

## Ombudsman's Determination

|            |   |
|------------|---|
| Applicant  | Ms N  |
| Scheme     | Tesla Motors Limited Pension Scheme ( <b>the Scheme</b> ) |
| Respondent | Tesla Motors Limited ( <b>Tesla</b> )                     |

## Outcome

1. Ms N's complaint is upheld and to put matters right Tesla should pay her £500 for the significant distress and inconvenience caused by its maladministration.
2. My reasons for reaching this decision are explained in more detail below.

## Complaint summary

3. Ms N's complaint is that Tesla failed to pay the compensation it agreed to pay in respect of a previous complaint which she brought to this office, under reference PO-12111.

## Background information, including submissions from the parties

4. With respect to Ms N's previous complaint, Tesla agreed to pay the unpaid employer and employee contributions into the Scheme in July 2016. Ms N accepted this proposed resolution.
5. After checking her pension statement, Ms N emailed Tesla on 31 July 2017 to complain that the unpaid contributions had not been paid into the Scheme. She asked Tesla to consider her email as a formal complaint.
6. On 24 August 2017, Ms N emailed Tesla to chase a response to her email of 31 July 2017. She added that the Scheme administrators had notified her that, taking into account lost fund growth, the compensation due had risen from £1,253.35 to £1,429.17. Tesla acknowledged this email.
7. On 5 October 2017, Ms N emailed me to say Tesla had not provided a substantive response to her complaint.
8. Ms N emailed this office again on 11 October 2017, forwarding an email which she received from Tesla earlier that day saying it had paid £1,429.17 to the Scheme

administrators on 12 September 2017. Tesla also asked Ms N if there was anything else it could do to help her. There was no recognition of her complaint.

## **Adjudicator's Opinion**

9. Ms N's complaint was considered by one of our Adjudicators who concluded that further action was required by Tesla. The Adjudicator's findings are summarised briefly below:-
  - Tesla failed to provide Ms N with a substantive response to her complaint.
  - Tesla failed to pay the unpaid contributions into the Scheme, despite telling her it would do so in July 2016. The contributions were not paid until September 2017, after Ms N complained about the delay in July 2017.
  - There was a significant 14 month delay in transferring the contributions to the Scheme administrators; and Ms N had to spend time complaining to Tesla. She then had to chase Tesla for a response, as well as referring a second complaint to us. Accordingly, the Adjudicator was satisfied that Tesla's maladministration had caused Ms N to suffer significant distress and inconvenience and recommended it pay her £500 to compensate her for this.
10. Tesla did not accept the Adjudicator's Opinion and the complaint was passed to me to consider. Tesla provided its further comments which do not change the outcome. I agree with the Adjudicator's Opinion and I will therefore only respond to the key points made by Tesla for completeness.

## **Ombudsman's decision**

11. Tesla maintains that, by transferring the unpaid contributions to the Scheme administrators and compensating Ms N for lost investment growth, it has provided her with sufficient redress for its maladministration.
12. I do not agree. It is apparent, from the background information, that Tesla's failure to transfer the unpaid contributions to the Scheme administrators, as promised in July 2016, caused Ms N to suffer significant distress and inconvenience.
13. Therefore, I uphold Ms N's complaint.

**PO-19200**

**Directions**

14. Within 21 days of the date of this determination, Tesla shall pay Ms N £500 for the significant distress and inconvenience caused by its maladministration.

**Karen Johnston**

Deputy Pensions Ombudsman  
28 November 2017