

The complaint

Mr C has complained that Argentis Wealth Management Ltd mis-managed the investment of his pension plan and provided him with poor service when his financial adviser retired.

What happened

I set out details of the background of this complaint in my Provisional Decision, which I issued earlier. In my Provisional Decision I said:

What happened

Mr C held a personal pension plan. Argentis Wealth Management Ltd (Argentis) was Mr C's financial advisers. Mr C's pension plan was originally set up through a different financial advice firm, but that advice firm was subsequently taken over by Argentis. For ease of reference, I will just refer to Mr C's financial adviser as Argentis in this decision.

In 2016 Mr C's pension investment was switched into a new pension fund on the recommendation of his financial adviser. This new fund was managed by a third-party investment management firm. In this decision I will refer to this new pension fund as Fund A.

On 25 January 2022 Mr C held a remote review meeting with his financial adviser and in May 2022 Mr C received a follow up letter to this meeting which confirmed the ongoing suitability of his pension investment in Fund A. In March 2024 Mr C tried to contact his financial adviser but was told that he had retired in May 2023 and a new financial adviser had been appointed by Argentis to look after him.

Argentis gave Mr C a valuation for his pension plan in March 2024. Mr C has said that this valuation was £2,200 less than his pension plan's value when he'd had his remote review meeting in January 2022. Mr C also says that he was told by his new Argentis financial adviser to fully encash his pension plan in order to stop any further losses and that Argentis could no longer act as his adviser as the annual advice fee that Mr C was paying was below Argentis' minimum fee rate.

In March 2024 Mr C raised a complaint with Argentis about the fall in the value of his pension plan. Mr C claimed that at his January 2022 review meeting he'd been told by his financial adviser that his portfolio would: "be made defensive and be as safe as moving it to a bank account". Mr C also complained that he hadn't been told about his previous adviser retiring and the appointment of a new financial adviser.

In May 2024 Mr C followed the advice he says he received from his new Argentis adviser and encashed his pension plan. Mr C took all his pension plan value as a single payment, net of Income Tax. On 17 May 2024 Argentis responded to Mr C's complaint. In its response Argentis said that Mr C had a telephone review meeting with his previous financial adviser in 2022 and Mr C had said in this meeting that his investment objectives and goals, and his attitude to investment risk, were unchanged from his previous review meeting. Argentis also said that Fund A was suitable to Mr C's objectives and attitude to investment risk.

In its response Argentis went on to say:

"(Mr C's financial adviser) also highlighted that the investment was invested in an individual fund. Whilst this profile matched your current attitude to risk, the funds are not actively reviewed and rebalanced on a regular basis. (Mr C's financial adviser) pointed out that without a portfolio which benefits from active fund management, your investments may not continue to meet your needs and objectives. However, you confirmed you wanted to retain your current portfolio of funds despite the fact they were no longer being actively managed, and you understood that they may drift from their anticipated risk profile over time".

Mr C wasn't happy with the response he'd received from Argentis so he asked for his complaint to be re-examined. On 11 August 2024 Mr C received a further and final response from Argentis to his complaint. Argentis didn't uphold Mr C's complaint about the fall in value in his pension plan. However, Argentis did accept that it could have communicated with him better when his previous financial adviser had retired and offered him compensation of £250 for the distress and inconvenience he'd suffered. Argentis also accepted that it could have responded to Mr C's complaint in a more efficient manner and offered him a payment of £250 to compensate him for the further distress and inconvenience it believed Mr C had suffered as a result.

Mr C still wasn't happy with Argentis' response following its re-examination of his complaint, so he brought his complaint to the Financial Ombudsman Service. One of our Investigator's reviewed Mr C's complaint. Their view was they couldn't conclude that Argentis had mis-managed Mr C's pension plan investment. Our Investigator also thought that Argentis' offer of £250 compensation in respect of poor communication when Mr C's financial adviser retired was reasonable, but that as complaint handling is not a regulated activity, this Service couldn't consider that part of Mr C's complaint or comment on the fairness of the £250 compensation offered by Argentis.

