

The complaint

Mr G complains about the service and advice he has received from AFH Independent Financial Services Limited trading as AFH Wealth Management ('AFH') regarding his request to transfer the benefits in his defined-benefit ('DB') occupational pension scheme. He is unhappy that AFH said it didn't recommend a transfer and the amount of time taken. Mr G transferred his DB pension after taking advice from another business but, by that time, the transfer value had fallen. And he says AFH has therefore caused him a loss.

What happened

Mr G held a personal pension and also had benefits in a DB scheme from a period of previous employment. He was a customer of a different independent financial adviser. But that advisor took the decision to retire and in October 2021 and wrote to Mr G explaining they had arranged for their customers to be transferred to the care of AFH.

AFH sent Mr G a welcome letter on 8 October 2021. The letter confirmed that fees would remain the same as Mr G had agreed with his previous adviser. And it said that a copy of AFH's client agreement was included.

AFH's contact notes for Mr G say that a meeting took place on 23 March 2022. It was recorded that Mr G said at that meeting that he was looking to transfer his DB scheme pension benefits to his existing personal pension. And the notes indicate Mr G sent AFH some details of his DB scheme by email the following day.

Mr G electronically signed a letter of authority on 25 March 2022, giving his DB scheme provider permission to provide information about his pension to AFH. And I've seen a copy of a letter AFH sent to the DB scheme provider on 29 March 2022, requesting information and providing that authority.

Mr G also signed AFH's terms of business on 25 March 2022. His wife, Mrs G, signed this on 29 March 2022. These terms of business included a section about DB transfers and AFH's advice process. It said that all clients would receive free, independent educational documents to enable them to decide if they wanted to proceed with advice. If they did, they'd first be provided AFH's abridged advice service. AFH explained that this was *"a shortened advice service to look at your personal circumstances and details of your safeguarded benefits without extending this to a detailed analysis or comparison of benefits."* It explained that this was a mandatory step and was subject to a fixed fee.

AFH explained it would carry out a full fact find and provide a written report *"as to whether you should remain in the scheme or if this is unclear without us carrying out further detailed analysis."* At which point Mr G would be able to decide if he wanted to proceed to full advice. And if Mr G did proceed to take full advice, AFH said this would include a detailed comparison and analysis, with the fee payable for this advice being a percentage of the estimated transfer value.

The DB scheme provider sent some information to AFH on 4 May 2022 via email. And it said a retirement estimate, current value and cash equivalent transfer value ('CETV') had been

requested and would be sent to AFH separately.

AFH said it received additional information from the DB scheme provider on 18 May 2022. On the same day AFH emailed Mr G its DB pension transfer guide (the educational documents the terms of business had referred to). It said Mr G should read this and its process was to allow at least seven days for him to consider his options independently. This guide included information about the pros and cons of DB schemes. It also discussed the regulator, the Financial Conduct Authority's ('FCA'), position on DB schemes, noting that the FCA said the starting point for transfers out of a DB scheme was that *"It is unlikely to be in the interests of the pension holder"*. And the document went on to again set out AFH's two stage advice process – abridged advice followed by full advice if chosen.

AFH sent a follow up email to Mr G on 27 May 2022. It said it hoped he'd found the information useful and included a link to a questionnaire about next steps.

The administrators of the DB scheme sent a letter directly to Mr G, also on 27 May 2022, providing the CETV for his pension, which was £169,859. This value was guaranteed until 22 August 2022. AFH's notes confirm that it received the CETV from the ceding scheme on 30 May 2022. And it says it sent a further copy to Mr G.

Mr G completed the questionnaire AFH had sent him on 31 May 2022. He said he wished to proceed with advice as he still wanted to transfer his DB pension. He noted that he had significant other assets so wasn't reliant on the secured income the DB scheme would pay in retirement, his personal pension was substantial and had been providing successful returns and he thought there was significant benefit in transferring and amalgamating his pensions. AFH's notes indicate that this questionnaire was forwarded internally on the same day *"to start the process"*.

