

## The complaint

Mrs A is unhappy with the service she received from Radiant Financial Planning Limited (Radiant).

## What happened

Mrs A had an advisory relationship with Firm E, who were acquired by Radiant in January 2023. And so Radiant took over the ongoing service that Firm E had been providing Mrs A.

In January 2023 Mrs A received her annual review. This letter details that Radiant reviewed Mrs A's current situation, goals and objectives. Considered her attitude to risk and capacity for loss and provided a recommendation. Which was to leave her funds as they were. About ongoing fees this letter sets out:

### **"Future Contact and On-going Services**

*You agreed that you still require our ongoing service and we will review your financial situation on an annual basis. It is essential that you notify me of any material changes to your circumstances, which may require your financial situation to be reviewed prior to this."*

As part of their ongoing advice service Radiant set out within their Client Agreement that they provide:

### **"OUR REVIEW PROCESS & BENEFITS**

*We will carry out a review of your financial situation and financial planning needs in accordance with the service arrangements agreed or whenever you advise of changes to your circumstances. When this occurs, we will:*

- *Update information about your current situation, needs and objectives.*
- *Continue to monitor and review your portfolio and provide valuations. Where necessary we will research new solutions.*
- *Provide you with a written report explaining our recommendations and advice.*
- *Arrange any new products and, where agreed, we will monitor and review those products.*
- *How often we review your Financial Planning needs will depend upon your circumstances and we always encourage our clients to keep us up to date with their current situation.*
- *Our forms of communication may vary and we will use what we feel is the most relevant format. This may be face to face or by remote means such as letter, email or video calling."*

In August 2023 Mrs A contacted Radiant as she was looking to take her benefits from one of her personal pension plans (PPP). She met with the adviser on 16 August 2023 when a risk

profile was completed and she discussed her objectives and needs. She said that she wanted to encash her PPP in order to pay for a holiday that she had planned.

On 24 August 2023 Radiant provided Mrs A with a suitability report. They recommended that she take her PPP as an uncrystallised pension lump sum (UPLS). On the same day Mrs A's representative, her husband Mr A, tried to log into Radiant's online portal but was unable to. He emailed Radiant for help. Then on 28 August 2023 Mr A emailed radiant again to ask if the documents Mrs A needed had been emailed, the adviser let him know that they had been uploaded to the portal. Radiant offered to call if Mr A was still unable to access the portal. Mr A responded on 30 August 2023 to say they had access to the portal but couldn't see the documents.

On 4 September 2023 Radiant sent an email to Mr A with some documents to sign. Then on 7 September 2023 Mr A emailed to let Radiant know he had received the hard copy documents in the post. He asked Radiant if they needed to also sign the emailed documents.

On 9 September 2023 Radiant sent the documents via email to Mr A again and asked for them to be signed. Mr A responded to ask if they were in addition to the hard copies. In response Radiant asked Mr A what hard copy documents he had signed and returned and explained that if the client agreement, privacy notice and ID documents had been returned to Radiant in the post then Mrs A didn't need to do anymore. Mr A said he had sent the forms back in the post to Radiant on 8 September 2023.

On 15 September 2023 Mr A emailed Radiant as he was concerned that the documents he had posted had still not arrived with Radiant. He explained they had contained sensitive information. Mr A also asked if this would cause a delay to Mrs A taking her pension benefits.

On 16 September 2023 Radiant provided some of the documents Mrs A needed to sign via email. Mr A was having trouble signing them, so he emailed for help. On 18 September 2023 Radiant emailed Mr A to provide some guidance. Mr A asked if the hard copies had arrived and Radiant told him they hadn't. He asked if they had spoken to Royal Mail. Radiant responded and they said:

*"As its a Client Agreement document we would not usually track this as it doesnt contain any sensitive data such as bank details/ID documents etc. Rest assured that if we were sending out or receiving any sensitive information, we would always ensure this is tracked and recorded."*

Mr A responded to say that the envelope also included forms to close Mrs A's PPP and so it contained her full information including her bank details. On 19 September 2023 Mr A emailed Radiant again, he expressed concern about the sensitive information that had gone missing. He explained he had arranged to close the bank account and got in touch with the bank's fraud department as Mrs A was very concerned. He spoke to Radiant who said they were going to look into things. On 20 September 2023 Radiant sent new forms in the post for Mrs A to complete.

On 2 October 2023 Mr A emailed Radiant and asked for a call back. And on 6 October 2023 he emailed again to express dissatisfaction with the service that had been provided. He explained how let down Mrs A felt by Radiant and said that Mrs A was finalising the withdrawal of her PPP direct with the provider herself.

On 10 October 2023 Mrs A received the new documents to fill out. There was a delay in receipt of these as Radiant had not paid enough postage. Mrs A needed to pay £1.50 in order to receive the letter.

