



## Case study: Pensions

### Unexpected delay in payments from pension upon retirement

Themes: pensions, mismanaged expectations, fair offer from provider

This complaint concerned Mr and Mrs P's pensions. They held personal and company pensions and wanted to access these upon retirement.

In March 2015 Mr and Mrs P met with an investment consultant at the financial services provider and informed him of their intended retirement date at the end of July 2015. They understood from this meeting, from subsequent meetings, and from correspondence they sent that at the end of July 2015 they would receive a first pension payment as well as a lump sum payment. This did not happen on-time and Mr and Mrs P told us that the delay, leaving them with no access to their pension funds, caused a stressful start to their retirement. They were due to travel for over two months from August 2015 and the lack of income placed a financial strain on their plans.

Mr and Mrs P complained to the provider. They were offered £500 as compensation for the delay. Mr and Mrs P were dissatisfied with the provider's offer and referred their complaint to us. They wanted a refund of the commission they had paid to the provider, in addition to a goodwill gesture for time taken, financial hardship suffered and upset caused to their future plans.

We agreed that the provider had mismanaged Mr and Mrs P's expectations of the time involved in putting the retirement arrangements in place. At no time during the meetings or subsequent correspondence was the time required communicated to the complainants, nor was the fact that their intended retirement date would mean a delay before the pension payments could start.

We considered that Mr and Mrs P should receive compensation for the mismanagement of their expectations and the distress caused by the delay. After considering the circumstances, including the seriousness of Mr and Mrs P's distress and inconvenience in comparison to other case situations, we expressed our initial view that the £500 in compensation already offered by the provider was an appropriate figure. Mr and Mrs P accepted this amount.