

## The complaint

Mrs P complains that Corbel Partners Limited (Corbel) have been charging her an annual ongoing service fee since 2018 that she only recently became aware of. She says she hasn't received any service in return for the fees.

## What happened

I understand that Mrs P was a deferred member of a previous employer's Defined Benefit (DB) pension scheme. In September 2018, her former employer ceased trading. It then asked Corbel to review its pension members' options.

Corbel met with Mrs P on 7 September 2018. The meeting notes recorded that the adviser provided her with a Client Service Agreement and explained that her former employer would pay for the initial advice. But that it would charge an ongoing adviser fee of 0.5% each year. They also recorded that Corbel completed a fact find to establish Mrs P's circumstances and details of her DB pension.

The meeting notes also recorded a summary of Mrs P's objectives. And stated that after discussion, Mrs P's Attitude to Risk (ATR) was perceived to be Cautious/Moderate, as was her capacity for loss. The notes also showed that Mrs P completed a Risk Questionnaire.

Corbel provided Mrs P with a "*Pension Planning Report & Recommendation*" dated 29 September 2018. This recommended that she transferred her DB pension to a personal pension with a provider I'll refer to as provider R. The report also recommended that Mrs P: "

*"...review your pension and financial circumstances on an annual basis using our Standard Service."*

It said: "In exchange for our advice, recommendations and arranging your investments, fees will be payable to [Corbel]. These fees are in line with our Service Proposition & Engagement documents."

The report further stated:

*"We have agreed an ongoing advice fee of 0.50% of the total fund value every year. Based on a transfer value of £80,500 this fee would equate to £402.50 per year from your pension.*

*The above fees will show as explicit deductions from your pension. Our actual fee(s) payable may change, since they will be based on a percentage of the fund value, which can fluctuate on a daily basis."*

Mrs P accepted Corbel's advice and signed and returned a "*fee agreement and service engagement*" document on 11 December 2018. The transfer of her DB pension benefits to provider R then went ahead.

Between March 2019 and May 2023 Mrs P contacted Corbel a number of times for help and advice with her pensions. I've summarised the contact, based on the evidence I've been provided with, below:

- In March 2019, Mrs P emailed Corbel with a query relating to a possible transfer of one of her other pension schemes. It replied the following day.
- In July 2020, Mrs P emailed Corbel with questions about her future pension, given she'd recently changed employment. Corbel replied the same day.
- In January 2021, Mrs P emailed Corbel about when she could start to draw her pensions. It replied the same day. Mrs P asked further follow up questions in two further emails, which Corbel also responded to the same day.
- In February 2022, Mrs P emailed Corbel with several queries about her pension options and the tax implications. Corbel replied the same day.
- In February 2023, Mrs P asked Corbel to confirm what her pension lump sum would be if she took it at that point. Corbel replied the same day. Mrs P then asked a follow up question about how she could take her lump sum if she chose to. Corbel again replied the same day.
- In May 2023, Mrs P asked Corbel to provide her with her pension fund total. It replied two days later.

On 26 February 2024, Corbel emailed Mrs P to introduce a new adviser as her point of contact, after her existing adviser's retirement. Mrs P replied to say she would like to discuss her pension in more detail. Corbel then arranged for a call with Mrs P.

Mrs P said that after this email, she realised that Corbel had been charging her fees for an ongoing service since 2018.

On 3 March 2024, Corbel emailed Mrs P to confirm that it'd charged an ongoing service fee of 0.5% each year since 2018. It said that this had covered access to her adviser, and the opportunity to review her pension fund and ensure it remained suitable for her needs. Corbel felt that as Mrs P was now relatively close to accessing her pension funds, an ongoing service was more important than when she was younger. It also said that as she'd told it she didn't really understand pensions, and wasn't sure how or when to benefit from her pension with provider R, it felt she might need regular reviews and an ongoing advice service. Corbel asked Mrs P what she wanted to do so that it could ensure she received the service she wanted.

