The complaint

Mr H had two personal pensions. One of these, held with a provider I'll refer to as provider A, had around £11,000 in crystallised funds, as well as uncrystallised funds. No part of the other personal pension, held with a provider I'll refer to as provider B, had been crystallised.

Mr H complains that HUB Financial Solutions Limited (HUB) failed to advise him that he couldn't combine the crystallised funds he held with provider A with the uncrystallised funds he held with it and with provider B into an annuity with another provider I'll refer to as provider C. He felt this had led to him having to pay £2,200 more tax than he would've paid if he'd been given the correct information from the start. Mr H also felt that HUB had caused delays to the set-up of the annuity.

HUB upheld Mr H's complaint and offered him £250 compensation as it felt it could've been clearer about the use of crystallised and uncrystallised funds. But Mr H wants HUB to pay him the £2,200 tax he had to pay to fully draw the crystallised funds.

What happened

Mr H wanted to use the funds from his two personal pensions, held with two different providers, to buy an annuity. He was referred to HUB by one of these providers, so that it could help him with the process of transferring his funds into an annuity.

Mr H began the process to set up his annuity at the end of October 2022. On 2 November 2022, he had a call with HUB about this. He said he told HUB during this call that his pension with provider A contained crystallised funds. But that the adviser didn't seem to understand him.

Mr H called HUB on 7 November 2022 to chase the application pack. HUB's call notes stated that it was aware that due to postal strikes impacting delivery times, it could take up to 10 days for Mr H's pack to arrive. So it asked him to return his application as soon as possible.

Mr H completed the application pack on 9 November 2022. And HUB received it on 11 November 2022. It sent Mr H an email the same day to confirm it had received the pack, and would process it within the next two working days. This email also stated that the total processing time for the application would be around four to six weeks from receipt of all completed documentation.

Also on 11 November 2022, HUB sent all the information to provider C so that it could begin the process of requesting funds from provider A and provider B to set up the annuity.

On 14 November 2022 Mr H spoke with HUB as he was very anxious about the value of his personal pension funds falling in value and reducing his annuity income. HUB said it would call provider C to get a timeline of how long it would take to apply the funds. It also said that provider C emailed it on 14 November 2022 for more information, which it provided the same day.

HUB's phone notes recorded that Mr H's application had been prioritised. And that it would update him when it had news.

On 23 November 2022, HUB chased provider C. It asked it if it had requested the funds for Mr H's annuity. And asked if he could be contacted as soon as provider C had all the funds. The phone notes stated: "*He chose to take a certain amount of TFC but may want to increase this depending on the total FV you receive*".

HUB also updated Mr H the same day. The phone notes stated that he said he wanted to take £80,000 in Tax-Free Cash (TFC). And that anything extra should go towards his annuity, which would then be larger than originally quoted. But that he also asked HUB to ask provider C to call him once it had the funds, so he could decide whether he wanted to take more TFC than he'd originally stated.

Mr H called HUB on 25 November 2022 to see if provider C had requested his funds yet. He said provider A had said that as soon as it received the request it would freeze the account and transfer the funds within two days. HUB's call notes stated that it hadn't been told that the funds had been requested yet, but that it would contact provider C for an update. And that Mr H wasn't happy with how long the process was taking, as he was afraid that the fund value would fall.

The call notes also recorded that Mr H had confirmed that he only wanted to use £300,000 of his funds to buy the annuity, with the remaining funds to be used as TFC. And that HUB would call provider C to pass on this request. And would update Mr H when it had news.

HUB's call notes showed that it then called provider C for an update. Provider C confirmed that it hadn't requested the funds yet. But told HUB that Mr H's application had been scanned on 14 November 2022, and that the funds should be requested by the middle of the following week. Provider C also said that due to the high volume of applications it was receiving it was taking 10-14 working days to process and request funds.

The call notes also showed that although provider C usually used the figures on the quote for the annuity purchase, it could accommodate Mr H's request to only use £300,000 for the purchase of the annuity, and then use the rest for TFC.

