Case study: Pensions

COMPLAINANT'S INABILITY TO ACCESS HIS ONLINE PENSION PLAN TRADING PLATFORM

Themes: Trustees' responsibilities; change in process; online pension plan trading platform; CIFO's action in 'bringing the parties back together' to settle the complaint between themselves

This complaint arises from a complainant's inability to gain access to his online pension plan trading platform for three months.

Mr O held a pension in the form of a trust which was administered by trustees for an annual fee. He appointed himself as the investment manager, making investments for the trust using the online trading platform. Between March and May 2019, Mr O was unable to access the online trading platform. He asked the trustees to compensate him for the time he spent pursuing the matter and for the consequent effects of being unable to make trades for his pension account.

The trustees explained that the original platform had been decommissioned in March 2019. Whilst the new platform was supposed to have been available from February 2019 – so ensuring a seamless transition – problems meant it was out of action for three months. The trustees further explained that the problems arose because of their intermediary's 'due diligence' process and the need for another intermediary's technical support – in other words, what happened was not the trustees' fault. They added that while the platform was out of action, Mr O could have traded by other means – and they also noted that he only traded very occasionally, so he may not have needed to make a trade at all during the three-month period the online platform was not functioning. The trustees offered a fee refund for the three-month period but did not otherwise uphold Mr O's complaint.

Mr O rejected the trustees' offer, firstly saying that he should not in any event have been charged a platform fee when it was not available – so the refund 'meant nothing'. He further felt that the trustees were not taking responsibility for their failure, and he again requested compensation. After the trustees rejected Mr O's appeal, he referred his complaint to CIFO.

When CIFO started to investigate Mr O's complaint the trustees told us they had recently paid him more compensation by way of a 12-month fee holiday, and they regarded the complaint as settled. But Mr O explained that this additional compensation had been for a separate complaint about a different matter. His original complaint about the online trading platform remained outstanding.

As CIFO continued to investigate the complaint it became increasingly clear there was a fundamental misunderstanding between the trustees and Mr O which – given the nature and value of the underlying relationship to them both – might be most effectively resolved by them talking to each other. Both acknowledged that they had not, in fact, done so. At CIFO's suggestion they agreed to a call, whereafter Mr O accepted that the trustees had indeed intended the additional compensation previously paid to cover both of his complaints. Both Mr O and trustees expressed their gratitude to CIFO for the practical approach we had adopted – ‘bringing them back together’ and helping to cement their continuing business relationship.