

The complaint

Mr T complains about advice received from M&G Wealth Advice Limited (M & G).

What happened

Mr T said he asked for advice from M & G regarding the possible transfer of a defined benefit (DB) workplace pension. The advice was not to transfer, and he felt there had been delays and poor service throughout the process. He had also retired before his pension started and had to borrow money to fill the gap. He said he had lost out and didn't want to pay for the advice. He said he was: -

- Unhappy with the timescales for dealing with a potential Defined Benefit (DB) transfer and was told the transfer would be completed by the time he wished to retire.
- The adviser did not keep him updated.
- He was not made aware of what documents he was signing and why he had to sign these.
- He was told there should be no issue with the DB transfer.
- He was unhappy two meetings were cancelled.
- The incorrect form was completed and sent to the ceding scheme, and he did not receive a payment until August 2024.
- He felt there had been delays.
- It was not explained, verbally or in writing why the transfer did not take place.
- It was not fully explained that if he proceeded to full advice stage, he would have to pay the advice charge regardless of the outcome. He did not wish to pay the full charge.

M & G didn't agree and said it hadn't done anything wrong.

An investigator considered Mr T's complaint but didn't agree. The investigator set out the events at length and in detail. The parties have not disputed the timeline of events, so I have not repeated it.

In summary the investigator said the following: -

They thought M & G had treated Mr T fairly

They couldn't see any reason why Mr T shouldn't be liable to pay the costs of the advice he had received.

Based on the evidence they didn't think that M & G had made any errors or delays that merited any award for loss or distress and inconvenience. They said that because: -

- the overall timescale from November 2023 to mid-2024 was in line with the possible timescales outlined in the guides provided to Mr T at the start. It appeared that M & G had responded within reasonable timescales throughout the process.
- Mr T felt there were insufficient updates and meetings were cancelled. The investigator set out a detailed timeline of contact and meetings and found no evidence of this.
- Mr T said he had been told he could retire in March 2024. He continued to work in April and then left work before any pension started. The investigator didn't find any evidence that Mr T had been advised to leave work. Nor would it have been the adviser's role to do so.
- Mr T said he wasn't aware of the content of documents he had to sign, but it was for Mr T to ask questions at the time if he had not felt they were clear.
- Mr T felt that his pension options were not clearly presented to him and this caused delay. This appeared to refer to the options within his existing workplace pension. The investigator said it was not for M & G to give advice about those options. There was some delay as a form returned to the workplace scheme had been lost and needed to be reissued and caused delay. But that loss and delay wasn't caused by M & G.

Mr T didn't agree. He said all he had ever wanted was to transfer his pension, but this didn't happen. He said he had been given the wrong form that had costs 6 weeks delay and meant he left work without a pension income and had to borrow to cover costs. He felt the suggested income on transfer of £750 was inadequate and it had been suggested this was a figure '*to get it over the line*' which he felt was suspicious. He felt there was a lack of professionalism from M & G.

The investigator said while the outcome of the advice was not to transfer, that didn't mean the advice was wrong. M & G had to act in line with regulator guidance, and this was the conclusion reached applying that. Further M & G would not facilitate a transfer against their advice. There was no evidence Mr T had been advised to leave work. There had been rough timescales discussed for taking the pension but the decision to leave work was Mr T's alone. The use of the £750 figure was an illustration of what the adviser felt was realistic. So, this did not appear to be suspicious.

With respect to the wrong option form this was supplied by the pension scheme and not M & G.

Mr T didn't agree and felt that he had been given the wrong form, and this was only clear after he chased the workplace pension who sent the correct form. He felt that despite him and his wife being present at meetings no regard had been given to their perspective of events. He felt that he was the innocent party and was being accused of failings that ended up costing him lost earnings and a bill for advice that concluded he should not transfer.

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 can understand Mr T's frustration. He started a process in late 2023 which he believed would allow enough time for him to retire in late spring 2024. However, the process took longer than he anticipated and later than his originally intended retirement date in 2024. He

incurred costs in taking advice that told him he was not recommended to transfer. He also decided to leave work before his pension started, and this left him with an income gap.

So not only does he feel there was a delay in the original indicative timescale, he finished up in the same situation as he had been at the start but now had a bill to pay. He has also ended up with a guaranteed pension income which wasn't what he wanted.

I accept Mr T felt he could have dealt with the workplace pension himself, and he could have done this without the need for any advice. In the end the advice made no difference to his options and didn't get him to his desired position of not having a guaranteed pension.

While I can understand how Mr T feels, it doesn't automatically mean that M & G did anything wrong.

Before I can make any award against M & G I need to find that they have made a mistake that caused financial loss and or distress and inconvenience. For the reasons set out below, I don't think M & G did make a mistake that caused financial loss or distress and inconvenience.

As a detailed timeline of events was set out by the investigator and neither party has disputed it, I have not set it out again and have assumed it was an accurate summary.

I have reviewed the papers presented to me and considered if there was evidence of a mistake or delay by M & G. In reviewing the papers, I have considered M & G's obligations to act in accordance with regulator guidance.

