

The complaint

Mr K complains that St James's Place UK plc (SJP) failed to process his pension transfer request to his employers' pension scheme causing him inconvenience and losses. He wants compensation for his losses.

What happened

Mr K had a personal pension plan with SJP which hadn't received contributions for many years, which was worth around £600. He wanted to transfer it into his current employers' pension plan with Prudential. The adviser to the Prudential scheme contacted SJP for details and requested transfer documents, which Mr K completed.

The adviser emailed SJP on 16 March 2022 saying the forms were attached and that Prudential needed further details about the SJP pension. SJP subsequently said the forms weren't attached to this email. The adviser also emailed Prudential enclosing documents and forms from SJP that Prudential would need to complete. On 22 March 2022 the adviser emailed Prudential the completed "*request to transfer*" form for it to liaise with SJP. Prudential emailed SJP using the same email address the adviser had used on 24 March 2022 asking for various details to be provided. It didn't receive a reply and sent a reminder on 7 April 2022.

SJP then emailed the adviser the same information about Mr K's pension it had previously provided. The adviser replied on 21 April 2022 saying Prudential were awaiting information from SJP to progress the transfer and enclosed a copy of the Prudential email of 7 April 2022. Prudential didn't receive a reply from SJP and emailed it on 5 May 2022 saying as it hadn't received the information it needed it had closed the transfer request. Mr K then called SJP saying he wanted to transfer, and he told the adviser SJP would now contact Prudential. But it appears by then the employer's pension scheme was no longer prepared to accept the transfer. He subsequently decided to cash in the pension instead, he says at a lower value than it had when he'd requested the transfer be made.

Mr K then complained to SJP. It wrote to him on 13 March 2023 and apologised for not responding to the initial transfer request "*in a timely manner*". But it didn't uphold the complaint. It said it had emailed the adviser on 21 April 2022 explaining its requirements. And after Mr K had called, it had written to him on 19 July 2022 advising what was required to proceed with the transfer. And said it had been awaiting the return of various documents and hadn't received any correspondence until Mr K had complained in February 2023.

Mr K referred his complaint to our service and our investigator looked into it. He asked SJP to provide its file but despite several reminders it hasn't done so. Our investigator said based on the evidence available he thought our service could consider the complaint and that it should be upheld.

Our investigator said Mr K had referred his complaint to our service on 3 October 2023. This was outside the six-month deadline referred to in SJP's letter of 13 March 2023. But our investigator said this letter hadn't said that SJP wouldn't consent to complaints being referred to our service after six months. And on that basis, we could consider it.

Our investigator said without a file from SJP or responses to the specific queries he'd raised he could only base his view of the complaint on the other evidence including SJP's letter of 13 March 2023. He said the email address used by Prudential appeared to be correct and the adviser had received responses having used it. So, he said it was reasonable to assume SJP had received the emails from Prudential, and it had acknowledged it hadn't responded "*in a timely manner*." He said SJP was at fault for not progressing the transfer. But he said the impact of this on Mr K was quite modest as he'd decided to cash in the pension instead. And any problems he might be having with that weren't part of this complaint.

Our investigator said Mr K was aware by the end of May 2022 that the transfer wasn't progressing, and he'd only called SJP once about this. So, whilst Mr M had been inconvenienced it was over a short period of time. He said it was fair that SJP pay Mr K £100 compensation in respect of this.

Mr K accepted our investigator's view. But SJP didn't respond, despite several reminders.

Because of that it has come 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.

I think it is one we can consider and having done so I am upholding the complaint.

I think our service can consider Mr K's complaint because the letter SJP sent to him in response to it doesn't say it won't consider complaints referred to our service after six months, as it should have done if it expected to rely on this. Our investigator had sought to clarify this with SJP, but didn't receive a response.

In terms of the complaint itself from the limited evidence available including SJP's response letter it is clear it didn't respond to the requests for information from Prudential. But it confirmed it did receive an email on 24 March 2022, which would appear to be the initial request made by Prudential. So, it made an error and I think it should have upheld the complaint when Mr K raised it.

Our service doesn't regulate financial firms, so I can't tell SJP to change its procedures. But I can award compensation where I think errors have resulted in unfair outcomes such as causing distress and inconvenience.

Mr K had to chase SJP up and when his other pension scheme discontinued the transfer, he had to change his plans. So, he was inconvenienced by what happened and it's fair that SJP pay compensation for that.

As our investigator has said if Mr K wishes to make a further complaint about issues over cashing in his pension fund, he will need to raise that with SJP first.

Putting things right

Mr K has been inconvenienced and it is fair that SJP pay him £100 compensation for this which I think is in line with awards our service would make in similar circumstances.

My final decision

My final decision is that I uphold the complaint against St James's Place UK plc.

I direct St James's Place UK plc to pay Mr K £100 compensation for the distress and inconvenience it has caused.

St James's Place UK plc must pay the compensation within 28 days of our service telling it Mr K has accepted my final decision. If it does not pay within 28 days, it must add interest at 8% per year simple to the compensation until the date of settlement.

If St James's Place UK plc considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Mr K how much it's taken off. It should also give Mr K a certificate showing this if Mr K asks for one, so he can reclaim the tax from HM Revenue & Customs if appropriate.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 9 April 2024.

Nigel Bracken
Ombudsman