

The complaint

Mr G complains about the service he received from Phoenix Life Limited, trading as Standard Life, when initially trying to access his tax-free cash (TFC), and then when trying to transfer his pension to another provider. Mr G is unhappy that:

- He was given incorrect information on multiple occasions regarding valuations and his new plan details.
- He was given deadlines that weren't adhered to, and he was delayed on multiple occasions regarding accessing and transferring his pension.
- Standard Life's communication wasn't up to standard.
- And finally, his pension wasn't invested accordingly whilst the issues above were ongoing.

To resolve his complaint, Mr G wants Standard Life to consider any financial loss as a result of their actions.

What happened

Mr G was a member of a Group Stakeholder Pension with Standard Life. On 11 August 2025, he attempted to access the maximum TFC available from his pension online. He was met with an issue and told he'd need to speak with customer services over the telephone.

After looking into matters for him, Standard Life explained that a Lifetime Allowance (LTA) Protection had been added to his plan, and this was preventing him from proceeding online. Mr G lodged a complaint about the matter with Standard Life on 12 August 2025.

Standard Life later discovered that the LTA Protection had been applied to Mr G's plan incorrectly and removed it shortly afterwards. The Stakeholder Pension didn't allow for flexible drawdown, so for Mr G to access the TFC, he needed to stop contributions from his employer, transfer the policy to a newer type of pension and choose new investments. This could only be done via telephone, and this was attempted on 26 August 2025.

Standard Life had a system issue that was contributing to some of the problems Mr G was having with processing his pension choices online. He was told the system issue wouldn't be fixed until late October 2025. Before the system issue could be resolved, Standard Life decided to process a manual ad-hoc TFC payment of £58,209.01 to Mr G on 11 September 2025 by CHAPs.

Standard Life issued their final response to Mr G's complaint on 16 September 2025. In summary, they apologised and acknowledged that the service they'd provided hadn't been of an acceptable level. They also explained there was an issue with the LTA Protection on the plan and their IT issues didn't help. Standard Life also said that due to how the TFC had been paid out, the original plan remained open and invested and would continue to do so until

they transferred the benefits across in October 2025. They confirmed the figures would be backdated so Mr G wasn't financially disadvantaged by this action. Standard Life paid Mr G £300 for the inconvenience that they'd caused him.

In mid-September 2025, Mr G had decided that he wanted to move away from Standard Life due to what had happened. He requested fund values so that he could share these with a business that I shall call 'Firm A'. Standard Life received a request to transfer Mr G's pension benefits electronically, through the Origo system on 27 September 2025.

On 24 September 2025, Mr G approached our service as he was unhappy with the actions that Standard Life had taken at that stage. On 4 October 2025, Mr G raised another complaint about the delays he had experienced when trying to transfer his pension to Firm A.

Mr G and Firm A chased Standard Life for updates whilst the work on setting up the new plan for Mr G was ongoing. This meant the transfer was on hold. It wasn't until 29 October 2025 that Standard Life were able to confirm that the new pension had been set up under reference Dxxxxxxx5. The funds that remained in plan Kxxxxxxx0 after the TFC had been paid were then transferred over. Plan Dxxxxxxx5 now had a value £187,186.99. Standard Life also confirmed that as a result of the time it took to complete the background work, the value of the pension had increased, so Mr G was entitled to an additional £4,210.05 in TFC. This additional TFC was sent to Mr G on 3 November 2025.

On 19 November 2025, £187,976.51 was transferred to Firm A.

After the transfer, Mr G continued to chase Standard Life for updates and responses to his earlier queries and complaint. Standard Life issued their response to Mr G's second complaint on 9 December 2025. In this, Standard Life acknowledged the issues that Mr G had experienced accessing his TFC. They also explained why there was an increase in TFC payment and that they used an earlier valuation date for the transferred funds, as that was a higher value. They apologised for the level of service Mr G had experienced up to that point. They explained they felt that Mr G hadn't lost out financially as a result of their actions, because all the funds had been backdated to dates when Mr G would have received the highest values.

Mr G was unhappy with Standard Life's response, so he referred his complaint to this service. The complaint was then considered by one of our Investigators. He concluded that Standard Life hadn't treated Mr G fairly. He also said, in summary:

TFC issue:

- Mr G didn't receive the service he was led to expect, given some of the timeframes he was given regarding his pension plans being fixed by mid to late October 2025. Standard Life could have better managed Mr G's expectations, especially in relation to how quickly they would get back to him when he chased for updates.
- He thought Standard Life making sure that Mr G's TFC was paid sooner rather than later, once it was established that it would take some time to resolve the background IT issues, is evidence that Standard Life did try to treat Mr G fairly. However, he felt the time they took could have been better managed, but it's difficult to know how much sooner Standard Life could have completed the remedial work to set up the new plans.
- Standard Life offered Mr G £300 for the customer service issues he had raised and the delay in accessing his TFC. Our Investigator thought that offer was reasonable based on the time it took to resolve things and the efforts Standard Life made.

