

## **The complaint**

Mr K complains that Vanguard Asset Management Limited failed to pay his regular pension payment on time. In addition, he's unhappy with the way in which the payments they make to him are referenced on his bank statement.

## **What happened**

Mr K holds a pension with Vanguard, which he takes a regular monthly income from. In December 2022, when his usual payment wasn't credited into his bank account at the usual time, he contacted Vanguard to understand why. Vanguard responded promptly to Mr K's query and processed the missed payment within five working days of the original payment date.

However, Mr K explained that he was unhappy about the error and not receiving his normal payment on time. In addition, he also explained that he was concerned that payments from Vanguard didn't show on his bank statement as having originated from them – rather, it only showed a reference of his name. He felt that made it difficult for him in trying to reconcile who was making payments into his account.

After reviewing Mr K's complaint, Vanguard concluded that they'd not delivered the normal service that they'd expect to. They explained that Mr K's monthly payment in December 2022 wasn't made because of a technical issue at their end which they'd now fixed. In addition, they explained that they weren't able to change the way in which their monthly pension credits were reflected on his bank account. But, to say sorry for the trouble that they'd caused, Vanguard paid Mr K £150.

Mr K was unhappy with Vanguard's response, so he referred his complaint to this service. In summary, he said that Vanguard should have offered him a payment in line with the trouble they'd caused him. In addition, Mr K wasn't happy that Vanguard weren't prepared to alter their systems so that any future payments from them would show as having come from his pension, rather than just having his name.

The complaint was then considered by one of our Investigators. She concluded that having looked at Vanguard's response to Mr K's concerns, it was reasonable in her opinion. They'd apologised for the late payment, they'd then gone on to correct the issue, and then paid for the trouble that they'd caused him. Our Investigator also felt that Vanguard's explanation around why they couldn't alter the payment reference on his bank statements sounded reasonable.

Mr K, however, disagreed with our Investigator's findings, particularly the point about how Vanguard are representing the payments going into his bank. In summary, he said that given the increase of open banking, that meant the payments from Vanguard appeared as though they had been made from a joint account from him and his wife rather than his pension.

Our Investigator was not persuaded to change her view as she didn't believe that Mr K had presented any new arguments that she'd not already considered or responded to. Mr K then asked the Investigator to pass the case to an Ombudsman to review that outcome.

### **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.

Using financial services won't always be hassle free and mistakes can sometimes occur. When they do, it's up to the business to ensure that they're identified and put right promptly. Having carefully considered the chain of events here, I can see that Vanguard have done just that. I appreciate that it must have been an inconvenience for Mr K when he saw that his monthly pension payment hadn't gone into his bank account on 9 December 2022. However, having brought it to Vanguard's attention on 12 December 2022, they'd rectified things for him by 15 December 2022. I consider that response to be timely.

Other than the inconvenience of receiving his monthly income payment late, Mr K hasn't stated that there's been any other financial impact on him. So, whilst I'm upholding this element of Mr K's complaint, when considering the level of payment for the trouble caused, I'm content that the £150 that Vanguard have paid to him is reasonable and fair for having received his monthly income payment.

In respect of Mr K's latter point of how pension payments from Vanguard are reflected on his bank statement, Vanguard have explained that within the reference section of the bank credit, they add the name of the account that the monies are being paid into. So, in this instance, as the funds are going into a joint account with Mr K's wife, the payment reference is noted as 'Mr and Mrs K'. However, when the payment is received into Mr K's bank account, it shows the monies as having come from Mr and Mrs K on his statement. Vanguard have explained that they're unable to alter the payment because that's the approach that they take with all their payments. Whilst I understand Mr K's concerns that he'd much rather see the monies as having come from Vanguard, how that payment is reflected on his bank statement is not within the remit of this service to dictate. I do think, however, that given the amount Mr K receives from Vanguard appears to be a consistent amount from month to month, it should be fairly clear to him who the monies are from.

I'm aware that Vanguard provide Mr K with a monthly payslip that provides full disclosure of all of the necessary information he needs about the pension payment that has been made. That information will enable Mr K to reconcile his pension and payments should he wish. Therefore, I am not upholding this element of his complaint.

So, whilst I'm partially upholding Mr K's complaint for the reasons that I've set out above, I won't be instructing Vanguard to take any further action beyond what they've already done.

### **My final decision**

Vanguard Asset Management Limited have already paid Mr K £150 to settle the complaint and I think that is fair in all of the circumstances. I've therefore decided that they need not take any further action.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or

reject my decision before 10 November 2023.

Simon Fox  
**Ombudsman**