

The complaint

Mrs F submitted a joint complaint, alongside her husband, about SG Kleinwort Hambros Bank, now Union Bancaire Privée (UK) Limited ('UBP'). The joint complaint has been separated. This decision is only about Mrs F's case, but it shares broadly the same background and some facts with her husband's. Her complaint is about UBP's advice, and service, on the transfer of her pension.

What happened

Mrs F and her husband wanted to consolidate their assets under one adviser/manager. She already had a portfolio of investments under UBP's management. Following discussions with it, beginning in late 2022, they decided to consolidate under UBP. She and her husband have confirmed that their joint complaint is only about the transfer of their pensions. In her case, she held a Curtis Banks Self-Invested Personal Pension ('SIPP') under management by a different firm, this was the SIPP to be transferred to UBP. Her husband also held a SIPP to be transferred to UBP. The process for transferring his SIPP began around January 2023, but work on transferring hers began around July 2023.

She is unhappy that the consolidation objective she shared with her husband was never achieved, and that the failed outcome was compounded by delays in the process.

She says flawed advice from and delays by UBP, its failure to carry out both transfers simultaneously and its failure to conduct proper due diligence on both transfers at the outset meant *only* her husband's SIPP was eventually transferred into its management, around May 2023; and that only thereafter did it work on the transfer of hers, which meant by the time difficulties arose in the process for hers it was too late for her and her husband to reconsider and stop the entire pursuit.

Her SIPP could not be moved into UBP's management, due to its specific characteristics. UBP's response to the complaint explained as follows –

"... we discovered the transfer process was more complex than we initially thought. This is because, [Mrs F's] pension is a Fusion SIPP, and due to the specific dynamics of this product, it can only be custodied with Hubwise. SGKH should have recognised that Curtis Banks would not have been able to transfer [Mrs F's] SIPP to SGKH to manage much earlier on in the process. In addition, if both transferred were initiated at the same time, we would have identified this issue much earlier."

The above appears to have been discovered around August, then around September a pension switch was considered for the SIPP, to work around the problem. The idea was essentially abandoned as it was not cost effective. UBP said in its response – *"Put simply, moving [Mrs F's] account would have incurred additional fees that would have had an impact on the SIPP value over the long term"* and *"... the additional costs incurred to transfer did not justify the benefits and therefore we could not proceed with the transfer based on the original investment fund proposal. This prompted [the adviser] to try and find alternative investment solutions to reduce the ongoing cost of charges of transferring the pension investments to SGKH."*

Mrs F says proper advice and due diligence at the start would have foreseen these factors, and that initiating both transfers at the same time would have identified the problems much earlier.

The investment related alternative proposal has been summed up by UBP as follows –

“... a SGKH managed portfolio of Exchange Traded Funds as an investment solution which could achieve your objective (consolidating your pensions with SGKH) at a cost which was almost comparable to the Fusion SIPP after the first year. It was noted that this would be a different implementation style to the other portfolios you hold with SGKH which are a portfolio of actively managed funds attempting to outperform the market returns. By comparison, an ETF portfolio will deliver market returns after fees. The additional costs of the ETF strategy over [Mrs F's] current pension investments were later were [sic] quantified as 0.62% in year 1 and 0.04% in year 2 onwards or 0.17% per annum over a 5 year period.”

This proposal was presented around late 2023 and it remained *on the table* into early 2024. On 13 February 2024 Mrs F's husband wrote to UBP on her behalf and said –

*“We have not heard from [the adviser] on ETF. In any event an ETF solution is not what was presented to us when this transfer decision was made
Given over a year has elapsed since you were instructed to effect a transfer of [Mrs F's] pension and the tortuously slow progress continues unabated without remorse or apology on your part [she] will leave her pension at Skerrits to avoid the delay and chaos continuing ad nauseum.
There is no tangible reason to think that progressing with you would be anything other than continue to be glacially slow and frustrating.
Given the whole point was to get our pensions into one place this is a very very poor outcome. I genuinely feel that I was misrepresented to when persuaded to transfer my pension as part of of [sic] dual transfer which has not happened.”*

Mrs F and her husband complained and UBP conceded most of the issues they raised. One of our investigators looked into her complaint and concluded it should be upheld.

