

The complaint

Mrs C complained about a transfer of a personal pension she held with Standard Life. This pension had been built up from a previous employment Mrs C had. In early 2015, it was transferred upon her request to a self-invested personal pension ("SIPP") operated by a company called Rowanmoor Personal Pensions Ltd ("Rowanmoor").

The company now responsible for answering Mrs C's complaint is Phoenix Life Limited, but as we've been communicating with all parties using the original company name, I'll keep referring mainly to "Standard Life" throughout this Decision, when mentioning Mrs C's ceding pension scheme provider.

After transferring, Mrs C's Rowanmoor SIPP was later used to invest in various areas which included ParkFirst (a type of real estate investment), and Dolphin Trust loan notes (a type of property debt security). These investments could typically be described as non-standard and high-risk products and they have all since run into trouble. Mrs C says these investments have since turned out to have no or very little value, so Mrs C says she has lost out financially as a result of these investments. Nevertheless, I've noted Mrs C made a complaint to the Financial Services Compensation Scheme (FSCS) and received part-compensation in 2021. I'll explain a little more about this later.

Mrs C's complaint is that Standard Life failed in its responsibilities when dealing with the pension transfer request. She says that it should have done more to warn her of the potential dangers of transferring and should have undertaken greater due diligence on the transfer in line with the guidance she says was required of transferring schemes at the time. Mrs C says she wouldn't have transferred, and therefore wouldn't have put her pension savings at risk, if Standard Life had acted as it should have done.

What happened

On 11 July 2014, Mrs C signed a letter of authority allowing a firm called Philpott Reed Partnership LLP ("Philpott Reed") to obtain details and transfer documents in relation to her existing Standard Life personal pension. Philpott Reed is now dissolved, but at the time of this transfer it was a regulated financial adviser and authorised by the Financial Conduct Authority (FCA) to give financial advice. Standard Life responded directly to Mrs C with the information requested and also included a leaflet about the dangers of pension liberation, a type of scam whereby some consumers were persuaded that they could access their pension before the allowable age of 55.

On 8 October 2014, Philpott Reed also wrote to Standard Life confirming Mrs C's authority and requesting up to date information about her pension again. Standard Life sent the requested information back to Philpott Reed on 21 October 2014. Standard Life says an *updated* leaflet about pension liberation and also about concerns relating to wider pension scams was included with its response.

On 13 January 2015, Mrs C applied to set up a Rowanmoor SIPP. She said in the application that she wanted to transfer her existing Standard Life pension into the new SIPP

and I've noted she also said she would be transferring a defined benefit (DB) pension into it too. Mrs C's Standard Life pension was transferred into the SIPP on or around 25 February 2015 and the transfer value was around £19,414. I'm not addressing any complaint here about her DB pension scheme, but for context, I've seen that her DB scheme was transferred into the SIPP in or around early June 2015, the value of this transfer being £65,570. Mrs C was 45 years old at the time of the transfers.

In June 2021 Mrs C complained to Standard Life. Briefly, her argument is that it ought to have spotted, and told her about, a number of warning signs in relation to the Standard Life transfer, including (but not limited to) the following: that Mrs C's transfer involved an unregulated introducer; that Standard Life didn't warn her enough about pension scamming concerns; and *"that just because a firm is FCA authorised it does not make them honest"*.

Standard Life didn't uphold the complaint. It said it had considered all of the information provided at the time and concluded the transfer request appeared to comply with the requirements for a statutory right to transfer. Mrs C wasn't satisfied with this so she referred the complaint to the Financial Ombudsman Service. One of our investigator's looked into the complaint and said he also didn't think it should be upheld. Still not satisfied, Mrs C asked for an ombudsman's decision.

I issued a provisional decision (PD) about this case on 16 July 2024 in which I comprehensively outlined why I too was minded not to uphold Mrs C's complaint.

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 have carefully reconsidered everything said by both parties in relation to my PD. I've noted that Mrs C's representative made a number of points, but Standard Life accepted my PD in full.

