

## Ombudsman's Determination

Applicant	Dr K
Scheme	Police Pension Scheme 1987 ( <b>the Scheme</b> )
Respondent	Metropolitan Police Service ( <b>MP</b> )

## Outcome

1. I do not uphold Dr K's complaint and no further action is required by MP.

## Complaint summary

2. Dr K complained that he did not receive his pension payments between December 2015 and July 2016.
3. Dr K said that MP refused to provide the payment details which obstructed his own enquiries. He has estimated that the missing payments totalled £16,768.20. To resolve the complaint, he would like this amount to be paid to him.

## Background information, including submissions from the parties

4. The sequence of events is not in dispute, so I have only set out the salient points. I acknowledge there were other exchanges of information between all the parties.
5. Dr K is in receipt of a pension from the Scheme which is an occupational pension arrangement.
6. Dr K retired in 2004 and began receiving his Scheme pension. In 2006, he emigrated to Belize. His pension payments were paid into the Heritage International Bank in Belize.
7. On 29 October 2015, Dr K wanted to redirect his pension payments and so provided new account details to Equiniti Paymaster, the administrator for the Scheme. Heritage International Bank used the services of Aston Currency Management in London to facilitate the transfer of monies from the UK to Belize. Aston Currency Management in turn used the services of Ziraat Bank in Turkey to process the payments. The new bank details Dr K provided were for an account with Ziraat Bank in Turkey.

8. The administrator amended its system with Dr K's new payment details. However, from December 2015 to July 2016 Dr K did not receive his monthly pension payments to his account with Heritage International Bank in Belize.
9. In late June or early July, Dr K queried the missing payments. He subsequently provided new payment details and his payments have been received correctly since then.
10. Dr K made his own attempts to trace the missing funds, but as he was unable to do so he made a formal complaint to MP on 20 March 2018. He asked MP to reimburse the pension payments he did not receive between December 2015 and July 2016.
11. On 16 April 2018, MP responded to say that it had considered his complaint and decided that it was not liable for reimbursing the missing payments. It said the administrator submitted Dr K's new bank details to the Scheme's bank, Citibank, who confirmed that the details had been accepted and uploaded to its database. The payments were then made by SWIFT from the Citibank account. It provided copies of the information it had received from Citibank pertaining to these payments.
12. Dr K contacted Ziraat Bank regarding his payments. Ziraat Bank emailed Dr K on 7 August 2018 to say that the responsibility for tracing the funds lay with the Scheme administrators and referred Dr K back to MP.
13. On 22 November 2018, MP sent Dr K details of the Scheme's stage one Internal Dispute Resolution Procedure (**IDRP**). MP reiterated that it considered all procedures to have been followed correctly. MP also disagreed with Ziraat Bank's position that it was responsible for tracing the lost funds. MP noted that none of the transactions had been returned and so it should be the receiving bank's responsibility to trace the funds. MP believed that Ziraat Bank was liable for the loss of the funds.
14. On 3 December 2018, Dr K sent the necessary forms required to review the matter under stage one of the IDRP. He was told a response would be provided within two months.
15. On 13 February 2019, MP sent its IDRP stage one decision. It said the administrator had used the bank details provided by Dr K on 29 October 2015 and sent the payments to the account he had nominated. The payments were not rejected by the receiving bank. MP concluded that the administrator had acted in accordance with Dr K's instructions and payments had been made in line with the Citibank's mandate. It did not uphold the complaint although it acknowledged delays with its service and in its response to Dr K.
16. On 21 February 2019, Dr K requested that his complaint be considered under stage two of the IDRP. He was told that a response would be provided within two months.
17. On 18 October 2019, MP provided its stage two IDRP response. It apologised for the time taken to respond, which it said was caused by a delay in obtaining additional information. MP reiterated that it considered the payments to have been processed

correctly and in line with Dr K's wishes. It had obtained copies of the transfer confirmations from Citibank which showed the payments were made to the correct IBAN account number and SWIFT code. MP also tried to contact Ziraat Bank on a number of occasions to trace the missing funds, but it refused to release any information to a third party which it said it could not do under Turkish Banking Law.

