

The complaint

Mr D complains that Quai Investment Services Limited trading as Intelligent Money(Quai) failed to pass on his monthly pension contributions to his platform provider, leading to a financial loss.

What happened

Mr D had a Self-Invested Personal Pension (SIPP) with Intelligent Money (IM). I understand that Quai took over IM in 2024, so I'll only refer to it in my decision.

On 18 June 2024, Mr D's Independent Financial Adviser (IFA) wrote to Quai to ask it to confirm whether it'd received any contributions for Mr D in May 2024. And if so, whether it'd been sent on to his platform provider.

After Quai had confirmed Mr D's date of birth and national insurance number with his IFA, it replied to the IFA on 11 July 2024 to confirm it had received the May 2024 contribution. It said it would look into why it hadn't been sent to Mr D's platform provider.

Mr D's IFA wrote to Quai again on 12 July 2024. As no payments had been sent to the platform provider, it asked for a complaint to be raised and for the payments to be sent as soon as possible. Quai acknowledged the complaint.

Quai replied eight weeks later, stating it needed more time. Mr D's IFA chased it in January 2025 but was told that the complaint handler had left, so the complaint needed to be reallocated.

In October 2024, Mr D decided to transfer his pension from Quai to provider T. The transfer request was added to the Origo transfer system on 24 September 2024, with a scheduled and expected completion date of 6 October 2024. The transfer request quoted an approximate value of £404,773.

Provider T requested an update through Origo on 7 October 2024.

As Quai hadn't responded to his complaint, Mr D brought his complaint to this service in March 2025. He didn't think that it had fully resolved the complaint about his regular private pension contributions. He said that Quai had taken the regular direct debit payments relating to his pension in May 2024. But it hadn't correctly transferred that payment to his platform provider. He felt the money had gone missing during Quai's purchase of IM. And wanted it to return the funds it owed him.

Mr D said some of the missing contributions had since been paid by Quai to his platform provider. But some was still owed. He said his IFA had summarised his position, with the summary showing that he was owed at least £362.93 in respect of his original nominal May 2024 contribution. To put things right, Mr D wanted Quai to pay him the outstanding monies.

Origo was updated to show that the transfer funds were sent to provider T on 10 December 2024. The notes states that the reason for the delay was: "*Disinvestment delay*". Provider T

received the funds the following day.

Quai sent its final response to the complaint to Mr D's IFA on 10 April 2025. It acknowledged that he'd been unhappy about the disruption to his pension direct debit. It said it'd received the payment of £833.33 on 20 May 2024, with the payment then being sent to the platform provider on 18 December 2024.

Quai said that direct debit collections usually scheduled for certain dates in June 2024 couldn't take place as the bank account the direct debit funds were being collected into hadn't been transferred to it as part of the acquisition. As such, it'd needed to set up new bank accounts and send out direct debit mandates to all customers. It said it'd given its customers the option to make up for the missed direct debits.

Quai apologised for any inconvenience caused by the length of time it'd taken to complete the request. And offered Mr D £200 compensation for the distress and inconvenience caused.

Mr D didn't complete and return the new direct debit mandate as he'd lost faith in Quai after his funds had gone missing.

Mr D didn't think that the final response letter fully resolved matters. He wasn't clear what the £200 compensation covered, or whether it was reasonable compensation for the frustration he'd endured over the past 11 months. He also wasn't clear if Quai had re-paid him the full amount it owed.

Quai sent this service a transaction listing. As our investigator felt this wasn't completely clear, he asked it some questions about the data. But Quai didn't respond to that request until after our investigator had issued his view on the complaint.

Our investigator didn't think that Quai had sufficiently demonstrated to Mr D that the correct amount had been transferred to provider T. To put things right, he recommended that Quai provided Mr D with the following information:

- A full transaction listing from 1 January 2024 to date, in an easy-to-read format, with the transactions detailed in a way that clearly demonstrated the activity on his account.
- An understandable description of each transaction during the same period.

Our investigator also felt that Quai should carry out a loss assessment for the delay it'd caused. But he felt that the £200 compensation it'd offered Mr D for the distress and inconvenience it'd caused was fair.

Quai provided a partial response to our investigator's information request just after he'd issued his view, noting that the balance on Mr D's account didn't represent all of the funds he held, but just his cash balance. But our investigator felt that the response didn't provide enough clarity to resolve the complaint.

Mr D agreed with our investigator's view.

Quai asked our investigator to confirm what outstanding information he needed to resolve the complaint. He explained that he simply needed it to say whether or not it agreed with his findings. He explained that to resolve the complaint, he wanted Quai to send Mr D a clear transaction listing that showed the activity on his account so that he could verify if the amount transferred was correct. He said that if there was an error, this would need to be

corrected in line with his recommendation.

