

The complaint

Mrs E complains about the transfer of a share of a property holding and cash from her husband's, the late Mr E's (simply referred to as Mr E hereafter) Suffolk Life Pensions Limited trading as Curtis Banks ('SL') self-invested pension plan ('SIPP') to her SIPP. Amongst other things, Mrs E has complained about how SL managed the process following the death of her husband, including the fact it attempted to sell her husband's share in a property to a Mr Y and/or other third parties and the way it handled a transfer of cash from Mr E's SIPP to her SIPP.

What happened

Mrs E, Mr E and Mr Y all took out individual SIPPs with SL and as a group of investors (a syndicate) they jointly used monies in their SIPPs to invest in a leasehold in a commercial property ('the property').

We've been provided with a copy of an example SL SIPP application form from around the time that Mr E established his SIPP with SL. It's noted, amongst other things, in this document that the investor had read, understood and accepted SL's Terms and Conditions.

We've been provided with a copy of the SL SIPP Terms and Conditions from around the time that Mr E established his SIPP. It's noted, amongst other things, in this document that:

- Following an investor's death, in order to secure benefits SL may direct the SIPP trustee or investment manager to dispose of any investment.
- SL may direct the SIPP trustee to transfer assets out of an investor's SIPP to the person entitled after their death.
- Following an investor's death, SL would not pay benefits, purchase an annuity or make a transfer unless:
 - It had received a signed instruction from the appropriate person to make the relevant payment or transfer.
 - It had received all required documentation and information from the appropriate person that SL believed was necessary.
 - It had received all charges due to it.
 - All costs chargeable to the investor's SIPP and all liabilities of the SIPP (including all costs arising in relation to any transfer) had been satisfied.

A SL Group Investment Agreement ('GIA') Property document was signed by Mrs E, Mr E and Mr Y in June 2010. It's noted amongst other things in the form that should one of the investors pass away then:

- Within two months there would be a valuation of the common investment (here the property). The common investment would be valued at its open market value by an independent valuer. Barring a manifest error, the valuer's valuation of the common investment would be conclusive and binding on the investors.
- A representative for the investor who had died would give written notice of sale to the other investors, including details of the valuation and offering to sell the whole of the

share in the common investment. The other investors would then have two months to buy the share (or a portion thereof if agreed), or to introduce a third party who would take out a pension with SL and buy the share in the common investment.

- There were three investors, Mr E held a 38.51% share in the common investment, Mrs E held a 4.43% share and Mr Y held the residual 57.06% share.

Mr E sadly passed away in 2021.

SL has explained that, after it was notified Mr E had passed away it made a number of attempts to contact Mrs E, I've referred below to a timeline SL has provided in respect of this. And SL provided this Service with a number of letters referred to in that timeline.

Mrs E has explained that she wasn't able to face having to deal with her husband's pension immediately after he died as she was too distressed.

SL has explained that it wrote to Mrs E and Mr Y in May 2022 to ask if either of them were interested in purchasing Mr E's share in the property. And SL has provided us with a copy of the letter it sent to Mrs E on 24 May 2022 about this. SL says that Mr Y expressed an interest in acquiring Mr E's share in the property but that it didn't receive any interest from Mrs E in acquiring the share at that time.

Subsequently, after Mrs E was confirmed as the sole beneficiary of Mr E's SIPP, she explained she wanted Mr E's share of the property to be transferred to her SIPP. After a period of consideration, Mr E's share of the property was subsequently transferred to Mrs E's SIPP. However, monies in cash in Mr E's SIPP that Mrs E was also entitled to as the sole beneficiary weren't transferred into her SIPP until November 2024.

SL emailed Mrs E on 23 August 2023 and noted, amongst other things, that:

- It had decided Mr E's share of the property should be transferred to her SIPP in line with the SIPP Terms and Conditions. It apologised it had taken since March 2023, when Mrs E was confirmed as Mr E's sole beneficiary, to decide this. But it hadn't been a straightforward case and there had been a lot to consider to ensure fairness to all parties involved.
- The process of administering a shared property investment is governed by the GIA. The GIA outlines the basic agreement between syndicate members for the general administration of the group investment and sets out the process to be followed should a syndicate member pass away – whereby a deceased member's share is offered for sale to the other syndicate members.
- The process was designed to protect the syndicate from having beneficiaries of a deceased member being forced upon them.
- While Mr E passed away in 2021, it wasn't until March 2023 that Mrs E was confirmed as the sole beneficiary. In the intervening period Mr Y had expressed an interest in acquiring Mr E's share in the property in line with the GIA. Mrs E hadn't expressed any interest during that period.
- At the point Mrs E was confirmed as the sole beneficiary she expressed her interest in receiving Mr E's share of the property but by that point there had been significant progress towards a sale of the share to Mr Y's SIPP.
- It then had to determine the most appropriate course of action, taking into consideration both Mrs E's rights as beneficiary and also the progress which had been made towards a sale to Mr Y in line with the GIA.
- After careful consideration, involving its legal team, it was decided that as Mrs E was an existing member of the property syndicate, Mr E's share in the property should

transfer to Mrs E's SIPP. Following which, Mrs E's share in the property would rise to 42.94%.

