

The complaint

Mr J has complained about the delays which he says were caused by Hub Financial Solutions Limited (Hub) when he was buying an annuity, along with the general customer service he received.

What happened

The investigator who considered this matter set out the background to the complaint in her assessment of the case. I'm broadly setting out the same background below, with some amendments for the purposes of this decision.

On 17 April 2025, Mr J contacted Hub directly regarding his pension fund, as he wished to use it to buy an annuity.

Mr J then had an appointment with Hub on 22 April 2025 (one working day later due to bank holidays) and following this, an application was issued to him on 23 April 2025 (one further working day later).

Hub received Mr J's application on 30 April 2025 (five working days later). As further information was required, Hub requested this and sent a Letter of Authority (LOA) to the ceding pension scheme on 1 May 2025 (one working day later).

On 23 June 2025 (36 working days later), Hub received a response from the scheme, which included a referral.

Hub then provided an update to Mr J on 17 July 2025 (18 working days later) and shared quotes with him for both the "retail" and "workplace" journeys. Hub has explained the benefits associated with the workplace journey meant that the scheme paid any fees, and it offered a higher income.

Mr J confirmed that he wished to pursue the workplace journey, and Hub received a completed application for this on 22 July 2025 (three working days later).

On 23 July 2025 (one working day later), Hub submitted the application to Standard Life. Mr J also raised a formal complaint on this date as he was unhappy with the length of time taken to process his application and the lack of communication received from Hub. Standard Life confirmed to Mr J on 21 August 2025 (21 working days later) that his annuity had been set up on the following basis:

- Start date – 15 August 2025.
- Total fund received - £117,929.02.
- Purchase price - £117,929.02.
- Annual income - £8,188.44 before tax.

- First income payment - £682.37 before tax.
- First payment date – 15 September 2025.
- Payment frequency – Monthly in arrears.
- Level payment.
- No guaranteed period.
- No dependant's income.

On 10 September 2025, Hub wrote to Mr J to advise that it was unable to provide a final response to his complaint, but that his concerns were being upheld.

But as no final response had been received, Mr J referred his complaint to this service.

Having considered the matter, our investigator thought that the complaint should be upheld, saying the following in summary:

- In terms of Hub's complaint handling, it was still yet to issue a final response letter to Mr J, despite having eight weeks to provide this. Whilst this would have been frustrating for Mr J, as this aspect of his complaint solely related to complaint handling, our service was unable to consider this.
- The industry regulator, The Financial Conduct Authority (FCA) handbook defined a complaint as, *"any oral or written expression of dissatisfaction, whether justified or not, from, or on behalf of, a person about the provision of, or failure to provide, a financial service..."*. Complaint handling wasn't included in the list of "regulated activities" and therefore couldn't be classified as a "financial service". This meant that we couldn't consider a complaint about how a complaint had been handled.
- As to the delays caused to the annuity setup process, from the limited information available, it seemed that Hub had caused unreasonable delays in the annuity purchase process. On 23 June 2025, Hub received further information from the scheme. Following this, Hub contacted Mr J on 17 July 2025, 18 working days later.
- Hub hadn't confirmed its general timescales for progressing applications or contacting consumers. However, it would have been reasonable for Hub to have contacted Mr J within two working days of receiving the information from the scheme. So, a delay of 16 working days had occurred here.
- Judging from the available information, Hub hadn't caused any further delays to the process, as in many instances it took action within one working day to progress matters. Hub also couldn't be held responsible for any delays caused by third parties such as the scheme or Standard Life, as this would have been out of Hub's control.
- So, had no delays occurred by Hub, the likely timeline of events would have been as follows:
 - 1 May 2025 – Hub contacts the scheme for further information and send the LOA.
 - 23 June 2025 – The scheme responds to Hub, including a referral (36 working days later, as actually happened).

