

The complaint

Mr B complains Portafina Investment Management Limited trading as Portafina delayed the withdrawal he requested from his pension. He feels unnecessary obstacles were put in the way and this left him frustrated that he could not access his money when he needed to.

What happened

Mr B holds a pension administered by Portafina.

On 28 November 2022, he contacted Portafina to request a withdrawal of £500. Portafina says it emailed the forms on 30 November 2022, but Mr B says he didn't receive the email. He thought the withdrawal would be finalised within 10 days.

On 5 January 2023, Mr B still hadn't received his money and so he contacted Portafina. It explained the forms had been emailed but not returned. Mr B said he hadn't received the email, so Portafina sent it again on 6 January. But Mr B couldn't open the link. Portafina tried again on 9 January 2023, but Mr B still couldn't open it and so the withdrawal forms were posted out on 13 January and Portafina raised the issue with its marketing team.

Portafina received the completed forms on 23 January 2023. It processed the request, and the funds were released on 30 January 2023.

In the meantime, Mr B had become increasingly frustrated with the process and made a request to withdraw his remaining pension fund as a lump sum.

Portafina processed his withdrawal request on 20 January 2023 and the funds were released 16 working days later on 13 February 2023.

Portafina acknowledged that it hadn't provided Mr B with the service it would have expected and offered £50 compensation for the poor experience.

Mr B didn't feel this reflected the trouble and upset this matter had caused and so he brought his complaint to this service.

An investigator looked into things for Mr B. In his view he felt Portafina were trying to comply with Mr B's request but were not aware that Mr B hadn't received the email it sent in November 2022 until 5 January 2023. Once aware he felt it had acted swiftly to sort out the matter but due to a system error ultimately had to rely on the postal system. He didn't think that Portafina had acted unfairly, and he found he £50 offered for the poor service to be reasonable and so he didn't ask it to do anything further.

Mr B disagreed, he said the time taken to process wasn't reasonable and so he asked for an ombudsman review.

What I've decided – and why

I've considered all the available evidence and arguments to decide what's fair and

reasonable in the circumstances of this complaint.

Having done so I have independently reached the same outcome as the investigator. I appreciate this will come as a disappointment to Mr B – I'll explain why.

I'm very aware that I've summarised this complaint in far less detail than the parties and I've done so using my own words. I'm not going to respond to every single point made by all the parties involved. No discourtesy is intended by this. Instead, I've focussed on what I think are the key issues here.

Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts. If there's something I've not mentioned, it isn't because I've ignored it. I haven't. I'm satisfied I don't need to comment on every individual argument to be able to reach what I think is the right outcome. Instead, I have concentrated on what I understand to be the crux of Mr B's complaint which is that he asked to withdraw funds in November 2022 and actually received them in January 2023 and he considers this to an unreasonable length of time to action a simple request.

In deciding this complaint I've taken into account the law, any relevant regulatory rules and good industry practice at the time. I have also carefully considered the submissions that have been made by Mr B and by Portafina.

Where the evidence is unclear, or there are conflicts, I have made my decision based on the balance of probabilities. In other words, I have looked at what evidence we do have, and the surrounding circumstances, to help me decide what I think is more likely to, or should, have happened.

At the outset I think it is useful to reflect on the role of this service. This service isn't intended to regulate or punish businesses for their conduct – that is the role of the Financial Conduct Authority. Instead, this service looks to resolve individual complaints between a consumer and a business. Should we decide that something has gone wrong we would ask the business to put things right by placing the consumer, as far as is possible, in the position they would have been if the problem hadn't occurred.

I can understand why Mr B would be frustrated with the length of time his withdrawal took but I have to look and see what went wrong here and if Portafina acted unfairly or unreasonably.

Portafina has provided a copy of the email it sent to Mr B on 30 November 2022 with the withdrawal forms attached. So, far as I can see this is the same email address he holds now – it didn't bounce back unreturned so Portafina wouldn't have known he hadn't received it until he contacted them on 5 January 2023. When he did so it acted quickly to issue new links to the same email address. This time Mr B received the email but the links within it didn't work. Portafina tried twice to successfully provide the links and failed so it posted the forms to him.

I'm persuaded once it was aware Mr B hadn't received the email it tried reasonably to give him the swiftest access to enable the withdrawal request to be processed quickly – and that would be online. After the second time it decided to post the forms and again, I think this was a reasonable approach to rectify the issue. I can't hold Portafina responsible for delays before it became aware there was a problem on 5 January nor for what would be the longer process of posting the forms and Mr B's request. I can see that once received it was date stamped 23 January 2023 and processed on 30 January 2023, I'm not persuaded that was an unreasonable length of time.

Mr B's second withdrawal request for the remainder of his funds was completed within 16 working days and again I find that a reasonable timescale.

The obstacles Mr B described in his telephone conversation with this service were in part due to the regulatory requirements, practically as Mr B declined to take financial advice before making his withdrawals and this has to be confirmed in writing. That is a regulatory requirement – and one with which Portafina must comply.

It was unfortunate that the system links appeared not to work properly resulting in the need to rely on the postal service, which is a longer process but not one that Portafina is responsible for. It apologised for the poor service with the system links and offered £50 compensation for the trouble and upset caused. This is in line with what this service would expect, and I haven't had cause to ask it to increase that award.

So, whilst I appreciate Mr B will be disappointed, I'm not going to ask Portafina to do anything further.

My final decision

For the reasons I have given I uphold this complaint for poor service and direct Portafina Investment Management Limited trading as Portafina to pay Mr B £50 compensation for the trouble and upset caused if it hasn't already done so.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 18 September 2023.

Wendy Steele
Ombudsman