

## **The complaint**

Mr T complains that Evelyn Partners Financial Planning Limited failed to provide him with financial advice in a timely manner and he's suffered financial loss as a result.

## **What happened**

Mr T had a Product and Investment Review Service (PIRS) agreement with Evelyn. The PIRS included an annual review of the suitability of "in-scope products and investment funds/services." He had a personal pension with a provider I'll refer to as "A" and this pension was included in the PIRS.

Mr T says he approached Evelyn on 5 July 2023 and asked it to provide him with advice because he wanted to retire in September 2023. He says that on 14 September 2023 Evelyn told him it could not help him. He had to arrange an annuity through another provider. But he wasn't able to finalise the arrangements until three months later.

Mr T says that when he explained to Evelyn he'd obtained a significantly better annuity quote from another provider it told him this must be "a scam." He says it was not. He's now been able to avail of the higher annuity – even though it's with the same company that Evelyn had provided a quote from.

Mr T says that Evelyn's delays and ultimate failure to provide him with advice in a timely manner delayed the date when he was able to start taking his annuity. He also complains he paid ongoing fees during the period since July to September 2023 and that during this period the value of his pension fund reduced.

Mr T complained to Evelyn. It investigated his complaint. It said he'd asked for retirement advice in March 2022 and had been provided with a scope of work and costs. He'd not proceeded with the advice at that time. Evelyn said it had carried out an annual review in January 2023. Mr T asked about an annuity at that time and Evelyn provided him with indicative quotes. Evelyn sent Mr T a retirement health questionnaire but he'd not completed and returned it.

Evelyn said Mr T sent it an email on 5 July 2023. He said he'd been told that rates had improved and he asked for another set of quotes. He said he wanted to retire on [XX] September. He also said he was maybe looking at just taking a lump sum.

Evelyn said it obtained further indicative annuity quotes and sent them to Mr T on 19 July 2023. There'd been further discussion and Evelyn agreed it would provide advice solely on the tax-free lump sum and he'd arrange an annuity separately since he didn't want to pay a fee. Evelyn acknowledged it hadn't told him he'd have to pay a fee for advice regarding the tax-free lump sum until sometime later.

Evelyn said it told Mr T to be cautious about preferential quotes he'd received but it denied telling him they must be "bogus" or a "scam."

Mr T didn't agree. He referred his complaint to our service. Our investigator looked into his complaint. He thought Mr T's client agreement wouldn't have covered the provision of advice for new products such as an annuity. He thought Evelyn could have done more to make this clear to Mr T in July 2023. It had only done so in October 2023. Our investigator thought this was not a reasonable period to have delayed providing clear information about this. However whilst he thought this made things difficult for Mr T he wasn't persuaded, on balance, it was fair to say this delayed Mr T obtaining an annuity. He said Mr T had only made it clear to Evelyn in October 2023 that he wanted an annuity.

Our investigator also didn't see any evidence that Evelyn had produced incorrect annuity quotations or that Mr T had lost out as a result of what happened. Although our investigator said he couldn't know exactly what Evelyn had told Mr T about the other quotations he'd received, he didn't think it was wrong for Evelyn to have warned Mr T about potential scams and asked him to be careful before proceeding.

Having considered everything our investigator thought Mr T hadn't suffered a financial loss because of what happened. But he did think he'd experienced trouble and upset. He thought Evelyn should pay Mr T £250 by way of compensation.

Mr T didn't agree. He said he had been seeking an annuity from the outset and he'd made clear he wanted this to start in September 2023. Because of the delays by Evelyn he'd told it in August to go ahead with arranging for the tax-free cash to be paid – but that was not what he wanted to do. Evelyn had then told him to arrange the tax-free cash himself – even though the provider told him this wouldn't be any quicker. Mr T said he'd been paying ongoing fees right up to October and he'd also lost out on three months annuity payments because of what happened.

Evelyn said that although it didn't fully agree with what our investigator had said, it would agree to pay Mr T £250.

Our investigator considered what both parties said but he didn't change his view. So, the complaint has been passed to me to decide.

### **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.

#### The delays

Evelyn has acknowledged that after Mr T contacted it in July 2023 there were some delays. So, I've looked carefully at the sequence of events. Although Evelyn hasn't been able to provide transcripts of telephone conversations, both it and Mr T have been able to provide copies of various email exchanges between the parties.

Mr T had an annual review with Evelyn in January 2023. At that time there'd been discussion about his retirement plans. Evelyn sent him indicative annuity quotes. It appears that Mr T hadn't found these attractive. He didn't return the retirement health questionnaire and the matter wasn't pursued at that time.

On 5 July 2023 Mr T sent an email to Evelyn. He said:

*"We looked at annuity rates in February.  
I'm looking to retire on or around ... [XX] September.  
I'm told rates have improved since we last looked.*

*Can you get another set of quotes now?  
Also maybe looking at just taking a lump sum."*

Evelyn requested indicative annuity quotes and there appears to have been some further conversations towards the end of July. Mr T sent a follow up request on 18 July and Evelyn says it sent the quotes to him on 19 July – although he says he didn't receive these. Evelyn sent the quotes again week commencing 31 July 2023 but again Mr T said he hadn't received them.