Having reconsidered everything, I'm not upholding Mrs C's complaint.

The relevant rules and guidance

Before I explain my reasoning, it will be useful to set out the environment Standard Life was operating in at the time with regards to pension transfer requests, as well as any rules and guidance that were in place. Specifically, it's worth noting the following:

- The Pensions Schemes Act 1993 gives a member of a personal pension scheme the right to transfer the cash equivalent value of their accrued benefits to another personal or occupational pension scheme if certain conditions are satisfied (and a member may also have a right to transfer under the terms of the contract). This came to be exploited, with people encouraged to transfer to fraudulent schemes in the expectation of receiving payments from their pension that they weren't entitled to – for instance, because they were below minimum retirement age.
- On 10 June 2011, the Financial Services Authority (FSA) issued a warning about the dangers of "pension unlocking" and specifically referred to consumers transferring to access cash from their pension before age 55. (As background to this, the normal minimum pension age had increased to 55 in April 2010.) The FSA said that receiving occupational pension schemes were facilitating this. It encouraged consumers to take

independent advice. The announcement acknowledges that some advisers promoting these schemes were FSA authorised.

- At around the same time, TPR published information on its website about pension liberation, designed to raise public awareness and remind scheme operators to be vigilant of transfer requests. The warnings highlighted that websites and cold callers were encouraging people to transfer in order to receive cash or access a loan.
- TPR launched its Scorpion campaign on 14 February 2013. The aim of the campaign was to raise awareness of pension liberation activity and to provide guidance to scheme administrators on dealing with transfer requests in order to help prevent liberation activity happening. The FSA, and the Financial Conduct Authority (FCA) which had succeeded the FSA, endorsed the guidance. The guidance was subsequently updated, including in July 2014. I cover the Scorpion campaign in more detail below.
- In late April 2014 the FCA started to voice concerns about the different types of pension arrangements that were being used to facilitate pensions scams. In an announcement to consumers entitled “Protect Your Pension Pot” the increase in the use of SIPP and SSASs in pensions scams was highlighted, as was an increase in the use of unregulated and/or illiquid investments. The FCA further published its own factsheet for consumers in late August 2014. It highlighted the announcement to insurers and advisers in a regulatory round-up published on its website in September 2014.
- Standard Life was subject to the FCA Handbook and under that to the Principles for Businesses (PRIN) and to the Conduct of Business Sourcebook (COBS). There have never been any specific FSA/FCA rules governing pension transfer requests, but the following have particular relevance:
 - Principle 2 – A firm must conduct its business with due skill, care and diligence;
 - Principle 6 – A firm must pay due regard to the interests of its customers and treat them fairly;
 - Principle 7 – A firm must pay due regard to the information needs of its clients, and communicate information to them in a way which is clear, fair and not misleading; and
 - COBS 2.1.1R (the client’s best interests rule), which states that a firm must act honestly, fairly and professionally in accordance with the best interests of its client.

The Scorpion guidance

The Scorpion campaign was launched on 14 February 2013, and was initially focused just on pension liberation – namely, the access to pension funds in an unauthorised manner (such as before normal minimum pension age). However, it’s the update to that guidance on 24 July 2014 that’s most relevant to this complaint. It widened the focus from pension liberation specifically,

The materials in the Scorpion campaign comprised:

- An insert to be included in transfer packs (the 'Scorpion insert'). The insert warns readers about the dangers of pension scams and identifies a number of warning signs to look out for.
- A longer booklet issued by TPAS which gives more information, including example scenarios, about pension scams. Guidance provided by TPR said this longer leaflet was intended to be used in ongoing communications with members so that could become aware of the scam risks they were facing.
- An 'action pack' for scheme administrators that highlighted the warning signs present in a number of transfer examples. It suggested transferring schemes should "watch out for" various warning signs of a scam. If any of the warning signs applied, the action pack provided a check list that schemes could use to help find out more about the receiving scheme and how the member came to make the transfer request. Where a transferring scheme still had concerns, they were encouraged (amongst other things) to contact the member to establish whether they understood the type of scheme they were transferring to and – where a member insisted on transferring – directing the member to Action Fraud or TPAS.

