

The complaint

Mrs G complains about the advice she received from Steven Barton to invest some of her cash-based funds into a new pension plan in 2021. She says the plan has lost money and hasn't performed in line with the provider's published figures. She says Steven Barton also delayed taking corrective action to move her pension monies to a capital guaranteed product despite repeated requests to do so. She says Steven Barton has failed to refund fees it says should not have been charged, and overall, she's experienced a poor level of service for which she's paid an ongoing fee.

What happened

I issued my provisional decision of 5 June 2025. This set out the background and circumstances leading up to this complaint as well as my reasons for intending to uphold the complaint and award compensation. I've included a copy of my provisional decision here as it forms part of my final decision.

Copy of provisional decision

What happened

The following is a summary of the key events and background leading up to this complaint. It's important to note here that, Steven Barton has failed to engage with this complaint and has not provided us with any information or documentation from the time. So, the following is based on what Mrs G has provided.

Mrs G first met Steven Barton in February 2020, along with her husband who also received their advisory services. Mr G has also made a complaint, which we have dealt with separately. Mrs G is being represented by her husband in this complaint.

Notes from this meeting captured Mr and Mrs G's plans for retirement. Relevant to this complaint, the notes record that Mrs G planned to retire in around two years' time at which point they would have an income need of around £3,000 net.

It said there was a two-year income need shortfall (it appears state pension commencement would plug the shortfall) which: '...can comfortably be covered by either drawing a modest income from [Mr G's] personal pensions or by investing some of the cash ISAs already held into higher income plans that we can offer.'

Mrs G's assets at this time were around £52,000 held in Premium Bonds, £130,000 in cash ISA(s) and an investment ISA of around £16,000. Mrs G's main pension provision was a defined benefit pension scheme through her employer. The note recorded that, based on initial discussions, Mrs G was happy to look at 'a little more risk' than the cautious/defensive' approach her husband was prepared to take.

At a review meeting in October 2021, Steven Barton introduced the possibility of Mrs G

setting up a pension to up her provision by as much as £30,000 highlighting the tax advantage benefits and how 'good this option is purely based on the tax rules...'. The meeting notes make no reference to Mrs G's attitude to risk here. But the note said that, in view of the sizeable deposit funds held with very low interest rates, structured products would be considered but with caution in mind – defensive or capital guarantee options.

Following Steven Barton's advice, on 2 November 2021, a personal pension was set up for Mrs G with a provider I will call firm 'A'. And an amount of £31,250, which included the added tax benefit, was invested in firm A's Governed Portfolio 3 – a portfolio invested in a number of underlying funds with around a 17% equity content.

In June 2023, Mrs G says she expressed concerns about the fall in the value of her pension and queried its performance because it didn't tally with firm A's published performance data. Mrs G says it was agreed that options for transferring her pension funds to fully capital guaranteed products would be provided in light of her concerns about the drop in value.

Between July and September 2023, Mrs G, and her husband on her behalf, sent a number of emails to Steven Barton chasing up the paperwork to allow Mrs G to invest in a capital guaranteed plan and to provide an answer about the performance discrepancy.

On 23 October 2023, Mr G, on Mrs G's behalf complained to Steven Barton. In summary they raised concerns about the performance of her pension, which had lost around 5% in value, delays in taking agreed actions to mitigate losses by moving funds to guaranteed products, and the general level of service she'd received including not answering the point about the performance discrepancy. Mrs G asked whether it was reasonable for Steven Barton to claim fees for services not provided.

On 24 October 2023, Mrs G's pension was transferred to a SIPP with a provider I shall call firm 'B' – an amount of just under £29,500.

Again, following an exchange of a number of emails about guaranteed product options, on 24 November 2023, Mrs G's pension funds were invested in a capital guaranteed structured product – a four-year fixed rate product offering an annual fixed return of 5.20% each year with an end of term bonus of 0.5% contingent on the FTSE 100 index level.