Mr T emailed Evelyn on 6 August 2023

*"In the absence of any movement, I have decided to at least take a lump sum from my pension pot.  
As my nominal retirement date is [XXX 2023] I would like to take it then. 25% of my pot.  
I think this approach gives me future flexibility and doesn't tie me down in any way. I should then be able to sort something out for next year...  
Can we please go forwards on that basis.  
Is there any reason I cannot do this?"*

On 7 August 2023 Mr T sent a further email to Evelyn. He said:

*"..you didn't send me the information you said you would i.e. Quotes etc. on the annuity even though I am not taking the annuity it would be good to see the proposal written down.*

*I have no issue with the lump sum.*

*Just the fact it was supposed to be confirmed in an email."*

On 7 August in response to his email, Evelyn explained that the reason why he hadn't received the quotes may have been because the email contained sensitive personal data and had been encrypted. It said it would send the quotes to him together with its suitability report.

Mr T hadn't heard anything further and he contacted Evelyn again. On 14 September 2023 it told him that it might be quicker for him if he contacted A himself to ask for the tax-free cash to be released from his pension on a non-advised basis. However, A subsequently informed Mr T this would not be any quicker.

Evelyn didn't appear to progress matters until 20 September 2023 when it submitted the information required to enable the suitability report to be prepared. So, there was a delay of over six weeks between the date when Evelyn told him it would prepare the suitability report and the date when it started that process.

During preparation of the suitability report Evelyn realised that Mr T would incur a fee for its advice about taking his tax-free lump sum. It said the reason for that was because this advice was not included in the PIRS agreement. The PIRS agreement provided an annual review service of the ongoing suitability of Mr T's personal pension. It didn't cover provision of advice for the purchase of new products such as an annuity or moving to a drawdown product. It appears that Evelyn informed Mr T about that towards the end of September/start of October. Evelyn spoke to Mr T again in October. He told it he'd been able to get annuity quotes from another provider and he'd decided to use his pension to purchase an annuity.

Having looked at the sequence of events here it's clear that the process took much longer than it should reasonably have taken. The indicative quotes had been obtained in mid-July and some discussion had taken place with Mr T by the end of July. Evelyn's adviser should have started the process of preparing the suitability report at that stage and informed Mr T he'd have to pay for advice about taking his tax-free lump sum. Infact the process of preparing the suitability report didn't start until September – around two months later. And it was after that when Mr T was told about the advice fee.

#### Did Mr T suffer a financial loss because of Evelyn's delays?

The issue I have to consider is whether Mr T has suffered a financial loss because of Evelyn's delay.

Mr T says he has suffered financial loss. He says he wasn't able to complete the process to start his annuity until around January 2024. He says that, but for Evelyn's delays, he would have been able to commence his annuity payments much earlier and he would have avoided around three months fees deducted from his pension fund. He also says the value of his pension fund fell during this period.

However having considered everything, I'm not persuaded, on balance, that even if there hadn't been a delay by Evelyn here Mr T would've started the process to purchase an annuity prior to the date when he did. So, I've decided he hasn't suffered any financial loss because of Evelyn's delays. I'll explain why.

When he first contacted Evelyn in July 2023 Mr T asked it to obtain annuity quotes. He'd done that before and decided not to proceed. He wanted to see if the rates had improved. His email of 5 July 2023 indicates however that he hadn't decided whether he would go ahead with the annuity. He said he was "maybe looking at just taking a lump sum."

So, I'm not persuaded, on balance, that when he contacted Evelyn in July he'd already decided he wanted to take an annuity. He wanted to see the quotations before making a decision. The other option he was thinking about at this time was "just taking a lump sum" (rather than an annuity) from his pension.

There were further email exchanges in early August. By this stage it appears Mr T was in receipt of enough information to decide that he wanted to proceed with the tax-free cash only. His emails of 6 and 7 August set that out. He said he'd decided to "at least take a lump sum..." He thought this wouldn't tie him down and he should be able to "sort something out for next year." The email of 7 August confirmed that he was not taking the annuity.

So, although Mr T hadn't seen the annuity quotes "written down," his emails stated he'd decided not to take the annuity at that point in time. He had decided to take the tax-free cash sum.

Mr T's told us he agreed to take the tax-free cash sum at this time – but it wasn't what he wanted to do. He only agreed to go down this route "as a compromise." He thought it might cover a year's annuity payments.

I've thought about what Mr T has said and I've also looked at the information Evelyn's adviser submitted to enable the suitability report to be prepared.

As I've stated above, and as Evelyn has acknowledged, the process to prepare the suitability report was delayed until September. Nevertheless I have been able to look at the information that was submitted by Mr T's adviser on 20 September 2023. The adviser said she'd "caught up" with Mr T the previous day.