Mr C didn't agree with our Investigator's view, so he asked for his complaint to be brought to an Ombudsman.

What I've provisionally 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 will firstly consider the suitability report sent to Mr C on 25 January 2016 as I think this is when Argentis first recommended Fund A to Mr C for his pension plan investment. Mr C went ahead with the investment recommendation he received from Argentis, so I think it's reasonable to conclude that Mr C agreed with the assessment and recommendation that was set out in this suitability report. I've set out below some sections of the January 2016 suitability report which I think are relevant to this complaint.

Under the heading "Attitude to risk" the January 2016 report says:

"Your overall risk profile describes your general risk outlook and indicates the level of risk you are normally prepared to take, although you may decide to take more or less risk for any specific investment goals you may have, As part of identifying your risk profile we discussed your answers to a psychometric questionnaire, the indicative risk score from which is a score of 45, level 4 out of 7, balanced. However. this does not take into account other factors that will impact on the risk approach that is most suited to you.

The other factor we discussed in detail in relation to your overall financial position were your limited investment experience, your income, your limited assets and investment horizon and following this we agreed to reduce your overall attitude to risk to level 2 out of 7, cautious. This means that because you require some growth potential. you are prepared to move away from investing in cash and to accept some investment risk. Typically you are willing to invest in non-cash assets which will include some exposure to shares. You accept that growth prospects are limited and understand your investment will fluctuate in value, meaning you could get back less than you invest".

I think that Argentis is saying that whilst the output of the risk assessment questionnaire completed by Mr C indicated that he was a "balanced" investor, further discussions had confirmed that this risk assessment was incorrect, and that Mr C was instead a "cautious" investor. I think that this assessment was also saying that Mr C accepted that his pension investment would fluctuate in value, and he could get back less than he invested.

Under a heading "Key Risks" the suitability report lists out six bullet points, one of which states: "The invested funds may be depleted either through poor investment performance or withdrawals". I think that Argentis was telling Mr C that the value of his pension plan could be reduced through poor investment performance.

The suitability report then goes on to set out Argentis' recommendation to Mr C to invest in Fund A. Under the heading "Investment portfolio", the report says: "The pension plan I have recommended meets your requirements and, in order to ensure that the arrangement also meets your attitude to risk which we agreed could be best described as cautious, I have recommended that your portfolio should be constructed as follows". The suitability report then goes on to recommend investing 20% of Mr C's total portfolio in "Equities" and 80% in "Bonds and Gilts". The suitability report then recommends that Mr C invests his pension in Fund A.

Later in the report, under the heading: "Reason why: (Fund A) Funds" the report says: "Equities, over the last twenty years, have offered higher returns than bonds, but they've also typically carried more short-term risk The mix of equities and bonds that you choose will depend on how much risk you're willing to take for an expected return. And that depends on why you're investing and when you need your money. But always remember that the value of investments, and the income from them may fall or rise and investors may get back less than they invested".

I think that in making its recommendation to Mr C, Argentis was telling him that 20% of his investment would be in "Equities", with the remaining 80% invested in "Bonds and Gilts", and that the value of his investment could fall as well as rise and he could get back less than he invested.

Therefore, in conclusion, having considered the January 2016 suitability report I think that Mr C should have understood that by following Argentis' recommendations his pension plan would be invested in both "Equities" and "Bonds and Gilts" and that the value of his pension plan could fall and that there was no guarantee that he would get back the amount that he

invested.

However, the report also said: "I will also be providing ongoing investment services, which will be charged as an annual percentage of assets under management of 0.7%". Therefore, having considered the original 2016 recommendation for Mr C to invest in Fund A, I will now consider the evidence that I've seen on review meetings between Mr C and Argentis, and the ongoing advice that Mr C received.

Argentis has sent this Service an "Annual review document" dated 17 March 2022. This document says that the last previous review completed for Mr C was on 6 November 2020. I think it's reasonable to conclude that the March 2022 "Annual review document" is a record of the review meeting that Mr C had with his Argentis financial adviser on 25 January 2022.

