DRN-4194618

The complaint

Mr S complains about the advice given by JLT Wealth Management Limited to transfer the benefits from his defined-benefit ('DB') occupational pension scheme to a personal pension. He says the advice was unsuitable for him and believes this has caused a financial loss.

What happened

Mr S was a deferred member of his former employer's DB pension scheme in which he had accrued 13 years and 8 months of pensionable service, leaving the scheme in December 2001. In late 2011, the trustees of the scheme wrote to the scheme members to make them a time-limited enhanced offer to transfer their benefits out of the scheme. The scheme trustees wanted to reduce their pension liabilities so they offered an enhancement to members who were willing to transfer their pension benefits to another provider. As part of its proposal, the scheme stated that in order to be eligible to benefit from the enhancement the members had to take independent financial advice from JLT. The scheme trustees gave the members three options:

1. to leave their benefits unaltered in the scheme;
2. to transfer an enhanced cash equivalent transfer value of the plan ('CETV') plus a separate additional enhancement to another pension arrangement; or
3. to transfer the enhanced CETV to another pension arrangement and take the additional enhancement as a cash sum.

The scheme also said it was paying JLT's fees for providing the advice. Mr S accepted the trustees offer of free financial advice and met with JLT in December 2011 to discuss his former employer's offer.

JLT completed a fact-find to gather information about Mr S's circumstances and objectives. It noted the following:

- Mr S was 58 years old, married with two dependent children (twins) aged 20 and in good health.
- Mr S was self-employed, earning between £30,000-£40,000 per year. No details about his monthly outgoings were recorded.
- He owned a property worth £600,000 on which there was an outstanding £45,000 mortgage. He had £40,000 in cash savings and £70,000 in other investments (ISAs, shares etc.). Mr S anticipated he would also use these assets to fund his retirement.
- Mr S had three pensions. One valued at £8,830 and one valued at £8,960 – the last valuations for both being in 2007. The third pension was Mr S's DB scheme.
- Mr S planned to retire at age 65 and anticipated needing an annual income in retirement of £20,000.
- Mr S wanted to use the additional enhancement on offer to boost his pension funding rather than take it as a cash lump sum.
- Mr S had very little life assurance cover

JLT also carried out an assessment of Mr S's attitude to risk, which it deemed to be 45% balanced, 45% adventurous and 10% speculative. Mr S also disagreed with the statement that, once invested, the value of his investments may fluctuate. During a phone call with his JLT adviser however, Mr S assessed his attitude to risk ('ATR') as 80% balanced and 20% adventurous.

As required by the regulator, on 31 December 2011, JLT produced a pension transfer analysis report ('TVAS') which stated that the normal CETV was £252,308 and the enhanced CETV was £341,328.40. The enhanced CETV included the additional enhancement of £10,000 offered by the DB scheme (which Mr S could take either as a cash lump sum or include within the CETV).

On 16 February 2012, JLT sent Mr S its suitability report in which it advised Mr S to transfer his DB scheme pension benefits into a personal pension and invest the proceeds with a provider I shall call F, and invest 45% in a UK Equity Index Fund to match his balanced ATR, 45% in a Global Equity Index Fund to match his adventurous ATR and 10% in a World (ex-UK) Equity Index Pension Fund to match his speculative ATR.

The suitability report said the reasons for the recommendation were:

- That Mr S wanted to use the enhancement he'd been offered to boost his pension funding.
- That Mr S had little in the way of life assurance cover and his dependents could do with the extra sums in the event he passed away before reaching retirement.
- That transferring may provide Mr S with a higher amount of tax-free cash ('TFC') at retirement which was important to him.
- When Mr S retired he wanted his pension to increase to provide some protection against inflation.
- Mr S hadn't indicated that he wanted to move his pension to an individual plan that was under his control.

Mr S accepted JLT's recommendation and the transfer took place on 5 July 2012. The amount transferred was £350,729.43.

In April 2018 Mr S, having taken financial advice from another financial adviser, transferred his personal pension with F to a self-invested personal pension ('SIPP') with a provider I shall refer to as T.

In late 2020 JLT wrote to Mr S about a review it was conducting regarding the advice it gave him in relation to his pension transfer in 2012.

In January 2021 JLT wrote to Mr S to let him know the outcome of the review. It said that the advice it gave Mr S to transfer his DB scheme benefits had been appropriate based on his circumstances but that the investment funds in which he invested were not aligned to his personal circumstances. JLT went on to explain that it had carried out a calculation to ascertain if Mr S had been disadvantaged as a result of his investments not aligned to his personal circumstances and was pleased to note that he hadn't suffered any financial detriment.

