

The complaint

Mr G complains that Quilter Financial Services Ltd caused delays in his pension transfer that resulted in him missing the expiry of his Cash Equivalent Transfer Value (CETV). The new transfer value was lower, and Mr G says that he has lost out financially by their actions.

What happened

On 24 January 2022, Mr G had a telephone conversation with an adviser at Quilter, (Adviser A), in relation to his pension. Adviser A advised Mr G that he was not authorised to give pension transfer advice, but he could refer him to a colleague (Adviser B) who would be able to help him. That evening, Mr G emailed Adviser A sending some pension details which Adviser A told him he would forward to Adviser B. This email was forwarded to Adviser B but he failed to contact Mr G.

On 22 March 2022, Adviser A emailed Adviser B to follow up on the referral but did not receive a reply. Adviser A also states that he chased up Adviser B by phone however we have not been provided with evidence relating to this. Neither Adviser A nor Adviser B made contact with Mr G at this time.

In late May 2022, Mr G requested a Cash Equivalent Transfer Value (CETV), and sometime shortly after this started the transfer process with a new adviser at a different financial advice firm. The CETV at that time was £162,689.51, with an expiry date of 1 September 2022. The transfer was not completed prior to the expiry date, and a further CETV was provided on 2 September 2022, valid for another three months. The second CETV had reduced to £141,464, however Mr G opted to proceed with the transfer despite this.

The transfer forms were submitted in December 2022, and Mr G's pension transfer was completed in January 2023.

In March 2023 Mr G complained to Quilter that their actions had resulted in him suffering a financial loss. Mr G believes that if Quilter had been proactive in their communications with him, he would have been able to move forward with an alternative adviser earlier in the process, and been able to complete the transfer prior to 1 September thereby securing a higher transfer value. Quilter did not uphold his complaint. Whilst they apologised for the lack of emails from Adviser A to Mr G, they outlined that a client-adviser relationship is by necessity two way, and they would have expected Mr G to have followed up on the possibility of his pension transfer and chase either Adviser A or B if he was serious about going ahead with this.

They also stated that they had no records of any Terms of Business, other disclosure documentation or Client Agreement between themselves and Mr G.

Mr G was not happy with this and referred his complaint to this service.

The investigator firstly upheld the complaint, and although she concluded that Quilter were not responsible for the reduction in CETV she agreed that their actions had not been in line with its duties as a professional firm and stated that Quilter should pay Mr G £150 to reflect the inconvenience caused.

Mr G did not agree with the investigator's view and provided additional information. Having reviewed the additional information, the investigator changed her view, and no longer upheld the complaint. She found that Mr G had progressed his pension transfer with another adviser much earlier than originally thought, and although Quilter could have done more to follow up on the enquiry from Mr G, she didn't think the lack of contact caused him to lose out on the pension transfer value. The investigator therefore concluded that the £150 payment for distress and inconvenience was not warranted and stated that Quilter were not obliged to pay this, although they could honour it if they wished. Mr G remained dissatisfied and the complaint has been referred to me for a final decision.

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 agree with the investigator's view that whilst Quilter could have done more to contact Mr G when he first made his enquiry relating to the possible transfer of his pension benefits, they cannot be held responsible for the time it ultimately took for his pension to be transferred.

Although the evidence available suggests that Mr G had had some sort of contact with Quilter in that he had a conversation with Adviser A in January 2022, there is no evidence of him having completed a client agreement, fact find, or any other introductory meeting with an adviser in relation to a potential transfer of pension benefits. Likewise, there is no indication that any advice was provided, nor indication that a recommendation made be made for Mr G to transfer his benefits. I am therefore of the opinion that in January, the relationship between Quilter and Mr G was as a prospective or potential customer at an enquiry stage and never progressed further than this.

The main point of Mr G's complaint is the lack of contact from Quilter, and his belief that this lack of contact resulted in delays causing him to miss the expiry of the guarantee period for his CETV, and consequently suffering a financial loss. I have therefore considered whether the delays were material in the deadline not being met, or whether it should have been possible for the transfer to be completed in time regardless of the delays.

