

The complaint

Mr W complains about the delay in transferring the value of his pension plan provided by Quai Investment Services Limited (formerly and trading as Intelligent Money) to another pension provider. He says the delay caused him inconvenience and believes it also resulted in a financial loss.

What happened

On 29 May 2024 Mr W started the process for the value of his pension plan to be transferred from Quai to Business A. The transfer did not complete until 14 March 2025; this was after Mr W had complained to this Service.

Outline of events

An Investigator at this Service has already set out a detailed timeline of events and communications and addressed further submissions on this. I have previously issued a provisional decision. All parties have provided submissions and material relevant to when they say things happened. This summary doesn't provide the full detail when it comes to the timeline and communications between the parties but provides a fair outline.

On 28 May 2024 Intelligent Money entered administration. Its pension business was sold and responsibility for Mr W's pension plan at the relevant time is now with Quai Investment Services Limited (Quai).

On 29 May 2024 Mr W signed and confirmed with Business A that he wanted to transfer the value of his pension plan held with Quai to Business A. The value of his plan was around £148,241.

Business A sent the request by post to Quai in a letter dated 30 May 2024, which is date stamped as having been received on 3 June 2024.

It is clear there have been electronic communications between Quai and Business A (as well as Mr W) throughout the relevant times.

On 3 July 2024 Business A emailed Quai to check on progress.

On 19 July 2024 Quai contacted Business A and told them they needed their form to be completed and returned to them as well as the execution-only declaration (if Mr W was proceeding without a financial adviser). Quai say copies of these documents were attached to their email. A copy of this email has now been provided.

It was also said that Quai emailed on this date to tell Business A the requisite form was not valid and asked for it to be resubmitted; and that either one or both of the forms were not attached to the email.

The Investigator concluded ultimately that the execution-only form had been attached to the email sent from Quai to Business A on 19 July 2024, but she did not conclude that the Quai form had been attached.

Also in the email of 19 July 2024 Quai explained they used Origo when it came to cash transfers but not in-specie.

On 21 July 2024 Quai responded to a contact from Business A. On 24 July 2024 Quai said the transfer request was in their queue for processing.

Business A told Mr W on 30 July 2024 they were waiting for Quai to send them a value of the holdings and would aim to chase them if they hadn't heard back within 20 working days. On 27 August 2024 Business A contacted Quai as they did not have the discharge forms for an in-specie transfer and asking for them to be sent. They also asked if forms had been sent directly to Mr W as they did not think they had been sent to Business A.

Quai replied on 3 September 2024 that they had the discharge forms on the system and that they would be processed as soon as they were in a position to do so. They said that due to the back log of work they could not provide a completion date. It is not clear whether Quai did in fact have the discharge forms on this date.

Mr W says he spoke to someone at Quai in early September 2024 and was told that they were waiting for the completed form from Business A.

On various dates in September, October and November 2024 Business A chased Quai about the transfer. This culminated in an email from Business A to Quai saying the transfer request would be cancelled without information from Quai. On 21 November 2024 there is a note on Business A's system that they ought to allow Quai time and not cancel as Quai were addressing a substantial backlog as a consequence of Intelligent Money going into administration.

On either 25 or 27 November 2024 Quai replied and requested the resubmission of the transfer request form and a signed copy of the execution-only form as appropriate for Mr W. Blank copies of these forms were said to be attached to the email.

Business A sent document to Mr W on 27 November 2024 and Mr W signed and returned the transfer request form the next day. Mr W says he signed and returned the execution-only form also on this day. This has not been agreed by Business A and it has been submitted that Mr W signed and returned the discharge form (Business A suggest they did not get the execution-only form until early 2025). This does not appear to be supported by evidence provided more recently.

Mr W submitted formal complaints to Quai and Business A on 28 November 2024.

On 2 December 2024 Mr W was asked by Business A whether this was to be a cash transfer. Mr W confirmed it was and has told us that by this time and in a desire to expedite matters this is why he changed his request to a cash transfer rather than in-specie.

