

The complaint

Mr K complains about the advice he said he received from Wesleyan Financial Services Limited (Wesleyan) to not cash in his investments following his concerns about investment performance.

What happened

In 2021 Mr K was advised by Wesleyan to switch his Wesleyan Personal Pension Plan to a new Wesleyan personal pension that provided for flexi-access drawdown (FAD) allowing Mr K to take out a tax-free cash lump sum.

For this initial advice Wesleyan charged Mr K around £3,200. Mr K declined ongoing advisory services so any future advice would be provided at the rate of £300 per hour + VAT.

Mr K also held an Individual Savings Account (ISA) and a Capital Investment Bond (CIB) with Wesleyan.

Wesleyan provided Mr K with annual statements each year setting out the current values of his policies. The statements also confirmed that Mr K had not opted for ongoing advice services (OAS each year).

On 14 June 2023 Mr K contacted Wesleyan to discuss withdrawing all of his investments following a significant reduction in the value of his pension. Mr K said at this time his adviser told him to “that he thought it would be a bad move” and he’d be better off staying with Wesleyan as things would get better and “said interest rates would fall again by Christmas”. Mr K says he asked if this advice could be put in writing, but the adviser say he couldn’t.

Wesleyan did issue a letter that same day in which it provided its summary of the conversation held on 14 June. The letter said in relevant part, that Mr K didn’t want a full financial review at the time as he only wanted to discuss making a withdrawal from his investments. Mr K was provided with the current values of his pension, CIB and ISA. Mr K expressed alarm at the decreased value of the pension and concern that the other investments had barely grown at all in the last year. The letter said that a discussion was then had about the economy and the impact of a number of events – like COVID, Brexit, US and UK elections, high inflation and interest rates – on investments. There was also discussion of the Bank of England base rates and the expectation that as inflation comes down interest rates would follow suit.

It was also documented that Mr K’s investments would be reviewed again in six months’ time. And the letter confirmed Wesleyan would begin arrangements for the withdrawal Mr K had requested.

The letter concluded:

I did not provide you with any advice. If you would like financial advice in the future, please do not hesitate to contact me. I will be happy to arrange a meeting to carry out

a full review of your circumstances and to provide you with personalised financial advice.

In July 2023, following conversations with another adviser, Mr K arranged to withdraw all of his funds and close his CIB, ISA and pension held with Wesleyan.

Mr K subsequently complained to Wesleyan about the delays in processing his disinvestments, tax concerns pertaining to his pension withdrawals and about the performance of his pension fund from April 2022 to April 2023. Wesleyan issued its final response letter in September 2023 and Mr K later brought these complaint issues to this service for an independent assessment in October 2023. This complaint was looked into by one of our investigators and ultimately resolved in March 2024.

Mr K raised a second complaint with Wesleyan on 23 March 2024 regarding what he says was “the bad advice from my financial advisor last year regards to cashing in all my investments with [Wesleyan]”. Mr K said had he taken this advice he could have lost thousands more of his capital.

Wesleyan considered his complaint but did not uphold it. Wesleyan said that the adviser let Mr K know his options and their tax implications but did not provide Mr K with financial advice. Mr K didn’t agree and asked Wesleyan to provide him with valuations of what his investments would be worth had he remained with Wesleyan. Wesleyan declined to provide these valuations.

Dissatisfied with this response Mr K brought his complaint to this Service for an independent assessment. One of our investigators looked into Mr K’s concerns and concluded that Wesleyan hadn’t done anything wrong as he wasn’t persuaded that financial advice had been given. And, regardless, Mr K withdrew all of his investments without advice, soon thereafter, so there was no actual financial loss. Further, the investigator didn’t think Wesleyan were obligated to provide hypothetical valuations as Mr K had closed all his Wesleyan accounts.

Mr K did not agree, so the complaint has been referred to me for 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.

And having done so, I agree with the investigator and there is very little I can add to the explanation our Investigator has provided.

