

The complaint

Mr M complains that Radcliffe & Company (Life & Pensions) Limited unreasonably delayed transferring money into his Self-Invested Personal Pension (SIPP). And this caused him a financial loss.

What happened

The investigator set out the background to the complaint in his view. I have included an amended copy below to set the context of this complaint:

Mr M's late father was a client of Radcliffe & Company. In 2020, after he was sadly diagnosed with terminal cancer, Mr M and his father contacted Radcliffe & Company to provide advice as to how best to distribute his pension assets. The pension provider was Curtis Banks.

Mr M's father completed an expression of wish form on 14 October 2020. He indicated that his wife (Mrs M) should receive 100% of his pension assets, with Mr M and Mr M's sister selected as alternative beneficiaries to receive 50% each of the pension assets if Mrs M chose not to receive them.

Mr M's father sadly passed away on 31 October 2020. At this point, the assets were still held with Curtis Banks, and therefore all parties were reliant upon Curtis Banks to complete the administrative processes that take place when a client passes away. The death certificate was issued on 11 November 2020.

Radcliffe & Company informed Curtis Banks of the death on 20 January 2021 and sent Curtis Banks the death certificate. A zoom meeting took place between the estate, a Radcliffe & Company adviser, Mr M and Mrs M on 21 January 2021. A further meeting took place between Mr M and the Radcliffe & Company adviser on 4 March 2021 to discuss the estate.

Around this time, the adviser working for Radcliffe & Company went on leave, and the case doesn't seem to have progressed. On 27 May 2021, Radcliffe & Company passed on Curtis Banks' requests for further information to Mr M, and he responded on the same day, with Radcliffe & Company sending his response on to Curtis Banks the following day. The adviser dealing with the case had now returned to work. As part of this process, the split of the late Mr M's pension assets needed to be decided.

Curtis Banks contacted Radcliffe & Company on 13 July 2021, as they were still awaiting on how the late Mr M's father's pension should be split among his beneficiaries. Radcliffe & Company responded by explaining they were waiting for Mr M's adviser (their employee) to return to work and complete a report deciding this, as he was on leave once more.

By August 2021 the matter hadn't been resolved and a meeting took place between some of the parties over Zoom. Meeting notes state:

'Meeting held to discuss the best way forward with regard to their mum's position. In

particular we need to consider how to provide income for their mum and whether she can raise £500,000 to help buy a property including an annex for herself..... We discussed her income needs and agree these are very modest they both feel that an income of £2000 per month net would be more than sufficient ...'

The notes mention a complex estate including several properties in addition to the SIPP and also several individual investments. About the Curtis Banks' SIPP, notes state the following:

'Mr M is happy for me to arrange the transfer of his dad's Curtis Banks money into a sipp for him however going forward it seems he will not want to remain a client. As Mr M is looking at the Sipp as a transactional arrangement he is keen to hold our initial meeting over zoom. I need to email him to arrange a suitable time.'

Radcliffe & Company provided advice to a beneficiary of the estate (Mr M's sister) on 10 November 2021. The advice confirmed that Mrs M had inherited 50% of the SIPP and advised her on a new provider. Another report was issued to Mr M's mother on 23 December 2021, concerning inheritance tax planning and the setting up of discretionary trusts. The adviser sent a follow up email on 5 January 2022, after being prompted, explaining that due to an administrative error, he had accidentally forgotten to post it. The report was sent by email.

The Grant of Probate was issued for the late Mr M's estate on 3 December 2021. On 6 January 2022, Mrs M signed a letter confirming that the SIPP should be split in equal amounts between Mr M and his sister. Curtis Banks confirmed to Radcliffe & Co on 26 January 2022 that details would be passed on to the trustees to award the pension benefits.

At this time, the pension was still invested in line with the late Mr M's risk profile. Several months went by before the funds were transferred to the beneficiaries, and it was until June 2022 that a SIPP in Mr M's sister's name was opened to receive funds. As of September 2022 the transfer still hadn't happened, with Radcliffe & Company explaining:

'It looks like, based on the information available to me, that the disinvestment has been instructed and we're just waiting on funds. I have however reached out to our transfers team and asked that they share a thorough update with us all.'

Another email on 6 October 2022 explained:

'I called InvestAcc earlier today and they hadn't received anything from Curtis Banks as of yet. I chased Curtis Banks and they have now sent it! InvestAcc said that it won't take them long to process and send us the instruction to transfer 50% back.'

Due to an error, 100% of the pension funds were transferred into Mr M's sister's SIPP instead of being split equally between the two. By 28 November 2022 the matter had been resolved and funds distributed correctly.