Immediately following the investment, Mrs G asked Steven Barton why around £450 of charges had been taken from the investment value. Towards the middle of December 2023, Steven Barton said the fee (seemingly an initial charge) was taken in error due to favourable terms with firm B and would be re-imbursed. Mrs G says this hasn't happened.

In January 2024, Mrs G says Steven Barton recommended she transfer her pension to another platform, but despite hand delivering the signed paperwork in March 2024, this hasn't happened.

In the meantime, because Steven Barton hadn't provided Mrs G with a response to her complaint, she referred her complaint to us.

In March 2024, Steven Barton emailed Mrs G to say that both the performance of her pension and the fees taken were about right.

Steven Barton did not reply to our request for its business file and response to the complaint. But in May 2024, Steven Barton sent Mr G an email requesting they discuss a potential offer before formalising it in an official letter. It suggested it would review Mrs G's pension fund and calculate any losses assuming she'd have achieved a real return of 5% per annum. In addition, it would offer her £500 compensation.

Mr G met with Steven Barton. But despite the meeting and subsequent conversations, no formal offer of compensation was received.

So, one of our investigator's considered the matter. They upheld the complaint and ultimately concluded the following:

- While there was no paperwork documenting the advice process including an assessment of Mrs G's attitude to risk, the recommendation Mrs G take out a personal pension in 2021 was reasonable in the circumstances. Mrs G described herself as being a cautious investor, and referring to the 2020 meeting note, they thought she was prepared to take some risk. The recommended investment was broadly in line with that of a low or cautious investor.
- Without anything from Steven Barton, they couldn't answer the point about the discrepancy in the performance of Mrs G's pension. But looking at the data, it appeared there was a drop in performance shortly after Mrs G invested which continued into 2022.
- Steven Barton should determine whether any fees were charged incorrectly, and if so, it should refund these along with any lost investment growth.
- There was a delay in setting up Mrs G's investments in a capital guaranteed product, so Steven Barton should work out the earliest date her pension transfer to firm B would have taken place and obtain a notional value for her pension at that date, and then compare the performance of her current fixed rate plan with that of a similar product offered with an August 2023 start date, to determine if Mrs G had suffered a loss as a result.
- Pay Mrs G £350 for the distress and inconvenience caused by Steven Barton's actions, particularly the lack of progress and clear explanations about things.

Steven Barton did not respond to the investigator's findings.

Mrs G disagreed with some of the investigator's findings and said some of her points hadn't been fully addressed. In summary she said:

- She disagreed the advice to invest in a pension at the outset was suitable. There is no evidence Steven Barton carried out a risk or suitability assessment.
- There is no action recommended for Steven Barton to take and remedy in relation to her complaint about the discrepancy in performance of her pension plan.
- The recent fee information from firm B shows the SIPP fees are disproportionate to the returns making it almost impossible for the investment to perform anywhere close to a normal savings account. This hasn't been considered.
- Nothing has been considered about putting things right in relation to the full ongoing fees being taken, despite the lack of service.
- She was disappointed the £350 distress and inconvenience payment was less than the £500 Steven Barton had offered.

The investigator wasn't persuaded to change their opinion. They said they'd not addressed the point Mrs G had made about the suitability of the guaranteed deposit plan and the fees associated with it, because it didn't form part of the original complaint – it was something

only recently raised. And they said they couldn't be sure which fees shouldn't have been taken.

Because things couldn't be resolved informally, the complaint was passed to me to decide.

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've taken into account relevant law and regulations, regulatory rules, guidance and standards, codes of practice, and (where appropriate) what I consider to have been good industry practice at the relevant time. And where the evidence is incomplete or inconclusive I've reached my decision based on the balance of probabilities – in other words, on what I think is more likely than not to have happened, given the available evidence and wider circumstances.

As a regulated firm, Steven Barton had many rules and principles that they needed to adhere to when providing advice to Mrs G. And these can be found in the Financial Conduct Authority (FCA) handbook under the Conduct of Business Sourcebook (COBS) and Principles for Businesses (PRIN).

