

The complaint

Mr D complains that Retirement Line Limited (RLL) caused avoidable delays to his annuity application, leading to him securing a less favourable annuity rate. He wants compensation for his losses and for the distress and inconvenience caused.

Mr D has previously brought a separate complaint to this service about the pension plan provider from which the funds for his annuity purchase were taken. He felt that that provider had delayed his partial transfer, leading to a financial loss. That complaint was considered in an October 2023 final decision. And I'll not consider that further in my decision here. I'll only consider the actions of RLL in this decision.

What happened

Mr D wanted to buy an annuity with some of the pension funds he held with a provider I'll refer to as provider V. He approached RLL, a non-advised annuity brokerage service, to help him find the best annuity provider.

On 18 October 2022, Mr D had a call with RLL about the type of annuity he wanted. Mr D said he wanted to fund the annuity purchase with a partial transfer of funds from provider V, using £90K of those funds. He said he wanted a level single life annuity with a five-year guarantee.

RLL then obtained quotes. The best quote was from a provider I'll refer to as provider S. This would provide a monthly income of £621.12 before tax, or £7,453 each year. Provider S guaranteed this rate until 16 November 2022 as long as it received the transfer payment and application form by this date.

Mr D completed his annuity application form. This gave his existing plan number with provider V as a series of numbers with no leading letters.

I understand that RLL had incorrectly part-completed the form. Instead of ticking the box for a partial transfer, it'd ticked the box for a full transfer from provider V. Mr D said he manually corrected and initialled that error on the application form. He also added two leading letters to his existing plan number. He then signed it on 24 October 2022.

RLL said it received Mr D's completed application form on 25 October 2022. It said it sent this and the PensionWise form to provider S on 27 October 2022. And that on the same date, it sent provider V its letter of authority and PensionWise form, and asked for policy information. It also wrote to Mr D to tell him about the actions it'd taken.

Provider V called Mr D on 28 October 2022. It said a request had come through for a complete transfer. And wanted to confirm that was correct. Mr D told provider V he wanted a partial transfer. Mr D then emailed RLL to tell it what'd happened.

On 4 November 2022, RLL called Mr D after receiving his voicemail. During the call, RLL noted the quote expiry date of 16 November 2022. Mr D said he'd moved the funds he wanted to transfer into cash two days earlier. RLL told Mr D that provider V didn't speak to

third parties, but Mr D said he was happy to chase provider V later that week for an update. RLL asked Mr D to email it with an update once he'd spoken to provider V. And said it would continue to chase provider S.

Also on 4 November 2022, RLL emailed provider S to ask it to request Mr D's funds through Origo as a matter of urgency.

On 8 November 2022, provider S requested the funds from provider V through the Origo system. But it didn't contain all of the information that provider V needed to proceed. Provider V asked for Mr D's postcode to be added on 9 November 2022.

On 9 November 2022, provider S emailed RLL to tell it that provider V had said that the policy number supplied was incorrect. RLL called Mr D to tell him that provider V didn't recognise his policy number. Mr D called provider V which confirmed that he needed to add two leading letters to his policy number. RLL then asked provider S to re-request the funds through Origo using a policy number with the two leading letters at the start.

Provider S sent a new request on 10 November 2022 with the postcode added.

Provider V also emailed RLL on 10 November 2022 to tell it about the incomplete Origo transfer request. And to ask for verification before it could proceed. On 11 November 2022, RLL told Mr D what had happened. It said that although provider S had tried to request his funds from provider V quoting his policy number with two leading letters, provider V had rejected the request, stating that the reference was invalid. It asked him to check his policy number and to send it any documentation he had from provider V.

Mr D confirmed to RLL in an email dated 12 November 2022 that the account number it had given provider S was correct. But it took until 14 November 2022, after further clarification was required about the correct policy number, for the correct information to be given to provider S so that it could re-request the funds through Origo.

RLL then emailed provider S to see if it had re-requested the funds from provider V.

On 15 November 2022, RLL told Mr D that the expiry date for his annuity quote had been updated to 2 December 2022. This was due to a system change that hadn't previously been reflected in the quote portal. RLL also told Mr D that it'd been chasing provider S for an update about the fund transfer, but that it didn't sound like the funds had been re-requested yet.

On 22 November 2022, Mr D emailed RLL as provider V had told him that it was still waiting for a response to its 10 November 2022 request for information. He wanted to know what the cause of the delay was.

RLL replied to provider V's 10 November 2022 email on 22 November 2022 to provide the required information.

