

The complaint

Mr S is unhappy that PensionBee Ltd (“PB”) caused a delay when processing his pension transfer request from another pension provider.

What happened

The sequence of events here are known to both parties, and broadly not in dispute. There have been many communications between Mr S and PB, both written and by phone. However, I don’t need to highlight each of these here, instead I briefly summarise the key communications and events as follows:

- Mr S first joined PB in 2020, and in the subsequent years transferred eight of his personal pensions to them. Most were incident-free, but this one was affected by delays.
- On 1 July 2025, Mr S began the process of transferring this pension, held with ‘TPT’, to his PB pension. He was told the transfer should take about 12 weeks, depending on how quickly TPT processed the transfer at their end.
- Over the following months, there were multiple exchanges between Mr S and PB, and also with TPT too, as the transfer was taking much longer than expected. Mr S was advised this was primarily because of significant problems TPT were experiencing with the ‘Origo’ electronic transfer system.
- Nevertheless, Mr S was unhappy with PB, because he thought they weren’t doing enough to make the transfer happen quickly, and were causing some of the delays, so he complained to them.
- PB responded and explained why they didn’t think they’d done anything wrong – they had no control over the problems that TPT were experiencing and were reliant on them to conclude their own processes before sending Mr S’ pension funds across. And they’d done all they could to try and press them to expedite the transfer.

Unhappy with this response, Mr S brought his complaint to our Service, but one of our Investigators didn’t think PB had done anything wrong. He thought that PB had taken all reasonable steps to try and process the transfer. And after considering further comments made by Mr S and having reviewed additional evidence provided by PB (including relating to the transfer having subsequently completed, nearly six months after the transfer request was first made), our Investigator’s opinion remained the same.

So, Mr S asked for an Ombudsman to reconsider his complaint afresh. And having done that, I issued a Provisional Decision as, based on the evidence and testimony from both parties available to me at the time, I thought that PB could reasonably have done more to help process Mr S’ transfer to them in a timelier manner.

Very briefly, I agreed that PB had acted proactively during much of the transfer process, and that it appeared clear much of the transfer delay was caused by issues outside of their control – the issues caused by TPT’s problems, and in particular TPT’s inability to progress transfers via the electronic Origo pension transfer service. But I also thought there were times within the latter part of the transfer journey where PB could have done more. I broke down and considered the different time periods as follows:

The period between 1 July 2025 and 1 October 2025

Mr S submitted his transfer request on 1 July 2025 and was advised that it should take up to 12 weeks, depending on TPT's actions. The usual exchanges between the parties in a transfer application then took place - PB sent a Letter of Authority to TPT, which they received back on 24 July 2025. And PB requested the funds from TPT on 31 July 2025, using the Origo platform.

Mr S and PB then exchanged various messages in the first few weeks of August 2025, as he was concerned by the amount of time the transfer was taking. PB told him it was too early to chase TPT, as the funds request had only recently been made. And it was clear matters were progressing with TPT by this time, as they'd sent Mr S a 'Scam Questionnaire' to complete, which he'd emailed to PB at the end of August 2025 asking for their assistance in completing it. PB then called TPT on 2 September 2025 seeking an update on the transfer, noting the delays. They questioned whether the transfer should now proceed using paper forms or remain via Origo. TPT said that Origo, although experiencing delays, was still 'live'. They also told PB that, as there was no information/update on progress they'd ask internally for the matter to be checked. PB said they'd keep an eye open for a response and get back if no update was provided.

On the same day, PB told Mr S the Scam questionnaire that had been sent wasn't needed, given what TPT had said about the Origo transfer process, explaining also about TPT's Origo delays. They said they'd chase TPT in two weeks if nothing was heard.

I thought it was reasonable at this stage for PB to have relied on what they'd been told by TPT – they'd asked specific questions about timescales, and whether to move to a paper transfer process, to bypass Origo delays. TPT provided assurance, albeit I think rather vague and limited, the Origo process remained their preferred method of concluding the transfer.

PB then called TPT on 18 September 2025 (so, two weeks later, as they said they'd do) and were told Origo issues persisted. PB then suggested the transfer should proceed using the paper process, to which TPT agreed and said they'd send (another) scam questionnaire to Mr S, which upon completion and receipt, would allow the transfer to progress. PB told Mr S this on 22 September 2025. Mr S emailed signed and completed forms to PB three days later, with PB's transfer department then completing their checks, before sending the relevant completed forms to TPT, by recorded delivery, on 1 October 2025.

Up to this point, I thought PB had acted proactively. They'd chased TPT, as they'd agreed to do. And having done that, they ensured completed forms were sent to TPT in good time. I appreciated Mr S had raised concerns that PB were in possession of an earlier scam questionnaire, suggesting they could have sent a completed version of this to TPT much earlier than they did. However, I remained satisfied PB were clearly told by TPT previously that the transfer could proceed using the electronic process. And so it wasn't until this later exchange that it was clear TPT would accept 'paper' transfer documents.

