

The complaint

Mr T complains about the service he received from Age Partnership Wealth Management Limited (AP) when taking the proceeds of his Self-Invested Personal Pension (SIPP) to purchase an annuity. He believes AP's actions caused him to suffer a financial loss, for which he'd like to be compensated.

Unsure how two other companies involved in the transaction contributed to what happened, Mr T complained to all three firms, which I'll refer to below. Given the interactions and dependencies between the parties in the chain of events to transfer Mr T's funds and purchase an annuity, this decision covers the whole journey and the relevant entities. However, my conclusions and any implications of such will be addressed specifically to the party this complaint is against.

What happened

Although I've considered everything that's been provided by the parties in this case, I won't detail every event or communication here. This simply reflects the informal nature of our Service.

Mr T held a SIPP with FIL, comprising of two accounts. Each account had its own reference number, with one consisting of uncrystallised funds, and the other, crystallised funds.

October 2023: Mr T engaged a company I'll refer to as "AP" to provide information about his pension options. AP completed its fact-find process with Mr T on 16 October 2023 and confirmed that after taking his Tax-Free Cash (TFC) entitlement, Mr T would be left with a fund value of over £2000,000 to purchase an annuity. Based on his circumstances (including, the medical enhancement he was entitled to), AP identified a guaranteed annuity with a pension provider I'll refer to as "LG", which offered Mr T the best income based on his fund value.

19 October 2023: Mr T and AP discussed the details of LG's annuity. Mr T confirmed he wished to proceed with it on the basis that a 100% spousal benefit was included. AP made enquiries with LG and called Mr T the same day, confirming what this meant for the guaranteed annuity rate (GAR) and income he could secure. Before completing and returning LG's annuity application paperwork, Mr T said he'd speak with FIL to ensure there weren't any valuable or safeguarded benefits associated with his SIPP.

24 October 2023: AP called Mr T for an update on his conversation with FIL. However, Mr T confirmed that he wished to use AP's pension checking service instead. He also confirmed that he'd sent AP his completed annuity application paperwork the same day.

25 October 2023: AP received Mr T's completed annuity forms. It wrote to FIL on the same day, requesting information about Mr T's SIPP for its pension checking service.

9 November 2023: Having not received the information it requested, AP called FIL. FIL provided the required details over the phone and AP was able to complete its pension checks the same day. Following this, AP called Mr T, confirming his SIPP value and

available TFC. It explained what this meant in terms of the annual income LG's GAR annuity could provide and said this was guaranteed until 19 December 2023 if the annuity was purchased by this date. Mr T confirmed he was happy to proceed.

13 November 2023: AP submitted Mr T's annuity application to LG which received it on the same day.

17 November 2023: LG contacted AP, explaining that the presence of crystallised funds in Mr T's SIPP meant his TFC would have to be paid by FIL. AP acknowledged this and LG reloaded Mr T's annuity application.

21 November 2023: AP contacted FIL, querying whether it had received a transfer request from LG for Mr T's funds. FIL confirmed it hadn't.

27 November 2023: AP emailed LG requesting confirmation it had requested Mr T's funds from FIL.

30 November 2023: Mr T contacted AP for an update and was told it was awaiting confirmation that LG had requested his funds from FIL. Mr T spoke with FIL on the same day and was advised that it still hadn't received a transfer request from LG. Concerned, Mr T contacted LG which said it was waiting to hear from AP. Further to this, he contacted AP again which said it would call LG to expedite the matter.

1 December 2023: AP requested an update on the transfer from LG.

4 December 2023: Again, AP requested an update on the transfer from LG, noting that Mr T's funds still didn't appear to have been requested from FIL.

7 December 2023: Mr T called AP for an update. AP advised that it was still waiting for Mr T's funds to be transferred and would escalate the matter with a manager and a contact at LG.

8 December 2023: AP called LG and was again advised that it needed to resubmit the transfer request as Mr T's funds included uncrystallised funds.

11 December 2023: LG requested the transfer of Mr T's crystallised funds from FIL electronically via Origo, the online. As the value LG gave for the funds it was requesting didn't match the value of the account number it gave, the request was rejected. LG submitted a new transfer request via Origo on the same day and having quoted the correct value for Mr T's crystallised funds, the request went through.