In deciding on the appropriate actions to take when dealing with a transfer request, a ceding scheme needed to be mindful of the material in the Scorpion guidance in its entirety rather than treating the guidance as a series of discrete steps to be worked through in isolation.

TPR issued the guidance under the powers at s.12 of the Pension Act 2004. Thus, for the bodies regulated by TPR, the status of the guidance was that it provided them with information, education and/or assistance, as opposed to creating any new binding rule or legal duty. Correspondingly, the communications about the launch of the guidance were predominantly expressed in terms that made its non-obligatory status clear. So, the tenor of the guidance is essentially a set of prompts and suggestions, not requirements.

The FSA's endorsement of the Scorpion guidance was relatively informal: it didn't take the form of Handbook Guidance, because it was not issued under s.139A of the Financial Services and Markets Act (FSMA), which enabled the FSA to issue guidance provided it underwent a consultation process first. Nor did it constitute "confirmed industry guidance", as can be seen by consulting the list of all such FSA/FCA guidance on its website.

I take from the above that the contents of the Scorpion guidance was essentially informational and advisory in nature and that deviating from it doesn't necessarily mean a firm has broken the Principles or COBS rules. Firms were able to take a proportionate approach to transfer requests, balancing consumer protection with the need to also execute a transfer promptly and in line with a member's statutory rights.

That said, the launch of the Scorpion guidance was an important moment in so far it provided, for the first time, guidance for personal pension providers dealing with transfer requests – guidance that prompted providers to take a more active role in assessing transfer requests. The guidance was launched in response to widespread abuses that were causing pension scheme members to suffer significant losses. And the guidance's specific purpose was to inform and help ceding firms when they dealt with transfer requests in order to prevent these abuses and save their customers from falling victim to them.

In those circumstances, I consider firms which received pension transfer requests needed to pay regard to the contents of the Scorpion guidance as a matter of good industry practice. It

means February 2013 marks an inflection point in terms of what was expected of personal pension providers dealing with transfer requests as a matter of fulfilling their duties under the regulator's Principles and COBS 2.1.1R.

What did personal pension providers need to do?

For the reasons given above, I don't think personal pension providers necessarily had to follow all aspects of the Scorpion guidance in every transfer request. However, I do think they should have paid heed to the information it contained. And where the recommendations in the guidance applied, absent a good reason to the contrary, it would normally have been reasonable, and in my view good industry practice, for pension providers at least to follow the substance of those recommendations. With that in mind, I take the view that personal pension providers dealing with transfer requests needed to heed the following:

1. As a first step, a ceding scheme needed to check whether the receiving scheme was validly registered.
2. The Scorpion insert provided an important safeguard for transferring members, allowing them to consider *for themselves* the scam threat they were facing. Sending it to customers asking to transfer their pensions was also a simple and inexpensive step for pension firms to take and one that wouldn't have got in the way of efficiently dealing with transfer requests. So, all things considered, I think the Scorpion insert should have been sent as a matter of good industry practice with transfer packs and direct to the transferring member when the request for the transfer pack had come from a different party.
3. I also think it would be fair and reasonable for personal pension providers – operating with the regulator's Principles and COBS 2.1.1R in mind – to ensure the warnings contained in the Scorpion insert were provided in some form to a member before a transfer even if the transfer process *didn't* involve the sending of transfer packs.
4. The Scorpion guidance asked firms to look out for the tell-tale signs of scams and undertake further due diligence and take appropriate action where it was apparent their client might be at risk. The guidance points to the warning signs transferring schemes should have been looking out for and provides a framework for any due diligence and follow-up actions. Therefore, whilst using the action pack wasn't an inflexible requirement, it did represent a reasonable benchmark for the level of care expected of transferring schemes and identified specific steps that would be appropriate for them to take, if the circumstances demanded.
5. The considerations of regulated firms didn't start and end with the Scorpion guidance. If a personal pension provider had good reason to think the transferring member was being scammed – even if the suspected scam didn't involve anything specifically referred to in the Scorpion guidance – then its general duties to its customer as an authorised financial services provider would come into play and it would have needed to act. Ignoring clear signs of a scam, if they came to a firm's attention, or should have done so, would almost certainly breach the regulator's principles and COBS 2.1.1R.