In August 2022, Mr S, through his representative, complained to JLT about the suitability of the advice it had given him to transfer his DB scheme benefits. Mr S said:

- he didn't have much investment experience and had little knowledge of the financial markets;
- he had little knowledge about pension products and was entirely reliant on JLT's advice;

- the CETV he was offered (including the enhancements) was £341,329 and represented his largest asset aside from his property. It also accounted for the majority of his income in retirement;
- he had been approached by his former employer and knew nothing about JLT until it referred him;
- he had never received any face-to-face advice, it was all done by post and over the phone. This was explained to him as being the level of service that had been paid for by his former employer and that any further advice would attract an additional cost;
- he had made conflicting statements on the fact-find which demonstrated his lack of understanding. Mr S said that the fact-find indicated he had an aggressive ATR but JLT had advised him that, given the relatively short time to go until he retired, a more cautious approach may be advisable which is what was ultimately agreed upon;
- JLT hadn't explained to him that the death benefits associated with his DB scheme may be better than those associated with a personal pension. At no point had the option of life assurance been discussed;
- that had JLT been clear with him that remaining in the DB scheme was in his best interests he would have taken its advice and not transferred.

JLT looked into Mr S's complaint but didn't uphold it. It issued its final response letter on 26 October 2022. It said it had made it clear to Mr S that as his DB scheme made up the majority of his retirement income provision he needed to consider his options very carefully, particularly as his preferred retirement age wasn't that far away. It also said Mr S had been fully aware of the benefits offered by his DB scheme and that by moving to a personal pension no such guarantees were provided. JLT said it had advised Mr S about the investment risks associated with a personal pension and that he fully understood that the value of stock market investments could fluctuate. It added that it had provided a focused advice process, restricted to the merits of transferring or remaining in the DB scheme, where no other aspects of financial planning were discussed.

JLT went on to say that Mr S had taken notes during the advice calls and had made sure he had fully understood the decision he was making. And it said it was satisfied it had provided Mr S with sufficient information for him to make an informed decision on whether to transfer or not. Finally JLT said that its advice would have been no different regardless of the ATR Mr S had cited on the fact-find and, in any event, its review in 2021 had shown that despite his personal pension plan not being set up in accordance with his amended ATR, he had suffered no financial detriment.

Unhappy with the outcome of his complaint to JLT, Mr S complained to this service. Our Investigator looked into the complaint and recommended that it was upheld. He thought that the transfer wasn't financially viable. He also thought that JLT had underplayed the death benefits associated with the DB scheme, hadn't considered the possibility of recommending life assurance to him and should not have prioritised the potential for higher death benefits through a personal pension over his security in retirement. Overall our Investigator thought the advice JLT gave Mr S wasn't suitable or in his best interests. He recommended that JLT pay compensation to Mr S in line with the regulator's pension review guidance.

JLT disagreed with our Investigator's findings. It said it had made Mr S fully aware of the death benefits associated with the DB scheme and pointed out that its services had been engaged on a limited advice basis which was why it hadn't discussed life assurance with Mr S. JLT said it had reviewed the recordings of the advice calls it had had with Mr S and was satisfied that he had made an informed decision as to the merits of transferring or remaining in the scheme. It said it had placed no pressure on Mr S to transfer but had begun the first call by advising him that it was in his best interests to remain in the scheme. So it was satisfied it had advised Mr S in a balanced way and that Mr S fully understood what had been discussed. JLT said it was satisfied that it had made a recommendation to Mr S that was suitable for his personal circumstances.

Our Investigator thought about what JLT said but wasn't persuaded to change his mind.

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 Businesses ('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 JLT'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.

Having considered all of this and the evidence in this case, I've decided to uphold the complaint for largely the same reasons given by the investigator.

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, JLT should have only considered a transfer if it could clearly demonstrate that the transfer was in Mr S's best interests. And having looked at all the evidence available, I'm not satisfied it was in his best interests.

Financial viability

JLT carried out a transfer value analysis report (as required by the regulator) showing how much Mr S's pension fund would need to grow by each year in order to provide the same benefits as his DB scheme (the critical yield). By the time JL produced its suitability report Mr S had turned 59 years old; he still wanted to retire at age 65.

The advice was given during the period when the Financial Ombudsman Service was publishing 'discount rates' on our website for use in loss assessments where a complaint about a past pension transfer was being upheld. Whilst businesses weren't required to refer to these rates when giving advice on pension transfers, I consider they provide a useful indication of what growth rates would have been considered reasonably achievable when the advice was given in this case.

