DRN-3822644

The complaint

Mr E complains about the advice Lighthouse Advisory Services Limited ('Lighthouse') gave to him to transfer the benefits from his defined-benefit ('DB') occupational pension scheme, the British Steel Pension Scheme ('BSPS') to a self-invested personal pension ('SIPP). He says the advice was unsuitable for him and believes this has caused a financial loss.

Since the date of the advice another firm has acquired Lighthouse's business and responded to the complaint. But as it was Lighthouse that gave the advice, for ease of reading, I will only refer to it within this decision.

What happened

In March 2016, Mr E's employer announced that it would be examining options to restructure its business, including decoupling the BSPS from the company. The consultation with members referred to possible outcomes regarding their preserved benefits, which included transferring the scheme to the Pension Protection Fund ('PPF'), or a new defined-benefit scheme ('BSPS2'). The PPF acts as a 'lifeboat' for insolvent DB pension schemes, paying compensation to members of eligible schemes for their lifetime. The compensation levels are, generally, around 90% of the level of the original scheme's benefits for deferred pensions. But the PPF's rules and benefits may differ from the original scheme. Alternatively, members of the BSPS were informed they could transfer their benefits to a private pension arrangement.

In May 2017, the PPF made the announcement that the terms of a Regulated Apportionment Arrangement (RAA) had been agreed. That announcement included that, if risk-related qualifying conditions relating to funding and size could be satisfied, a new pension scheme sponsored by Mr E's employer would be set up – the BSPS2. The RAA was signed and confirmed in August 2017 and the agreed steps were carried out shortly after.

On 22 September 2017, the BSPS provided Mr E with a summary of the transfer value of his scheme benefits, following the RAA taking effect. These benefits had a cash equivalent transfer value ('CETV') of £595,652.

In October 2017, members of the BSPS were sent a "time to choose" letter which gave them the options to either stay in the BSPS and move with it to the PPF, move to the BSPS2 or transfer their BSPS benefits elsewhere.

Mr E was concerned about what the recent announcements by his employer meant for the security of his pension. He contacted Lighthouse. Lighthouse completed a fact-find with him and an assessment of his attitude to risk. At that time Mr E was 52 years old. He was married and had three children Two of whom were under 11 and remained dependent on him and his wife. Both he and his wife were working. Mr E was earning around £50,000 a year. They owned their own home. They had no mortgage or other debts. Mr E had £100,000 in cash savings and a further £150,000 worth of investments. His wife also had around £100,000 in cash savings. Mr E had recently begun paying into his employer's defined contribution ('DC') pension scheme. Together he and his employer were contributing around 20% of his salary to that scheme.

Lighthouse obtained a transfer value analysis report ('TVAS') and a cashflow forecast. On 21 November 2017 it produced a "financial planning report". Such documents are often referred to as suitability reports, and that's the term I'll use in this decision. Lighthouse recommended that Mr E should transfer his DB scheme funds into a named SIPP. It noted that achieving the growth rates required (the critical yields) to match the DB scheme's benefits over the long term would be "difficult". But, amongst other things, it said its recommendation was based on:

- Mr E's desire for early retirement without reductions.
- The ability to access funds flexibly.
- Improved death benefits.
- Greater control over his pension investments.
- His concerns over the BSPS2 scheme funding.

Mr E accepted Lighthouse's recommendation and transferred his DB scheme funds to the named SIPP.

In 2020 the regulator, the Financial Conduct Authority ('FCA') required Lighthouse to appoint a 'Skilled Person', who is independent of Lighthouse, to review some of its DB transfer advice. In 2021 the Skilled Person reviewed the advice Lighthouse gave to Mr E using the FCA's Defined Benefit Advice Assessment Tool ('DBAAT')[1]. The Skilled Person found the advice suitable for Mr E.

Mr E didn't agree and complained that Lighthouse's advice wasn't suitable for him. Lighthouse replied in April 2022. It didn't uphold the complaint. Amongst other things Lighthouse noted that Mr E could have met his income needs while remaining in the BSPS2 or the PPF but said that doing so wouldn't have met Mr E's objectives of flexibility or legacy planning.

