

Ombudsman's Determination

Applicant	Mrs S
Scheme	Sal Pension Scheme (the Scheme)
Respondents	The Trustee of the Sal Pension Scheme (the Trustee) Willis Towers Watson (WTW)

Outcome

1. I do not uphold Mrs S' complaint, and no further action is required by the Trustee or WTW.
2. My reasons for reaching this decision are explained in more detail below.

Complaint summary

3. Mrs S complains about the delays and lack of communication she experienced with her transfer request, as well as misinformation which she says WTW provided. Based on the information she received, Mrs S booked a holiday and paid a deposit for this. However, due to delays, the transfer did not take place on time and Mrs S lost the deposit, the value of which she would like to be refunded.

Background information, including submissions from the parties

4. Mrs S requested a transfer of her benefits from the Scheme to Prudential (**the receiving scheme**). As the value of Mrs S' benefits was above £30,000, she required financial advice prior to effecting the transfer, so she involved Capital & Income Solutions Ltd (**the IFA**).
5. Mrs S asked the Scheme's previous administrators to provide her with a valuation of her pension benefits in 2016. Following this, on 21 December 2016, WTW provided her with a transfer quotation, issued on behalf of the Trustee. This included a request for the following information to enable the transfer to take place:-
 - Completed "identity verification requirements form"
 - Completed "Transfer Agreement" forms
 - BACS payment details of the receiving scheme

- Completed “Financial Advice declaration” form
 - Evidence of the HMRC registration status for the receiving plan
 - Photocopy of the relevant page from Mrs S’ current passport, showing the photograph and passport number.
6. On 17 January 2017, WTW received information from the receiving scheme.
 7. On 3 February 2017, WTW called Mrs S to advise that the “target date” for the transfer was 24 February 2017. Following this, Mrs S called WTW on 24 February 2017, to ask about the tax free lump sum she was expecting from the transferred sum. WTW confirmed that the target date was that day but that the receiving scheme would pay the money to her.
 8. On 27 February 2017, Mrs S called WTW to enquire about the transfer. She asked WTW to provide her with a new timescale as soon as possible.
 9. On 3 March 2017, Mrs S called WTW to ask for an update. WTW advised that it was reviewing the case that day as it needed to review the documents before it could advise of a payment date. On the same day, WTW wrote to the receiving scheme to say that it required a signed “Security identification check/Member Declaration” form, a Financial Advice declaration form and a copy of the relevant page from Mrs S’ passport.
 10. On 6 March 2017, Mrs S complained to WTW. She explained how she had originally asked the previous administrator of the Scheme for a valuation of her pension benefit in April 2016. The matter was then passed to WTW, but it had still not been completed due to delays and a lack of communication from WTW. She said it was not until 3 March 2017 that she had been informed the information it held was not acceptable, although she had been told that the transfer would take place on 24 February 2017. Mrs S also stated that she was losing money as a result of these delays.
 11. On 16 March 2017, Mrs S called WTW to ask for an update. It informed her that there was missing information and that it had contacted the receiving scheme. Mrs S asked for a copy of the letter to be emailed to her, but as WTW had noted her email incorrectly, Mrs S did not receive this.
 12. On 19 March 2017, Mrs S wrote to WTW to say she had not received information confirming what was outstanding and queried when she would have been told about the missing documentation had she not called. With this letter, Mrs S provided a copy of the photo page of her passport.
 13. On 12 April 2017, Mrs S called WTW and was told that two forms were missing. Mrs S agreed to contact the receiving scheme and the IFA in light of this.

14. On 28 April 2017, WTW received the Financial Advice declaration form from the receiving scheme, but it could not open the attachment. WTW informed the receiving scheme about this on 4 May 2017.
15. On 11 May 2017, the receiving scheme sent the Financial Advice declaration form by letter. The form had been signed by the IFA on 11 January 2017.
16. On 1 June 2017, Mrs S complained to the Trustee. She stated that she had been promised the transfer of her pension would take place on 24 February 2017, and that it still had not taken place. She said despite contacting WTW on a regular basis, she had not been told when it would be effected and was receiving contradictory advice.
17. On the same day, WTW contacted Mrs S to say that it was missing FCA details on the member declaration of the transfer agreement.
18. On 7 June 2017, Mrs S called WTW and it informed her that the member declaration needed to be signed alongside the IFA's details. It received the completed member declaration on 9 June 2017, meaning there was no longer any outstanding information, and on 19 June 2017, WTW wrote to Mrs S to confirm that £98,776, excluding any AVCs, had been transferred.
19. On 21 June 2017, WTW issued a complaint response, apologising for its delays and lack of communication with Mrs S. It explained that it had a statutory duty to complete a transfer within six months.
20. On 10 July 2017, Mrs S responded to WTW to query why she has been told that the transfer would take place on 24 February 2017, when it did not have all the paperwork. She explained that she had booked a holiday in anticipation of the transfer taking place, but due to the delays this did not go ahead and had impacted her family. Furthermore, Mrs S asked why she was not informed of the missing paperwork and why the timescales had not been made clear to her after the first transfer quotation.
21. On 8 December 2017, the Trustee provided its stage one response under the Scheme's internal dispute resolution procedure (**IDRP**). It apologised for the phone call of 3 February 2017, where Mrs S was told the transfer would be completed by 24 February 2017. Whilst WTW had received the information at that point, it was not reviewed until 3 March 2017. It stated that the 5 to 6 week delay in checking the forms was regrettable, but that it did not hold the responsibility of ensuring correctly completed paperwork was submitted. WTW received all the necessary paperwork on 9 June 2017 and the transfer took place soon after, for £98,776.00 which was £5,287.00 more than the original quote.
22. With regard to the timescales, the Trustee said that members are not normally advised that it could take 6 months to complete the transfer payment as this is the statutory deadline when WTW, "aim[s] to ensure payment well within the statutory requirement". Additionally, it noted that Mrs S had to cancel her holiday due to the delay and apologised again, saying that WTW should have been clearer that the