Mr M lodged a complaint about the length of time taken. He felt that it had taken too long, and really Radcliffe & Company should have changed the investment risk profile to match his own SIPP within two weeks of his father's death. Alternatively, he argued the funds could have been transferred into cash shortly after Mr M father's death. Had Radcliffe & Company done this, he would have been better off, he felt.

Radcliffe & Company agreed that the transfer had taken too long. However, they did not agree that funds could have been moved or altered at all until the letter confirming that Mrs M was happy to distribute the pension funds was signed on 6 January 2022. Radcliffe & Company completed a calculation on this basis, comparing the performance of

the pension with Mr M's existing SIPP and concluded that Mr M hadn't lost out. Given the number of delays, Radcliffe & Company did offer a good will payment of £500.

The investigator looked into matters but didn't think Radcliffe & Company needed to do more to put things right. He agreed that it couldn't have switched the investments until it was confirmed Mr M's mother would distribute the pension funds. And as part of his investigation, we heard from the Trustee's of the Curtis Banks SIPP in question and it wasn't until 1 February 2022 that the Trustee's finalised that Mrs M would forgo her benefits and it would be split 50/50 between Mr M and his sister. The investigator agreed as did Radcliffe & Company that it was responsible for delays past this point. But after it received information from Mr M's adviser it had modelled the performance of the funds had they transferred in February 2022 shortly after the split had been agreed and Mr M had not suffered a loss.

Mr M said in response that Radcliffe & Company knew his plans for the pension from September 2021, months before the actual formal plan was issued. He thinks the advice should've been given much sooner. In reality it wasn't finalised until 6 January 2022. And the transfer wasn't implemented until late in 2022.

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.

Before I explain my findings, I'd like to say that I was sad to hear of the circumstances that brought about this complaint. This cannot have been an easy time for Mr M and his family.

For clarity this complaint is only in relation to the pension arrangements relating to Mr M, other issues complained about are being dealt with under a separate reference.

It is not in question that following February 2022 Radcliffe & Company caused delays. It itself has admitted that. But it has shown the monies due to Mr M, performed better in the existing pension from February 2022 until the actual transfer date than the funds it likely would've transferred into. Therefore I am satisfied over this period there is no loss. So other than considering the trouble and upset the delays caused to Mr M, I don't need to comment on anything post February 2022 as it is immaterial to whether Mr M suffered a loss.

Mr M thinks that Radcliffe & Company ought to have provided the advice much earlier and allowed the transfer to occur prior to February 2022. This is when Radcliffe & Company and the investigator thought was a fair date to say it shouldn't have been carried out by but for the delays that Radcliffe & Company were responsible for.

So I've concentrated on what happened before this date. And having done so I don't agree that Radcliffe & Company delayed matters unreasonably before February 2022. Mr M says that the money being split between himself and his sister had already been decided prior to his father passing away. But the evidence shows that this was just a consideration at that point, Mr M's mother was stated as the beneficiary of the pension to receive the pension in full. Mr M and his sister were selected as secondary beneficiaries in the event that Mr M's mother passed away or she decided not to receive the benefits from the plan.

Before it could be determined what Mr M's mother would do with the pension due to her, she needed advice about her own position. To do this, her financial position needed to be assessed following her husband's passing. The Estate was complex, involving properties and investments as well as the pension. And so before any advice could be given, there was administration required to contact various third parties before it could be ascertained what would be due to Mr M's mother.

I can see that initial meetings were held in January 2021 and following this the death certificate was sent to Curtis Banks and other providers of assets were asking for various documents. And following this meeting Mr M received more information regarding his mother's assets and asked the Radcliffe & Company adviser for his thoughts. A further meeting was held in March 2021. Its clear from later correspondence that at this meeting no decision had yet been made regarding the pension split. So I don't think any delays had been caused up to this point.

In late May Radcliffe & Company wrote to Mr M asking for information to move the process forward with Curtis Banks. Whilst Mr M responded his reply didn't at that point meet what was requested from Curtis Banks. And regarding the split Mr M said it hadn't been decided and he was waiting advice from the adviser. At this point Mr M was aware that the adviser had been off work for a period of time and was returning. This no doubt delayed matters somewhat but there is no sign of urgency from Mr M. It appears he is happy to wait for the adviser to return to work and wishes to receive advice from him. If his unavailability had been an issue, I would have expected to see correspondence enquiring about his return or a request for action to be taken to speed matters up.

