

## The complaint

Mrs H complains that Westerby Trustee Services Limited trading as Westerby The Pension Specialist (Westerby) delayed the transfer of her Self-Invested Personal Pension Plan (SIPP) causing inconvenience and possibly financial losses. She wants compensation for the inconvenience and any losses.

## What happened

Mrs H's late husband's SIPP (the plan) with Westerby was designated to her following his death. She decided she wanted to transfer it to a new arrangement with Quilter, receiving advice from an IFA called Insight. It isn't disputed that the transfer was delayed having initially being requested by Insight on 22 October 2024. In the absence of a response from Westerby despite repeated chases, a complaint was raised on Mrs H's behalf by Insight on 3 December 2024. Westerby then initiated the transfer process, which involved selling three different investments, the proceeds of which were fully received by it on 13 February 2025.

Westerby completed its process and the transfer of £261,715.99 was paid on 24 February 2025, but there was some outstanding information Quilter says was needed before this could be allocated to the new plan. There is some dispute around what was required and reinvestment wasn't made until 19 March 2025. Westerby provided a final response to the complaint on 13 March 2025 accepting it had caused delays. It said it should have been able to request the investment fund sales by 8 November 2024, but it said as the values increased during the delay, Mrs H hadn't suffered a financial loss. But it said as a gesture of goodwill it would waive the transfer out fee of £300 including VAT.

Mrs H referred her complaint to our service and our investigator looked into it and she said it should be upheld. She said Westerby's revised timeline that it should have requested the fund sales by 8 November 2024, seemed reasonable. And based on the time taken for it to receive the sale proceeds and complete the further steps required, Westerby should have transferred the funds to Quilter by 25 November 2025. She said even though the fund values had increased during the delay, it wasn't clear that Mrs H hadn't suffered a loss, as a comparison with the investments that were to be bought through Quilter hadn't been made. She said Westerby should undertake calculations and if these showed a loss it should pay compensation accordingly. Our investigator said the delays, including those in providing the outstanding information once the transfer was paid, had caused Mrs H distress and inconvenience. She said Westerby should pay Mrs H £400 in respect of this, which could be offset by the £300 fee it had waived.

Mrs H accepted our investigators view, but Westerby disagreed. It said Quilter had advised it couldn't complete any loss calculations. It said the value of the SIPP on 25 November 2024 was £256,928.10 and the amount transferred on 24 February 2025 was £261,715.99, an increase of £4,787.89, which demonstrated there was no financial loss. And it said Mrs H's adviser appeared to have taken over £7,000 in fees from the transfer value which would impact any investment gain there might have been. It said despite being transferred on 24 February 2025, Quilter hadn't invested the funds until 18 working days later, a delay Westerby wasn't responsible for. But it said to settle matters it was also prepared to refund the last annual SIPP fee of £954 including VAT. Mrs H said she still thought her new

investments with Quilter would have performed better and she stressed the impact the delays and inconvenience had had on her.

Our investigator said she thought, but for the errors, the Quilter investments would have been made on 19 December 2024. She said if it wasn't possible to use the actual funds Mrs H was invested in with Quilter, a comparison should be made to an appropriate benchmark index to calculate whether investment losses had been suffered. Westerby still didn't agree. It said the initial complaint was about delays, not investment losses, and it was "unreasonable" to bring this in now. It said it had already shown Mrs H had received "£5,169.69" in investment growth through the delay and the higher transfer value that resulted didn't appear to have been factored into the loss redress calculation set out. Our investigator said our service's inquisitorial role allowed us to consider the consequences of any errors made, so it was fair that an investment comparison be made, as Westerby had clearly caused a delay.

As Westerby doesn't agree it has come to me to decide.

### **My provisional decision**

I issued my provision decision on; 23 September 2025, I explained the reasons why I was planning to uphold the complaint. I said:

*I've considered all the comments and points made and think Westerby did cause a delay in the transfer being completed. It consistently failed to provide Mrs H or her adviser with updates and to progress the transfer as it should have done. As well as causing inconvenience, it's possible that this also resulted in financial losses. Whilst Westerby has said it doesn't think Mrs H originally complained about investment losses and these shouldn't be considered now, I disagree. I can see from the correspondence about the complaint and delayed transfer that there was considerable discussion around what Mrs H initially termed "a loss of earnings". By which I think she meant investment losses. And Westerby has replied in some detail to the queries raised around this by our service. As our role is to get to the bottom of a consumer's complaint and resolve it fairly, I think it's reasonable that potential investment losses are considered here. And as this decision is provisional, Westerby can make any further comments it wants to about this, which I'll consider further.*

*Westerby accepts it caused delays in processing the transfer. In this case, it was necessary for investments with third parties to be sold and the proceeds received before the next stage of the transfer process could be completed by Westerby. So, this transfer was always going to take more than the few days that might be typically expected for a personal pension plan investing in insurance funds for example. Having considered the timeline set out, I agree that, but for the unreasonable delays, the transfer should have been completed by 25 November 2024. Quilter has confirmed that funds received would usually be invested the day after receipt, so 26 November 2024. But in this case the transfer was delayed until 24 February and not fully reinvested until 20 March 2025.*