Under the heading "Update to circumstances" the March 2022 review document says: "We talked through your circumstances over the last 12 months. Thank you for confirming your circumstances have not fundamentally changed over the last twelve months. You also confirmed that the personal details we hold on file remain accurate and correct and there are no changes to be made. That said I have updated our records regarding any changes in income and savings".

Under the heading "Outcome of risk discussion — is current level still suitable? Does the client show any concerns about the current level of risk?" the review document goes on to say: "You are happy to retain your current portfolio because according to the Attitude to risk questionnaire we completed and our previous conversations your attitude to investment risk is Defensive and I can confirm that your current basket of funds matches this, and therefore continues to be suitable for your needs".

I think that in this review document Argentis is saying that Mr C is happy to retain his investment in Fund A because his circumstances are unchanged from his previous review meeting, and Fund A still matches his "Defensive" attitude to investment risk.

Argentis then wrote to Mr C on 9 May 2022. This letter says: "I refer to our telephone call on 25/01/2022, the purpose of which was to conduct your annual review and assess the ongoing suitability of your investments. Please accept my apologies for the delay in my writing to confirm the outcome of the suitability assessment and any further actions agreed". Under the heading "Objectives", the May 2022 letter says: "You confirmed that your objectives continue to be having a general review of your investments, pensions, and savings. Your goal is that your investments will grow above and beyond the rate of inflation and that of deposit-based savings".

The letter, under the heading "Review of Attitude to Risk" also says: "According to the attitude to risk questionnaire you completed previously our records show your attitude to risk as Defensive, we discussed the definition of this risk profile and agreed that your attitude towards investment risk remains Defensive.

Defensive

As a defensive investor, your portfolio will be invested in the most defensive areas, i.e., cash and fixed interest securities. This approach offers a high degree of security and should minimize the chances of substantial short-term volatility. The overall return, whilst not guaranteed, should fall within a narrow range. However, particularly over periods in excess of 5 years, the return may compare unfavourably with that achievable from a higher risk approach".

Under the heading "Conclusion" the May 2022 letter says: "Based on my review of your current personal circumstances, financial situation, investment objectives and attitude

towards investment risk, I can confirm that your investments continue to be suitable”.

I think that it’s reasonable to conclude from the May 2022 letter that Argentis is telling Mr C that he should retain his investment in Fund A as his goal is to achieve an investment return above the rate of deposit-based investments and there had been no change to his attitude to investment risk, which remained “Defensive”. I also think it’s saying that returns on Mr C’s pension investment are not guaranteed.

However, the review letter refers to a telephone call between Argentis and Mr C on 25 January 2022, when Mr C has said that the review meeting was completed via “Zoom”. I think it’s reasonable to conclude that the January 2022 review meeting was held remotely and not in person, whether this was by telephone or “Zoom”.

Unfortunately, there is no recording of the January 2022 remote review meeting for me to consider. Therefore, whilst I note Mr C’s claim that during this meeting he was told by his Argentis financial adviser that his portfolio would “be made defensive and be as safe as moving it to a bank account”, there is no evidence for me to consider which confirms what was said during this meeting. I therefore think it’s fair and reasonable for me to consider the documents that I have received, as set out above.

Mr C has told this Service that he received the May 2022 letter from Argentis, and has also said: “The letter arrived 4 months after the Zoom call, I read the email header, opened the document in the viewer (not even downloaded at that time) and saw in the first paragraph it was ‘just the usual type of annual letter’ with no instructions to ‘please sign attached documents’ and forgot about it. Why should I have worried about it?”

I think that Mr C is saying that he didn’t read the contents of Argentis’ letter of 9 May 2022 because it looked like the normal annual letter that he received before. When Mr C held his review meeting on 25 January 2022 his pension plan was invested in Fund A. I think it’s reasonable to conclude from the information that Mr C had previously been given on Fund A by his financial adviser that he should have understood that this fund was invested 20% in “Equities” and 80% in “Bonds and Gilts”. I also think it’s reasonable to conclude that in the previous “usual type of annual letter” that Mr C refers to, Argentis had told him that he should retain his investment in Fund A as it continued to be a suitable investment for him.

