

## The complaint

Mr M complains about the service provided by Close Asset Management Limited (CAML) in regard to his pension arrangements.

## What happened

The initial complaint was made on behalf of Mr M and Ms B, however this decision will focus on the elements of the complaint that relate only to Mr M. A separate decision will consider Ms B's complaint issues.

CAML had provided services to Mr M since 2004.

More recently Mr M has complained about the service he has been provided, specifically from 2014 onwards.

As this complaint spans a number of years and numerous contact points and correspondence, I will only set out a short summary of the key events. However, I have read and considered all the evidence provided but to set this all out will make this decision unwieldy. Our remit as an informal dispute resolution service is to provide an answer getting to the heart of the matter.

### 2014

23 October, CAML email Mr M to arrange a meeting after changes announced in the budget. Mr M informed them that he was away in the United States and he should be available in a week or two.

10 November, CAML chase for a response to arrange a meeting. No response is received.

### 2015

11 March 2015, CAML contact Mr M asking if there was any '*last minute tax year end planning*' required. It appears there was no response from Mr M.

### 2016

19 December, CAML email Mr M to arrange a review.

### 2017

Mr M responds and a meeting date is set for 1 March 2017. However, on 21 February CAML cancel the review as the adviser is ill.

27 March, Mr M contacts CAML to arrange a meeting to sort out his tax allowances for the year. CAML email Mr M with the relevant forms and information on the same day. And its systems show an ISA contribution is made for both Mr M and Ms B.

26 April, CAML email Mr M to arrange potential review dates.

A response is chased on 3 May and 11 May. It appears no response was received.

## 2018

27 February a meeting takes place.

26 March, Mr M emails CAML to confirm a number of points:

- CAML were going to arrange for Mr M to meet with a mortgage adviser.
- Pension contribution advice for Mr M was required
- Mr M wanted an update on his life policies
- Mr M wanted to 'max out' his ISA's

28 March, CAML responded:

- It would arrange for a mortgage adviser to give Mr M a call.
- It confirmed the maximum amount of pension contribution and asked Mr M to confirm how much he wished to contribute.
- It asked Mr M to confirm once he had sent the money to max out his ISA allowance.

On the same day, Mr M emailed his adviser with an update on Ms B's position and asking for clarification on the amount he had to pay to his SIPP. A suitability report detailing the pension contributions and carry forward was generated on 29 March by CAML but not sent to Mr M.

2 April, Mr M emailed his adviser with the following points:

- A payment to be set up for £100,000 gross into his pension.
- A pension contribution for Ms B to be set up.
- Mr M had issued £40,000 to both his and Ms B's ISA.
- In the new tax year Mr M wished to discuss setting up monthly direct debits to his pension, Ms B's pension and the ISA's.

3 April, CAML sent the relevant bank details to pay the contribution to Mr M's SIPP, and Mr M responded the same day with copies of all of the required forms. Mr M also requested confirmation of Ms B's pension contribution.

4 April, CAML provided the details requested and a suitability report was generating detailing the contribution but was not sent to Mr M on 5 April.

4 May, CAML emailed Mr M and Ms B with a list of documents that required a signature. This is chased on 11 May.

15 May, Mr M re-sent the email from 2 April 2018 to CAML as a prompt to discuss the additional points that weren't addressed. On the same day, Mr M responded with signed copies of the required paperwork, and Mr M requested clarity on his life insurance plans.

CAML responded stating it cannot recommend cancelling these policies and confirmed it would be happy to discuss in more detail. The adviser also stated Mr M should let him know if he wished to cancel the protection.

8 August, CAML emailed Mr M regarding outstanding documents that were

required – a form for Ms B given her fund switch with the ISA, and evidence of both Mr M's and Ms B's bank accounts.

Mr M responded the same day saying he hadn't had this request before now and requested an update on setting up the direct debits, Ms B's pensions and asking for clarity on his pension.

9 August, CAML responded, making clear that it would be in touch regarding the ISA contributions and Ms B's pension and confirmed Mr M had been contacted on 25 May 2018 regarding the missing documentation.

