

## **The complaint**

Mr D complains that The IPS Partnership Plc (IPS) delayed his requested transfer of his Self-Invested Personal Pension (SIPP) from the existing provider to a new provider. Mr D said that as a result of the delays, the SIPP couldn't be accessed for several months. So he had to fund his mother's monthly pension payments from his own savings.

## **What happened**

Mr D was a beneficiary of his late father's SIPP. His share of his father's SIPP was transferred into Mr D's Beneficiary SIPP.

In September/October 2022, Mr D said he asked IPS to transfer his Beneficiary SIPP to a new provider. But he said that IPS had failed to provide the necessary information to his new provider despite being chased by both him and it. He said that the correct information wasn't provided until 19 February 2023.

Mr D complained to IPS on 16 March 2023. He said he'd called it many times for clarification about whether the SIPP he'd inherited was Crystallised or Uncrystallised before the funds had been moved to his Beneficiary SIPP, but he'd not yet received anything. He also felt that IPS had caused delays in confirming that information to his new SIPP provider. And that this had led to the need to fund his mother's monthly pension payments from his own earnings.

IPS issued its final response to the complaint on 4 April 2023. It apologised for the service Mr D had received and offered him £250 compensation in resolution of the complaint. It also confirmed that Mr D's late father's SIPP was fully crystallised before Mr D's share of the proceeds funded his Beneficiary SIPP. It said it'd emailed Mr D's new provider on 19 February 2023 to confirm this. But acknowledged that the new provider had first asked it for that confirmation on 28 November 2022. It said it should've at the very least offered to provide Mr D with written confirmation at that time.

In respect of the potential financial detriment from Mr D's need to support his mother during the period of delay, IPS acknowledged that he had drawn down a regular monthly sum of £1,000 from his Beneficiary SIPP before his transfer to his new provider. And that he'd also told it that he hadn't been able to access funds from his new provider because IPS hadn't provided the confirmation it had requested.

IPS said it didn't have the evidence to show that Mr D had needed to make the monthly payments he'd stated because of the delay. But said that it would be willing to consider this further on receipt of additional evidence from Mr D. It also said that if Mr D felt that his inability to access his funds with his new provider until it had confirmed the outstanding crystallisation query had caused him financial detriment, it would need evidence that this was the case.

Mr D said he provided the requested monthly payment evidence to IPS in May 2023. But IPS didn't respond. So he emailed it on 5 July 2023 and again on 1 August 2023 to chase for a response. This was followed by a phone call on 3 August 2023 during which Mr D confirmed the correspondence email was correct. Mr D said that although IPS had confirmed receipt of

his 5 May 2023 and 1 August 2023 emails, it hadn't yet actioned them.

IPS issued a further response to the complaint on 4 August 2023. It thanked Mr D for providing further evidence for its consideration. And apologised for the time it'd taken to reply. It said that, having considered the additional information it'd received, it could now increase the gesture of goodwill offer made in its first final response from £250 to £375 in resolution of the complaint.

IPS also said that after speaking to Mr D that day, it understood that this offer was acceptable to him. And that he didn't feel any formal assessment of potential pension transfer loss was required. It asked Mr D to complete, scan, and email back the revised Offer Acceptance Form after which it would arrange for payment to be made to his nominated bank account.

Mr D responded the same day with his signed agreement and a copy of a recent bank statement. But IPS didn't make the payment it'd offered. So Mr D brought his complaint to this service.

Mr D said that he'd had to contact IPS's complaint department multiple times over more than six months to get his complaint resolved. He felt it was taking up too much of his time. So he wanted this service to help him resolve his complaint. He said that IPS hadn't done anything to resolve his complaint, as he'd received no compensation.

IPS wrote to Mr D on 6 November 2023. It said it hadn't received back the revised Offer Acceptance Form it'd emailed him on 4 August 2023. And that it needed this to be completed and returned before it could make any payment to him.

IPS told this service that Mr D hadn't contacted it to chase payment.