Mr C has said in his complaint that during the January 2022 review meeting he was told his pension investment would be made as safe as it being invested in a bank account. But as I think that Mr C should have understood his pension plan was invested in “Equities” and “Bonds and Gilts”, then I think it’s reasonable to conclude that Mr C should have expected Argentis to tell him to change his pension investment away from Fund A, so that it could be “as safe as moving it to a bank account”, when it wrote to him in May 2022.

However, as Mr C has said that he didn’t read the full contents of the May 2022 letter, I think it’s reasonable to conclude that he thought the May 2022 letter was the same as previous review letters he’d received, when he’d been told that his Fund A investment continued to be suitable. I therefore don’t think that Mr C was expecting any changes to be made to his pension investment following his January 2022 review meeting.

I also think that had Mr C read the May 2022 letter, he would have been able to respond to Argentis on any points that he thought were incorrect and didn’t reflect what was discussed during the January 2022 review meeting, but I’ve not seen any evidence to show that Mr C did this.

Mr C says that he then didn’t receive any further communication from Argentis until he contacted it in March 2024. Mr C says that he was told verbally by his new Argentis financial

adviser that the annual ongoing advice fee he was paying was below Argentis' minimum annual fee level and that he should encash his pension plan to prevent any further losses. Mr C went ahead and encashed his pension plan.

Argentis has admitted that it should have communicated better with Mr C in May 2023 about the retirement of his previous financial adviser and the appointment of a new financial adviser. I think that had Argentis done this then it's reasonable to think that Mr C would have been given the same advice and information in 2023 as he was in 2024, that is, he should encash his pension plan and that the ongoing advice fee Mr C was paying to Argentis was below its minimum. I therefore think it's reasonable to conclude that had Argentis communicated with Mr C in 2023 then he would've likely encashed his pension plan in 2023.

My conclusion is that Argentis acted reasonably when it provided pension investment advice to Mr C in 2016 and when it completed the January 2022 review meeting and follow on letter, when it recommended the ongoing suitability of Fund A to Mr C. I therefore don't think that Argentis mis-managed the investment of Mr C's pension plan, as Mr C has claimed.

However, I don't think Argentis acted reasonably when it didn't contact Mr C in 2023 to say that his financial adviser had retired, and that Mr C had been assigned to a new Argentis financial adviser. I think this omission may have resulted in Mr C suffering a financial loss as he'd likely have been advised to encash his pension plan earlier than he did, which might have mitigated any subsequent losses on his pension plan.

I'm therefore upholding part of Mr C's complaint and will now set out how I think Argentis should put things right for Mr C.

Putting things right

As I've said above, I think that if Argentis had communicated with Mr C in 2023 then he would have encashed his pension plan at an earlier date than he did. Argentis has told this Service that Mr C's original financial adviser retired in May 2023 and that a new adviser was also appointed in May 2023. I think it would be fair and reasonable to allow some time for this new adviser to contact Mr C and to then provide him with advice and information on his pension plan. As I think it likely that this advice and information would have told Mr C that Argentis could no longer act as his adviser and that he should encash his pension plan, then I also think it's fair and reasonable to allow time for Mr C to have considered that information and advice and finally to complete the encashment of his pension plan.

Taking all this into account I think it's reasonable to conclude that Mr C could've completed the encashment of his pension plan by 30 June 2023. I therefore think that Argentis should now:

- Calculate the value of Mr C's pension plan at the date that Mr C encashed his pension and took his retirement benefits as a lump sum in 2024. I will call the date that Mr C took his pension plan retirement benefits the "end date". This is figure "X".*
- Calculate the notional value of Mr C's pension plan had he encashed his pension and taken all his retirement benefits as a lump sum on 30 June 2023. This is figure "Y".*
- The notional value ("Y") should be compared with the actual value ("X") of Mr C's pension plan. If the actual value ("X") is greater than the notional value ("Y"), no compensation is payable. If the notional value ("Y") is greater than the actual value ("X"), there is a loss and compensation is payable.*

If, having completed the calculations, Argentis identifies a loss, interest should also

be paid on this loss, calculated from the end date to the date of settlement at 8% simple.