In relation to the Ongoing Advice Charge (OAC) aspect of Mrs G's complaint, the following provides useful context for my assessment of Steven Barton's actions here.

COBS 6.1A.22: A firm must not use an adviser charge which is structured to be payable by the retail client over a period of time unless (1) or (2) applies:

- (1) the adviser charge is in respect of an ongoing service for the provision of personal recommendations or related services and:
 - (a) the firm has disclosed that service along with the adviser charge; and
 - (b) the retail client is provided with a right to cancel the ongoing service, which must be reasonable in all the circumstances, without penalty and without requiring the retail client to give any reason; or
- (2) the adviser charge relates to a retail investment product for which an instruction from the retail client for regular payments is in place and the firm has disclosed that no ongoing personal recommendations or service will be provided.

In 2014, the FCA produced guidance in the form of a factsheet (For investment advisers - Setting out what we require from advisers on how they charge their clients). The factsheet said:

'Ongoing adviser charges

Ongoing charges should only be levied where a consumer is paying for ongoing service, such as a performance review of their investments, or where the product is a regular payment one.

If you are providing an ongoing service, you should clearly confirm the details of the ongoing service, any associated charges and how the client can cancel it. This can be written or orally disclosed. You must ensure you have robust systems and controls in place to make sure your clients receive the ongoing service you have committed to.'

While the factsheet wasn't published until late 2014, it didn't mark a change to the rules firms

like Steven Barton were already expected to follow. In my view, it re-enforced or reminded firms of the standards already in place when providing on-going advice services.

COBS 9A.3.9 (from 3 January 2018 arising from MiFID II): Investment firms providing a periodic suitability assessment shall review, in order to enhance the service, the suitability of the recommendations given at least annually.

Having considered all of this and the evidence in this case, I intend to uphold this complaint and instruct Steven Barton to put things right. I'll explain why.

Firstly, it is disappointing that, despite being given ample opportunity to do so, Steven Barton has chosen not to engage with this complaint and our process. It hasn't provided its business file, which would typically contain the key documents I would expect to see in a case like this, including the important advice documents from the time in question – for example a fact-find document, attitude to risk assessment and a suitability report. It also hasn't provided its version of events to either confirm or deny the facts as they have been presented. We've only really heard one side of things with information provided by Mrs G, which includes copies of some meeting notes from the time and email exchanges between her and/or her husband and Steven Barton. But this is the evidence presented, so I've reached my conclusions based on what I have seen – I think it is the fair and reasonable thing to do in the circumstances.

Suitability of the advice in 2021

While Mrs G's complaint to Steven Barton was articulated in terms of concerns about the performance of her original pension taken out with firm A in 2021, it is clear her concerns are broader than that and speak to whether the advice was right or suitable for her at the time. I think it is this point which lies at the heart of this complaint. And it is on this point that I intend to reach a different conclusion to our investigator.

Firstly, I think the advice Steven Barton gave to Mrs G to take out a personal pension in 2021, of itself, was suitable given her circumstances at the time. It is clear from the meeting notes Mrs G has provided from her and her husband's first meeting with Steven Barton in 2020, that planning for retirement was their primary objective. The note recorded that Mrs G planned to retire in around two years' time, so saving towards retirement and making best use of available funds for that purpose was, in my view, reasonable.

The nature of a pension means there are tax benefits when contributing to one – for example, tax relief is added to the amount paid in (£6,250 in Mrs G's case) and the growth within the plan largely grows free of tax. Also, upon retirement, a lump sum of 25% of the value of the pension can be taken as a tax-free lump sum. Mrs G might have had sufficient available income from her employer's pension scheme to help meet her and her husband's joint income need at retirement. But using available funds to boost that income and making best use of tax-efficient methods of savings for retirement, was not in my view inappropriate. So, given this, and because I think Mrs G did have sufficient available funds to afford to make the contribution of £25,000, I think the advice to open a personal pension was suitable.

