

Ombudsman's Determination

Applicant	Coker Engineering Limited (Coker Engineering)
Scheme	Coker Engineering Pension Plan (the Plan)
Respondent	NOW: Pensions

Outcome

1. Coker Engineering's complaint is upheld and to put matters right within the next 21 days NOW: Pensions need to:
 - Arrange for the contributions it holds to be transferred to Coker Engineering's new chosen administrator, B&CE The People's Pension (B&CE),
 - Waive their terminations fees as previously offered to Coker Engineering as a gesture of goodwill; and
 - Pay Coker Engineering £500 by way of an acknowledgement for the amount of time spent dealing with this matter.
2. My reasons for reaching this decision are explained in more detail below.

Complaint summary

3. Coker Engineering have complained about the service NOW: Pensions have provided. It believes the length of time NOW: Pensions has taken to arrange the transfer of contributions to B&CE is unacceptable.

Background information, including submissions from the parties

4. In May 2016, Coker Engineering wrote to NOW: Pensions and complained that the pension contributions for their employees were incorrect. It also said that the administration charges were incorrect.
5. NOW: Pensions contacted Coker Engineering and said that the reasons the contributions looked incorrect was because they were split across two different records.

It confirmed the contribution amounts it held for one employee as an example which showed the records matched. NOW: Pensions apologised and said it was working on amalgamating the records.

6. On 24 May 2016, Coker Engineering informed NOW: Pensions that their employees were not happy with the service it was providing. Coker Engineering said it wanted to transfer to B&CE.
7. In June 2016, Coker Engineering continued to ask NOW: Pensions to transfer the contributions to B&CE. On 4 July 2016, NOW: Pensions responded to Coker Engineering but the matter was not resolved and the contributions remain with NOW: Pensions.
8. NOW: Pensions advised my office that the contributions were correct and up to date but that the transfer had not been completed. Coker Engineering agreed that the contributions were correct but remained unhappy that the transfer had not happened as requested.

Adjudicator's Opinion

9. Coker Engineering's complaint was considered by one of our Adjudicators who concluded that further action was required by NOW: Pensions. The Adjudicator's findings are summarised briefly below:
 - NOW: Pensions are aware that Coker Engineering want to transfer the Plan to B&CE. The length of time this is taking amounts to maladministration.
 - Coker Engineering made its intentions clear that it wanted to move to a different administrator in May 2016. Seven months have elapsed and NOW: Pensions have still not completed the transfer, which is unacceptable.
 - NOW: Pensions have provided a poor level of service to Coker Engineering. This led to the employees of Coker Engineering receiving incorrect statements. This would have caused them concern as contributions were being deducted from their pay but they had no evidence of where the contributions were going.
 - NOW: Pensions need to complete the transfer to B&CE ensuring the contribution record for each employee is correct. I consider that it should also provide Coker Engineering with an apology for the length of time it has taken to action the transfer and the poor service it has provided.
10. NOW: Pensions did not respond to the Adjudicator's opinion within the specified deadline.

11. Coker Engineering said it did not receive any communication from NOW: Pensions following the Adjudicator's opinion and requested that the case should be determined.
 - It said the current payments it is waiting to be transferred to B&CE was a total of £19,932.28. These figures have not been confirmed by NOW: Pensions.
 - Finally, Coker Engineering said the sum of £500 for compensation was not sufficient. It considered that a sum of £2,000 would be more appropriate given the amount of time it had spent trying to resolve the matter.
12. I agree with the Adjudicator's Opinion, summarised above, and I will therefore only respond to the key points made by Coker Engineering for completion.

Ombudsman's decision

13. NOW: Pensions have had numerous opportunities to resolve this matter and it has not done so. It had 14 days after the Adjudicator's opinion to correct the situation or to provide comments disagreeing with the Adjudicator's opinion but it failed to take any action.
14. Whilst I appreciate that Coker Engineering have been put to a considerable amount of trouble in attempting to transfer the contributions to a new provider I do not agree that an award of £2,000 is appropriate under the circumstances. Awards for time and trouble spent in trying to resolve such matters are usually quite modest and set as a way to acknowledge the inconvenience caused. They are not set to punish the party that is at fault. In my view £500 is sufficient in this case.
15. As NOW: Pensions have been unresponsive, there is no option but to issue a formal determination on the case with directions that are enforceable in the county court in the event NOW: Pensions fail to comply.
16. Therefore, I uphold Coker Engineering's complaint.

Directions

17. To put matters right within the next 21 days NOW: Pensions need to:
 - Reconcile and confirm the contributions held for the employees of Coker Engineering.
 - Arrange for the fund values which it holds for those employees to be transferred to Coker Engineering's new chosen administrator, B&CE The People's Pension (B&CE),
 - Waive their termination fees, as previously offered to Coker Engineering, as a gesture of goodwill; and

PO-15231

- Pay Coker Engineering £500 by way of an acknowledgement for the amount of time spent dealing with this matter.

Karen Johnston

Deputy Pensions Ombudsman
11 January 2017