HUB emailed Mr H on 25 November 2022 to tell him what provider C had said. It said it had asked for his case to be marked as urgent. It also said it had raised a complaint for him given he was unhappy with how long it had taken provider C to request his funds. It said this would be investigated by both its and provider C's complaints department, who could assess if the delays had caused Mr H any detriment.

On 30 November 2022, Mr H called HUB again as provider B had told him it hadn't received any requests from provider C. He was upset and explained how stressful it was to watch his funds fall in value during this process. It was giving him sleepless nights.

The call notes recorded that provider C had told Mr H that his application hadn't even been scanned yet, so the funds hadn't been requested. HUB noted that this conflicted with the information provider C had given it on 25 November 2022, when it had told HUB that Mr H's application had been scanned on 14 November 2022. So it called provider C.

HUB said that provider C said that the application hadn't been scanned, and it didn't know why HUB had been told on 14 November 2022 that it had. It said the case would be raised with a manager. HUB raised another complaint on Mr H's behalf. And said that a manager would call him.

HUB then spoke to provider C, who said that as its management were now specifically looking at this case, it hoped the funds would be requested at the end of that week. HUB asked provider C to update Mr H regularly. It also explained that Mr H's main concern, and the reason for his distrust, was because it had been told on 25 November 2022 that the application had already been scanned on 14 November 2022. But this hadn't been the case.

On 2 December 2022, Mr H told HUB how fed up and frustrated he'd become with the whole process. He said he needed the annuity as it was his income, and he had bills to pay. He felt that his annuity wouldn't start before his January direct debts needed paying, and that this was unacceptable. Mr H said he'd made it clear early on in the process that he needed an annuity payment before the Christmas break. He wanted his complaint to be resolved quickly.

Provider C emailed HUB on 2 December 2022. It said that it had received Mr H's application on 11 November 2022. But it hadn't requested the funds yet as a: "*critical requirement*" was still outstanding. It said it still needed: "*the form for the FCA reportability*". And that once it had this, it would request the funds. HUB felt it had sent provider C everything it needed, and it didn't know what this request was for, so it contacted provider C to find out. A further phone note from HUB stated that provider C didn't really give an explanation for the request.

Provider C sent the fund requests to provider A and provider B on 5 December 2022. On the same date, HUB sent its first final response to Mr H. It acknowledged he needed his funds urgently, but it didn't think it had caused any delays to his application.

There was a lot of further correspondence and calls between Mr H and HUB during the early and middle part of December 2022. On 7 December 2022 HUB confirmed that providers A and B had both seen the fund requests. It updated Mr H, telling him that the proposal was for the funds to be released towards the end of December 2022. There are also call notes which show that HUB regularly tried to contact provider C for an update, but couldn't get through. And that it told Mr H that once the funds had been sent to provider C it would ask it to set up the annuity as soon as possible.

Mr H made the following complaint points:

- He was unhappy with the length of the process. And felt that HUB could be doing more to help. He didn't have another income, so was living off savings that he wouldn't be able to top up. He said that the process was making him ill and causing him a lot of stress, on top of the fact that a close family member was very ill.

- He was very upset and felt that errors had cost him thousands of pounds.

- He was concerned that the arrears option he'd chosen no longer met his needs.

- He wanted to know when provider C would pay his TFC and set up his annuity.

HUB's call notes show that it confirmed that it was still within its usual timescale of four to six weeks. And that it re-quoted an annuity in advance, which Mr H decided not to take. It also said it would call provider C and update Mr H with a timescale.

On 12 December 2022, Mr H told HUB that he was tired of chasing it, provider C and provider A to get his annuity set up. He said that provider A was missing information so couldn't action the fund transfer as a result. Although he'd sorted this out, he felt that HUB should've done so.

HUB called provider C the same day, who said it was confident that there would be no further delays. It was just waiting for the transfer of funds from provider A.