However, I'm not persuaded that the recommendation to invest her pension monies in firm A's Governed Portfolio 3 was suitable based on the level of risk I consider Mrs G was prepared and ought reasonably to have been advised to take. I'll explain why. I've already said that Steven Barton has not provided the advice documentation from the time, which would allow me to see how Mrs G's attitude to risk was assessed and how the level of risk of the recommended investment strategy was explained to her. But based on what I have seen including what's documented at the time about Mrs G's

circumstances, I don't think she was prepared to take any investment risk with her pension monies or that she needed to, to meet her financial goals.

Mrs G was only around two years away from retirement, so the term for investing before she might choose to access the funds was relatively short. Looking at the February 2020 meeting note, this said that while Mr and Mrs G would have a desired income shortfall for around two years following Mrs G's retirement, the gap could be plugged from existing means. So, this suggests to me that there was no need for Mrs G to take on investment risk with her funds. It might be argued that Mrs G had reasonable capacity for loss given the cash-based savings and other assets available to her. But I think simply having some capacity for loss doesn't automatically mean she should have been exposed to it.

I can see the investigator referred to this same meeting note, which recorded that Mrs G was prepared to take a 'little more risk' than her husband's cautious/defensive approach and that in response to their assessment, Mrs G said she was a cautious investor. But I'm mindful of a number of things here. As the 2020 meeting note said, this was an initial discussion and not a formal assessment of Mrs G's risk appetite at this time. In any event, a risk appetite slightly above defensive, does not in my view reasonably describe someone willing to accept much, if any investment risk. And Mrs G describing herself as cautious is not in the context of having sight of the investment risk category descriptions Steven Barton ought to have provided Mrs G with and discussed in the relevant meetings. The normal meaning of 'cautious' is someone who is prudent, careful or guarded. This might reasonably therefore describe someone not prepared to risk their money.

Nevertheless, and more importantly in my view, is that any discussion about what Mrs G's risk appetite might have been in February 2020, was only relevant at that particular time. And crucially this was around 18 months before Mrs G took out her pension and invested. It is at the point Mrs G was advised to invest her pension monies that an assessment of her risk assessment is relevant. Again, with no paperwork from Steven Barton from the time of the advice in 2021, I've considered what is available to help me decide what I think Mrs G's attitude to risk reasonably was.

I think an important piece of evidence here is the review meeting note from October 2021, which appears to have been when or around Steven Barton advised Mrs G to take out her pension. There is no specific reference to or a note recording the assessment of Mrs G's attitude to risk here. And again, Steven Barton hasn't provided any supporting documentation from the time of the advice. But the meeting note does, in my view, speak to both Mr and Mrs G's thoughts about investment risk (this was a joint meeting).

This is because the note refers to the amount of cash deposits they held at low interest rates and that consideration should be given to structured deposits. But it also said that these should be used with caution in mind saying: 'i.e. use defensive options or capital guarantee deposit options.'

While this might have been a discussion around how Mr and/or Mrs G could make better use of their cash deposits, Mrs G's pension investment was a lump sum taken from their cash-based savings. So, I think this is relevant in considering what level of risk Mrs G was prepared to take with her funds. And this suggests to me she wanted to act with caution and that capital guaranteed type products were likely suitable for her investment rather than at-risk options such as the Governed Portfolio 3 Steven Barton originally recommended.

In support of my view, I'm mindful that it was only after a relatively short space of time during June / July 2023 that Mrs G expressed her concerns about the drop in value of her pension and raised questions about its performance against the portfolio's published data.

Given it was, in my view, only a relatively small drop – around 5% – which prompted her concerns, this suggests to me that the risk of the investment was not in line with what she was willing to take, or ought reasonably to have been advised to take, and that Steven Barton's assessment and recommendation at the outset was not fair and reasonable. I also cannot ignore that during the course of this complaint, Steven Barton indicated it was willing to make an offer of compensation. And while this didn't come to fruition, it nevertheless could reasonably be seen that it accepts it is responsible for some failings here in how it advised Mrs G and handled her pension interests. Why else would it make such an offer?