Mr D told this service that he'd had to pay his mother £1,000 each month whilst waiting for a resolution. And that he'd provided IPS with bank statements showing this. He wanted IPS to pay him the £375 it'd offered him. And to pay him annualised interest at 8% on the five months of £1,000 he'd paid.

Our investigator issued his view on the complaint in February 2024. He acknowledged that IPS said that after it had increased its offer of compensation to £375, it hadn't received Mr D's completed acceptance form in August 2023. But felt that Mr D had evidenced that he had sent it on 4 August 2023. He therefore felt that IPS should've acted more quickly to resolve the complaint.

Our investigator noted that due to the delays, Mr D had needed to pay £1,000 each month from December 2022 to April 2023 from his own bank account to his mother to cover her pension payments. This meant that he missed out on the interest that he could've earned if there hadn't been any delays.

Our investigator felt that IPS should pay Mr D the £375 it'd offered him on 4 August 2023. And that it should also pay him interest at the statutory rate of 8% on the five £1,000 monthly payments he'd had to make to his mother out of his savings as a result of the delays.

The IPS Partnership Plc didn't respond to our investigator's view. So the complaint has come to me for a review.

### **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 going to uphold it. I'll explain the reasons for my decision.

IPS made Mr D an offer of compensation in its April 2023 final response letter. This included a £250 goodwill gesture compensation payment and the offer to review any additional information Mr D could provide to evidence further financial losses.

IPS revised its offer of compensation to £375 in its August 2023 complaint response. From listening to the 4 August 2023 phone call between it and Mr D, I understand this was at least in part to match the compensation payment Mr D said that his new provider had made. IPS said it needed Mr D to complete and return an Offer Acceptance Form so it could arrange payment.

Mr D told this service that IPS had yet to pay the offered compensation, despite the fact that he'd sent it an email on 4 August 2023 which stated:

*"Please find attached the signed agreement and a copy of a recent bank statement."*

IPS said it didn't receive this email. But I'm satisfied that the evidence shows that Mr D sent it to the correct address. Therefore I'm of the view that IPS should've received this email the day it was sent, or shortly thereafter. It then should've made the compensation payment of £375 to Mr D in early August 2023.

The evidence also shows that IPS's delayed response to the information request from Mr D's new provider caused him to need to pay his mother £1,000 each month between December 2022 to April 2023 from his own bank account. Therefore I consider that Mr D's request that IPS should pay him interest on the five months of payments that he made between December 2022 and April 2023 is a reasonable one.

I say this because IPS acknowledged during its call with Mr D on 4 August 2023 that it was clear that he was making the £1,000 monthly payments by standing order from his bank as he didn't have access to his SIPP with his new provider. And because Mr D has also evidenced that he didn't have access to his SIPP with his new provider until the end of April 2024.

Therefore I uphold the complaint.

### **Putting things right**

I require The IPS Partnership Plc to take the following steps to put things right:

- Pay Mr D the £375 it offered him in its 4 August 2023 final response letter but has yet to pay.
- In order to put Mr D back to the position he should've been in but for provision of the delayed information, The IPS Partnership Plc must pay Mr D annual simple interest of 8% on the five monthly payments of £1,000 that he made between December 2022 and April 2023.

To clarify, interest should be paid for a period of five months on the December 2022 payment, for four months on the second payment, for three months on the third payment, for two months on the fourth payment and for one month on the fifth and final payment. The interest payment will therefore be a total of £100.

If payment of compensation is not made within 28 days of The IPS Partnership Plc receiving Mr D's acceptance of my final decision, interest must be added to the compensation at the rate of 8% per year simple from the date of my final decision to the date of payment.

Income tax may be payable on any interest paid. If The IPS Partnership Plc deducts income tax from the interest, it should tell Mr D how much has been taken off. The IPS Partnership Plc should give Mr D a tax deduction certificate in respect of interest if he asks for one, so he can reclaim the tax on interest from HMRC if appropriate.

### **My final decision**

For the reasons explained above, I uphold Mr D's complaint. I require The IPS Partnership Plc to take the steps detailed in the "Putting things right" section above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 2 April 2024.

Jo Occleshaw  
**Ombudsman**