DRN-5207359

The complaint

Mr C complained about advice he was given to transfer the benefits of three defined-benefit (DB) pension schemes to a type of self-invested personal pension (SIPP). He says the advice, which was provided in February 2019, was unsuitable for him and believes this has caused him a financial loss.

Quilter Financial Services Limited is responsible for answering this complaint. To keep things simple therefore, I'll refer mainly to "QFS".

What happened

The pensions in question here related to three deferred DB schemes Mr C had from previous employers, all in the financial services industry. I'll be referring to these pensions respectively as "Pension R", "Pension P" and "Pension B".

Mr C was passed to QFS for regulated pension advice at the end of 2018. However, as I'll explain later, the information gathered about his circumstances and objectives are the subject of dispute between the parties, with QFS effectively saying its adviser could have been misled during the course of providing the advice. I'll be dealing with this later in my decision, but what is agreed upon is that as of February 2019 when the advice was given:

- Mr C was 56 years old. He was married to Mrs C who was around 40.

- The cash equivalent transfer values (CETV) of his deferred DB schemes were £19,218 ("Pension R"); £40,359 ("Pension P"); and £107,767 ("Pension B"). The total CETV was therefore £167,346. QFS said each had a normal retirement age of 60.

- Mr C told QFS that he was an experienced independent financial adviser (IFA) working mainly in the international arena. He also provided several credible details about his business assets and the income he derived from this. He said he earned over £100,000 per year and expected this to continue for the foreseeable future.

- Mr C told QFS he had previously lived in Spain but had temporarily returned to the United Kingdom (UK) where he and Mrs C were renting a property. They owned no properties of their own. Mr and Mrs C intended to imminently return to Spain and buy a home there.

- Mr C's plan was to transfer his three DB schemes and place them into a SIPP to give him much more financial flexibility. He had already crystalised two defined contribution (DC) pensions and taken some tax-free cash comprising of around £19,000 and he wanted further flexible pension funds to help fund the purchasing of a Spanish property. In total Mr and Mr C had around £35,000 in liquid savings.

QFS set out its advice in a suitability report on 21 February 2019. In this, it advised Mr C to transfer out of his three deferred DB schemes and into a SIPP which promoted services towards UK and non-UK residents. QFS further recommended the transferred monies should be placed in a 'lifestyle' fund operated by a large and well-known investment company. Mr C accepted this advice and so transferred away from the three DB schemes.

In December 2023 Mr C complained to QFS about its advice via a claims management firm. On Mr C's behalf, it said he shouldn't have been recommended to transfer out to a personal pension. In response, QFS said it hadn't done anything wrong and was acting on the retirement objectives Mr C had at the time.

Disagreeing with this, Mr C referred his complaint to the Financial Ombudsman Service. One of our investigators looked into the complaint and issued a 'view' saying that Mr C's complaint should be upheld. As QFS still disagreed, it falls to me to make an ombudsman's decision.

I issued a provisional decision (PD) about this complaint on 21 November 2024 setting out that I was not minded to uphold Mr C's complaint. Whilst I acknowledged there were some shortcomings in the advice, I said I thought the ultimate recommendation to transfer Mr C's three DB schemes was in his best interest given the relative complexity of his situation. QFS replied to my PD agreeing with it. However, I received no response from Mr C.

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 also 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'). 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 this advice, but provides useful context for my assessment of QFS'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.

I have further considered that the regulator, the Financial Conduct Authority ('FCA'), states in COBS 19.1. that the starting assumption for a transfer from a DB scheme is that it is unsuitable. So, QFS should have only considered these transfers if it could clearly demonstrate that the transfers were in Mr C's best interests.

I've used all the information we have to consider whether transferring away from the DB schemes to a personal pension was in Mr C's best interests. Having done this, I'm not upholding his complaint.

Introductory issues

Because Mr C wanted to transfer three DB schemes to a SIPP, the law at the time required him to seek regulated financial advice. I appreciate that recollections of what took place in 2019 might not be easy. I've therefore sympathetically incorporated this aspect into my thinking on this case.

However, I think it's also fair to point out that there are material anomalies in the description of the facts in this case which need to be carefully considered as these are likely to affect how the complaint ought to be viewed.