So, taking all of the above into account, I currently think the advice Mrs G received to invest her pension monies in firm A's Governed Portfolio 3 was unsuitable at the time because it was not reasonably in line with what I consider was Mrs G's no risk / guaranteed deposit-based attitude towards investing. I think Mrs G should have been advised to invest 100% of her funds this way. And so, I intend to instruct Steven Barton to put things right, which I've set out below.

Performance discrepancy, delays and failure to re-imburse an incorrect charged fee

In terms of Mrs G's complaint points about the Governed Portfolio 3 performance discrepancy, the apparent delay in moving Mrs G's pension to the guaranteed deposit option, and Steven Barton's failure to reimburse what it said was an incorrect fee charged by firm B upon investment of the monies transferred to her SIPP, it isn't necessary for me to answer these. This is because my proposed redress solution designed to put Mrs G in the position she would have been in if things had happened as they should, deals with these points.

Ongoing Advice Charge (OAC)

Mrs G has complained that Steven Barton has taken ongoing fees from her pension, but it hasn't provided the financial service she's been paying for.

Based on the documentation I've seen, which includes the welcome letter from firm A in November 2021, firm B's SIPP confirmation schedule sent to Mrs G in 2023, and Mrs G's SIPP transaction statement covering the period from October 2023 to January 2025, Mrs G was paying a 0.5% OAC to Steven Barton. And it would appear she did so from the inception of her pension with firm A until June 2024 – the SIPP transaction statement doesn't show an OAC paid beyond this date. So, I'm satisfied Mrs G was paying Steven Barton for ongoing advice.

Because Steven Barton hasn't provided its business file, I've not seen a terms of business or service agreement setting out what ongoing services it agreed to provide Mrs G with, in return for the 0.5% annual fee it charged. But on the basis that Steven Barton was taking an annual fee for ongoing advice, I think it is fair and reasonable that its periodic suitability assessment of Mrs G's pension/investment, should have been carried out at least annually. I think this is also in line with the regulator's expectations set out in COBS I referred to earlier on.

Mrs G's pension started in November 2021, so the annual reviews were due no later than November each year. The only evidence I have been provided with which refers to any review type meetings are meeting notes Mrs G has provided.

But both the July 2022 and June 2023 meeting notes are titled Mr G (not Mrs G or joint meetings) and only speak to his investments. It appears the concerns about Mrs G's pension performance were raised by Mr G at or around the June 2023 meeting.

But I've not seen anything to indicate that Steven Barton carried out any periodic suitability reviews of Mrs G's pension. The subsequent move to a different SIPP provider and guaranteed product appears to have predominantly been carried out via email correspondence and at Mr and/or Mrs G's request rather than as part of a suitability review on Steven Barton's part. I've not been provided with any suitability review reports or write-ups to demonstrate it provided Mrs G with ongoing advice and what the outcome of that advice was.

So, based on what I have been provided with, I'm not currently persuaded that Mrs G did get an ongoing advice service despite paying for one.

In the circumstances, I think it is fair that Mrs G gets a refund of the OACs she's paid since she took out her pension in 2021. This is because I think that, if she'd been suitably advised she would still have invested using Steven Barton's services incurring OACs (and she didn't receive the service she paid for.)

Other matters

I can see that during the course of her complaint, Mrs G has raised concerns about the suitability of the SIPP and the guaranteed deposit plan including the fees she's being charged. Steven Barton hasn't been given the opportunity to answer this. But the charges Mrs G has paid will be dealt with in my redress proposal below. I've said the advice to take out a pension was suitable, and the product Mrs G's pension is invested in, is capital guaranteed. This is what Mrs G indicated she wanted and is in line with a no risk approach. Investing via a pension will inevitably incur some fees – it's not the same as having a simple savings account. But if Mrs G is unhappy with her SIPP fees, she can, if she chooses to, transfer to a different provider.