Mr G first enquired about transferring his benefits in January 2022, via Adviser A. Adviser A told Mr G that he was not qualified to discuss Defined Benefit pension arrangements and that he would refer his enquiry to a colleague. Adviser A did this, however Adviser B did not make contact with Mr G. I do not know the reason that Adviser B didn't follow up on the enquiry which could have been for a number of reasons, and I agree that it does not demonstrate a good level of customer service. If Adviser B was not able to accept Mr G as a potential customer, good practice would have been to advise him of this, either directly or via Adviser A. Notwithstanding this, if Mr G was serious about exploring the viability of transferring his DB pension benefits, I would have expected him to follow up with Adviser A and if he was not satisfied with the response (or lack of), he could have sought advice elsewhere. I can find no evidence of him doing this until a number of months had passed. Having considered the fact that Mr G was not a customer to whom Quilter would have had a duty of care to progress matters in a timely manner, I do not think it is fair and reasonable to

hold Quilter responsible for delays in the transfer process by not following up a prospective enquiry. I have found no evidence to suggest that Mr G would have considered himself to have commenced the advice process, nor be under the impression that Quilter had commenced any work on his behalf. This is supported by the fact that he had not completed any paperwork with Quilter, and hadn't requested an up to date CETV until 25 May 2022.

I note that Mr G's recollections of the timeline of events has been inconsistent. He initially stated that he had a telephone conversation with Adviser A in August/September 2022, which arose due to Adviser A being on a call with a friend of his. He stated that during this call he asked for an update of progress, and it was only at this time found out that the transfer was not being progressed by Adviser B. However, in his responses to the investigator's view, Mr G stated that he had been mistaken about this, and that the call actually took place in June. Mr G states he recalls that Adviser A said he would review things and get back to him, but A didn't do this. I have not been provided with call recordings from Quilter, and therefore cannot be certain exactly when the calls Mr G has mentioned took place, nor exactly what was said. Likewise, the timeline is slightly unclear. Therefore I must make a decision based on what is fair and reasonable given the circumstances.

The file shows that a CETV was requested in relation to Mr G's pension on 25 May 2022. It is unclear why a CETV was requested at this point, and who it was requested by. Although Mr G does not remember requesting the CETV, due to the fact it was sent to his home address and addressed to him, he has concluded that he must have requested it himself, although has not provided a reason for it being requested at that time. Around the same time, Mr G engaged with another adviser (unconnected with Quilter) in order to progress the potential transfer of his defined benefit pension benefits. I do not think he would have done this if he had believed that Quilter were progressing with his transfer.

There appears to be an element of confusion in relation to when the other adviser was engaged – Mr G has confirmed that the first emails he has from the other adviser are dated 5 July 2022, and request further information from him but cannot be certain when he first contacted them. He believes that this must have been in June 2022.

As detailed above, it is unclear why Mr G requested a CETV in May 2022. Regardless of whether this was Mr G or a third party on his behalf on balance I think it is fair to conclude that by 25 May 2022, he had decided that he did not wish to wait for Quilter to move forward in relation to the potential transfer of his pension, and decided to follow an alternative route

Mr G's new adviser provided a recommendation to transfer (sometime later in 2022), and the fund was subsequently transferred in December 2022. Mr G's CETV requested on 25 May 2022 was valid until 1 September 2022.

I have considered whether Quilter's lack of communication with Mr G from January 2022 prevented the transfer being completed prior to 1 September 2022. Having done this, I am satisfied that they were not material in the deadline being missed. As I have already stated, I think it is fair to conclude that by the beginning of June 2022, Mr G had already decided not to move ahead with Quilter as the advisers for the potential transfer of his pension. It is clear to me that by the middle of June 2022 at the very latest, Mr G had already engaged with the adviser who did ultimately make the recommendation and facilitate the transfer of his DB pension. That adviser therefore had the majority of the three month transfer window available to them to make a recommendation and make the necessary arrangements for transfer. Pension transfer advice is complex and it is often the case that transfer advice is not completed within the initial three month CETV guarantee period. Likewise, it is not a given that the advice process would lead to a transfer being completed. Nonetheless, the other adviser did recommend a transfer. Mr G has confirmed that his financial affairs are not complex, however he has found the paperwork relating to it to be extensive, and not easy to

understand, resulting in it taking an extended period of time for the transfer to complete. I can see no reason why the previous poor customer service received by Quilter would have had any impact on this.

Whilst I recognise Mr G's frustrations with the lack of communication from Quilter, I do not believe that they can be held responsible for the expiry of the CETV prior to the transfer being completed and the subsequent loss experienced by Mr G.

My final decision

For the reasons stated above I do not uphold Mr G's complaint against Quilter Financial Services Ltd.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 19 February 2024.

Joanne Molloy
Ombudsman