## 2019

8 January, CAML emailed Mr M a Market Insight document that the adviser felt Mr M may find interesting.

23 March, Mr M emails CAML to request an update on his ISA and pension contributions, and asked if he had all the necessary information to advise on Ms B's pension. CAML did not reply, and Ms B emailed them again on 5 April to chase.

As Mr M's adviser was not available, CAML arranged for a member of their Telephone Advice Service to call Mr M and attempt to arrange a review meeting. Call attempts were made on 10 and 30 April, and on 1 May.

3 July, Mr M is allocated a new adviser. It appears from the notes provided that two meetings took place following this, but neither Mr M nor CAML have provided notes or details of what was discussed. CAML's notes indicate that Mr M was issued with a fee schedule.

October 2019, following complaints that Mr M has raised about poor service and waiting for information about his life policy, CAML attempt to arrange a meeting. And also give written advice about Mr M's life policies which is to retain them as they are good value and won't cause a double insurance issue.

## 2020

30 April, the new adviser left Mr M a voicemail to try and arrange a review. No response was received.

7 May, the new adviser emails Mr M to ask if he had time to discuss his review, or if Mr M would like to defer or decline a review.

Mr M responded the same day stating he wished to consider this over the weekend and would get back to him. Mr M asked for a breakdown of all of the fees paid over the past five years in a particular format, on letter headed paper.

The adviser responded to say he had asked his finance team to provide the fee breakdown on letter headed paper, but he also described where Mr M could find the charges on the client portal, and totalled everything up for Mr M and Ms B in the format requested.

11 May, the adviser called Mr M to discuss a review, Mr M said he wanted to defer this until later in the year.

29 July, Mr M emailed CAML to cancel the life policies.

Separately Mr M was in contact with CAML about changing the bank account in which his ISA contributions were taken from and stopping his pension contributions.

21 August, CAML confirm that Mr M's direct debit had been cancelled and provided some information on his money purchase annual allowance. The adviser also said he would typically review a client's income and contributions in January/February, and that some of his other clients had arrangements that might be relevant to Mr M. He asked that Mr M email his assistant to arrange a meeting as he was about to go on holiday.

1 September, CAML received a letter of authority from a new adviser acting on behalf of Mr M.

## 2021

25 January, Mr M emailed CAML requesting a more specific breakdown of fees. Mr M stated that he needed this on letter headed paper but did not have time to wait for this to be posted and asked it was scanned and emailed. Mr M said he'd approached a new firm to try and reconcile the charges on his plan. It does not appear any response is received.

1 April, Mr M chases a response and asked for confirmation of how much he should pay into his ISAs and for details on how to do so and how much can be paid into Ms B's pension.

The adviser responded on the same date making clear that he would like to set up a meeting as soon as possible with Mr M, Ms B and one of his investment managers. And responded to the requests for information.

Mr M responded the same day confirming he would transfer the necessary ISA payments. He also raised concerns regarding Ms B's pension after a response from CAML regarding the regulatory requirements regarding Ms B's pension. Mr M responded on the same day asking for confirmation of what Ms B could pay and raising a formal complaint. This will be considered in relation to Ms B's complaint, which is also at this service.

CAML's adviser's assistant issued Mr M with the relevant bank details to be used, and Mr M responded confirming how much Ms B would be paying into her SIPP.

CAML responded to Mr M's complaint. It accepted it hadn't always provided the level of service it should've done so. To put things right it offered to do the following:

- It would carry out a retrospective review on the advice it ought to have given in 2019 – it offered this as it did not offer a review in 2019 and potential tax planning opportunities could've been missed.
- It was slow to cancel policies relating to Mr M and Ms B after receiving Mr M's instruction in July 2020. It would reimburse the extra contributions paid on these policies with 8% simple added to the total.
- CAML said it would suspend its ongoing fees from June 2021 when Mr M complained. However, it had failed to inform the SIPP provider and so fees had been incurred for both Mr M and Ms B. It would refund these fees.

Mr M was unhappy with this response and so he referred a complaint to this service. Our investigator looked into matters and the complaint was split into two, one primarily dealing with Mr M's issues and one with Ms B's although there is crossover in parts of the complaint.

Our investigator looked into matters and whilst he agreed with Mr M that at points CAML hadn't provided a good service he felt the offer made by CAML was fair and reasonable in the circumstances. Mr M remained unhappy with what had been agreed to put things right and asked for an ombudsman's decision.