Conclusion

In summary:

- I think Steven Barton's investment recommendation in 2021 for Mrs G's pension monies was unsuitable at the time because it was not in line with what I consider was Mrs G's true attitude to risk.
- Mrs G paid Steven Barton for ongoing advice, but I've not seen enough evidence to demonstrate she was provided with the service she paid for.

So, for these reasons I intend to uphold this complaint and instruct Steven Barton to put things right.

End of copy of provisional decision

Responses to my provisional decision

Mrs G said she accepted my provisional decision. She also made the following comments:

- At retirement she will be a basic rate taxpayer and not a higher rate taxpayer as she advised last year.
- She hoped I would have included in the background section of my decision her husband's email response disagreeing with Steven Barton email of March 2024 (which I did include) in which it said her pension performance and fees were about right.

- She provided a copy of the schedule of services Steven Barton agreed to provide, which confirmed the ongoing advice charge of 0.5% for its 'premier service.' This included regular review meetings. Mrs G said that Steven Barton did discuss the value of her SIPP at the initial meetings with her husband, but the majority of the other services on the schedule were not provided.

Steven Barton replied. It said it intended to provide a more detailed response by the deadline provided. But in the meantime, it said it disagreed with paying Mrs G 8% interest when she said she wanted to achieve a 4% return. And it said that at commencement of the pension Mrs G didn't want capital guaranteed products – it was only after the first review meeting her attitude to risk changed.

When we didn't receive a response by the deadline, we gave Steven Barton an extended deadline to provide a response. It said a meeting with Mrs G's husband had been arranged and it would come back to us no later than 30 June 2025. But we have not received a response.

Steven Barton has in my view been given a fair amount of time to provide its full response to my provisional decision it said it intended to provide. It was reminded of the original deadline for responses and given an extension. The fact a meeting might have taken place with Mrs G's husband, albeit we've not received any output of that meeting, does not impact the decision process. So, in the circumstances, and given Steven Barton's failure to properly engage with our complaint process from the outset, I think it is fair for me to proceed to final decision to bring this matter to a firm conclusion.

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, because I've not been provided with anything that changes my mind, I've decided to uphold this complaint for the same reasons I set out in my provisional decision.

I make the following comments to address the responses to my provisional decision:

- I'm sorry Mrs G is disappointed with me not specifically referring to her husband's response to one of Steven Barton's emails in the background section of my decision. But this section was a summary of the events that led up to the complaint to keep it focused on the salient points. It was not intended to be a comprehensive rehearsal of every meeting or piece of correspondence that took place, albeit I had read and considered everything.
- I explained in my provisional decision why I think the evidence supports Mrs G's attitude to risk as being 'no risk' or capital guaranteed from the outset. I maintain my view and I refer to my reasoning set out here.
- The table in my provisional decision set out how I think fair compensation should be calculated. This table is also included below. But to clarify, I have not instructed Steven Barton to pay Mrs G an 8% return.

The reference to 8% simple interest only applies if Steven Barton does not settle things within 28 days of it receiving Mrs G's acceptance of my final decision.

Putting things right – fair compensation

My aim is that Mrs G should be put as closely as possible into the position she would probably now be in if she had been given suitable advice.

I think Mrs G would have invested differently. It's not possible to say precisely what she would have done, but I'm satisfied that what I've set out below is fair and reasonable given Mrs G's circumstances and objectives when she invested.

What must Steven Barton do?

To compensate Mrs G fairly, Steven Barton must:

- Compare the performance of Mrs G's investment with that of the benchmark shown below. If the *actual value* is greater than the *fair value*, no compensation is payable¹.