So, in summary, I didn't think PB had caused any unreasonable delay up to this point. I was satisfied they'd acted proactively in helping progress Mr S' transfer.

The period after TPT's receipt of these documents

However, I reached a different conclusion regarding what happened next and thought PB had caused about four weeks of subsequent delay to the transfer. That was based on them having sent the paper transfer forms on 1 October 2025 but then not having sought an update until a further call to TPT on 28 October 2025. I felt this was an excessive delay, especially given there had been a further exchange between Mr S and PB at around this time, where he was advised the transfer should be moving ahead without delay.

During the 28 October call, TPT explained the paper forms were only added to their system on 17 October 2025 (despite being signed for on 6 October 2025), but the matter would now be escalated internally. PB were told that as soon as the forms had been received (which, I

took to mean received by the 'escalated' transfer team), TPT would start disinvesting Mr S' funds which should take between two to three weeks, with the funds then being sent to PB immediately after that process had been completed.

However, I wasn't aware of any further action/chasing on PB's part until 2 December 2025 - PB still hadn't received the funds but were apparently aware TPT's Origo issues were being resolved and so had sent them another Origo request to facilitate the transfer in the hope it may have sped matters up. And three days later, PB had received a message via Origo that the transfer had been successfully completed (funds received by PB on 16 December 2025).

I'd concluded that, because TPT had told PB to expect the funds (after disinvestment) within three weeks, PB should have been aware by around 20 November 2025 that the transfer still hadn't happened, and so should reasonably have chased the matter with TPT then, rather than wait until the beginning of December to submit a further, unsolicited, Origo request. There were two weeks of unjustified inaction here, in other words.

I accepted it was difficult to predict what would have happened had these delays not occurred, not least because it wasn't clear whether the transfer was completed because of PB's prompting after calling for an update on 28 October, or because they'd submitted a new Origo request by the time TPT's system apparently was working again.

Regardless, I concluded even if the Origo 'route' only became (coincidentally) possible after PB had sent their speculative second request, I thought opportunities reasonably existed that could have allowed the paper transfer to complete earlier than when it was eventually made.

So, I thought it was fair and reasonable to conclude it was more likely than not the transfer would have been processed earlier than it did, had these (approximate) four weeks of delay not occurred. And accordingly, it was reasonable to conclude PB's limited inaction in that final period of Mr S' transfer resulted in the funds being received by PB about four weeks later than they would otherwise have been, had they acted more proactively in that period.

I then set out my thoughts on redress, settling on a suggested award of £150, to represent compensation for the distress caused to Mr S by PB's relative inaction, and a small amount of potential lost growth had the transfer happened four weeks earlier.

Responses to my Provisional Decision.

Mr S responded, accepting my comments and suggested award. However, PB didn't accept what I'd said, and provided detailed further comments about what had happened between them and TPT at the time in question, believing it showed they'd done everything they reasonably should or could have in the circumstances. In summary, they explained:

- They handled over 1,800 customer transfer requests involving TPT during 2025. TPT were in a "*blackout*" period between January and June 2025, with backlogs and technical issues in the second half of the year also. All 1,800+ transfers were affected.
- By the end of 2025, "*despite our efforts*" only 270 transfers from TPT had been completed (14.9%). Mr S' transfer, and the delays experienced, should fairly be viewed against this wider issue impacting on these transfers. His was not an isolated issue.
- They explained why manual paper-based transfers take longer than Origo ones – the postal system means documents take longer to arrive, they then need scanning and attaching the relevant client account before being passed to the correct team. So they allow a longer period for ceding scheme to process any request, as it's only then that the ceding scheme can begin the transfer process – so in effect many days later than would happen with a simple Origo process, which is ready to process almost immediately.
- Because of this, PB said a standardised approach for chasing transfers wouldn't work here, and their default timescales for chasing updates/progress needed adjusting to reflect the extra steps involved, and the delays. And in the context of my comments that

they could reasonably have chased for a response two weeks after *sending* the paper forms by recorded delivery, they say this would simply have been too early. Put simply, TPT wouldn't have had anywhere near enough time at that time (so, by 15 October) to have materially progressed the transfer by this early stage.

