



<b><u>Decision Ref:</u></b>	2021-0286
<b><u>Sector:</u></b>	Investment
<b><u>Product / Service:</u></b>	Personal Retirement Savings Accounts (PRSA)
<b><u>Conduct(s) complained of:</u></b>	Maladministration Delayed or inadequate communication Dissatisfaction with customer service
<b><u>Outcome:</u></b>	Rejected

#### **LEGALLY BINDING DECISION OF THE FINANCIAL SERVICES AND PENSIONS OMBUDSMAN**

The Complainant holds a Personal Retirement Savings Account with the Provider.

#### **The Complainant's Case**

On **25 November 2003**, the Complainant incepted a Personal Retirement Savings Account (PRSA) with the Provider, with the contribution to be collected monthly from his nominated bank account by way of direct debit.

The Complainant says it first came to his attention in **November 2018** that in **June 2017** the Provider had ceased collecting the then monthly contribution of €848.54 from his account.

In this regard, the Complainant sets out his complaint in the Complaint Form, as follows:

*"I have had a PRSA with [the Provider] for many years. An automatic standing order / direct debit has been in place each month to deduct €845.54 from my [bank] account. I only noticed on Nov. 2018 by chance that the PRSA deductions were not going out of my bank account and had not been going out for 18 months. I phoned [the Provider] to query what was happening and I was told that, "Due to a technical error by [the Provider], my direct debits were put on hold indefinitely". I did not authorise this suspension nor did I authorise [the Provider] to cancel the direct debit. I asked for a formal explanation by email which was sent [by the Provider] on **27 November 2018**, as follows]:*

*“Further to our conversation in relation to the administration error on your policy. I can confirm the following:*

- *On 08/05/2017 we received a Direct Debit Reject on your [PRSA], for the May Direct Debit.*
- *We went to collect this premium again and it collect[ed].*
- *Due to an administrative error, we did not take the Direct Debit off hold and premiums have been on hold since this date.*
- *Following a review, we issued a letter to the address we have recorded on our system.*
- *This letter was sent on 13/03/2018 ...*
- *We did not receive returned post from An Post for this letter.*

*In order to rectify your Direct Debit, can you confirm how you want to proceed:*

- *Backdate the premiums from 01/06/2017 to date. A total of €15,273.72 (€848.54 per month for 18 months)*
- *Go on a premium holiday and re-start premiums from 01/12/2018 at €848.54.*
- *Or make the policy paid up ...*

*I would like to say sorry for this error. I hope the above clarifies what happened and how we can rectify it”.*

*You will note from above:*

- 1) *Although the administrative error was detected on 05 May 2017, formal communication was not sent until 10 months later (13/03/2018).*
- 2) *A direct debit cannot be cancelled without the express permission of the account holder*
- 3) *[The Provider] have already admitted liability ([its] administrative error, they put the direct debit on hold).*
- 4) *[The Provider] waited 10 months before sending a letter.*
- 5) *The fact that my address is an old one (we have been living in [location] not [previous location] for years) is a moot point as this direct debit has been in place for many years.*
- 6) *I formally complained as per the process and have received an apology letter and [the Provider] have offered €100 as compensation for [its] administrative error and oversight. I find this both insulting and not good enough. If I were to miss a single payment on a credit card or go overdrawn [the Provider] would be contacting me relentlessly to pay immediately”.*

/Cont'd...

In his email to this Office on **9 June 2020**, the Complainant submits as follows:

*“At no time as the PRSA holder did I instruct the level or frequency of contributions to be adjusted. This PRSA [direct debit] has sat untouched since 2003 and the expectation after 14 years it was to remain untouched. At no time was any instruction given to the contrary ...*

*[My] PRSA sat on hold FOR 11 MONTHS, DESPITE THE MAY 2017 CONTRIBUTION BEING SUCCESSFUL”.*

As a result, when he submitted his Complaint Form to this Office, the Complainant said:

