

## **The complaint**

Mr C complains that HUB Financial Solutions Limited (HUB) gave him incorrect information about his pension and he lost out.

## **What happened**

Mr C said he called hub in early October 2023 to ask about changing his plan as it had fallen in value from £106,000 to around £92,000. He wanted to move into low risk. He asked if his pot would freeze on that day and he was told it would. He instructed Hub to move his pension into a lower risk fund. Hub confirmed the switch had been processed. He felt his money was now secure from further falls in value. He checked the following morning and saw it had lost a further £1,000. He called again and was told it takes 3 to 5 days to appear with the updated fund. He checked the following day and saw a further fall in value. He called again and was told the value would not freeze until the process was complete which would take 3 to 5 days. He says that had he known he would have moved his money to another provider/ and was told the value of his pension was about £92,000 but would be frozen. It fell in value by around £1,700 and he thought they should be liable for this loss. He had around 17 emails and 15 telephone calls over 3 months which caused distress and anxiety. He wanted £3,000 for the time and distress, being badly invested and the wrong information provided by three different customer advisers.

Hub said Mr C called to encash his fund. It said it was not as clear as it could have been and should have made clear the funds could change in value during the time it took to disinvest, It didn't delay the transfer but, even if it had been clearer the drop would still have happened. It upheld this complaint and awarded £150 for upset.

The investigator said he had not been able to get copies of the phone calls but didn't think he needed to listen to them to reach a fair and reasonable conclusion. Hub accepted the information provided was not sufficiently clear and upheld the complaint. Where there was an error the remedy is to put Mr C back in the position he would have been in. Even if Hub had explained correctly his funds would still have fallen in value. So it wasn't right to make them pay for the fall in value. He thought £250 was fair and reasonable compensation for the loss of expectation and consistent with what he would have recommended.

Mr C didn't agree. He sent a copy of the PDF sent by Hub on the first day he called which he said meant the value was frozen. He also sent a contract note from the second day which clearly said the order was made on the first day. Based on this the money he had in the account on the first day should have been frozen and the contracts proved this. He still felt they owed him £1,700. The contract notes were binding.

The investigator didn't agree. The important document was the contract note. This showed the time of the order and the time and date of the transaction (which was on the second day). But the price fluctuates until the deal is sold. The error was giving wrong information but it seemed the sale had been implemented as he would have expected.

Mr C still didn't think the amount for distress and inconvenience was fair. Hud didn't comment further.

## **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.

It's clear that Mr C received incorrect information and Hub has accepted this. Because Hub has accepted it gave incorrect information and because I have seen the contract notes confirming the date of the switch instruction I don't need to have listened to the calls with Mr C where Hub gave the incorrect information.

Where there is a mistake I can consider an award for a) financial loss and b) distress and inconvenience as a consequence of the error.

### *Financial loss.*

The remedy for financial loss is to put Mr C back in the position he would have been in had he been given the correct information.

The correct information would mean he was told that the value of his investment switch would not be fixed until the sale was completed which would take 3 to 5 days. The contract notes confirm the date the instruction was received and the date the instruction was implemented and the final amount that is realised. The contract date does not fix the price at the date it is entered into but starts the process that will fix the price. So based on the evidence presented there was no delay in acting on his instruction and Mr C has received what he was entitled to.

I note also that Mr C said he was thinking of moving to another provider but didn't as he thought he could freeze the value on the day he called. But even had he decided to move he would have had to move into cash or move the investment itself. Both would have taken time and neither would have achieved his objective of freezing the value any faster than the instruction he had already given. So I don't think this would have made any difference.

As Mr C has received what he was always entitled to I don't think there is a financial loss.

### *Distress and inconvenience*

An award for distress and inconvenience is intended to reflect the impact on Mr C and not to punish Hub. We all experience inconvenience in our day-to-day life but this is clearly more than that. It is clear Mr C has suffered a loss of expectation and suffered anxiety and distress and inconvenience due to the confusion about the price that would be realised following his instruction. However this occurred over a relatively short time scale of a few days. I note also that Hub admitted that it had made a mistake.

Having considered this I think an award of £250 is fair and reasonable in all the circumstances.

## **My final decision**

I uphold this complaint and direct that HUB Financial Solutions Limited should within 30 days of this service confirming to it that Mr C has accepted my decision pay Mr C £250.

For the avoidance of doubt if it has already paid Mr C all or part of that amount it need only make such further payment (if any) as is required to bring the total to £250.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 22 March 2024.

Colette Bewley  
**Ombudsman**