In summary Mr M's key issues remain:

- CAML's attempts to arrange meetings were not a valid excuse or substitute for providing the services he'd paid for. He feels that over a large span of time he received very little in the way of advice.
- Mr M didn't receive adequate advice on his life policies for many years despite written requests.
- Repeated requests for fee information and in a clearly defined format have not been met in full.
- Information was missing from the online portal which is where CAML directed Mr M in terms of fees and it was concerning to see a policy missing from the portal.

### **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.

Mr M has provided us with a lot of evidence across a number of years, but I've only summarised the points that I think are at the heart of the matter. I don't mean this as a disservice – I have taken into account everything Mr M and CAML have told us. The level of detail I've included in my decision is merely a reflection of the informal nature of this service and that my role is to answer the crux of the complaint.

Mr M's complaint, whilst spanning a number of issues, is ultimately that CAML has provided him with a poor service. He's set out numerous instances where he is unhappy with the service provided.

Amongst other offerings, Mr M's arrangement with CAML for the ongoing service fee was that he'd receive:

- An annual review meeting with a Financial Adviser including provision of an annual review pack
- Review of goals and objectives along with investment performance
- Annual confirmation that products and investments remain suitable

I think it's fair to say to be able to achieve the above, collaboration between both parties is required. An annual review wouldn't be worth the paper it is written on without a suitably detailed conversation between the client and adviser.

Looking at the evidence it's clear that Mr M is a very busy man, as he's said himself, it's in part why he pays for an adviser to look after his financial matters. But without his involvement it is very difficult for CAML to provide a meaningful service in terms of the

above. And I agree with the investigator but for the exception of 2019, CAML made reasonable efforts to arrange a meeting with Mr M.

So I don't think CAML has done anything wrong here, it made reasonable attempts to meet the service agreement it made with Mr M in terms of reviewing his situation annually. I can somewhat understand Mr M's frustration in hindsight that he paid fees for years where he received very little or nothing in the way of advice. However, I also think it's fair to say had he been available or responded to CAML's attempts to arrange meetings he would've received the advice/review that he was due. So I don't think I can hold CAML responsible here.

CAML accepts that in early 2019 it did not respond to requests from Mr M and Ms B adequately. And given the timing of this failure, it missed an opportunity for potential beneficial tax planning. It offered to put things right by conducting a retrospective review but this requires Mr M's involvement. As is Mr M's right and perhaps understandably given his unhappiness with CAML, Mr M has not accepted this offer. However, I think the offer from CAML here is fair. Mr M hasn't put forward a specific reason as to how this failure caused him a loss. And it may be that this inaction wasn't to Mr M's disadvantage. But to be able to ascertain this, a retrospective review is required. So, I don't think CAML needs to do anything else to put things right. It has made a fair and reasonable offer.

More specifically in terms of not receiving the service he'd paid for, Mr M is unhappy with advice/or lack of advice in relation to his life policies. The evidence shows Mr M asked for an update on his life policies on 26 March 2018 amongst other queries, CAML responded but didn't address the life policy question. In May 2018 Mr M asked again about the life policies and CAML responded to say it couldn't recommend cancelling these policies, but it would be happy to discuss this in more detail. And if Mr M wished to cancel them it could arrange this.

Mr M raised issues again in 2019 about what he perceived as a lack of advice and poor service, CAML's Practice Director also got involved and apologised and said he'd spoken to the new adviser about how to put things right. And they'd like to arrange a meeting to do so. The adviser also separately emailed Mr M and gave further advice on his life policies which was to retain them. Then in July 2020 Mr M emailed CAML to cancel his life policies.

Mr M said it took four years to get the advice he requested in particular with regard to whether there would be problems in relation to double insurance. I can see in 2016, CAML sent Mr M some information on his life insurance policies which it said should answer any questions that he has – and to let them know if he needs anything further. And in 2019 Mr M says he finally received the answer that he was waiting for in regards to his life insurance policies.

Whilst Mr M did on occasion have to chase CAML for a response about his life insurance policies, the adviser did respond and his advice was that the policies should be retained.

