

The complaint

Mrs W disputes responsibility to pay the advice fee charged by Origen Financial Services Limited trading as Origen Financial Services ('Origen') for its advice on transferring her Defined Benefits Pension ('DBP').

What happened

Mrs W predetermined that the DBP was to be transferred into a Self-Invested Personal Pension. She approached Origen only because she had been told by the DBP's administrators, in early 2024, that independent financial advice on the transfer was required, given that its cash equivalent value was/is above £30,000.

In August 2024, Origen advised against the transfer. Mrs W disagreed with this advice. It then declined her request for assistance with the transfer on an insistent client basis. She says she has since found Origen's advice to be an obstacle to pursuing the transfer, because all pension providers she has contacted (and, she asserts, all such providers in the market) will not accept the transfer on the grounds that Origen has advised against it.

Mrs W says she would not have engaged Origen's advice if she knew it would have this effect, and that it did not give her prior notice. For these reasons, she claims she was misled by Origen to engage its service – or, at least, not provided with full disclosure on the potential effects of its advice – and that she should not have to pay its fees for the transfer advice.

Origen mainly says –

- The terms of service agreed by Mrs W included notice that should its recommendation be rejected by a client and should a client decide to go against its advice, it would be under no obligation to accept the client's request, even if this happens on an insistent client basis.
- Its adviser's telephone consultation with her was full and thorough, lasting an hour and 45 minutes. There is evidence in the recording of the conversation that she was told, many times, the default approach towards a DBP transfer was that such a transfer would be unsuitable, that this reflected the regulator's stance, and that good reason (in her best interests) would be needed to consider going against that stance. She agreed to the advice process on this basis.
- In an earlier conversation, she was repeatedly told that its advice, when issued, could be against the transfer, and that if she instructed the advice with a determination to transfer and even if she used the insistent client process where advice was against a transfer, she could "... *still pay the fee, go through the whole process and still be in a position where you cannot transfer out*".
- Based on the information it was given to consider its advice, it stands by its reasons for advising against the transfer. It also stands by its insistent client committee's decision to decline Mrs W's request for help with the transfer despite the advice. The decision was reasoned, which it has explained to her, and the agreed terms gave it discretion to make such a decision.
- It performed the advisory work she instructed for the fee she agreed (in the fee

agreement she signed), so the full fee is payable.

One of our investigators looked into the complaint and concluded it should not be upheld. In broad terms, he made findings similar to the points made by Origen. Mrs W disagreed with this outcome, and asked for an Ombudsman's decision.

The investigator addressed her main grounds for disagreement – that Origen did not make it clear its advice against the transfer could mean she could not progress with it; that no provider in the market would now accept the transfer because of its advice; that Origen unreasonably withheld, at the outset, its awareness of and information on this likely effect; and that his finding about disclosure to her at the outset is unsupported by evidence.

He shared with Mrs W a copy of the telephone call recording on which he found that notice had been given to her at the outset. In response, she argued that the contents of the recording should be considered from a lay person's position, and that from such a position no meaningful notice of the potential effect of advice against the transfer was given. She further argued that it stands to reason, given her determination to conduct the transfer, she would not have proceeded with the advice if she had received notice that advice against it could hinder or completely prevent it.

The complaint was referred to an Ombudsman.

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, my decision is that Mrs W's complaint is not upheld.

There is disagreement between the parties about what was or was not conveyed to her at the outset about the potential effects, on her DBP transfer pursuit, of Origen's advice, especially if its advice was against the transfer. Within this disagreement are her claims that she would not have instructed the advice if she was made fully aware that one potential effect would be hindrance or prevention of the transfer, and that because she was not properly informed about this she was misled into instructing the advice and should not have to pay the advice fee.

However, suitability of Origen's advice is not the complaint issue.

Its decision to decline Mrs W's insistent client request is also not the complaint issue.

Dealing briefly with these two matters – Origen is correct about the regulatory stance on the primary assumption of unsuitability in a DBP transfer, unless there is evidence to demonstrate it is in a particular client's best interests to transfer; I am satisfied that its advice to Mrs W explained this well, and that it did the same for the grounds on which Origen concluded on unsuitability after assessing her circumstances; it was entitled to that view and it was not obliged to agree with her determination to transfer, its role was to advise on the objective, not to just agree with it; there is also regulatory rules/guidance on applying an insistent client process, which allows for a firm's discretion in deciding whether (or not) to assist such a client; Origen exercised that discretion, with reasons, as it was entitled to (entitled under the regulations and under the relevant provisions in the agreed terms of service, which it has referred to); and, as no advice to change Mrs W's position with the DBP was given there is no basis to consider a claim for unsuitable advice in this respect.