Mrs A raised a complaint with Radiant, in summary she said that:

- It had taken too long for Radiant to provide access to their online portal in August. And once she had access the documents she had requested were not on there.
- It took too long to sign the client agreement via email, with them needing to go back and forth multiple times.
- The forms that Mrs A completed and returned to Radiant were lost. That meant she had to close her bank account and report the incident to her bank's fraud department because her sensitive information had gone missing. Radiant didn't seem to care – they stopped responding to her, and they didn't contact the post office to find out if the documents were with them. It was likely that the postage had been underpaid.
- Mrs A had to arrange to encash her pension with Firm A herself as she needed the funds. Even though Radiant still took a fee for this work. She had to withdraw money from other accounts to cover a payment that the pension lump sum was for due to the delay.

Mrs A terminated her agreement with Radiant and the last fee that was taken by them was on 21 October 2023.

Radiant provided their final response on 4 December 2023, they partially upheld Mrs A's complaint. They didn't take responsibility for the loss of the forms. But, Radiant said they'd not recognised the concern that Mrs A's forms going missing had caused her. Radiant offered £100 by way of an apology, but later in the document referred to an offer of £150.

Mrs A wasn't happy with the outcome, so she referred her complaint to this service. She said that she had been caused a lot of stress and anxiety due to her paperwork being lost. And Radiant hadn't seemed to care or try to find the documents. She also said that she had been provided with contradictory information about whether or not Radiant usually provide traceable envelopes when they ask consumers to provide them with sensitive data.

An investigator reviewed Mrs A's complaint. They didn't uphold it, in summary they said that whilst they appreciated how stressful the loss of the documents had been for Mrs A. They couldn't hold Radiant responsible for the loss. And that the offer of £150 compensation was fair considering the service that was provided to Mrs A.

Mrs A didn't agree, she asked for an ombudsman to consider her complaint. In summary she said:

- Radiant failed in their regulatory obligations to Mrs A. And caused her great stress and she feels she was put at financial risk.
- Radiant are hiding behind blaming Royal Mail. As they're a large firm they ought to have a relationship with Royal Mail. It's more likely that Radiant hadn't put enough postage on the envelope. Mrs A suggests that Radiant received a card from Royal Mail asking them to pay the additional postage – but they didn't follow up on it.
- What should have been a simple transaction took over three months. This was only complete when she decided to arrange it directly herself.

### **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 asking Radiant to do anymore than they have. I appreciate this will come as a disappointment to Mrs A so I have explained why below.

#### *Advisory fee*

Mrs A has said she is unhappy because Radiant didn't provide the service she would expect them to. She's said that she had to arrange for her PPP to be encashed herself because Radiant were taking too long.

I've considered what Radiant set out they will provide to Mrs A in exchange for the ongoing advice fee, over the period from when they took over from the predecessor in January 2023, to when this complaint was raised. Radiant set out that they will monitor and review Mrs A's portfolio, provide valuations, update information about her situation, needs, objectives and research new solutions. And they said they will provide a written report explaining their recommendations and advice. Radiant provided Mrs A with an annual review that did all of the above in January 2023. And then in August 2023 when she got in touch they carried out another review considering her change of objectives.

The Suitability letter in August 2023 set out what Mrs A's objectives were – to withdraw a lump sum from her PPP. It provided an updated risk profile and valuation of Mrs A's PPP. Radiant reviewed Mrs A's PPP and considered what the best solution was to her objectives. They provided their recommendation and advice within a report in written format. So, I am satisfied that Radiant provided all of these things to Mrs A.

Having said all of that Radiant also said that they would "*Arrange any new products*". Radiant began arranging for the withdrawal of Mrs A's PPP. I can't see that they were going to charge her an additional fee for making those arrangements. And I think it's reasonable to suggest that the act of making those arrangements falls within the ongoing fee that Mrs A had been paying. As such I will go on to consider if Radiant acted reasonably whilst arranging for Mrs A to take the benefits from her PPP.

Following the suitability report Mrs A let Radiant know that she wanted to go ahead and take her PPP as a UPLS. Some of the documents that she needed to sign were emailed to her on 4 September 2023. I don't have the date the forms were posted to Mrs A but it will have been on 4 September 2023 at the latest as she confirmed receipt of the hard copies on 7 September 2023. Mrs A sent the documents back to Radiant on 8 September 2023. I don't think Radiant had acted incorrectly in relation to the encashment up to this point. But the signed and completed paperwork Mrs A sent were never received by Radiant.

Mrs A has said that this is Radiant's fault because they should have provided an envelope that was traceable. Or ensured they provided enough postage on the envelope. And, when the letter had not arrived, they should have such a relationship with Royal Mail that they could make enquiries – but they didn't.

I have considered all of these points. Firstly, Radiant only receive the service that they have paid for, in the same way that any other customer of the Royal Mail does. So, they don't have a relationship with them such that they have special compensation to ask questions about post which is above the service that they have paid for. I checked on Royal Mail's website for information about tracking or tracing post. Royal Mail sets out that you can get online confirmation when a first or second class letter has been delivered. But that is only if you have paid for postage and sent the letter via a post office and have received a printed receipt. Because Radiant sent a pre-paid envelope there would be no way for them to check

with Royal Mail if the letter had been received. So, once everyone had realised there was an issue there wasn't anything Radiant could have done to find out where the letter was.