Mrs P replied to Corbel. She said she hadn't previously been aware of the charge. And asked it to confirm how long she'd been paying it for. She said she was concerned that she may have been mis-sold this feature, which she felt she hadn't asked for. She asked Corbel to confirm how much the fee had reduced her pension fund by in total. Mrs P said she'd taken on board its suggestions. But felt: *"...at this current stage I do not require the service and if I am honest it was never explained to me. Can you please advise what I now need to do - or is this email sufficient to cancel the service you are offering for with?"*

Corbel replied the same day to explain that the ongoing advice service Mrs P had been receiving had been documented in the paperwork relating to the initial advice. It said it also formed part of the paperwork Mrs P received every year from provider R. Corbel also noted the ongoing fee had been explained in the Pension Planning Report and in illustrations for her provider R pension from September 2018.

Given her request to stop the ongoing servicing agreement, Corbel told Mrs P she had two options:

- Corbel stopped the ongoing servicing fee. But continued to provide her with advice: “on a transactional only basis”.
- She severed all ties with Corbel and looked for a new adviser when she felt it was necessary.

Corbel asked Mrs P to reply to its email with her preferred option, so it could instruct provider R accordingly.

The evidence shows that Corbel carried out an annual review on Mrs P’s provider R pension on 7 March 2024.

On 11 March 2024, Mrs P’s original adviser emailed her. He said he had a record of 19 email messages between them, dated between 3 March 2019 and 22 May 2023, in which he’d reviewed her plan and answered her queries. He said this was exactly what the ongoing service fee was there to provide, without additional charges to Mrs P. He also said he’d sent her a weekly email covering the general state of the investment markets. Mrs P asked to see the 19 email messages the adviser had referenced, which I understand he then sent to her.

Mrs P replied to her former adviser on 21 March 2024. She asked him to confirm why she hadn’t received formal annual reviews to confirm the suitability of her pension. She felt she hadn’t been getting the service she’d been paying for. Corbel acknowledged Mrs P’s complaint on 22 March 2024.

On 27 March 2024, Mrs P emailed Corbel to stop the ongoing service charge. She also asked it to confirm the value of her provider R pension. Mrs P also questioned Corbel about what it meant in its 3 March 2024 email when it’d said it could provide her with advice on a transactional only basis. She asked if that meant she’d be liable for any fees.

Corbel explained that if Mrs P continued on a transactional only basis with it, she wouldn’t pay an ongoing fee, but she would have to pay for any future advice it gave her.

Corbel issued its final response to the complaint on 3 May 2024. It didn’t think it’d done anything wrong. It said that its ongoing service arrangement hadn’t automatically included annual reviews. It also said that the service agreement Mrs P had signed was for ongoing advice and servicing for her provider R plan. And that there’d been no requirement to provide an annual review under that agreement until 1 July 2023. Corbel also felt it’d assisted Mrs P with advice and ongoing service as and when she’d needed it.

Mrs P didn’t agree with Corbel. She said that in his 4 March 2024 email, her new adviser had said her service included: “*The opportunity to review your pension fund and ensure it remains suitable for your needs*”. She said she hadn’t been offered this service or made aware that the opportunity existed. She wanted to know why.

Corbel told Mrs P that her service agreement covered any advice and ongoing service that she might need in relation to her provider R pension scheme. It said that Mrs P had various emails and conversations with Corbel when she’d needed to. It also said that her pension scheme was a very low maintenance plan with good investment management and governance, and that it still remained appropriate for her.

Unhappy, Mrs P brought her complaint to this service in May 2024. She said that she didn’t know she’d signed to request an ongoing service from Corbel in 2018 until 26 February 2024, when Corbel emailed her to follow up on a letter it’d recently sent her which explained that a new contact would be supporting her with her financial planning in the future. Mrs P said that she then started to wonder why Corbel was contacting her if there were no fees for

it. So she checked her pension statements and realised that Corbel had been taking an annual fee from her pension since October 2018.