The investment return (critical yield) required to match Mr S's benefits at age 65 was 8.2% if he took a full pension and 6.1% if he took TFC and a reduced pension. Mr S indicated at the time of the advice that the ability to take TFC at his normal retirement date ('NRD') was important to him so I think it's reasonable to assume that Mr S would have taken the tax-free cash at retirement given that it is a tax efficient way of drawing down a personal pension.

The critical yield of 6.1% per year required to match the occupational pension at retirement compares with the discount rate of 5% per year for 5 years to retirement in this case. For further comparison, the regulator's upper projection rate at the time was 9%, the middle projection rate 7%, and the lower projection rate 5%

I've taken this into account, along with the composition of assets in the discount rate, Mr S's balanced attitude to risk and also the term to retirement. I've listened to all the phone calls provided by JLT and I note it advised Mr S during the phone call that it may be in his interests, given his relatively close proximity to retirement, to adopt a more cautious ATR than the one he'd cited on the fact-find. As a consequence of the discussion between Mr S and JLT it was decided that Mr S was more comfortable with an ATR that was 80% balanced and 20% adventurous. JLT went on to state to Mr S in the phone call that as that was the case he was probably looking more realistically of achieving annual investment growth in the region of 5% by investing in line with that ATR.

So it is reasonable to assume, indeed JLT's adviser stated as much during the advice call, that Mr S was likely to achieve annual investment growth of 5% based on his actual ATR which is below the critical yield required to match Mr S's benefits at his scheme's normal retirement age of 65. There would be little point in Mr S giving up the guarantees available to him through his DB scheme only to achieve, at best, the same level of benefits outside the scheme. But here, given the lowest critical yield was 6.1%, I think Mr S was likely to receive benefits of a substantially lower overall value than the DB scheme at retirement, as a result of investing in line with a balanced attitude to risk.

I've also thought about Mr S's proximity to retirement. The critical yield of 6.1% was only moderately higher than the discount rate of 5% but was lower than the regulator's middle projection rate of 7%. So it could be argued that Mr S could have achieved the necessary investment growth to exceed the benefits offered by his DB scheme. But given the close proximity to Mr S's retirement he would need to achieve investment returns that exceeded the critical yield by some margin in order to improve on his DB scheme benefits and thereby justify the transfer. This is because of the risk that his transfer might underperform and the limited time available to him before he reached retirement age.

I've thought too about Mr S's capacity for loss. I can see that he had £40,000 in cash savings and £70,000 held in investments. And I can see too that he had over £500,000 in equity in his house. Notwithstanding this however, I can't ignore that his DB scheme represented the vast majority of his retirement provision; indeed he had only other two very small personal pension plans. Given the fact that Mr S's other pension provision was negligible and that there was no likelihood that he would gain any further pensions in the future (aside from his state pension) he was highly reliant on his DB scheme for his retirement. So I don't think the fact that Mr S had moderate other financial assets meant he had the capacity to bear the loss of his DB scheme.

JLT accepts that it invested Mr S's pension in line with his ATR as recorded on the fact-find rather than the subsequent discussion during the advice phone call. It admitted this was the case having conducted a review of its 2011 advice in 2021. JLT said to Mr S that it had undertaken a loss calculation to ascertain if Mr S had been financially disadvantaged as a result of its error and it said that he hadn't. JLT said that the review and calculation were carried out in accordance with the general guidance provided by the FCA and that it engaged the services of a third-party firm to undertake it. As this service hasn't been provided with a copy of the calculations we are unable to confirm the methodology used by JLT.

However, from the information I've seen, it seems unlikely that a transfer was financially viable. So a transfer out of the DB scheme wasn't in Mr S's best interests. Of course financial viability isn't the only consideration when giving transfer advice, as JLT has argued in this case. There might be other considerations which mean a transfer is suitable, despite providing overall lower benefits. I've considered this below.

Flexibility and income needs

In the suitability report JLT said that Mr S could only achieve control over, and flexibility with, his pension by transferring to a personal pension plan. That by doing so he would be able to decide what format his pension was to take once he was ready to draw his benefits. JLT also said that by taking personal control of his pension fund Mr S would also be taking on the associated investment and longevity risks. It said that staying in the scheme meant that his pension would remain under the control of the scheme trustees.

It's evident that Mr S could not take his DB scheme benefits flexibly. Although he could choose to take TFC and a reduced annual pension, Mr S had to take those benefits at the same time. But I'm not persuaded that Mr S had any concrete need to take TFC and defer taking his income, or to vary his income throughout retirement. To my mind this seems more of a 'nice to have' rather than a genuine objective. An adviser's job isn't to simply facilitate a customer's wants. Any objectives should be thoroughly interrogated to determine if they are realistic or not or achievable through other means. And ultimately the adviser had to determine whether giving up the secure, guaranteed benefits available through the DB scheme was in Mr S's best interests.

