

## Ombudsman's Determination

Applicant	Mr T
Scheme	Fidelity Buy Out Plan (ex Syntegra Flexible Plan ( <b>the Plan</b> ))
Respondent	Fidelity International Limited ( <b>Fidelity</b> )

## Outcome

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

## Complaint summary

3. Mr T has complained that when he completed an online transaction to switch the funds in the Plan, he was unaware that this would rebalance all of his holdings in the Plan. He believes this has led to a loss caused by the online system being unfit for purpose.

## Background information, including submissions from the parties

4. On 18 October 2016, Mr T raised a complaint about recent changes he made in the Plan. Mr T had expected that one transaction would be generated following a recent investment switch, and not a number of transactions. Fidelity explained that the switch Mr T completed on its online system, PlanViewer, was completed on 5 October 2016 as he had instructed. The reason there had been a number of transaction was because Mr T had chosen to change his investment by percentage rather than by units or monetary amounts.
5. Mr T wrote to Fidelity on 2 November 2016, and said that his complaint arose from poorly written software. He said the system ought to be changed so others do not lose out in the way he had. Mr T calculated that he had suffered a loss of £486.
6. On 3 January 2017, Fidelity provided a response to Mr T's complaint. It apologised that he remained dissatisfied with their online system. It explained that the switches were only completed in accordance with his instructions using PlanViewer. Fidelity explained that it did not consider Mr Y had suffered any loss due to an error it had made.

7. Mr T did not accept the response from Fidelity and took his complaint to the Pensions Advisory Service (**TPAS**). TPAS contacted Fidelity directly on Mr T's behalf. Fidelity responded on 19 April 2017, and provided a step by step process of how switches were completed online. This also showed the number of prompts and warnings that a consumer would see when using the system. One of the warnings said the following:

"You currently have different fund choices for each Contribution Type. If you proceed, this switch will apply the same choice of funds to all of your current holdings"

Although, Fidelity remained of the view that the complaint could not be upheld it offered Mr T £60 in vouchers as a gesture of goodwill to acknowledge the distress and inconvenience he had suffered. It said this was in line with its redress procedures.

8. Mr T remained dissatisfied and brought his complaint to the Pensions Ombudsman to be independently reviewed.

### **Adjudicator's Opinion**

9. Mr T's complaint was considered by one of our Adjudicators who concluded that no further action was required by Fidelity. The Adjudicator's findings are summarised briefly below:-
- PlanViewer provides numerous warnings and prompts to ensure the user is completing switches as intended. It is not Fidelity's fault that Mr T bypassed the warnings, and completed switches that did not have the outcome he wanted.
  - Mr T was disappointed at the outcome of the switches and he considers that PlanViewer is not fit for purpose. However, Mr T did not need to use PlanViewer to complete switches as Fidelity also offers investment switches through other methods i.e. post or telephone.
  - Fidelity sent Mr T £60 worth of vouchers as a goodwill gesture, due to the inconvenience he had suffered.
10. Mr T did not accept the Adjudicator's Opinion and the complaint was passed to me to consider. Mr T provided his further comments:
- one of the main concerns was that other people may experience the same online issues that he has faced;
  - the system problem occurred because he held five different contribution types (AVCs, Post 97 Employee, post 97 Employer, Post 2004 Employer, Salary sacrifice) held in different pots and he did not want this to be the case, but Fidelity would not amalgamate the investments; and

- Mr T said it is a lengthy process to use the telephone to make switches and Fidelity tell customers to use the online system and he used the default route through the website (not the advance option to sell by units)..

11. I agree with the Adjudicator's Opinion and I will therefore only respond to the key points made by Mr T for completeness.

### **Ombudsman's decision**

12. Mr T has complained that the online switch process is misleading. He says it resulted in him suffering a loss, of £486. However, he says his main concern is that other people may face the same issues when using Fidelity's online switch platform, particularly if they make contributions to multiple investments.
13. Mr T believes Fidelity's online switch process is not clear for a person who has multiple contribution types. However I am satisfied that PlanViewer provides a number of warnings when someone is making a switch and Mr T chose to bypass these because, in his view, the outcome that did occur was not logical.
14. I appreciate that Mr T did not anticipate the result which occurred, but, I consider that the warning Fidelity provides made it clear what the outcome would be if the switch went ahead on the basis of an instruction to switch all holdings to reflect the percentage indicated.
15. Although, Mr T has suffered a loss as a result of making the switch online I do not consider this has arisen as a result of maladministration by Fidelity.
16. Therefore, I do not uphold Mr T's complaint.

**Karen Johnston**

Deputy Pensions Ombudsman  
18 December 2017