AFH's contact notes say that it contacted Mr G approximately ten days later to arrange another meeting. And it says a virtual meeting was then carried out on 23 June 2022 at which it gathered some further information from Mr G. More information was requested over the next couple of weeks with a full fact find being 'completed' by the adviser on 11 July 2022 and sent internally to AFH's DB transfer specialists.

AFH then sent Mr G the fee agreement for its abridged advice on 13 July 2022 by email. This confirmed the fee was £400 plus VAT. He signed this virtually and returned it on the same day. And the next day AFH's adviser submitted a request for abridged advice to its DB transfer specialists.

AFH then asked Mr G for further information on 15 August 2022 about his and his wife's national insurance contributions. This was provided for Mr G on 20 August 2022 and for Mrs G on 1 September 2022.

Nothing appears to have happened for several weeks. AFH then produced its abridged advice report on 17 October 2022. In summary, AFH said it didn't recommend that Mr G transfer his DB scheme benefits to his personal pension. It said the estimated income the DB scheme would provide (£4,652.53 pa from age 55 or £6,121.41 pa from age 65) would provide a useful guaranteed baseline income, and Mr G's other pensions could be used on top of this on an ad hoc basis as required. It also said that legacy planning that had been discussed, could be achieved by other means. So, it said he should retain his DB benefits, draw them early to maximise the income he'd receive and recycle this into his other pension if he so chose.

I understand this was sent to Mr G on 19 October 2022. And AFH's notes say he responded on the same day, expressing his dissatisfaction with the recommendation and asking if this

could be reversed. He also began speaking to a different advising business, which I'll call Firm G, on 21 October 2022, to see if they could assist him with a transfer and completed an enquiry form.

AFH says it confirmed in mid-November 2022 that it would not be altering its recommendation and would not be able to facilitate the transfer on an insistent client basis.

Mr G proceeded with advice from Firm G. This involved completing a fact-find and first receiving abridged advice. Similar to AFH's process, there were only two potential outcomes from the abridged advice – that Firm G concluded a transfer was unsuitable or there was insufficient information to make a conclusion. Firm G provided its abridged advice on 28 November 2022, finding that it didn't have enough information to make a conclusion.

Mr G chose to take full financial advice from Firm G, incurring the relevant fee. An updated CETV was required from the DB scheme – which also incurred a fee. This was obtained on 1 February 2023 – the CETV had fallen to £109,261.

Firm G provided its full advice to Mr G on 15 March 2023. It recommended he transfer his DB scheme benefits to the provider of his personal pension and manage the funds alongside each other. The relevant applications were submitted to the ceding scheme and the transfer value from 1 February 2023 was secured. The transfer completed on 20 June 2023.

Mr G complained to AFH in August 2023. In short, he was unhappy with how long AFH took to provide advice, given the CETV was only guaranteed for three months which it knew, that it hadn't arranged for him to meet with a DB transfer specialist and that it had recommended that he not transfer, which he didn't think was suitable advice based on his circumstances. He said AFH had caused him a loss of just over £60,000.

AFH didn't uphold the complaint. It said Mr G had been informed of its advice process and the potential outcomes. AFH reiterated the FCA's position on DB pension transfers and said that the request had been reviewed by an appropriately qualified specialist. And, although it acknowledged Mr G was disappointed as he didn't think he had need for the pension, it still believed the advice had been appropriate. AFH did note though that the process "potentially could have been completed earlier" but said it was unable to quantify this. And it said the delays would not have changed its recommendation. It also noted that the abridged advice fee (£480) remained unpaid.

Unhappy with AFH's response, Mr G asked the Financial Ombudsman Service to consider his complaint.

I issued a provisional decision in April 2025 explaining that I thought Mr G's complaint should be upheld in part. Below are extracts from my provisional findings, explaining why, which form part of my final decision.

I think it is worth starting by saying the role of our service is to informally review and decide individual disputes on a fair and reasonable basis. We aren't a regulator and are an informal alternative to a court of law. We look at what has happened in the specific circumstances of a complaint and decide whether a business has made an error, and if so, what the fair way to address that is.