*“I want [the Provider] to accept full liability and make full financial reparation of €15,273.72 [18 monthly PRSA contributions of €848.54 for the period June 2017 to November 2018] + €3,394.16 (for the months of Dec. 2018 – March 2019) plus cumulative incurred interest for 22 months as well as a payment reparation of an additional €10,000 for the stress and inconvenience caused by [the Provider] putting my payments on hold without any instruction due to [its] administrative error”.*

### **The Provider’s Case**

The Provider says that its records indicate that the Complainant incepted a Personal Retirement Savings Account (PRSA) on 25 November 2003, with an initial monthly index-linked contribution. By the time the last contribution was collected from the Complainant’s nominated back account in May 2017, the monthly contribution was €848.54.

The Provider says it is important to note that it is the PRSA holder who decides the level and frequency of contributions they wish to pay. Unlike certain other product types (such as, for example, a term assurance policy), once established a PRSA is not dependent on contributions continuing to be paid, in order to remain in force. A PRSA holder can increase, decrease or cease paying contributions at any time and can also recommence paying contributions at a later date if ceased earlier, including backdating missed contributions to the preceding year, subject to Revenue rules.

In relation to the payment of contributions, the Provider notes that Condition 1, ‘**Contribution Payment**’, of ‘Section B – Details of the Policy’, of the applicable Personal Retirement Savings Account – Policy Conditions booklet, that it posted to the Complainant on 20 January 2004 provides at pg. 8:

*“If contributions are payable by direct debit the Company shall not be required to make application for the payment of any such contribution by presenting a direct debit upon the nominated bank account, unless all contributions previously due have been paid, or to make more than one such application for the payment of any contribution. The Company does not accept any responsibility to ensure that a particular amount of Total Regular Contribution/Single PRSA Contribution is remitted to it”.*

/Cont’d...

The Provider says that the direct debit which presented to the Complainant's nominated bank account on **2 May 2017**, for that month's PRSA contribution, was rejected by the bank due to insufficient funds. At that time, when a direct debit was rejected in relation to a PRSA contribution, a hold was manually placed on the PRSA to prevent further automatic attempts by the Provider's system to collect contributions. The Provider says that when the reason given by a bank for the rejection is "*insufficient funds*", and without having an obligation to do so, its practice is to re-present the direct debit to the bank on one further occasion a few days after, in case funds have been deposited to meet the direct debit. If the second attempt is successful, then the hold is manually released, to allow the automatic collection of contributions to recommence.

The Provider says that the direct debit that was rejected by the Complainant's bank on 2 May 2018 was re-presented to his bank account on **18 May 2017**, at which time there were sufficient funds in the account and the contribution was successfully collected and applied to the PRSA.

The Provider says that regrettably, due to human error, the hold that had been placed on the Complainant's PRSA to prevent further direct debits being presented to his bank account, was not released. As a result, no further direct debits were presented to the Complainant's account from 18 May 2017.

The Provider believes it would have been apparent to the Complainant from a review of his bank statements that an amount of €848.54 each month had not been debited from his bank account from May 2017 onwards.

In addition, the Provider believes it would have been apparent to the Complainant from a review of the six-monthly PRSA statements sent to him, that no contributions were being made into his PRSA from May 2017 onwards.

The Provider says that the first six-monthly PRSA statement sent to the Complainant after the collection of the May 2017 contribution was 2½ months later, on **1 August 2017**. The covering letter outlined that the statement provided up-to-date information on the PRSA, including an Investment Report and a Statement of Account, and a telephone number was provided so that the Complainant could contact the Provider if he had any questions. The Investment Report confirmed that in the period 1 January to 30 June 2017 a total of €4,242.70 in contributions had been paid into the PRSA, and that the total amount of contributions paid into the PRSA to that date was €100,741.56. The Statement of Account provided further details including a breakdown on a monthly basis of the contributions paid in the period 1 January to 30 June 2017. This breakdown confirmed that the last contribution had been paid in May 2017, with no contributions recorded for the month of June 2017.

