



## Case study: Pension

### INVESTMENT LOSS DUE TO DELAY IN TRANSFER TO ANOTHER PENSION PLAN

Themes: Delay; Loss due to impact of market prices.

This complaint related to a complainant's loss of funds when a requested transfer from an existing pension plan to another pension plan was delayed.

In September 2021, Mr D wanted to transfer the proceeds of an existing pension plan he held to his self-administered pension trust and approached the pension provider to initiate the transfer.

In October 2021, the pension provider gave Mr D a form to complete and advised that the process would not commence until they had received confirmation that the final contributions had been credited to the pension plan, which would be due in December 2021.

In December 2021, Mr D sent the required form to the pension provider and requested an update. At this point the pension provider requested some additional information and documentation. After further discussions, Mr D provided the outstanding documentation and information, and, in January 2022, Mr D again requested an update. The pension provider confirmed they had all the documentation needed to perform the transfer and the pension plan was expected to be transferred in mid-March.

In March 2022, the funds were transferred from the existing pension to Mr D's pension trust. Mr D then made a complaint to the pension provider as he felt he had lost approximately £3,000 during the time it had taken to transfer the funds due to money market movements. Mr D's pension provider rejected his complaint on the basis that they believed there was no undue delay with the transfer, and they generally did not consider market movements when processing a transfer. Mr D referred his complaint to CIFO.

CIFO investigated and noted that Mr D's pension provider had initially stated that they would need to wait for the final contributions to be received into the pension before they could commence the transfer. CIFO noted that the delay between the pension provider obtaining this confirmation and initiating the transfer, was due to the fact they did not have the completed form from Mr D. Once this had been received, Mr D's pension provider required additional information, and when this was received, Mr D's pension provider advised an estimated timeline for completion of the transfer. CIFO did note there was a week's delay in March but concluded that this was not significant and was within the estimated period advised to Mr D by the pension provider. CIFO also noted that the transfer was completed within the timeframe set out in local regulatory guidance. CIFO did not uphold the complaint.