The circumstances surrounding the transfer

Overview

The evidence in this case shows that Mrs C's motivation for transferring her pension was to achieve investment growth rather than to liberate her pension early.

On 25 February 2015, the Standard Life pension was transferred to the Rowanmoor SIPP (evidently arriving in her new SIPP account and cleared on 2 March 2015). It seems her DB pension scheme transfer occurred later and didn't arrive in her SIPP account until 2 June 2015. It wasn't until 20 August 2015 that the first transaction from the SIPP into what appeared to be an unregulated investment took place (£34,224). Monies to the loan notes investment took place on 21 October 2016.

What does Mrs C say happened?

Mrs C is represented by a claims management company which says if Standard Life had carried out the most basic of checks, the pension transfer could and should have been questioned, and ultimately stopped. After our investigator issued their 'view' letter recommending that Mrs C's complaint shouldn't be upheld, her representative responded in detail as to how the transfer came about. It said that a central theme of Mrs C's complaint is that whilst she concedes Philpott Reed was given her authority to obtain details about her Standard Life pension in 2014, there were actually several other firms, from 2013 onwards, asking for information about her existing pension. Her representative also said the original idea to transfer to a new SIPP came not from Philpott Reed, but from elsewhere - and this was most likely from Mrs C's business coach - I'll call this person "RX" - who was unregulated but 'linked' to a firm called "MAPGPI" which promoted unregulated and high-risk investments. It says this firm asked for information about Mrs C's pension in February 2013 and also that another firm called "The Pension Specialist" then asked for similar information, in March 2013.

The implication being made here on Mrs C's behalf is that something clearly didn't look right in the time period before the transfer and that Standard Life should have become concerned. The specific argument being put forward is that all this multi-firm activity ought to have been seen as emerging evidence of either a pension liberation risk or a wider pension scam risk, which Standard Life ought to have spotted and stopped. Her representative also says MAPGPI was unregulated and The Pension Specialist subsequently had its regulatory permission withdrawn (in December 2013). Being 'advised' by an unregulated party would be illegal and so Mrs C's case here is that these issues should have been "*a red flag*" especially in view of the recent Scorpion campaign which began in February 2013.

Further to this, I've noted that one Standard Life document – the transfer certificate - even mentions the name of another adviser, called "Simple Financial Services Ltd". This firm was FCA regulated but isn't mentioned anywhere else in the complaint documents I've seen, nor is it referred to by Mrs C herself at any point.

What does the evidence say happened and who advised Mrs C?

Whilst I've considered everything said on Mrs C's behalf with great care, I think the evidence strongly shows that Mrs C chose Philpott Reed, an FCA regulated firm situated very close to where she lived, as her financial adviser throughout the pension transfer. I say this because Mrs C expressly told Standard Life in writing, on 11 July 2014, that Philpott Reed had her authority to look into her pension affairs. There's evidence she then also telephoned Standard Life about the same subject, on or around 17 July 2014.

In support of that client / adviser relationship with Philpott Reed, we also know that in October 2014 Philpott Reed itself wrote to Standard Life referring to her as "*my client*" and re-requested up-to-date information about her pension including the current transfer value. Also, on the Rowanmoor SIPP application which Mrs C completed, dated 13 January 2015, in answer to "*please give details of the financial adviser who is to advise you on the establishment of your SIPP*", Mrs C provided a named adviser within Philpott Reed. She confirmed the regulated status of the adviser and the relevant FCA registration number.