To do this 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. 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.

I'd add that, because of the informal nature of our service, I've summarised what has happened. If I don't comment on or refer to everything I've been sent or that has been said this isn't meant as a discourtesy or because I haven't thought about it. Rather it is because my decision will address what I consider to be the key issues in deciding what is fair and reasonable.

The advice AFH gave

Advice to transfer guaranteed pension benefits from a DB scheme is subject to a high level of regulatory scrutiny. There is a specific section in the Conduct of Business Sourcebook ('COBS') relating to this type of transfer (COBS 19). The FCA states in COBS 19.1.6G that the starting assumption for a transfer from a DB scheme is that it is unsuitable. So, a business should only consider recommending a transfer if it can clearly demonstrate, on contemporary evidence, that the transfer was in a consumer's best interests.

The process of a business being able to first provide abridged advice with limited potential outcomes – that could be provided at a lower cost - prior to providing full advice was introduced into the rules by the FCA and also has a specific section in COBS. So, AFH acted fairly by following this process, and indeed Firm G followed a similar process when Mr G later contacted it for advice. And I'm satisfied that AFH made Mr G aware that this was the process it would be following when he requested advice about transferring his DB pension. The process is set out in the terms of business that Mr G agreed to in March 2022.

The rules around abridged advice explain that it should follow the initial stages of the full advice process – with a business undertaking a fact find, attitude to risk assessment and obtaining details about the ceding scheme. And the assumption that a transfer is likely to be unsuitable still applies. But a business shouldn't consider the receiving scheme or carry out a transfer value analysis as part of abridged advice.

Looking at what happened here, I'm satisfied that AFH has acted in line with the rules around abridged advice when it looked into Mr G's proposed transfer. It completed a fact find and attitude to risks assessment and gathered information about the ceding scheme. And its analysis was based on that information and didn't include a transfer analysis or evaluation of the receiving scheme. So, I'm satisfied the process AFH followed was fair.

Mr G is unhappy that AFH's recommendation was that he should not transfer his DB scheme benefits. Mr G has been clear he didn't consider his DB scheme benefits to be particularly valuable in his circumstances and that he wanted to transfer – and indeed he has gone on to transfer the benefits via Firm G. But AFH's role wasn't just to put in place what Mr G might have thought he wanted. It had to give him suitable financial advice.

The DB scheme provided guaranteed pension benefits for which the scheme bore all of the risk. It provided a spouse's pension, in the event Mr G passed away before Mrs G. It is true that the other assets and incomes that Mr G explained to AFH in the fact find significantly exceeded the DB scheme. Which is why he didn't consider these guaranteed benefits to be important. At the same time though, his other assets already provided him with significant flexibility by which to meet his goals. And, as AFH stated, there were alternative ways to leave a legacy to his family, in terms of estate planning.

Taking everything into account and having regard for the presumption of unsuitability that the FCA set out, while I know Mr G was unhappy with AFH's recommendation, I don't think the advice was unsuitable. I acknowledge that Mr G had decided that he wanted to go ahead with the transfer. But that doesn't mean it was in his best interests to do so. And so, I don't

think I can reasonably say it was unfair or incorrect of AFH to recommend that he retain his DB scheme benefits.

Like our Investigator though, I think there were unnecessary delays by AFH when completing the abridged advice process.

Delays in the advice process

As I've said, the FCA sets out that the initial steps of the advice process should be the same as with full advice – completing a fact find and gathering information. So, I wouldn't expect the provision of abridged advice to be instantaneous. Gathering information and assessing that was still required – and the assessment and recommendation needed to be supported by a pension transfer specialist. At the same time though the whole point of an 'abridged' process is that it is shortened in comparison to full advice. Indeed, AFH referred to the abridged advice as being a "shortened advice service" in its terms of business.