Argentis should also provide Mr C with a copy of its calculations.

Mr C has already taken all his pension benefits from his pension plan. I therefore think it reasonable that if Argentis' calculations, as set out above, identify a loss then it should pay that amount directly to Mr C. However, Mr C has told this Service that tax was deducted from the retirement benefits he has already taken from his pension plan. Therefore, any compensation should be reduced to notionally allow for any Income Tax that would otherwise have been paid, had the payment instead come directly from his pension plan.

The notional allowance should be calculated using Mr C's actual marginal rate of tax. I think that it wouldn't be unreasonable to assume that Mr C is likely to be a basic rate taxpayer, so the reduction would equal 20%.

However, if Mr C would have been able to take a tax-free lump sum, the reduction should be applied to 75% of the compensation, resulting in an overall reduction of 15%.

Argentis should also refund to Mr C the ongoing advice fees that were deducted from his pension plan between 30 June 2023 and the end date. Interest should also be paid on this refund, calculated from the end date to the date of settlement at 8% simple.

I've also considered Argentis' offer of £250 to compensate Mr C for the inconvenience he suffered due to it not communicating with him about the retirement of his adviser and Argentis appointing a new adviser. I think that this offer is reasonable in this case and therefore Argentis should now pay this compensation to Mr C if it has not already done so.

Finally, I've considered whether I can comment on Argentis' offer of £250 compensation for the delays and errors that Mr C experienced in its handling of his complaint. In their view, our Investigator said that as complaint handling is not a regulated activity this Service cannot consider this aspect of Mr C's complaint or comment on the offered compensation.

Mr C responded to our Investigator's view to say that that the issue he had with Argentis' handling of his complaint is connected to omissions that he claims Argentis made in 2022, 2023 and 2024 and therefore I should comment on this compensation offer. But I don't think this is right. I think that Mr C's complaint about the way that Argentis handled his complaint related to delays and errors in Argentis' first response letter of 17 May 2024. I'm therefore unable to comment on the £250 compensation Argentis has offered Mr C in respect of how it managed his complaint.

My provisional decision

My provisional decision is that I uphold part of Mr C's complaint and Argentis Wealth Management Ltd should now compensate Mr C as I've set out above.

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.

Both Mr C and Argentis have responded to my provisional decision.

Mr C has asked that I reconsider my provisional decision. Mr C has said that his review meeting with Argentis was held on 17 January 2022, and not 25 January 2022 as Argentis had said in its letter of 9 May 2022. Mr C has also repeated that the meeting was held via “Zoom”. I’d noted in my provisional decision that Argentis had said in its letter of 9 May 2022 that the meeting was held by “*telephone*”.

However, as I’d also said in my provisional decision, I think it’s clear that the meeting wasn’t held in person but was instead held remotely. In saying this I am not casting doubt on Mr C’s memory of the meeting, as he’s said in his response, but instead I am only concluding that the January 2022 review meeting wasn’t held in person.

Mr C has also said in his response that I haven’t considered his claim that he was told in the January 2022 meeting that his pension investment would be made safe. Mr C says this is because his evidence is verbal. However, as I’ve said in both my provisional decision and have repeated in this decision, I’ve considered all evidence from both parties in this complaint, so therefore both all verbal and written evidence. I’ve therefore fully considered what Mr C has said about his and Argentis’ discussions at the January 2022 meeting, as well as all the other evidence this Service has received from both Mr C and Argentis.

In his response Mr C has repeated his claim that he was told during the January 2022 review meeting that when referring to his pension plan investment, Argentis said that would “*make it as safe as being left in a bank account*”. My understanding of this statement is that Mr C is not saying that he was told his pension plan investment was already “*as safe as being left in a bank account*”, but instead he was told that changes would be made to his pension plan investment to “*make it as safe as being left in a bank account*”.

