

complaint

Mr S complains that Alliance Trust Savings Limited delayed the transfer of his Self-Invested Personal Pension (SIPP).

background

On 4 July 2017 Mr S completed the paperwork to open an ATS SIPP and for his existing pension to be transferred. The transfer was finally completed in February 2018. I won't set out the chronology in detail as that has been done in the adjudicator's opinion issued in November 2018.

Mr S complained and ATS apologised for its part in any delays and offered him £150 compensation. He remained dissatisfied and brought his complaint to this service where it was considered by one of our adjudicators who recommended the compensation be increased to £450.

He noted there were a number of parties engaged in the transfer, ATS, Mr S, his adviser, the preceding pension provider, which I will call H and a subsidiary of ATS I will call S, which was used to hold certain pension assets. He took account of the fact that Mr S and his adviser had spent a significant amount of time in dealing with the transfer.

The adjudicator noted ATS had the initial information it needed in early August 2017, but didn't act on it until 6 September 2017 following an email from the adviser. He didn't consider the delay was the result of ATS not receiving the information and he concluded the delay of some four weeks was the responsibility of ATS..

He noted ATS gave the adviser an update suggesting most trades could be settled within a week and a couple might take up to a month. He thought that was unduly optimistic even if the bulk of the transfer was made in October.

The adviser first complained to ATS on 18 October 2017. The transfer of the remaining assets was then delayed. It appeared that S needed further information to allow it to complete the re-registration process. The adjudicator thought the records showed there was a breakdown in communication between ATS and S.. It seems ATS didn't chase matters up despite it being aware of Mr S's concerns.

There followed a series of missed opportunities to finalise the transfer leading to the additional delay. The adjudicator thought it was possible that S had sufficient information to have expedited matters and he didn't think that ATS had pursued the transfer with suitable vigour. He felt that no individual or business was driving the transfer and some actions seemed to have fallen through the cracks.

He concluded that the transfer could have been completed in mid October, but having looked at stock values he didn't believe Mr S had lost out financially. However, he didn't think ATS had handled the transfer as well as it should have and recommended it pay £450 compensation. Mr S accepted this though he felt it was at the lower end of the scale. ATS felt it was higher than other awards this service had made and suggested it pay £300.

my findings

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

I appreciate that ATS was encountering significant demand which had an impact on the level of service it could offer. However, I see that in September it set out timescales which it failed to meet. I suspect some of Mr S's annoyance sprang from the expectations given by ATS not being met. I can see that ATS staff were intending to be helpful, but I fear they simply raised expectations unrealistically.

I note that the bulk of the transfer was completed in October 2017, but it seems that there was no drive to ensure the remaining assets were transferred without delay. I can see that with a number of parties involved in the transfer that nobody seems to have taken charge. I believe that once ATS was instructed to effect the transfer it should have overseen the process and chased others where necessary.

It is regrettable that even as the transfer was reaching its conclusion there were further delays. For example I note an email in late April from ATS which says: *"All matters are still In hand and work In progress at the moment. We have had to involve IT resources to find a quick resolution to the matter of converting the uncrystallised account to crystallised."*

The adjudicator has set out with great clarity not only the calendar of events but the reasons why compensation of £450 is appropriate. In short, I would say that I agree with his conclusion. There was more than one delay and some of the delays took place after a complaint had been made. The business should have been aware of the need to expedite matters, but it didn't do so. It also gave Mr S false expectations and this only served to compound the impact of the delays.

In response to ATS's increased offer Mr S pointed out that his and his advisers hours spent on this matter could be charged out at some £4,500. We do not as a rule compensate people for the time they take pursuing complaint. Therefore, I believe it appropriate to leave the compensation at £450.

my final decision

My final decision is that I uphold this complaint and I direct Alliance Trust Savings Limited to pay Mr S £450 compensation for the trouble and upset he has suffered. Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 30 April 2019.

Ivor Graham
ombudsman