

Ombudsman's Determination

Applicant	Ms M
Scheme	Leafield Retirement Plan (the Plan)
Respondent	Fast Pensions Limited (Fast Pensions)

Outcome

1. Ms M's complaint is upheld, and to put matters right Fast Pensions should provide a full written response to Ms M's questions regarding the status and security of the Plan. It should also clarify her right to access her pension fund and any penalties or restrictions that apply, and assist her in exercising her statutory right to a transfer out if she so wishes. Fast Pensions should also pay Ms M £1,500, to reflect the significant distress and inconvenience caused to her by its maladministration.
2. My reasons for reaching this decision are explained in more detail below.

Complaint summary

3. Ms M complains that Fast Pensions failed to respond to her enquiries about the status and security of the Plan, and provide her with the information she requires to determine if she can access her pension fund from age 55 under the new pension freedoms, or transfer her pension fund to another pension provider.

Background information, including submissions from the parties

4. Ms M had a personal pension scheme with Halifax Financial Services (**Halifax**). In March 2013 Ms M instructed Halifax to transfer her pension funds (then worth about £53,000) to the Plan, which was a trust-based pension scheme provided by Fast Pensions and administered by AC Management & Administration Ltd (**ACMA**). The transfer was made to ACMA's bank account later that month.
5. In August 2014, Fast Pensions sent Ms M an annual benefit statement for her membership of the Plan as at 31 May 2014.
6. In September 2015, Fast Pensions sent Ms M an annual benefit statement as at 31 May 2015.

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7. Ms M subsequently made several attempts to contact Fast Pensions by phone, email and the “instant chat” page of its website, in order to notify Fast Pensions of her change of address and to ask some questions about the Plan. However, she never received a reply.
8. As she suspected that something had gone wrong, Ms M wrote to Fast Pensions on 1 September 2016, to say that she had reported it to Action Fraud for investigation, and that she would complain to us if she did not receive any response from Fast Pensions within 14 days. There was no response from Fast Pensions, so Ms M contacted us.
9. Our request to Fast Pensions for a formal response to the complaint was dated 25 January 2017 and was sent to the postal address currently shown on its website. The letter (and its enclosures) was sent back to us.

Adjudicator’s Opinion

10. Ms M’s complaint was considered by one of our Adjudicators, who concluded that further action was required by Fast Pensions. The Adjudicator’s findings are summarised briefly below:
 - Fast Pensions had failed to respond to queries raised by Ms M. This constituted maladministration, which had caused Ms M significant distress.
 - We had investigated and determined similar cases involving Fast Pensions, the Plan and ACMA (for example, Mrs S, PO-11450, Mr N, PO-13802 and Miss Middleton, PO-8129). Those determinations are available on our website (www.pensions-ombudsman.org.uk). We upheld those complaints, and there were no significant differences in Ms M’s complaint which would warrant a different outcome here.
 - We had not seen a formal request from Ms M to transfer from the Plan, but it appeared likely that in the circumstances she would wish to do so. She cannot be deprived of a statutory right to transfer under section 94 of the Pension Schemes Act 1993 (the **Act**).
 - To qualify as an application for the purpose of the six months’ time limit in section 99 of the Act, such a request would need to require Fast Pensions to use the transfer value to acquire credits in an occupational or personal pension scheme, the trustees or managers of which are able and willing to accept payment. Should Ms M make a valid request in this way, Fast Pensions will be obliged to deal with it in accordance with her statutory rights.
 - Fast Pensions should answer Ms M’s queries and pay her £1,000 to reflect the significant distress and inconvenience that its maladministration had caused her.
11. The Adjudicator’s Opinion was sent to Fast Pensions by post (returned to sender) and by email after it re-established email contact with our office and Ms M.

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12. Fast Pensions did not tell us whether it accepted the Adjudicator's Opinion, but on 17 February 2017 it informed Ms M of the current value of her pension fund and the early exit penalty that would apply to a current transfer value.
13. On 1 March 2017 Fast Pensions told Ms M by email that it would pay the suggested compensation of £1,000 to her on 23 March 2017.
14. On 2 March 2017 Fast Pensions confirmed to Ms M that it was in receipt of her bank details "ready for the transfer".
15. However, on 23 March 2017 Fast Pensions told Ms M by email that due to a change of the directorship of Fast Pensions and the new director's decision to transfer the Plan administration from Fast Pensions to a related company, FP Scheme Trustees, the compensation payment would be delayed, and there was now a target payment date of "no later than 30 April 2017".
16. Ms M was concerned that this was a delaying tactic by Fast Pensions, so her complaint was passed to me to consider.

Ombudsman's decision

17. I agree with the Adjudicator's Opinion, summarised above, and as Fast Pensions has not responded properly to the complaint my decision will be based upon the information and documents provided by Ms M.
18. I note that the Opinion sent to Fast Pensions' registered address in London was returned to sender, and that Fast Pensions has not provided an up-to-date correspondence address.
19. We have dealt with a number of other cases recently involving Fast Pensions, where there have been continued failures to respond to members' requests and transfer applications. Fast Pensions has also failed to communicate with this office.
20. Based on the evidence that we have, I agree that maladministration has been established, and therefore I uphold Ms M's complaint. As indicated, this is one of a number of cases against Fast Pensions where similar maladministration has occurred, with no sign of service improvement or satisfactory resolution of members' concerns over the security of their pension funds.
21. I will increase the compensation payment that the Adjudicator had suggested should be paid by Fast Pensions to reflect the shoddy treatment that Ms M has received from Fast Pensions, particularly in its recent email communications. Ms M was promised that compensation would be paid on 23 March 2017 and it was only on that day that Fast Pensions broke the news that, for reasons that are not exactly convincing, given the history of this matter, there would be a delay.

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Directions

22. I direct that Fast Pensions shall:

- within 14 days of the date of this determination, confirm to Ms M that it has recorded her current postal address and provide a full answer to her queries regarding the Plan; if Ms M seeks to exercise a valid statutory right to transfer out of the Plan then, within 28 days of Ms M requesting a transfer value to a named pension scheme that is willing to accept it, Fast Pensions shall pay (or ensure that ACMA shall pay) the transfer value to that arrangement; and
- within 28 days of the date of this determination, pay Ms M £1,500 to reflect the significant distress and inconvenience caused to her by its maladministration.

Anthony Arter

Pensions Ombudsman
30 March 2017