I don't have a transcript of the "catch up" conversation that took place on 19 September, but I've noted the adviser recorded, the next day, that Mr T had decided "not to proceed at this time" with the annuity. He did want to proceed with the tax-free cash. The rationale for this decision was recorded as being that the tax-free cash would bridge the gap in his income requirements for the immediate future. The adviser also recorded that if Mr T changed his mind about the annuity he'd indicated that he would "sort this himself."

Having considered everything I think the information submitted by Evelyn's adviser is consistent with Mr T having decided to proceed with the tax-free cash sum at this stage. He thought the tax-free cash sum would be sufficient to meet his income requirements for the immediate future. And he'd told Evelyn in his email of 6 August he thought this would give him "future flexibility." So, I'm not persuaded on balance, he agreed to take the tax-free cash sum even though, as he now says, this was something he didn't want to do at the time.

Evelyn didn't deliver a suitability report to Mr T – because during the preparation process it realised he'd have to pay a fee for the advice about taking his tax-free cash. It says Mr T didn't want to pay a fee.

Mr T says that by mid-September he'd started to look elsewhere and had received a formal annuity quote from another provider. He found this quote to be very attractive. He says the annuity being offered was around double the amount of the quotations he'd received from Evelyn. So, I can understand why he might have started to think again (in mid-September) about his decision to just take the tax-free cash.

Mr T says Evelyn told him the quotations he'd received were "scam" and "bogus." He took some further time to research the matter. He was able to satisfy himself the quotations were genuine before he started the process of purchasing the annuity through another provider.

When Evelyn spoke to Mr T on 5 October 2023 he said he'd decided to use his pension to purchase an annuity. He said he'd been speaking to another provider and had obtained significantly better annuity quotations from it. That appears to have been the first time he told Evelyn he'd decided he was going to proceed with purchasing an annuity.

Having considered everything, I'm satisfied, on balance, it was early October when Mr T decided he wanted to purchase an annuity and communicated that decision to Evelyn. It is the case that the purchase of the annuity took a further period of time. However, I'm not persuaded, on balance, that was because of any delays caused by Evelyn.

So, although I know it will disappoint Mr T, I've decided he hasn't suffered any financial loss because of the delays caused by Evelyn. It is the case that he did experience distress and inconvenience as a result of the delays. I'll comment further about that below.

I've also considered the other complaint points Mr T has raised:

*The annuity quotes Evelyn provided were significantly lower than those he received from another provider*

Mr T says the annuity quotations he received from Evelyn were significantly lower than the quotations he received from his new provider – even though the annuities were with the same pension company.

I cannot comment on the quotations Mr T received from the new provider and I've not been able to carry out a comparison. So, it's not clear why there may have been a difference.

I have looked at the indicative quotations which Evelyn obtained here. And having done so, I've not seen anything which causes me to believe that the quotations Evelyn obtained were incorrect. So, I'm not persuaded, on balance, Evelyn did anything wrong when it obtained the annuity quotations.

*Evelyn told him the quotations he'd received from another provider were "a scam"*

Mr T says that Evelyn told him the quotations he'd obtained must have been a "scam" or were "bogus." Mr T says that this has proved not to be the case.

Evelyn says that it did not use the language Mr T says it used. Rather it says that it would have warned him about the need to be careful where he was in receipt of quotations which appeared to be so much higher.

I wasn't present during the conversations about the quotations. So, I cannot be certain what language was used. Mr T says he had to carry out further research to satisfy himself that the quotations were not bogus.

However, having considered what both parties have said here, I'm persuaded it was fair and reasonable for Evelyn to caution Mr T to be careful about the quotations he'd received – especially where he was telling it that the new quotations were significantly higher than those Evelyn had obtained. He was then able to take further action to satisfy himself that the quotations were genuine.

#### Distress and Inconvenience

As I mentioned above, Evelyn did cause delays here. And although I've decided Mr T hasn't suffered any financial loss as a result, he has experienced distress and inconvenience because of what happened.

Mr T had to send several "chaser" emails to Evelyn. He was ultimately told he needed to pay an advice fee regarding taking his tax-free cash and he had to contact A directly to enquire about taking his tax-free cash on a non-advised basis. A subsequently told him this would not be any quicker than going down the advised route. So, Mr T has experienced some distress and inconvenience.

Our investigator thought that Evelyn should pay him £250 by way of compensation for distress and inconvenience. Although I know Mr T doesn't think this amount is sufficient, I've decided having regard to everything here, including our guidance for awards of this nature, that £250 is fair and reasonable. I don't require Evelyn to have to do anything further.

#### **My final decision**

For the reasons given above I uphold this complaint about Evelyn Partners Financial Planning Limited.

I now require it to take the following actions:

- Pay Mr T £250 by way of compensation for distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 28 April 2025.

Irene Martin

**Ombudsman**