Having considered the evidence, I don't think Mr S needed to transfer his DB scheme to a personal pension in order to have flexibility in retirement. I can see from the TVAS that Mr S was forecast to receive an estimated annual pension from the DB scheme of £17,122 at his NRD. I can also see that he told JLT he anticipated needing an annual retirement income of £20,000. Whilst the estimated annual pension from the DB scheme at retirement would not have met Mr S's retirement needs in full as noted in the fact-find, I still think he could have met his retirement income needs by remaining in the DB scheme until age 65 and using his other pension plans, savings and investments to top up his income until his state pension became payable (presumably at age 66). Indeed Mr S indicated on the fact-find that he was prepared to do as much.

Similarly, one of the objectives for the transfer noted by JLT in the suitability report was that it was important for Mr S to have the ability to take a tax-free lump sum at his NRD. But Mr S was entitled to TFC under his DB scheme at NRD so he could have achieved this objective by remaining in his DB scheme.

Nor can I see evidence that Mr S had a strong need for variable income throughout his retirement such as can be provided by a personal pension. This is principally because Mr S's retirement plans weren't yet fully formed. During the advice phone call Mr S said that as he was self-employed he didn't really know when he was planning to retire. He said he may retire at 65 or he may keep working because he was in good health – he just didn't know yet.

I understand that Mr S has started taking benefits from his pension about 15 months ago, when he was approaching age 70 but that he is still working and yet to retire. I also understand that the DB scheme rules were such that Mr S wouldn't have been able to defer taking his benefits beyond his NRD. Thus arguably Mr S has benefitted from the flexibility associated with his personal pension by being able to defer taking his pension benefits to an age of his choosing.

But Mr S could have still continued to work and have been in receipt of his DB scheme pension from his NRD and used this to supplement his earnings. If he had no financial need at age 65 for the income the DB scheme would have given him then he could have invested or saved it. Mr S didn't need to transfer his pension in order to defer his actual retirement.

So without any realistic insight into what Mr S's retirement lump sum and income needs and aspirations were it is difficult to understand how JLT was able to conclude that the transfer was in his best interests. I think that Mr S's lump sum and income needs could all have been achieved without transferring and giving up his scheme benefits however, this doesn't seem to have been explored by JLT.

Death benefits

Death benefits are an emotive subject and of course when asked, most people would like their loved ones to be taken care of when they die. The lump sum death benefits on offer through a personal pension was likely an attractive feature to Mr S. But whilst I appreciate death benefits are important to consumers, and Mr S might have thought it was a good idea to transfer his DB scheme to a personal pension because of this, the priority here was to advise Mr S about what was best for his retirement provisions. A pension is primarily designed to provide income in retirement. And I don't think JLT explored to what extent Mr S was prepared to accept a lower retirement income in exchange for higher death benefits.

I also think the existing death benefits attached to the DB scheme were underplayed. Mr S was married so the spouse's pension provided by the DB scheme would've been useful to his spouse if Mr S predeceased her. I don't think JLT made the value of this benefit clear enough to Mr S. This was guaranteed and it escalated – it was not dependent on investment performance, whereas the sum remaining on death in a personal pension was. In any event, should Mr S live a long life his pension fund may have been depleted with little remaining to bequeath. In any event, JLT should not have encouraged Mr S to prioritise the potential for higher death benefits through a personal pension over his security in retirement.

Furthermore, if Mr S genuinely wanted to leave a legacy for his spouse or children, which didn't depend on investment returns or how much of his pension fund remained on his death, I think JLT should've instead explored life insurance. I appreciate that JLT has said that its services had been engaged to provide focussed advice on the merits of transferring Mr S's DB scheme and that the advice was being paid for by Mr S's former employer. JLT has said that it was not considering other aspects of financial planning which is why it would not have discussed the option of taking out life assurance cover so that Mr S could leave a lump sum to his loved ones on his death. But JLT was still required to have due regard to the interests of its customer, to treat Mr S fairly and make a suitable recommendation. As Mr S was attracted by the death benefits on offer through a personal pension it was JLT's duty to advise him of other means by which he could achieve his objective so that he could make an informed decision. This is the case regardless of the basis on which it had been retained to provide the advice.

Overall, I don't think different death benefits available through a transfer to a personal pension justified the likely decrease of retirement benefits for Mr S. And I don't think that insurance was properly explored as an alternative.

Suitability of investments

As I'm upholding the complaint on the grounds that a transfer out of the DB scheme wasn't suitable for Mr S, it follows that I don't need to consider the suitability of the investment recommendation. This is because Mr S should have been advised to remain in the DB scheme and so the investments wouldn't have arisen if suitable advice had been given.