In addition, the abridged advice process on its own isn't sufficient for a transfer to be completed, nor is a business allowed to provide confirmation of having provided regulated advice after only providing abridged advice. So, there would always be further steps, after the abridged advice process a business followed, before a transfer could go ahead.

With all of that in mind, I'd expect the provision of abridged advice to be completed promptly – particularly bearing in mind that CETV's are usually only guaranteed for a period of three months – something that AFH was aware of.

AFH has argued that the advice process didn't begin until July 2022, when it had fully completed a fact find. But I don't agree. Gathering information through a fact-find was part of what the FCA said a business should do in order to assess suitability for the purposes of giving abridged advice. So, in my view, it formed part of the process.

Our investigator also didn't agree with AFH on this point, and they said they thought the advice process started on 31 May 2022. It was on that date, after Mr G had completed a questionnaire indicating he wanted to proceed, that AFH internally referred his answers on and noted that as the start of the process.

But the information I've seen and summarised above indicates that Mr G began discussing a potential transfer with AFH in his meeting with it on 23 March 2022. AFH has provided a contact summary which makes it clear that Mr G discussed moving his DB pension during that meeting. Following that meeting AFH provided a risk questionnaire for Mr G to complete. And again, as I've explained, an assessment of a consumer's attitude to risk forms part of the abridged advice process. AFH's notes indicate that Mr G provided details of his DB scheme pension in reply to the adviser's email, the next day. And AFH requested information from the ceding DB scheme on 29 March 2022 – again something it needed to gather as part of the advice process.

So, in my view, the advice process arguably could be considered as having begun on 24 March 2022. It was on this date that AFH first requested information that was used as part of its advice assessment – the risk questionnaire. So, this was when it began the process of information gathering, with a view to providing advice, which is part of the advice process. That said, it appears a client agreement wasn't signed by Mr and Mrs G until 29 March 2022. And I don't think it would be fair to consider the advice process to have begun until that was completed.

Considering all of this information, I think it is reasonable to consider that the abridged advice process ought to have begun on 29 March 2022. Mr G had, at that time, signed a

client agreement with AFH. And it had begun gathering information from him and the ceding scheme by making requests, with a view to providing advice and which it went on to use when giving that advice.

But the abridged advice wasn't provided to Mr G until 19 October 2022, six and half months after a potential transfer was first discussed and approximately seven weeks after the CETV had expired. By comparison, Firm G, having been approached on 21 October 2022 provided abridged advice on 28 November 2022, so after approximately five weeks. I'm not saying that I'd expect the process to be uniform across different businesses or that AFH was required to have matched the turnaround time of Firm G. But I do think the timescale of Firm G's abridged advice was closer to how long I'd expect a shortened ('abridged') process to reasonably take and suggests the time taken by AFH was excessive.

AFH said in its complaint response to Mr G that the process "potentially could have been completed earlier". But it said this was difficult to quantify as it was not able to determine how long third parties might have taken to respond. But I think there were several examples of delays to the process that were quantifiable and attributable to AFH.

As I've said, I think 29 March 2022 ought to be considered as marking the start of the advice process. Mr G had made it clear at that point that he wanted to transfer his DB scheme and AFH had requested information to enable it to provide advice. But it appears that no referral for the advice process to begin internally was made until 31 May 2022. Which I think was an unnecessary delay on AFH's part.

AFH's notes show there was then no contact for ten days after this internal referral, with it getting back in touch with Mr G on 10 June 2022 to arrange a virtual meeting to complete a fact find. This was eventually scheduled for 23 June 2022. The fact-find wasn't finalised though until 11 July 2022, as more information needed to be gathered after the meeting.

I understand that scheduling a fact-finding meeting would be dependent on both Mr G and AFH's availability. So, the time taken between the discussions around when the meeting would take place and this actually happening isn't unreasonable. But it's unclear why AFH waited ten days to attempt to arrange the meeting in the first place - particularly given it had already received the CETV so was aware this was only guaranteed for a set period. And, in respect of needing to gather further information after the meeting, looking at the contact notes, this appears to have been in relation to some of Mr G's other financial products, particularly insurance policies in his name. If that information was always going to be needed, and as the professional party I think it is reasonable AFH would have known this, then I think it would have been reasonable for AFH to inform Mr G of this before the meeting took place, so he could be prepared with that information. But I can't see that AFH did this.