18. In November 2019, MP received further information from Citibank. This showed a "credit confirmation" for the January 2016 payment that confirmed Ziraat Bank had received the payment. MP liaised further with Citibank who confirmed that this was the only month that it had received a credit confirmation.

### **Dr K's position**

19. MP had decided on its position as soon as it received his complaint and invented spurious reasons for why it should be denied. He felt MP had ignored or glossed over the fact that only one month's payment confirmation had been provided as evidence that the payments had been processed correctly.
20. If MP had made an authoritative enquiry of Citibank when told that the pension was not received, rather than wait until he complained, then the situation would not have arisen.

### **MP's position**

21. It can find no maladministration on its part. It considers that the pension payment transactions were completed as per Dr K's instructions. It believed this may be a banking issue or possibly fraud by someone in the chain rather than a pension administration issue.
22. It acknowledged that there were delays in providing IDRP responses. It said it had put measures in place to ensure that replies were sent within an appropriate timescale in future, and to be more proactive in pursuing cases which involved non-receipt of international pension payments.

### **Adjudicator's Opinion**

23. Dr K's complaint was considered by one of our Adjudicators who concluded that no further action was required by MP. The Adjudicator's findings are summarised below.
24. The payment data provided by Citibank showing where the payments were made, including the account numbers, matched the bank account information that Dr K provided to MP on 29 October 2015. There was no evidence that input errors had occurred.
25. From the information provided the Adjudicator was satisfied that MP had made reasonable attempts to trace the missing funds through Ziraat Bank.
26. The payment data provided evidence that the administrator had, on behalf of MP, correctly fulfilled its role to transfer Dr K's pension benefits to the receiving bank in

Turkey, as he had requested. As a result, the Adjudicator did not consider that there was maladministration on the part of MP.

27. Data for two of the missing payments had not been provided, but on the balance of probabilities it was unlikely that the information for the two missing payments would differ from the data provided for the other six payments.
28. In its stage one IDRП response, MP acknowledged the delay in providing the SWIFT payment details to Dr K. The Adjudicator recognised that the delay in providing this information must have been frustrating for Dr K, but he did not believe it constituted maladministration.
29. The delays in the complaint process was not a factor that affected the payment issues. MP had provided a reasonable explanation why it took longer than expected to provide its IDRП response and confirmed that it had taken steps to mitigate further delays in the future.
30. Dr K did not accept the Adjudicator's Opinion and the complaint was passed to me to consider. Dr K did not provide any further comments.

### **Ombudsman's decision**

31. Dr K has complained that after he provided new bank details to MP, he did not receive his pension payments between December 2015 and July 2016.
32. MP has provided payment data which matches the bank account details provided by Dr K. This payment data evidences that MP followed Dr K's instructions and paid his pension benefits to his nominated bank account.
33. As these funds were not returned from the receiving bank I conclude that the payments were successfully made. MP cannot be held responsible if the payments failed to finally reach Dr K.
34. The information provided confirms that MP liaised with Citibank regarding the missing payments. It also contacted Ziraat Bank in Turkey to try and trace the missing funds, but it was informed that no additional data could be provided due to Turkish Banking Law. Overall, I find that MP made reasonable attempts to track down Dr K's missing pension payments. I do not find that any maladministration on the part of MP has occurred.
35. Dr K did experience some delays, both when he requested further information concerning his payments, and when MP responded to his complaint. MP acknowledged in its stage one IDRП response that there was a delay in providing the SWIFT payment details to Dr K. MP took longer than it had hoped to provide a reply to Dr K's complaint and I'm sure this caused Dr K some inconvenience, but I do not find that this would have been significant.
36. I do not uphold Dr K's complaint.

CAS-35437-S7K1

**Anthony Arter**

Pensions Ombudsman  
4 November 2022