

The complaint

Mr C complains that some advice he received from Shackleton Advisers Limited ("Shackleton") about making additional contributions to his pension savings was unsuitable.

What happened

Mr C is a client of Shackleton and uses the firm to provide him with financial advice on his pension savings. In early 2024 Mr C requested assistance from the firm in making a one-off contribution to his pension savings.

Mr C says that, following discussions with his accountant, he wished the pension contribution to be paid by his employer (a limited company of which he was a director). But the advice he was given by Shackleton was for a personal pension contribution to be paid. So, around three months after the contribution had been made, Mr C's accountant identified the discrepancy and Mr C complained to Shackleton about what had happened.

Shackleton didn't agree with Mr C's complaint. It said it had understood that Mr C's company had ceased trading and it had no understanding that Mr C wished to make an employer contribution to his pension. It said the advice it had given him had been clear that he was making a personal contribution and would receive tax relief as a result. But following a review of its communications with Mr C Shackleton accepted that it hadn't always dealt with his enquiries as promptly as it might have done. So it offered Mr C £350 for the inconvenience he'd been caused. Unhappy with that response Mr C asked us to look at his complaint.

Mr C's complaint has been assessed by one of our investigators. He didn't think there was any evidence to show that Mr C had told Shackleton that he wished the pension contributions to be made by his employer. So he thought it was reasonable that the advisor had assumed Mr C would be making a personal contribution and that was reinforced in the advice letter he'd been sent. He thought it was up to Mr C to make Shackleton aware of the misunderstanding before the payment had been made. So the investigator didn't think Shackleton needed to do anything more.

Mr C didn't agree with that assessment. So, as the complaint hasn't been resolved informally, it has been passed to me, an ombudsman, to decide. This is the last stage of our process.

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.

In deciding this complaint I've taken into account the law, any relevant regulatory rules and good industry practice at the time. I have also carefully considered the submissions that have been made by Mr C and by Shackleton. Where the evidence is unclear, or there are conflicts, I have made my decision based on the balance of probabilities. In other words

I have looked at what evidence we do have, and the surrounding circumstances, to help me decide what I think is more likely to, or should, have happened.

At the outset I think it is useful to reflect on the role of this service. This service isn't intended to regulate or punish businesses for their conduct – that is the role of the Financial Conduct Authority. Instead this service looks to resolve individual complaints between a consumer and a business. Should we decide that something has gone wrong we would ask the business to put things right by placing the consumer, as far as is possible, in the position they would have been if the problem hadn't occurred.

I have little doubt that, following discussions with his accountant, Mr C's intention was for a one-off pension contribution to be paid to his plan by the limited company he jointly owned with his wife. That isn't what happened. But what I need to decide here is whether Shackleton is at fault for the advice it gave to Mr C.

Mr C has told us that he has little knowledge or experience of pension regulations. He says that is why he engaged Shackleton to assist him. But Shackleton can only base its advice on the information Mr C gave it. It doesn't seem that Mr C asked the firm to liaise with his accountants – Mr C simply relayed information he'd been given. And since Mr C was unfamiliar with how pension contributions are structured there was always a risk that what he asked Shackleton to advise him about was not what his accountant intended.

I have listened to a phone call between Mr C and Shackleton that took place before the advice was concluded. On that call Mr C confirmed that his business was "basically no longer trading". That differs from what he later told Shackleton when he explained that the business would not be wound up until after the pension contributions had been made.

I haven't seen anything to make me think that Mr C expressly told Shackleton that he wanted advice about a one-off pension contribution being made on his behalf by the limited company. I entirely accept that is most likely because Mr C didn't understand the difference between employer and employee contributions. But I don't think that means Shackleton should be expected to second guess Mr C's intentions when he gave no indication its advice was not meeting his requirements.

The written advice that Shackleton provided to Mr C clearly set out that it was in relation to a personal contribution that would be funded from surplus income. It later reiterated that the pension contribution would be made as a personal contribution rather than an employer contribution. It told Mr C that he would need to discuss things with his employer if he wished the employer to facilitate the payment.

So I think the advice that Shackleton provided to Mr C was clear about the nature of the contribution. Of course I entirely accept that a suggestion that Mr C should discuss something with his employer was of little use to him – to all intents and purposes him and his employer were the same. But I do think it might have highlighted to Mr C that he might want to make some further checks with his accountant about whether the proposal met the guidance he'd previously received.

So overall I'm not persuaded that Shackleton has done something wrong here. I think the advice it provided to Mr C was in line with what it reasonably understood to be his objectives. And I think the advice provided Mr C with sufficient clarity that he could have made further enquiries if he thought that he had failed to make Shackleton sufficiently aware of his objectives.

I understand how disappointing this decision will be for Mr C but I don't think Shackleton needs to pay him any compensation. As I have said earlier, Shackleton did offer Mr C £350

for the inconvenience it thought he had been caused by any communication failures. I'll leave it with Mr C to get back in touch with the firm if he now wishes to accept that offer.

My final decision

For the reasons given above, I don't uphold the complaint or make any award against Shackleton Advisers Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 31 July 2025.

Paul Reilly
Ombudsman