longer active as he'd transferred away months prior. I also accept that Bestinvest had no control over the actions of the various other parties involved but I don't agree that this means it isn't reasonable to hold it responsible for what happened. This is because, the chain of events complained about here, arises *directly* from what I've found to be its failure to respond reasonably to Business A's query and provide clear and accurate information. So, I think that what went wrong here was sufficiently proximately linked to Bestinvest's error and was a foreseeable consequence of this such that it is fair and reasonable in the circumstances of this case to hold Bestinvest responsible for the impact that this had.

## **Putting things right**

My aim in awarding compensation is to put Mr T, as closely as is possible, in the position he would more likely than not *now* be in, but for what I've found to be Bestinvest's failing and award appropriate redress for any material distress and inconvenience suffered by Mr T.

To compensate Mr T, Bestinvest should:

- 1) Calculate and pay interest for the delay in payment of compensation – Mr T received the compensation on 24 October 2024, but I think that if Bestinvest had told Business A that Mr T had transferred his SIPP to another provider, then compensation would have been paid to him direct by 9 September 2024. Bestinvest should pay Mr T interest on the £1,035.97 he received at a rate of 8% simple per year between 9 September 2024 and 24 October 2024.

Income tax may be payable on any interest paid. If Bestinvest deducts income tax from the interest, it should tell Mr T how much has been taken off. Bestinvest should give Mr T a tax deduction certificate in respect of interest if Mr T asks for one, so he can reclaim the tax on interest from HMRC if appropriate.

- 2) Pay Mr T £200 for the distress and inconvenience reasonably caused by the delay in receipt of payment, the need to rearrange payment and the challenges in subsequently resolving the situation.

## **My final decision**

My final decision is that I uphold Mr T's complaint about Evelyn Partners Investment Management Services Limited trading as Bestinvest and I direct it to put things right as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 27 March 2026.

Nicola Curnow  
**Ombudsman**