Mr E asked us to look into his complaint. One of our Investigators did so. She thought the advice was unsuitable as Mr E wasn't likely to improve on the benefits he was already guaranteed by transferring. And she didn't think Mr E needed to transfer in order to retire early. In October 2022 she recommended Mr E's complaint be upheld. She said Lighthouse should calculate if Mr E had suffered a financial loss as a result of its advice and if so pay compensation. She added that it should also pay Mr E £300 to address his distress and inconvenience caused by him having to reconsider his retirement plans in light of the unsuitable advice.

Lighthouse said it didn't agree with our Investigator's complaint assessment but said it wouldn't be able to reply in the timescale the Investigator set out. The Investigator extended the deadline for a reply. Lighthouse didn't provide a further substantive response before that deadline expired, so the Investigator referred the case for an Ombudsman's review.

While the case was awaiting an Ombudsman's attention, in February 2023, following an update from the Financial Ombudsman Service, Lighthouse said it was in the process of 'finalising' its full response. It said that if an Ombudsman did review the matter then following our "usual practice", it asked for the Ombudsman to share a provisional or draft decision before issuing their final decision. Lighthouse sent us an almost identical letter in June 2023.

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[1] The FCA introduced the DBAAT in 2019 to help it assess the suitability of DB transfer advice. It later published the tool to assist firms to understand the FCA's file review methodology and to allow firms to understand what's expected of them.

To date Lighthouse hasn't sent us any further correspondence on the matter. So, because things couldn't be resolved informally, the complaint was referred to me to make a final 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.

I've taken into account relevant law and regulations, regulator's rules, guidance and standards and codes of practice, and what I consider to have been good industry practice at the time. This includes the Principles for Business ('PRIN') and the Conduct of Business Sourcebook ('COBS'). And where the evidence is incomplete, inconclusive or contradictory, I reach my conclusions on the balance of probabilities – that is, what I think is more likely than not to have happened based on the available evidence and the wider surrounding circumstances.

The applicable rules, regulations and requirements

The below is not a comprehensive list of the rules and regulations which applied at the time of the advice, but provides useful context for my assessment of Lighthouse's actions here.

PRIN 6: *A firm must pay due regard to the interests of its customers and treat them fairly.*

PRIN 7: *A firm must pay due regard to the information needs of its clients, and communicate information to them in a way which is clear, fair and not misleading.*

COBS 2.1.1R: *A firm must act honestly, fairly and professionally in accordance with the best interests of its client (the client's best interests rule).*

The provisions in COBS 9 which deal with the obligations when giving a personal recommendation and assessing suitability. And the provisions in COBS 19 which specifically relate to a DB pension transfer.

The regulator, the Financial Conduct Authority ('FCA'), states in COBS 19.1.6G that the starting assumption for a transfer from a DB scheme is that it is unsuitable. So, Lighthouse should have only considered a transfer if it could clearly demonstrate that the transfer was in Mr E's best interests.

Having considered all of this and the evidence in this case, I've decided to uphold the complaint for broadly similar reasons to those our investigator gave.

Why I'm not issuing a provisional decision

Lighthouse asked that prior to issuing a final decision I issue a provisional decision. Doing so would allow both sides to comment on that provisional decision before I came to my final determination.

Lighthouse said issuing a provisional decision is our "usual process". It's wrong in that respect. That is, it is not our "usual process" to issue a provisional decision before issuing a final decision. Instead our common practice is, in the first instance, to issue a final decision unless the Ombudsman concerned believes a provisional decision is required. I would usually only issue a provisional decision where my findings are materially different to the Investigator's. For example if my conclusions are not the same as the Investigator's or my reasons for arriving at those conclusions are notably different. Similarly if I think our

Investigator made a mistake when recommending redress and my award would be significantly different, then I may issue a provisional decision and invite the parties to comment on that. In other situations, where I believe it is fair and reasonable to do so, I *may* choose to issue a provisional decision even where my final determination is fundamentally the same as the Investigator's. However, that choice is at my discretion, I am not under any obligation to do so.

In this case, I've considered everything submitted by both parties, including Lighthouse's file with the relevant documents at the time of the advice. Having done so I'm upholding the complaint for largely the same reasons given by the investigator. And in those circumstances I don't find that a provisional decision is required or warranted.