Also, although I don't have all the details about her other pension – a DB scheme – it's clear that Mrs C was considering transferring out of this too and using the combined funds more flexibly by ultimately moving these to a SIPP. Leaving a DB scheme requires careful thought as these types of scheme typically offer guaranteed benefits, a pension for life and valuable death payments for spouses if the member dies. In the Spring Budget of 2014, it was announced that from April 2015 DB schemes could be more flexibly used. However, a requirement of transferring these types of scheme would be that advice from a regulated firm would be a legal requirement. Mrs C's DB transfer didn't eventually happen until June 2015. So, I've made the assumption that choosing Philpott Reed was based firstly on that it would advise her in relation to her existing Standard Life scheme. Secondly, as a regulated adviser it would also be able to help with the (larger) DB transfer, the securing of which was likely to take several months. That Mrs C was intending to use Philpott Reed to help her transfer her DB scheme is evidenced in statements she made to the FSCS.

So, whilst I acknowledge that Mrs C may have had engagements with various other firms in or before 2013, I'm not persuaded that any of these other firms mentioned either by her or myself were involved in 'advising' her to transfer away from her existing Standard Life scheme and into the new SIPP in 2014. I say this because any relationship she had with MAPGPI and The Pension Specialist ahead of the transfer appears to have substantially pre-dated her relationship with Philpott Reed. But there is also no corroboration that either firm did anything in relation to her Standard Life policy other than seek her pension's value. So, as I've explained above, the evidence is much more persuasive of Philpott Reed's position as being her adviser for the reasons I've set out.

I also mentioned that Mrs C complained successfully to the FSCS about Philpott Reed and she was part-compensated. During that complaint investigation, I note Mrs C told the FSCS that "RX" didn't have the regulatory permissions necessary to give any financial advice, so she was referred onto Philpott Reed, which did. In my view, this substantiates Philpott Reed's position as her adviser.

As regards Simple Financial Services Ltd, the only reference to this firm is something I myself noticed on the final 'transfer certificate' issued by Standard Life in February 2015 *after* the transfer had already taken place. I asked Standard Life about this and it says this firm is likely to have been listed as a previous financial adviser to Mrs C at some point and was probably linked historically to her stub pension record. When Standard Life typically sent out its transfer certificates, after transfers had taken place, these were usually copied to the adviser involved, if one was noted on the transfer request. If no adviser was mentioned or one hadn't been properly recorded on the consumer's records, then the transfer certificate

defaulted to the existing adviser name on the electronic stub record. Essentially, I think this issue relates to out-of-date record keeping. As I've said, Mrs C made no reference to this firm in her complaint and I can see no other reference anywhere which would link it to the advice or any other aspects of this pension transfer. The most likely scenario is that it was an 'old' adviser firm which hadn't been removed from her Standard Life records. In any event, I note this was also an FCA regulated firm.

In my view, all this is persuasive evidence that Mrs C was advised by Philpott Reed, an FCA regulated firm, during the transfer of her pension. I'm satisfied the other firms mentioned by Mrs C or myself as having an involvement in her Standard Life pension affairs all likely predated Philpott Reed's connection.

What did Standard Life do and was it enough?

The Scorpion insert:

Whilst I acknowledge there were some failings in this area, I don't think these would have changed the outcome.

For the reasons given above, my view is that personal pension providers should, as a matter of course, have sent transferring members the Scorpion insert or given them substantially the same information. Upon the first request to Standard Life for information about her existing pension – this came from Mrs C herself – I note that Standard Life responded and did directly send Mrs C the Scorpion campaign leaflet. However, given when this was sent, in July 2014, I think it would have been the February 2013 version focussing on the concerns about the early liberation of personal pensions. Of course, the evidence here is that Mrs C wasn't ever intending to access her pension early, so I think the warnings contained in the leaflet may have seemed somewhat inconsistent with what she was thinking about doing at that time: Mrs C appeared focussed on improving her pension growth, rather than anything else.