The first anomaly relates to Mr C's past and current[1] financial experience. This is an important feature in this case. For example, in bringing his complaint, Mr C's representative described him as *"a low risk, inexperienced, retail client."* I have also noted that during a 'phone call with our investigator more recently, Mr C himself asserted that his knowledge of certain financial matters wasn't extensive. In particular, he said that whilst he'd been a bank manager in the past, he had no relevant expertise around pensions.

In this regard, Mr C's complaint is largely based on him being poorly experienced in these matters and vulnerable to influence from the QFS adviser, who effectively made recommendations which Mr C didn't fully understand and / or weren't in his best interests.

However, I think there's very reliable evidence showing otherwise. I think the information and evidence throughout this case shows that Mr C's knowledge and experience around pensions, investments, and financial affairs in general, probably far outstripped what we would normally expect to see in the general UK population. So, I don't think what was put forward by Mr C in his complaint, about him having a very limited understanding of financial affairs can be right given the plethora of information I've seen showing his extensive financial and investment experience.

I say this with the following examples in mind. During the course of the original advice I note Mr C gave his occupation as a *"financial adviser".* He also told QFS that he had international financial experience, including specialising in advising on non-regulated investment products. I've also seen other information showing Mr C described as being a 'senior pensions and investment consultant'. Further to this, on the 'fact-find' carried out ahead of the advice sessions, Mr C was described as *"an experienced financial adviser. He has his own financial services firm and services clients both in the UK and overseas*" and…. *"has an ongoing source of income from his financial services business which he envisages will continue into his retirement"*. Asked if he had any *"offshore bonds, assets, or bank accounts …. held overseas"* he confirmed he had.

I've noted too, a previous occasion (in 2018) when Mr C was considering withdrawing funds from one of his DC schemes. As I'll explain below, I think this adds weight to Mr C being convinced that he wanted to access his pension funds for reasons I've assumed to be linked in some way to his status of residing abroad. But what he told the DC scheme provider is also of use, since he appears to have been motivated to make a formal complaint about the time involved in accessing his DC funds. It seems Mr C wanted to proceed with the DC withdrawal matters very quickly, and without the need for the types of checks and warnings pension firms were required to provide to policyholders. To give a flavour and relevance of

[1] as of that time

this issue, his complaint was based on him having more than enough pensions experience to negate the need for time-consuming bureaucracy. His complaint was recorded by the DC pension provider as follows: *"as a regulated financial adviser … you are unhappy you had to go through the risk warnings conversation on 22 May 2018, before you can access your pension benefits".*

I'm therefore satisfied that Mr C was repeatedly referred to, and also described himself, as someone with considerable financial expertise, including experience on advising others, often in an international capacity. I'm satisfied he was far from being an inexperienced retail client.

I've also noted some further anomalies. It appears Mr C also told our investigator over the 'phone that, at the time of the transfer, he was a recipient of universal credit (a UK state benefit) and had also received redundancy from his employer on ill health grounds. Just like the 'experience' issue I've dealt with above, information such as this could have a material effect on how a pension complaint ought to be viewed. But again, I don't think these issues have been remembered correctly for a number of reasons. For instance, Mr C himself also implied during that same call that, in the course of bringing this complaint, he was living in Spain at the time of the advice. But if this were correct, I don't think this would have meant he qualified for state benefits in the UK and it differs also with the information recorded on the suitability report and 'fact-find'.

I think it's also important to note that none of the issues about being made redundant, living currently in Spain or receiving state benefits were set out on the 'fact-find'. And as this important document provided a contemporaneous record of Mr C's circumstances at the time this advice was being sought, I consider this to be the much more reliable description of events. I've also seen there was a general reference to state benefits in the suitability report which explicitly said that Mr C *wasn't* in receipt of any state payments.

In agreeing to provide regulated advice about potentially transferring three DB pension schemes, I think QFS had every right to expect the disclosures made by Mr C were accurate so that the best possible advice could be given. I think his experience was very likely unregulated experience, as far as the UK financial regulator was concerned. It seems it was predominantly obtained working oversees and / or working with clients on unregulated investments. Nonetheless, for the reasons given, it is still highly likely to have included pensions and investment matters because I've seen persuasive evidence of this, including as far back as the late 1990s when he was a wealth manager which I think resulted in the DB pension "B".