SL emailed Mrs E on 29 August 2023 and noted, amongst other things, that:

- The beneficiary process had been longer and more complicated than it needed to be.
- Since it was first notified in March 2021 about Mr E passing away, SL had been trying to contact Mrs E regarding the beneficiary process, highlighting its requirements and the need for Mrs E's instructions to finalise the beneficiary process. A number of letters, emails and phone calls from it to Mrs E went unanswered.
- Having received confirmation in March 2023 that Mrs E was the sole beneficiary, SL should have proceeded with the transfer of Mr E's share in the property to Mrs E's SIPP. Due to an internal review this wasn't done at that time, it apologised for this delay and it would pay Mrs E £400 for the stress and inconvenience it had caused.

SL emailed Mrs E on 2 December 2024 and noted, amongst other things, that:

- Following Mrs E complaining about the time taken for the transfer of cash from Mr E's SIPP to her SIPP, it had transferred £16,683.64 to her SIPP on 12 November 2024.
- Its property team was aware in October 2023 that the property re-ownership to Mrs E had completed. At that point, SL should have checked whether it could move all available cash across to Mrs E's SIPP and checked there were no outstanding costs, so it could finalise the inherited benefits transfer. SL can't see that this happened and the funds weren't transferred until 12 November 2024.
- There had been an unacceptable delay in finalising the process and SL was offering Mrs E a distress and inconvenience payment of £200 in respect of this.

SL has provided us with a timeline of the contact, and attempts at contact, it had with Mrs E in the aftermath of Mr E passing away. It's noted, amongst other things, in this timeline that:

- 15/03/2021 – Initial letter sent to independent financial adviser ('IFA') by email and post. This Service has been provided with a copy of this email.
- 15/07/2021 – Chaser sent to IFA by email and post.
- 30/07/2021 – IFA call back – IFA advised he is not dealing with this case and asked SL to contact the beneficiary directly.
- 02/08/2021 – Letter and factsheet sent to Mrs E. This Service has been provided with a copy of this letter.
- 18/11/2021 to 13/02/2023 – A number of chaser letters (some recorded) and phone calls attempted to Mrs E. This Service has been provided with a copy of two of the letters sent to Mrs E during this period.
- 14/02/2023 – Recorded letter to a family member of Mrs E (who I'll refer to as Mr T) explaining SL's requirements. This Service has been provided with a copy of this letter.
- 22/02/2023 – Mrs E made contact and spoke to SL who explained requirements for the beneficiary claim. Mrs E confirmed that Mr T is her son.
- 01/03/2023 – SL received forms/documents.

Amongst other things, Mrs E has said to us that:

- She has suffered stress, anxiety and distress dealing with SL.
- She is unhappy with how SL managed the process following the death of her husband. It attempted to sell shares her husband held in his SIPP and it had managed the process as a "sale and re-ownership" process instead of a beneficiary process.

- She shouldn't have had to fight for a beneficiary process to be followed correctly.
- Following Mr E's death, in early 2023 she re-established communication with SL. And discovered that it was intending, without her knowledge, to sell Mr E's share in the property to Mr Y.
- The GIA details a process which governs the sale of shares in a property. That process isn't appropriate where an investor dies and their beneficiary is a member of the same scheme. In that situation the process to be followed should respect the wishes of the deceased for the disposal of their estate.
- The fair and expected disposal of Mr E's share in the property would have been simply to assign the share to her SIPP. Instead of this, SL intended to force Mrs E to make additional payments into her SIPP to purchase the share. This would have increased the value of funds under SL's control. Such terms aren't fair or equitable and favour SL unreasonably.
- SL had, subsequently, assigned Mr E's share in the property to her.
- SL denied her the use and benefit of assets she inherited upon Mr E's death.
- Her primary aim was to inherit Mr E's share in the property, in line with Mr E's expression of wishes form. But she had to go through an extremely difficult and upsetting process with SL for this to happen.
- She had found dealing with SL quite traumatic and was often unable to speak on the telephone, holding back tears as she *"navigated what felt like hell as I fought for [Mr E's] wishes"*.
- SL had offered her £400 for the distress and upset caused, but she didn't engage with that offer.
- She had to open a further complaint when it came to light funds worth over £16,000 had been sitting in Mr E's SIPP account between October 2023 and November 2024 that she didn't know about.