As I explained in my provisional decision, I think it’s reasonable that Mr C should have understood that at the time of his January 2022 meeting his pension plan was invested in a single fund, which I referred to as Fund A in my provisional decision, and that Fund A invested 20% in “*Equities*” and 80% in “*Bonds and Gilts*”. I’d also said that I thought it reasonable that Mr C should also have understood the risks associated with his pension investment. I say this because I think that this was explained to Mr C in Argentis’ January 2016 suitability report when Fund A was recommended to him. Mr C’s pension investment hadn’t changed since this 2016 report, so had continued to be invested in Fund A.

In his response to my provisional decision Mr C has said that I have referred to the January 2016 suitability report because it was “*never replaced in the file*”. But the 2016 suitability report was sent to Mr C, and I think that it set out information and detail for him on how his pension plan was to be invested and gave risk warnings about the recommended investment. Mr C was also told in this letter that the value of his investment could fall as well as rise and he could get back less than he invested. Mr C then went ahead with the investment recommendation set out in the 2016 suitability report.

I’ve not seen any evidence to show that any further suitability reports with different investment recommendations were sent to Mr C by Argentis, or that any changes were subsequently made to Mr C’s pension plan investment. I therefore think that when the January 2022 was held Mr C should have understood that his pension was still invested in Fund A, which had been recommended to him in the 2016 suitability report.

I therefore still think it's reasonable to conclude that Mr C should have understood that until such time as his investment fund was changed then his pension plan would continue to be invested in a fund that held 20% "*Equities*" and 80% "*Bonds and Gilts*". I therefore still conclude that the information set out in the 2016 suitability letter is relevant to Mr C's complaint.

Mr C has said that during the January 2022 review meeting he discussed with Argentis the impact an invasion of Ukraine could have upon the value of his pension plan investment. My understanding of what Mr C has said about these discussions is that his concern was about the 20% "*Equity*" part of his pension investment, rather than the 80% "*Bonds and Gilts*" part. I think it's reasonable to conclude that as Mr C was concerned about the impact a fall in markets could have upon his investment, he understood the level of risk that applied to his existing pension investment in Fund A.

Argentis has also said in its response letter to Mr C of 11 August 2024 that the topic of a possible invasion of Ukraine and its impact on markets was discussed during the January 2022 review meeting. I therefore don't think that there is any dispute between Mr C and Argentis that the subject of a potential invasion of Ukraine was discussed during the January 2022 meeting. Instead, I think what isn't agreed between Mr C and Argentis is whether Mr C was told during the meeting that Argentis would change his pension investment.

I think it's reasonable to conclude that if Mr C had expected Argentis to change his investment, because he was concerned about the value of his pension plan falling, then he'd have contacted Argentis when Ukraine was invaded in the month after his review meeting to either chase through the investment change he was expecting, or to make sure that his investment had been changed. But I've not seen any evidence to show that this happened.

Having studied Argentis' letter sent in May 2022 I can't see any evidence of a reference or recommendation for Mr C to change his pension investment. Instead, I think that in the letter Argentis confirmed that Mr C's existing investment was still suitable for him. I also think that the letter was telling Mr C that his investment objectives and attitude to risk were also unchanged.

In bringing his complaint to this Service Mr C said: "*The letter arrived 4 months after the Zoom call, I read the email header, opened the document in the viewer (not even downloaded at that time) and saw in the first paragraph it was 'just the usual type of annual letter' with no instructions to 'please sign attached documents' and forgot about it. Why should I have worried about it?*"

In his response to my provisional decision Mr C has said that he "*skim read*" Argentis' letter of 9 May 2022 and thought that it looked like a standard review letter. But I think that if Mr C had been expecting Argentis to move his investment so that it would be "*as safe as being left in a bank account*", it's reasonable to assume that he wouldn't have been expecting a standard review letter. Instead, I think that Mr C would've thoroughly read the letter to be sure that Argentis was saying that it had either already changed his pension plan investment or was setting out recommendations in the letter on how his investment should be changed.