Mr H's funds with provider A were split between crystallised and uncrystallised. Provider C couldn't accept "mixed" crystallised and uncrystallised funds in the same annuity. It said if it processed the crystallised and uncrystallised funds separately as separate annuities, it couldn't guarantee the original annuity rate. Instead, it would have to do a re-quote on the current rate. Mr H said that was unacceptable.

Provider C requested the uncrystallised funds, but said it couldn't accept the crystallised. So £10,830.60, as of 14 December 2022, would stay invested with provider A. Provider A also said that Mr H's next £1,000 payment from his crystalised account was due to be paid on 1 January 2023.

Provider A transferred the total £101,166.02 uncrystallised funds to provider C on 14 December 2022.

Mr H called HUB again on 14 December 2022. He wanted HUB to get provider C to push his case. He wanted the original rate he'd been offered, even if his pensions had to be split into two separate annuities. He told HUB he'd made it aware from the start that the provider C funds were crystallised. So he felt it should've known not to use provider C as the chosen provider, as it couldn't accept the uncrystallised funds.

On 19 December 2022, HUB emailed provider C for an update and to raise a complaint on Mr H's behalf about the incorrect information it had been given on 25 November 2022. It asked provider C to confirm if there were any issues with accepting the crystalised funds from provider A.

Mr H told HUB the same day that he was finding the process very frustrating and uncomfortable. And that this was probably one of the most important transactions he'd ever make.

HUB's call note from 29 December 2022 said that Mr H had contacted provider A to ask it not to transfer his remaining funds to provider C for an annuity. The note also said that Mr H felt that his crystallised funds should've been sent to provider C first, so that he could get £89,500 of TFC, and an annuity of £18,452. But as the crystallised funds remained with provider A, he could only take it as taxed cash, to his potential detriment.

On 9 January 2023, Mr H told HUB he wanted to take the remainder of his funds with provider A - £9,784.47 - directly. Mr H also confirmed that he'd received his TFC and confirmation of his annuity income. HUB also sent Mr H a copy of his annuity documentation.

On 11 January 2023, Mr H wrote to HUB. He felt that he'd had to do a lot of the chasing involved with the various providers. He also felt that HUB was responsible for the issue with his crystallised funds not being used for his annuity, because provider C had told him that HUB should've known that it didn't allow mixed funds. He felt that this had led to him having to pay tax on the crystallised funds from provider A, leading to him being £2,162 out of pocket. He was unhappy that he'd paid HUB almost £4,800 when he felt he'd done all the work to sort out the errors.

While still waiting for his complaint to be addressed, Mr H also wrote to HUB on 1 March 2023 to say that he'd not only had to pay almost £2,200 of unnecessary tax due to having to take the crystallised funds out separate to the annuity, but he'd also lost £1,000 due to the process taking eight weeks rather than four to six weeks. He said this was because his first annuity payment wasn't until 16 January 2023.

HUB issued its final response to the complaint on 9 March 2023. It said it should've done more to better understand what Mr H had told it about his crystallised and uncrystallised funds with provider A. It apologised for the confusion and the impact this had on Mr H at the time. And offered £250 compensation.

Mr H rejected HUB's offer. And asked it to send him transcripts or call recordings of his calls with HUB on 2 November 2022 and 28 March 2023. He brought his complaint to this service on 10 March 2023.

Our investigator felt that HUB had made an error during the 2 November 2022 call, as it should've told Mr H that provider C couldn't accept mixed funds into the annuity that was to be set up. But he didn't consider that HUB should be asked to cover the subsequent tax Mr H had incurred when he'd decided to take the remaining crystallised funds from provider A as taxed cash.

Our investigator said this was because Mr H's annuity was already more than the standard tax-free income threshold. So if HUB had correctly confirmed that the provider C annuity couldn't accept the crystallised part of his fund with provider A, he felt all of Mr H's options would've led to him being charged income tax on the remaining crystallised funds in his provider A pension. Therefore he felt that HUB's offer of £250 was fair under the circumstances.