14 December 2023: LG's transfer request was allocated to one of FIL's agents.

15 December 2023: AP called FIL and received confirmation that it had received LG's transfer request. FIL said that once the request was allocated to one of its agents, its timescale for completing a transfer was 10-15 working days. AP later updated Mr T on what was happening.

18 December 2023: FIL attempted to send Mr T's crystallised funds to LG. The reference for the account FIL was sending Mr T's funds to include an underscore. But as FIL's system didn't accept underscores in account references, the funds it tried to send to LG didn't go through.

19 December 2023: The GAR Mr T applied for expired.

20 December 2023: FIL received LG's request for the transfer of Mr T's larger uncrystallised funds and payment of Mr T's TFC.

21 December 2023: FIL wrote to Mr T confirming it had received LG's transfer request and would process it via Origo.

2 January 2024: FIL issued the payment of Mr T's larger uncrystallised funds, which was received by LG on the same day.

4 January 2024: Mr T chased LG and received confirmation that his uncrystallised funds had been received.

9 January 2024: AP contacted LG which confirmed it had received Mr T's uncrystallised funds on 2 January 2024 but hadn't been able to locate Mr T's crystallised funds despite Origo indicating they'd been sent. LG confirmed it had escalated the matter and would email AP when an update was available.

AP provided Mr T with an update on the same day, confirming the expected timeframe for completing the transfer after LG received his funds was 15 working days.

10 January 2024: Mr T chased AP for an update. AP contacted FIL, which confirmed it sent Mr T's crystallised funds to LG on 18 December 2023 and only received notification from LG that the funds hadn't been received on 9 January 2024. FIL said the timescale for reviewing the matter was typically 10 working days, but it would escalate things.

AP provided Mr T with an update on the same day, and he expressed his dismay with how long the transfer was taking. AP reassured Mr T that it would escalate the matter with LG and FIL.

11 January 2024: AP called FIL for an update and was informed that the payment it originally made to LG in respect of Mr T's crystallised funds didn't go through due to incorrect bank details having been provided. It confirmed it had requested the correct bank details from LG so it could resend the funds.

17 January 2024: AP contacted LG and confirmed the details of the account FIL needed to send Mr T's crystallised funds to. AP later called FIL which confirmed it was looking into the matter and would be escalating the transfer of the funds. AP raised a complaint on Mr T's behalf and provided him with an update on the same day.

18 January 2024: FIL called AP, confirming it had sent LG Mr T's crystallised funds that day to LG's correct bank account.

22 January 2024: FIL received a residual interest payment for Mr T's SIPP, representing interest Mr T's funds accrued during the transfer process.

25 January 2024: AP called Mr T with an update on expected timeframes and his annuity payment date. Mr T emailed AP with queries about the annuity income he'd receive and what his options were if the GAR he'd applied for had changed.

29 January 2024: LG received a further residual interest payment from FIL.

15 February 2024: AP called and emailed LG, requesting an update on Mr T's application.

16 February 2024: LG called AP, saying Mr T's application had been set up using a lower GAR than the one he'd applied for, so his retirement income had decreased. AP made Mr T aware of this on the same day.

21 February 2024: Mr T called AP, confirming he would accept LG's revised annuity to avoid further delays. And he that confirmed he wished to raise a complaint against LG about the outcome of his annuity application.

22 February 2024: FIL received a further residual interest payment for Mr T's SIPP.

23 February 2024: FIL issued Mr T's residual interest payments as a small pots payment.

1 March 2024: Mr T's annuity was set up and backdated to 29 January 2024.

12 March 2024: Mr T referred his complaints against FIL, AP, and LG to our Service and wrote to the parties in May 2024 clarifying his complaint and asking for their responses. In brief, he said:

- The parties handled the transfer of his funds and annuity purchase poorly. This delayed when he started receiving his pension income and meant his income was around £1,000 less annually than it would've been if he'd secured the GAR in LG's November 2023 quote.
- To put matters right, his annuity should be increased to reflect the income he'd be receiving if he'd met the guarantee deadline and backdated to 1 March 2024, when his annuity started.
- He also said he should be compensated for the three months' worth of pension income he'd missed out on because of how his transfer and annuity application were processed.
- Finally, he said he should be compensated for the stress of the whole experience, including all the calls he had to make to resolve the issue.