In arriving at that stance I'm aware that Lighthouse has yet to provide us with its *finalised r*esponse to our Investigator's complaint assessment. However, she issued her assessment over a year ago, She then extended the deadline for Lighthouse to reply. It didn't do so before that deadline passed. Lighthouse has since – twice and four months apart – told us it was in the process of providing its finalised response. But a further four months has gone by and it still hasn't done so. I think it's had more than enough time to reply, make any further submissions, arguments or observations it wished to. But it hasn't done so. In those circumstances I think it's fair and reasonable to issue my final decision without delaying matters further.

Would Mr E most likely be better off by transferring?

Lighthouse obtained a TVAS report which showed the relevant critical yields to match the benefits from the DB scheme at ages 60 and 65. Having done so it said that if Mr E's sole objective was to match or better the scheme benefits, its advice would be not to transfer and to leave Mr E's benefits within the scheme until normal retirement age.

Lighthouse also noted that, in the long term, matching the critical yields would be "difficult". In other words Lighthouse recognised that transferring would most likely mean Mr E would be worse off in retirement by doing so. I agree with Lighthouse's analysis here. But I don't think it did enough to make it clear to Mr E that he was, most likely, making himself poorer in retirement by transferring.

Lighthouse said Mr E required a net income in retirement of £24,000 a year net or £27,125 gross. It said its cashflow model showed that, by transferring, he could draw down an income at that level from age 60 and it would last until he was 98 years old. It's notable that, in order to achieve that Lighthouse's model showed that Mr E would reduce his income by the same amount as his state pension when that became payable at age 67.

Lighthouse's model assumes the funds in Mr E's SIPP would produce returns of 4% each year every year (before making a deduction for charges). Such a return was not impossible for an investor with Mr E's attitude to risk. However, given the volatility of the investment markets consistent growth at a level of 4% could be difficult to achieve.

To put this into context, prior to October 2017 the Financial Ombudsman Service published future 'discount rates' in loss assessments where a complaint about a past pension transfer was being upheld. I'll explain that a discount rate is a measure of what an investment is likely to grow at in the future. They provide a useful indication of what growth rates would have been considered reasonably achievable for a typical investor. In Mr E's case the discount rate for retirement at age 60 was 3.3%, somewhat less than the cashflow model's rate of 4%. So the prospect of a 4% year on year return seems ambitious.

Further if there was a sustained period of poor performance or the investments suffered losses then there was a very real chance that Mr E's fund would grow at a much slower rate. If that happened Mr E could deplete it earlier than Lighthouse's model shows. Also Lighthouse's model isn't "stress tested" to allow for the possibility of market crashes or poor performance. So I don't think it paints a complete picture of the likely future scenarios that Mr E could be facing in retirement.

It follows that I don't think Lighthouse's cashflow model is likely to be representative of Mr E's actual circumstances in retirement.

Further, as I've said above, Lighthouse itself recognised Mr E would be unlikely to match or exceed the benefits from his DB scheme by transferring. So, for that reason alone, I don't think a transfer out of the DB scheme was in his best interests. Instead I think Lighthouse should have advised Mr E to opt into the BSPS2.

Of course matching the DB scheme income isn't the only consideration when giving transfer advice. There might be other considerations which mean a transfer is suitable, despite providing overall lower benefits, as Lighthouse has argued in this case. I've considered this below.

Flexibility and early retirement

Lighthouse said transferring allowed Mr E the flexibility to take early retirement at age 60 without suffering actuarial reductions. But I don't think Mr E needed to transfer out of his DB scheme, and put his funds at risk, in order to retire early.

Lighthouse said that Mr E required an income of £27,125 a year (gross) to live off. Its TVAS showed that the DB scheme would pay him £23,063 a year (gross) at age 60. So that is around £4,000 a year short of his target income level. But the DB fund wouldn't have been Mr E's only income stream in retirement.

In April 2017 Mr E had begun paying into his employer's DC pension. Together he and his employer were paying around £10,000 a year into that. He could have anticipated continuing to contribute to that pension for the remainder of his working life. So I think it's reasonable to assume that, by the time he reached 60, his DC pension should have amassed a sizeable pot.

In fact without allowing for Mr E increasing his contributions, his salary growing, or any return on the investment, by 60 he could have a pot in the DC pension of over £80,000. So Mr E could have accessed those funds in a flexible manner if he felt the need to do so and used them to support his early retirement income from the DB scheme if he wanted to.

Further Mr E had other savings and investments of around £250,000 which he could use to support his income until his state pension became payable at age 67. And, at that point, his state pension would provide an additional income stream, rather than, as in Lighthouse's model, him having to reduce his drawdown amounts from the SIPP simply to keep his income at the same level.