- 25 June 2025 – Hub contacts Mr J and he confirms he wishes to progress via the workplace journey (two working days later, as is reasonable).
- 30 June 2025 – Hub receives Mr J's application (three working days later, as actually happened).
- 1 July 2025 – Hub submits the application to Standard Life (one working day later, as actually happened).
- 30 July 2025 – Standard Life confirms the set up of the annuity (21 working days later, as actually happened).
- In terms of compensation for any financial loss, Hub had confirmed the following to our service on 2 February 2026:

"I agree it took us longer than we'd expect to share the options available to Mr J after we received the referral from his scheme. I'm currently finalising the calculation and any offer of redress and compensation with our team."

- It was appreciated that Hub had said it was in the process of completing a loss calculation, But it hadn't provided any details of this or the basis for this calculation. Therefore, Hub should complete the following to ensure Mr J hadn't suffered a financial loss due to its delays:
 - Establish the date on which the annuity would have started, had it not been for the delay caused by Hub. This would have been 30 July 2025.
 - Calculate the net annuity income that would have been generated and the tax-free cash (TFC) sum (if TFC was taken) that would have been paid if the annuity had been purchased on the above date. Any difference between these amounts and the actual amounts paid would represent Mr J's past loss.
 - Mr J should receive a lump sum equal to the past loss plus interest at 8% simple per year.
 - Hub should liaise with Standard Life to amend the annuity going forward to the amount that would have been paid if it had started on the correct date.
 - If Standard Life was unable to amend the annuity, Hub should calculate the purchase price needed to buy an annuity equal to the difference between the amount currently being paid and the correct amount.
 - This amount should be paid to Mr J minus a deduction equivalent to Mr J's highest marginal income tax rate. This was because future income from the annuity would be taxable as unearned income.

With regard to compensation for distress and inconvenience, Mr J had said within his complaint form that he'd had to spend many hours communicating with case handlers at Hub who weren't able to take ownership of his concerns and resolve these for him. This would have been inconvenient and frustrating for Mr J.

Whilst this service wasn't able to consider Hub's delays in responding to Mr J's complaint or any delays by third parties, Hub's delay in the annuity process could be considered.

The amount this service would ask a business to pay for distress and inconvenience differed from case to case and it would depend on the particular circumstances of each case. There was information about this on our website.

Considering all the above, Hub should pay Mr J £150 in compensation for any distress and inconvenience caused by its delays and poor service. This was a fair amount and was in line with what our service would deem reasonable, given the circumstances and impact on Mr J.

Mr J accepted the investigator's conclusions, but although Hub indicated that it would respond, it hasn't done so. As agreement hasn't been reached on the outcome, it's been referred to me for 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.

And having done so, I've reached broadly the same conclusions as the investigator, and for similar reasons.

I think that Hub caused some unnecessary delays in establishing Mr J's annuity, and the notional timeline as set out by the investigator seems reasonable.

Putting things right

My aim is to place Mr J, as closely as possible, into the position he'd now be in, had no delays been incurred by Hub Financial Solutions Limited. As such, Hub Financial Solutions Limited should undertake the following:

- Calculate the net annuity income that would have been generated and the tax-free cash (TFC) sum (if TFC was taken) that would have been paid if the annuity had been bought on 30 July 2025. Any difference between these amounts and the actual amounts paid represents Mr J's past loss.
- Mr J should receive a lump sum equal to the past loss plus interest at 8% simple pa from the date that the difference amounts would have been paid to him up to the date of settlement.
- Hub Financial Solutions Limited should also liaise with Standard Life to amend the annuity going forward to the amount that would have been paid if it had started on the correct date.
- If Standard Life is unable to amend the annuity, Hub should calculate the purchase price needed to buy an annuity equal to the difference between the amount currently being paid and the correct amount.
- This amount should be paid to Mr J, minus a notional deduction equivalent to the rate which is being deducted from Mr J's annuity.

As set out by the investigator, Mr J will also have been caused inconvenience by the delays incurred, and so Hub Financial Solutions Limited should also pay Mr J £150.

My final decision

My final decision is that I uphold the complaint and direct Hub Financial Solutions Limited to

undertake the above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 10 April 2026.

Philip Miller
Ombudsman