*I asked both Quilter and Westerby what led to the delays after 24 February 2025. Westerby said Quilter had requested further details on 25 February 2025 so it could match the transfer received. Westerby responded on 5 March 2025 (so six working days later), and Quilter updated the system the next day but asked for "additional beneficiary information". Westerby provided this on 18 March 2025 (so eight working days later) but says Quilter should have been able to proceed with the information provided on 5 March 2025, and so invested on 6 March 2025. Neither party confirmed when the specific outstanding information had first been requested, but there was clearly a delay in all this being provided. Whilst Westerby says it considered Quilter had enough information to proceed and get the funds invested after 6 March 2025, that really isn't for Westerby to decide, and it should have responded to*

*Quilter's queries sooner than it did. There would be no reason for Quilter to delay the investment, so I think it's reasonable to conclude that it proceeded as soon as it could.*

*I think Westerby took too long to answer these queries and a reasonable timeframe for it to have confirmed all the information requested would have been by 6 March 2025. Mrs H has confirmed half the funds were invested on 19 March 2025 and the balance the next day. So, but for these further unreasonable delays the respective investment dates would have been 6 and 7 March 2025. What this means that had there been no delays and the subsequent queries post transfer been dealt with as they should, the first reinvestment should have been made eight working days after the transfer should have been paid, so 5 December 2024.*

*As Westerby has said it appears the actual value transferred was higher than it would have been had the investments been sold in November 2024 and the transfer completed then. So, it is the case that the delays didn't result in a reduction in the transfer value originally expected. However, had there been no delays Mrs H would have been invested differently from 5 December 2024. It's possible that her new investments would have performed better after then than those still held in the SIPP. So, it is fair that a comparison be made to establish this. Westerby has raised some concerns over calculations required around this as Quilter says it is unable to provide a notional value had the investments been made sooner.*

*That's unfortunate, but considering the prevailing fund prices at the appropriate dates, which Quilter should be able to provide, is relatively straightforward. And there is guidance on our website to how redress calculations should be undertaken, which I'll provide links to below. If those calculations show a loss, then it's fair that Mrs H be compensated, if they show there was a gain under the original investments then no compensation would be due. The basis of the calculation allows for charges or withdrawals and so on, so is a like for like comparison. If, however, these calculations can't be undertaken I've set out details of a benchmark index that should be used instead.*

*Mrs H has said she feels the poor service in terms of emotional stress and inconvenience has had a greater impact on her than potential investment losses. I do think Westerby's service was poor over an extended period, with problems continuing after the transfer had been paid. Whilst Mrs H did have an adviser acting for her, I understand the concerns she has raised, and I think it is fair that she be compensated for the inconvenience caused. In offering to waive (presumably reimburse) the transfer out fee of £300, Westerby has gone some way to doing that. But I think this should be increased to £400 in total, which I think is in keeping with what our service would award in similar circumstances.*

### **Putting things right**

*I said my aim in awarding compensation was to put Mrs H as closely as possible back into the position she would have been in but for the errors made by Westerby.*

*And that Mrs H had shown evidence that the £261,715.99 transfer value was credited to her new pension plan on 19 March 2025. With £124,393.61 invested into one fund the same day and £124,393.61 into a second on 20 March 2025, with each fund purchase representing around 47.53% of the transfer received. Had the transfer been completed when it should have been the value would have been £4,787.89 lower at £256,928.10. I said it was reasonable to assume the investments would have been made in the same proportions, so £122,117.92 each, on 5 and 6 December 2024 respectively, but if either side disagreed, they should explain why. I said Westerby should undertake calculations to establish whether a loss has been suffered. I set out how it should do that and an alternative benchmark that could be used if it wasn't able to base the calculations on the actual investments. I also asked that the tax treatment of Mrs H's benefits to be clarified before I issued a final*

*decision, because that might require any compensation to be adjusted for income tax purposes.*

I asked both parties to send me any further information or comments they would like me to consider.

### **Response to provisional decision**

Mrs H accepted my provisional decision, but said Westerby appeared to have delayed encashing the SIPP investments having received the transfer request from Quilter. She said the outstanding information Quilter had wanted related to tax reporting over the taxation status of her late husband's pension benefits, which as he'd passed away before age 75 are payable free of income tax.

Westerby said it wanted to clarify the actual investment date or dates with Quilter as its previous information was that investment had been made on 20 March 2025, so the correct investment date (without delays) would have been 6 December. It said was having difficulty contacting Quilter, but had requested a transaction statement, which would set out this detail. I asked Mrs H about this, and she was able to obtain a transaction statement quickly and this was provided to Westerby. This document confirmed that the investments had been made on 19 and 20 March 2025.

### **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've decided to uphold the complaint.

As set out in my provisional decision I think Westerby caused avoidable delays in processing the transfer. I understand the point made by Mrs H about the disinvestment of the SIPP holdings not being promptly commenced after it received the transfer request. But, as I noted in my provisional decision realising third party investments like those held, generally does take longer than for standard personal pension plans and any issues here were just part of the overall delay Westerby caused. Where there have been unreasonable delays it's fair that any financial consequences of that are considered, along with the distress and inconvenience caused.