Amongst other things, SL has told us that:

- Mr E, Mrs E and Mr Y established their SIPPs in 2008 and purchased a property under a leasehold, with Mr Y being the freeholder of the building.
- At the point he passed away, Mr E's SIPP monies were only invested in the property – the other monies he held in his SIPP were held in cash. (And SL provided us with statement evidence of this)
- Following Mr E's death, Mrs E's SIPP monies have just been invested in the property – the only other monies she holds in her SIPP have been, and continue to be, held in cash.

One of our investigators reviewed the complaint and concluded the complaint had been referred to us within the time limits provided for in DISP 2.8.2 (1). SL accepted this. The investigator subsequently explained why they thought the complaint should be dismissed.

Mrs E wasn't in agreement with the investigator and the complaint was referred to me for review.

I issued a provisional decision on the complaint and concluded that the complaint had been referred to us within the time limits and was one we could consider. I also concluded that while the issues this complaint concerns hadn't caused Mrs E any investment loss, I did think SL had caused Mrs E some distress and inconvenience. And I said SL should make a payment to Mrs E in respect of this.

SL responded to my provisional decision and accepted my findings.

Mrs E provided a response to my provisional decision. I've set out below a *summary* of what I consider to be the main points made in her response to my provisional decision on *this* complaint. However, the summary below isn't exhaustive and before making this decision I carefully considered Mrs E's response in full:

- Both her and Mr E submitted expression of wishes forms as part of setting up their SIPPs, each naming the other as beneficiary.
- Where a named beneficiary is already a member of the syndicate and the GIA, then the transfer of the share in the property (to the beneficiary) should be effected immediately and automatically.

What I've decided – and why

jurisdiction

I've considered all the evidence and arguments in order to decide whether we can consider this complaint. Having done so, I've found that this is a complaint that we can consider.

The rules this Service must follow in determining whether we can consider a complaint are set out in the DISP rules, published as part of the FCA's Handbook.

DISP 2.8.2 (1) concerns this Service not being able to consider a complaint if it was referred to us more than six months after the date of a firm's *final response* to the complaint.

I explained to the parties in my provisional decision that I agreed with what our investigator had previously told SL about responses it issued to Mrs E's complaint not meeting the requirements of a *final response*. I also explained in my provisional decision that I understood SL accepts this, and that it needed to let me know in its response to my provisional decision if this wasn't the case. In response to my provisional decision, SL confirmed that it agreed with my findings in the provisional decision.

Overall, having carefully reconsidered all of the evidence, including the submissions in response to my provisional decision, I'm still satisfied this complaint was made within the time limits. As such, I've gone on to consider the merits below.

merits

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

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.

Where the evidence is incomplete, inconclusive, or contradictory, I reach my decision on the balance of probabilities – in other words, what I consider is more likely than not to have happened in light of the available evidence and the wider circumstances.

It's my role to decide if the business (in this case SL) has acted fairly and reasonably in respect of the individual circumstances of the complaints made and – if I find that the business has not done so – award appropriate redress for any material loss or distress and inconvenience suffered by the complainant, Mrs E, 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.

Having carefully reconsidered all of the evidence, including the submissions in response to my provisional decision, I've reached the same conclusions in this complaint to those I had previously detailed in my provisional decision and for the same reasons.

SL offering Mr E's share in the property to Mr Y and/or other third parties

After SL became aware Mr E had died, I'm satisfied SL made a number of attempts to contact Mrs E in relation to the beneficiary process. Mrs E has explained she wasn't able to face having to deal with her husband's pension immediately after he died as she was too distressed, which I think is understandable.

However, I don't think, having attempted to contact Mrs E on a number of occasions prior to May 2022 without success, SL acted inappropriately by then writing to both Mrs E and Mr Y in May 2022 to ask if either of them were interested in purchasing Mr E's share in the property.

SL says Mr Y then contacted it to confirm he was interested in purchasing Mr E's share in the property. And, as it had received no response from Mrs E at that time, I don't think SL acted inappropriately, or outwith the intention of the GIA, by continuing the process with the intention of selling Mr E's share in the property to Mr Y.

I've noted Mrs E's submissions about what she regards as deficiencies in the GIA process in circumstances where a beneficiary is also the member of a property syndicate, but all of Mr E, Mrs E and Mr Y signed the GIA to confirm their agreement with it. And I don't think that document is unclear, misleading or inherently unfair.

After Mrs E was in contact with SL in February 2023, and prior to the process of selling Mr E's share in the property to Mr Y being completed, Mrs E told SL she wanted to receive Mr E's share in the property.