On 23 November 2022, RLL left Mr D a voicemail to say it'd emailed provider V with the required information. It said: *"I did this so hopefully they now have all the requirements to transfer your funds."* It asked Mr D to call provider V for an update to see if it needed anything else.

On 24 November 2022, RLL called provider S. During the call, provider S said it'd re-requested the funds from provider V on 16 November 2022. But that had been unsuccessful due to an incorrect policy number. RLL provided the policy number which provider S updated on its Origo request and then used to make a further request. But again, the postcode was

missing. I understand that provider V then requested the postcode later that day.

RLL called Mr D later that day to tell him what had happened with provider S. It felt that everything should now be in place for provider V to transfer the funds. Mr D said he'd call provider V and then update RLL.

On 26 November 2022, Mr D sent an email to RLL to say he'd spoken with provider V on 25 November 2022. He said that provider V should be making the payment the following Tuesday and that they were aware of the deadline.

On 29 November 2022, Mr D emailed RLL with an update from his contact with provider V. This said that provider V had spoken with provider S and asked that it add Mr D's postcode to the Origo request before it then re-requested the funds. Provider V also asked for provider S to confirm the bank details as there was a verification failure when adding them to the platform. The email also stated that provider S had confirmed it needed to receive the funds by 2 December 2022 to retain the rate.

On 30 November 2022, RLL emailed provider S to ask it to arrange for its Origo request to include the information noted.

On 1 December 2022, Mr D sent an email update from provider V to RLL. This noted that there hadn't been a further Origo request from provider S since 24 November 2022. It stated: *"We will continue to chase, hopefully they can extend the deadline if they are not able to put the request through."*

On 2 December 2022 Mr D called RLL. He said this was the last day to make the transfer. RLL said that although Origo had been updated the day before, nothing had come back. RLL felt that provider V was causing the problem.

On 5 December 2022, RLL called Mr D to tell him it'd got a new quote from provider S, but on less favourable terms. This would pay an annual total of £6,872 rather than £7,453. It felt that provider V was responsible for the delays. Mr D decided to accept the new quote on 7 December 2022.

I understand that provider V completed the payment on 14 December 2022 and that provider S received it on 15 December 2022.

On 18 December 2022, Mr D asked RLL when it would check to see if current rates with provider S were better than the current offer being worked with. RLL then provided the final quote issued by provider S. This was for an annual pension of £6,597.

Mr D emailed RLL on 4 January 2023 as he'd been expecting a higher quote. He felt he'd met the requirements for provider S's 5 December 2022 quote for £6,872.

On 6 January 2023, RLL called Mr D in response to his email. It agreed that the new quote was too low. And said that it looked like provider S had used an incorrect rate. Mr D felt that the incorrect quote could've gone through if he'd accepted it. He didn't think RLL should've sent him the incorrect offer without comment.

On the same day, RLL emailed provider S about the incorrect rate. It then chased provider S a number of times for a response to Mr D's complaint.

On 13 February 2023, provider S replied. It said that provider V had said it sent the funds at the end of December 2022. But that its system didn't show that any funds had been received. Provider S said it would continue to investigate.

On 14 February 2023, provider S emailed RLL to tell it that Mr D's funds had been placed under a different annuity number. It separately confirmed the payment date and when the first payment would be sent.

On 15 February 2023, provider S confirmed that the annuity set up had been finalised. RLL passed this information on to Mr D. It also later confirmed that the annual amount that would be paid was £6,872. I understand that provider S backdated payments to 5 December 2022.

Mr D raised a formal complaint against RLL on 5 April 2024. He felt he'd suffered a financial loss as a result of RLL's ineffective handling of his annuity application. And that its service had been slow, with errors and poor communication. Mr D wanted RLL to put him back into the financial position he would've been in if it had acted correctly. He also wanted compensation for the distress caused.

RLL issued its final response to the complaint on 3 June 2024. It upheld some of the complaint points Mr D made, as follows:

- It acknowledged that it should've corrected the application form to reflect Mr D's partial transfer request before it was sent to provider S. But it didn't feel this had caused any significant delay.
- It didn't agree that it had failed to act on Mr D's correction of the incorrect application form. It said it'd sent the one Mr D had amended on to provider S. But that although Mr D had amended section D from a full transfer to a partial, section E hadn't been altered to reflect the correct transfer type. And section I – for a full fund transfer – had been completed, whereas section H should've been completed. It didn't think that this error had caused any delay.
- It felt that the missing two leading letters on the policy number had only impacted the application form in one place. It therefore felt the information it'd given Mr D about the policy number impacting another part of the application form wasn't correct.
- RLL felt it had caused an eight-working day delay when it didn't respond to provider V's information request from 10 November 2022 until 22 November 2022.
- It said that when Mr D had been given a new annuity offer dated 5 December 2022, provider S had made an error with the rate. It said it should've checked the rate to make sure it was correct before it'd sent it on to Mr D.