At the outset I want to be clear that this decision will only address Mr K’s complaint regarding the June 2023 conversation with Wesleyan – specifically whether this constituted advice which caused Mr K a financial loss. As has been explained previously by our Investigator, the complaint about the performance of his investments, tax and other issues were dealt with in a separate complaint and so I am unable to revisit those issues here.

It is my role to fairly and reasonably decide if Wesleyan has done anything wrong in respect of the individual circumstances of the complaint made and – if I find that it has done something wrong – award compensation for any material loss or distress and inconvenience suffered by Mr K because of this.

When considering what is fair and reasonable, I have taken into account relevant law and regulations; regulator’s rules, guidance and codes of practice; and what I consider to have

been good industry practice at the time.

Where the evidence is incomplete, inconclusive, or contradictory (as some of it is here), I reach my decision on the balance of probabilities – in other words, what I consider is most likely to have happened in the light of the available evidence and the wider circumstances.

It's evident that Mr K has strong feelings about this complaint. He has provided detailed arguments to support his case which I can confirm I've read and carefully considered. However, I trust Mr K will not take the fact that my findings focus on what I consider to be the central issues, as a discourtesy. The purpose of my decision isn't to address every point raised, but instead to set out my conclusions and reasons for reaching them.

Mr K is unhappy that Wesleyan didn't tell him to withdraw all his funds in his Wesleyan investments in June 2023. He said this was advice and had he followed this advice he would likely have suffered a financial loss.

I know this will be disappointing, but I am not persuaded that the conversation on 14 June 2023 and subsequent summary letter constitute regulated financial advice.

Financial advice is more than an exchange of information or general guidance. In order to find that there was financial advice for which Wesleyan is responsible I would need to be provided with evidence of a personal recommendation, based on Mr K's circumstances and objectives at the time, along with an explanation of why that course of action was suitable for him. This sort of information would typically be found in fact find documents, financial analysis and comparisons, and a suitability report would likely be produced. I've been provided no such evidence in this case.

The letter following this conversation does not set out a personal recommendation, it merely provides Mr K with a summary of the information Wesleyan says was provided to him during their conversation on 14 June 2023. This included a factual explanation of what had been impacting investment performance globally, along with Mr K's options and general tax implications for withdrawing from his ISA, CIB and pension. I'm not persuaded that this amounted to a recommendation to take a course of action to meet a particular objective of Mr K's nor can I see that his particular circumstances were reviewed or discussed to ensure any recommendation was suitable.

Moreover, the letter specifically states that no advice was provided. I've not been provided with any evidence that Mr K challenged this with Wesleyan at the time. And as Mr K declined ongoing advisory services, if advice had been provided, I would expect there to be a fee charged. Having reviewed Mr K's annual statements, the only advice fee Mr K was charged was £3221.63 for the initial advice provided in 2021. Therefore, I am not persuaded by the evidence I've been provided that Wesleyan advised Mr K in June 2023.

But even if I am wrong about this, and the June 2023 conversation did amount to advice, Mr K ultimately didn't follow it. Mr K said Wesleyan advised him to keep his investments. Instead, he withdrew all of his investments in July 2023, without further advice from Wesleyan. The aim of this Service is to put consumers in the position they would be in but for a business's actions. Given the circumstances, I'm unable to say that Wesleyan caused Mr K to be in his current position. So, I'm unable to conclude Mr K suffered a financial loss as a result of Wesleyan's advice. And like the Investigator, I do not consider that it would be fair or reasonable to hold Wesleyan responsible for any hypothetical financial losses. Therefore, I am unable to uphold Mr K's complaint regarding the June 2023 conversation.

I also agree with our Investigator that it is not unreasonable Wesleyan have declined to provide estimated valuations on investments that are no longer held with Wesleyan. But

Wesleyan has provided Mr K with the information he needs to make the calculations himself, which under the circumstances I consider fair.

So, for all these reasons, whilst I know Mr K will be disappointed with this outcome, I'm not upholding his complaint.

My final decision

For the reasons given above, my final decision is that I do not uphold this complaint.

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

Jennifer Wood
Ombudsman