

Ombudsman's Determination

Applicant Mr G

Scheme Fidelity International Pension Plan (**the Plan**)

Respondents Fidelity International (**Fidelity**)

Outcome

1. I do not uphold Mr G's complaint and no action is required by Fidelity.

Complaint summary

2. Mr G has complained about the transfer of his pension from ReAssure into the Plan. He says:-
- Fidelity did not make him aware by post or email that his transfer had completed in April 2021. As a result, his pension remained uninvested for five months.
 - Fidelity's failure to tell him that his transfer had completed caused him a financial loss of between £8,000 and £10,000.

Background information. Including submissions from the parties

3. 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.
4. On 16 October 2016, Mr G set up a Fidelity online pension account to allow him to access and view his investments. As part of this process, he accepted that Fidelity would upload all his documentation onto his account except for his wealth customer portfolio reports. Mr G set his communication preferences to online only and he deselected email correspondence.
5. On 25 March 2021, Mr G logged onto his online account to initiate the transfer of his pension funds from ReAssure into the Plan.
6. On the same day, Fidelity sent Mr G an SMS text requesting a letter of authority (**LOA**).

7. On 26 March 2021, Fidelity created a transfer request on Origo, the automated transfer system.
8. On 29 March 2021, ReAssure rejected Mr G's transfer due to a discrepancy with his date of birth (**DOB**).
9. On 1 April 2021, Fidelity tried to call Mr G, but it could not reach him. It then sent him an SMS text.
10. On the same day, Mr G spoke to Fidelity and rectified the DOB discrepancy.
11. On 7 April 2021, Fidelity sent an SMS text to Mr G stating his transfer was still in progress.
12. On 8 April 2021, Fidelity amended Mr G's DOB on Origo and re-submitted the transfer request to ReAssure.
13. On 12 April 2021, ReAssure transferred Mr G's pension funds to Fidelity.
14. On 14 April 2021, Fidelity sent an SMS text to Mr G that said his transfer was still in progress.
15. On 15 April 2021, Fidelity allocated the £80,581.96 transferred from ReAssure into the Plan.
16. On the same day, Fidelity uploaded an illustration and key features document onto Mr G's online account which showed his Pension Savings Account had a transferring in pension cash balance of £80,581.96.
17. On 28 April 2021, Fidelity sent an SMS text to Mr G which confirmed that his transfer was still in progress. It repeated this message on 5 and 12 May 2021.
18. On 18 May 2021, Fidelity uploaded a report onto Mr G's online account and posted him a regular portfolio report showing his account transactions between 1 April 2021 to 30 June 2021.
19. On 24 September 2021, Mr G called ReAssure. It told him that the transfer had completed on 12 April 2021.
20. On 25 September 2021, Mr G complained to Fidelity. He said:-
 - The ReAssure transfer started in March 2021. Fidelity sent him multiple texts up until May 2021 which confirmed that his transfer was in progress and to check his transfer by logging onto "track my transfer" (**the Tracker**).
 - The Tracker had not shown that his transfer had completed. It showed a rejected Quilter personal pension transfer, which he knew nothing about. On 24 September 2021, the Tracker said that a LOA that he had sent to Fidelity in March 2021 was still outstanding.

- In several calls to Fidelity, he was told that his ReAssure transfer had failed because of an issue with his DOB.
- ReAssure told him on 24 September 2021 that his transfer had completed on 12 April 2021. When he then called Fidelity the same day, it initially told him his transfer had not completed due to a problem with his DOB. After he told Fidelity what ReAssure had told him the same day, it checked and then advised him that the transfer had completed so his money was available for him to invest.
- Fidelity did not send him any communications to tell him his transfer had completed.
- He had lost thousands of pounds because he had not invested his money for five months, and in addition, he had suffered distress and inconvenience.

21. On 4 October 2021, Fidelity replied to Mr G's complaint. It said:-

- It initially had a problem with his ReAssure transfer because it had a different DOB to the one held by ReAssure.
- It requested the transfer from ReAssure on 8 April 2021 and it received the funds on 12 April 2021. On 15 April 2021, Fidelity credited the funds to Mr G's Pension Savings Account (**PSA**) in the Plan.
- Mr G did not log onto his PSA between 25 March 2021 and 24 September 2021, so he did not see any documents, including the illustration uploaded to his account on 15 April 2021 or a July 2021 statement, which showed that Fidelity had received his transfer.
- After it received Mr G's transfer its automatically generated SMS text messages should have stopped. It agreed that it had misinformed him about the progress of his transfer.
- It was unable to uphold his complaint about communications as it expected customers to log onto their online accounts to check the progress of their transfers. It thought there was enough information on Mr G's online account to show him that his transfer had completed, and that he could invest his money.
- By way of apology for the SMS texts and inaccurate information given during the 24 September 2021 phone call, it had sent Mr G £50.00 compensation.

22. On 5 October 2021, Mr G emailed Fidelity. He said:-

- He wanted the matter escalated as he was not happy with its response to his complaint.
- He had expected Fidelity to send him something in the post once his transfer had completed. It had sent him texts until May 2021 stating his transfer was still being progressed.