Quai said that no investments had been made with the platform provider after the end of April 2024. It said based on the report it'd received, the funds hadn't actually been invested. Instead, they'd either been held on deposit or been used to pay charges on the account. It therefore felt that it couldn't complete a loss calculation on the basis our investigator had laid out. And asked what further action it should take.

As agreement couldn't be reached, the complaint has come to me for a review.

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 going to uphold it. I'll explain the reasons for my decision.

The transaction data Quai has provided clearly shows that it received a contribution of £833.33 for Mr D on 20 May 2024. But it doesn't clearly show when that contribution was passed onto the platform provider for investment.

The data does however show that each of Mr D's monthly contributions from January to April 2024 inclusive were paid over to the platform provider the working day after Quai received them.

Mr D's IFA said that while the £833.33 contribution payment was made on 14 May 2024, the only amount then paid to the platform provider by Quai was £362.93 on 18 October 2024. Quai has told this service that no investments had been made with the platform provider after the end of April 2024. It's therefore clear that Mr D has lost out, but unclear by how much.

I acknowledge that the transaction information Quai provided to this service didn't represent all of the funds Mr D held, but just his cash balance. So I'm not surprised that the transaction data Quai has provided doesn't confirm Mr D's IFA's figures. But based on those numbers, Mr D has lost out by £470.40, plus the investment return on that amount from 23 May 2024, when it should've been paid to the platform provider. But given Quai has said no further payments have been made, it will need to confirm exactly what it owes Mr D before it can carry out the correct loss assessment.

Overall, I agree with our investigator that Quai has yet to provide Mr D with clear and complete information about if or how it has corrected its mistake with his May 2024 contribution. As such, I uphold the complaint.

I've considered the £200 Quai has offered to pay Mr D for the distress and inconvenience it has caused him. While this complaint has been ongoing for some time, I think this is a reasonable amount under the circumstances of the complaint. I say this because only one month's contribution was affected. It's unclear from the evidence provided whether Quai has already paid the amount offered.

I acknowledge that Quai told our investigator that it wasn't able to complete the loss calculation on the basis he laid out. But I'm not persuaded that it can't. I'll explain in detail the steps I expect Quai to take to put things right.

Putting things right

My aim in awarding fair compensation is to put Mr D back into the position he would likely have been in, had it not been for Quai's mistake. I think this would've meant Quai would've paid his May 2024 contribution to his platform provider on 23 May 2024.

As Quai hasn't been able to provide this service with clear information about when or if the May 2024 contribution was actually paid to the platform provider, it will need to investigate this further. Once it has clear information about exactly what part of the May 2024 contribution has been correctly passed on to the platform provider, and then transferred to provider T, it should provide Mr D with the following information:

- A full transaction listing from 1 January 2024 to date, in an easy-to-read format, with the transactions detailed in a way that clearly demonstrates the activity on his account.
- An understandable description of each transaction during the same period.

Quai must calculate what the May 2024 contribution would've been worth at the date of my final decision if it had been correctly passed to the platform provider on 23 May 2024. The calculation must include the investment return Mr D would've received on that contribution from 23 May 2024 to the date of my final decision. Quai will need to ask provider T for this information.

Quai must then compare this calculated position with what the May 2024 contribution is actually worth as at the date of my final decision.

If this calculation shows a loss, the redress should if possible be paid into Mr D's pension plan. The payment should allow for the effect of charges and any available tax relief. The compensation shouldn't be paid into the pension plan if it would conflict with any existing protection or allowance.

If a payment into the pension isn't possible or has protection or allowance implications, it should be paid directly to Mr D as a lump sum after making a notional reduction to allow for future income tax that would otherwise have been paid.

If Mr D has remaining tax-free cash entitlement, 25% of the loss would be tax-free and 75% would have been taxed according to his likely income tax rate in retirement - presumed to be 20%. So, making a notional reduction of 15% overall from the loss adequately reflects this.

If payment of compensation is not made within 28 days of Quai receiving Mr D's acceptance of my final decision, interest must be added to the compensation at the rate of 8% per year simple from the date of my final decision to the date of payment.

Income tax may be payable on any interest paid. If Quai deducts income tax from the interest, it should tell Mr D how much has been taken off. Quai should give Mr D a tax deduction certificate in respect of interest if he asks for one, so he can reclaim the tax on interest from HMRC if appropriate.

Quai should provide Mr D with a copy of its calculations in a clear and understandable format. In addition, it should pay him £200 for the distress and inconvenience he's been caused, unless it has already paid this.

My final decision

For the reasons set out above, I uphold Mr D's complaint. Quai Investment Services Limited trading as Intelligent Money must take the action detailed in the "Putting things right" section above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 24 October 2025.

Jo Occleshaw
Ombudsman