

## Ombudsman's Determination

Applicant	Mr D
Scheme	NEST ( <b>the Scheme</b> )
Respondent	The Bridge Agent Limited ( <b>the Employer</b> )

## Outcome

1. Mr D's complaint is upheld and, to put matters right, the Employer shall pay £279.97 into the Scheme. The Employer shall ensure that Mr D is not financially disadvantaged by its maladministration. So, it shall arrange for any investment loss to be calculated and paid into the Scheme.
2. In addition, the Employer shall pay Mr D £500 for the significant distress and inconvenience it has caused him.

## Complaint summary

3. Mr D has complained that the Employer, despite deducting contributions from his pay, has failed to pay them into the Scheme.
4. The available evidence shows that the missing contributions amounted to £279.97.

## Background information, including submissions from the parties

5. The sequence of events is not in dispute, so I have only set out the salient points.
6. In May 2022, Mr D began his employment with Danson Property Services Limited.
7. In August 2022, the Employer was incorporated, and a short period later it would appear that Mr D became employed by the Employer instead of Danson Property Services Limited (see paragraph 8 below). Both Danson Property Services Limited and the Employer had the same sole director.
8. On 23 March 2023, the Employer wrote to Mr D to confirm his employment with The Bridge Agent Limited and his enrolment into the Scheme.
9. Between April 2023 and July 2023, the Employer failed to pay pension contributions into the Scheme.

10. On 11 November 2023, Mr D brought his complaint to The Pensions Ombudsman (TPO).
11. Mr D provided copies of the payslips that he held for the period from April 2023 to July 2023, which detailed the pension contributions deducted from his pay and the corresponding employer contributions year to-date. These deductions amounted to £446.18. A breakdown of the deductions has been included in the Appendix.
12. On 14 May 2024, TPO asked the Employer for its formal response to Mr D's complaint.
13. On 29 May 2024, the Employer responded to TPO and accepted that it owed outstanding contributions of £429 to the Scheme. It said it was in the process of being closed down, but it would like to resolve Mr D's complaint amicably.
14. On the same day, TPO told the Employer that it owed £254.96 in employee contributions and £191.22 in employer's contributions, totalling £446.18, to Mr D's Scheme account. TPO asked the Employer if it was in a position to pay this amount to the Scheme.
15. On 18 June 2024, TPO chased the Employer for its response.
16. On 5 and 19 July 2024, TPO sent further chasers to the Employer.
17. On 19 July 2024, the Employer said that to informally resolve the complaint it would be happy to pay the outstanding contributions to Mr D's Scheme account.
18. On the same day, TPO told the Employer that it would also need to ask the Scheme administrator if Mr D would suffer an investment loss due to the late payment of contributions to the Scheme.
19. On 23 July 2024, TPO told the Employer that Mr D had accepted its offer to pay the outstanding £446.18 in contributions by the end of the month, along with any investment loss.
20. On 1 August 2024, Mr D told TPO that the Employer had not paid the agreed £446.18 in outstanding contributions to his Scheme account.
21. On 2 August 2024, TPO asked the Employer why it had not paid the outstanding contributions that it had previously agreed to pay. No response was received.
22. On 8 August 2024, TPO informed the Employer that it would formally investigate Mr D's complaint unless it paid the outstanding contributions in full by 16 August 2024.
23. On 19 August 2024, the Employer advised TPO that it had paid the outstanding contributions.
24. On the same day, the Employer told TPO that it had made two payments to Mr D's Scheme account, but it had experienced IT issues.

25. On 20 August 2024, Mr D told TPO that he had checked his Scheme account but there were no further payments from the Employer.
26. On 23 August 2024, Mr D informed TPO that on 19 August 2024 the Employer had paid five payments totalling £166.21 into his Scheme account.
27. On 28 August 2024, Mr D sent TPO screen shots of his Scheme account to show the Employer's recent contribution payments to the Scheme.
28. On 29 August 2024, TPO emailed Mr D and said that the screenshots from his Scheme account showed the Employer had paid £166.21 on 19 August 2024 into the Scheme. The Employer still needed to pay £279.97 which Mr D agreed with.
29. On the same day, TPO sent Mr D's Scheme screenshots to the Employer and advised it that it still needed to pay £279.97. The Employer said it would contact the Scheme administrator the next day to resolve the matter.
30. On 2 September 2024, the Employer told TPO that the Scheme administrator had told it that it was up to-date with its contributions to Mr D's Scheme account.
31. On the same day, TPO asked the Scheme administrator to confirm what contributions (if any) the Employer had not paid to Mr D's Scheme account.
32. On 10 September 2024, the Employer said to TPO that the Scheme administrator had confirmed that no contributions were outstanding to Mr D's Scheme account.
33. However, on 1 October 2024, the Scheme administrator confirmed to TPO that £279.97 remained outstanding which comprised of the following:-
  - May 2023 employee contribution of £73.65 and employer contribution of £56.74
  - June 2023 employee contribution of £84.33 and employer contribution of £63.25
34. On 7 October 2024, TPO emailed Mr D and the Employer and shared the information provided by the Scheme administrator which confirmed the outstanding contributions due to the Scheme.
35. On the same day, Mr D confirmed to TPO that he agreed that a total of £279.97 remained unpaid to his Scheme account.
36. On 8 October 2024, the Employer asked TPO what it needed to pay.
37. On the same day, TPO told the Employer the outstanding amount and provided a link to enable it to set up an employer's Scheme exception account to pay it into the Scheme.
38. On 18 October 2024, TPO asked the Employer for an update.
39. On 21 October 2024, the Employer asked TPO to clarify again what it needed to pay.