Mrs P said she'd been charged for a service she hadn't received and therefore felt she'd been mis-sold. She also felt Corbel hadn't treated her fairly. And that it'd taken advantage of her lack of financial awareness. She also felt that as soon as she'd complained, Corbel couldn't wait to remove her as a client. She felt Corbel had caused her a financial loss. And said it'd also caused her anxiety and distress.

Mrs P told this service that she only ever received communication from Corbel if she asked it something first. She felt it should've been contacting her on a regular basis to confirm all was well with her pension scheme.

Our investigator didn't think that the complaint should be upheld. She didn't think Corbel had treated Mrs P unfairly. She felt that it'd made it reasonably clear that Mrs P was signing up for a paid ongoing service. While she didn't consider that Corbel had clearly specified the services Mrs P could've expected to receive for the fees she was paying, she didn't think that Corbel's literature had promised Mrs P an annual review of her pension.

Our investigator said she was reasonably satisfied that Corbel had met the terms of its agreement each time Mrs P contacted it with a query or request about her pension. She was also satisfied that Mrs P knew she had an ongoing relationship with Corbel, as she'd contacted it at least once a year since she'd transferred the benefits from her DB scheme to provider R, and hadn't incurred separate charges each time she asked for its service.

Mrs P didn't agree with our investigator. She made the following points:

- She felt the Pension Planning Report had suggested that an ongoing service using cash flow modelling would be provided. She also noted that the recommendation in that report had stated having an ongoing service as one of the reasons for the initial transfer.
- She felt that the Pension Planning Report had also implied an annual review service to confirm continued suitability. She felt that Corbel had recommended the 0.5% annual ongoing charge as she had simple financial needs. She didn't agree with our investigator the charge was low to reflect that a reduced service - excluding annual reviews – would be provided.
- Mrs P therefore felt that the Pension Planning Report confirmed that she'd agreed to the transfer and the ongoing service on the basis that Corbel would provide an annual review, cash flow modelling and ongoing investment monitoring. She didn't consider that the onus should've been on her to contact Corbel to get the service she was paying for.

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 not going to uphold it. I know this will be disappointing to Mrs P. I'll explain the reasons for my decision.

I first considered whether Mrs P knew, or ought reasonably to have known, that she had

agreed to pay Corbel for an ongoing service.

*Did Mrs P know, or ought reasonably to have known, that she had agreed to pay Corbel for an ongoing service?*

Mrs P said she didn't know she'd signed to request an ongoing service from Corbel in 2018 until 26 February 2024.

The evidence shows that during the 7 September 2018 meeting with Corbel, during which it advised Mrs P on her deferred pension with her former employer, it also discussed helping her with a number of her other pensions. The meeting notes stated:

*"I presented [Mrs P] with a Business card and Client Service Agreement, which I explained the contents of, especially relative to our Independent status and the Permissions principles, that allows certain areas of Regulated Advice to be provided.*

*I also explained to [Mrs P] and [name] how [Corbel] had been introduced to the situation and gave the client confidence that we had no conflict in giving advice that would be concentrated on the best needs of the client.*

*I explained the Fee process and explained that [her previous employer] would pay for the initial advice and that we would charge an ongoing Adviser Fee of 0.5% per annum."*

I'm satisfied that this shows that Corbel explained that it would charge Mrs P for the ongoing service it had offered to provide her after it completed the initial advice, which her formal employer would pay for.

The evidence also shows that the provider R illustration Mrs P then received stated the following:

#### **"ADVISER CHARGES**

*These are charges that you have agreed with [Corbel] for the services they are providing. These charges are taken from your plan.*

#### **Ongoing charges**

*These charges are for the ongoing services your financial adviser will provide.*

*Transfer payment: 0.50% each year of the plan value built up from the transfer payment, due monthly until your chosen retirement date."*

I consider this is also clear that Mrs P would be paying Corbel 0.5% each year for the ongoing service it would provide her.

I can also see that the Pension Planning Report dated 29 September 2018 included an explanation about the fees that would be charged.