- Overall, although he thought Standard Life could have better managed Mr G's expectations, their actions and the compensation paid to Mr G is reasonable in relation to the TFC complaint and what happened around that.

Transfer to Firm A issue:

- Standard Life paid Mr G a further £500 for the service issues and frustration he experienced whilst the transfer was being finalised, as well for any distress and inconvenience caused regarding the transfer to Firm A.
- Standard Life felt that by taking the route of choosing the higher funds for the TFC and transfer, Mr G hadn't lost out financially. When considering this award, our Investigator felt that this was fair in relation to the transfer out to Firm A.
- It was made clear to Mr G before he requested the transfer that plan Dxxxxxxx5 wouldn't be set up until late October 2025, so any transfers would likely not be completed before the end of October 2025. Standard Life have not explained why it took until 19 November 2025 for the transfer to take place, considering the plan Dxxxxxxx5 was up and running by 30 October 2025. However, Standard Life have confirmed that the fund value used for the transfer was the higher value of 30 October 2025, which means that Mr G didn't lose out as a result of the transfer happening on 19 November 2025.
- Our Investigator was satisfied that Mr G benefitted from the delays he experienced when trying to firstly access his TFC and then transfer the pension away. However, there is potential that Mr G has lost out financially due to when the funds were invested with Firm A, and how they would have performed in that time.
- He felt that Standard Life should complete a loss calculation to compare what Mr G's pension value may have been had the value been transferred earlier.

After considering what our investigator had to say, Standard Life said that they were happy to accept the findings. However, as Mr G didn't respond, the case now comes to me for a decision.

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.

I have summarised this complaint in less detail than Mr G has done and I've done so using my own words. The purpose of my decision isn't to address every single point raised by all of the parties involved. If there's something I've not mentioned, it isn't because I've ignored it - I haven't. I'm satisfied that I don't need to comment on every individual argument to be able to reach what I think is the right outcome. No discourtesy is intended by this; our rules allow me to do this and it simply reflects the informal nature of our service as a free alternative to the courts.

My role is to consider the evidence presented by Mr G and Standard Life in order to reach what I think is an independent, fair and reasonable decision based on the facts of the case. In deciding what's fair and reasonable, I must consider the relevant law, regulation and best industry practice. Where there's conflicting information about what happened and gaps in what we know, my role is to weigh up the evidence we do have, but it is for me to decide,

based on the available information that I've been given, what's more likely than not to have happened. And, having done so, I'm upholding Mr G's complaint and whilst there's not a great deal more that I can meaningfully add over what our Investigator has set out, I'll explain why below.

Tax free cash payment:

I don't think there's any doubt that Standard Life didn't pay Mr G's TFC claim when they should have. They've admitted as much and apologised for the delays that he experienced. From what I've seen, the issue seemed to stem from the fact that at some point in time, an LTA protection marker had been placed on his pension that prevented the TFC withdrawal from being undertaken online. In addition, in light of the type of plan Mr G held, that didn't facilitate the withdrawal of the funds, so the monies needed to be moved into a new style plan.

Mr G made his initial TFC withdrawal request on 11 August 2025. Standard Life say that they typically aim for a 10-working day turnaround to move monies from legacy pots to the new wrapper to enable them to facilitate access to the tax-free cash. That means were it not for the problems that Mr G encountered, his new plan would've been up and running by 22 August 2025.

Standard Life have calculated that had Mr G been able to access his TFC on 11 August 2025, he would've received £58,639.20, as the value of his pension on 12 August 2025 was £234,556.80. The value Mr G received on 11 September 2025 (£58,209.01) was based on the pension value on 11 September 2025.

It wasn't until 29 October 2025 that Standard Life were able to confirm that the new pension had been set up and the funds that remained in the plan after the TFC had been paid were then transferred over. As a result of the time it took Standard Life to remedy their systems, the value of Mr G's pension had increased, so he was entitled to an additional £4,210.05 in TFC which was sent to him on 3 November 2025.

I do think that Standard Life could've implemented their manual workaround far sooner than they did, which I believe would've nipped many of the issues that then followed in the bud. However, having thought about matters, I am of the view that their payment of £300 to apologise for the inconvenience that Mr G suffered from 11 August 2025 to when he actually got his TFC payment on 11 September 2025 is fair and reasonable and in line with what I would've instructed them to pay him had they not already done so.

As a result of the delays in paying Mr G his TFC, Mr G's plan appreciated in value so he benefited from additional growth and a higher TFC payment because of Standard Life's actions.

Transfer to Firm A:

Unhappy with the actions of Standard Life in trying to pay him his TFC, Mr G decided to switch his pension to Firm A. Standard Life received an Origo request (which is the digital system most financial services firms use to move pensions between providers), from Firm A on 27 September 2025.