Mr H didn't agree with our investigator. He felt he'd missed out on the major point that he might've looked at a different option for his money if he'd been told from the start that mixed funds couldn't be used for the annuity HUB put forward. He said he'd only found out that the funds couldn't be mixed after they'd been transferred from both his pensions. So he'd felt his only sensible option was to allow the annuity to continue and to take the crystallised funds separately.

Mr H said that he felt from the information HUB had provided that the crystallised funds would've made up part of the annuity. So he would've then received more TFC, given he'd stated that he only wanted a £300K annuity. He felt he would've received over £90K TFC and still had £300K for the annuity if he'd been correctly informed.

Our investigator felt that Mr H was already effectively in the position he would've been, but for HUB's incorrect information. He said that the crystallised portion of Mr H's pension with provider A was already in drawdown and providing Mr H with a monthly payment. And that Mr H had originally wanted to take £80,000 as TFC, with the rest being used to fund an annuity. He noted he'd later changed his mind when he'd said he wanted to buy a £300,000 annuity with the remainder as TFC. As such, although he acknowledged that he had no way to be certain what Mr H would've done, he felt it was more than likely that he would've continued with the drawdown of his funds from his crystallised pension with provider A, given he was already receiving an income from it.

Mr H was still unhappy with our investigator's response. He felt he'd received advice from an advisory company. He also said he'd found out about the error himself. And that he didn't think anyone at HUB would've picked it up if he hadn't.

Mr H also felt very strongly that our investigator couldn't possibly know what he would've done if he'd been given the correct information on 2 November 2022. He said he was never given the opportunity to step back and have a re-think if he'd known the problem with the crystallised funds. And that by the time he'd found out about the problem, his options were extremely limited.

Mr H asked for a call with this service so he could make the points he wanted me to consider. During this call, he said that on the initial call with HUB, he could've asked for his full TFC of around £91K, even taking the crystallised funds out of the equation, but that at the time he wanted to prioritise a £300K annuity. He said he'd previously taken £10K TFC and crystallised some of his funds to drawdown.

Mr H said that the annuity rate had been up and down. And when HUB told him the annuity would be around £18,500 for £300K, he went ahead with it. Mr H said that after a week or so of him doing all the chasing, he contacted HUB to tell it that he wanted the annuity to stay at £300K. And that the TFC should change. He said this meant his TFC went up to around £95K due to annuity changes.

Mr H said that our investigator was wrong to state that if HUB had given him the correct information he would've still paid tax. He said he wasn't told. And that when he did find out, the process had already completed. He said that the total amount of his two pensions, including the crystallised part, would've been used on the annuity and his TFC. He said that the crystallised part could only go into the annuity, not the TFC. But that HUB didn't tell him it'd made a mistake. He'd had to tell it.

Mr H felt that HUB had not done much work for the almost £5K of commission it'd received. And that he'd never got the chance to consider what to do with the crystallised funds when it had been established that they couldn't be used to buy the annuity. He couldn't cancel it as it would've been re-quoted and then would've been worth at least £2.5K less. He was very upset that every option our investigator had suggested he could've taken would've incurred tax, because he never got to make a decision on it. Mr H felt that this service's approach to "*what would've happened if nothing had gone wrong*" was flawed, as he'd never got the opportunity to consider his options based on the correct information. He wanted this service to punish HUB on principle

Having listened to Mr H's call with this service, I told him I understood his position on his complaint specifically and on the general approach of this service. I acknowledged that we couldn't know for sure what he would've done had he been given the correct information. And asked him to tell me what he thought he would've done if he'd been given the correct information.

Mr H told me that if he'd known from the start and could've backed out, he would've stayed with his original plan, which was to take around £93K TFC, and use the remainder as taxed monthly drawdown. He said that he'd vowed never to go down the annuity route due to the poor monthly payments. And had only changed his mind about this when he'd read several articles in October 2022 that annuities were at a 16-year high so worth considering. He said he got a basic quote for around £18,500 which sparked his interest, as this amount had always been his goal, given it tied in with his current annual drawdown. He said he'd gone with £80K TFC when he'd initially spoken to HUB as it was the nearest whole amount that led to the £18,500 annuity he wanted.