Alternatively, Mr E could have taken a tax free cash ('TFC') lump sum alongside a reduced pension from the DB scheme. At age 60 Lighthouse's TVAS shows Mr E could have TFC of £105,558 and a reduced yearly pension of £15,833. And in that scenario, he could have used the TFC sum to support his income until his state pension became payable while leaving his DC pension and his savings untouched.

Also, I've noted that Lighthouse's suitability report says:

“all benefits from the PPF are payable from 65 only”

That implies that the PPF did not allow scheme members to access its benefits until they turned 65. But that’s not the case. The PPF does allow for early retirement. And, while the indexation levels were lower than the BSPS or BSPS2, for those taking early retirement, the initial entitlement could be more generous than from the DB scheme. But Lighthouse’s suitability report doesn't set out Mr E’s entitlement from the PPF at age 60. So I think the suitability report was misleading on this point.

In fact Lighthouse’s TVAS shows that, at age 60, Mr E’s entitlement from the PPF was a full pension of £21,703 a year or TFC of £117,727 a year and a reduced pension of £17,686. And by adopting the same strategies I've set out above, Mr E could have comfortably afforded to retire at age 60 if his pension moved to the PPF.

So Mr E didn't need to transfer in order to take early retirement, even if he was concerned about the prospect of his pension moving to the PPF.

I've noted Lighthouse said transferring would allow Mr E to retire early without his pension being subject to actuarial reductions. It’s correct to say that, if Mr E chose to take his benefits from the DB schemes earlier than the normal retirement age of 65 then those would be paid at a reduced level. But that reduction was not a penalty for taking benefits early. The actuarial adjustments simply reflect that, by taking a pension earlier, it’s likely that it will have to last longer and so cost the scheme more. As such the scheme actuaries calculate a reduction in the yearly pension to allow for the fact that the member will claim the pension – most likely – for a longer period. That’s not a penalty for taking the pension early, it’s simply a compromise for having the benefits of that pension over a longer period.

Also, while Mr E could access benefits from his SIPP without a penalty, any sums he drew down from it would reduce the remaining pension pot and have the knock-on effect of reducing the sums available to benefit from any investment growth. So drawing down funds from an earlier date would in effect lessen one or all of the following:

- The amounts Mr E could take as income later in retirement.
- The time frame he would have funds available for.
- The remaining funds available as a death benefit.

It follows that Mr E taking money from his SIPP early, particularly if he drew down larger sums in early retirement, could have a more significant effect on his income security for his remaining retirement years than taking benefits from the DB scheme or the PPF early. That’s because the benefits from the DB environment would continue to grow in line with the relevant indexation regardless if Mr E took it early. In contrast any returns from the SIPP would be dependent on investment performance and would continually reduce by withdrawals from it.

Lighthouse also said that transferring would allow Mr E to access his funds flexibly in retirement. That is he could choose how much to draw down rather than having a fixed income. But I can’t see evidence that Mr E had a strong need for flexible access to his income throughout retirement. He had no debts and a reasonable reserve of savings. He also had his DC pension pot from which he could access funds in a flexible manner if he chose.

That said, it’s true to say Mr E couldn’t have had the same level of flexible access to his DB funds as he could from a personal pension. While he could have chosen to take those early, if he’d wanted to take TFC, then he would have had to take that at the same time as drawing a regular income from his pension. Whereas the SIPP would allow him to draw down funds as he saw fit. It's also the case that Mr E could have taken 25% of his entire SIPP fund as TFC whereas the DB schemes have stricter rules about how much can be taken as a lump sum.

I can see why a higher lump sum and more choice over how much to take and when might have been an attractive prospect to Mr E. But I'm not persuaded he had any concrete need to take TFC at all or to vary his income throughout retirement. And if Mr E did need flexible access to funds, as I've already said, he could have arranged to take those from his DC pension or his savings.

It follows that I'm satisfied Mr E could have met his flexible income needs in retirement while remaining in the DB environment. So, I don't think it was in his best interests to transfer his pension just to have flexibility that he had no obvious need for.

