

Ombudsman's Determination

Applicant	Mr O
Scheme	NHS Pension Scheme (the Scheme)
Respondent	NHS Business Services Authority (NHSBSA)

Outcome

1. I do not uphold Mr O's complaint and no further action is required by NHSBSA.
2. My reasons for reaching this decision are explained in more detail below.

Complaint summary

3. Mr O has complained that he missed the opportunity to transfer his benefits from the Scheme. This is because of changes in legislation that took place on 6 April 2015. The changes meant that members of unfunded public sector occupational pension schemes were not allowed to transfer their benefits to a defined contribution or flexible access pension scheme. Mr O was still able to transfer his benefits to a defined benefit scheme if he wanted to.

Background information, including submissions from the parties

4. Mr O made his first request for a Cash Equivalent Transfer Value (**CETV**) on 23 October 2014. As he was still an active member of the Scheme NHSBSA sent him an estimated CETV on 17 November 2014.
5. On 28 February 2015, Mr O opted out of the Scheme, and became a deferred member. He made a further request for a CETV which NHSBSA received on 12 March 2015.
6. On 19 March 2015, NHSBSA received a 'Transfer of Benefits' request form from Friends Life (dated 13 March 2015). This showed that the receiving scheme was a Small Self-Administered Scheme (**SSAS**). The transfer request could not be actioned because the CETV had not been issued. Due to the limited timeframe before the legislation was introduced NHSBSA said there was insufficient time to complete the transfer.

7. Mr O wrote to NHSBSA and complained that the transfer had not been completed; he believed it should be honoured. He said he had lost out on the flexibility of being able to transfer to a pension scheme that provided an income drawdown option.
8. NHSBSA said that Mr O's transfer would not be honoured; it said this would only happen if a formal signed application to transfer had been received before 6 April 2015. It said it aims to complete transfers within a three month timeframe, as Mr O only made his request for a CETV in March 2015, the transfer would not have been completed before 6 April 2015.

Adjudicator's Opinion

9. Mr O's complaint was considered by one of our Adjudicators who concluded that no further action was required by NHSBSA. The Adjudicator's findings are summarised briefly below:
 - NHSBSA did not need to honour Mr O's request to transfer as he did not make his request in time.
 - Mr O requested a CETV on 12 March 2015. Although Friends Life sent the transfer forms on 19 March 2015, the request to transfer could not be processed because the guaranteed CETV had not been issued.
10. Mr O did not accept the Adjudicator's Opinion and the complaint was passed to me to consider. Mr O provided his further comments which do not change the outcome. I agree with the Adjudicator's Opinion, summarised above, and I will therefore only respond to the key points made by Mr O for completeness.
11. NHSBSA accepted the Adjudicator's opinion.

Ombudsman's decision

12. It is my view that NHSBSA have not done anything wrong in not accepting Mr O's request to transfer.
13. NHSBSA had a self-imposed deadline, whereby if it had received the completed transfer forms by 13 March 2015, then it would process the transfer. Mr O believes as he had made his request for a CETV before this date that NHSBSA should honour his transfer. I do not agree with this because although Mr O had made his intention to transfer known by this date, he had not sent the transfer forms to NHSBSA. The transfer forms were only sent to NHSBSA from Friends Life on 13 March 2015, and the forms had not, at that point, been signed by Mr O. The forms required Mr O's signature in order to be accepted as a formal request to transfer. Therefore, NHSBSA are not acting unfairly in not accepting these forms as a formal request to transfer.

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14. Mr O has complained that NHSBSA did not have sufficient resources to complete transfers before the new legislation came into place. I believe NHSBSA remedied this by putting in place a self-imposed deadline. I consider that the deadline timeframe was reasonable. Accordingly, I do not hold NHSBSA responsible for Mr O's inability to meet the deadline.
15. Therefore, I do not uphold Mr O's complaint.

Anthony Arter

Pensions Ombudsman

18 October 2016