As agreement couldn't be reached, the complaint has come to me for a review.

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'm going to uphold it. But I agree with our investigator that HUB's compensation offer is reasonable under the circumstances of the complaint. I know this will be disappointing for Mr H. I'll explain the reasons for my decision.

It's not in dispute that HUB failed to provide Mr H with correct information about his crystallised funds during its call with him on 2 November 2022. Where a business has made an offer to settle a complaint – as HUB has done – what I have to decide is whether, in all the circumstances, that offer is fair and reasonable.

In this case, HUB has acknowledged that it should've done more to better understand what Mr H had told it about his crystallised and uncrystallised funds with provider A. It apologised for the confusion and the impact this had on Mr H at the time. And offered £250 compensation.

Mr H doesn't consider that HUB's offer is fair. He thinks that, if he'd had the chance to consider his options when he found out he couldn't transfer the crystallised part of his pension with provider A, he would've taken around £93K TFC, and then used the remainder as taxed monthly drawdown.

When a business does something wrong, and makes an offer, this service will assess whether the offer is sufficient to fairly put things right. We want, as far as reasonably possible, to put Mr H back into the position he would've been in but for incorrect information HUB gave him at the start of the process. Clearly we can't possibly know, in this case, exactly what position Mr H would've been in, as he would've had to consider his options at the time based on the correct information.

Our investigator felt that HUB's incorrect information hadn't caused Mr H a financial loss, as all of the options he felt he could've taken, had he been given the correct information, would've led to the same income tax being payable.

I've reviewed our investigator's suggestions and agree that all of the options he laid out were possible and all would've most likely led to the same income tax being payable.

Mr H didn't agree. He felt very strongly that our investigator couldn't possibly know what he would've done if he'd been given the correct information on 2 November 2022. And that it wasn't fair that he'd never been given the opportunity to re-think his options once he'd been told about the problem with the crystallised funds.

I first considered if I felt Mr H had made a financial loss due to HUB's error.

Did the incorrect information cause a financial loss?

Mr H was clearly very concerned about protecting the value of the annuity he was going to purchase. He'd worked out that he needed income of £18,500. So he wanted the purchase to go through before his fund values fell as this would reduce the annuity he could buy. It's entirely reasonable that he was concerned by the changing annuity rates and that he wanted the purchase to go ahead quickly.

Given Mr H's understandable concern about the impact of falling fund values on his income in retirement, I'm not persuaded that he would've decided not to take the annuity if he'd known that he couldn't use the crystallised funds with provider C to buy a part of the annuity. I say this because those funds were such a small part of the total fund he was looking to use to buy the annuity and fund the TFC he wanted. They were less than 3% of the total value of the combined pension funds.

Mr H told this service that he couldn't cancel the annuity purchase when he found out about the incorrect information as his annuity would've been re-quoted and then would've been worth at least £2.5K less. This would've meant a reduction of around £2,500 each year for the rest of his life.

This is a further reason I'm not persuaded that Mr H would've taken the path he's suggested if he'd been given the correct information. It was clearly important to him that he had £18,500 income each year. But if he'd stayed in drawdown, after taking the maximum TFC, he wouldn't have had any certainty about how long his money would last. So he would've had permanent concerns about his investments falling over time. I don't consider he would've wanted to put himself in this position.

Even if I was persuaded that Mr H would've decided to take around £93K TFC, and then use the remainder as taxed monthly drawdown, if he'd been given the correct information from the start, I couldn't fairly say that the incorrect information has caused Mr H a financial loss.

I say this because we won't know whether Mr H would've been better or worse off taking his annuity, or leaving his funds in drawdown until he dies. Therefore I can't fairly say that the incorrect information has caused a financial loss.

I know Mr H considers that he's made a financial loss, as the TFC he would've received under his alternate scenario would've been greater than the actual amount he took when he bought the annuity. But I can't fairly say that he's lost the difference in the TFC he would've got and the TFC he actually took. This is because I can't assess whether the annuity he's purchased will end up paying him more or less income that he would've got if he'd taken the alternative path he's suggested.

