DRN-4037596

The complaint

Mr B complained he was unsuitably advised in respect of his pension arrangements by Quilter Wealth Ltd.

What happened

In June 2014 Mr B met with an adviser from Quilter's appointed representative firm. It is not in dispute that at this time:

- Mr B was married, with no dependents and approaching the age of 55.
- He was not working having recently been diagnosed with cancer, but he intended to return to work (albeit there was no idea when this might be).
- He had a joint mortgage with his wife of £90,000, which they were paying at £600 a month, with arrears of £2,000.
- He had an outstanding loan of £11,000. This had been enforced by way of a court order (repayments having been agreed at £10 a week).
- He had a personal pension plan (PPP- referred to as Plan 4) with a provider (Provider A) valued at around £18,134 in August 2014.
- He had a Group flexible retirement plan (Plan 3) with Provider A valued at around £29,679 on the same date.
- He was a deferred member of a defined benefit occupational pension scheme with a transfer value of £32,133, plus additional voluntary contributions of £11,034.
- His wife had deferred benefits in an OPS.
- Mr B was unsure when he would retire but estimated this would be at age 65.

Further meetings and discussions followed the meeting in June 2014. It was initially said a suitability and recommendation letter was provided to Mr B on 24 October 2014. I previously identified that we have been supplied with four very different versions of this letter all with this same date printed and it is unclear which if any might have been provided to Mr B in October 2014. Some of the information contained in some of the drafts wasn't known until after 24 October 2014.

It is agreed that having met with the adviser, Mr B was advised in the autumn of 2014, to start a self-invested pension plan (SIPP) and to transfer two of his pension arrangements (those held with Provider A) into the SIPP to enable him to access the maximum tax-free cash available and to start a draw-down facility. No advice was provided on his deferred occupational scheme related benefits.

A declaration form for the SIPP was first completed and signed by Mr B in early November 2014, confirming his agreement for the SIPP provider to pay the adviser an initial fee of 5% of the transfer funds from Provider A, together with an ongoing annual adviser fee of 0.5%. A letter was sent to Provider A confirming Mr B's intention to transfer his pension plans into the SIPP.

Various instructions followed from the adviser cancelling one or both of the transfers and then others trying to reinstate to the SIPP provider and Provider A. Some of the cancellations were linked to the adviser discovering Plan 3 had an entitlement for Mr B to a protected tax-free cash sum of 63.61% on the element of the plan relating to an earlier transfer-in.

On 21 November 2014 there is an internal email from Provider A saying the adviser had "*changed his mind again after consulting with his compliance department*" and that all transfers were to be cancelled and funds returned.

The SIPP provider went on to ask the adviser to confirm they understood the usual process was that funds would be returned directly to the source and wanted to know which commitment he wanted to cancel (or both).

On 27 November 2014 the adviser emailed "*Yes please cancel everything*". The SIPP provider cancelled everything and marked the SIPP account opened for Mr B, as having been opened in error. On 28 November 2014, the SIPP provider emailed the adviser to confirm the funds were being returned to source and that Mr B's account was being cancelled.

A number of illustrations apparently sought by the adviser in late November 2014 and early December for Mr B were provided to us, including different types of plans and arrangements and providers.

On 2 December 2014 the SIPP provider was informed Mr B's transfer was now going to be "*moving forward again*". The SIPP provider concluded it needed a new instruction from Mr B and sent the adviser the details of what was required to set up the SIPP account and go into immediate drawdown.

A pension drawdown form was completed and signed by Mr B on 3 December 2014, confirming he wanted to access full drawdown to take the maximum tax-free cash sum available from the transfer funds received from Provider A.

We've been provided with the notes of a phone call between the SIPP provider and the adviser on 12 December 2014. The adviser called to confirm there had been a "*u-turn*" and they now wanted the funds to remain with the SIPP provider, and the adviser wanted to ensure the funds weren't returned to Provider A, and for the tax-free cash to be paid out as soon as possible.

The adviser let the SIPP provider know that Provider A would be paying Mr B the tax-free cash on his Plan 4 and inaccurately referred to this being a drawdown-to-drawdown transfer. He said the SIPP provider would need to pay Mr B the tax-free cash for Plan 3.

In fact the tax-free cash sum of £17,628.58 was paid to Mr B directly by Provider A in respect of Plan 3, with the residual funds of £13,528.28 being sent to Mr B's SIPP (received by 19 December 2014). The SIPP provider then reviewed if they could apply the transfer as it was more than 20% over what was expected.

