

## **The complaint**

Mrs S is complaining about Quilter Financial Planning Solutions Limited's lack of advice in relation to a whole of life policy held in trust.

## **What happened**

The details of this complaint are well known to both parties, so I won't repeat them again here. The facts are not in dispute, so I'll focus on giving my reasons for my 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 conclusions reached by the investigator, for the reasons I've set out below. I appreciate Mrs S will be very disappointed with the outcome and while I've summarised what I consider to be the key points of this complaint, I've considered all of her explanations and arguments when reaching my decision:

- Mrs S was advised to take out this policy by a predecessor firm of Quilter in 2005. The "DISP" rules which govern which complaints we can look into specify certain time limits. We can't consider a complaint about the sale of this policy because it was more than six years ago – and Mrs S ought to have known there was reason to complain in 2015 when the policy failed a review and the sum assured reduced significantly.
- Mrs S believes Quilter and their predecessor had a duty to her to keep her policy under review and to ensure it was invested in well-performing funds. I've seen no evidence that this was the case. The policy documentation shows that Quilter's predecessor was paid a lump sum of commission for setting up the policy, and that they were due to receive ongoing commission payments of £4.54 each month once the policy had been in place for three years. But this sort of payment structure is most likely to be trail commission – an arrangement that was common practice at the time and was simply an arrangement between a policy provider and a financial provider with no associated requirement to provide any services to the consumer. I think it's highly unlikely Quilter had any ongoing duty to advise Mrs S.
- I can see Quilter's predecessor sent Mrs S a letter in July 2019 which was misleading. It said that Mrs S's financial advisor had left in 2017 so her policy had not been reviewed since then. So, it said, ongoing advisor charges should not have been received in relation to the policy. This letter offered Mrs S a payment of £185.47 and a complimentary review of her investments. Mrs S accepted both offers but never received the complimentary review.
- As I've explained above, I'm satisfied Quilter didn't have an ongoing obligation to review Mrs S's policy. So I think the letter was incorrect and Quilter didn't need to pay Mrs S anything. But, having sent the letter, Quilter should have followed through with the complimentary review, or at least communicated that it wouldn't happen. Quilter

have offered Mrs S £300 to compensate her for the misleading information in the letter and for not arranging a review. I'm satisfied this offer is fair and reasonable – it's a recognition of the upset and inconvenience they caused rather than any attempt to compensate Mrs S for financial losses.

- I appreciate Mrs S says her policy is now worthless – but as I've explained above I can't say this is because Quilter should have provided advice.
- Quilter haven't yet paid Mrs S the £300 they've offered so I'm now directing them to do so.

### **My final decision**

As I've explained above, I'm upholding Mrs S's complaint. Quilter Financial Planning Solutions Limited need to pay £300 to Mrs S.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S and others as the trustees of the SCS Settlement Trust to accept or reject my decision before 28 December 2022.

Clare King  
**Ombudsman**