For the reasons set out below I cannot uphold this complaint.

Retirement

Mr T suggests he was told he could leave work and retire.

I can see he signed and dated the retirement option form in mid-May 2024 (though this was the second attempt at completing the form). This was after he left work at the end of April. It seems Mr T submitted an option form before the one in mid-May. I have not seen that and don't know when it was sent. But it must have been sent before he had M & G's advice.

Mr T says he received his benefits in August 2024, but I cannot see the delay between the return of the option form in mid-May, and the start of his pension was caused by M & G. That is because starting his pension payment was the responsibility of the workplace scheme and not M & G's.

I note he says the wrong form was used initially and this caused delay. But I can see the M & G suitability report was dated 16 April, before he left work, but was not presented until 1 May. Mr T said he worked on into April, so it seems he would've needed to decide to leave work before the final advice was presented to him. So, I cannot reasonably conclude that he was relying on the M & G advice in deciding to leave work at the end of April 2024 because the advice had not been presented at that time.

Further I have not seen evidence of delays by M & G in the preparation of its advice. I say that because the investigator set out a detailed timeline that supports this conclusion and it has not been disputed.

I can understand that there may have been background conversation about when he wanted to 'retire' but there is a difference between aiming to retire and take pension and leaving

work. The report does not advise him to leave work it considers his options if he decides to take his pension.

So, for those reasons I don't think M & G told him to leave work and nor is it responsible for the delay until he got his pension and had to borrow money.

Illustration amount

M & G needed to prepare some models to provide its advice. So, I don't think this was suspicious as Mr T suggests.

Delay

As I have said, based on the timeline and my review of all the papers I could not see evidence of unreasonable delay by M & G, and it seems matters were acted on and followed up in a reasonably timely manner.

For example, I can see they chased the ceding scheme on 2 May the day after the presentation and again on 9 May. The option form was signed on 15 May 2024, so it seems that M & G were proactive in chasing this in.

It would not have been possible for M & G to start considering any advice until it received information from the workplace scheme. I note that the Cash Equivalent Transfer Value form (CETV) from the workplace scheme was sent in late February 2024. As required by regulations this was available for acceptance for three months. So, M & G needed to complete its advice before those 3 months expired, which it did.

Advice on which form

Mr T suggests that he wasn't given the correct form but that doesn't seem to be the case. That is because I can see the retirement options form contains all three options available to him. So, when he initially returned it, it must have been the same form he would have subsequently signed and returned with a different option selected.

Charges

The financial regulator is clear *that 'consumers need to know how much advice will cost them'*. In the light of the detailed regulator guidance on this I have considered whether M & G did this.

I have considered the client agreement. This says the following

'there is a charge for the advice we provide on transferring your pension. Our advice is split into two stages – initial advice (sometimes referred to as "abridged advice") and full advice. The charge only applies at the full advice stage and is payable regardless of whether our decision is to transfer or not.

I note that in the initial Recommendation: letter 18 March 2024 M & G says: -

We have concluded that there is insufficient information to make a recommendation.

You understand that you cannot transfer your pension unless you take full advice.

'Full advice will cost £XXXXXX – this is equivalent to around 6 months income from your current scheme.

You have a 14-day cooling off period from the date you sign this letter, within which you will not be charged the initial advice fee, should you decide you no longer wish to proceed.

If the recommendation at full advice stage is a transfer to (name of an account), then this fee will be taken from the transferred pension funds. If the recommendation is to retain the pension within the DB scheme, or a transfer to your workplace pension, or you decide not to proceed after the cooling off period, we will send you an invoice for payment of the advice fee.

So based on the evidence I think it was clear that Mr T would have to pay for advice and the fee was payable even if the advice was not to transfer. I think it is also clear that he had moved from the initial free phase into the chargeable phase of the advice.

Advice

I can see from the suitability report that it's clear Mr T wants control of his money and doesn't need it to be a specified or guaranteed amount. This shows that M & G did listen to and set out Mr T's *desired* outcome.

The papers were also clear that M & G wouldn't help with a transfer if this was against their advice. I say that because I can see the 'Guide to DB transfer' says

If our advice is not to transfer, we can't then proceed with the transfer even if you still want.

If Mr T didn't feel the advice was clear, he needed to say so at the time. But based on what was said I think that it was explained why the transfer didn't take place and that M & G wouldn't enable the transfer against its advice.

Mr T also suggests that the advice options were not clearly presented and this caused delay. I put this to M & G who referred to the suitability report which confirmed that his current scheme remained suitable and explained that he could take maximum tax-free cash without any loss of guaranteed pension and still be able to transfer excess of around £16,000 to a flexible pension. This matches with option 2 on the option form which is what he selected when the form was submitted (for the second time) after the report was presented. So I think it seems he was provided with the information he needed.

Payment for advice

It isn't for this service to direct Mr T to pay for his advice but for the reasons given above I think the papers were clear that he would be liable to pay for the advice even if it didn't advise him to transfer.

So, in conclusion while I understand Mr T's frustrations, I can't uphold his complaint.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 14 October 2025.

Colette Bewley
Ombudsman