

Ombudsman's Determination

Applicant	Mr Y
Scheme	Friends Life Personal Pension Plan (the Plan)
Respondents	Friends Life and Pensions Limited (Friends Life)

Outcome

1. Mr Y's complaint is upheld and Friends Life shall pay him £500 in respect of distress and inconvenience.
2. My reasons for reaching this decision are explained in more detail below.

Complaint summary

3. Mr Y has complained that Friends Life did not complete his transfer as requested. This resulted in a financial loss, which Friends Life have now calculated and paid into the Plan. Mr Y does not agree with the amount offered by Friends Life in acknowledgement of non-financial injustice.

Background information, including submissions from the parties

4. As at 2 December 2016, the value of Mr Y's Plan was £1,622.77. Mr Y requested a full transfer to his "My Money" account with Friends Life.
5. On 16 January 2017, the transfer took place but only £396.83 was transferred to Mr Y's "My Money" account. The remaining amount was put into a suspense account, although this is not what Mr Y instructed. Mr Y contacted Friends Life and was incorrectly informed that all the funds had been transferred.
6. It was only at a later stage when Mr Y checked his transaction history, that he found this was not the case. Mr Y raised a formal complaint and on 25 May 2017, Friends Life responded. It apologised and said it would rectify the situation and calculate any financial loss that he may have suffered due to its mistake. It also offered Mr Y £300 for distress and inconvenience.
7. In June 2017, Friends Life put all the correct funds into the Plan. However, it did not backdate this to January 2017, as it promised Mr Y it would.

8. Mr Y brought his complaint the Pensions Ombudsman to be independently reviewed.

Adjudicator's Opinion

9. Mr Y's complaint was considered by one of our Adjudicators who concluded that further action was required by Friends Life. The Adjudicator's findings are summarised briefly below:-
- The first part of the complaint was corrected by Friends Life when it completed the transfer.
 - However, this should have been backdated, to when Mr Y requested the transfer and Friends Life needed to calculate whether Mr Y had suffered a loss as a result. During the investigation Friends Life calculated that Mr Y had suffered a loss of £122.15, and this amount was put into Mr Y's Plan, resolving this part of his complaint.
 - Friends Life acknowledged Mr Y would have suffered significant distress and inconvenience and increased the award of £300 to a total of £500.
10. Mr Y did not accept the Adjudicator's Opinion and considers that a higher award for distress and inconvenience should be made.
11. Friends Life agreed that it was required to pay backdated payments into the Plan amounting to £122.15 and to award Mr Y £500 for distress and inconvenience.
12. I agree with the Adjudicator's Opinion and I will therefore only respond to the key points made by Mr Y for completeness.

Ombudsman's decision

13. Mr Y agrees that Friends Life have put him back into the position he should have been in, had the errors not occurred. I do not consider there is anything outstanding for Friends Life to do in relation to this.
14. The remaining part of Mr Y's complaint is that he believes he should receive higher compensation for the distress and inconvenience he has suffered. Awards for distress and inconvenience are not intended to punish, are normally quite small and in some cases the distress and inconvenience suffered is not considered significant enough to warrant any award.

Mr Y contends that his complaint can be broken down into three parts and therefore he should be compensated for each part. Whilst I accept that Mr Y's complaints could be separated into three sections I do not consider that each of them warrants an independent award. I consider the effect of the conduct overall. Taking into consideration the number of issues Mr Y has faced, and the time it has taken to

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resolve them, it is my view that £500 is reasonable and I do not consider a higher award should be made.

15. Therefore, I uphold Mr Y's complaint and direct that Friends Life pay him £500 for distress and inconvenience.

Karen Johnston

Deputy Pensions Ombudsman
26 October 2017