Summary

I don't doubt that the offer of an attractively enhanced CETV from his former employer, the possible financial viability of the transfer along with the flexibility, control and potential for higher death benefits on offer through a personal pension would have sounded like attractive features to Mr S. But JLT wasn't there to just transact what Mr S might have thought he wanted. The adviser's role was to really understand what Mr S needed and recommend what was in his best interests. By transferring out of his DB scheme, Mr S had to bear the investment risk for his pension fund something he had said on the fact-find that he wasn't comfortable with had he remained in his DB scheme, that burden would have been borne by the scheme trustees.

Ultimately, I don't think the advice given to Mr S was suitable. He was giving up a guaranteed, risk-free and increasing income which comprised the majority of his pension provision. By transferring, it meant Mr S's retirement was exposed to investment risk and in my view, there were no other particular reasons which would justify a transfer to outweigh this. Mr S shouldn't have been advised to transfer out of his DB scheme just because his employer was offering an enhanced CETV or so he could access lump sum death benefits in the event of his death. By transferring, Mr S was very likely to obtain lower retirement benefits and in my view, there were no other particular reasons which would justify a transfer and outweigh this.

So, I think JLT should've advised Mr S to remain in his DB scheme.

Of course, I have to consider whether Mr S would've gone ahead anyway, against JLT's advice. I've considered this carefully, but I'm not persuaded that Mr S would've insisted on transferring out of the DB scheme, against JLT's advice. I say this because Mr S's DB scheme pension accounted for the majority of his retirement provision. And if JLT had provided Mr S with clear advice against transferring out of the DB scheme, explaining why it wasn't in his best interests, I think he would've likely have accepted that advice. And I don't think the enhanced CETV would've been enough of an incentive for him to go against that advice.

Also I'm not persuaded that Mr S's concerns about his death benefits were so great that he would've insisted on the transfer knowing that a professional adviser, whose expertise his former employer was paying for, didn't think it was suitable for him or in his best interests. If JLT had explained that Mr S could meet all of his objectives without risking his guaranteed pension, I think that would've carried significant weight. So, I don't think Mr S would have insisted on transferring out of the DB scheme.

In light of the above, I think JLT should compensate Mr S for the unsuitable advice, using the regulator's defined benefits pension transfer redress methodology.

Like our Investigator I also think that Mr S will have been caused some trouble and upset as a result of realising he had been given unsuitable advice to transfer his pension. Where a financial business, through its words or deeds, causes a consumer avoidable trouble and upset, this service can require it to pay compensation. I agree with our Investigator that JLT should pay Mr S compensation of £300 for the distress and inconvenience he was caused as a result of worrying the transfer had caused him a financial loss. This amount is in line with awards made by this service in similar circumstances and is, I think, fair and reasonable.

Putting things right

A fair and reasonable outcome would be for the business to put Mr S, as far as possible, into the position he would now be in but for the unsuitable advice. I consider Mr S would have most likely remained in the occupational pension scheme if suitable advice had been given.

JLT 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.

For clarity, had JLT properly advised Mr S, I think he would have started taking his scheme benefits at the scheme's normal retirement age of 65. So compensation should be based on the scheme's normal retirement age of 65, 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 PS22/13 and 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 S's acceptance of the decision.

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

- calculate and offer Mr S redress as a cash lump sum payment,
- explain to Mr S 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 DC pension
- offer to calculate how much of any redress Mr S receives could be augmented rather than receiving it all as a cash lump sum,
- if Mr S accepts JLT's offer to calculate how much of his redress could be augmented, request the necessary information and not charge JLT 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 S's end of year tax position.

Redress paid to Mr S as a cash lump sum includes compensation in respect of benefits that would otherwise have provided a taxable income. So, in line with DISP App 4, JLT 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 S'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.

In addition, JLT should also pay Mr S compensation of £300 for the trouble and upset he was caused as a result of its unsuitable advice.

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

Determination and money award: I uphold this complaint and require JLT Wealth Management Limited to pay Mr S the compensation amount as set out in the steps above, up to a maximum of £170,000.

Recommendation: If the compensation amount exceeds £170,000, I also recommend that JLT Wealth Management Limited pays Mr S the balance.

If Mr S accepts this decision, the money award becomes binding on JLT Wealth Management Limited.

My recommendation would not be binding. Further, it's unlikely that Mr S can accept my decision and go to court to ask for the balance. Mr S 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 S to accept or reject my decision before 13 October 2023.

Claire Woollerson
Ombudsman