40. On 29 October 2024, the Employer told TPO it would pay the outstanding £279.97 in contributions to the Scheme.
41. On 30 October 2024, the Employer said it had tried to pay the contributions to the Scheme, but it had encountered problems with the Scheme's IT systems.
42. On 8 November 2024, at the Employer's request, TPO confirmed that the total amount outstanding was £446.18 and it had paid £166.21 on 19 August 2024.
43. On 14 November 2024, TPO asked the Employer for an update but its email was returned undelivered. On the same day, TPO attempted to call the Employer but received no answer. TPO additionally sent it a letter in the post, which Royal Mail later returned as undelivered.
44. On 21 November 2024, TPO emailed the Employer at an alternative email address.
45. On 26 November 2024, TPO wrote to the Employer at an alternative postal address.
46. The Employer failed to respond to either of these requests.

## **Adjudicator's Opinion**

47. Mr D's complaint was considered by one of our Adjudicators who concluded that further action was required by the Employer as it had failed to remit the contributions that were due to the Scheme. The Adjudicator's findings are summarised below:-
  - The Adjudicator stated that TPO's normal approach, in cases such as these, was to seek agreement from all parties on the facts of the complaint, including the dates and amounts of contributions involved. However, the Employer had not fully engaged with TPO's requests for it to provide its response. So, the contribution schedule in the Appendix had been produced based solely on the evidence provided by Mr D and the Scheme administrator.
  - Based on the information provided by Mr D and the Scheme administrator, £159.98 in employee contributions and £119.99 in employer contributions have not been remitted by the Employer to the Scheme, a total of £279.97.
  - The Adjudicator said that he had no reason to doubt the information provided by Mr D and the Scheme administrator. So, in the Adjudicator's Opinion, on the balance of probabilities, contributions had been deducted from Mr D's salary but had not been paid into the Scheme. In addition, the Employer had not paid all of the employer contributions that were due over the same period. As a result of its maladministration, Mr D was not in the financial position he ought to be in.
  - In the Adjudicator's view, Mr D had suffered significant distress and inconvenience due to the Employer's maladministration. The Adjudicator was of the opinion that an award of £500 for non-financial injustice was appropriate in the circumstances.

48. The Employer did not respond to the Adjudicator's Opinion and the complaint was passed to me to consider. I agree with the Adjudicator's Opinion.

### **Ombudsman's decision**

49. Mr D has complained that the Employer has not paid all the contributions due to his Scheme account.

50. I find that employee contributions were deducted but held back by the Employer and not paid into the Scheme. The Employer failed to rectify this and did not fully engage with TPO or Mr D to resolve the matter. It has also failed to respond to the Adjudicator's Opinion.

51. The Employer's failure to pay employee and employer contributions into the Scheme amounts to unjust enrichment and has caused Mr D to suffer a financial loss. The Employer shall take remedial action to put this right.

52. Mr D is entitled to a distress and inconvenience award in respect of the significant ongoing non-financial injustice which he has suffered. This was exacerbated by the Employer's failure to respond fully during TPO's investigation into Mr D's complaint.

### **Directions**

53. To put matters right, the Employer shall, within 28 days of the date of this Determination:

- (i) pay Mr D £500 for the significant distress and inconvenience he has experienced;
- (ii) pay £279.97 into Mr D's Scheme account. This figure represents the amount that, according to the figures provided by Mr D and the Scheme administrator, have been deducted from his pay, but not paid into the Scheme account. It also includes the employer contributions for the relevant period which should have also been paid but have not been to date;
- (iii) establish with the Scheme administrator whether the late payment of contributions has meant that fewer units were purchased in Mr D's Scheme account than he would have otherwise secured, had the contributions been paid on time; and
- (iv) pay any reasonable administration fee should the Scheme administrator charge a fee for carrying out the above calculation.

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54. Within 14 days of receiving confirmation from the Scheme administrator of any shortfall in Mr D's units, pay the cost of purchasing any additional units required to make up the shortfall.

**Dominic Harris**

Pensions Ombudsman  
7 January 2025

**Appendix**

Date	Employee contributions	Tax Year to-date Employer contributions
30 April 2023	£73.87	£55.40
31 May 2023	£75.65	£112.14
30 June 2023	£84.33	£175.39
31 July 2023	£21.11	£191.22
Totals	£254.96	£191.22