Death benefits

Lighthouse said that, while Mr E could achieve his income goals while remaining in the BSPS2 or the PPF, that wouldn't meet his objective for "legacy planning". That is the death benefits available from transferring his funds to a SIPP. But Lighthouse's priority here was to advise Mr E about what was best for his retirement. And the existing schemes offered death benefits, by way of spouse's and dependents' pensions, that could've been valuable to his family in the event of his death.

While I have little doubt the CETV figure would have appeared attractive as a potential lump sum, the sum remaining on death following a transfer was always likely to be different. As well as being dependent on investment performance, as I've said above, it would have also been reduced by any income Mr E drew from it in his lifetime. So it may not have provided the legacy that Mr E might have thought it would. And there may not have been much left in his SIPP if he lived a long life, the investments performed poorly, or if he took large sums from the fund early in his retirement.

Further, I'm aware that Mr E had death in service cover from his employer. So that would have paid a lump sum in the event he died while still working for the same employer. But, if he wanted to leave a legacy for his family, which didn't depend on his employment, investment returns or how much of his pension fund remained on his death, then life insurance may have met his needs.

I've noted that Lighthouse looked into the cost of life insurance. Its suitability report said the premiums for Mr E would be around £521 a month. So it didn't think that was viable on grounds of cost. But I don't think Lighthouse presented this option in a balanced way. Lighthouse based the quote on the full transfer value of Mr E's DB scheme. In other words it essentially assumed he'd require a life policy to pay the same as his CETV (before drawing down any sums from it). But unless he died before he took retirement, that figure wouldn't be realistic.

Ultimately, Mr E wanted to leave whatever remained of his pension to his family, which could be a lot less than his CETV depending on how much he drew from it and the investment performance. So a fairer manner in which to provide Mr E with realistic life insurance options would have been for Lighthouse to ask him how much he would ideally like to leave as a legacy, and how much he could afford to contribute. Insurance on this basis was likely to be a lot cheaper to provide and would have enabled him to leave a legacy without risking his retirement income.

Overall, I don’t think different death benefits available through a transfer justified the likely decrease of retirement benefits for Mr E. And ultimately Lighthouse should not have encouraged Mr E to prioritise the potential for alternative death benefits through a personal pension over his security in retirement.

Control and concerns about the BSPS2

Lighthouse also said transferring would allow Mr E to have control over how his funds were invested. But I think Lighthouse has overstated Mr E’s desire for control. Mr E did have some experience and knowledge of the investment markets. However, in accepting Lighthouse’s recommendation he also agreed to pay an adviser a proportion of his fund’s value for ongoing financial advice. In other words his adviser would essentially make recommendations for him, rather than Mr E actively managing – that is taking control of – his investments. So, I don’t think this was a genuine objective for Mr E – it was simply a consequence of transferring away from his DB scheme.

Mr E may have legitimately held concerns about how his employer had handled his pension and the prospect of entering the PPF. But it was Lighthouse’s role to objectively address those concerns. At the time of the advice, all signs pointed toward the BSPS2 being established. But even if not, the PPF still provided Mr E with guaranteed income and the option of early retirement. Mr E was unlikely to improve on these benefits by transferring. So, entering the PPF was not as concerning as he might have thought, and I don’t think any concerns he held about this meant that transferring was in his best interest.

Overall, I can’t see persuasive reasons why it was clearly in Mr E’s best interest to give up his DB benefits and transfer them to a SIPP. And I also haven’t seen anything to persuade me that Mr E would’ve insisted on transferring, against advice to remain in the DB scheme. So, I’m upholding the complaint as I think the advice Lighthouse gave to Mr E was unsuitable for him.

The Skilled Person’s review

For completeness I’ll add that Lighthouse told us that the Skilled Person had completed the FCA’s DBAAT and found Lighthouse’s advice suitable. Lighthouse hasn't shown us the Skilled Person’s completed DBAAT. But, I don't need to see it in order to come to my conclusions fairly and reasonably. I'm aware of the questions the DBAAT poses, and having considered those I couldn’t find that the advice was suitable for the reasons given above, particularly in regard to whether accessing benefits flexibly or maximising death benefits was in Mr E’s best interests.

In any event, in every complaint I look at the matter independently. So I'm not bound by what the Skilled Person decided. Instead, as I’ve set out earlier my role is to consider information from both parties while having regard to relevant law and regulations, including the FCA’s Principles, rules and guidance as well as good industry practice. And having done so I’ve reached a different outcome to the Skilled Person for the reasons set out above.