24 February 2017, was the review date and not the payment date. In light of the distress and inconvenience caused by the incorrect information and not responding to Mrs S' complaint from 10 July 2017, WTW offered Mrs S £500.

23. On 11 May 2018, the Trustee issued its stage two response under the Scheme's IDRP. It stated that the onus was on Mrs S, her IFA and the receiving scheme to submit correctly completed paperwork in order to proceed with the transfer. This did not happen until June 2017, by which point the transfer guarantee had expired. However, in recognition of the delays, the Trustee offered a distress and inconvenience payment of £500 in addition to WTW's offer of £500.
24. On 11 June 2018, Mrs S brought her complaint to us. She provided further information at a later date where she explained that she was hoping to recover £2,000 from WTW and the Trustee, as this was the amount of the holiday deposit she had paid. She claimed that had she not been told the transfer was taking place on 24 February 2017, she would not have booked this. She had sent the Trustee a copy of the receipt for the deposit, but this was not accepted as it was not in Mrs S' name. She explained that she had asked relatives to do this on her behalf due to her lack of mobility.
25. Whilst we have been investigating the complaint, the receiving scheme also provided further information. It sent copies of the following documents:-
 - The IFA's covering letter dated 13 January 2017, that stated it had enclosed a completed application form, transfer forms and a copy of Mrs S' passport.
 - The Scheme's transfer agreement, indicating that Mrs S wanted to transfer all her benefits.
 - A signed Financial Advice declaration form, dated 11 January 2017.
 - A signed, but undated member declaration.
 - The receiving scheme's "Flexible Retirement Plan" application form, which indicated that Mrs S wanted to transfer the full value of her benefits into Drawdown.
 - A telephone note dated 23 March 2017, where the receiving scheme called WTW to say that the forms it had asked for had been sent. However, WTW explained that they had to be sent again as Mrs S had not dated one of the forms.
 - A telephone note dated the 10 May 2017, recording a conversation between WTW and the receiving scheme which stated that, "they are still awaiting documents we have sent to [the IFA] for completion twice."
 - Copies of the letters the receiving scheme sent to the IFA, dated 10 March 2017 and 12 April 2017, informing it of the outstanding information that needed completing.

- A letter dated 23 June 2017, addressed to Mrs S saying that, “the tax free cash amount, as shown in the Transfer Certificate, will be paid directly into your bank account within the next few days.”

Adjudicator’s Opinion

26. Mrs S’ complaint was considered by one of our Adjudicators who concluded that no further action was required by the Trustee or WTW. The Adjudicator’s findings are summarised below:-

- Mrs S’ main complaint fell into two parts; the delays with the transfer which resulted in it taking approximately six months, and the misinformation concerning when the transfer would take place.
- WTW was initially prevented from processing the transfer as there was missing information. It was also not responsible for all of the delays, as WTW had contacted the receiving scheme about the outstanding information, which in turn had contacted the IFA on 10 March and 12 April 2017, yet WTW did not receive the necessary documents until June 2017.
- Nevertheless, WTW could have done more. It had originally told Mrs S that the transfer would take place in February 2017, but it did not inform her of the missing information until 16 March 2017. Additionally, as the information needed to be completed by either the IFA or Mrs S, the Adjudicator did not understand why WTW did not contact Mrs S directly. Had it done so, Mrs S could have contacted the IFA to collate the missing information. However, as the IFA had not responded to the receiving scheme, it was possible that this would have happened again.
- Although the delays caused distress and inconvenience in relation to Mrs S’ family holiday, it also resulted her transfer value increasing by £5,287.
- With regard to the misinformation, it was agreed that WTW provided Mrs S with incorrect information, which Mrs S claimed she relied on to her detriment. However, it was not reasonable for Mrs S to have relied on the misinformation when she booked her holiday, as it was booked in anticipation of the transfer completing and the receiving scheme processing her request for a lump sum. Although there was time to factor in delays, making a booking in the expectation of money that Mrs S did not have access to at the time, was not reasonable.
- WTW did not respond to Mrs S’ complaint that she raised on 6 March 2017, and it was not until the Trustee’s response in December 2017 that WTW recognised the distress and inconvenience it caused, which was unacceptable. It offered £500 for the incorrect information provided and its failure to respond to the complaint, and the Trustee offered £500 for the delays caused, however it did result in a higher transfer value. The Adjudicator believed this adequately recognised the distress

