

Ombudsman's Determination

Applicant	Mrs N
Scheme	Alliance Trust Savings
Respondents	Alliance Trust (AT)

Outcome

1. Mrs N's complaint against AT is partly upheld, but there is a part of the complaint I do not agree with. To put matters right for the part that is upheld AT should pay Mrs N a total of £500 in recognition of the significant distress and inconvenience caused.
2. My reasons for reaching this decision are explained in more detail below.

Complaint summary

3. Mrs N has complained that AT has unduly delayed her transfer.

Background information, including submissions from the parties

4. Mrs N held a self-invested personal pension (**SIPP**) with Stocktrade, which is operated by AT.
5. As a result of an increase in the fees charged by Stocktrade, Mrs N chose to transfer her SIPP to Selftrade, an organisation operated by Equiniti Financial Services (**Equiniti**).
6. On 28 June 2017, Mrs N informed AT of her intentions to transfer in writing. AT did not respond.
7. Mrs N provided Equiniti with the necessary documentation to commence the transfer of her SIPP on 22 August 2017.
8. On 29 August 2017, AT received the fully completed transfer documentation, and the relevant authorisation form necessary to proceed with the transfer.
9. As part of the transfer process, Equiniti requested a valuation of Mrs N's SIPP from AT on 11 September 2017.

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10. On 10 November 2017, AT emailed Equiniti providing the requested valuation and confirmed that it had received a valid request to transfer to Selftrade. This email also detailed AT's proposed trade and settlement dates. Equiniti responded the same day confirming the trades were acceptable.
11. On 15 November 2017, the relevant trades were completed to finalise the transfer. The residual cash sum was received by Equiniti on 24 November 2017.
12. Mrs N complained to AT about the delays on 24 November 2017, having raised a similar complaint on 9 October 2017.
13. AT eventually upheld the complaint to the extent that the transfer had taken 14 days longer than the normal 90 days allowed for such transfers, and awarded Mrs N £150 in compensation.
14. Mrs N was not satisfied with this outcome so brought her complaint to this office.

Adjudicator's Opinion

15. Mrs N's complaint was considered by one of our Adjudicators who concluded that further action was required by Alliance Trust. The Adjudicator's findings are summarised briefly below:-
 - AT has agreed that the transfer was completed outside of its normal service level agreement timeframe of 90 days, so there is no dispute that a problem has occurred.
 - AT also agrees that Mrs N's letter of 28 June 2017, was not dealt with in a timely fashion, and that it did not respond to the valuation request made by Equiniti in September 2017, for approximately two months.
 - Both these failings taken together amount to maladministration.
 - it is not clear what, if any, work was conducted between 29 August 2017, when the request was formalised and early November 2017, when it appears the process gathered pace.
 - Simply because a task has an allotted number of days for completion does not mean it should be left until near that completion deadline to be actioned. In this case, the Adjudicator did not see that anything meaningful was done between August 2017 and November 2017.
 - The delay in processing the transfer between August 2017 and November 2017, will have caused Mrs N significant distress and inconvenience, as would AT's poor communication throughout the process.
 - An award of £500 recognises the distress and inconvenience this matter will have caused Mrs N.

16. AT did not accept the Adjudicator's Opinion and the complaint was passed to me to consider. AT provided its 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 AT for completeness.

Ombudsman's decision

17. AT accepts that errors occurred during the transfer process and it offered Mrs N £150 as a gesture of goodwill in acknowledgement of this fact.
18. AT acknowledge that it completed Mrs N's transfer outside the stipulated 90 days, suggesting that the process of in-specie transfers can be complex. While this is true of some in-specie transfers, the vast majority can be processed simply, and well within 90 days. AT has provided no evidence to suggest Mrs N's in-specie transfer was anything other than an average in-specie transfer, and has been unable to point to any complex issues that arose during Mrs N's transfer. So, I dismiss AT's explanation that this in-specie transfer was so complex as to warrant 104 working days to complete.
19. The admitted failings by AT have been further compounded by a generally poor level of communication with Mrs N, and Equiniti throughout the whole process. AT acknowledge that it did not respond to either Mrs N or Equiniti in a timely fashion, and as a reputable firm dealing in financial services, I would have thought member communication would have been of paramount importance to AT.
20. The Adjudicator felt that an award of £500 was necessary in respect of the stress and inconvenience this matter will have caused Mrs N. However, AT has suggested that such an amount is excessive given the nature of the maladministration established.
21. I will only make an award for redress for a non-financial injustice if an applicant's distress and inconvenience is said to be significant. Such payments are typically modest in nature and are not intended to be compensation in the legal sense of the term, rather a payment intended as tangible recognition that mistakes and delays have been intrusive, eaten into Mrs N's time, and caused upset. In this case, I find that the maladministration established is sufficient to warrant a total payment of £500.
22. Therefore, I uphold Mrs N's complaint.

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Directions

23. Within 21 days of the date of this Determination, AT Pensions shall pay Mrs N £500 for the maladministration identified.

Karen Johnston

Deputy Pensions Ombudsman
10 September 2018