1 July 2024: AP responded to Mr T's complaint. In summary it said:

- FIL and LG caused significant delays in Mr T's annuity being set up. As an intermediary, AP's influence on LG and FIL's processes was limited and there was no evidence it had caused delays to Mr T's annuity application.
- As a gesture of goodwill, it offered Mr T £100 for the time it took to request updates from LG and FIL on a couple of occasions.

19 July 2024: LG responded to Mr T's complaint. In summary it said:

- Although it received Mr T's annuity application on 13 November 2023, it agreed that it caused delays by not requesting his funds from FIL until 11 December 2023.
- It recognised that it had failed to request Mr T's uncrystallised funds from FIL on 20 December 2023 as it only used the reference for Mr T's crystallised funds when requesting the transfer of all his funds originally.
- It shouldn't have agreed to wait for residual interest payments to be received from FIL before authorizing the start of Mr T's 1 March 2024 with a commencement date of 29 January 2024. It should've asked you how Mr T wanted to proceed.
- If it had requested Mr T's funds on 17 November 2023, it still wouldn't have received them in time to meet the annuity quote deadline Mr T applied for. This was because FIL took 25 working days to transfer his crystallised funds, which meant it would have received them on 22 December 2023. It said it would get its actuarial team to review the rate Mr T might've received if it had received his uncrystallised funds on the same

day.

LG later contacted Mr T to confirm his annual annuity income would've increased to £13,167.72 if it had received his funds on 22 December 2023. For the delay it caused between 17 November 2023 and 11 December, it offered Mr T one month's income of £1,097.93 (subject to tax) and £4.61 in interest for the delays. For taking too long to put Mr T's annuity into payment between "the expected date" of 12 February 2024 and 1 March 2024, LG calculated interest due to be £3.46. It also offered Mr T £400 for inconvenience caused.

25 July 2024: FIL responded to Mr T's complaint. In summary it said:

- The payment of Mr T's crystallised funds to LG in December 2023 were due to an error when entering LG's account number. It became aware of its mistake on 11 January 2024 and reissued the payment on 18 January 2024.
- Its involvement in the transfer process began on 11 December 2023 and ended on 2 January 2024, taking a total of 13 working days, which was in line with its standard business processing time for what was requested.
- Had it received a transfer request for Mr T's crystallized and uncrystallised funds on 11 December 2023, it may have been possible to complete it before the GAR expired. However, this would've been a very tight timeframe.
- Although interest payments (typically received a month in arrears) were received after it transferred Mr T's funds to LG, this shouldn't have had any impact on Mr T's annuity purchase.
- It agreed it had caused delays in the transfer of Mr T's funds to LG but didn't agree this caused him to miss out on LG's annuity quote deadline.
- As it didn't receive a request for Mr T's crystallised funds until 20 December 2024, it was the delay in it receiving the transfer request that meant the annuity quote expired before it was able to start processing Mr T's TFC payment and transfer.
- For delays caused, it arranged to pay £150 to be sent to Mr T directly.

Unhappy with the responses he received, Mr T asked our Service to consider his complaints against FIL, LG, and AP. One of our investigators considered the matter and, in summary, made the following findings:

AP

- In the main, AP acted promptly. Any delay in it requesting updates from LG and FIL didn't prevent either party from processing Mr T's transfer and annuity application.
- AP wasn't responsible for any loss Mr T suffered due to his annuity purchase not being completed before the GAR expired.
- AP's offer of £100 compensation was fair when considering the impact of its actions.

AP provided no comments in response.

LG

- LG delayed requesting Mr T's funds from FIL. The earliest it could've requested Mr T's funds was 17 November 2023.
- But for delays LG and FIL caused, Mr T's transfer would've been completed before the GAR expired. So, LG should calculate Mr T's past and future losses and cover 50% of any resulting financial loss, while FIL covered the remaining 50%.
- LG's offer of £400 for distress and inconvenience it caused was fair.

LG disagreed with our Investigator.

FIL

- Although FIL attempted to process LG's request for Mr T's crystallised funds within a reasonable timeframe, an error it made meant the payment wasn't successful. FIL didn't become aware of this error until 11 January 2024, and it sent the funds again on 18 January 2024.
- Had FIL not made an error processing Mr T's crystallised funds, the funds would've been transferred to LG on 18 December 2023, the day before the GAR expired.
- Even without FIL's error and the resulting delay, LG's failure to request all Mr T's funds at the outset prevented him from meeting the annuity quote deadline.
- As FIL and LG's delays caused Mr T to miss out on the annuity he applied for, the parties should calculate Mr T's past and future losses and cover 50% of any resulting financial loss, while LG covered the remaining 50%.
- FIL's offer of £150 for distress and inconvenience it caused wasn't fair given what Mr T experienced, so this should be increased to £400

FIL disagreed with our Investigator.