The Provider notes that the next six-monthly PRSA statement was sent to the Complainant on **1 February 2018**. The Investment Report confirmed that in the period 1 July to 31 December 2017 a total of €0 in contributions had been paid into the PRSA and that the total amount of contributions paid into the PRSA to that date remained at €100,741.56. The 'Details of Contributions invested between 1 July 2017 and 31 December 2017' section of the Statement of Account confirmed that "*PRSA contributions have not been received*".

/Cont'd...

Following a routine internal compliance check in **March 2018**, the Provider says it identified that the hold placed on the Complainant's PRSA in May 2017 had not been released when the second attempt to collect the May 2017 contribution had been successful, and that it wrote to the Complainant on 13 March 2018 to confirm what had happened and to seek his instructions on how he wished to proceed. As there were a number of options open to the Complainant in relation to the PRSA, he was asked to confirm how he wished to proceed before any action was taken to recommence the collection of contributions. This letter informed the Complainant that it would be possible, upon his instruction, to backdate, skip or leave the contributions on hold. The Provider says it was also still possible at that time, for the Complainant to backdate contributions to June 2017 to ensure no contributions were missed and to allow him to claim the maximum tax relief possible on those contributions.

The Provider says that because it received no response from the Complainant to its letter of **13 March 2018**, a reminder letter was sent on **21 August 2018**, shortly after his next six-monthly PRSA statement had issued on 1 August 2018. No response was received to the reminder letter either. The Provider says that bearing in mind that PRSA contributions are flexible and that it is open to a PRSA holder to start and stop paying contributions at any time, the task was closed by the PRSA administrator, pending further contact from the Complainant.

The Provider says that on **27 November 2018**, the Complainant telephoned the Provider's Customer Service Team to advise that he had been looking at his bank account and noticed that PRSA contributions had not been taken for a while. The Complainant was transferred to the Provider's PRSA Team to discuss the matter further. The Provider has retrieved the audio recording of the initial part of this telephone call between the Complainant and its Customer Service Team, but says that calls with its PRSA Team were not recorded at that time.

The Provider confirms, however, that during the telephone call on 27 November 2018 it was agreed that an email would be sent to the Complainant explaining what had happened. The ensuing email on 27 November 2018 advised the Complainant of the options open to him, which at that time still included an option to backdate contributions to May 2017, if he wished to do so. As the Complainant had referenced a [location] address during the telephone call, the Provider notes that a change of address form was attached to the email, which he was asked to complete and return if he wished for his contact details to be updated.

The Provider says that its normal practice is to correspond with policyholders in writing, by post. If a policyholder changes their address, it is important that they notify the Provider of the new address to ensure their contact details are updated and that they also provide evidence of this new address, which is required for anti-money laundering reasons. The Provider notes that when the Complainant applied to take out the PRSA in October 2003, he confirmed his address for correspondence to be an address in [previous location]. The Provider posted all correspondence relating to the PRSA to the Complainant at that address over the years. The Provider says it has no record of the Complainant notifying the Provider of a change of address and it has no record of any correspondence sent to the Complainant at his [previous location] address, having being returned undelivered by An Post.

/Cont'd...



Having received the Provider's email of 27 November 2018, the Complainant made a formal complaint to the Provider by email on 28 November 2018. This email was sent by the Complainant to his bank advisor, who in turn forwarded the email to the Provider on 7 December 2018. The Provider notes that an acknowledgment letter was emailed to the Complainant on **11 December 2018**, together with a further change of address form, which he was reminded to complete and return if he wished for his contact details to be updated. The Provider emailed a further letter to the Complainant on **8 January 2019** to confirm that his complaint was still being investigated and a response would issue shortly, and again a change of address form was attached to that email, for his ease of reference.

The Provider says that by letter dated **1 February 2019**, sent by email, it responded to the Complainant's complaint. This letter outlined what had happened and invited the Complainant to discuss the matter further with his financial advisor if he wished to recommence contributions. The Complainant was reminded once again to complete and return the change of address form if he had changed his address. In addition, the Provider apologised to the Complainant for any inconvenience caused and offered him €100 as a gesture of goodwill in the circumstances. The Provider says the Complainant did not accept this offer, nor did he engage further with the Provider or his financial advisor to consider the options open to him in connection with the PRSA, and that he instead referred the matter to the Financial Services and Pensions Ombudsman.

