

The complaint

Mr S says HUB Financial Solutions (HUB) is responsible for poor service, which contributed to the delay he experienced in receiving his pension benefits.

Mr S brought a separate but linked complaint against The Prudential Assurance Company Limited (Prudential). I won't be dealing with matters arising in respect of that case in this decision.

For clarity, I note subsequent to Mr S approaching this Service and receipt of his final response letter from HUB, he has raised further concerns about how it has handled his affairs. These matters are outside the scope of his original complaint and so are not dealt with in this decision. In the first instance if he wants to pursue those matters he must give HUB an opportunity to respond.

What happened

This Service hasn't received a response from HUB in respect of Mr S's case, despite several requests. It's highly unusual for a regulated firm to fail to respond to our communications. It will need to review its approach to dealing with us.

The Investigator established the chronology of events in her view of 17 May 2024.

In summary, in November 2023 Mr S's then pension provider referred him to HUB to discuss options for taking his retirement benefits. It said it would request a quotation from Prudential before carrying out open market research.

In the absence of HUB's file, we don't have a full picture of its interactions with the Prudential. But it's clear that during the period between November and December 2023 several appointments were made between Mr S and HUB to discuss his requirements which had to be cancelled because the information required from his pension provider hadn't been delivered. While there is some evidence it tried to chase matters, the extent of its efforts appear limited and it failed to keep him up to date with what was happening.

Mr S received two missed calls from HUB on 6 January and 8 February 2024 but was unable to answer due to being on holiday in Australia. However, he'd made HUB aware of this and the need for communications to be by email during this period.

HUB made a third attempt to contact Mr S on 16 February 2024, but he was severely jet lagged at the time, so an appointment was rescheduled for 22 February 2024. The call didn't happen as planned so he called to find why and was told its advisor was off sick. A further telephone appointment was scheduled for 23 February 2024, which went ahead.

Mr S complained to HUB about its service. It responded on 26 February 2024. It said:

"We needed to wait for Prudential to provide us with quotes, but despite us chasing them on several occasions, we never received a response. I can see we've raised a complaint to them for you about this, and the possible impact it has had on your fund value."

“Whilst we weren’t responsible for the delays you experienced, we do recognise the service we gave you was not of the quality we strive for. We could’ve also eased your concerns by keeping you better updated.”

“To recognise this, I’d like to make a payment to you of £100 which I hope you can accept with our apologies.”

Mr S was unsure whether HUB’s offer was fair And he approached this Service. An Investigator considered his complaint and thought HUB should increase its offer to £250 in recognition of the trouble and upset it had caused him.

Mr S was content but HUB failed to respond.

As both parties haven’t agreed with the Investigator’s redress proposal, Mr S’s complaint has been passed to me to review afresh and to provide a final decision.

What I’ve decided – and why

I’ve considered all the available evidence and arguments to decide what’s fair and reasonable in the circumstances of this complaint.

Where there’s conflicting information about the events complained about and gaps in what we know, my role is to weigh the evidence we do have and to decide, on the balance of probabilities, what’s most likely to have happened.

I’ve not provided a detailed response to all the points raised in this case. That’s deliberate; ours is an informal service for resolving disputes between financial businesses and their customers. While I’ve taken into account all submissions, I’ve concentrated my findings on what I think is relevant and at the heart of this complaint.

I’m upholding Mr S’s complaint. I’ll explain why.

The first thing I’ve considered is the extensive regulation around the services like those performed by HUB for Mr S. The FCA Handbook contains twelve Principles for businesses, which it says are fundamental obligations firms must adhere to (PRIN 2.1.1 R in the FCA Handbook). These include:

- Principle 6, which requires a firm to pay due regard to the interests of its customers and treat them fairly.
- Principle 7, which requires a firm to 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.

Prudential has taken responsibility for the delay in Mr S receiving his pension benefits. But it’s clear from HUB’s own final response to him that the service it provided fell short of what it would expect to deliver. As the Investigator found:

“Over a period of two and a half months, Hub failed to keep Mr S updated. [He] was forced to continually chase Hub instead. Hub failed to meet several appointments without notice and failed to return calls as promised on more than one occasion. Given the impending retirement date of 1 January 2024, this understandably caused Mr S a great deal of stress and worry. He also had to spend a lot of time continually chasing Hub, due to Hub’s failure to keep him updated or keep to scheduled appointments.”

As neither party has challenged the Investigator’s findings or conclusions I see no reason to depart from them having reviewed the file.

Putting things right

I'm upholding Mr S's complaint.

The Investigator went on to recommend HUB increase its offer of redress to Mr S from £100 to £250.

When I'm considering a complaint like Mr S's I think about whether it's fair to award compensation for distress and inconvenience. This isn't intended to fine or punish a business – which is the job of the regulator. But when something's gone wrong, recognition of the emotional and practical impact can make a real difference.

We're all inconvenienced at times in our day-to-day lives – and in our dealings with other people, businesses and organisations. When thinking about compensation, I need to decide that the impact of a firm's actions was greater than just a minor inconvenience or upset. It's clear to me that this was the case here.

HUB Financial Solutions accepted it got things wrong for Mr S and that its failings had caused him trouble and upset. It should pay him £250 in recognition of this.

My final decision

For the reasons I've set out, I'm upholding Mr S's complaint. I now require HUB Financial Solutions to put things right in the way I've directed.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 4 October 2024.

Kevin Williamson

Ombudsman