It follows that I remain satisfied that Lighthouse’s advice to transfer out of the DB scheme was not suitable for Mr E, regardless of the Skilled Person’s conclusions.

What should Lighthouse have recommended?

I think Lighthouse should have advised Mr E to opt to join the BSPS2. That's because the annual indexation in the BSPS2 was higher than in the PPF. Mr E would also have retained the option of transferring out of the BSPS2 at a time nearer to his chosen retirement age if that was something he still wanted to do at that time. The PPF didn't have that option.

So, I think Lighthouse should compensate Mr E for the unsuitable advice, using the regulator's defined benefits pension transfer redress methodology.

Putting things right

A fair and reasonable outcome would be for Lighthouse to put Mr E, as far as possible, into the position he would now be in but for the unsuitable advice. I consider Mr E would most likely have remained in the DB scheme and opted to join the BSPS2 if Lighthouse has given suitable advice.

Lighthouse must therefore undertake a redress calculation in line with the rules for calculating redress for non-compliant pension transfer advice, as detailed in policy statement PS22/13 and set out in the regulator's handbook in DISP App 4: https://www.handbook.fca.org.uk/handbook/DISP/App/4/?view=chapter.

Lighthouse should use the FCA's BSPS-specific redress calculator to calculate the redress. A copy of the BSPS calculator output should be sent to Mr E and the Financial Ombudsman Service upon completion of the calculation together with supporting evidence of what Lighthouse based the inputs into the calculator on.

For clarity, Mr E has not yet retired, and, as far as I'm aware, has no concrete plans to do so at present. So, compensation should be based on the scheme's normal retirement age, as per the usual assumptions in the FCA's guidance.

This calculation should be carried out using the most recent financial assumptions in line with DISP App 4. In accordance with the regulator's expectations, this should be undertaken or submitted to an appropriate provider promptly following receipt of notification of Mr E acceptance of my final decision.

If the redress calculation demonstrates a loss, as explained in policy statement PS22/13 and set out in DISP App 4, Lighthouse should:

- calculate and offer Mr E redress as a cash lump sum payment,
- explain to Mr E before starting the redress calculation that:
    - his redress will be calculated on the basis that it will be invested prudently (in line with the cautious investment return assumption used in the calculation), and
    - a straightforward way to invest his redress prudently is to use it to augment his SIPP
- offer to calculate how much of any redress Mr E receives could be augmented rather than receiving it all as a cash lump sum,
- if Mr E accepts Lighthouse's offer to calculate how much of his redress could be augmented, request the necessary information and not charge Mr E for the calculation, even if he ultimately decides not to have any of his redress augmented, and
- take a prudent approach when calculating how much redress could be augmented, given the inherent uncertainty around Mr E's end of year tax position.

Redress paid to Mr E as a cash lump sum will be treated as income for tax purposes. So, in line with DISP App 4, Lighthouse may make a notional deduction to cash lump sum payments to take account of tax that consumers would otherwise pay on income from their pension. Typically, 25% of the loss could have been taken as tax-free cash and 75% would have been taxed according to Mr E's likely income tax rate in retirement – presumed to be 20%. So making a notional deduction of 15% overall from the loss adequately reflects this.

Also, as I think that learning that he might have unnecessarily put his pension funds at risk was a source of distress and inconvenience for Mr E, I think Lighthouse should also pay him £300 to address that.

Where I uphold a complaint, I can award fair compensation of up to £170,000, plus any interest and/or costs that I consider are appropriate. Where I consider that fair compensation requires payment of an amount that might exceed £170,000, I may recommend that the business pays the balance.

My final decision

<u>Determination and money award</u>: I uphold this complaint and require Lighthouse Advisory Services Limited to pay Mr E the compensation amount as set out in the steps above, up to a maximum of £170,000.

<u>Recommendation:</u> If the compensation amount exceeds £170,000, I also recommend that Lighthouse Advisory Services Limited pays Mr E the balance.

If Mr E accepts this decision, the money award becomes binding on Lighthouse Advisory Services Limited.

My recommendation would not be binding. Further, it's unlikely that Mr E can accept my decision and go to court to ask for the balance. Mr E may want to consider getting independent legal advice before deciding whether to accept any final decision.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr E to accept or reject my decision before 16 November 2023.

Joe Scott
Ombudsman