The Provider acknowledges that the hold manually placed on the Complainant's monthly direct debit should have been released when a second successful attempt was made to collect his May 2017 PRSA contribution. This was due to human error. Prior to the matter being identified by the Provider itself in March 2018, the Provider believes it would have been apparent to the Complainant from his bank statements that monthly contributions of €848.54 had not been collected from May 2017.

In addition, the Provider says the six-monthly PRSA statements sent to the Complainant on 1 August 2017 and 1 February 2018 confirmed that contributions had ceased being collected from May 2017. The covering letters to these statements invited the Complainant to contact the Provider had he any questions concerning the PRSA.

The Provider says that as soon as the issue was identified in March 2018, it wrote to the Complainant to confirm what had happened, and to seek his instructions on how he wished to proceed. While he says he did not receive this letter, the Provider notes that it has no record of the Complainant having notified of a change of address over the years and it had no reason to believe he may not have been receiving correspondence from the Provider. The Provider notes that it never received any returned post from An Post over the years and that despite asking the Complainant on a number of occasions from November 2018 onwards, to complete and return a change of address form if he has changed address, he has not done so.

The Provider says that it is important to note that even if the Complainant had not received its letter of 13 March 2018 or indeed the reminder letter of 21 August 2018, that when the Provider emailed the Complainant on 27 November 2018, it remained open to him at that time to pay backdated contributions to May 2017. The Provider says that this would have enabled the Complainant to pay all outstanding contributions and to claim the available tax relief on those contributions. The Complainant did not engage further with the Provider in that regard.

The Provider notes that the total amount paid into the PRSA by the Complainant up to May 2017 was €100,741.56. The Provider says that as at May 2020, the Complainant had not recommenced payment of contributions into the PRSA, though the PRSA remained in force at that time with a transfer value of €121,523.94. The Provider says it is open to the Complainant to recommence payments whenever he wishes to do so. In addition, despite being requested to do so on a number of occasions since November 2018, the Provider notes that the Complainant has not formally notified it of any change of address

The Provider once again apologises to the Complainant for any inconvenience caused as a result of the hold not being released on his PRSA after the second attempt to collect the May 2017 contribution was successful. With a view to resolving the matter, the Provider has increased the gesture of goodwill offer it previously made to the Complainant to €500, in full and final settlement of the complaint. The Provider believes this offer to be fair in circumstances where steps were taken to notify the Complainant as soon as possible after the issue was identified and given that Complainant was afforded an opportunity on more than one occasion, to backdate all contributions to ensure none were missed.

### **The Complaint for Adjudication**

The complaint is that the Provider poorly managed the administration of the Complainant's PRSA policy from May 2017.

### **Decision**

During the investigation of this complaint by this Office, the Provider was requested to supply its written response to the complaint and to supply all relevant documents and information. The Provider responded in writing to the complaint and supplied a number of items in evidence. The Complainant was given the opportunity to see the Provider's response and the evidence supplied by the Provider. A full exchange of documentation and evidence took place between the parties.

In arriving at my Legally Binding Decision I have carefully considered the evidence and submissions put forward by the parties to the complaint.

Having reviewed and considered the submissions made by the parties to this complaint, I am satisfied that the submissions and evidence furnished did not disclose a conflict of fact such as would require the holding of an Oral Hearing to resolve any such conflict. I am also satisfied that the submissions and evidence furnished were sufficient to enable a Legally Binding Decision to be made in this complaint without the necessity for holding an Oral Hearing.

A Preliminary Decision was issued to the parties on **29 July 2021**, outlining the preliminary determination of this office in relation to the complaint. The parties were advised on that date, that certain limited submissions could then be made within a period of 15 working days, and in the absence of such submissions from either or both of the parties, within that period, a Legally Binding Decision would be issued to the parties, on the same terms as the Preliminary Decision, in order to conclude the matter. In the absence of additional submissions from the parties, within the period permitted, the final determination of this office is set out below.