Mrs P signed and returned Corbel's fee agreement and service agreement on 11 December 2018. This document stated that her former employer would cover the fee for the DB transfer advice. But noted that there was also an optional ongoing service option, which needed to be actively selected on the form. It stated that for a fee of 0.5% each year of the transferred fund's value, Corbel would provide "*ongoing advice and servicing in respect of the [provider R pension]*".

I'm satisfied that as she selected the optional ongoing service option, Mrs P understood that

she was going to be charged 0.5% of her transferred fund value. And that in return for this fee, she'd receive ongoing advice and servicing for her provider R plan.

In the complaint form Mrs P sent to this service, she stated that she wondered why Corbel was contacting her on 26 February 2024 if it wasn't charging her fees. She also said that that email led to her checking her pension statements, at which point she realised Corbel had been taking an annual fee since October 2018.

While I do understand that customers don't always carefully review their pension statements, I can't reasonably say that Mrs P couldn't have realised sooner that Corbel was charging her a fee. I consider that her pension statements made it clear that there was an adviser linked to her account, and that it was charging her a fee.

Also in her complaint form, Mrs P stated: *"...as they have severed the agreement I no longer have a financial adviser and as I originally explained to [name at Corbel] I do not know anything about pensions and needed their help going forward."*

I consider this shows that Mrs P actually valued having a financial adviser. This view is supported by the evidence, which shows that Mrs P relatively regularly contacted Corbel to ask it pension-related questions. And that Corbel was quick to respond.

As I noted earlier, Mrs P noted on her complaint form that it was because she wondered why Corbel had contacted her on 26 February 2024 if it wasn't charging her fees. I think that she ought reasonably to have drawn the same conclusion each and every time Corbel responded to one of her pensions questions.

Overall, I'm persuaded that Mrs P should've know from 2018 that she'd agreed to an ongoing service with Corbel, for which it would charge a fee. I say this because the evidence shows that this fee was discussed with Mrs P in September 2018, and she then signed to accept an ongoing service from Corbel in December 2018. Her provider R illustration also made it clear what the ongoing charge would be, I also say this because the information about the charging was clearly available on Mrs P's pension statements. And because Mrs P has herself noted that she didn't expect to hear from a financial adviser unless it was charging her a fee.

Mrs P feels she's been charged for a service she didn't receive. So I next considered whether Corbel failed to provide Mrs P with the agreed service.

*Did Corbel fail to provide Mrs P with the agreed service?*

Mrs P told this service she'd initiated all contact with Corbel. She felt it should've regularly contacted her about her pension scheme.

Mrs P made a number of points about the September 2018 Pension Planning Report. She felt these showed that the ongoing service she had with Corbel would use cash flow modelling, provide ongoing investment monitoring, and provide an annual review service to confirm continued suitability. She said these things hadn't happened.

Mrs P also said that in his 4 March 2024 email, her new adviser had told her that her service included: *"The opportunity to review your pension fund and ensure it remains suitable for your needs"*. She felt she hadn't been given this opportunity.

Corbel said that its 0.5% charging model didn't provide annual face-to-face meetings. But it noted in the final response letter that since 1 July 2023, new UK regulations did require annual reviews to be carried out. It said it had adapted its systems and processes to deliver a

service to its clients in line with that new requirement.

Corbel told Mrs P in its 3 March 2024 email that the service fee she'd paid since 2018 had covered access to her adviser. It also said it'd given her the opportunity to review her pension fund.

I've considered what both parties have told this service alongside the evidence provided. Having done that, I consider that the evidence shows that Corbel was responsive to Mrs P's requests for information about her pension. But that until March 2024, it didn't provide an annual review of Mrs P's pension. Apart from sending Mrs P regular newsletters, there's also no evidence that Corbel ever initiated contact with Mrs P.

However, as I noted earlier, the fee agreement and service agreement which Mrs P signed stated that for a fee of 0.5% each year, Corbel would provide "*ongoing advice and servicing in respect of the [provider R pension]*". And based on the evidence I've seen, Corbel did promptly provide advice and servicing whenever Mrs P asked for it.