Of course, this certainly doesn't preclude Mr C in properly bringing a complaint, but as I'll go on to show, I think it does become highly relevant on demonstrating what he most likely wanted to do with his three DB pension schemes.

In addition to this, I think the evidence is persuasive of Mr C being passed to QFS with a fairly fixed idea about what he wanted to do. We know, for example, that in 2018 he crystallised two DC schemes and I've seen evidence that he withdrew those full pensions as lump-sums in each case, thus triggering income tax payments to HMRC. In my view, this demonstrates to me that Mr C was in need of funds.

I think it's therefore helpful to outline what I think Mr C's circumstances of late 2018 / early 2019 actually were. He'd been living in Spain for around five years but had temporarily returned to the UK to deal with an undisclosed family matter. The plan was to return to Spain and buy a home there but he and Mrs C currently owned no property. He therefore envisaged putting down a significant deposit on a property which was supposedly a type of rent-to-buy arrangement. Mr C told QFS that a consideration for him was that residential interest rates charged by Spanish lenders tended to be higher than in the UK, and additionally that the Spanish banks were likely to deem that his age would be generally against him borrowing a large residential mortgage.

Mr C also told QFS that his financial adviser business client book (in his self-owned business) had a client portfolio value of £250,000 which he said had a reasonable expectation of increasing. The significance of this was that, according to Mr C, his business was a valuable asset which could be sold in due course. Mr C also fully expected that his £100,000 + per year income would continue for some years yet, not least due to what he described as a significant amount of *"trail income"* – i.e. commission paid to him as an IFA from existing client's whose funds remained invested in the financial product he'd recommended.

Mr and Mrs C's joint savings as of early 2019 were recorded as £35,000 and their joint net income - assumed to continue after transferring and moving abroad again - exceeded their expenditure by £5,500 each month.

Due to living and / or working in Spain for some years and operating his financial services business from there, Mr C explained to QFS that he had only a limited entitlement to the UK state pension, however, he'd been contributing to the equivalent Spanish state pension system for some years and envisaged that this would continue.

In this context, I think the facts speak for themselves. Mr C was a life-long financial professional who had every intention of returning to Spain imminently, buying a property and continuing to operate what he portrayed as a successful and lucrative business for some considerable time yet.

Financial viability

QFS explained in its suitability report the relevance of 'transfer value comparator' (TVC) rates. The TVC is a simple financial comparison between an existing DB scheme and how much it would cost to buy a DC scheme with the same benefits if transferring away. It is part of a range of different things which help show whether a transfer-out is financially viable.

I don't think there's any doubt that the three TVC figures in this case (for each of the three DB schemes) showed that transferring was going to mean less retirement benefits for Mr C overall. But I think the QFS adviser failed to give this the appropriate emphasis when he came to summarising his advice in this respect.

For instance, QFS commissioned analysis of the three DB schemes in late 2018. What this analysis showed was that for:

- **"Pension R"** the TVC was around £19,000. And so, this was essentially showing that to buy an annuity with similar benefits to the DB scheme, the cost to Mr C would be around £19,000 more than the £19,218 CETV he'd get from "Pension R".

- For **"Pension P"** the TVC was around £8,600 meaning that to buy an annuity with similar benefits, the cost to Mr C would be around £8,600 more than the £40,359 CETV he'd get by transferring.

- And for **"Pension B"** the TVC was around £59,000 meaning that to buy an annuity with similar benefits, the cost to Mr C would be around £59,000 more than the £107,767 CETV he'd get by transferring.

In my view, these figures were therefore all strongly and clearly demonstrating that transferring away, from a financial comparison perspective, was very expensive indeed. They clearly showed that transferring was likely to mean much less money in Mr C's retirement funds.

QFS also went on to explain in its suitability report the relevance of 'critical yield' rates. The critical yield is essentially the average annual investment return that would be required on the transfer value - from the time of advice until retirement - to provide the same annuity benefits as the DB scheme. It is part of a range of different things which help show how likely it is that a personal pension could achieve the necessary investment growth for a transfer-out to become financially viable. The critical yields for retiring at 60 were all high – around 29%, 10% and 29% respectively. The yields for an earlier retirement were even higher.