I note that since **2003**, the Complainant holds a Personal Retirement Savings Account (PRSA) with the Provider, which was set up so that his contribution would be collected from his nominated bank account each month by way of direct debit.

The Complainant says it first came to his attention in **November 2018** that the Provider had ceased collecting the then monthly contribution of €848.54 from his account some 18 months previously, in June 2017, and that he telephoned the Provider to query this.

The Provider says that because the direct debit presented to the Complainant's nominated bank account on 2 May 2017 for that month's PRSA contribution was rejected by the bank due to "*insufficient funds*", that the Provider then manually placed a hold on the PRSA to prevent further automatic attempts by its systems to collect contributions.

The Provider says that the direct debit that was rejected by the Complainant's bank on 2 May 2018 was re-presented on 18 May 2017, at which time the contribution was successfully collected and applied to the PRSA.

The Provider says that unfortunately, due to human error, the hold that had been manually placed on the Complainant's PRSA was not released and as a result, no further direct debits were presented to the Complainant's account from 18 May 2017 onwards.

I note that it was following a routine internal compliance check by the Provider in March 2018, that it was identified that the hold placed on the Complainant's PRSA in May 2017 had not been released when the second attempt to collect the May 2017 contribution had been successful. I note that the Provider then wrote to the Complainant on 13 March 2018 to confirm what had happened and to seek his instructions on how he wished to proceed. I note that the Provider says that the Complainant did not respond to this letter, nor to a reminder letter that was sent on 21 August 2017.

In this regard, the Complainant says that the Provider was writing to an old address of his, and that he had moved some years previously.

/Cont'd...



I note from the documentation before me that the direct debit the Provider presented to the Complainant's nominated bank account on 2 May 2017 to collect that month's PRSA contribution of €848.54 was rejected by the bank due to "insufficient funds". I am of the opinion that it was the responsibility of the Complainant, as the PRSA holder, to ensure that he had at all times sufficient funds in his bank account to meet his PRSA contribution direct debit.

In this regard, I note the terms of Condition 1, '**Contribution Payment**', of 'Section B – Details of the Policy', of the applicable Personal Retirement Savings Account – Policy Conditions booklet which provides at pg. 8:

*"If contributions are payable by direct debit the Company shall not be required to make application for the payment of any such contribution by presenting a direct debit upon the nominated bank account, unless all contributions previously due have been paid, or to make more than one such application for the payment of any contribution. The Company does not accept any responsibility to ensure that a particular amount of Total Regular Contribution/Single PRSA Contribution is remitted to it".*

Nonetheless, despite it being under no obligation to do so, the Provider re-presented the direct debit that had been rejected on 2 May 2017, to the Complainant's bank account on 18 May 2017, at which time the contribution of €848.54 was successfully collected and applied to his PRSA.

I note that the Provider has advised that when the direct debit was rejected on 2 May 2017, that it manually placed a hold on the Complainant's PRSA to prevent further automatic attempts its systems to collect contributions, and that due to human error this hold was not released when the direct debit was successfully collected on 18 May 2017.

It is disappointing that the Provider failed to release the hold that it had placed on the Complainant's PRSA, given that the May 2017 contribution had been successfully collected, albeit on its second attempt.

An administrative error of this nature is unsatisfactory and can cause confusion and frustration. The Complainant ought to be able to rely on the expertise of the Provider in relation to the administration of his PRSA and it is disappointing that this error occurred.

I note that when it first learnt of this error following a routine internal compliance check in March 2018, the Provider wrote to the Complainant on 13 March 2018, as follows:

*"Following a recent audit, we can confirm that due to an administration error on your policy, your premiums have been on hold since May 2017. In this instance, we can on your instruction backdate the premiums, skip them or continue with the premiums on hold. Can you please advise?"*

The Complainant says he did not receive the Provider's correspondence of 13 March 2018, as it was sent to an old address of his and he had moved some years previously.