And ultimately, I think the process of arranging a fact-finding meeting ought to have begun on 29 March 2022. Again, at that point, Mr G had said he was looking to transfer his pension, AFH had asked Mr G to complete an attitude to risk questionnaire and it had asked the ceding scheme for information. So, in my view, the advice process had begun. A fact-find was always going to be required. And looking at the fact find, I can't see that any of the information AFH asked for couldn't have been discussed before the ceding scheme responded or the attitude to risk questionnaire was completed.

Following the fact find being completed and 'submitted' internally on 11 July 2022, AFH's notes indicate there was very little further progress until 1 August 2022. That delay of twenty days, which took place while the CETV was known and the guarantee period was expiring, appears in my opinion to be unreasonable.

AFH's notes say that internally, between 1 and 12 August 2022, it then established that it

needed additional information from Mr G about his national insurance contributions. It is unclear why that took twelve days to determine or why, again as the professional adviser, AFH hadn't identified the need for this information before the fact find was completed. The information wasn't then requested from Mr G until 16 August 2022 – a further delay of several days. And this was less than a week before the CETV was due to expire. The requested information was then provided in full on 1 September 2022. I don't think AFH is responsible for Mr G needing a couple of weeks to gather the information. But it appears that this whole additional delay could have been avoided if the information that AFH apparently needed was identified before the fact-finding meeting and requested in advance so that Mr G could provide this at the meeting.

There was then a significant further delay between that information being provided on 1 September 2022 and the abridged advice report being issued to Mr G on 19 October 2022. AFH hasn't explained this delay. I wouldn't expect an abridged advice report to be issued immediately on receipt of the required information. As I've said, DB transfer advice is subject to regulatory scrutiny and abridged advice needed to be reviewed by a suitably qualified adviser. So, I think it would be reasonable for this to require consideration, and potentially take several weeks. But I do think the time taken here was excessive, given abridged advice was intended to be a shortened, low cost, initial process.

What I think ought to have happened?

I should make it clear that, in explaining what I think ought to have happened, I'm not prescribing a process or timeline that AFH needed to follow on every occasion that it provided, or provides, advice to transfer a DB pension. Rather, I'm explaining what I think ought to have happened in Mr G's specific circumstances, taking account of what did happen. This isn't an exact science. Rather I'm providing an opinion on what I think is fair and reasonable, had things gone as I believe they should have.

As I've explained, I think the advice process ought to have been considered as having started on 29 March 2022. I think AFH should have sent Mr G the 'educational information' that was part of its process at that point. I think Mr G would have responded promptly, at the end of the seven-day period AFH allows for independent reflection, to say he wanted to proceed. And I think AFH should then have contacted Mr G within seven days of that date to arrange a fact-finding meeting. I think that contact ought to have included setting out what information Mr G would need to have available in order for the fact find to be completed in full. And, in my view, this should have included his and Mrs G's national insurance information.

It took between 23 June 2022 and 11 July 2022 for all of the information that was required to complete the fact find 'in full' to be gathered. And it took between 16 August 2022 and 1 September 2022 for Mr G to gather national insurance information. Which combined is just over a month. If this information had been gathered simultaneously, I think it is unlikely to have taken as long. But I think at least three weeks would have been required, based on what actually happened. And if he'd been forewarned of this information being required, I think Mr G would have gathered this before the fact-finding meeting took place, and it would have been scheduled to allow for this. Scheduling a fact-finding meeting would also have been dependent on Mr G and AFH's availability. So, allowing at least a further week's grace for that would be reasonable in my view. But I think, if AFH had acted as it should, the fact-finding process would have been completed by no later than 30 May 2022 – when AFH received the CETV from the ceding scheme.

