

Ombudsman's Determination

Applicant	Mr A
Scheme	Ethika Auto Enrolment Pension Scheme (the Scheme)
Respondent	Warwick & Eaton Administrators Limited (Warwick & Eaton)

Outcome

1. I do not uphold Mr A's complaint and no further action is required by Warwick & Eaton.

Complaint summary

2. Mr A has complained about Warwick & Eaton's handling of his request to transfer and a subsequent request to take benefits from the Scheme.

Background information, including submissions from the parties

3. On 10 January 2014, the Scheme was established as an auto-enrolment Master Trust by way of a Trust Deed. A company called Barclay Cavendish Trustees Limited was the original Trustee. Warwick & Eaton is the Scheme's administrator.
4. Mr A was an employee of Golden Popcorn which used the Scheme to auto-enrol its employees.
5. On 26 March 2019, Dalriada was appointed as the Scheme's trustee by The Pensions Regulator (**TPR**) after which the original Trustee could not act. The following day, Dalriada instructed Warwick & Eaton not to communicate with Scheme members under any circumstances.
6. On 10 April 2019, shortly before leaving employment with Golden Popcorn, Mr A emailed Warwick & Eaton requesting advice on his options. Mr A received an automated reply stating that a response would take up to four weeks.
7. On the same day, Mr A phoned Warwick & Eaton and left a voicemail requesting the information set out in the email.
8. On 1 May 2019, Warwick & Eaton was instructed that it could correspond with Scheme members by Dalriada.

9. On 10 May 2019, Mr A emailed Warwick & Eaton chasing a response to his previous email. An exchange of correspondence followed in which Warwick & Eaton outlined the process for transferring from the Scheme.
10. On 13 May 2019, Mr A sent Warwick & Eaton a blank transfer form for a pension with Irish Life that he requested it complete. Warwick & Eaton declined to do this.
11. On 23 May 2019, Warwick & Eaton emailed Mr A the information that he required to complete transfer forms and maintained that it would not do this for him.
12. On 5 June 2019, Mr A sought independent financial advice. He subsequently emailed Warwick & Eaton stating that he had changed his mind and requested payment of his benefits.
13. On 14 June 2019, Mr A complained under the Scheme's Internal Dispute Resolution Procedure (**IDRP**) stating that he had originally asked for his benefits to be transferred but now wanted to claim benefits from the Scheme as he was over age 55. Mr A said that he had contacted Warwick & Eaton 11 times between 10 April 2019 and 5 June 2019.
14. I understand that the complaint letter, dated 14 June 2019, was returned to Mr A as undeliverable.
15. In the meantime, Mr A referred the matter to The Pensions Ombudsman and the complaint was accepted on a discretionary basis. We requested Warwick & Eaton to provide its response to the complaint towards the end of July 2019.
16. On 24 July 2019, Warwick & Eaton provided Mr A with the necessary drawdown forms.
17. On 8 August 2019, Warwick & Eaton signed for receipt of Mr A's drawdown forms.
18. On 14 August 2019, Warwick & Eaton confirmed that the drawdown request had been passed to Dalriada to action.
19. On 9 September 2019, Warwick & Eaton provided its response to the complaint stating:-
 - A timeline of its interactions with Mr A.
 - It undertook all reasonable steps to meet Mr A's expectations. All of its responses, barring those prohibited by Dalriada, were within its normal service level.
 - It could not immediately dispatch a drawdown quote to Mr A as it was obliged to produce new documentation to reflect the new Trustee information.
20. Mr A's position:-
 - Warwick & Eaton had been slow in replying, had been unprofessional and had missed its deadline to respond.

- It had taken repeated chasers to progress matters.
 - He would like his tax-free cash paid.
21. On 23 December 2019, Dalriada issued an Annual Governance Statement explaining the reasons for its appointment and that it would not be able to pay any benefits at that time¹.

Adjudicator's Opinion

22. Mr A's complaint was considered by one of our Adjudicators who concluded that no further action was required by Warwick & Eaton. The Adjudicator's findings are summarised below:-
- Warwick & Eaton initially suggested a response would be received within four weeks and that timescale was missed. But that was in the context of Dalriada's recent appointment and an embargo on Warwick & Eaton communicating with members. A delay of days, in that context, did not amount to maladministration.
 - Warwick & Eaton acted reasonably and typically for a pension administrator when declining to complete the Irish Life transfer application. The form contained information Warwick & Eaton could not know and if it had made an error in completing it, it may have been responsible for impacting the proposed transfer.
 - There was a delay between 5 June 2019 and 24 July 2019. The Adjudicator understood that was frustrating for Mr A. Nonetheless, the Scheme could not pay benefits at that time; and so, there was no actual delay in the payment of any benefits and no financial loss had been suffered. It might be argued that distress and inconvenience was caused, but the delay of 19 days outside of Warwick & Eaton's standard response timeframe did not merit a significant distress and inconvenience award.
 - While the experience of communicating with Warwick & Eaton was stressful for Mr A, its handling of the situation did not amount to maladministration or merit the complaint being upheld.
23. Mr A did not accept the Adjudicator's Opinion and the complaint was passed to me to consider. Mr A provided his further comments which do not change the outcome. I agree with the Adjudicator's Opinion and I will therefore only respond to the main points made by Mr A for completeness.

¹ <https://www.dalriadatrustees.co.uk/wp-content/uploads/2019/12/2019-Ethika-Chairmans-Statement.pdf>

Ombudsman's decision

24. Mr A has said that he is dissatisfied with the Adjudicator's opinion because he is of the view Warwick & Eaton only responded to the complaint when we became involved.
25. Mr A submitted a complaint to Warwick & Eaton by post on 14 June 2019. This was returned to him as undeliverable. I have not been provided with documentary evidence that this was also sent by email, although Mr A has suggested that it was.
26. In any event, Warwick & Eaton did not receive a copy of the complaint until my office requested it provide a response to the complaint. It responded within two months on 9 September 2019.
27. While I can understand why Mr A considers Warwick & Eaton did not respond to the complaint until our involvement, on the evidence available to me, I consider our involvement was the first point at which Warwick & Eaton became aware of the complaint and it responded within an appropriate timeframe.
28. Turning back to the points addressed by the Adjudicator, the main period of concern would be the delay between 5 June 2019 and 24 July 2019, the period in which Mr A requested and expected drawdown forms to be provided to him. Unfortunately, Warwick & Eaton did miss its one-month turnaround time. However, in addition to the Adjudicator's opinion on this issue, I also think it is significant that Warwick & Eaton has explained that over that period it was producing new documentation to reflect the appointment of the new Trustee.
29. Although arguably such an administrative process should be straightforward to implement, the Scheme was in a state of change following the appointment of Dalriada. Such changes will add delays to the completion of such processes, and I do not find the delay amounts to maladministration.
30. I do not uphold Mr A's complaint.

Anthony Arter

Pensions Ombudsman
17 July 2020