So, once again these were all very high critical yields which were almost certainly going to result in lower retirement benefits overall if Mr C transferred the three DB schemes. The relevant discount rate - which is a measure of how much an investment is likely to grow by - was only 2.8% per year if assuming a retirement at 60. Whilst businesses weren't required to refer to these rates when giving advice on pension transfers, they provide a useful indication of what growth rates would have been considered reasonably achievable for a typical investor. I've also kept in mind that the regulator's upper growth projection rate at the time was 8%, the middle projection rate 5%, and the lower projection rate 2%.

QFS correctly identified that Mr C evidently had substantial personal and professional experience in financial affairs who was prepared to look for opportunities in the market and so it classified him as an "adventurous" investor. But with all these TVC projections and critical yield figures in mind, there is simply no way a transfer from any of his DB schemes was in Mr C's best interests when looked at *solely* from a financial comparison perspective. And whilst I think Mr C himself would have understood the significance of all these different figures due to his own experience, the QFS adviser was supposed to be acting as Mr C's regulated adviser and in my view he both complicated and underplayed the analysis results.

What the adviser did was fail to place the right emphasis on what the financial viability figures were showing. He also went on to try and justify them by first implying that buying an annuity could come close to the benefits found in Mr C's existing DB schemes when in fact these were not really based on a like-for-like comparison. The adviser also said that *"I would conclude that the TVC analysis is not supportive either way"* when the right thing to have unambiguously said was that transferring from the three schemes resulted in less retirement income due to poor TVC and critical yield rates.

Viewed *only* from the lens of financial viability therefore, QFS's advice had some shortcomings. Nevertheless, what was clear was that Mr C had stated a reasonable, and in my view, credible desire for early access to his DB pension savings imminently. And I think he fully understood that what he'd be gaining in flexibility by transferring to a SIPP came with the costs of losing solid guaranteed benefits in the longer-term. So, in my view and given Mr C's specific circumstances, this made the strict financial comparisons with the likes of the TVC and critical yield rates, less relevant in the whole scheme of things.

I've therefore thought about these wider considerations which might have meant a transfer *was* suitable for him.

Other reasons to transfer

With there being no credible financial comparison reasons to recommend the transfer of the three DB schemes, it was important for QFS to then consider if there was any wider rationale for recommending that Mr C should still transfer away.

Overall, I think there were some very compelling reasons to transfer away, but unfortunately the QFS adviser didn't properly articulate these in his advice.

I think there's persuasive evidence that Mr C began his relationship with the QFS adviser with a fairly fixed idea about wanting to transfer the DB schemes away. He told the adviser he wanted flexibility, which was closely aligned to him returning to Spain and re-starting his life there. He also said he wanted to access as much tax-free cash as possible, and that he had fully considered the guarantees and benefits he'd be giving up if he transferred away from the three DB schemes.

I think the evidence shows that Mr C was 'walked through' all the relevant details about the guaranteed and index-linked income he'd get if he left the three DB schemes where they were. These figures were set out clearly for him in the suitability report. Given his financial knowledge and his familiarity with these types of pension products, there's no doubt in my mind that Mr C would have already known of the ability to either keep the DB schemes until their normal retirement age of 60 or of accessing them earlier (which would have involved actuarial reductions). But for good order, the analysis from QFS set out clearly that from the age of 60, pensions "R", "P" and "B" were forecast to pay annual pension income which totalled £5,942 per year.

I accept that this isn't a completely insignificant pension, but in Mr C's situation it wasn't anything other than modest. I've also taken into consideration that it may also have complemented the reduced state UK and Spanish pensions Mr C implied he would receive. However, I also think it's fair to say that in the context of Mr C's self-stated capital assets (which would be added to by transferring) and the assumed continuance of his £100,000 earned income (and *"trail income"*), I think that Mr C had likely considered the combined amount of DB pension income to be modest and of little relevance. I say this because Mr C told the adviser he didn't consider a pension of that amount to be meaningful given all the other income and assets he would have.

So, I think it's fair to say that it was on the basis of Mr C aspiring to return to Spain to buy a property, re-starting his life there, having what he considered to be a relatively secure income going forward, and achieving financial flexibility – were all in Mr C's view worth the giving up of a modest annual pension of £5,942 per year.

<u>Overall, was the advice correct?</u>

Whilst I think there were a number of failings in QFS's advice, I think Mr C's situation was both complex and unusual. And for the reasons I'll explain below, even though there were shortcomings in what QFS did and didn't do, I think the ultimate decision for him to transfer away from these three DB schemes was right for Mr C.