By the time of the October 2014 re-request for information about her pension, we know this came not from Mrs C directly, but from Philpott Reed. Standard Life duly replied directly to Philpott Reed but I've not seen evidence Mrs C was copied into this reply. It does look like another Scorpion leaflet was sent by Standard Life on this occasion. Given when this was sent out, it could have been the *updated* version incorporating information and warnings about wider pension scamming concerns. However, Mrs C says she didn't receive this – and that would seem consistent with the evidence I've seen which is that Standard Life only sent the second Scorpion leaflet to Philpott Reed.

My finding here is therefore that Standard Life sent the updated Scorpion leaflet to Mrs C's FCA regulated adviser: this is accepted by Mrs C. However, I can't be sure she herself saw this (or the broad information contained therein) between late October 2014 and early in 2015 when the actual transfer process was beginning to gain traction. However, I don't think this would have made a difference. Ultimately, the message of the insert was "pause before taking action". But given Mrs C clearly had her own regulated financial adviser, it would seem unlikely that neither she nor Standard Life would have had concerns in these circumstances.

Due diligence:

In light of the Scorpion guidance, I think firms ought to have been on the look-out for the tell-tale signs of a pension scam and needed to undertake further due diligence and take appropriate action if it was apparent their customer might be at risk.

I have considered whether the information Standard Life had at the time would have shown any 'trigger' for further due diligence checks being necessary. However, as I've said, there was no newly registered scheme to which Mrs C was transferring to and there was very reliable evidence of the existence of an FCA regulated adviser being used by Mrs C. With these facts in mind, there were not any trigger points in my view.

In this case, I think the evidence is persuasive that Standard Life looked into the circumstances of the transfer request. And given the information Standard Life had at the time, I don't think there were warning signs of a potential scam. Mrs C's SIPP was with an established provider and not a newly registered scheme. As I've also explained, the evidence here is very persuasive that Mrs C was being advised by an FCA regulated firm which was situated close to her home.

With all this information to hand at the time of the transfer, I therefore don't think Standard Life needed to follow up anymore to find out if other signs of a scam were present. I also think that even if it had followed up, I am satisfied that Mrs C would have told Standard Life of the regulated adviser she was using, including that it was also acting for her in the transfer of her DB scheme, which required an FCA regulated firm providing the advice. Mrs C hadn't been offered any incentives, nor had she been approached by cold calling.

Response to my PD

I'm very grateful for the response and the points made on Mrs C's behalf. However, there has been nothing new said in the response about why I should uphold her complaint, only a re-emphasis of points already made and considered.

The first point made in the response was that whilst I'd said, in my PD, that industry concerns about certain scams had started only from around late April 2014, Mrs C's representative says concerns were in fact voiced much earlier than this. However, I'm afraid I remain of the view that any strategic concerns raised earlier than this related mainly to pension liberation as opposed to wider pension scamming. In any event, this aspect has no material bearing on the outcome of Mrs C's complaint.

I am also aware that alerts issued by the FCA in 2014 said that customers have a right to expect all authorised firms to act in their clients' best interest: Mrs C says that despite this, there were serious and ongoing failings found at numerous firms at the time, which routinely placed customers' retirement savings at risk. However, these points are merely general ones which again don't change the overall outcome of *this* complaint. Here, what we know is that Mrs C used a regulated firm and of that there is no doubt; the facts I've set out previously clearly support this. Standard Life therefore wasn't unjustified in deriving some reassurance from this, particularly in the context of there being no other trigger points for it to carry out additional due diligence checks in Mrs C's case.