Mrs A has said that Radiant should have sent a traceable pre-paid envelope to her so this wouldn't have happened. And she said that she was told this is what they do if sensitive information is posted. I acknowledge that Mrs A was told by Radiant that:

*"if we were sending out or receiving any sensitive information, we would always ensure this is tracked and recorded."*

That information was incorrect. Radiant have told this service that they don't send out traceable pre-paid envelopes.

As they don't send them out to any of their consumers. And Mrs A didn't specifically ask for a traceable pre-paid envelope, I can't say that Radiant acted incorrectly when they sent a standard pre-paid envelope to Mrs A. I do appreciate that Mrs A was sending sensitive information. But if she was really worried about the correspondence not being traceable whilst it was in the hands of the postal system, she could have paid for recorded or traced delivery herself or she could have checked with the business before sending the documents if they would be able to trace them.

Mrs A says that it's most likely that Radiant received a note from Royal Mail to pay additional postage but they didn't do it. I've considered this point along with Mrs A's comments about the odds of post going missing. It is not possible for me to conclude exactly what happened to the documents that Mrs A sent to Radiant. I think that if Radiant had received a note from Royal Mail they'd most likely have acted on it – rather than simply ignoring it. I say that because they receive post from consumers regularly including sensitive information.

Whilst something can be '*unlikely*' due to odds based on how much post **does** go missing. That doesn't mean it doesn't happen. There is a percentage of post that goes missing and so it is not impossible that is what happened here. And as I set out above, Radiant weren't in a position to carry out any investigations into the reasons why they hadn't received the letter from Mrs A. So, I can't say that Radiant did anything wrong.

Once it had been established that the forms would not arrive with Radiant they issued new forms to be completed by Mrs A. By the time these had been received Mrs A had lost faith in Radiant and decided to complete the transaction by herself. Based on what I have seen Radiant did try to facilitate the encashment of Mrs A's PPP. But, due to an error I can't hold them responsible for, Mrs A decided to do it herself. As such I'm not suggesting that Radiant refund the ongoing advice fee they have charged because, for the reasons explained above, I think they did what they said they were going to do.

#### *Service received*

As set out above I don't think that Radiant are responsible for non-receipt of Mrs A's documents. But, that doesn't mean I don't think Mrs A was extremely worried when she discovered the documents had not reached Radiant. I can see by her reaction that she was very upset. However, I don't think Radiant were responsible for the documents going missing. So, when considering a compensation award, I'm not considering the distress and inconvenience Mrs A suffered when she realised her sensitive information had been lost. What I am considering is if Radiant's actions caused Mrs A distress – or increased the distress she was already suffering.

Mrs A was given incorrect information from Radiant on 18 September 2023. She queried whether her documents had been received and whether the letter was traceable. She was

incorrectly told that if information was sensitive Radiant would make sure that was traceable when being sent or received by them. I can understand why this would make Mrs A feel like Radiant had done the wrong thing in not sending her a traceable envelope. And that would have added to the stress she was feeling at the time. But, this was after Mrs A had already posted the documents so it didn't impact her decision to post them.

In addition, I can see that Radiant didn't respond to some of the contact that Mr A, as Mrs A's representative, was making with them. And I think that would likely to have also exasperated Mrs A's anxiety at the time about the lost documents.

I have also considered Mrs A's point about access to her online account. I've only been provided with correspondence from Mr A when he appears to have been trying to access his online account. I can't consider inconvenience that may have been caused to Mr A under this complaint. Radiant have said they didn't remove access to Mrs A's online account – but that during the summer of 2023 their systems were changed as part of the buyout. So, access had to be renewed at this point. I can see this could have caused slight inconvenience to Mrs A as it coincided with her deciding to take her PPP benefits. So, I have considered this along with the incorrect information provided to her when thinking about the level of redress to award.

Radiant have offered £150 compensation. I know this will come as a disappointment to Mrs A but as this is in line with what I would have suggested had they not already made an offer, based on their actions as set out above, I'm not asking them to increase this.

### **Putting things right**

Radiant said they would review Mrs A's policies regularly and she was paying an ongoing fee for that service. She received an annual review in January 2023 and an amended review in August 2023 when she notified Radiant of a change of objective. Radiant began to facilitate Mrs A's encashment of her PPP. But following a loss of trust due to documents going missing in the post Mrs A decided to complete it herself. The lost post wasn't in Radiant's control and I don't think they did anything wrong. So, Mrs A received the service that Radiant said they would provide and I'm not asking them to refund the fee she paid.

Radiant did give Mrs A incorrect information, albeit this was after her documents had already gone missing. And they didn't respond to some correspondence. They also had a change in online access when Mrs A had decided to take her benefits. All of these things increased the already stressful situation Mrs A found herself in. As such I think it's right that Radiant pay a small amount of compensation by way of an apology for exasperating the situation.

### **My final decision**

I uphold Mrs A's complaint and direct Radiant Financial Planning Limited to pay her a total of £150 compensation.

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

Cassie Lauder  
**Ombudsman**