/Cont'd...

In my opinion, it would have been prudent of the Complainant when he had moved address, to have notified the Provider's PRSA Department of his new address and I am satisfied that, the Provider cannot be responsible for the Complainant's failure to do so.

In this regard, it is surprising that the Complainant did not contact the Provider to advise that he had received no statements or correspondence in relation to his PRSA for presumably a number of years, since his move to a new location, despite the fact that he was, by **May 2017**, making approximately €10,000 a year in contributions into his PRSA.

I note that the Complainant telephoned the Provider on **27 November 2018** to advise that he had been looking at his bank account and noticed that PRSA contributions had not been taken since June 2017. Following this telephone call and its review of the matter, I note that the Provider emailed the Complainant on **27 November 2018**, as follows:

*"Further to our conversation in relation to the administration error on your policy. I can confirm the following:*

- *On 08/05/2017 we received a Direct Debit Reject on your [PRSA], for the May Direct Debit.*
- *We went to collect this premium again and it collect[ed].*
- *Due to an administrative error, we did not take the Direct Debit off hold and premiums have been on hold since this date.*
- *Following a review, we issued a letter to the address we have recorded on our system.*
- *This letter was sent on 13/03/2018 ...*
- *We did not receive returned post from An Post for this letter.*

*In order to rectify your Direct Debit, can you confirm how you want to proceed:*

- *Backdate the premiums from 01/06/2017 to date. A total of €15,273.72 (€848.54 per month for 18 months)*
- *Go on a premium holiday and re-start premiums from 01/12/2018 at €848.54.*
- *Or make the policy paid up ...*

*I would like to say sorry for this error. I hope the above clarifies what happened and how we can rectify it".*

I am satisfied that this letter clearly explained the Complainant's options and I accept the Provider's position that even though a direct debit for the Complainant's monthly PRSA contribution had not been presented to his bank account since May 2017, that at the time of this email on 27 November 2018, it was still open to the Complainant to pay the missed contributions from May 2017 onwards, and to still be able to claim the available tax relief on those contributions. I note however, that the Complainant chose not to instruct the Provider any further on this matter.

/Cont'd...

Notwithstanding the Provider's administrative error of failing to release the hold that it had placed on the Complainant's PRSA payments, once the May 2017 contribution had been successfully collected on its second attempt, I am mindful that in **March 2018**, when this error first came to light, and again in **November 2018**, when the Complainant himself contacted the Provider regarding the missed contributions, the Provider clearly advised the Complainant of his options, and that one of these options included paying the missed contributions, which would then be backdated to the PRSA so that it would have been as if the contribution had been collected each month from June 2017 onwards. This would have placed the Complainant back in the position he would have been in, had the Provider's administrative error not occurred.

I note that in its letter to this Office dated **28 May 2020**, the Provider submitted that:

*"We believe it would have been apparent to [the Complainant] from a review of his bank statements that an amount of €848.54 each month had not been debited from his account from May 2017. We also believe it would have been apparent to [the Complainant] from a review of the six monthly PRSA statements issued to him by [the Provider]"*.

In this regard, in email to this Office on **9 June 2020**, I note the Complainant stated:

*"[The Provider] statement is irrelevant. This assumes that the PRSA should be monitored 24/7 to ensure accuracy. Are customers meant therefore to monitor their account daily, hourly to ensure that there are no errors?"*

*I will also pose the same challenge back that it should have been apparent to the Provider that despite the May 2017 processing working correctly, at no time did it become apparent that for 11 consecutive months the system was in error. It should have been caught immediately as that is the Provider's job to ensure accuracy of systems. Financial companies in particular must be accountable. They had 11 opportunities to flag and rectify their error. It is apparent this was never done and they failed a basic compliance check. The onus should not be on the customer to monitor the Provider's complete lack of due diligence and lack of accountability"*.