Further correspondence between Radcliffe & Company, Mr M and Curtis Banks continues through June as Curtis Banks requests further documentation such as an original copy of the will. Correspondence in July shows that the adviser is off work again, I believe this was due to ill health. And then in August after the adviser's return a meeting was held on zoom with Mr M and his sister. At this point it is clear there are still some outstanding issues before a full picture can be ascertained of Mr M's Mothers' finances going forward. The adviser needed information about properties held by the family for tax reasons. And there were considerations required about selling another property. The SIPP was discussed but it still needed to be determined whether Mrs M had enough in assets that she wouldn't require any benefits from it.

In September the adviser writes to Mr M's adviser responsible for his SIPP and says he has recommended it be split 50/50. At the same time Curtis Banks say before anything can happen it requires Grant of Probate. It appears that at this point this has been applied for by Mr M but not received. Furthermore, Mr M's sister also needs advice regarding a SIPP provider to take receipt of the funds. The grant of Probate is then issued in early December 2021. I appreciate Mr M has said that the Grant of Probate was a red herring as the SIPP was held outside the estate but the evidence shows at that point Curtis Banks said it was required. And in any event and more importantly, the evidence also shows that in September Curtis Banks had been informed of the 50/50 split by Radcliffe & Company by phone and via a letter it prepared for Mrs M to send. The split couldn't be done until the Trustees had made a decision regarding this. And the evidence shows this didn't occur until 1 February 2022. Within this time the evidence shows Curtis Banks required further statements from Mr M and his sister. This was previously requested by Curtis Banks and Radcliffe & Company had let Mr M know this would be required. I don't know if this held up proceedings, but Radcliffe & Company cannot be held responsible for the time taken for this decision to be made and Curtis Banks administration needs. The transfer could not occur until the trustees had completed this task.

Whilst Radcliffe & Company's adviser being off work undoubtedly didn't help matters proceed quickly. That aside, this was a complex situation with lots of moving parts, numerous parties involved and lots to consider and it has to be taken into account that the report that the advice that was required was complex. As to get to a situation where the SIPP could be split, required as much clarity around the other assets and arrangements as possible (which included properties) and advice to Mr M's sister as well. Looking at the report issued to Mr M's mother, it covers a multitude of issues and is very complex in nature. It is only fair to recognise that the work required to produce this report would've taken some

time. Furthermore, as this complaint is about delaying matters (and here I'm only looking at events up to February 2022), it's only fair to consider the context this occurred in and the known consequences of any delays at the time. I've looked through the correspondence we've been given by both parties and there is nothing to suggest that Mr M was unhappy at this point with the Radcliffe & Company's pace of work. The monies that would become due from the SIPP were invested so they weren't out of the market. And it was vitally important to carry out the work thoroughly regarding Mr M's mothers' financial position before any decision was made on the SIPP. I don't think there were any particularly strong risk factors nor drivers that required haste to make these decisions and assign the SIPP over to Mr M and his sister. There was basically an equal chance that any delay would favour them in terms of the fund value compared to it being transferred to their own arrangements.

In conclusion of this point, the work required was extremely complex, there was no obvious need or requirement for it to be done by a certain time (regarding the pension). The evidence suggests the only delays Radcliffe & Company might be held responsible for, prior to February 2022, were due to the adviser being off work. But Mr M and his family appear to have been happy to wait for the adviser to return to work and valued him specifically providing the advice. I suspect due to the work he'd previously done with the family. I therefore don't think it would be fair and reasonable to say Radcliffe and Company need to do more regarding any losses suffered due to delays in transferring the SIPP. As I previously stated, it was responsible for delays after February 2022 but the evidence strongly suggests these delays benefitted Mr M due to the relative fund performance.

Radcliffe & Company have accepted it caused delays. The transfer didn't complete until late in 2022, which is a significant amount of time considering Radcliffe & Company recognises the transfer could've been completed in February 2022. However, it has offered £500 for the trouble and upset this will have caused Mr M. I appreciate it must have been very frustrating for Mr M and he thought delaying matters meant that he was incurring losses. But I am of the view that £500 is sufficient in the circumstances when considering our guidelines regarding awards.

I therefore won't be requiring Radcliffe & Company to do anything more than pay £500 to settle this complaint.

Putting things right

Radcliffe & Company should pay Mr M £500 in recognition of the trouble and upset the delay has caused him, upon being notified of his acceptance of this decision. If this sum has already been paid, it doesn't need to do anything more.

My final decision

For the reasons explained, I require Radcliffe & Company (Life & Pensions) Limited to put things right as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 20 December 2024.

Simon Hollingshead
Ombudsman