RLL didn't uphold his other complaint points, as follows:

- It didn't agree that it'd failed to tell Mr D the expiry date of the initial quote. It said that the 18 October 2022 quote provider S had created would've been attached to the email Mr D had received on the same date.
- It said that Mr D had provided a policy number with an additional "3" in it on 14 November 2022. But that as this hadn't tied in with the number given on the application form, it had spotted the error and called Mr D for the correct number.
- It said it hadn't contacted Mr D shortly after the 16 November 2022, when he felt the first deadline had been missed, as it hadn't been missed. It said the deadline had been amended on 15 November 2022 to 2 December 2022. It also noted that provider S would've been aware of when the quote expired.
- RLL said that provider V had been given all the information it needed to make the

transfer on 22 November 2022. It felt that it appeared that provider V had sent the funds on 15 December 2022, but there was a delay caused by provider S allocating the funds to a different annuity number. It said this wasn't corrected by provider S until 14 February 2022.

RLL noted that Mr D had been aware from early on in the process that provider V wouldn't talk with third parties. And that as it wouldn't speak with RLL, Mr D would need to act as the go between.

RLL said that although it had caused an eight-working day delay, Mr D's funds hadn't been transferred until 15 December 2022. It said that as this was nine working days after the quote expiry date, it was highly unlikely that the funds would've been received in time to secure the original rate even if it hadn't caused any delays.

RLL acknowledged that Mr D hadn't received the expected level of customer service. It apologised for this and offered him £600 for the poor customer service and the errors and delays it'd caused.

Mr D wasn't happy with this response, so he referred his complaint to this service. He felt that RLL's offer was inadequate. He said that the key question was, if an additional eight working days had been made available, would a competent annuity broker have been able to work with provider S and provider V to achieve the transfer of funds within the guarantee period. He felt the answer was clearly yes.

Mr D also felt that RLL's service had fallen far short of that it offered on its website. He felt that as a result of this, he'd had to accept a lower annuity than he should've got. He wanted this to be put right.

Our investigator felt that RLL had taken reasonable steps to put things right. She agreed with RLL that it'd caused an eight-working day delay when it'd failed to promptly respond to provider V's 10 November 2022 email. But she didn't think that the transfer payment would've been made by 2 December 2022 if RLL had replied to provider V's email within the two to three working days she would've expected. She said that provider V hadn't received a correct transfer request from provider S until 5 December 2022, after the guarantee had expired.

Our investigator consider the £600 compensation RLL had offered Mr D for the poor customer service he'd received. She felt that this was a reasonable offer under the circumstances of the complaint.

Mr D didn't agree with our investigator. He made the following points:

- He felt that RLL should've provided a level of service more in line with the claims it made on its website. But that it'd actually provided a service which was passive, badly coordinated and prone to errors.
- He felt that RLL had heavily relied on him to act as a go-between when communicating with provider V. He also noted that despite saying that it was impossible for provider V to communicate with third parties, RLL had communicated directly with it. He gave an example of this from 23 November 2022. He said RLL had responded directly to an email request from provider V. And that it had sent provider V Mr D's requested personal information. He felt this showed that RLL could've always communicated directly with provider V. And that this would've made a huge difference to the outcome, and to his workload.

- Mr D felt that RLL's poor service hadn't simply led to a delay of eight working days. He felt those lost days would've disrupted the workflows of provider S and provider V, leading to further lost time. He therefore felt that the key question was whether eight or more working days would've enabled a competent annuity broker to work with provider S and provider V to achieve the transfer of funds within the guarantee period. He still felt the answer to this was yes. Mr D therefore felt that RLL should compensate him for the financial losses he'd suffered. He also wanted it to pay him £1,200 compensation for the time he'd spent coordinating the process.

Our investigator considered Mr D's points, but they didn't change her view.

Mr D felt that RLL should've told him at the start of the process that time would be tight, even with its best efforts. He also felt it should've told him that provider V wouldn't communicate with third parties, and therefore he should be prepared to contact provider V quickly if any information needs to be added or verified. And that it should've emphasised the importance of ensuring the application form was completed correctly across all sections and returned quickly.