At that time, AFH would have been in possession of all of the information it ultimately used to provide its advice - attitude to risk information, the fact find and the ceding scheme information. As I've said, I wouldn't have expected an advice report to have been produced

immediately as the information would have needed to have been evaluated before advice was produced. But again, given the abridged advice process was just the first part of any potential advice and further advice would always have been needed to proceed with a transfer, I think this should have been completed more quickly than AFH did here. Taking everything into account, I think it would have been reasonable for AFH to have provided its advice by around 20 June 2022 (three weeks from when it had received the relevant information).

If it had done so, given what happened after it advised Mr G not to transfer, I think he'd have contacted Firm G for alternative advice straight away (as I understand he had taken advice from them previously on a different matter).

Again, this isn't an exact science. But on balance, I think if AFH had begun the abridged advice process when it should've and had carried out the fact finding in a more appropriate way (using its professional expertise about what would be needed) it is likely that Mr G would have contacted Firm G for advice around 21 June 2022 – 4 months before he actually did. This means I think the delay was slightly greater than our Investigator identified.

The impact and how this should be addressed

The CETV of £169,859 was guaranteed until 22 August 2022. So, if AFH hadn't caused delays I think it would have provided abridged advice to Mr G before that CETV expired (around 20 June 2022). I don't think the outcome of that advice was unsuitable or unreasonable. So, I think AFH is likely to still have said it didn't recommend a transfer.

After receiving that advice, I think Mr G would have approached Firm G. This also would have been before the first CETV had expired. When Mr G contacted Firm G for advice, it also provided abridged advice. But it did so within approximately 5 weeks. I think it's likely Firm G would have provided abridged advice in a similar timeframe had Mr G contacted it in June 2022. And so, I think he'd likely have received abridged advice from Firm G before the CETV had expired.

But the abridged advice was the first stage of the process and wasn't sufficient for the transfer to take place. Under the Regulator's rules, Mr G would still have been required to take full advice from Firm G before he could transfer out of his DB scheme. Mr G did take full advice from Firm G. And this was given on 15 March 2023, after Mr G had initially contacted it on 21 October 2022. Again, I think it's reasonable based on what happened, to think that the full advice process from Firm G would've taken roughly the same amount of time if it had been commenced four months earlier. So, I think it is likely, had Mr G contacted Firm G four months earlier, that it would've provided him advice around 15 November 2022. By this time, the CETV that Mr G was provided in May 2022 would have expired. And a new CETV would always have been required, as would incurring the relevant fee for this.

Again, I think AFH did cause unnecessary delays. But ultimately, I'm not persuaded that the delays I can attribute to AFH resulted in Mr G missing out on securing the CETV of £169,859 because, for the reasons I've explained, I think this would've always expired before a transfer was completed.

As I've explained, when Mr G was eventually able to transfer out of his DB scheme, the amount he received from the DB scheme was lower than the original CETV. But I don't think it would be fair or reasonable to attribute any financial loss to AFH as a result of the delays it caused. In my view, it's clear that Mr G would've always needed to obtain a new CETV from the DB scheme trustees.

A new CETV was obtained in February 2023 as part of the advice process with Firm G. And,

it follows that if the abridged advice from AFH had been delivered sooner and in turn Mr G had begun the advice process with Firm G sooner, he would've likely obtained a new CETV earlier. However, I don't think I can speculate on whether or not Mr G would've been able to receive a higher CETV than the one he obtained in February 2023, and ultimately transferred, had he asked for one at an earlier date. It isn't the case that if a CETV has decreased between two points in time the value will have decreased consistently – the CETV is based on a complicated calculation taking account of numerous factors.

Our investigator said they thought AFH should approach the DB scheme trustees for a notional CETV. But I cannot compel Mr G's former DB scheme trustee to calculate a hypothetical CETV based on an earlier date. And even if Mr G's former scheme might be prepared to calculate such a figure, I don't think it is fair to take that approach when I know that other DB scheme trustees would not be prepared to or be able to calculate hypothetical CETVs for customers in similar circumstances. So, for that reason, I don't think it is fair for me overall to consider awarding redress on the basis of whether Mr G could've secured a higher CETV had the abridged advice been delivered sooner.