As the previous account opened for Mr B had been closed, the adviser was required to open a new wrap account. A further sum of £19,093.53 was received by the SIPP provider in respect of Plan 4 in early January 2015. Overall the SIPP provider received £32,621.81 in funds transferred. The funds were invested in-line with the advice provided.

Apart from a tax-free cash payment of just under £5,000 paid to Mr B in January 2015, Mr B did not begin withdrawing any sums until May 2016. Various sums were then withdrawn as gross drawdown income, which was taxable. Around £32,204 was taken by Mr B from his SIPP from inception in January 2015 until July 2017, when the SIPP was closed.

Regular ongoing advice fees were taken from both accounts held within Mr B's SIPP, as well as provider charges. I previously identified that I was not clear if annual reviews or any other meetings and reviews took place, albeit I noted one apparent review in August 2016. In this letter there is an error in the information provided as one original investment transfer sum was doubled.

On 10 April 2017 the adviser contacted the SIPP provider with instructions from Mr B. Mr B wanted to withdraw the maximum available cash but wanted to keep the pension in force to transfer future funds into. On 28 April 2017 Mr B contacted the SIPP provider directly as he was unhappy his money was not yet in his account. He was unhappy to be told £5,000 would be paid as he thought the sum ought to be in excess of £6,000.

The SIPP provider contacted the adviser as requested by Mr B. They told the adviser that if a higher sum was required then further sells would need to be completed. The provider said they had told Mr B his overall plan value was in excess of £6,000 and suggested this might be where Mr B had got this number from.

In late 29 June 2017 the adviser contacted the SIPP provider as Mr B wanted to close his account and have all proceeds paid out. By mid-July 2017 matters had been concluded, all funds transferred to Mr B and all accounts had a zero balance and were closed.

On 23 May 2019, the adviser sent an email to Mr B providing transaction statements for the SIPP from inception and detailing the gross withdrawals taken. The email confirms the amounts received would have been net of tax, with the exception of the tax-free cash sum. The adviser provided the wrong sum when quoting the tax-free cash received from one of the original plans. He refers to a sum of around £11,000 when it was £17,628. This error was repeated by Quilter in their final response letter to this complaint and in other communications.

<u>Complaint</u>

In November 2020 Mr B's representatives complained to Quilter that Mr B had been unsuitably advised in 2014.

<u>Response from Quilter</u>

Quilter didn't uphold the complaint. They considered the advice had been suitable. Mr B's primary priority had been accessing cash due to his personal circumstances. They said drawdown hadn't been available within his existing plans. And Quilter didn't think using alternative products with his existing provider had been possible without obtaining financial advice and they said this would have had a cost.

Quilter thought matters had been fully discussed and they quoted from what they said had been the advice letter Mr B had received dated 24 October 2014. Quilter went on to say the advice Mr B received in 2016, although containing several administrative errors, had confirmed Mr B was aware of the impact the level of his withdrawals may have on his fund, and they said the arrangements remained suitable for Mr B.

<u>Mr B's complaint whilst at this service</u>

Mr B's representatives referred his complaint to this service. They said Mr B had suffered a financial loss due to being unsuitably advised. Further complaints were made, but it didn't appear to us these were all relevant to Mr B. We invited further clarification and submissions at various stages.

Quilter provided a copy of their file to this service and raised the issue of jurisdiction. We asked Quilter for further information but were told we have everything. The information we asked for included:

- Copy of the full fact find completed by the adviser during his meetings with Mr B.
- Full details, including dates, times, and relevant meeting notes, of all meetings and contact between the adviser and Mr B during the advice process in 2014.

Investigator's views

An investigator at this service didn't think it was too late for Mr B to complain. He didn't think Mr B ought to have been expected to know of his cause for complaint until May 2019, and as such his complaint was made within time. In relation to its merits, the investigator didn't uphold the complaint.

Since Quilter thought the complaint was made too late and Mr B's representatives didn't agree with the investigator's view, the case was referred for an ombudsman's decision.

Jurisdiction decision

I concluded Mr B's complaint had not been made too late, albeit for different reasons than those relied on by the investigator. I indicated I would go on to consider the merits of Mr B's complaint separately.

