



Case study: Pensions

DELAYS IN COMPLAINANT'S COMMUTATION AND TRANSFER OF PENSION BENEFITS AND LOST PENSION INSTRUCTIONS

Themes: fund manager; trustee; data breach; commutation and transfer of pension benefits.

This complaint relates to a customer who suffered delays and the loss of personal data when requesting a pension transfer.

In July 2011 Mr C transferred his pension to a different pension provider and the pension plan allowed Mr C to choose and appoint a fund manager to manage the pension assets. In December 2022 Mr C requested his pension provider to cash in his pension and transfer the proceeds of the pension directly to Mr C. Mr C's pension provider requested completion of the necessary paperwork to authorise the request and advised they were waiting for the pension valuation. In February 2023, Mr C provided the completed paperwork, and his trustee confirmed receipt.

In March 2023 Mr C's trustee advised that Mr C's fund manager had not received the paperwork they had sent them and again requested Mr C to complete a fresh set of paperwork. Mr C made a complaint to the trustee but completed the fresh set of paperwork and sent this by recorded post to the trustee who confirmed receipt in April 2023.

In June 2023 Mr C's pension trustee lodged a complaint on behalf of Mr C against Mr C's appointed fund manager because of the delays they were experiencing regarding the sale of the pension assets. In July 2023 the sale proceeds of Mr C's pension were successfully transferred to Mr C's pension trustee.

In August 2023, Mr C received the pension trust's 'Deed of Distribution, Indemnity and Termination' which enabled Mr C's pension trustee to arrange a transfer of the proceeds to Mr C. In September 2023 Mr C received the cash proceeds of his pension trust.

Mr C made another complaint to the trustee as he believed his data had been breached through the loss of his paperwork when they had sent this through regular post to his fund manager. Mr C also complained that his pension assets had lost value during the delays he had experienced while the assets were being sold. Mr C's pension trustee rejected his complaint as they believed they had appropriately raised a complaint regarding the delays with Mr C's fund manager, who had already compensated Mr C £350 for the financial loss they had caused. In addition, Mr C's trustee had also compensated Mr C approximately £400 for not sending the original pension transfer paperwork by recorded post.

CIFO investigated and noted that Mr C's trustee had already compensated Mr C a reasonable amount for their error and had complained on Mr C's behalf to his fund manager, who had also

suitably compensated Mr C for the delays they had caused. Regarding a possible breach of data, CIFO referred Mr C to the appropriate data protection authorities where he could raise his concern. CIFO did not uphold the complaint.