It was on 10 December 2024 that Business A completed the transfer application declaration and sent this to Quai with the confirmation this was to be a cash transfer. On 7 January 2025, following contact from Mr W, Business A told him they had confirmed that Quai ought to proceed with a cash transfer on 10 December 2024 but had not received any response. Business A said they would *"look to chase [Quai]... shortly for an update"*.

On 13 January 2025 Business A told Mr W they had chased Quai on 8 January 2025. Mr W emailed Quai after this information to seek an update.

On 24 January 2025 Mr W contacted this Service to submit complaints about Quai and Business A.

On 27 January 2025 Business A sent the requisite forms to Quai. Quai replied the next day to let Business A know that the information provided was incomplete and that they had not received the completed execution-only declaration. Mr W asked Quai for information about this latter missing document several times over the next few days. Quai who provided information to Mr W that was not consistent with what was said by Business A.

On 3 February 2025 Mr W was contacted by Business A and asked to complete a document online (the execution-only declaration) and an adviser from Business A contacted Mr W two days later to prompt him. On 11 February 2025 Mr W signed the execution-only declaration and this was confirmed by Business A to Quai on 18 February 2025. Mr W told Business A he believed he had already completed this form and provided it to Business A on 28 November 2024. As noted, Business A do not accept they received the execution-only document from Mr W on 28 November 2024.

Quai confirmed receipt of this to Mr W on 10 March 2025. It was on 14 March 2025 that the transfer completed and £151,517.69 was transferred.

Mr W's funds were invested in the Lifestrategy 80% Equity Fund Accumulation. This had been indicated as his choice from the start. It appears the investment took place on 20 March 2025.

Mr W's complaint set out his unhappiness about the delay in transferring. He was unhappy that:

- it took so long
- he received repeated requests for the same information
- poor communication
- there were avoidable delays

Response to complaint

Quai

Quai upheld the complaint and apologised for the delay and lack of communication experienced by Mr W and offered him £300 to reflect his distress and inconvenience. They said that having recently taken over Intelligent Money had caused them unusual delay and let Mr W know they had been working to reduce timescales. Quai also included a timeline which apparently identified delays attributable to Business A.

Business A

Business A upheld the complaint on the basis they had fallen below the standard of customer service they expect to provide and offered Mr W £100 for his inconvenience. £50 of this sum was said to reflect the time taken to resolve his complaint.

Business A did not accept they had caused any delay and said they had chased Quai and responded promptly. They referenced what Quai had said about Intelligent Money being placed into administration causing a backlog.

Mr W

Mr W did not accept either offer.

Investigator's view and further thinking

In summary the Investigator concluded that neither business had done what they ought to have done in a timely way, thus causing the transfer to be unreasonably delayed.

In her initial view she set out the timeline of how she thought things ought to have progressed had the parties done what they ought to have done and a loss calculation exercise. She said that any loss identified ought to be split equally between Quai and Business A when it came to paying a sum to Mr W.

The Investigator said that Quai also needed to pay the £300 originally offered to Mr W to reflect his distress and inconvenience.

Further submissions

Quai failed to respond to the Investigator's view within the timeframe initially provided. They went on to reject the view and said Business A were responsible for delay. They provided additional material including a copy of the email from 19 July 2024.

The Investigator did not change the outcome of her view and she explained why. Quai did not reply.

Business A accepted the Investigator's thinking. They raised an initial query in respect of the award for distress and inconvenience but did not dispute it overall.

Provisional decision

On 28 August 2025 I issued my provisional decision in this case. I indicated I intended to uphold the complaint and that I intended to conclude that the transfer of funds from Mr W's pension plan took much longer than it ought to have done, and this was due to unreasonable delay attributable to both Quai and Business A.

I went on to set out that I intended to conclude that the date to be used for the loss calculation should be different to that proposed by the Investigator and I explained my thinking on this.

Quai and Mr C accepted my provisional decision.

Business A provided further submissions in respect of my proposed redress exercise. I provided further information which was shared with all parties as I was concerned Business A had misunderstood my reasoning and proposed redress exercise. Parties were given the opportunity to respond to this.

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 reaching my thinking I've considered all relevant laws, regulations, regulatory rules, guidance, standards and codes of practice, as well as what I believe represented good industry practise at the time.

