

The complaint

Mr L complains that Quilter Financial Planning Solutions Limited ('Quilter') took commission payments from an investment he made but did not provide any ongoing advice or reviews.

What happened

Mr L met with a representative of a financial adviser firm, now known as Quilter, in December 2012. At this time, Mr L held an existing investment with Prudential, with monies invested in the Artemis SmartGARP UK Equity Fund. On 13 December 2012 Mr L completed a transfer of servicing request form, appointing Quilter as the servicing agent for the investment going forwards.

Mr L made a complaint in July 2025 about the commission payments Quilter had been receiving since he became a client of Quilter in 2012. He said he hadn't received any ongoing advice or servicing of the investment, and he was never informed of the availability of a clean share class. Mr L wanted full reimbursement of the commission payments and clarification of who arranged the investment.

Quilter didn't uphold the complaint, saying that it didn't have any details of the business that originally set up Mr L's investment or when this took place. However, it confirmed the investment wasn't arranged by a representative of Quilter. It explained that when Mr L transferred the servicing of the investment to Quilter, that meant Quilter was entitled to receive the ongoing trail commission. Quilter said Mr L wasn't paying it for any ongoing advice service which would entitle him to reviews of the investment, so no refund was due.

Mr L remained unhappy and referred his complaint to the Financial Ombudsman Service.

The Investigator considered the complaint but didn't uphold it, explaining that the trail commission had been established when the investment was first set up and didn't entitle Mr L to any ongoing service from Quilter.

Mr L didn't accept the Investigator's view. He said that it was unreasonable for Quilter to have asked Mr L to divert the commission to it without it providing any service to him in return. He said he should've been advised to move his investment to a clean share class so he wouldn't have to pay the commission going forwards. Mr L added that he sought pensions advice from Quilter and was told it didn't have the expertise to assist, despite collecting the commission.

As no agreement could be reached the complaint was passed to me to make a decision.

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 not upholding it. I should first say that I haven't been provided with any paperwork relating to Mr L's investment. So, I don't know when the investment was made –

though it was clearly before he met with Quilter in 2012 – and I don't know which business arranged it. However, I'm satisfied that Quilter didn't arrange the investment for Mr L.

There isn't any dispute that the investment was originally set up to pay trail commission to the business that arranged the investment. But Mr L says he wasn't aware that he was agreeing to the investment provider paying that commission to Quilter going forwards when he changed the servicing agent to Quilter. And since discovering this, he believes that Quilter ought to have been providing him with an ongoing service in return for those fees.

The investment was taken out before the Retail Distribution Review ('RDR'), which took effect from 31 December 2012. Before RDR, firms would commonly be paid for their service by way of commission, which was usually paid by a product provider and deducted from the ongoing costs of a product. It's important to note that this commission covered the costs of any initial advice given, and was not intended to meet the costs of any subsequent advice.

Although Mr L transferred the servicing of the investment to Quilter in early December 2012, that didn't change the contract that was already in place to pay trail commission to the business that arranged the investment. And I haven't seen any evidence to persuade me that Quilter agreed it would provide Mr L with an ongoing advice service at this point; it was simply redirecting the trail commission that was already being paid to the business that set up the investment to Quilter instead. And if the commission hadn't been directed to Quilter at that point, it would have continued to be paid to the previous firm.

Mr L says that he didn't consent to the commission being paid to Quilter. But I've seen a copy of the transfer of servicing document Mr L would've signed at the time, which directed the investment provider to pay future renewal fees to Quilter. I appreciate that Mr L is unhappy that he hasn't received a service from Quilter relating to this investment, but I haven't seen any evidence to persuade me that he was entitled to or he was paying for that service. I also recognise that Mr L was disappointed Quilter wasn't able to help with his pension, but I don't think the fact Quilter was receiving commission from the investment provider has any bearing on this.

My final decision

For the reasons set out above, I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 5 May 2026.

Hannah Wise
Ombudsman