I'll begin with what I think QFS could have improved upon. As I've said, it first underplayed the financial comparisons - QFS should have been much clearer that matching the financial benefits in the DB scheme wasn't at all likely. I think the adviser then correctly moved to the area of financial flexibility. But this was described in only limited ways and was essentially based on just achieving what Mr C clearly wanted to do, which was always to transfer away.

However, the QFS adviser's role wasn't merely to 'wave the transfers through'. It's important to remember that QFS was the regulated party in this relationship and was being paid for its advice. It's job, therefore, wasn't simply to do what Mr C thought was a good idea: its job was to follow the rules and recommend what the adviser believed was in Mr Cs best interests. In this respect, I've found partial failings, although I do think QFS was right to focus on flexibility.

I think what QFS should have used around the flexibility argument was that there was a real and unusual complexity about Mr C's situation. It seems either little or no consideration was given to the potential options of moving his pension affairs to another country using QROPS, which I think both parties in this case will be familiar with. But I think this is unlikely to have been something Mr C wanted to do as it didn't provide the freedom of cash he clearly needed at that time. The failing is that I don't think it was ever discussed in detail, nor was that retaining the three DB schemes in their current form would eventually necessitate the payment of annual pensions across two different European jurisdictions, which was complicated. I think this could have eventually added difficulty and bureaucracy to Mr C's finances and brought with it an associated currency risk. So, in my view, this was supporting rationale for transferring that QFS didn't use.

I've considered too, that QFS adopted a somewhat laissez-faire approach to Mr and Mrs C's actual retirement income needs i.e. how much they'd need to live on when they eventually stopped working. No real detail was gone into as to how these costs were going to be met during the advice sessions. In my view, this was an omission, however, I revert to Mr C's financial experience and knowledge which I say was substantial based on his own portrayal of it.

With this, I think he likely persuaded the QFS adviser that he was absolutely sure that taking the respective CETVs and transferring away would mean he generated considerably more capital assets, which with all his other claimed income and assets, would more than address his overall retirement needs. He was certain that he would still have a continuing income stream long into the future and he provided a credible explanation of why. I also think that his adventurous attitude to investment risk probably meant that Mr C genuinely believed he could continue to grow some of his transferred funds to an agreeable level thus retaining ongoing funding for retirement in addition to the capital assets he would have had. So, whilst I think these retirement needs and assumptions ought to have been better clarified during the advice sessions, and the documentation, I place much weight on the estimated capital and income assets Mr C still would have had after transferring, to meet his older age needs. This information and reassurance came from Mr C himself, a long-established financial professional (as he portrayed himself throughout his association with QFS). In this context, I think the adviser was right to rely on it.

In a similar vein, I think it would have been useful to point out in the course of the verbal and written advice, that if transferring all three DB schemes Mrs C could become somewhat exposed if something unexpected were to happen to Mr C. This may not have been such a fear given Mr C's comparatively young age and apparent good health at that time. But perhaps later on, particularly if they'd drawn down much of the transferred funds to either buy a home or to just live on, then remaining in the DB schemes might have looked more suitable. This is because Mrs C might at least have received a modest annual pension for the rest of her life if Mr C pre-deceased her. There's nothing confirming she had any pensions of her own and I would have expected this matter to have been fully explored before advising on the transfer of Mr C's three DB schemes. However, I don't think this issue really mattered: there was more of a probability that funds in a SIPP had overall better death benefits, contrary to the view I've explored above, not least because Mrs C was actually 15 years younger than Mr C. Therefore, on balance my finding is that transferring to a SIPP on this basis was likely more advantageous in these particular circumstances (although this would clearly not be reasoning to transfer on its own).

Finally, there was the perceived income sources which in the medium-term Mr C portrayed as being capable of outstripping the annual DB pension. I also think there was every chance of Mr and Mrs C substantially adding to their financial assets in the medium-term and before the anticipated state pension age in either the UK or Spain.

In summarising whether or not I think the recommendation to transfer from his three DB schemes was in Mr C's best interests, overall I think it's more likely that it was. I accept that generally, QFS's rationale was in certain areas somewhat poorly explained and in other areas somewhat poorly evidenced. However, I still think there were justifiable reasons in this case to transfer away, which were mainly based on the flexibility Mr C clearly wanted and probably needed.