Our Investigator recommended that AFH make a payment for the distress and inconvenience caused by the delays. And I do think AFH's failure to deliver the abridged advice sooner is likely to have caused Mr G frustration, as well as contributing to the disappointment when the process was not completed before the initial CETV expired. As I've said, I don't think AFH was wrong to recommend that he not transfer. But I think it was reasonable for Mr G to expect AFH to provide advice to him promptly, particularly as an existing customer following his transfer from his previous IFA. So, I do think redress to address this frustration would be appropriate. I note though that the fee for the abridged advice, £480, apparently remains unpaid. And the service AFH said it would provide for the fee was ultimately provided, albeit after several delays.

Information about the awards we generally consider for trouble and upset is available on our website. And, taking account of this and the circumstances of Mr G's complaint, I find I'd usually be minded to award compensation for distress and inconvenience that would be roughly commensurate with the abridged advice fee. And, in the specific circumstances of this complaint, rather than make a separate payment to Mr G but continue to pursue the outstanding fee, I think a fair resolution would instead be for the fee of £480 to be waived in full and AFH to no longer pursue this amount.

Responses to my provisional decision

I gave both parties an opportunity to make further comments or send further information before I reached my final decision.

AFH didn't respond to my provisional decision.

Mr G said he didn't agree. He said when he transferred from his previous IFA to AFH he was already looking at transferring and AFH was aware and that he was insistent on doing so. He says AFH said it could assist. If it had said otherwise, he'd have approached Firm G sooner. So, Mr G still think AFH is responsible for the entire 'loss' between the transfer value he achieved and the earlier, higher CETV.

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.

Having done so, while I know this will come as a disappointment to Mr G, my opinion hasn't changed.

Mr G says he informed his previous IFA of an intention to seek a transfer of his DB scheme, and they had in turn told AFH this was something he was considering. And AFH said that this was something it could assist with. But advice on a potential DB transfer was a service that AFH offered. So, it wouldn't have been incorrect for it to say this was something it could potentially assist with if this had been mentioned to it.

At the same time, as I explained in my provisional findings, advice on DB pension transfers is subject to significant regulatory scrutiny. And regardless of whether this was something Mr G wanted to do, AFH's role wasn't just to facilitate this for him. It was required to consider what was in Mr G's best interests and provide advice on this, even if that was at odds with what Mr G wanted.

Mr G has indicated he'd have contacted Firm G sooner, if AFH had been clear, when he transferred from his previous IFA, that it wouldn't recommend a transfer. But AFH couldn't have known this until it considered the request to transfer and his circumstances. And I'm satisfied that this request wasn't made until March 2022. I'd also note that the CETV which Mr G has calculated his losses from, wasn't obtained until that advice process began, so is unlikely to have been the same earlier.

As I explained in my provisional findings, I don't think AFH's conclusion that a transfer was not in Mr G's best interests was unreasonable. So, I don't think it has acted unfairly by advising him not to transfer. I do think it took longer than it should have to provide abridged advice. But, for the reasons I've explained, even if it had provided this advice in a timeframe I think would've been more reasonable, I'm satisfied on balance the CETV would always have needed to be recalculated. So, I can't reasonably hold AFH responsible for the 'loss' that Mr G has claimed.

I don't doubt that the delays caused Mr G frustration. But I remain of the opinion that a fair way to address this is for AFH to waive and no longer pursue the fee (£480) for the abridged advice service it provided to Mr G.

My final decision

For the reasons given above, I uphold Mr G's complaint in part.

To put matters right, AFH Independent Financial Services Limited trading as AFH Wealth Management should waive the fee of £480 that remains unpaid, to address the trouble and upset its delays have caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 16 June 2025.

Ben Stoker
Ombudsman