and inconvenience caused and did not believe an Ombudsman would make a higher award.

27. Mrs S did not accept the Adjudicator's Opinion and the complaint was passed to me to consider. Mrs S provided her further comments which do not change the outcome. I agree with the Adjudicator's Opinion and I will therefore only respond to the key points made by Mrs S for completeness.

Ombudsman's decision

28. WTW and the Trustee have agreed that WTW incorrectly informed Mrs S that the transfer was due to take place on 24 February 2017. Based on this information, Mrs S booked a family holiday and paid a £2,000 deposit for it. Due to the delays with the transfer, Mrs S claims she was not able to proceed with the holiday and so has made a detrimental loss of £2,000.
29. With regard to the transfer delays, WTW could have done more to keep Mrs S informed. It had initially said the transfer "target date" was 24 February 2017, yet only reviewed the information on 3 March 2017. It was not until Mrs S contacted on 16 March 2017 that it updated her about the missing information, which I consider would have caused some distress and inconvenience. However, there is no guarantee that by informing Mrs S sooner, that this would have resulted in the transfer completing on an earlier date.
30. As evidenced, on 3 March 2017, WTW had contacted the receiving scheme about the missing information, and Mrs S said she would contact the IFA about this during a telephone call on 12 April 2017. However, the information was not received until 9 June 2017. Additionally, it was the responsibility of Mrs S, the IFA and the receiving scheme, to ensure that all the documentation was complete and correctly submitted. Therefore, the circumstances that contributed to the delays, were outside of WTW's and the Trustee's control.
31. Having reviewed the circumstances of the complaint, the importance of the delays stems from the misinformation Mrs S received, and her decision to book a family holiday based on this information. This has cost Mrs S £2,000 that she would like WTW and the Trustee to cover. So, I will now consider whether it was reasonable for Mrs S to have relied on the misinformation.
32. Based on the information available, I see no reason why Mrs S could have known that some of her documents were incomplete or missing. The information suggests that the IFA believed it had submitted everything to the receiving scheme. It follows that Mrs S would be under the same impression and so had reason to believe that the transfer could have taken place on 24 February 2017. However, the holiday was reliant on not only the transfer being completed, but the receiving scheme sending Mrs S a lump sum as well. Although, I understand there was a period of time before Mrs S was due to go on holiday, I consider it unreasonable for someone to enter into

a contract in anticipation of two separate transactions, over which they did not have complete control, completing beforehand. As a result, it is not appropriate for WTW or the Trustee to pay the £2,000 financial loss Mrs S believes she has suffered.

33. I say 'believes' as whilst the misinformation and delays combined have caused the claimed loss of £2,000, overall, had it not been for the delays, Mrs S would not have received the £5,287 increase to her transfer value. As a result, Mrs S has received £3,287 more than what she would have done (after deducting the deposit she paid for the holiday). I recognise that had WTW provided clear information about the transfer date, Mrs S may not have paid the £2,000 deposit. However, for the reasons explained, this is not a loss for which I can hold WTW or the Trustee responsible.
34. With regard to the non-financial injustice Mrs S has experienced, WTW has offered £500 for the distress and inconvenience caused by the misinformation and the delays in responding to Mrs S' complaint. The misinformation about the transfer date set an expectation that would have caused distress and inconvenience, as the longer the transfer took, the more frustrating the experience must have been for Mrs S. Additionally, as Mrs S had already had delays with the provision of information about the transfer at that point, it was wrong for her to have to wait approximately five months for a response to her complaint dated 10 July 2017. The Trustee recognised the distress and inconvenience which Mrs S had suffered and so offered an additional £500.
35. I find that the total sum of £1,000 is the correct award for the serious distress and inconvenience which Mrs S has suffered from WTW and the Trustee's (in)actions. If Mrs S chooses to accept this, she should contact WTW and the Trustee directly.
36. Therefore, I do not uphold Mrs S' complaint.

Anthony Arter

Pensions Ombudsman
19 March 2019