The evidence also shows that annual reviews weren't a regulatory requirement until 1 July 2023. Therefore, while I acknowledge that Mrs P feels that Corbel should've contacted her to arrange annual reviews, I can't fairly agree that it should have done so until annual reviews became a regulatory requirement with effect from 1 July 2023. The evidence shows that Corbel met the regulatory requirements in this respect as it conducted an annual review for Mrs P in March 2024.

Looking at the points Mrs P has made about the September 2018 Pension Planning Report, she has referenced the following about cashflow analysis from that report:

*"As part of our ongoing review service we will continue to use cashflow analysis to establish the ongoing sustainability of your required income taking into account any changes in your circumstances."*

Mrs P has also referenced the following about the recommended review service:

*"We explained that reviewing your financial planning on a regular basis was important to ensure that your pension savings continue to meet your objectives. In addition to an annual review, where we consider your overall financial position and discuss any changes to your objectives, circumstances or your investment risk profile."*

*We consider the performance of your pension to ensure that it remains on track to provide you with an income in retirement. We monitor any changes in legislation and will contact you immediately should any changes have a direct impact on you or your portfolio and your pension."*

I do understand why Mrs P felt these extracts showed that the ongoing service she'd agreed to would use cash flow modelling and provide an annual review service to confirm the continued suitability of her pension with provider R. But I can't fairly agree that this was the service she'd signed up for.

I say this because Mrs P hadn't agreed to pay for the full ongoing review service. Instead, she'd agreed to the following service:

*"Ongoing advice and servicing in respect of your [provider R pension]."*

While I do agree with Mrs P that the Pension Planning Report appeared to imply a wider ongoing service than that she'd agreed to, I can't fairly hold Corbel responsible for failing to

provide that wider service, as the evidence shows that it wasn't what Mrs P had agreed to. I also consider that if Mrs P really felt that she was signing up for an annual review service, with cash flow modelling and ongoing investment monitoring, she would've complained to Corbel in the year after she'd signed up for her ongoing service. The evidence shows that although Mrs P did contact Corbel within twelve months of signing up for the ongoing service, she didn't comment at all on the service she'd so far been provided with.

I also acknowledge that Mrs P feels she was denied the opportunity to review her pension in the way her new adviser had suggested in his 4 March 2024 email between 2018 and 2023. But as I noted earlier, that wasn't a regulatory requirement, or a promised part of Corbel's ongoing service offer to Mrs P, until the regulations changed with effect from 1 July 2023. I've also seen no evidence that Mrs P ever asked Corbel if she could have a pension review. While I acknowledge that she didn't expect to have to contact Corbel for a service she now feels she should've been receiving automatically, I can't fairly say that this was the case.

Overall, I'm satisfied that Mrs P signed up for an ongoing advice service, not an annual review and ongoing advice service. And based on the evidence, I consider that Corbel provided the service it'd agreed to provide.

I finally considered Mrs P's complaint that once she'd complained, Corbel couldn't wait to remove her as a client.

*Did Corbel seek to remove Mrs P as a client once she'd complained?*

The evidence shows that on 3 March 2024, Mrs P emailed Corbel to tell it that she didn't want to continue with its ongoing service. She asked it what she needed to do to cancel that service.

Corbel then acknowledged that Mrs P wanted to stop her ongoing service agreement with it, but provided her with an option through which she could stay connected to it if she needed advice in future.

On 27 March 2024, Mrs P emailed Corbel to confirm that she wanted to stop the ongoing service charge.

Based on the evidence, I can't fairly agree with Mrs P that Corbel tried to remove her as a client once she'd complained. Instead, I think it tried to offer her continued access to advice as and when she needed it, while accepting her decision to terminate the ongoing services agreement she'd held with it.

Overall, I can't fairly say that Corbel has failed to provide the service that Mrs P signed up for. Nor can I say that it failed to comply with regulation, or that it treated Mrs P unfairly. Therefore I can't uphold the complaint.

### **My final decision**

For the reasons I've set out, I don't uphold Mrs P's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs P to accept or reject my decision before 3 January 2025.

Jo Occleshaw  
**Ombudsman**