Further information provided

After my decision on jurisdiction was issued, we received further information. In summary:

From Quilter:

- A spreadsheet that was said to contain the breakdown of all charges and fees paid to their adviser.
- Quilter suggested Provider A said they could pay Mr B the tax-free cash but could not transfer the remaining funds to a drawdown SIPP with themselves due to the low value of the fund. Quilter suggested Provider A did not offer a suitable alternative.
- Quilter say that Mr B's Plan 4 was an old Group Personal Pension (GPP) and suitable for transfer to a SIPP if it was over £50,000 in value.

I compared the spreadsheet with a printout from the SIPP provider and previously explained I didn't think the spreadsheet was right and why.
Quilter suggest there were irregular sums paid to the adviser. But the SIPP provider's transaction statement shows regular monthly sums being paid to the adviser from both accounts held within the SIPP. I think Quilter also confused Plan 4 with Plan 3 here.

From Mr B's representatives:

- Mr B stresses he was a low-risk investor with no experience of investing.
- He was diagnosed with cancer in September 2014. His diagnosis involved the risk that if treatment wasn't successful, it would be terminal, and treatment came with a risk of recurrence as well as the risk of the loss of a limb. Mr B had emergency surgery in October 2014 followed by a long period off work, and he hadn't been able to return to his previous job.

- Mr B didn't have any relevant insurance cover and thus had no income at the time. There is also a reference to Mr B having dependent children, [although this isn't what was recorded previously].
- Mr B says he contacted the adviser as he wanted to access to his funds following his cancer diagnosis. It's said Mr B wasn't adequately informed or advised on his pension plans. He would have been happy to remain with Provider A so long as he was able to withdraw funds from his plans and move to an alternative in-house arrangement.
- It's said Mr B wasn't warned about transferring his pensions; [it isn't said what the warning ought to have been].
- It's said Quilter's adviser didn't explain what a SIPP was, and Mr B would not have transferred to a scheme where he would be in control of his own investments.

Information from Provider A (provided by Mr B's representatives):

- Mr B's Plan 4 was a PPP and benefits had been taken in January 2015. This plan could not facilitate drawdown so he would have needed to transfer this plan to another plan. Provider A offered these types of alternative plans at the time and continues to offer them.
- Mr B's Plan 3 was a Group Flexible retirement plan. This plan could not facilitate drawdown. Provider A offered plans into which this plan could have been transferred if Mr B wanted to take his tax-free cash and start income withdrawals.
- There would have been the options of an Active Money Personal Pension or a SIPP with Provider A in late 2014/ early 2015.

Provisional decision

I provided a provisional decision to share my thinking on what I intended to say about the merits of Mr B's complaint and what Quilter must do.

In summary I indicated that I intended to say that due to Mr B's very individual personal circumstances it was not unsuitable for him to have been advised to crystallise his benefits, taking his tax-free cash, and moving the remainder into a drawdown arrangement. However I didn't think the adviser had sufficiently understood or considered the alternatives available. I set out more about my thinking and what I intended to say ought to be done.

Responses to provisional decision

Mr B's representatives said Mr B thought he had received inadequate advice and he wasn't told enough about the funds involved or the consequences on him as a result of drawing benefits at that time. He also feels he has lost out by more than the sum I indicated I was intending to say Quilter ought to pay him, this is due to high fees being paid.
Quilter had nothing further to add.

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 haven't changed my thinking from that set out in my provisional decision. Due to Mr B's personal circumstances it was not unsuitable for him to have been advised to crystallise his benefits and take his tax-free cash, and then move the remainder into a drawdown arrangement. However I don't think the adviser sufficiently understood or considered the alternatives available, and as such was not in a position to fully advise Mr B. I have no doubt Mr B relied on the adviser as he was entitled to do, particularly when it came to his options on accessing funds, and as such he may well have ended up losing out to some degree.

It might be considered somewhat unusual for someone to be suitably advised to access their pension benefits at such a young age with only limited pension provision and a low capacity for loss. But given Mr B's very individual circumstances it wasn't unsuitable here. Whilst Mr B lost out on the future benefit of his pension arrangements, I consider he had more pressing and very real needs at the time that unusually meant it wasn't wrong for him to be advised to access funds early.

Mr B had received a very serious health diagnosis, and although he was undergoing treatment, (including emergency surgery around the time of advice) he was unable to work. He was in desperate financial difficulty and had arrears on his mortgage, and a loan which had already been through court enforcement proceedings. The loan was being repaid at the amount of £10 a month. This demonstrates how very limited the court considered his cash flow and any ability to pay was.

Mr B had an extended period away from work and could not return to his original job when he did return (whenever that was). Mr B had no other source of income or funds available and no health-based insurance to cover this time. I haven't been provided with any information on any sick pay.

