

The complaint

Ms A complains about delays caused by Woodgrange Associates (IFA) Ltd trading as Advies Wealth ('Advies') in the potential transfer of her defined benefits ('DB') occupational pension scheme to a personal pension arrangement. She says the delays it caused, along with not telling her about the guaranteed cash equivalent transfer value ('CETV') deadline date, meant the deadline was missed resulting in her suffering a financial loss.

What happened

The following is a summary of the key events setting out the background to what happened here.

In March 2022, Ms A sought advice from Advies about her existing DB pension scheme and the possibility of transferring it to a personal pension.

Ms A's communication with Advies during the advice process was predominately carried out by email and WhatsApp messaging, with some phone calls, because Ms A was travelling overseas between April and September 2022.

Following Advies request to Ms A's DB scheme pension scheme administrators in April 2022, it provided a CETV on 14 June 2022 (received by Advies on 20 June 2022) which was guaranteed until 14 September 2022.

According to Advies, it contacted Ms A's DB scheme administrators on two occasions in June and July 2022 to confirm the figures because it thought they seemed low, albeit Ms A's DB scheme says it has no record of this contact.

On 4 August 2022, Advies emailed Ms A in which it confirmed receipt of her fact-find (Ms A said she returned this in mid-July 2022) and it asked her for some additional information to help formulate the advice. Ms A said that she was traveling and asked if she could provide it in September 2022 when she returned. Advies said that it would use some assumptions to enable it to continue. It said Ms A would hear from it again shortly.

On 17 August 2022 Advies emailed Ms A telling her that, having considered things, a positive recommendation to transfer was likely. So, it required her to pay its agreed fee whereupon it would complete the necessary paperwork. Ms A replied and said she would pay when she returned to the UK in September.

On 23 August 2022 Ms A emailed again in response to a voicemail message from Advies chasing up payment. She asked for confirmation that she could pay upon her return and reminded Advies that in their initial discussions she advised them of her extensive travel plans, which she was told wouldn't affect the process.

Advies emailed Ms A the same day. It apologised for not replying. It said: *"We are concerned about the dates, when are you back in the UK? It is not good to allow this to*

expire due to new valuations being some 15-20% down at present due to the financial uncertainty her[sic] in the UK at present.” Ideally we need you to pay the fee by 31st Aug to be totally safe, but we may have 1 or 2 days flexibility.”

Ms A duly paid the fee and on 25 August 2022 Advies emailed its recommendation report and accompanying documentation it said it had used to enable it to make a positive recommendation to transfer. The other documents included a cashflow report and Transfer Value Report ('TVAS'). It said hard copies would be posted to Ms A.

Ms A replied and said that she didn't understand much of what she received and said she wanted a face-to-face appointment. She asked if Advies would get back to her with an acceptable date.

Ms A returned to the UK on 1 September 2022 and she said having read the report in hard copy, she found more issues that needed clarifying. She said she understood she needed to sign and return the paperwork but she wouldn't do so until she was happy with the concerns she wished to raise. Ms A said she heard nothing from Advies between 1 and 14 September 2022. Ms A later said that she phoned Advies on 7 September 2022 to chase things up.

Ms A said she missed a call from Advies' on 16 September 2022 and she returned the call. Advies' records say Ms A wanted to know what address to send her paperwork to. The following day, Advies left Ms A a voicemail message telling her she'd missed the guarantee date deadline. Ms A emailed a reply saying this was the first time she understood there was a deadline.

Advies then requested a revised CETV from Ms A's DB scheme trustees, which it received around mid-October 2022. Because the value had fallen, Advies recommended Ms A should now not transfer her pension because it was not financially viable.

Following an exchange of correspondence in January 2023 in which Ms A wanted to understand what had gone wrong, in February 2023 she complained to Advies. She said it had caused her losses due to the delays in processing her potential pension transfer. She said the matter had caused her distress and inconvenience due to the reduced tax-free cash lump sum available to her and that because it was a bad time to access her funds, she'd now be realising a loss. She said she wanted compensation for the losses incurred as well as the return of the advice fee.

Advies didn't uphold Ms A's complaint. While it said it had issued a final response letter, it hadn't been scanned on to its file so it wasn't available.

Dissatisfied with its response, Ms A referred her complaint to us. She said the delays Advies created when preparing the transfer, as well as their untimely responses to request for clarification and help, caused her to lose out – she didn't receive her tax-free cash lump sum and she's lost a significant value of her pension pot. Ms A also said that in January 2023 when she asked Advies for their opinion as to why the transfer wasn't successful, it issued a poor and unprofessional response, which had no factual elements and was very upsetting. She said to put things right, she wants to be able to access her funds and transfer her DB pension to a personal pension at the original transfer value.

