

## The complaint

Mr G complains about advice he received from Origen Financial Services Limited (“Origen”) relating to the possible transfer of his defined benefit (“DB”) pension. He says he was never told that Origen’s advice could be inconclusive and that the advice took too long.

## What happened

Mr G was in contact with Origen about his pensions from around April 2024 as a result of Origen advising his wife about her retirement options. Terms of business were sent to Mr G at around this time.

In a meeting in June 2024, Origen suggested that Mr G undergo an abridged advice process for a DB pension that Mr G had that was worth around £60,000. A fact find meeting was held at the end of July 2024.

Following this meeting, on 14 August 2024, Mr G signed Origen’s “statement of engagement” which included the fees payable for abridged advice - £1,000 plus VAT. It also included the cost of “full” advice - £3,000 plus VAT. If full advice was taken, the cost of the abridged advice would be deducted from the full advice cost.

A further meeting took place in September 2024. Mr G was told that Origen was awaiting details from the DB pension before it could provide the abridged advice.

It appears that at around this time, Mr G spoke with the DB pension administrators directly. He says he gathered from this conversation that suitable advice would likely be to that he should retain the DB pension.

Origen issued its abridged advice report on 17 October 2024. The report concluded that Origen was unable to establish whether Mr G would benefit from transferring his DB pension without undertaking full pension transfer advice and that Mr G should take full advice.

On 18 October 2024, Mr G got in touch with Origen to notify it of his decision to remain with the DB pension and take tax-free cash. He said he hadn’t seen the abridged advice report, and when it was received, he returned it unopened.

In November 2024, Mr G received an invoice for the abridged advice report. This led to the complaint to Origen and the subsequent referral of the complaint to our service. Mr G’s complaint is that:

- The possibility of the advice costing £3,000 plus VAT to reach a potential decision of staying with or transferring the DB pension was never a scenario presented by Origen. He understood the cost would be £1,000 plus VAT.
- Origen should have been aware that his DB pension was generous and he should never have been advised to potentially transfer it.
- The abridged advice took too long to prepare.

- The abridged advice didn't arrive until too late given that Mr G was worried that there might be changes to pensions tax legislation.
- The invoice for the abridged advice was verbally cancelled by an Origen employee but was then re-instated.

Origen's position is that it had advised they had explained the services it offered and Mr G understood the costs. Origen says that it provided the advice within the expected timeframes and the fee of £1,000 plus VAT was now fully payable.

One of our investigators looked at all the evidence and didn't uphold the complaint. He said that Mr G had agreed to Origen's terms including the payment of its fees. He also didn't think there had been any delay by Origen in the provision of the abridged advice.

Mr G has now asked me to make a decision. In *summary*, he says the investigator hadn't taken account of what Origen had verbally told him about the advice process and relied primarily on terms of business that he hadn't actually signed. Mr G provided recordings of the meetings held with Origen. He said these show that the benefits of the abridged advice were incorrect and mis-sold as he was led to believe that the advice would give reasons about why a transfer from the DB pension would be beneficial and full advice should be obtained. Instead, the advice obtained from Origen was inconclusive, delayed and evidenced a lack of due skill and care.

### **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, I don't uphold this complaint for similar reasons as the investigator as I'll explain below.

The advice being complained about by Mr G is abridged advice. Abridged advice is short form DB pension transfer advice. It consists of the initial stages of a full advice process i.e. fact finding, determining the consumer's attitude to risk and getting confirmation of the benefits provided by the existing pensions.

But there are limitations set by the regulator, the Financial Conduct Authority:

First, abridged advice can only result in two outcomes – advice to not transfer the pension; or telling the consumer it's unclear whether or not they would benefit from a transfer based on the information collected during the abridged advice process.

Second, advisors can only gather limited information and conduct limited analysis. They should consider the risks of the consumer staying in the existing scheme compared to the risks of transferring and giving up the guaranteed benefits; and they can model the benefits from the consumer's existing DB pension against their estimated expenditure needs in retirement. However, they're prohibited from:

- Considering a proposed receiving scheme or investments.
- Carrying out appropriate pension transfer analysis (including obtaining projections and cashflow modelling based on the transfer value, obtaining annuity illustrations and conducting comparisons based on a proposed receiving scheme) or prepare a transfer value comparator.

- Assessing how well an alternative arrangement would meet the consumer’s objectives if a transfer went ahead.

These are matters that the regulator sets out should be dealt with in full advice.

Advisors are also prohibited from arranging a transfer where the consumer has only received abridged advice.