There were sufficiently compelling reasons such as to mean it was not unsuitable for Mr B to have taken benefits, at a time when it might usually be expected for a prudent adviser to advise against such activity. Indeed I tend to think that even if Mr B had been advised not to go ahead, he would have proceeded.

This does not mean the adviser was not required to understand and consider the available options and alternatives for Mr B, and to have been in a position to advise on them accurately, which is where I think the adviser failed. And as a consequence Mr B may have unnecessarily moved into an arrangement that was more expensive for him than it needed to have been to meet his objectives at the time.

But I don't think the adviser ought to be liable for the depletion of the SIPP fund based on the ongoing withdrawals made by Mr B. I think Mr B understood and additionally was made sufficiently aware that withdrawing significant sums via drawdown would decrease the value of his remaining fund. By August 2016 Mr B continued to a greater extent to value his immediate needs as a priority, and I can understand why that might have been the case for him. If Mr B did have any failure when it came to understanding that withdrawals of the size that were made would deplete his fund, I don't consider that was due to anything the adviser ought to be considered responsible for.

<u>Initial advice</u>

The initial advice for Mr B to access his plans was not unsuitable given his particular circumstances. But I am not persuaded the service provided by the adviser demonstrated sufficient or adequate consideration or understanding of alternative options (including those that may have been cheaper). I don't consider the rationale provided as to why a move from Provider A was needed is accurate. Information from Provider A supports my thinking.

There were a substantial number of administrative mistakes and oversights by the adviser that have not be explained or identified accurately by Quilter, which give the appearance of inadequate service and non-compliance with regulatory requirements.

There were further errors by the adviser later on, including in communications in 2016 and 2019 (about fund values and tax-free cash sums). Indeed the whole advisory process has the hallmarks of inadequate record keeping, failures to understand the client's existing products and a failure to have understood or considered reasonable and potentially cheaper options.

I bear in mind Mr B was a particularly vulnerable client. He had been diagnosed with a serious health condition and was undergoing treatment with associated life-changing risks. He was also financially vulnerable given his liabilities and lack of income. As such he required the adviser to take extra care, which I don't think is demonstrated here.

When it comes to the question of whether the adviser understood Mr B's circumstances and whether suitable alternative options were sufficiently considered for Mr B, there is information that suggests the adviser didn't do what they ought to have done here.

It is evident the adviser started to advise without knowing enough about Mr B's plans. It is fortunate this was identified during the process and Mr B did not lose out on what was a significant level of enhanced tax-free cash from Plan 3. This is not something I'd expect to have been identified so late in the process. The transfers were cancelled as a consequence, and apparently more than once.

It is difficult to identify an accurate timeline in respect as to how advice was provided and when. This ought not to be the case when it comes to regulated advice, especially when it has such a significant impact on a very vulnerable client. I see Mr B was receiving emergency treatment around the time and might be expected to be less able to review and consider advice and instructions.

It is agreed advice was given, and it's clear the advice was reviewed a number of times later in 2014, but how and when this happened isn't clear. It also isn't clear how Mr B was kept informed of this, given the apparent ongoing conversations the adviser must have had with Mr B in November and December 2014 when instructions were cancelled and changed. It is disappointing that no records of such contact were made or retained. The activity must have meant that the service Mr B was being provided with at a personally challenging time, would have felt somewhat chaotic at best.

I previously set out a number of examples of how the four drafts of the advice letter dated 24 October 2014 differed and were wrong. The letters are inconsistent with each other and appear to reflect ongoing discussions with compliance and the obtaining of new information and understanding. There are different objectives and needs for Mr B captured in drafts as well as different information on the types of plans held and other work supposedly undertaken.

It isn't possible to say whether Mr B received any, one or all of these letters. The information contained in the letters is too different, incomplete, inaccurate and/ or inconsistent. This means they have provided limited assistance to my understanding of what happened and that I don't consider it reasonable to rely on any version of the letter on its own to reach a finding. However there is some content from which I feel able to draw some logical conclusions.

All versions of the letter refer to the adviser intending to receive a 5% initial fee. I am not clear why the sum in all the letters is put at an initial charge of 5% of an incorrect invested sum of £47,814. This was never right and was never updated once the adviser understood more about the tax-free sums.