Where the evidence is unclear or conflicting I've made my decision based on the balance of probabilities- that is, by weighing up the available evidence to determine what I believe is more likely to have happened in the circumstances.

Given the relatively informal role of the Financial Ombudsman Service I have not commented on every aspect of the complaint but focused on what I considered to be the key issues involved. I would like to reassure the parties that in reaching my thinking I have taken everything provided and said into account.

Having done so I am upholding Mr W's complaint. I have not changed my thinking from that set out in my provisional decision. The transfer of funds from Mr W's pension plan took much longer than it ought to have done. This was due to unreasonable delay that is attributable to both Quai and Business A.

Mr W first requested the transfer of the value of his pension plan on 29 May 2024, this request being received by Quai on 3 June 2024. The transfer was not completed until 14 March 2025. This was not a complex transfer, yet it took nearly 10 months. This is not a reasonable timeframe, and I have seen nothing that persuades me there is any good reason for it not to have been completed much earlier.

I accept what's said in the submissions that Quai reasonably experienced some delay given they had only taken over Intelligent Money the day before the transfer request and that they experienced an increase in work when it came to processing transfer requests around this time. This does not justify however the significant delay Mr W experienced in having his transfer effected and the contribution Quai made to the overall delay.

I accept that Quai and Business A were in contact during the months that followed the initial request. I don't consider these communications, nor the actions taken by either business were completed in a timely or effective manner.

I am satisfied there were failures by Quai and Business A when it came to understanding and acting on communications. I take for example the email of 19 July from Quai to Business A. Noting as I do so, that I don't consider the period of time from the 3 June to 19 July 2024 taken by Quai to respond to the initial request to be reasonable, even taking into account additional time being needed following Intelligent Money going into administration and Quai purchasing the pension business.

I am not persuaded that on 19 July 2024 Quai sent everything they ought to have done to Business A; nor am I persuaded that Business A processed what was sent on 19 July 2024 actively or effectively. I don't think either business realised this when they ought to have done. I am supported in my thinking when I consider the communications that followed between Quai and Business A later in July, August and November 2024. These can fairly be characterised as demonstrating a failure to understand what has happened thus far and failing to progress the transfer effectively or as they ought to have done.

Had Mr W not then chased matters in December 2024 and January 2025, there might have been further delay. Indeed, this might be a fair reflection on what happened throughout. I do not think it necessary to highlight every occasion when a party failed to act effectively or reasonably. It is sufficiently clear to me that both businesses at various times took too long and also failed to identify what documents and instructions they already had and what they had already sent to another party and when. To some extent it appears that both businesses agree.

However when it comes to thinking about when Mr W ought to have had his transfer completed had Quai (and Business A) done what they ought to have done I have changed the date originally proposed by the Investigator.

I do not consider there is an exact date that ought to be identified as the day when the transfer would have otherwise completed, but it's reasonable to conclude that Mr W's transfer would have completed and he would have been invested by 3 August 2024 had the parties acted as they ought to have done. This is the date to be used for the loss calculation.

I say this because Quai reasonably would have taken longer than the relatively short time I would usually have expected them to take when acting on the transfer request sent to them here and received on 3 June 2024, given the circumstances. It's reasonable to take this into account and the proximity of the dates between Intelligent Money's liquidation and the transfer request mean Mr W would have been aware this was a possibility. I take into account that it might be said Mr W had some greater insight into such matters than many retail clients, however that does not mean he was not entitled to the same service.

I also take into account that initially Mr W had sought an in-specie transfer (albeit he was open to a cash transfer if necessary) at the time of the initial request. This would have taken more time than a cash transfer, albeit I do not consider (based on what has been provided) this would have been particularly complex. I accept from Mr W that in the late autumn of 2024 he instructed a cash transfer because of the unreasonable delay he had already experienced.

Putting things right

My aim in awarding fair redress is to put Mr W in the position he ought to have been in or was most likely to have been in had the unreasonable delay not occurred.

To determine whether Mr W has suffered any loss, the following loss calculation exercise is to be completed.

Loss calculation exercise

Quai and Business A should carry out a loss calculation by comparing what the current value of Mr W's pension plan is, (figure A) against the value it would now be, had he been invested in the Lifestrategy 80% Equity Fund Accumulation from 3 August 2024 (figure B).