Had the transfer been processed in a reasonable timeframe, I think the funds would have been received by Quilter on 5 December 2024 and based on what did happen these would have been invested on the 5 and 6 December 2024. The transaction statement Mrs H has obtained confirms the details and Quilter will be able to advise the relevant fund prices on the 5 and 6 December 2024 to allow a loss calculation to be undertaken. But if that isn't possible, I've set out details a of a suitable investment benchmark that can be used instead.

### **Putting things right**

My aim in awarding compensation is to put Mrs H as closely as possible back into the position she would have been in but for the errors made by Westerby.

Quilter's transaction statement shows that the £261,715.99 transfer value paid was credited to her new pension plan on 19 March 2025. £124,393.61 was invested in the Waverton Growth fund the same day and £124,393.61 in the Theia Monthly Income Accumulation fund on 20 March 2025. So, each fund purchase represented around 47.53% of the transfer received. Had the transfer been completed when it should have been, the value transferred

would have been £4,787.89 lower, at £256,928.10. It's reasonable to assume the investments would have been made in the same proportions, so £122,117.92 each, on 5 and 6 December 2024 respectively. Westerby must undertake calculations to establish whether a loss has been suffered and if so it must pay compensation.

### What should Westerby do?

To compensate Mrs H fairly Westerby should:

- Using the Quilter transaction statement a calculation must be undertaken reflecting the same rate of charges and expenses to establish a notional value had the investments been purchased on the 5 and 6 December 2024 based on a transfer value of £256,928.10. If the notional value is higher than the actual value, then Mrs H has suffered a loss and must be compensated accordingly.
- If that calculation isn't possible, Westerby should compare the performance of Mrs Hs' investment with that of the benchmark shown below, using the same dates and values. If the fair value is greater than the actual value, there is a loss and compensation is payable. If the actual value is greater than the fair value, no compensation is payable.
- Westerby should also add any interest set out below to the compensation payable.
- If there is a loss, Westerby should pay into Mrs Hs' pension plan, to increase its value by the amount of the compensation and any interest. The payment should allow for the effect of charges and any available tax relief. Westerby shouldn't pay the compensation into the pension plan if it would conflict with any existing protection or allowance.
- If Westerby is unable to pay the compensation into Mrs Hs' pension plan, it should pay that amount direct to her. Mrs H has confirmed her husband died before the age of 75, which should mean the benefits are payable free of income tax. So, it isn't necessary to notionally reduce any compensation for tax purposes. Westerby hasn't disputed this tax status.
- Westerby must provide Mrs H with a simple calculation of how it worked out the figures.
- Westerby must pay Mrs H a total of £400 in compensation for the distress and inconvenience she's been caused, it may make allowance for any sum already paid in compensation for this.

Portfolio name	Portfolio Status	Benchmark	From ("start date")	To ("end date")	Additional interest
Quilter pension	Still exists and liquid	FTSE UK Private Investors Income Total Return Index	Date of investment	Date of settlement	Not applicable

## **Actual value**

This means the actual amount payable from the investment at the end date.

## **Fair value**

This is what the investment would have been worth at the end date had it produced a return using the benchmark.

Any additional sum paid into the investment should be added to the fair value calculation from the point in time when it was actually paid in.

Any withdrawal from the Quilter Portfolio should be deducted from the fair value calculation at the point it was actually paid so it ceases to accrue any return in the calculation from that point on. If there is a large number of regular payments, to keep calculations simpler, I'll accept if Westerby total all those payments and deduct that figure at the end to determine the fair value instead of deducting periodically.

## **Why is this remedy suitable?**

I've chosen this method of compensation because:

- Mrs H wanted Income with some growth and was willing to accept some investment risk.
- The FTSE UK Private Investors Income Total Return index (prior to 1 March 2017, the FTSE WMA Stock Market Income total return index) is made up of a range of indices with different asset classes, mainly UK equities and government bonds. It's a fair measure for someone who was prepared to take some risk to get a higher return.
- Although it is called income index, the mix and diversification provided within the index is close enough to allow me to use it as a reasonable measure of comparison given Mrs Hs' circumstances and risk attitude.

There is guidance on how to carry out calculations available on our website, which can be found by following this link: <https://www.financial-ombudsman.org.uk/businesses/resolving-complaint/understanding-compensation/compensation-investment-complaints>. Alternatively, just type 'compensation for investment complaints' into the search bar on our website: [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk).

## **My final decision**

For the reasons I've given above and in my provisional decision, my final decision is that I uphold this complaint against Westerby Trustee Services Limited.

I direct Westerby Trustee Services Limited to undertake the loss redress calculations set out above and pay any compensation due.

I further direct Westerby Trustee Services Limited to pay Mrs H a total of £400 in compensation for the distress and inconvenience she's been caused, inclusive of any amount already paid for this.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs H to accept or reject my decision before 11 December 2025.

Nigel Bracken  
**Ombudsman**