

## Complaint

Mr H complains about the delay over the transfer of his occupational pension scheme (OPS) to a Self-Invested Personal Pension (SIPP), which resulted in his OPS paying a lower Cash Equivalent Transfer Value (CETV) than the one he had been originally quoted. Tavistock Private Client Limited (Tavistock) acted as Mr H's advisor in the transaction and he feels it caused or contributed to the delay. He has also questioned whether the fees he was charged were charged as agreed with Tavistock.

## Background

Mr H first engaged with an advisor, who was a personal friend, about his pension transfer in March 2017. Mr H was primarily interested in transferring out of his OPS scheme, but also held two personal pension schemes. At the time of these initial discussions the advisor was not working and was waiting to join Tavistock. He was not authorised to provide financial advice until he joined Tavistock. Tavistock was formally appointed to advise Mr H on his transfer in early July 2017.

Tavistock advised Mr H to transfer his OPS, and one of his personal pensions, to a SIPP. It advised Mr H to keep his other personal pension where it was. Mr H accepted this advice, and the transfer of the OPS and personal pension took place, concluding in late 2017 and early 2018 respectively. Mr H's complaint, essentially, is that the transfers of his OPS took longer than it should have, and this caused him a loss on the transfer. He also says he understood a 3% fee was payable on the OPS transfer and a 1% fee payable on the personal pension transfer, but he was charged 3% on both.

Mr H had requested a CETV for his OPS scheme around the time he first engaged with his friend about the transfer. The CETV was around £449,000, and valid until 16 May 2017. Once Tavistock was appointed as his advisor it says it tried, without success, to get an updated CETV from the administrator of the OPS. Tavistock then asked Mr H to request a new CETV direct in August 2017 and this was issued in October 2017. The new CETV was for around £387,000 and was guaranteed until 25 December 2017. This is the amount Mr H received when the transfer completed.

Tavistock did not uphold the complaint, but noted it had agreed to waive the £300 fee payable for obtaining the updated CETV and had not done so. It said it would refund £300 to Mr H and pay him a further £200 as a goodwill gesture.

Our adjudicator initially concluded the complaint should not be upheld. He said, in summary:

- It was not fair or reasonable for Tavistock to be held responsible for events that occurred before Mr H's friend joining it and so it wasn't responsible for anything that happened before then.
- The delay in getting a new CETV was down to the administrator of the OPS, not Tavistock. Once the CETV had been received Tavistock took steps to ensure the transfer completed before it expired.
- The signed fee agreement clearly states a 3% initial fee and a 1% ongoing fee would be charged. The suitability reports provided to Mr H also confirmed this.

Following further investigation our adjudicator reconsidered the timeline of events and changed his view, concluding Tavistock was responsible for a delay of 27 working days in obtaining a new CETV. So he asked it to work out what the CETV would have been had it been obtained without this delay, and to pay £300 compensation for the trouble and upset caused.

Tavistock asked the OPS administrator what the CETV would have been, had it been obtained 27 working days earlier. The answer showed Mr H had not suffered a loss as the CETV would have been significantly lower than what he received – around £363,000. Tavistock said that as Mr H had made a gain, rather than suffering a loss, it thought £300 compensation for the trouble and upset caused was excessive. It offered £150. Mr H was not prepared to accept this lower offer – he thought Tavistock should pay the £300 the adjudicator recommended. As an agreement could not be reached, the complaint was referred for an ombudsman's decision.

### **My findings**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Mr H initially said, as part of his complaint, that he had not been charged fees as agreed. However, like the adjudicator, I think Tavistock made it clear to Mr H what fees would be charged and I have seen no evidence to show fees were charged other than as agreed. I also note Mr H does not appear to have disputed the adjudicator's findings on this point. So I think it is sufficient for me to confirm here that, like the adjudicator, I do not think it would be fair and reasonable to ask Tavistock to do anything else on this point. It seems the fees were paid as agreed between it and Mr H at the outset.

Turning to the time taken to complete the transfer, although I have only set out a brief summary of events above, I have carefully considered the full timeline of the events surrounding the transfer.