Mr D also felt that RLL should've checked his application form for common mistakes. He said that provider V had since told him that the two-letter prefix and the leading zero were frequently misquoted. He felt that RLL should've been familiar with the standard format for provider V's account numbers. He felt there was no reason why the first Origo request couldn't have been error-free, thus securing the annuity at the first attempt.

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 agree with our investigator that the compensation RLL has offered to pay Mr D for the poor service, the errors and the delays it caused is fair under the circumstances of this complaint. I know this will be disappointing for Mr D. I'll explain the reasons for my decision.

I first considered the crux of Mr D's complaint. This is whether or not the delay RLL has acknowledged it caused actually led to further delays. And therefore whether Mr D would've met the annuity guarantee deadline but for the avoidable delays RLL caused.

What avoidable delays did RLL cause?

RLL said that it caused an avoidable delay of eight working days when it failed to respond to provider V's 10 November 2022 information request until 22 November 2022.

There are only eight working days between 10 November 2022 and 22 November 2022, so this assumes that RLL felt it should've responded to the request immediately. I would normally expect a response to have been provided within two to three working days. But I can see why RLL felt it should've replied immediately, given the deadline and the simplicity of the request itself.

Based on the evidence I've seen, which I've detailed in the background section, I've not found any other evidence of RLL causing avoidable delays to the process. Therefore I agree with RLL that it caused a total avoidable delay of up to eight working days.

I can see that Mr D considers that RLL's poor service led to further delays, given the likely disruption to the other parties' workflows. So I can understand why he feels it unfair to only allow for the actual delay itself, rather than the impact of that delay. Mr D also suggested that eight or more additional working days would've allowed a competent annuity broker to work with provider S and provider V to meet the guarantee period.

While I have sympathy with this point of view, based on everything I've seen, I can't fairly agree that this was the case here. I agree with our investigator that the avoidable delay RLL caused didn't in itself lead to Mr D missing the guarantee deadline. I say this because provider V didn't receive the correct transfer request from provider S until early December 2022, despite RLL taking reasonable steps to ensure that provider S had the correct information.

Mr D said that RLL shared a summary of its communications with provider S with him on 14 November 2022. He said this revealed that on 9 November 2022, RLL had asked provider S to re-request his funds with the correct leading letters on his policy number, but with the leading zero omitted and the 002-suffix retained. He said it was only on 14 November 2022 that RLL provided provider S with the leading zero reinstated but the 002-suffix omitted. This was the correct format for his policy number.

I can't reasonably hold RLL responsible for the delay between 9 November 2022 and 14 November 2022 when the correct provider V policy number was being confirmed. I say this because the evidence shows that RLL took reasonable steps to try to confirm the correct policy number once it learned that the one provided wasn't right. It called Mr D to tell him what had happened as soon as it found out about the problem. Mr D then confirmed what he thought was the correct number on 12 November 2022, but it wasn't quite right. And it was only on 14 November 2022 that the correct policy number – containing a leading zero but no 002 suffix – was supplied.

The evidence shows that RLL had every reason to believe that it had provided provider V with all of the information it needed to make the transfer on 22 November 2022.

So although I acknowledge that there was considerable miscommunication about the correct policy number for Mr D's pension with provider V, I can't fairly hold RLL responsible. I say this because the evidence shows that RLL was proactive in contacting Mr D to clarify his policy number. And that it was also in regular touch with provider S about the correct details to use. I haven't found any evidence that RLL was responsible for introducing an error in the policy number which it then passed on to the other parties. From what I've seen, it passed on the information it was given by Mr D, verifying that information further when it noticed a disparity.

I also understand that although provider V requested the postcode it needed from provider S on 24 November 2022, provider S didn't provide that until several days later. And it didn't issue an updated Origo request including that postcode until 1 December 2022. I think this shows that the other providers involved in this process were themselves responsible for adding further delays into the process, rather than the eight-working day delay RLL has acknowledged it caused leading to further delays.

I do also acknowledge Mr D's point that RLL should've checked his application form for common mistakes, like the one he said provider V has subsequently told him often happens with its policy numbers.

While I agree that there should've been no reason why the first Origo request couldn't have been error-free, I can't reasonably hold RLL responsible for the fact that it included errors.

I say this because the first request didn't contain all of the information that provider V needed to proceed. It needed Mr D's postcode to be added. And it also needed the correct policy number. I've seen no evidence that RLL was responsible for the missing postcode. And I've already explained why I can't fairly hold it responsible for the incorrect policy number. I consider that if provider V knew there was a problem with its policy numbers, it should've done something to highlight that potential problem to its policyholders, rather than expect an annuity broker to know how to resolve the issue.

