

Ombudsman's Determination

Applicant	Mr Y
Scheme	Leafield Retirement Plan (the Plan)
Respondent	Fast Pensions Limited (Fast Pensions)

Outcome

1. Mr Y's complaint is upheld, and to put matters right Fast Pensions should answer his queries about the Plan and assist him in exercising a statutory right to a transfer out of the Plan to a named pension arrangement that is willing to accept it, if he so wishes. Fast Pensions should also pay Mr Y £2,000 to reflect the prolonged significant distress and inconvenience caused to him by its maladministration.
2. My reasons for reaching this decision are explained in more detail below.

Complaint summary

3. Mr Y complains that Fast Pensions failed to provide his Plan annual statement in 2016 and, as his various attempts to get in touch with Fast Pensions were unsuccessful, he is concerned about the security of his pension funds.

Background information, including submissions from the parties

4. Mr Y is a current member of the Plan. In 2013 transfer payments of approximately £32,000 were made to the Plan from Mr Y's previous pension arrangements. There is limited documentation available about the exact nature of the Plan, but from Fast Pensions' website it appears that it was intended to be an occupational pension scheme.
5. On 2 December 2016 Mr Y sent an email to Fast Pensions to complain about Fast Pensions' service, saying: "I'm struggling to get hold of anyone at Fast Pensions and I'm a little worried about my investments. I've sent numerous emails and tried to call but am told to go to the online chat but nobody is ever online. I have not received a statement and would like to speak to somebody about this."
6. Mr Y sent a follow up letter to Fast Pensions on 14 December 2016.

7. As he did not receive any reply from Fast Pensions, Mr Y contacted Action Fraud. He then complained to us.
8. In February 2017 our request to Fast Pensions for a formal response to the complaint was sent to the postal address currently shown on its website. The letter (and its enclosures) was sent back to us. When Fast Pensions resumed contact with us and Mr Y later that month we emailed our request to Fast Pensions, but we did not receive a proper reply.
9. On 2 March 2017 Fast Pensions emailed Mr Y his Plan annual statement as at 31 May 2016.
10. On 16 March 2017 Mr Y said that Fast Pensions' recent correspondence with him was not sufficient to resolve his complaint; because of his concerns about the security of his pension funds he would like a transfer out of the Plan, but he had been told by Fast Pensions that he could only make an "in specie" (non-cash) transfer out, and also that there would be an early withdrawal penalty (currently £5,800) if a transfer out was made. Mr Y considered that the service he had received from Fast Pensions had been poor – his letter sent to Fast Pensions' registered office had been returned, they failed to provide any telephone communications and their website was down.

Adjudicator's Opinion

11. Mr Y'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:-
 - Mr Y's Plan statement as at 31 May 2016 should have been sent to him later that year, not in March 2017. It was unreasonable for Fast Pensions to delay this. Furthermore, over several months Fast Pensions had failed to provide an adequate telephone or internet communication service for Mr Y, and to respond to his queries. This constituted maladministration, which had caused Mr Y significant distress for which he should be compensated.
 - We had investigated and determined similar cases involving Fast Pensions and the Plan (for example, Mr N, PO-13802). That determination is available on our website (www.pensions-ombudsman.org.uk). We upheld that complaint, and there were no significant differences in Mr Y's complaint which would warrant a different outcome here.
 - We had not seen a formal request from Mr Y to transfer from the Plan, but if he wished to do so he could not 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 pension scheme, the trustees or managers of which are able and willing to accept payment. If Mr Y made a valid request in this way, Fast Pensions would be obliged to deal with it in accordance with his statutory rights. Whether such a transfer would be subject to an early withdrawal penalty, and whether an "in specie" transfer would be the only available option, would depend on the rules currently governing the Plan, which had not been disclosed.
 - Mr Y's complaint should be upheld because Fast Pensions had failed to respond in a timely manner to his requests for information regarding the Plan. This constituted maladministration, which had caused Mr Y significant distress. Mr Y should be compensated for this.
12. As Fast Pensions did not comment on the Adjudicator's Opinion, the complaint was passed to me for determination.

Ombudsman's decision

13. I agree with the Adjudicator's Opinion, summarised above, and as Fast Pensions has not formally responded to the complaint my decision will be based upon the information and documents provided by Mr Y.
14. I note that the Adjudicator's Opinion sent to Fast Pensions' registered office in London has been returned to sender. Despite requests, Fast Pensions has not provided an alternative postal address to this office.
15. 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.
16. Based on the evidence that we do have, I agree that maladministration has been established, and therefore I uphold Mr Y's complaint.

Directions

17. I direct that Fast Pensions shall:
- within 14 days of the date of this determination, provide a full answer to Mr Y's queries regarding the Plan, including any rights to access his pension funds and any penalties that would apply; if Mr Y seeks to exercise a valid statutory right to transfer out of the Plan then, within 28 days of Mr Y requesting a transfer value to a named pension scheme that has confirmed it is willing to accept it, Fast Pensions shall pay the transfer value to that arrangement; and

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- within 28 days of the date of this determination, pay Mr Y £2,000 to reflect the prolonged significant distress and inconvenience caused to him by Fast Pensions' maladministration.

Anthony Arter

Pensions Ombudsman
5 May 2017