- PB went further by saying that, even if they *had* called at that time, TPT wouldn't even have been able to confirm receipt of the paperwork, let alone advise on the progress of the transfer. It subsequently became known that the 'sent' forms weren't visible on Mr S' TPT account until 17 October 2025, so there would have been nothing material to discuss, or chase, had a call been made earlier as I'd suggested should have happened.
- PB were aware TPT didn't receive the forms until 6 October 2025. So, they gave them three weeks to process the transfer (because of the extra steps required, as mentioned) which should theoretically have given them sufficient time to progress – which is why the forms were only chased on 28 October 2025.
- Also, PB highlighted TPT had told them they'd escalate the transfer after their call with them on 28 October 2025. But, as there is no evidence that happened after that call, there's no reason to reasonably believe the transfer would have been escalated any quicker had the call been made two weeks earlier. TPT was at capacity and were "*simply unable to process transfers any quicker*".
- PB also provided further clarity about the steps they were taking behind the scenes, that had "*impacted [their] actions once Mr S' transfer forms had been sent to PB*". They'd called TPT on 20 October 2025 (requesting updates on other transfers) and were told "*we (TPT) are expecting a lot longer than usual turnaround times at the moment in regards to a transfer out. Currently takes around 45 working days*".
- PB advised this accorded with their own internal data at the time in relation to other TPT transfers. PB commented that, despite TPT's own agent (incorrectly) telling them to expect the transfer to take two to three weeks (the 28 October call), the reality was that this timeframe wasn't feasible, and the agent was simply wrong to have said that.
- PB were very unhappy with the delays caused as a result of TPT's issues and were proactive in trying to get results for their customers. They adopted a 'high-level' engagement approach with TPT, to try and address the bottleneck, rather than try multiple repeat chasers for each customer. They'd sent four emails to senior personnel within TPT requesting clarity on the wider situation, to try and establish a best way forward, but received no response until 10 December 2025.
- And having seen a small number of transfers start to conclude via Origo, a business decision was taken to pivot *all* outstanding transfers (including Mr S') back to Origo - hence the second request being made. It was PB's view that TPT would then have the option to use whichever method was most suitable to progress a transfer, depending on where each transfer was in its' respective journey.

Finally, notwithstanding the above, PB argued that using TPT's own 45-working day response period, and given they received the paper forms on 6 October 2025, would point to an estimated completion on around 8 December 2025 – which is broadly when the transfer was completed.

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 want to begin by reiterating a point I'd made in my provisional Decision. Pension transfers can take time, and PB's initial suggestion to Mr S that his transfer could take up to 12 weeks was not unreasonable or uncommon in the circumstances. And it's also fair to recognise the

'ceding scheme' in any transfer (TPT here) generally has a bigger and more time-consuming role to play in any pension transfer - they hold the pension assets or investments that need to be sold down to cash and then transferred, and they need to undertake certain due diligence actions to be satisfied that the policyholder's (Mr S) intentions are genuine and independently made. These actions take time.

Other than providing responses to requests (such as the scam questionnaire), PB's 'receiving scheme' role is generally more limited until the funds are received by them. And PB is very much reliant on the ceding scheme to progress their actions fully and effectively before, finally, the funds can be transferred.

With that in mind, I'd originally thought PB could have been more proactive in the period after they'd sent the paper forms to TPT for the reasons set out above. However, having thought very carefully about what PB have now told me, I've reached a different conclusion.

Whilst it's unfortunate that some of the detail recently provided wasn't available to me beforehand, I do think the wider narrative that PB has provided – which better explains the steps they had been taking (and why) – shows that they were doing all they reasonably could do to progress Mr S' transfer.

They were managing hundreds of transfers involving TPT, all of which were experiencing severe delays. In such situations, I can appreciate that they took a business decision to try and address the key issues at senior level with TPT, rather than necessarily focus on each individual case. That seems to me to have been a pragmatic approach to take, focusing their resources on wider engagement with TPT on a 'process' level, for the ultimate (and hoped for) benefit of all their customers.

Accordingly, and having regard to these wider issues, I now accept there was little benefit to be had by PB chasing TPT for a response only two weeks after initially sending them Mr S' completed paper transfer forms. Given what they knew about system issues TPT were facing with their transfers (coupled with extra steps/time associated with a posted paper transfer), I now don't think waiting four weeks to contact them for an update was unreasonable.

I'd also questioned PB's inaction between their calls on 28 October and 2 December 2025. However, knowing now what steps PB were taking to resolve the wider delays (the high-level attempts, and repeated emails) on a company-wide basis, I don't think it would be fair to criticise them for not making more proactive specific requests in relation to Mr S' transfer.

That's not to say that I don't have sympathy for Mr S, given the understandable frustrations he experienced during this transfer journey. But here, I'm satisfied that PB's ability to process Mr S' transfer was negatively impacted by problems that were genuinely outside their control.

I think it's fair that I explain that, had I been aware of the wider steps that PB had been taking to progress Mr S' transfer (and deal with the delays being caused), and elements of the above narrative that PB have now provided, I wouldn't have considered upholding this complaint at the outset. I wouldn't have concluded that PB were reasonably responsible for the delays Mr S experienced in this transfer.

Here, maybe PB could have communicated the *reasons* for the delays a little better to Mr S. However, I think, on balance, they did everything I'd reasonably have expected them to do, when faced with these delays at TPT, to try and ensure Mr S' transfer was completed at the earliest possible opportunity. And put simply, I'm satisfied the transfer delays he experienced were essentially not caused by failures in the way PB dealt with his transfer either. And further, that any distress he experienced was similarly not caused by PB's actions here.

Accordingly, I no longer think it appropriate that PB be held responsible for any potential investment loss caused by the transfer delay or be held responsible for any distress experienced by Mr S because of this delayed transfer.

My final decision

For the reasons explained above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 15 May 2026.

Mark Evans
Ombudsman