The sum transferred into the SIPP was around £32,500. This was after the enhanced tax-free sum from Plan 3 was paid to Mr B by Provider A, but before the tax-free sum of around £4,773 from Plan 4 was paid to Mr B by the SIPP provider.
Some of the information suggests the adviser received 5% of the tax-free sum from Plan 4, which he ought not to have done, based on where the adviser had said the fee would be deducted from.

Quilter now say the adviser received a total of £1,392 (£676 and £715.95). I have looked at the printout from the SIPP provider and whilst the sum of £676 appears, it isn't referred to as an adviser's fee. However these sums were deducted when the account was started. And the total sum of £1,392 does reflect the approximate sum due as 5% of the invested sums once all tax-free cash was paid to Mr B. So I consider this was an agreed fee, if higher than might sometimes be seen.

None of the purported advice letters set out any consideration or investigation into the actual charges involved if Mr B took his tax-free cash and moved into a drawdown arrangement with Provider A. The only charges comparison appears to be with Mr B's current plans and the different proposals where the percentage of growth required to match benefits is said to have been calculated. I don't consider this was an informed or like for like calculation. Quilter suggested at one stage Mr B's funds were too small for this to happen, but this is not what the information from Provider A suggests to me and Quilter have not pursued this submission.

Based on the information I don't think this service's investigator was aware that Provider A could have accommodated Mr B taking tax-free cash and then moving the remaining funds to drawdown arrangements. Having looked at Provider A's website, it appears this can often be done without any additional cost, save for ongoing investment fees. As such this would appear to me to have been a more cost-efficient option for Mr B, and at the very least ought to have been understood and considered by the adviser.

Mr B and the adviser did not consider alternatives available from Provider A, including the fees that might have applied. I think it's more likely than not that such fees would have been less than those Mr B went on to incur, given as a starting point it doesn't appear there would have been any initial set up charges to take into account.

Information on Provider A's general fund options is considered in all the drafts of the 24 October 2014 letter. And all versions acknowledge Provider A has a good range which will enable Mr B's attitude to risk to be met.

The only reason on this aspect for explaining why the new SIPP provider is to be preferred, refers to it offering "*ten times as many fund choices*". I don't consider a wide range of fund choices offered any meaningful benefit to Mr B based on his circumstances and needs.

I haven't seen anything that makes me think Provider A wouldn't have been able to offer a sufficient and suitable offering for Mr B's investment needs when moving into drawdown. There is nothing to suggest Mr B had any investment interest or experience, a requirement for personal management or more esoteric investment options.

Quilter said Mr B would have needed to transfer his existing plans to a new plan in order to crystalize and access his benefits. I agree. But I don't think this is unusual or ought to have formed any part of the reason why any options offered by Provider A weren't considered. When a person comes to take benefits their existing pension plan will often come to an end and a new plan whether an annuity contract or a drawdown arrangement for example, is then set up.

There may have needed to be some consideration of how Mr B would pay the adviser's fee if he remained with Provider A, but I've already explained why it appears to me there were likely to have been alternatives and options to have enabled this. Most significantly here, this does not appear to have been considered or discussed with Mr B when it came to his options.

Based on what I have seen I don't consider the adviser sufficiently considered whether Provider A might offer suitable (and cheaper) alternative options. This means that I think it's likely Mr B was subject to a higher charging arrangement than he needed to have been, and the suitability of available alternatives were not adequately considered. In the event this is more likely than not to have occasioned some loss to the overall value of the fund.

There is nothing that makes me think Mr B suffered any other loss, based on unsuitable investments or advice. I accept the investments made within the SIPP drawdown arrangement fall within the band of what might be considered appropriate. They can't be described as high risk. Mr B's representatives say Mr B wasn't told enough about the funds in which he was invested. I can understand why this might be true, given the way in which the advice appears to have been provided and recorded. However I don't consider the investments were inherently unsuitable for Mr B. In any event it was not the fund choice that cause the fund value to decrease. Mr B's funds were depleted due to extensive income drawdowns over a short period of time.

For completeness I looked at Provider A's current basic SIPP offering online. It seems to me the basic arrangement would have met Mr B's needs. This has limited charges, only potential annual fund management charges and no administration, transaction or switching charges. This is available for funds of less than £25,000 with no additional charges in drawdown. There are various discounts available against charges and a total of 0.8% a year is quoted in an illustration that doesn't appear very different to Mr B's likely needs. I don't know if this product was available at the time, and according to Provider A they had more than one available drawdown option, but I am providing it as a general guide to my current thinking.