As no agreement could be reached, the matter was passed to me for 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.

Having done so, I've independently reached the same conclusions as our Investigator. I'll explain why. But before I do, I should emphasise that while I've taken note of the arguments made by both parties, I've limited my response to the issues I consider to be central to this complaint. That's to say:

- Whether AP did all that it should have, facilitating the transfer of Mr T's funds and his annuity purchase.
- Whether AP caused any avoidable delays or errors.
- Whether, based on any avoidable delays or errors it caused, AP has taken appropriate steps to put matters right.

Mr T appointed AP to provide him with information about his pension options based on his personal circumstances. As part of this, AP helped Mr T identify an LG annuity which offered the best retirement income based on his fund value.

In the Pension Income Report AP produced for Mr T, it confirmed that LG's enhanced annuity rate was only guaranteed for a short period and that the guarantee date – 19 December 2023 – assumed Mr T's funds would be received by LG by that date. AP warned that it couldn't guarantee Mr T's annuity rate and fund value as they were outside its control. However, it said it would do everything it could to make the whole process as fast as possible.

As Mr T's annuity broker, AP acted as an intermediary between Mr T, FIL, and LG. So, once it completed its pension checks and submitted Mr T's application to LG, AP's role was confined to staying up to date on how things were progressing and keeping Mr T informed. Based on what I've seen, I'm satisfied that for most of the transfer and annuity purchase

process AP did what I would've expected it to and acted in Mr T's best interests.

For parts of the process it was responsible for and could control, such as requesting information from FIL, completing its pension check, and submitting Mr T's annuity application, AP ensured necessary tasks were completed as quickly as possible. Where appropriate, it used the phone to speed things up.

In 2018, Industry best practice issued by the Transfers and Re-registration Industry Group (TRIG) suggested responsibility for communicating with Mr T and/or AP about the timing and processing of the transfer should rest with LG. However, there appears to be little evidence of it regularly meeting this expectation.

From what I've seen, there were times when LG ignored Mr T and AP's update requests. And when it did engage, it provided incorrect information about the status of the transfer. At one point it said it was waiting to hear from AP before it could progress the transfer, but it had already spoken with it. And, on another occasion, it said it had to resubmit Mr T's transfer request, but an initial request had yet to be made.

Conversely, I've seen that throughout most of the transfer process, AP actively chased FIL and LG to find out what stage things were at and identify what, if anything, it could do to help move things along. On several occasions, when it received updates from LG and FIL, it shared these with Mr T on the same day it received them. It also made efforts to manage his expectations by sharing LG and FIL's average timescales for completing certain steps in process.

I don't underestimate how much time and effort Mr T invested in trying to progress things. And I'm sure that some of AP's efforts to try to move the transfer and annuity purchase p along were in response to enquiries made by Mr T. However, in the main, I find that AP acted promptly where action was required.

Clearly, there were extensive delays and multiple errors by other parties in this case, which meant the transfer and annuity purchase took just over three months to complete. I don't underestimate the impact this matter had on Mr T and the level of upset and concern this would have caused him.

The available evidence shows that a failure to request the transfer of all Mr T's funds at the right time was the significant and overriding cause of Mr T not meeting the guarantee deadline and obtaining the GAR he applied for.

Although AP was part of the chain of events leading up to Mr T missing the GAR, I haven't found that any of its acts or omissions caused or contributed to the financial loss Mr T suffered as a result. Because of this, I don't uphold Mr T's complaint.

AP accepts there were times when it could have been more proactive in requesting updates about the status of Mr T's annuity application, and it's offered Mr T £100 in recognition of this. As I understand it, Mr T hasn't accepted this yet, so I leave it to him to let AP know if he would like to do so.

My final decision

My final decision is that I do not uphold Mr T's complaint. I don't require Age Partnership Wealth Management Limited to do anything further.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 20 October 2025.

Chillel Bailey
Ombudsman