I have seen nothing to suggest to me that Mr W's investment has changed.

For certainty, the date to be used to calculate and compare the values of figures A and B is the date of my final decision.

It seems to me that Business A might be best placed to complete this exercise; and then share the information and details of the calculations with Quai. However I do not consider either appropriate or necessary for me to specify which business is to complete the exercise and it is likely that there might need to be some cooperation. No party has disagreed with this.

Through comparing figure A and figure B it can be established whether Mr W has experienced a financial loss.

1. If figure B (the notional value) is higher than figure A (the actual value), the difference represents Mr W's financial loss, and redress should be paid.

2. If figure B (the notional value) is lower or equal to figure A (the actual value), then no financial loss has occurred, and no redress is due.

If the comparison above shows that Mr W has suffered a financial loss, then Quai and Business A need to split the sum representing the financial loss between them, with each taking responsibility for paying Mr W 50% of any loss figure.

Payment should be made as follows:

- If possible, redress should be paid into Mr W's new pension plan, allowing for any applicable charges and tax relief.
- However, if this would conflict with any existing protections, allowances or is not possible for other reasons, redress should instead be paid directly to Mr W as a lump sum. In that case, a notional tax deduction should be applied to reflect the income tax Mr W would pay when withdrawing the funds in retirement, presumed to be 20%. However, if Mr W would have been able to take a tax-free lump sum, the reduction should be applied to 75% of the redress. This makes the notional deduction of 15% overall from the financial loss to reflect this.

Interest

If redress isn't settled within 40 days of Quai or Business A receiving Mr W's acceptance of this final decision, the relevant business should add interest at 8% simple per year to the financial loss for which they are responsible from this final decision to the date of settlement.

I have added time to the usual time allowed given the loss calculation exercise will need to be completed and shared.

Distress and inconvenience

Quai are required to pay the sum of £300 originally offered to Mr W to represent the distress and inconvenience experienced, if this has not already been paid to him. I am told this has now been paid to him.

I previously considered whether I ought adjust this sum, particularly taking into account the sum Business A are also required to pay. The totality might be more than I might usually award in such circumstances, however on balance I have not reduced the sums here.

Additional matter

I previously indicated that it was not clear if Mr W was required to pay a transfer fee. I invited more information on this. I was not told anything further and both parties accepted my provisional decision and therefore I make no further comment on this matter.

For completeness

I am including the summary I provided to parties after issuing my provisional decision.

Mr W's transfer was unreasonably delayed. Had he transferred as he ought to have done, this would have been an in-specie transfer. Whilst a precise date for when the transfer ought to have been is not being identified it is reasonable to conclude that had there not been delays he would have been transferred and invested by 3 August 2024

Business A and Quai should carry out a loss calculation by comparing what the current value of Mr W's pension plan is, (figure A) against the value it would now be, had he been transferred and invested in the Lifestrategy 80% Equity Fund Accumulation from 3 August 2024 (figure B).

If figure A is higher than figure B there has been no loss and no redress payment will be needed. If figure B is higher than figure A then there has been a loss and redress is to be paid as set out.

It should be relatively simple to provide the current value of Mr W's pension as at the date of my final decision (figure A).

I do not consider it excessively complex to calculate figure B either. Figure B (the notional value) is the value that Mr W's pension would be now. Starting with what it would have been on 3 August 2024 if it had been received in-specie and valued on 3 August 2024 by Business A and then calculating the final sum for figure B based on the performance of the relevant investments on this starting point until the date of my final decision.

Mr W ought to have been transferred in-specie at an earlier date and his pension fund ought to have been accumulating any growth or experiencing any losses in line with the investments from 3 August 2024 based on my loss calculation exercise. There ought to be no need for Business A to be undertaking other calculations that they consider to be offsetting. I do not consider there is any significant risk Mr W is likely to be in any better position than he ought to be in.

My final decision

For the reasons given I am upholding Mr W's complaint about Quai Investment Services Limited also trading as Intelligent Money. Quai are required to complete the redress exercise set out above and pay all sums due to Mr W in accordance with this decision.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 22 October 2025.

Louise Wilson
Ombudsman