Ongoing reviews and service

I have only seen the most limited information from either party about the extent of ongoing contact and reviews.

The information suggests to me there was ongoing contact when it came to Mr B making regular withdrawals and there was a review in August 2016. The adviser wrote to Mr B in August 2016. Unfortunately there was an administrative error when it came to quoting the original fund value (it was inflated by nearly £20,000 in a table).

This letter also refers to a sum of £2,585.69 having been paid as an initial charge to the adviser. I don't know where this sum comes from, save it appears to be around 5% of the wrongly quoted fund value. I haven't seen information that persuades me this sum was actually paid to the adviser, I think this is another administrative error. This continues to demonstrate the poor administrative service provided by the adviser when it came to reviewing information he provided to clients and knowing his clients.

However as I've set out above, Mr B was sufficiently well informed to have had a good idea of the size of his fund in drawdown and would have known that withdrawing significant sums would impact the overall value, and as happened here, quickly deplete it. I've seen the adviser wrote to Mr B in 2016:

"*You are aware that once your pension is gone it's gone but are not unduly concerned by this as it is a quality of life at the moment which is important to you*".

I haven't seen anything that makes me think this wasn't, in general terms, an accurate summary of the position.

In terms of the sums being paid to the SIPP provider and the adviser on an ongoing basis for ongoing service I have looked at the provider's printout, originally provided by the adviser. There is nothing that has suggested the information from the SIPP provider has not been accurate.

Generally Mr B paid between £7 to £8 a month to the SIPP provider and £20 to £24 a month to the adviser as the total deducted from both accounts within his SIPP from inception until June 2016. Then between £4 to £5.50 a month to the SIPP provider and just over £11 to £13 a month to the adviser until December 2016. After this the approximate monthly sums reduced accordingly to around £2.50 and £5 to £7 a month. The sums continued to decrease until both accounts were closed in 2017.

I previously set out that it appeared to me the ongoing service sums paid to the adviser appear to be higher than the 0.5% of Mr B's fund yearly as was set out in Mr B's terms, all of the letters of 24 October 2014 and the instructions to the SIPP provider.

<u>What Quilter must do</u>

My approach when it comes to considering what Quilter ought to do has taken account of the following:

- There was a failure to properly understand and consider alternative options, particularly the option of remaining with Provider A prior to transfer and the impact this was likely to have had on Mr B's fund.
- There was a failure to properly record information and provide appropriate service to Mr B, who was paying for a service. This has led to inaccurate information being provided to Mr B as well as this service.
- It appears the adviser received a significant sum of ongoing fees taking account the size of the funds, level of service provided and agreed terms.
- But ultimately the adviser's overall advice was not unsuitable when it came to accessing tax-free cash and moving the remaining sum into drawdown.

Whilst it might have been that Provider A offered a cheaper option for Mr B, I don't have sufficient information on this.

In considering what is appropriate and proportionate I am not persuaded I need to require Quilter to complete a charges-based comparison to establish any loss as I might usually do.

I don't consider such an exercise necessary. I think it is reasonable and proportionate in the very individual circumstances of this case, to consider the benefits of certainty on an award.

The award I am making reflects that Mr B is likely to have suffered some, if limited, loss in respect of charges. It also takes into account the initial sum paid to the adviser, which may have included a percentage of the tax-free cash, and importantly that the adviser did not do things as they ought to have been done when it came to understanding Mr B's plans and the alternatives, providing and recording information and advice. It also reflects that Mr B was particularly vulnerable due to his pressing financial need and his serious health position.

Equally I have reduced the sum I had in mind to take account of the fact I consider the adviser ought to have received some remuneration given that ultimately he enabled Mr B to do what he wanted, to access his tax-free sum and drawdown funds. This not unsuitable per se for the reasons I have provided.

The overall sum Quilter must pay Mr B also includes consideration of a sum for his distress and inconvenience.

Putting things right

It is reasonable in the individual circumstances of this case to require Quilter to pay Mr B an overall award of £600. This will need to be paid within 28 days of Quilter being informed of Mr B's acceptance of my decision. Interest at 8% simple a year will then be due on any outstanding sum until payment.

My final decision

For the reasons given I uphold Mr B's complaint against Quilter Wealth Ltd. Quilter are required to pay Mr B an overall award of £600. This will need to be paid within 28 days of Quilter being informed of Mr B's acceptance of my decision. Interest at 8% simple a year will then be due on any outstanding sum until settlement.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 18 April 2023.

Louise Wilson
Ombudsman