Mrs C's representative also says it is incorrect for me to say – as I did in the PD – that Mrs C specifically "chose" Philpott Reed. It says she was 'put on to' Philpott Reed by another party. However, whilst I accept that Mrs C was indeed probably 'put on to' Philpott Reed by another party, and possibly even an unregulated party, this wasn't at all unreasonable given the pension transfers she was attempting and new investments she was considering. It being suggested that she should go to a regulated adviser is generally good counsel in my view. She didn't have to accept any suggestion of taking on Philpott Reed as her adviser and would have been at liberty to go elsewhere if she preferred. In that sense, I remain satisfied she chose Philpott Reed. In any event, I don't think this issue about how she came to use Philpott Reed, a regulated firm, makes any difference to the outcome of her complaint either. The facts were clearly that Mrs C was trying to also transfer a DB pension and would have needed a regulated adviser to help with that advice (as required by law). The evidence is very persuasive that Mrs C used Philpott Reed and there's no evidence she did so other

than to carry out what she ultimately wanted to do, which was to seek much higher levels of investment growth by transferring all her pension savings.

There's also nothing indicating that Mrs C was simply given no choices when completing a SIPP application and was just presented with a form to sign, as now implied by her representative. It's reasonable that even when completing important documentation with an adviser, a client takes responsibility for their actions, takes time to understand the issues and signs only after having read the documents concerned. Mrs C said in the SIPP application form that Philpott Reed was her adviser. There's no evidence this process was in any way beyond Mrs C or that she had vulnerabilities that I ought to be factoring in. To portray her dealings with Philpott Reed in these terms would be, in my view, unjustified given the evidence I've seen. This included the other numerous steps (I've mentioned above) which included her giving specific permission to the firm and indeed becoming a 'client' of Philpott Reed which, after all, was regulated and operated close to where she lived.

In the reply to my PD, I was also asked to reconsider whether the relationship Mrs C had with the *unregulated* firms ahead of the transfer did, in fact, substantially pre-date her relationship with Philpott Reed. Her response to my PD attached a copy once again of something I'd already considered; this was a further "letter of authority" which Mrs C says shows and confirms that her relationship with MAPGPI was still in place at the time of transfer. But again, this is to look at events only in a certain light. The letter of authority produced is actually dated July 2015. So, this was after Mrs C's Standard Life transfer had taken place and it was also sent to Rowanmoor, rather than Standard Life. I can't say why this further authority surfaced at this point in time, but it does not change the evidence which strongly shows that Standard Life was right to assume she was being advised by a regulated firm when transferring her pension – this was confirmed by Mrs C herself in several ways which I've already explained.

Finally, Mrs C's representative says that with regards to the due diligence that should have been required of Standard Life, it believes there was sufficient information to warrant further questions being asked. It says, for example, that she was under the age of 55 and so there was a possibility this transfer application was a potential pension liberation scam - therefore some additional scrutiny should have applied. But other than her age, there was no evidence whatsoever of pension liberation in this particular case (and none took place). And of course, there's evidence that Mrs C had already been warned of such activity by being personally given the liberation-focussed Scorpion leaflet.

Summary

These events took place some time ago and I fully understand that remembering everything that happened will be difficult for Mrs C.

There's no evidence of any of the unregulated firms mentioned providing any transfer advice on these matters. Mrs C was likely referred to a regulated adviser, as I've shown. Therefore, the much more persuasive evidence shows Mrs C sought regulated financial advice from Philpott Reed throughout 2014 and 2015. It was Philpott Reed which was assumed by Standard Life to be providing regulated advice, based on the information it had and also what Mrs C herself had said several times.

I accept that Standard Life probably fell short in not providing an updated Scorpion leaflet directly to Mrs C, rather than to her adviser, in October 2014. But in my view this didn't make any difference. When it came to transferring, I think the existence of a regulated adviser close to Mrs C's home, her transfer to an established SIPP, and the lack of any other warning triggers, would have given Standard Life assurance that the transfer could go ahead in accordance with the rules in place at that time.

My final decision

For the reasons given above, I don't uphold this complaint against Phoenix Life Limited, trading at the time as Standard Life.

Phoenix Life Limited doesn't need to do anything more.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs C to accept or reject my decision before 27 August 2024.

Michael Campbell
Ombudsman