

Ombudsman's Determination

Applicant	Mr R
Scheme	Now: Pensions (the Scheme)
Respondent	TMR Services Ltd (trading as The Tin Hat) (the Employer)

Outcome

1. Mr R's complaint is upheld and, to put matters right, the Employer shall pay the missing contributions in respect of his pension and make good any shortfall in units. In addition, the Employer shall pay Mr R £1,000 for the serious distress and inconvenience it has caused him.

Complaint summary

2. Mr R has complained that the Employer, despite deducting contributions from his pay, has failed to pay them into the Scheme.
3. Mr R has said that the missing contributions amounted to over £2,000.

Background information, including submissions from the parties

4. On 24 November 2021, Mr R brought his complaint to The Pensions Ombudsman (**TPO**). He complained that the Employer was not paying pension contributions into the Scheme.
5. On 26 May 2022, TPO asked the Employer for a response to Mr R's complaint. This request was repeated on 10 June 2022. Neither of these requests received a response.
6. As part of his complaint, Mr R's representative (**the Representative**) expressed concern that Mr R was not properly enrolled in the Scheme. The Representative said that Mr R had not received any communications that related to his Scheme enrolment.
7. On 5 August 2022, TPO contacted the Scheme administrator to find out whether Mr R was enrolled into the Scheme.

8. On 8 August 2022, the Scheme administrator confirmed that Mr R was enrolled on 13 February 2021 and that the Employer had instructed the Scheme not to issue any communications on its behalf.
9. On 22 September 2022, the Representative provided copies of the payslips that Mr R held for the period from February 2021 to September 2022, which detailed the employee pension contributions deducted from his pay and the corresponding employer contributions. The deductions amounted to £896.00 The employer contributions amounted to £1,357.17.
10. A breakdown of the deductions and employer contributions has been included in the Appendix. The Appendix does not cover the entire period of February 2021 to September 2022, as Mr R does not have complete payslips.

Caseworker's Opinion

11. Mr R's complaint was considered by one of our Caseworkers 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 Caseworker's findings are summarised below:-
 - The Caseworker 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. He said that, as the Employer had not responded to any of TPO's communications, he had to base his Opinion solely on the information provided by Mr R.
 - The Caseworker said that he had no reason to doubt the information provided by Mr R or the Representative. So, in the Caseworker's Opinion, on the balance of probabilities, contributions had been deducted from Mr R's salary, but had not been paid into the Scheme. In addition, the Employer had not paid any of the employer contributions that were due over the same period. As a result of its maladministration, Mr R was not in the financial position he ought to be in.
 - In the Caseworker's view, Mr R had suffered serious distress and inconvenience due to the Employer's maladministration. The Caseworker was of the opinion that an award of £1,000 for non-financial injustice was appropriate in the circumstances.
12. The Employer did not respond to the Caseworker's Opinion and the complaint was passed to me to consider. I agree with the Caseworker's Opinion.

Ombudsman's decision

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

14. The available evidence supports the view 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 engage with either my Office or Mr R. It has also failed to respond to the Caseworker's Opinion.
15. The Employer's failure to pay employee and employer contributions into the Scheme amounts to unjust enrichment and has caused Mr R to suffer a financial loss. The Employer shall take remedial action to put this right.
16. Mr R is entitled to a distress and inconvenience award in respect of the serious ongoing non-financial injustice which he has suffered. This was exacerbated by its failure to respond during my Office's investigation into Mr R's complaint.

Directions

17. To put matters right, the Employer shall, within 28 days of the date of this Determination:
 - (i) pay Mr R £1,000 for the serious distress and inconvenience he has experienced;
 - (ii) produce a schedule (**the Schedule**) showing the employee contributions deducted from Mr R's pay in respect of the period of his employment. The Schedule shall also include the corresponding employer contributions that were due to the Scheme; and
 - (iii) forward the Schedule to Mr R.
18. The Employer shall, within 14 days of receiving a request by Mr R, provide him with any reasonable additional information, in order for him to be able to check the details in the Schedule.
19. Within 14 days of receiving confirmation from Mr R that he agrees with the information on the Schedule, the Employer shall:
 - (i) pay the missing contributions to the Scheme;
 - (ii) establish with the Scheme whether the late payment of contributions has meant that fewer units were purchased in Mr R's Scheme account than he would have otherwise secured, had the contributions been paid on time; and
 - (iii) pay any reasonable administration fee should the Scheme administrator charge a fee for carrying out the above calculation.