Mrs W's decision to transfer the DBP is not questioned. It was/is her asset. However, and

despite it being her asset, she learnt from the scheme's administrator that advice was required for a transfer. This requirement ought reasonably to have given her a level of insight into the pursuit she was about to embark upon. The requirement, alone, carried the message that advice, and the outcome of advice, could, at least potentially, have an effect on the pursuit. I appreciate that this is not quite the same as notice that advice *against* a transfer could or would cause difficulties, but I will deal with that below. The point to note is that the requirement already put Mrs W on notice that advice had a role to play in her plan.

Origen's terms of service, as agreed by Mrs W, included –

“Our advice will give consideration to a number of different factors, after which we believe we will be able to clearly demonstrate why our recommendation is in line with your best interests. We expect, as do the Financial Conduct Authority, that it is unlikely to be common for clients who are seeking advice to disregard that advice. However, should you reject our recommendation and wish to pursue a different course of action Origen may consider facilitating your request. However, please note that Origen are not duty bound to accept any client requests as we do not have to accept client instructions. Additionally, in relation to a Defined Benefit transfer, there has to be a minimum amount of time left on a guaranteed transfer value for Origen to consider any request.”

“... fee includes the cost of our recommending an appropriate investment strategy. This fee is the same regardless of whether we recommend you transfer / convert your pension or remain in the [DBP]. Our recommendations will be based upon our assessment of your financial needs and the suitability and ability of the product to meet these needs.”

[my emphasis]

In other words, based on these terms, Mrs W had early notice that there was a possibility Origen could advise against a transfer, could decline a request to facilitate the transfer after such advice and that its fee remained payable for the advice work regardless of whether it advised for or against the transfer.

There is evidence that she knew, at the outset, that there was a distinct likelihood that its advice could be against a transfer. This exists in the recording that the investigator shared with her. It also shows that she was told about the likely effect, on her plan, of advice against a transfer.

I have listened to the recording of the early telephone consultation between Mrs W and Origen, before its advice work was formally instructed and conducted. At the outset, Origen explained to Mrs W that it had to follow a mandatory/set approach towards advising on a DBP transfer, due to regulatory requirements, but that consideration of her circumstances, thereafter, will then be personalised. It proceeded to follow that approach. Some minutes later it explained that it did not undertake DBP transfer work for self-investors or those seeking an execution only service, again because of regulatory and advice requirements for such transfers.

The explanations that followed included –

“... if I recommend that you do not transfer, because the FCA's initial stance and our initial stance is to not transfer out of a defined benefits pension, um unless it is clear and obvious to do so or unless it's necessary to take a risk with this pension ... we do recommend transfer outs but our initial stance will be to not transfer out, ok, if you, um, get a recommendation that is not what you want and is not a transfer out then you can go through what's called the insistent client process ... however, just an important disclaimer ... that insistent client process can still be declined ... so I have told clients ... that, you know, you

could pay the 1375 plus vat fee with the intention of transferring it out but unless we ... recommend the transfer out or ... you insist on transferring out and it get approved then, um, you could pay for that fee go through this whole process and still not be able in a position where you can transfer out, ok?" [my emphasis]

In response, Mrs W said ok. The conversation then developed further into discussions about the circumstances surrounding the DBP and her objective.

Based on the quote above, especially the parts emphasised, I am persuaded that Mrs W was informed, in lay and reasonably clear terms, that she required either a transfer recommendation or approval of her insistence to transfer in order to progress, that she might get neither, and if that was the case, despite her intention to transfer and despite her payment of the fee, she could find herself still unable to transfer.

This conveyed a sufficiently clear message to Mrs W about what she could face in her pursuit, so I do not accept that she was unaware that difficulties in progressing the transfer could arise if the aforementioned requirements were not met. She would probably have had a comparable experience with any alternative adviser. The same regulatory approach and requirement for suitable advice (specifically in relation to the notion of a DBP transfer) would have applied, with the same possible outcomes – advice in favour of a transfer or advice against a transfer (and the possible application of an insistent client process, with a positive or negative outcome). In other words, even with an alternative adviser, Mrs W might still have found herself in the same situation.

Upon receiving the notices in the consultations and upon agreeing to its terms of service (including the agreement on the payment of fees for the advice), she proceeded with Origen's advisory service. It delivered that advisory service. For the reasons given above, I do not consider that she was misled into that service or that she was not given full disclosure on the potential effects of its advice. Overall and on balance, I do not find grounds to support her stance against paying the advice fee, and I do not uphold her complaint.

My final decision

My final decision is that Mrs W's complaint is not upheld.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs W to accept or reject my decision before 13 November 2025.

Roy Kuku
Ombudsman