Mr C has also said in his response that he saw a table on the first page of the May 2022 letter which said that the value of his pension plan was £20,127.38, so he thought that his investment had been made safe. But against this value was an asterisk, and under the table Argentis said "**Please note that the values shown are as at 12/01/2022 and are calculated daily basis and therefore not guaranteed. The values in the future may be lower or higher than those shown*".

I think it's reasonable to conclude that Mr C should have understood that the above valuation of £20,127.38 was the value of his pension plan on 12 January 2022, and not the value when the May review letter was written. I also think that Mr C should have understood that Argentis was telling him that this value was not guaranteed and that future values could be higher or lower.

In his response to my provisional decision Mr C has said that following his January 2022 meeting he expected his pension investment to be made "safe". Mr C has said: *"Making it 'safe' would mean it would be protected from any fall in the market, and I would be able to rely on that value when/if I needed to withdraw funds in the future"*.

As I think that Argentis was telling Mr C in its May 2022 letter that the value of his pension plan could be lower in the future then I'd have expected him to have contacted Argentis to say that this didn't match his understanding (as set out above) of what he was told at the January 2022 meeting. But as I've said, I've not seen any evidence to show that Mr C did this.

Mr C has also said in his response to my provisional decision that he's identified through "meta tags" that Argentis' letter of 9 May 2022 was written by someone other than his Argentis financial adviser and that the person who wrote the letter wasn't present during his January 2022 review meeting. Mr C has said that he's also identified that this letter wasn't written until 8 May 2022.

Mr C has made further comments about Argentis' May 2022 letter in his response to my provisional decision. He's said that *"There are inaccuracies in the letter, such as the date of the meeting shown as 25th January rather than 17th January, and inconsistencies between the covering email and the attached letter. And there are a number of 'facts' that have been misrepresented"*.

Mr C has gone on to say that because the May 2022 letter wasn't written by his Argentis financial adviser and because he's said that the letter contained inaccuracies then I should disregard this letter when considering his complaint. But I don't think it would be reasonable or fair for me to disregard the letter.

The May 2022 letter was signed by Mr C's Argentis financial adviser and in doing so I think the adviser was confirming that they thought the content of the letter was correct and that it was an accurate record of what was discussed during the January 2022 review meeting. I also don't think it would've been unreasonable if the letter had been written by one of Mr C's financial adviser's colleagues, or a paraplanner, working off notes of the January 2022 meeting, for Mr C's financial adviser to then check through before they signed the letter.

In my provisional decision I'd said I thought that if Mr C had read the May 2022 letter, he would have been able to respond to his Argentis financial adviser on any points that he thought were incorrect and didn't reflect what was discussed during the January 2022 review meeting. But I've not seen any evidence to show that Mr C did this. I also think that if Mr C didn't read the May 2022 letter, then it wouldn't be fair or reasonable to hold Argentis responsible for this.

In his response to my provisional decision Mr C has said that his Argentis financial adviser should have checked the value of his investment before sending the May 2022 letter and that if his adviser didn't check the value of the fund then they were "negligent". Mr C goes on to allege that if his adviser did check the value of the fund when the May 2022 letter was written and then didn't act on the knowledge that the value had fallen and tried to minimise the fall in value, then that this could be judged as "professional malpractice".

But I don't think this can be right. Argentis said in its May 2022 letter that as there was no change to Mr C's objectives or attitude to risk then Fund A continued to be suitable for him. As I've also said above, Mr C had been told by Argentis that returns on his investment were not guaranteed and that its value could fall as well as rise. Argentis also told Mr C this in its May 2022 letter. I therefore don't see any evidence to show that because Mr C's pension plan fell in value in the period between the January 2022 meeting and Argentis letter of May 2022, when Argentis told him that Fund A was still suitable for him, his Argentis adviser was negligent, or their actions could be considered as professional malpractice.