One of our Investigators looked at all of this and they partly upheld Ms A's complaint. Firstly, in relation to a side point Advies raised about Ms A not being a client because she didn't return its client agreement, they said they were satisfied Ms A was a customer of Advies and so an eligible complainant under our rules. They went on to say they thought the evidence showed that Advies had made Ms A aware of the CETV deadline – it was referred to in its email of 23 August 2022, it was included on the first page of the suitability report and it was

likely discussed during the advice process. And in relation to Advies delaying things, they said they didn't think there were any delays prior to its decision that a positive recommendation to transfer was likely. But even if Advies had delayed things, they said Ms A had enough time to action things prior to the guaranteed CETV deadline. Overall they said Ms A ought to have known about the deadline and that she could've taken steps to avoid missing it.

But they said that, when Advies communicated with Ms A in January 2023 when she was seeking to understand what had gone wrong with her transfer, it used language that constituted poor service. And this had caused Ms A upset and distress. So they recommended Advies should pay Ms A £250 in recognition of the upset caused.

Advies replied and said it accepted the Investigator's opinion. It said it would contact Ms A for her bank details to pay her the £250 distress and inconvenience payment.

Ms A disagreed. In summary she said there is no evidence that Advies did anything, or very little on her pension transfer between receiving the CETV from the scheme trustees and 4 August 2022. She said despite Advies saying that it raised a query with her scheme trustees about the value and it didn't get an answer until 20 July 2022, she'd received confirmation from the scheme trustees that the only contact they'd had from Advies following the issuing of the CETV, was its request for a second one in September 2022. Ms A said this shows Advies made false statements to the Financial Ombudsman Service which limits our ability to conduct a fair review. Ms A said there is no evidence Advies told her about the CETV expiry date. She said, despite her emailing Advies on 25 August 2022 asking to discuss the recommendation when she returned to the UK, it made no contact with her between 1 and 14 September 2022. She said she wasn't concerned because she didn't recognise the 14 September 2022 deadline and Advies had not been quick to respond in the past. She said she did chase them for the meeting on 7 September 2022, but heard nothing. Ms A said the Investigator's conclusion that it was her delay in not contacting them sooner than 7 September 2022 as being the main reason for the failed transfer is unfair.

The Investigator wasn't persuaded to change their opinion. They said while Ms A's evidence might give rise to doubt the accuracy of some of what Advies said happened, it didn't alter the outcome of the complaint. They maintained that the evidence shows Ms A was told about the CETV deadline and that she had ample opportunity to clarify things if she didn't understand.

Ms A repeated and summarised the key points she'd previously made.

Because things couldn't be resolved informally, the complaint was 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.

I've taken into account relevant law and regulations, regulator's rules, guidance and standards and codes of practice, and what I consider to have been good industry practice at the time. And where the evidence is incomplete, inconclusive or contradictory, I reach my conclusions on the balance of probabilities – that is, what I think is more likely than not to have happened based on the available evidence and the wider surrounding circumstances.

Having considered all of this and the evidence in this case, while I know this isn't the answer Ms A was hoping for, I've decided to uphold the complaint in part only. And I do so for largely the same reasons given by the investigator. I'll explain why.

Ms A is unhappy because she says she's suffered a loss to her pension. She says Advies is responsible because it didn't tell her there was a deadline to return the paperwork, it caused delays in the transfer process and it didn't respond to her requests for help. She says all of this contributed to missing the CETV deadline and the transfer then not going ahead because the revised CETV was lower.

CETV guarantee date

Ms A says Advies didn't tell her about the guaranteed CETV deadline. And I can see her email to them of 17 September 2022 said she didn't realise there was a deadline to return the paperwork. But I think Ms A ought reasonably to have been aware of this important deadline.

Advies says there were a number of phone calls with Ms A and messages in which it notified her that, if she wished to proceed there was a deadline to meet. It doesn't appear to be in dispute that these two channels were how Ms A and Advies communicated. And I think it's more likely than not the deadline was discussed with Ms A as Advies says. I say this because the three-month validity of Ms A's CETV is the typical timeframe DB scheme trustees give when providing a CETV to a member. It is therefore an important and fundamental aspect of the pension transfer advice process because advice firms know they have to act within this timeframe. The advice they give has a natural lifespan – it is only relevant whilst the CETV is valid. So it would strike me as odd if Advies didn't talk about or refer to the CETV deadline in its conversations with Ms A.

But if not, I think Advies email of 23 August 2022 ought reasonably to have prompted Ms A to understand there was a time limit or deadline involved with things. I can see Ms A says she thought this was only in relation to paying Advies' fee. But given what it said about being concerned about dates and not wanting to allow things to expire because new valuations were down 15-20% due to financial uncertainty in the UK, I think it was clear this wasn't about paying a fee.