Unfortunately, given Standard Life's need to implement an IT fix on their system, they weren't able to immediately process the transfer request in their normal timescales and as a consequence, Mr G's pot didn't reach Firm A until 19 November 2025, when £187,976.51 was transferred to them. But, from what I've seen, Standard Life did make clear to Mr G

when he made his transfer application that they wouldn't be able to process his transfer request until late October 2025 at the earliest.

As Standard Life first needed to move Mr G's pot to a new plan internally with them to process the TFC payment, but couldn't because they needed to wait for an IT fix until mid-October 2025, the switch to Firm A took far longer than expected.

During the transition process, as Mr G's first choice of fund wasn't available in the new internal Standard Life pension, he elected for an alternative. To ensure that he wasn't disadvantaged, Standard Life explained that they'd back date the fund switch so Mr G wasn't made any worse off. So, on that basis, I'm satisfied that the funds were invested in line with how Mr G wanted during the time that they were with Standard Life.

Because Kxxxxxxx0 remained open and invested, the fund of Mr G's pot increased, and as I've already explained above, he was sent additional TFC to account for this. But, Mr G had to wait until 30 October 2025 before plan Dxxxxxxx5 was set up. Standard Life also explained they'd used the fund value rather than the transfer value when they initially sent Mr G his TFC in September 2025. As a result of this, Mr G initially received slightly less TFC than he was entitled to at the time. However, in late October 2025, Standard Life confirmed his fund value and at that stage, he was able to view his new plan online. Having looked at the various interactions between Mr G and their complaints teams, I can see that not being able to view his plan online throughout his interactions with them caused him significant concern, because the paperwork he received was inconsistent and didn't paint a clear picture.

Typically, from receipt of instructions, firms are generally able to switch pensions between themselves fairly promptly when there's only cash involved, although that can vary depending upon a number of factors. Standard Life transferred the value of the fund to Firm A using a transfer date of 30 October 2025 (when the value was £187,976.51). Standard Life say that this value was higher than the available value would have been had they used a transfer date of 27 September 2025, so Mr G hasn't been disadvantaged by the hold ups.

Firm A's Origo request was received on 27 September 2025. In straightforward cases, transfers can complete within around one working week. I'm therefore satisfied that the transfer should reasonably have completed by around 3 October 2025.

When referring to typical pension transfer timescales, I recognise that these can vary depending on the complexity of the arrangements involved. However, my findings don't turn on adherence to any specific industry-wide benchmark. Instead, I'm persuaded there was an unreasonable and unexplained delay between the internal establishment of Mr G's new Standard Life plan at the end of October 2025 and the eventual transfer to Firm A on 19 November 2025.

Whilst some of the delays that Mr G experienced were as a result of Standard Life's IT issues, I've not seen an explanation of why, when his legacy plan was moved to the new arrangement internally at the end of October 2025, they took until 19 November 2025 to move his pot to Firm A which was some 14 working days after his new Standard Life plan had been set up. I consider it more likely than not that Mr G would not have moved providers had he not encountered the earlier TFC issues. I've therefore treated the transfer delays as part of a connected chain of events arising from the original service failings.

I don't think there's any doubt that Standard Life took far longer to move Mr G's pension to Firm A than they should have. And, Standard Life have acknowledged that and apologised to Mr G for the delays. They've paid him a further £500 to apologise for the delays he experienced throughout the transfer process. Having considered the effort and engagement

that Mr G needed to make to remedy matters, I'm satisfied that the £500 is fair and reasonable in the circumstances and is in line with what I would've instructed Standard Life to pay him had they not already done so.

Putting things right

I've taken into account that Standard Life used valuation dates which, in some respects, worked in Mr G's favour and reduced the likelihood of overall detriment. But this alone isn't enough to conclude that no financial loss arose from the delayed transfer. It remains necessary to assess how Mr G's funds may have performed had they been invested with Firm A at the earlier point when the transfer should reasonably have been completed.

So, Standard Life need to complete a loss calculation to compare what Mr G's pension value may have been had the value been transferred earlier.

Standard Life need to confirm what the value of Mr G's pension was on 27 September 2025. Standard Life then need to contact Firm A and confirm what the value of the pension would have been on 19 November 2025, had the funds been received by Firm A on 3 October 2025.

If the notional value is less than the actual value that transferred to Firm A, then Mr G hasn't suffered a loss. However, if the notional value is more than the actual value that was transferred, then Mr G has suffered a loss.

Any loss should be offset against any gains that Mr G received (but not the payments they've made for the distress and inconvenience), due to the dates used by Standard Life.

If there is a loss, Standard Life should then make that payment into Mr G's pension at Firm A.

Calculations should be provided to Mr G in a clear, simple format.

For the avoidance of doubt, the purpose of this calculation is to place Mr G, as far as is reasonably possible, in the position he would've been in if the transfer had taken place without avoidable delay. It's not intended to guarantee investment performance or protect against normal market fluctuations.

My final decision

I'm upholding Mr G's complaint and it therefore follows that I require Phoenix Life Limited, trading as Standard Life, to put things right for him in the manner that I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 4 May 2026.

Simon Fox
Ombudsman