I appreciate Mr M did have to ask more than once in 2018 for an answer to his query and it appears, he wasn't happy with the response he eventually received. However, the adviser did offer Mr M an opportunity to discuss further which it appears Mr M chose not to take up.

CAML certainly could've been more detailed in its responses. And I can see it would've been frustrating for Mr M given that he is paying good money for its services to have to chase for answers/information. But ultimately Mr M was given an answer in 2018 and 2019, which was to retain the policies and he was given the opportunity to discuss the reasons in more detail which the evidence shows he didn't choose to take up. But I have taken into account that

CAML didn't always respond promptly, when considering whether CAML have already done enough to put things right.

I agree with Mr M that the service CAML has provided about fees hasn't always been to a reasonable standard. Mr M has had to chase for responses in 2020 after he asked for information about the fees he was paying, and he didn't receive some information which CAML said would be sent to him. But Mr M didn't let the adviser know it hadn't been received until he re-requested this information approximately eight months later. And CAML did send Mr M detailed fee information and also explained how he could access this information himself.

More recently, I agree that again CAML should have been able to provide Mr M with the information he requested in the format requested and he shouldn't have had to chase it for this information. However, much like the initial request, CAML has provided Mr M with detailed fee information and whilst they have been slow to respond, they do appear to be attempting to address the current questions raised by Mr M.

There are ongoing issues that Mr M has had with his requests for specific information. But as these points appear to be ongoing and weren't part of the initial complaint – Mr M will have to make a new complaint with CAML if it does not provide him with the answers he requires. I cannot consider these issues as part of this decision – as CAML hasn't had the opportunity to investigate or put things right prior to our involvement.

Mr M was also unhappy that CAML directed him to the portal regarding fees and then it was discovered one of Ms B's policies was missing. I can understand his frustration as he was told he could get all his fee information from the portal and there would've been some initial worry that the policy had gone missing. However, CAML did look into this and explained it had raised this with the platform provider and that it might be a problem with access permissions. It appears that it took steps to put things right here and explained why there was a discrepancy.

Whilst I agree with Mr M that the service he's been provided with through the years in question, hasn't always been up to standard, CAML has already offered financial compensation and so I need to consider whether what it has offered is fair and reasonable in the circumstances.

As I've already said the offer of a retrospective review is in my view sufficient to put things right in terms of the missed review in 2019. CAML was also slow to cancel policies after Mr M's instruction which caused extra contributions to be paid, and so it will reimburse them plus 8%. I think this offer is fair and reasonable however as this relates to a specific error, I have not taken this into account in terms of redress for the poor service generally.

However, I think the key point in terms of whether CAML need to do more to put things right – is that it also offered to suspend its fees from the start of its investigation into Mr M's complaint. This isn't something it was required to do, and not something I would've directed it to do. The fees across Mr M's plans in this time appear to be over £2,000 and this is some

way in advance of any recommendation I would've made for a payment to reflect the trouble and upset caused by CAML's service failings. I did consider whether any separate award should be made for the trouble and upset caused by Mr M having on occasion to chase CAML for responses and for not supplying Mr M with the fee information in the format he requested. However, I think CAML took this into account when it made its offer and it has offered compensation above and beyond what I would recommend given the circumstances here.

Mr M is also unhappy as the information he'd received didn't appear to show the fees that CAML said it would refund as part of its offer – as already refunded. However, as this was part of an offer to put things right, which Mr M can choose to accept or reject, I don't think CAML needs to do this before Mr M accepts the offer. As I understand it Mr M's ISA fees were stopped when CAML said they would be but CAML failed to inform Mr M's SIPP provider so those fees need to be refunded as part of the offer.

In conclusion, whilst CAML didn't always provide Mr M with a good service, a lot of the problems were due to the difficulty in arranging meetings with Mr M. Where I agree CAML did provide a poor service, it has already offered compensation in excess of what I would've awarded. Therefore I think CAML has made a fair and reasonable offer to put things right.

### **My final decision**

Close Asset Management Limited has already made a fair and reasonable offer. If Mr M chooses to accept this offer, Close Asset Management Limited needs to carry out the required steps to make the payments it offered as part of its settlement.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 28 September 2023.

Simon Hollingshead  
**Ombudsman**