The evidence shows that provider V received a number of incorrect or incomplete Origo requests. I'm not persuaded that RLL is responsible for the missing information on these requests. Instead, I consider that provider S is responsible for some of that missing information. And provider V is also responsible, as it appears to have provided Mr D with an incorrect policy number, which was then used on the requests.

I also understand that although provider S received Mr D's funds on 15 December 2022, there was a further delay because it'd allocated the funds to a different annuity number.

I therefore consider that if RLL had replied to provider V's information request on 10 November 2022, the guarantee would still have been missed. And, although I'm going to uphold the complaint, as I understand RLL has yet to pay the £600 compensation it offered Mr D, I don't think RLL is responsible for the financial losses Mr D says he's suffered.

I next considered whether the £600 compensation RLL has offered Mr D was fair.

Is the compensation RLL offered Mr D fair?

As I noted earlier, RLL upheld some of the complaint points Mr D made. These were:

1. Accepting that it should've corrected Mr D's application form to reflect a partial transfer before it sent it to provider S. This was a poor service issue only as RLL didn't think this had caused any significant delay.
2. Providing Mr D with false information about the incorrect policy number impacting another part of the application form, when this wasn't the case.
3. Causing an eight-working day delay from 10 November 2022 until 22 November 2022.
4. Failing to check the annuity rate before it sent it to Mr D, when provider S had made an error with the rate.

I considered the impact of each of these points on Mr D.

1. Mr D had made it clear to RLL that he wanted a partial transfer. So it should've partially completed the application form for a partial transfer in the first instance. Instead, it completed the form for a full transfer. Mr D was able to correct the application form in one place, but he didn't realise he should also correct it in other sections. This meant that the application was still incorrect when it was sent to provider S. While this shouldn't have happened, this error doesn't appear to have caused a delay to the process with provider S. But it did clearly cause Mr D some inconvenience.

Having considered all the evidence, I agree with RLL that this didn't cause any significant delay. I say this because the evidence shows that RLL had every reason to consider that provider V had all it needed to transfer the funds on 22 November

2022. This would've meant that the amended quote deadline would be easily met.

2. It appears that RLL provided Mr D with incorrect information here. This would've caused confusion and potentially inconvenience.
3. I've covered the impact of this delay earlier in my decision. But I note here that this delay could've also caused Mr D distress and inconvenience.
4. I agree with our investigator that RLL should've checked this quote with provider S before issuing a copy to Mr D. As it didn't do so, Mr D had to question RLL about the quote, which must've caused him further distress and inconvenience during the period when his funds had been transferred to provider S and he was waiting for his annuity to be set up.

Mr D told this service that RLL should've been clearer at the start of the process that time would be tight and that it was important that the correct information was provided. And that it should've explained that as provider V wouldn't communicate with third parties, he should be prepared to contact provider V quickly if necessary.

I acknowledge Mr D's points here. I agree that RLL could've better managed his expectations throughout the process. I also agree that it might've helped matters if RLL had more clearly explained what the fact that provider V wouldn't communicate with third parties might mean to Mr D.

Mr D also felt that RLL should've done more to provide the level of service it advertised. He was unhappy that it'd heavily relied on him to liaise with provider V. And felt that its actions later on in the process showed that it could've directly dealt with provider V all along.

While I acknowledge the considerable effort Mr D made with provider V, and I note the specific points he's made, I'm not persuaded that RLL acted unreasonably when it told him early on in the process that he'd have to contact provider V on its behalf.

RLL told this service that where the ceding scheme allows, which isn't always the case, it can administer the annuity purchase process until its completion. But in this case, although RLL could liaise with provider S directly, it wasn't able to do this with provider V. I acknowledge Mr D's specific example which showed that RLL did on one occasion respond to a direct request from provider V. But this doesn't persuade me that it could've always worked directly with that provider. However, I do appreciate that the fact that Mr D had to liaise with provider V did cause him some inconvenience and additional work.

Overall, I can see that RLL could've provided Mr D with a better level of customer service. It has acknowledged where that service fell short. And has apologised for this. It's also offered Mr D £600 compensation for the distress and inconvenience caused by that poor service. I think this offer is fair under the circumstances of this complaint. Therefore, while I uphold the complaint, I won't be asking RLL to amend its offer.

Putting things right

Retirement Line Limited must pay Mr D the £600 it has already offered him for the poor service it has acknowledged.

My final decision

For the reasons set out above, I uphold Mr D's complaint. Retirement Line Limited must take the action detailed in "Putting things right" above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 5 November 2024.

Jo Occleshaw
Ombudsman