Taking all the above into account, I'm not persuaded to change my provisional decision in respect of Mr C's complaint that Argentis didn't change his pension investment to make it "*as safe as being left in a bank account*" following the January 2022 meeting. I've fully noted Mr C's comments on what he says was discussed at the January 2022 review meeting. But, as I've said above, in reaching my conclusion I have considered all the evidence that this Service has received.

I think that, on balance, it wouldn't be fair or reasonable to conclude from all that the evidence that I've received and fully considered that Argentis did anything wrong. I am therefore still unable to uphold this part of Mr C's complaint.

However, I still think it was reasonable for Argentis to have contacted Mr C in 2023 to complete a review of his pension plan and I'm therefore still upholding this part of Mr C's complaint. I also remain of the view that if Argentis had completed a review of Mr C's pension plan in 2023 then it's reasonable to assume that it would have told Mr C to take the same actions that it did in 2024. It then told Mr C that the annual fee he was paying was below its minimum threshold and that he should encash his pension plan.

Mr C followed that advice and encashed his pension plan in 2024. In saying that I think it's reasonable to assume that Argentis would have told Mr C to take the same actions that it did in 2024, I am not making any comment about whether Mr C encashing his pension plan was the right or wrong thing for him to do. I am instead only noting that Mr C was advised to do this by Argentis in 2024, and Mr C then followed this advice.

I'm therefore still upholding part of Mr C's complaint, as I'd set out in my provisional decision and I'll now consider what Argentis should do to put things right for Mr C.

Putting things right

Within my provisional decision I had set out details of a loss calculation that Argentis should complete to identify if Mr C had suffered a financial loss by encashing his pension in 2024 instead of 2023. Argentis has responded to my provisional decision to say that it's completed this calculation. I've considered the calculation completed by Argentis and am satisfied that Argentis has correctly followed the methodology that I'd set out in my provisional decision.

Argentis' calculations show that the value of Mr C's pension plan was higher when he encashed it in 2024 than it would have been if he had encashed it in 2023. I'm satisfied that Argentis' calculations show that Mr C hasn't suffered a financial loss and therefore no compensation is due to him.

In his response to my provisional decision Mr C has said that he's looked at a performance graph for his pension fund between the date in 2023 when I think that he might reasonably have encashed his pension plan and when he did encash his plan in 2024. Mr C has said that he concludes that the value of his plan was higher in 2024 than it was in 2023 and that as a result no compensation would be payable to him.

I therefore think that both parties to this complaint agree that Mr C hasn't suffered a financial loss because Argentis didn't contact Mr C in 2023 as it did in 2024. I'm therefore not asking Argentis to do anything further in respect of this part of Mr C's complaint.

However, I still think it's reasonable that Argentis should refund to Mr C the ongoing advice fees that were deducted from his pension plan between 30 June 2023 and the end date, as I'd set out in my provisional decision. Interest should also be paid on this refund, calculated from the end date to the date of settlement at 8% simple.

In my provisional decision, I'd explained why I'd concluded that Argentis' offer of £250 to compensate Mr C for the inconvenience he suffered due to it not communicating with him about the retirement of his adviser and Argentis then appointing a new adviser was reasonable. I still think that this offer is reasonable in this case, for the same reasons that I'd set out in my provisional decision. Argentis has said that it will pay this compensation of £250 to Mr C, so Argentis should now pay this compensation to Mr C.

I'd also said in my provisional decision that I thought I was unable to comment on the compensation Argentis had offered Mr C in respect of how it handled his complaint. I think that Mr C complained that Argentis delayed responding to his complaint until the last day of the time allowed and that its first response letter wasn't an "*easy read*" and contained spelling and grammatical errors. I still conclude that I am unable to comment on this for the reasons I'd set out in my provisional decision.

My final decision

My final decision is that I uphold part of Mr C's complaint and that Argentis Wealth Management Ltd should now compensate Mr C as I've detailed above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 29 May 2025.

Ian Barton
Ombudsman