If the *fair value* is greater than the *actual value*, there is a loss and compensation is payable.
- Refund the OACs Mrs G paid from the start date of her investment, plus a return on the fee amounts from the date the fees were paid to the date of my final decision. The lost return on the fee amounts should be calculated by using the same benchmark shown below on the assumption the amounts would have remained invested.
- Steven Barton should also add any interest set out below to the compensation payable.
- Steven Barton should pay the compensation due into Mrs G's pension plan to increase its value by the amount of the compensation and any interest. The amount paid should allow for the effect of charges and any available tax relief. Compensation should not be paid into the pension plan if it would conflict with any existing protection or allowance.
- If Steven Barton is unable to pay the compensation into Mrs G's pension plan, it should pay that amount direct to her. But had it been possible to pay into the plan, it would have provided a taxable income. So, the compensation should be reduced to notionally allow for any income tax that would otherwise have been paid. This is an adjustment to ensure the compensation is a fair amount - it isn't a payment of tax to HMRC, so Mrs G won't be able to reclaim any of the reduction after compensation is paid.
- The *notional* allowance should be calculated using Mrs G's actual or expected marginal rate of tax at her selected retirement age.
- Mrs G has said she will be a basic rate taxpayer at the selected retirement age, which I have no reason to question, so the reduction would equal 20%. However, if Mrs G 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%.
- Pay Mrs G £350 for distress and inconvenience. This isn't intended to fine or punish Steven Barton – that's the job of the regulator.

¹ In these circumstances, I consider it is fair for Steven Barton to offset the OAC refund element of the compensation calculation against any gain on the unsuitable investment.

But when something's gone wrong, I think it's important to recognise the emotional and practical impact any failing might have had. We're all inconvenienced at times in our day-to-day lives – and in our dealings with other people, businesses, and organisations. When thinking about compensation, I need to decide that the impact of a firm's actions was greater than just a minor inconvenience or upset. It's clear to me that this was the case here.

Steven Barton failed to invest Mrs G's funds in an appropriate way. And it then appears to have delayed taking the remedial action Mrs G indicated she wanted to take to prevent seeing further losses to her pension. I think it's poor handling and service have caused Mrs G a not insignificant amount of distress and inconvenience over an extended period. Mrs G has also told us how this has affected her health.

Making an award of this nature is not an exact science. But taking the above into account, while at the same time acknowledging that Mrs G's husband appears to have taken on a large proportion of the communication and dealings with the firm on her behalf, I think an award of £350 is fair in the circumstances.

Income tax may be payable on any interest paid. If Steven Barton deducts income tax from the interest, it should tell Mrs G how much has been taken off. Steven Barton should give Mrs G a tax deduction certificate in respect of interest if Mrs G asks for one, so she can reclaim the tax on interest from HM Revenue & Customs if appropriate.

Portfolio name	Status	Benchmark	From ("start date")	To ("end date")	Additional interest
Mrs G's pension	Still exists and liquid	Average rate from fixed rate bonds	Date of investment	Date of my final decision	8% simple per year from final decision to settlement (if not settled within 28 days of the business receiving the complainant's acceptance)

Actual value

This means the actual amount payable from the investment at the end date.

Fair value

This is what the investment would have been worth at the end date had it produced a return using the benchmark.

To arrive at the *fair value* when using the fixed rate bonds as the benchmark, Steven Barton should use the monthly average rate for one-year fixed-rate bonds as published by the Bank of England. The rate for each month is that shown as at the end of the previous month. Those rates should be applied to the investment on an annually compounded basis.

Why is this remedy suitable?

I've chosen this method of compensation because:

- Mrs G wanted to achieve a reasonable return without risking any of her capital.
- The average rate for the fixed rate bonds would be a fair measure given Mrs G's circumstances and objectives. It doesn't mean that Mrs G would have invested only in a fixed rate bond. It's the sort of investment return a consumer could have obtained with little risk to their capital.

My final decision

I've decided to uphold this complaint and I instruct Steven Barton to put things right in line with the approach set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs G to accept or reject my decision before 5 August 2025.

Paul Featherstone
Ombudsman