Therefore, I'm satisfied that there's no evidence that the incorrect information caused a financial loss.

I next considered Mr H's points about the amount of TFC he should've got.

Did Mr H receive less TFC than he should've done?

Mr H felt that our investigator was wrong to state that if HUB had given him the correct information he would've still paid tax. He said HUB hadn't told him, but he'd found out for himself at a time when the process had already completed. Mr H said that if the crystallised part of his pension could've been used to fund the annuity, he could've taken more TFC.

Mr H said that the evidence showed that he wanted to take all of his remaining funds as TFC after taking a £300K annuity. He said the crystallised part of his pension with provider A - £10,844 – should've been part of the £300K used to buy the annuity. So he felt he should've got £10,844 more of his uncrystallised funds tax-free. He said he'd only got £80K of TFC in the end.

Mr H originally wanted a fixed amount of his total pension funds to be used on the TFC - £80K – with the remainder to be used on his pension. But on 23 November 2022, he told HUB he might want to increase the TFC depending on his total fund value. And on 25 November 2022, Mr H said he only wanted to use £300K to fund his annuity, with the remainder to be used for TFC. HUB confirmed with provider C that it could agree to this request.

Mr H could take anything up to 25% of the total value of his uncrystallised funds as TFC. At the time of the 2 November 2022 quote, I understand he could've taken up to around £91K TFC.

But Mr H initially chose to only take £80K TFC, and to use the rest for his annuity purchase. The income from the annuity would be taxed at Mr H's marginal income tax rate. Mr H only noted that he might want to increase this at the end of November 2022 as his pension values had increased. Provider C said it would normally use the figures on the annuity quote, but that it could accommodate Mr H's request to only use £300K of his pension funds for the annuity, and the rest for his TFC.

From what I've seen, Mr H only found out that his crystallised funds couldn't be used to fund the annuity he'd been quoted on 14 December 2022. At this point, HUB's call notes record that Mr H called it to say he wanted the original rate he'd been offered, even if his pensions had to be split into two separate annuities. Provider C confirmed that it would have to do a re-quote if the crystallised funds were to be used to fund the annuity.

Mr H didn't want to risk a re-quote, given he was happy with the original rate he'd been offered. But if he'd wanted to increase the amount of TFC he was going to take at this point, he could've accepted the offer of a re-quote for his crystallised funds, and used less of his uncrystallised funds to buy his original annuity. I appreciate he wouldn't have known exactly what annuity rate he would get for his crystallised funds, but given the small proportion of the total that these funds constituted, I'm not persuaded that the re-quote would've significantly affected the total annuity Mr H would've ended up with. In this way, he could've taken more TFC. And both the annuities would've been taxed on the same basis.

Mr H also said that his funds landed with provider C on 16 December 2022. And that it purchased his annuity from that date without the crystallized funds.

By 29 December 2022, Mr H had contacted provider A to ask it not to transfer his remaining funds to provider C for an annuity. He felt that if his crystallised funds had been used to partly fund his annuity, he would've been able to take a TFC of £89,500, alongside the annuity he wanted of £18,452.

I agree with Mr H that this would've been the case, had the crystallised funds been used to partly fund his original annuity. But I'm not persuaded that this means Mr H received less TFC than he should've done. I say this because I consider that Mr H could've still taken any amount of TFC up to the usual limits, even after he found out about the issue with the crystallised funds. There was a brief window between him finding out about the issue, and his annuity being purchased. Therefore he had the opportunity to change the amount of TFC he wanted to take in light of the incorrect information. I accept that this window wasn't very long, but if Mr H had decided he wanted a certain amount of TFC, he could've asked for it then.

