

The complaint

Mr Q complains Suffolk Life Pensions Limited trading as Curtis Banks Pensions (Suffolk Life) delayed the transfer of his Self-Invested Personal Pension (SIPP) to another provider.

What happened

In April 2019, Mr Q requested for his SIPP held with Suffolk Life be transferred to another provider. I'll refer to the new provider as 'X'.

Suffolk Life let Mr Q know they were unable to initiate the transfer due to his SIPP holding an investment in the Woodford Equity Income Fund (WEIF) which had been suspended.

Mr Q complained to Suffolk Life saying they weren't acting in the best interests of his SIPP by delaying the transfer. He said he wished to invest in gold bullion with X, and the price had increased.

Suffolk Life explained Mr Q's plan was being transferred in specie and pension legislation did not allow a fully crystallised plan to be split into separate tranches. Because of this they'd been unable to proceed while the WEIF remained suspended. Suffolk Life did confirm the suspension had since been lifted and Mr Q's transfer request had been re-instated.

In October 2019, Suffolk Life confirmed they'd completed the transfer of Mr Q's SIPP to X.

Mr Q remained unhappy, so he raised a further complaint about the unacceptable delays to the transfer saying he'd been incorrectly informed the suspension of the WEIF meant Suffolk Life had been unable to sell any of his holdings. Mr Q said due to significant increases in the price of gold bullion between the time of his instruction and the sale he'd suffered a financial loss.

Suffolk Life didn't agree they'd caused a delay. They explained they'd initially been unable to proceed with the transfer whilst the WEIF remained suspended. Following the suspension being lifted, Suffolk Life said they'd sent an interim cash payment to assist Mr Q prior to the transfer completing.

Mr Q disagreed Suffolk Life weren't at fault for a serious and unjustified delay, so he referred his complaint to us. One of our investigators looked into this but didn't uphold his complaint.

Mr Q asked for an ombudsman to review the complaint, so it's been passed to me to decide.

What I've decided – and why

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Having done so, I'm not upholding this complaint. I'll explain why.

First, I can appreciate Mr Q's frustration that the transfer of his SIPP didn't proceed as quickly as he felt it should have. In complex transfers such as that of a SIPP, the sending scheme is reliant on several third parties to complete the switch. But it's important for me to say, this decision focuses solely on the actions of Suffolk Life whom this complaint is against.

A partial transfer of a fully crystallised SIPP isn't possible. If the benefits have been designated to drawdown, the whole of the fund under the arrangement must be transferred in a single tranche.

Suffolk Life received Mr Q's completed transfer form back from X on 31 May 2019. The next working day the WEIF was suspended. Because Mr Q's SIPP held an investment in the WEIF, Suffolk Life were unable to initiate the transfer as they'd planned.

As of 10 July 2019, the WEIF corporate directors allowed investors to transfer their holding to other platforms so long as no assets were sold. This meant the transfer of Mr Q's SIPP could proceed.

I understand by this time the price of gold bullion had already significantly increased, but the suspension of the WEIF was out of Suffolk Life's control and I'm satisfied they progressed the transfer without unreasonable delay, soon after the terms of the suspension allowed for it.

After requesting for re-registration details to be sent by X, I'm satisfied Suffolk Life chased promptly and regularly for a response from both X and other third-party businesses involved in the process. And after receiving the details they required on 29 July 2019, Suffolk Life moved to the next stage of the transfer that same day.

Again, I'm satisfied Suffolk Life continued to chase for a response regularly and they received confirmation from a third-party business a trade had been arranged for 14 August 2019 with a settlement date two days later. At this stage Suffolk Life were advised it could take up to 30 working days to process however it could be sooner.

Suffolk Life enquired as to the progress of the trade on 23 August 2019 but were told the assets were in the process of being moved and they weren't required to provide anything else. It was then confirmed the fund had been received and would settle on 6 September 2019.

Prior to that on 4 September 2019, Suffolk Life received a request for an interim cash payment to be sent to X as soon as possible. Following receipt of the funds and X's confirmation they were happy to accept an interim payment on 11 September 2019, Suffolk Life sent the payment by CHAPS on 17 September 2019.

I acknowledge three working days were lost by Suffolk Life not acting immediately upon X's confirmation, but I don't consider this an unreasonable timeframe for them to have acted. And I can see when they did send the payment, it was sent by CHAPS ensuring it was received by X the same day without a cost being passed to Mr Q.

Suffolk Life then proceeded to request valuations and chase the reconciliation of the account before Mr Q's shareholdings were transferred in specie to X. A final cash payment was then made on 8 October 2019 and completion letters were sent to X on 11 October 2019.

In summary, I've seen in the fact sheet provided, Suffolk Life say an in specie transfer to another scheme can take anywhere between one week and six months to completed. And whilst that doesn't mean I think a business should take longer than is required, I don't think Suffolk Life were responsible for the initial delay to the transfer of Mr Q's SIPP.

And I'm satisfied Suffolk Life acted fairly and reasonably to progress the transfer promptly once it could proceed. I don't think there was any unreasonable delays caused by Suffolk Life.

For these reasons, I don't uphold this complaint.

My final decision

My final decision is that I do not uphold this complaint about Suffolk Life Pensions Limited trading as Curtis Banks Pensions.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr Q to accept or reject my decision before 7 April 2022.

Sean Pyke-Milne
Ombudsman