- He had no need to log onto his online account because he received information by SMS texts that suggested the transfer was still ongoing.

23. On 7 October 2021, Fidelity emailed Mr G. It said:-

- Its system automatically generated the SMS texts, but they should have stopped after his transfer completed. It appreciated that the messages had caused him confusion.
- His online communication preferences had been set as online only, so it did not send the 15 April 2021 illustration by post, but Mr G could have viewed it online.
- It acknowledged that the Tracker did not show up to-date information and showed incorrect information about a Quilter pension transfer.
- It apologised that the Tracker had not been useful to him, but it did not believe that this would have impacted Mr G's ability to see online that the transfer had completed.

24. On 14 January 2022, Mr G submitted an application to The Pensions Ombudsman (TPO).

25. **Summary of Mr G's Position**

- He expected to receive confirmation in the post to tell him that his transfer had completed. He had no reason to log onto his account online as he believed the transfer had not completed.
- He used the Tracker to keep up to-date with the progress of his transfer. On 24 September 2021, it showed his transfer had not completed. If the Administrator had told him to ignore the Tracker, he would have logged onto his online account.
- He followed the advice given to him in Fidelity's SMS texts and when he called Fidelity it told him that it had not received the transfer.
- Fidelity told him on 24 September 2021, that his transfer had not yet been made because of a problem with his DOB.

26. **Summary of Fidelity's Position**

- It was Mr G's responsibility to monitor the progress of his transfer by logging onto his online account. If he had logged onto his online account at any time after 15 April 2021, he would have seen that Fidelity had received his ReAssure transfer.
- If Mr G had checked his quarterly report during that period, he would also have seen that the transfer had completed.
- As Mr G did not view his quarterly report, which showed when Fidelity received his pension funds, there was nothing to indicate that he would have seen any other form of confirmation if it had been Fidelity's process to send a transfer completion document.

- Mr G already held considerable Fidelity investments before this pension transfer, so it cannot explain why he did not log on during the five-month period to check his accounts or online documents.
- Fidelity had offered £150 for the poor service Mr G experienced. However, it should not be accountable for Mr G failing to monitor his account for a five-month period.
- It processed Mr G's transfer promptly and from 15 April 2021, he was able to invest his pension funds. For these reasons, Fidelity should not be held liable for Mr G's inaction which resulted in his transferred cash being uninvested until 27 September 2021.

Caseworker's Opinion

27. Mr G's complaint was considered by one of our Caseworkers who concluded that no further action was required by Fidelity. The Caseworker's findings are summarised below:-

- It was Mr G's responsibility to check the progress of his transfer and his existing investments by regularly logging onto his online account. As Mr G had selected online correspondence only and no email communications, the onus was on him to regularly check for new documentation and updates. The Caseworker had seen no reason why Mr G could not log onto his online account for five months.
- Fidelity uploaded an illustration onto Mr G's online account on 15 April 2021 which showed a balance of £80,581.96 in his PSA account. On 18 July 2021, it also uploaded and sent Mr G a portfolio report statement showing his PSA account balance was £80,581.96.
- The Caseworker understood why Mr G was unhappy about Fidelity's SMS texts and incorrect information on the transfer tracker. However, it would have been prudent for him to regularly check his online account especially given Mr G's comments about the rising markets.
- Mr G had the opportunity to contact ReAssure after May 2021, when Fidelity's SMS texts stopped, to ask it what was happening with his transfer. Instead, he assumed it had not gone ahead and took no action with either ReAssure or Fidelity.
- The Caseworker recognised that Fidelity had caused Mr G some distress and inconvenience, but he thought its apology and £150 compensation was reasonable. In his view, the non-financial injustice caused by Fidelity's maladministration did not meet TPO's minimum award threshold for non-financial injustice.

28. Mr G did not accept the Caseworker's opinion and his complaint was passed to me to consider, however, I agree with the Caseworker's Opinion.

Ombudsman's decision

29. Mr G has complained that Fidelity did not tell him that his ReAssure pension transfer had completed in April 2021. Consequently, he said it caused him a financial loss because his funds remained uninvested in cash for five months.
30. I find that Fidelity's actions do not amount to maladministration. Mr G set up an online account to manage the Plan, he selected online communication only and deselected email correspondence. In view of this, it was his responsibility to regularly log onto his online account to monitor his investments and review any correspondence or documentation uploaded for him. After he initiated his ReAssure transfer, Mr G did not access his online account for a considerable period between April and September 2021.
31. Whilst I appreciate that Fidelity's SMS texts and the Tracker may have caused some confusion, I find that Fidelity provided sufficient information via Mr G's online account to show his transfer had completed. Had Mr G accessed his online account after April 2021, he would have seen that his transfer had completed, and that the money was available for him to invest.
32. I accept that Mr G has suffered some distress and inconvenience in dealing with this matter. However, I find that the degree of non-financial injustice which Mr G has suffered does not reach the threshold for our minimum award of £500.
33. I do not uphold Mr G's complaint.

Anthony Arter CBE

Deputy Pensions Ombudsman
29 January 2024