Furthermore on 25 August 2022 Ms A received Advies recommendation report and accompanying paperwork. I understand Ms A was overseas when she received this and she says she could only view things on a mobile phone, which was difficult. I also accept the documentation was lengthy. But this was important information. Ms A was expecting its arrival and she knew it required her attention. And despite the total number of pages in the information Ms A received, the first page of the suitability report – the key document in my view - contained a summary section, which quoted the CETV figure and underneath it said, "*Your guarantee date is: 14/9/2022.*" The pension transfer report or TVC also quoted the same information. I think this was clear. Even if Ms A couldn't readily see this information when she tried to view it from overseas, she had hard copies waiting for her when she returned home.

So, overall I think Advies did make Ms A aware of the CETV deadline and that she ought reasonably to have understood what this meant.

Process delays

Ms A says Advies caused delays in the transfer process and it didn't respond to her requests for help. She says this contributed to missing the CETV deadline and the transfer then not going ahead because the revised CETV was lower.

Ms A has firstly pointed to delays before Advies formulated its advice. She says while Advies said it queried the CETV figure with the scheme trustees and it didn't get an answer until 20 July 2022, she says the trustees' records show the next contact it had with Advies after providing the CETV on 14 June 2022 was in September 2022 when it requested the revised CETV. She says Advies have filled the period between receipt of the CETV and its contact at the beginning of August with spurious events.

But I'm not persuaded that any delays at this stage of the advice process are important to the outcome of the complaint. It's possible Advies contact with the scheme trustees wasn't recorded. But even if I found that it hadn't questioned things with the trustees and I accept there were delays in formulating the advice, in my view there was still ample time from issuing the recommendation on 25 August 2022 to enable Ms A to meet the 14 September 2022 CETV deadline. Furthermore, I think if Advies had been able to produce its recommendation a few weeks earlier, given Ms A was overseas from the beginning of August 2022, I think she'd have still been in the same position of wanting or needing to wait until her return to the UK at the beginning of September to properly view and consider the advice paperwork.

Ms A says that despite her request for a meeting to discuss the recommendation on the same day she received it, she heard nothing from Advies until 16 September 2022, which is when she learned she missed the deadline. It's not entirely clear to me how much and what communication took place between Ms A and Advies from Ms A asking for a meeting to discuss things on 25 August 2022 and 16 September 2022. I say this because Ms A says conversations took place on WhatsApp to confirm where and how a meeting would happen. Advies has also said that Ms A said she would visit their office but decided not to. But unfortunately evidence of these messages isn't available. Also, in Ms A's original complaint submission when she discussed the timeline of events, she said on return from her holiday she waited for Advies to contact her to discuss things as there were often delays before they responded. Later on, Ms A says she chased Advies for a meeting on 7 September 2022. I've not seen any record of that call. So it is difficult for me to clearly understand what happened here.

Ms A has been clear that she wasn't aware of the guarantee date deadline. But as I've found above, I think she ought reasonably to have been. And I think because Ms A didn't recognise there was a looming deadline or a sense of urgency about things, this was a key factor which ultimately led to her missing the deadline. While Advies might not have always been prompt in responding to Ms A when she contacted them, if Ms A had appreciated that the advice was timebound, as I think she ought reasonably to have been, in my view there was sufficient time for her to raise her concerns and have them addressed so she could complete the transfer by the 14 September 2022 CETV deadline. Based on what I've seen, I can't fairly say that Advies did anything substantially wrong here.

And ultimately, Ms A has not lost out financially as she says. This is because her pension benefits remain in the DB scheme. So, for the reasons above I don't uphold this aspect of Ms A's complaint and I won't be telling Advies to put things right as Ms A has requested.

Unfair treatment and poor service

Nevertheless, and like the Investigator explained, when Advies replied to Ms A in January of this year, it did not treat her fairly or in the manner that should reasonably be expected from a regulated firm. I think the language it used when corresponding with Ms A was

inappropriate and unnecessary. I consider this amounted to poor service, which fell far short of what Ms A ought to have expected and reasonably deserved as a customer of the firm. I don't think Advies treated Ms A fairly in this regard. And it's clear from what Ms A has said that Advies actions caused her upset and distress.

I can see the Investigator recommended Advies pay Ms A £250 in recognition of the upset caused. And taking into account the emotional and practical impact this had on Ms A, I think an award of £250 is fair in all the circumstances.

Putting things right

Advies should pay Ms A £250 for the distress and inconvenience caused by its unfair treatment of her when it answered her request for clarification about what had gone wrong with her pension transfer.

My final decision

I've decided to uphold this complaint in part only. Woodgrange Associates (IFA) Ltd trading as Advies Wealth should put things right as I have set out above. I make no other award.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms A to accept or reject my decision before 10 January 2024.

Paul Featherstone

Ombudsman