The Complainant's PRSA, like all policies, is subject to the terms and conditions set out in the policy documentation. Condition 1, 'Contribution Payment', of 'Section B – Details of the Policy', of the applicable Personal Retirement Savings Account – Policy Conditions booklet provides, *inter alia*, at pg. 8:

*"If contributions are payable by direct debit the Company shall not be required to make application for the payment of any such contribution by presenting a direct debit upon the nominated bank account, unless all contributions previously due have been paid, or to make more than one such application for the payment of any contribution. The Company does not accept any responsibility to ensure that a particular amount of Total Regular Contribution/Single PRSA Contribution is remitted to it".*

[underlining added for emphasis]

/Cont'd...

If the Complainant had reviewed his bank account statements periodically, he would have noticed before November 2018 that the Provider had not collected any monthly PRSA contributions since May 2017.

I note that after it collected the last monthly PRSA contribution from his bank account on 18 May 2017, the Provider sent the Complainant a six-monthly PRSA statement on **1 August 2017, 1 February 2018** and again on **1 August 2018**. I accept the Provider's position that it would have been clear from a review of these six-monthly statements that no contributions had been paid into the Complainant's PRSA since May 2017. I note that the Provider sent these six-monthly PRSA statements to the address it held on record for the Complainant. As a result, I am satisfied that the Provider cannot be responsible for the Complainant's failure to inform the Provider that he had moved residence some years previously.

I note that in its formal response to this complaint, by letter to this Office dated **28 May 2020**, the Provider increased the €100 gesture of goodwill offer it previously made to the Complainant to **€500**, in full and final settlement of the complaint. In his email to this Office of 8 June 2020, the Complainant states:

*"While [the Provider] clearly admit to errors on their part I do not accept their renewed offer of €500 as compensation".*

I note the Provider confirms that this offer remains open to the Complainant to accept.

I am of the opinion that it was unsatisfactory that the Provider failed to release the hold that it had placed on the Complainant's PRSA, once the May 2017 contribution had been successfully collected on its second attempt. The Provider has a case to answer to the Complainant in that regard. That said, I accept that the Provider notified the Complainant as soon as this administrative error was identified and, in addition, I am conscious that the Provider afforded the Complainant the opportunity to backdate all contributions to ensure none were missed, which would have placed the Complainant in the same position he would have been in, as if the error had not occurred.

For reasons unknown, the Complainant did not elect to rectify his position in that way, which would have totally mitigated any loss. Whatever the reason for his decision in that regard, I do not believe that the Provider is responsible for such losses, given that the Complainant did not avail of that opportunity.

I am satisfied that the Provider's offer of €500 is reasonable in the circumstances. As it remains open to the Complainant to accept that proposal from the Provider, if he wishes to do so, I do not consider it appropriate to make any direction to the Provider, nor do I consider it appropriate to uphold this complaint. The Provider has already sought to redress the situation, in a n appropriate manner, and I consider it a matter for the Complainant to now communicate directly with the Provider, if he wishes to accept that reasonable offer.

It is also a matter for the Complainant, after consultation with his financial advisor if he so wishes, to both instruct the Provider as to how he wishes to proceed with his PRSA and to formally advise it of his new address, if he has not done so already.

/Cont'd...

It is my Decision therefore, on the evidence before me that this complaint should not be upheld.

**Conclusion**

My Decision pursuant to **Section 60(1)** of the **Financial Services and Pensions Ombudsman Act 2017**, is that this complaint is rejected.

**The above Decision is legally binding on the parties, subject only to an appeal to the High Court not later than 35 days after the date of notification of this Decision.**



**MARYROSE MCGOVERN  
DEPUTY FINANCIAL SERVICES AND PENSIONS OMBUDSMAN**

23 August 2021

Pursuant to **Section 62** of the **Financial Services and Pensions Ombudsman Act 2017**, the Financial Services and Pensions Ombudsman will publish legally binding decisions in relation to complaints concerning financial service providers in such a manner that—

**(a) ensures that—**

- (i) a complainant shall not be identified by name, address or otherwise,**
- (ii) a provider shall not be identified by name or address,**

**and**

**(b) ensures compliance with the Data Protection Regulation and the Data Protection Act 2018.**