After SL had received that request, it had to weigh up the balancing demands of the contents of the SIPP Terms and Conditions, the GIA and the progress it had made towards the sale to Mr Y. I recognise it wasn't a straightforward decision for SL to make, but it took a considerable amount of time – from around March 2023 to August 2023 – for SL to make its decision. I think this was too long and I think the length of time it took for SL to decide what would happen with Mr E's share in the property caused Mrs E unnecessary distress and inconvenience.

Mrs E explains that, instead of assigning Mr E's share of the property to her SIPP, SL initially intended to make her purchase the investment and this would have involved her having to make additional contributions into her SIPP. We've not been provided with copies of correspondence in which SL was stating Mrs E had to purchase Mr E's share of the property. However, as I understand it, SL did subsequently permit the transfer of Mr E's share of the property to Mrs E's SIPP without Mrs E having to purchase that share. And in August 2023 SL confirmed to Mrs E that the effect of this transfer would be to increase her share in the property to 42.94%.

As SL ultimately transferred Mr E's share of the property into Mrs E's SIPP then the delay in SL reaching its decision didn't cause any investment loss. But, as I've explained above, I think the length of time it took SL to decide whether it would transfer Mr E's share of the property into Mrs E's SIPP caused Mrs E unnecessary distress and inconvenience.

The transfer of monies from Mr E's SIPP cash account to Mrs E's SIPP cash account

SL has accepted that, after it transferred Mr E's share in the property to Mrs E's SIPP, it should then have checked whether it could move all available cash from Mr E's SIPP across to Mrs E's SIPP and that it didn't do this. Further, as a result of this failing, the available cash in Mr E's SIPP wasn't transferred into Mrs E's SIPP until 12 November 2024. I'm in agreement with SL that this was a failing and that it resulted in an unnecessary delay in the transfer of the monies in question and also an unnecessary delay in the completion of the beneficiary process.

However, I'm also satisfied from the evidence we've been provided that the only investment, other than cash, Mr E held within his SIPP was his share in the property investment. So, it's not the case that the monies transferred into Mrs E's SIPP in November 2024 were invested elsewhere and realised prior to their being transferred. And following the transfer into Mrs E's SIPP in November 2024 the transferred monies weren't invested, they were left in cash.

In other words, the monies in question were in cash prior to the transfer to Mrs E's SIPP and they remained in cash following the transfer. So, even *if* the available balance had been transferred into Mrs E's SIPP at an earlier date, I don't think the monies in question would currently be worth any more than they're actually worth. As such, I'm not satisfied any investment loss has been suffered as a result of the delay in transferring the available balance from Mr E's SIPP into Mrs E's SIPP.

But I agree it took far too long for SL to transfer the available balance to Mrs E's SIPP. I think this impacted Mrs E – I think she was keen to complete the beneficiary process as soon as reasonably possible after she had been confirmed as the sole beneficiary in March 2023. And I think SL's delay in transferring the available cash balance to Mrs E's SIPP unnecessarily elongated that process. So, I think SL's failing on this issue caused Mrs E additional unnecessary distress and inconvenience.

Putting things right

Overall, while I'm not satisfied the issues this complaint concerns have caused Mrs E any investment loss, I do accept Mrs E's submissions that she has suffered unnecessary distress and anxiety from her dealings with SL.

Mrs E has explained she found the process of dealing with SL quite traumatic. I think Mrs E was keen to complete the beneficiary process as soon as reasonably possible after she had been confirmed as the sole beneficiary in March 2023. And I think SL was responsible for unnecessary delays in that process after March 2023 – both in respect of the amount of time it took SL to reach the decision that it would transfer Mr E's share of the property to Mrs E's SIPP, and also in the amount of time it took SL to transfer Mr E's SIPP available balance to Mrs E's SIPP. Because of this, I do think a distress and inconvenience payment is appropriate in the circumstances of this complaint.

SL has previously offered Mrs E payments of £600 in total for the specific issues this complaint concerns. On balance, having carefully considered the issues and the impact the failings in this complaint have had on Mrs E, I do think a slightly higher distress and inconvenience payment is merited. Overall, I think SL should pay Mrs E £750 for the unnecessary distress and inconvenience it has caused her in respect of the issues this

complaint concerns.

My final decision

For the reasons given above, I find this complaint is a complaint we can consider and it's my final decision that Mrs E's complaint about Suffolk Life Pensions Limited trading as Curtis Banks is upheld. Suffolk Life Pensions Limited trading as Curtis Banks must pay Mrs E £750 in total for the unnecessary distress and inconvenience it caused her. If Suffolk Life Pensions Limited trading as Curtis Banks has already paid Mrs E the £600 (in total) it previously offered her in respect of the issues this complaint concerns then that sum can be deducted from the £750 and it will only then need to pay Mrs E a further £150.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs E to accept or reject my decision before 28 April 2026.

Alex Mann
Ombudsman