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

Anthony Arter

Pensions Ombudsman
22 November 2022

Appendix

Date	Employee contributions	Employer contributions
19/02/2021	£7.00	£12.00
26/02/2021	£6.50	£11.40
05/03/2021	£6.00	£10.80
12/03/2021	£6.25	£11.10
19/03/2021	£7.00	£12.00
27/03/2021	£6.63	£11.56
09/04/2021	£8.25	£13.50
16/04/2021	£5.50	£10.20
23/04/2021	£6.84	£11.81
30/04/2021	£6.00	£10.88
07/05/2021	£6.75	£11.70
14/05/2021	£5.67	£10.40
21/05/2021	£7.71	£12.86
28/05/2021	£9.05	£14.46
04/06/2021	£9.13	£14.56
11/06/2021	£9.38	£14.85
18/06/2021	£8.13	£13.36
25/06/2021	£9.17	£14.60
02/07/2021	£9.55	£15.06
09/07/2021	£10.84	£16.60
16/07/2021	£11.88	£17.85
23/07/2021	£9.42	£14.90
30/07/2021	£12.50	£18.60
06/08/2021	£10.38	£16.05
13/08/2021	£11.75	£17.70
20/08/2021	£9.88	£15.45
27/08/2021	£12.75	£18.90
03/09/2021	£10.50	£16.20
10/09/2021	£10.96	£16.76
17/09/2021	£10.13	£15.76
24/09/2021	£9.75	£15.30
08/10/2021	£12.67	£18.80
15/10/2021	£10.50	£16.20

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22/10/2021	£11.00	£16.80
29/10/2021	£11.25	£17.10
05/11/2021	£11.88	£17.85
12/11/2021	£11.13	£16.96
19/11/2021	£12.75	£18.90
26/11/2021	£11.46	£17.36
03/12/2021	£16.28	£23.13
10/12/2021	£15.18	£21.81
17/12/2021	£15.82	£22.59
24/12/2021	£13.44	£19.72
31/12/2021	£17.79	24.95
07/01/2022	£5.23	£7.53
14/01/2022	£15.13	£21.76
21/01/2022	£12.61	£18.73
28/01/2022	£10.64	£16.37
04/02/2022	18.43	25.72
11/02/2022	£13.12	£19.34
18/02/2022	£11.74	£17.69
25/02/2022	£19.12	£26.55
04/03/2022	£13.90	£20.28
11/03/2022	£12.02	£18.02
18/03/2022	£14.77	£21.32
25/03/2022	£11.88	£17.85
01/04/2022	£6.65	£11.45
08/04/2022	£9.50	£15.00
15/04/2022	£13.94	£20.33
22/04/2022	£13.30	£19.56
29/04/2022	£13.90	£20.28
06/05/2022	£13.16	£19.40
13/05/2022	£13.16	£19.39
20/05/2022	£11.19	17.03
27/05/2022	£10.60	£16.32
03/06/2022	£13.71	£20.05
10/06/2022	£14.45	£20.94
17/06/2022	£14.72	£21.26
24/06/2022	£12.66	£18.79

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01/07/2022	£12.84	£19.01
08/07/2022	£12.43	£18.52
15/07/2022	£11.93	£17.91
22/07/2022	£14.49	£20.99
29/07/2022	£12.02	£18.02
05/08/2022	£13.85	£20.22
12/08/2022	£15.50	£22.20
19/08/2022	£13.58	£19.89
26/08/2022	£11.65	£17.58
02/09/2022	£15.78	£22.53
Total	£896.00	£1,357.17