The evidence shows that whilst Mr and Mrs C had around £35,000 in liquid cash assets at the time, their immediate plans were to return to Spain. And in Mr C's own estimation, he'd need at least £40,000 as a deposit to buy a home. He implied the remainder would be paid on a rent-to-buy basis as obtaining a Spanish mortgage might be difficult due to his age.

From what I've seen, I think £40,000 would likely have been somewhat below the minimum requirement to re-start Mr and Mrs C's life in Spain. So it's reasonable for me to assume additional costs would be incurred in such a significant relocation, thus taking the cash requirement to well above the £40,000 figure. Mr and Mrs C had no other property and he either didn't want, or couldn't access, mortgage borrowing easily. Although much of the information around their life is disputed and to some degree unclear, I think their aspirations for a home would have been powerful and essential to their plans. With this in mind I think their cash requirement was larger.

On the other hand, Mr and Mrs C did not currently have even the full liquid cash to facilitate their £40,000 aspirations and so I think that resorting to Mr C's DB pensions was necessary to complete the move, live well and retain a modest emergency cash fund. I think it's revealing that Mr C, who was quite clearly experienced in these matters, had already crystalised two DC pensions in full, thus demonstrating his determination and need to move and therefore a requirement to do the same with his three DB schemes. In my view he needed to do this to help facilitate his move back to Spain.

I have considered that as a result of transferring, Mr and Mrs C's longer-term retirement income seemed a little less certain. But Mr C told the adviser of his confidence in managing his financial affairs, in particular that his and Mrs C's income in the medium term would continue at a high level from which I've assumed further savings could be amassed in due course. The adviser was also led to believe that the value of Mr C's business book was effectively sellable at around £250,000 and likely to increase. I don't therefore think giving up a guaranteed income of £5,942 at the age of 60, to achieve everything I've mentioned above, was wrong in this particular case.

So, in my view transferring was an unconventional response to an unconventional situation, reflective of Mr C's desire to move abroad and to flexibly manage his finances going forward in the jurisdiction of Spain.

<u>What else would Mr C have gone on to do?</u>

I understand that Mr C will find this disappointing. He was advised to place his money with a SIPP which evidently suited international clients. The fund within the SIPP met his attitude to risk. I understand the SIPP eventually ran into trouble and I'm sorry to hear about that. But at the time, the recommendation in this regard looked suitable and tailored to his situation.

I also accept there might well be influential arguments for transferring either way in this case – and as such, the advice to transfer could be described as a 'close call'. But even if I were to agree the advice was marginally *not* in Mr C's best interests, I still don't think this would have made any difference.

Mr C's motives for transferring were important to him; they were to generate the capital he needed at that particular time to relocate to Spain. He didn't yet have that amount available and so transferring from his DB schemes was something I think the evidence shows he wanted to do. As I've explained, I've found he likely had a very significant understanding of pensions and investments as a result of his long career as an international financial adviser. In my view, there is every reason to conclude he likely had the ability to make many complex investment decisions on his own.

In this unusual circumstance, it's my view that Mr C likely went for advice because this was what was required by law if he wanted to transfer from DB schemes. With his level of experience, there was no other reason to seek out and pay for regulated advice. So, I'm afraid I don't accept it's likely the original idea of transferring came from external factors.

Therefore, it's my finding that even if the advice by QFS had perhaps centred on the TVC and critical yield issues – and recommended he *shouldn't* transfer – I think he'd have gone ahead, nonetheless. In my view, Mr C retained the experience, skills and confidence to become an insistent client and this is what he would have probably done had he initially been prevented from transferring.

Summary

When he brought this complaint to the Financial Ombudsman Service, Mr C said that he had no experience of investments. But I'm afraid the evidence simply doesn't support this.

In my decision, I've set out the shortcomings in the advice. However, I still think the ultimate recommendation to transfer Mr C's three DB schemes was in his best interest given the relative complexity of his situation. In short, even though there were flaws in the advice, the recommendation was, in my view, the correct one.

For the reasons I've therefore comprehensively explained above, I'm not upholding his complaint.

My final decision

I do not uphold this complaint. I do not require Quilter Financial Services Limited to do anything.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 9 January 2025.

Michael Campbell
Ombudsman