I'm also not persuaded that Mr H had ever intended to take the maximum TFC he was entitled to. He's never said that he did. And it appears that he only decided to change his initial request from £80K of TFC, to whatever was left after £300K of his fund had been used to buy his annuity when he could see that fund values were increasing. So I can't fairly say that he lost out here. The previous points I made earlier in my decision are also relevant here – regardless of the amount of TFC Mr H decided to take, I can't know whether he'll eventually be better or worse off overall having taken the level of annuity he decided to take.

I acknowledge that Mr H has had to pay around £2,200 in income tax that he didn't consider he would've paid but for the incorrect information once he'd decided to withdraw his crystallised funds in full.

I understand why Mr H felt that he just wanted to withdraw all of his crystallised funds. His annuity had started, so he had the income he'd hoped for. And felt that it would've been complicated to leave them where they were. But this was his decision. So I can't reasonably ask HUB to reimburse him for the tax he paid.

I next considered if HUB caused any delays to the process.

Did HUB cause any delays?

Mr H was unhappy with how long it was taking to purchase his annuity. He felt that HUB could be doing more to help. And that it was responsible for at least some of the delays he was experiencing. He also felt he'd lost £1,000 due to the process taking eight weeks rather than the four to six weeks HUB had said it should take.

HUB said that it acknowledged that Mr H felt that the delays had been caused because of the confusion over his TFC, but this wasn't the case. It said the delays had been caused by the time it took provider C to request funds, and then the time it took for those funds to be disinvested and sent on to it.

I consider that HUB's call notes show that it did what it could to promote and prioritise Mr H's purchase. It acknowledged that it was important that his annuity was put into payment quickly. The evidence shows that it reacted quickly to information requests and that it chased the other parties involved when necessary.

I can see that Mr H had to do a lot of chasing in order to get the annuity paid. And while I acknowledge that he doesn't think HUB did much work on his behalf, I can't fairly agree, based on the evidence I've seen. I'm satisfied that HUB did what it could to get the annuity paid when Mr H wanted it to be. And that the delays he experienced were outside of its control.

So, while I acknowledge that Mr H is angry and frustrated that HUB received almost £5,000 for the work it did for him, I can't agree that it did nothing but "fill in a form". And I've seen no evidence that HUB caused any delays to the annuity purchase. Therefore I can't fairly hold it responsible for the £1,000 Mr H felt he's lost.

I finally considered whether the £250 compensation HUB has offered Mr H was fair and reasonable under the circumstances.

Was the compensation offered fair?

I acknowledge that Mr H considers that this service's approach to "*what would've happened if nothing had gone wrong*" is flawed. And that he wants this service to punish HUB on principle.

We're an informal dispute resolution service, with no regulatory or disciplinary role. That means we can't tell a business how to operate, and we can't punish a business. If we find that something has gone wrong, we consider how to put things right, on a fair and reasonable basis.

HUB offered Mr H £250 compensation for the impact its error had had on Mr H, which he rejected as unfair.

Mr H said it was very stressful waiting for the annuity to be purchased. He didn't have another income and was living off savings that he wouldn't be able to top up. It was also a difficult time for him personally due to close family illness.

Mr H said he had to do a lot of chasing of the parties involved and that he'd become fed up and frustrated with the whole process. He'd expected HUB to do more to ensure his annuity started when he'd wanted it to.

While I acknowledge the frustration and worry Mr H clearly went through, I think that most of this was down to the delays to the process. As I noted earlier, I don't consider that HUB was responsible for those.

HUB offered £250 compensation because it felt it should've done more to better understand what Mr H had told it about his crystallised and uncrystallised funds with provider A during the 2 November 2022 call. Based on what I've seen, I'm satisfied that this was fair and reasonable under the circumstances of the complaint.

Therefore I consider that HUB's offer was fair. And, although I uphold the complaint, I don't require HUB to change its settlement offer.

Putting things right

HUB Financial Solutions Limited must pay Mr H £250 compensation for the impact its error had on him.

My final decision

For the reasons I've given above, I uphold this complaint. HUB Financial Solutions Limited must pay Mr H £250 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 9 August 2023.

Jo Occleshaw
Ombudsman