She mainly said – had UBP worked on both transfers simultaneously, instead of six months apart (which is what happened), problems would have been identified much sooner; had that happened, consideration and discounting of the pension switch idea would also have happened earlier; in response to these events happening much earlier she is likely to have stopped the transfer process and retain her existing SIPP arrangement; UBP's investment related alternative proposal does not alter this finding; it was essentially an afterthought, in reaction to the problems that had arisen; UBP has conceded that it would not have normally made the ETF based recommendation, so it is more likely (than not) that but for the delays and problems it would not have made the proposal to Mrs F.

The investigator concluded that there should be an award of £400, to Mrs F, for the trouble and inconvenience caused to her.

This outcome was accepted by UBP, but the same acceptance does not appear to have been confirmed by Mrs F, so the matter was referred to an Ombudsman.

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 have reached the same conclusions expressed by the investigator, for broadly the same reasons she gave. I uphold Mrs F's complaint. UBP appears to have essentially done the same in its complaint response, and affirmed the same in its statements to her and to our service, some of which I quoted above. As I said, it has also confirmed agreement with the investigator's findings. Therefore, merit in the complaint does not appear to be in dispute.

For the sake of completeness, I echo and endorse the investigator's main findings on UBP's faults in this case, findings which essentially reflect and match the main points Mrs F and her husband presented in support of their joint complaint.

Consolidation of their SIPP's under the same management was their distinct and sole objective. Her husband's SIPP was successfully transferred, but UBP has conceded avoidable failings in its management of the transfer of hers, which meant their objective could not be achieved.

As I set out above, UBP has accepted that it should have worked on both transfers at the same time and had it done so it "... *would have identified* [the problems] *much earlier*"; that it "... *should have recognised that Curtis Banks would not have been able to transfer* [Mrs F's] *SIPP to SGKH to manage much earlier on in the process*"; that the pension switch idea was not viable (hence the reason why it was abandoned); and that the investment related alternative it proposed to her was different to what she had in her existing portfolio [it was also different to the initial recommendation that was agreed].

As the investigator said, but for the problems happening after completion of her husband's SIPP transfer, and had they been identified earlier, she would have probably stopped the transfer of her SIPP much earlier.

I consider this would probably have happened in early 2023. Due to UBP's delay, work on her SIPP transfer did not even begin until around July 2023. As Mrs F and her husband have argued, proper advice and due diligence at the outset would have foreseen and/or uncovered the problems, thereby making it clear that consolidation could not be achieved and leading to them reverting to and retaining their existing respective SIPP arrangement. In addition, UBP's management of both SIPP transfers at the same time would have meant the process beginning around January 2023 and the problems arising early enough for her to stop the process for her SIPP much earlier than she eventually did. Faced with the prospect that consolidation could not be achieved, this is probably what she would have done, and she has confirmed so.

There is no evidence that her SIPP was ever taken out of the market, and no transfer happened in the end, so there does not appear to be a basis on which to consider financial loss in her case. In terms of compensation for the trouble and inconvenience caused to her, our service's guidance on how we approach awards for trouble, distress and inconvenience can be found on our website, at the following link – <https://www.financial-ombudsman.org.uk/businesses/resolving-complaint/understanding-compensation/compensation-for-distress-or-inconvenience>.

Under this guidance, awards between £300 and £750 can apply where a complaint matter has caused a complainant considerable distress, upset and worry, and/or significant inconvenience. I consider this range applicable to the personal impact, on Mrs F, of not achieving the consolidation she wanted and for the delay she experienced in the matter. Not only did she not achieve consolidation, she also did not achieve any transfer of her SIPP. Therefore, the entire affair (and the delays within it) delivered nothing for her. I am satisfied that this experience would have caused her considerable upset and reasonably significant inconvenience. For these reasons, I am satisfied that a £400 award to her is fair

and reasonable in the circumstances.

Putting things right

what must UBP do?

For the reasons given above, I order UBP to pay Mrs F £400 for the trouble and inconvenience caused to her.

My final decision

For the reasons given above, I uphold Mrs F's complaint and I order Union Bancaire Priv e (UK) Limited to pay her compensation as stated above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs F to accept or reject my decision before 2 July 2025.

Roy Kuku
Ombudsman