

The complaint

Mr M complains that Quilter Life & Pensions Limited failed to process the inward transfer of some pension savings in a timely manner.

What happened

Mr M has been assisted in some of the transfer activities by his financial advisor. But in this decision, for ease, I will generally refer to all communication as if it has been with, and from, Mr M himself.

Mr M held pension savings with two other firms that I will call S and A. In October 2024 Mr M instructed Quilter to complete cash transfers of the pension savings he held with the other firms into a pension plan he held with Quilter. Mr M intended to use the transferred funds to take a pension commencement lump sum ("PCLS" – otherwise known as tax-free cash) to fund some building work he was having done on his home.

Mr M is employed by a company that is part of the Quilter Group. He also received advice on the transfer and payment of the PCLS from a further company within the Quilter Group. When the transfer didn't progress as quickly as Mr M expected he, at times, used internal Quilter communication channels to seek support directly from colleagues.

The instruction that Mr M's financial advisor gave to Quilter in October 2024 was for the transfer and subsequent investment of the two pension plans. Quilter didn't receive any instruction at that time for the payment of a PCLS.

The transfer didn't proceed as smoothly as Mr M would have expected. Initially there were some delays in the advice being provided to him. Those problems have been dealt with in a separate complaint. Then there were delays in the completion of the inward transfers and the payment of the PCLS. The transfer from A was held in a suspense account as Quilter was unable to match it to its records. And later the transfers were invested on receipt meaning that part of those investments needed to be sold almost immediately in order for the PCLS to be paid.

Quilter didn't think it had acted unreasonably in how it had dealt with the transfer. It said that the delays to the transfers being received and reconciled were due to errors made by the ceding schemes. And it said it hadn't received any application at first for the PCLS to be paid, and Mr M's later conversations with the internal teams hadn't been correctly reflected as payment instructions. It said it had pre-funded the PCLS payment it made to Mr M to ensure that any further delays were minimised. Quilter offered Mr M £150 for the inconvenience he'd been caused by how it had dealt with its internal communications.

Mr M remained unhappy with what had happened so he asked us to look at his complaint. The complaint has been assessed by one of our investigators. She noted that S had told Quilter that it would consider whether its delays had caused Mr M to lose out. It didn't seem that Quilter had caused any delays in respect of that part of the transfer. The investigator thought that the narrative on the payment sent by A had been insufficient for Quilter to match it to Mr M's account. And she thought that Quilter had taken reasonable steps to clarify the

matching information with A, and later pre-funded the PCLS to reduce any delay. The investigator thought that the £150 compensation Quilter had offered Mr M for his inconvenience was fair.

Mr M 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 M and by Quilter. 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.

There are a number of regulated firms involved in this complaint. Mr M received advice on his transfer from a separately regulated part of the Quilter group. And his pension savings were transferred from two other regulated firms that I have called A and S. But this complaint is only about the actions of Quilter Life & Pensions Limited. So whilst I might comment on the actions of the other firms I do so without any inference of fault. Should Mr M be unhappy about how he was treated by the other firms he would need to make a separate complaint about them.

So my findings here are limited to how Quilter dealt with the funds it received from S and A. Did it process those transfers in a timely manner? And did Quilter hold an instruction from Mr M for the payment of a PCLS, and if so was that payment made in a reasonable timeframe.

First of all I note that when it transferred the funds to Quilter, S asked Quilter for some information so that it could calculate whether any delays it had caused had led to Mr M losing out. That would seem to indicate that S thinks it didn't deal with Mr M's transfer request as quickly as it should have. But as I mentioned above, it would be for Mr M to follow that issue up with S directly should he think there had been any problems.

Quilter received the transfer from A for Mr M's pension savings on 18 November 2024. But, having reviewed a copy of the narrative that was provided to Quilter, I agree with the firm that there was insufficient detail for it to be automatically matched to Mr M's account. I have seen that Mr M says A has told him that it sent the correct narrative – and I have no reason to doubt that was the case. But Quilter is only able to act on the information it receives – in my experience it is most likely that the narrative A sent was truncated via the banks' payment systems before it reached Quilter.

The day after the payment was received I can see that Quilter made contact with A to ask for more reconciliation information. But ultimately that request was unsuccessful, and A suggested that Quilter should return the funds. But Quilter was later able to identify that the payment was for Mr M's benefits and was able to apply the funds to his pension account. I haven't seen anything to make me think an error by Quilter unduly delayed the application of these funds to Mr M's account.

The transfer instructions that Quilter received were intended for Mr M to be able to take a PCLS from the incoming funds. But that wasn't communicated to Quilter by Mr M's financial advisor. So, it was left to Mr M to liaise with Quilter to action that request.

As I have said earlier, Mr M was employed by another company in the Quilter Group. So that meant he was able to make some of his processing requests using its internal messaging systems and direct to members of staff. But sadly it seems that did result in some problems for the processing teams since Mr M's instructions were not always correctly categorised or implemented.

But I don't think that would lead me to a conclusion that something had gone wrong. Mr M's PCLS for the funds received from A was paid to him on the following working day after the funds were reconciled. I accept that the payment was made more quickly because Quilter decided to pre-fund it – or in other words it paid an advance to Mr M before it had completed its normal processing. But that doesn't mean that Quilter had unreasonably delayed the payment. I think it was simply an example of good customer service.

Mr M has told us that his original instruction, via his financial advisor, was that the transferred funds be held in cash and only invested after the PCLS had been paid. But as I've said earlier it doesn't seem that instruction was given to Quilter. And even though Mr M seems to have informally discussed that approach with Quilter, as part of his chasing of the PCLS payment, it doesn't appear to have been correctly recorded on its systems.

Again, I don't find any fault here with Quilter's actions. In a high-volume processing area such as its pensions payments team, it isn't always possible to identify exceptional processing agreements that aren't correctly recorded as part of a formal instruction. But given the decision by Quilter to pre-fund the PCLS payment I don't think the investment and subsequent disinvestment caused any delays to Mr M. And I haven't seen anything to suggest that it caused him any financial loss either.

In its final response Quilter told Mr M that it thought how it had dealt with some of its internal communications with him had fallen short of what it would expect. It offered him £150 for the inconvenience he'd been caused. I am not making any award in this final decision for compensation of that nature. But I leave it with Mr M to contact Quilter should he now wish to accept the offer it previously made.

I appreciate that this decision will be disappointing for Mr M but I haven't seen any evidence that persuades me that Quilter was responsible for any unreasonable delays in the payment of his PCLS.

My final decision

For the reasons given above, I don't uphold the complaint or make any award against Quilter Life & Pensions Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 27 February 2026.

Paul Reilly
Ombudsman