Like the adjudicator, I do not think Tavistock can be reasonably held responsible for the events which took place before the advisor, Mr H's friend, joined it. Mr H's friend could not give advice until he had joined Tavistock and had been registered with the Financial Conduct Authority (FCA). Mr H's friend did not join Tavistock until early June, the registration with the FCA did not happen until 29 June 2017, and Tavistock was not appointed until early July 2017. So Tavistock wasn't involved until the original CETV, which had been obtained in March 2017, had expired. Prior to that Mr H can only have been dealing with his friend in a personal capacity. So the key point to consider is whether, once it was appointed, Tavistock caused a delay in obtaining the new CETV and, if it did, whether that caused a loss.

The timeline provided by Tavistock confirms the following key dates/events:

- 3 July 2017- Tavistock engaged, letters of authority signed by Mr H.
- 12 July 2017- client agreement signed by Mr H
- 14 August 2017 – OPS administrator received request from Mr H for a new CETV.
- 8th September 2018 - Mr H paid the OPS administrator's CETV Invoice
- 10th October 2017 – new CETV received from the OPS administrator (dated 25th September)

I also note that in an email dated 14 August to his advisor at Tavistock, Mr H said:

*"I spoke with [OPS administrator] this morning, they said they are not obliged to provide TVAS (??) or yield information they explained they do not even get this information as it is calculated by a 3<sup>rd</sup> party. I did explain however that your position was to enable full and clear advice you believe the yield value is required in this situation they are willing to ask for this information as part of the calculation from the 3<sup>rd</sup> party but can't 100% guarantee that it will be provided. They will send the invoice directly to me within 2/3 working days as soon as it is paid they will request the transfer value (and TVAS?) which as a previous calculation has been made should take no longer than a couple of weeks."*

Having carefully considered the adjudicator's revised view, which was arrived at following a thorough investigation of the events surrounding the transfer, I agree with the adjudicator that Tavistock could have acted quicker. In the adjudicator's estimation, there was a total delay of 27 working days. It's difficult to say with certainty exactly how long things would have taken, had Tavistock acted quicker. But I think that is a fair and reasonable estimation, in the circumstances. I think Tavistock should have been able to either make a request for a new CETV or work out that this request needed to come from Mr H, quicker than it did. I note Tavistock says, in its response to the complaint, that the advisor's assistants were attempting to get the required information from the administrator before approaching Mr H. But it's not clear what efforts they made, why these were unsuccessful, or why they persisted for so long.

I don't think otherwise there are delays in obtaining the CETV attributable to Tavistock. It seems, once Mr H requested the CETV, there was a delay in the administrator issuing an invoice. But it's clear from the above email that Mr H was aware this invoice was going to be sent direct to him and that he was expecting it within a few working days. So I think the onus was on him to do something, once the invoice had not been received when expected.

Beyond that, there are potentially some delays on the part of the administrator (but I make no finding on that here, as I'm only looking at the actions of Tavistock). But I've not seen any evidence of further delays on Tavistock's part in the CETV being requested.

Tavistock has obtained, at its cost, a CETV for Monday 21 August 2017. Although, as the adjudicator noted, 27 working days should actually have meant a CETV being obtained for Friday 18 August 2017, I think the figure Tavistock obtained is sufficient to show that the delay attributable to it has not caused a loss. Quicker action by it would actually have led to a lower CETV being paid to Mr H – which, as the adjudicator noted, is likely down to changes in the gilt market over the relevant periods.

I have also not seen sufficient evidence to show that obtaining a CETV earlier would have led to things concluding earlier than they did overall. There were a number of schemes involved – not just the OPS – a number of parties, and the timescales achieved throughout were inconsistent. So, although I think there were shortcomings in the service Tavistock provided I do not think, from the evidence available, that there is sufficient evidence to say these caused Mr H a financial loss.

Mr H appears to have accepted this point, and the focus at the end of his exchanges with the adjudicator was on the amount of compensation he should be paid for the trouble and upset caused to him. Our adjudicator said it should be £300. Tavistock says it should be £150.

Having considered this point I think the £300 suggested by the adjudicator is fair, in the circumstances. Tavistock says this is excessive, given Mr H has not suffered a loss. But the loss is a distinct issue. Mr H didn't know he hadn't suffered a loss as result of delays until we became involved. It's clear he thought it was a possibility he had suffered a loss, which would have caused him upset, and the experience of shortcomings in the service Tavistock provided would, in itself, have caused Mr H trouble and upset.

### **My final decision**

For the reasons given, my decision is that Tavistock Private Client Limited should pay Mr H £300 compensation for the trouble and upset caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 25 March 2021.

John Pattinson  
**ombudsman**