Taking this and all the evidence into account, my findings are:

- Mr G was interested in transferring the DB pension. The DB pension formed a small part of Mr G’s overall wealth. Mr G wasn’t reliant on the DB income in retirement and he’d indicated that he was prepared to transfer it to take tax-free cash and invest the remaining funds with his other pensions. It wouldn’t be possible for Origen to make any assessment on the suitability of a transfer without undertaking further work. And I don’t think it was unreasonable for Origen to suggest that Mr G obtain abridged advice as part of the advice process in a potential transfer. The alternative was for Origen to suggest that Mr G go straight to full advice which would have been more expensive.

For the avoidance of doubt, I make no finding here about whether it would or wouldn’t have ultimately been suitable for Mr G to transfer the DB pension.

- I think Mr G was aware that he had engaged Origen to provide abridged advice – not full advice and that the cost was £1,000 plus VAT. He signed Origen’s statement of engagement where the costs of both abridged and full advice were clearly set out.
- I think Origen’s documents made it clear that abridged advice was not full advice and was limited in terms of what would be provided. The terms of business sent to Mr G said:

<i>Our services</i>	<i>Fees payable</i>
<i>We will review your circumstances and provide a recommendation either not to transfer or convert a Defined Benefit pension or whether we believe you should proceed to full advice.</i>	<i>The cost of this service is £1,000 plus VAT. If you proceed to full advice an additional fee will be payable in line with our Defined Benefit pension transfer advice. We will discount the cost of the abridged advice from your full advice fee.</i>

The statement of engagement that Mr G signed said that defined benefit transfer advice involved the following services:

*“To review your circumstances and provide a recommendation either not to transfer a defined benefit pension or whether we believe you should proceed to full advice.”*

And that if full advice was provided Origen would provide the following services:

*“We will review your existing Defined Benefit pension scheme to assess the suitability of transferring to an alternative pension scheme. This analysis will include the cost of a bespoke Transfer Value Analysis report and any costs incurred implementing your advice.”*

The above is all in line with what I’ve outlined above about what firms are permitted

to do by the regulator under an abridged advice process.

- I accept that there were two statements expressed in the meetings between Mr G and Origen that suggested that the abridged advice would give a more positive analysis of why a transfer might be in Mr G's interests. Mr G has highlighted that the adviser had said in the meetings:

*“Abridged advice will state whether to proceed to full advice and ‘yes’ I should do it because of X, Y and Z”*

*“We have engaged on the abridged advice basis – basically high level – do we think we should stay with scheme, or do we transfer?”*

As mentioned above, under an abridged advice process, advisers are not permitted to advise customers whether they would benefit from a transfer. So the above statements weren't correct.

But I think Mr G was aware still aware that abridged advice was “high level” and was only one step in the process of transferring the DB pension and that full advice would still be necessary for a transfer to proceed. And as pointed out above, I think the terms of business and statement of engagement were clear about the possible outcomes of abridged advice.

Overall, I don't believe the above quoted statements are so significant as to allow me to conclude that the abridged advice was mis-sold. I don't think Mr G was materially impacted by the statements in the meetings. Mr G was clearly interested in transferring his DB pension. He was aware (or ought to have been aware) that full advice would be needed to make a decision on whether to proceed with that transfer. Full advice would cost more than the abridged advice - £3,000 plus VAT - and the cost of the abridged advice would be deducted from that if he did choose to later receive full advice. So, he was not incurring a cost in obtaining the abridged advice that he would otherwise have avoided if he'd instead obtained only full advice.

- I'm aware that in the meeting in June 2024, Mr G was told that an estimate of the cost of full advice was £1,900 VAT. That too wasn't correct. But I'm satisfied that by August 2024, Mr G was told that the cost of full advice would be £3,000 plus VAT and he signed the statement of engagement acknowledging this.
- Mr G clearly feels that the abridged advice received from Origen is poor – given that the outcome reached about the transfer was inconclusive and that full advice would be necessary for a recommendation to be made to transfer. But, as I've explained, that is a limitation of the abridged advice process. I can't conclude that Origen has done anything wrong in reaching that conclusion.
- I don't think there was an unfair delay in Origen producing the abridged advice on 17 October 2024. The evidence shows that Origen was waiting for information from the DB pension which it received shortly after a final meeting (a telephone call) with Mr G on 10 September 2024. I think a 5-week timeframe for issuing the abridged advice is within the range of what I think is reasonable in all the circumstances of this complaint.

I know that Mr G was worried about the impact of potential changes in pensions legislation at the time of the budget in October 2024. But I think Origen had made it clear in the discussions in September 2024 that a new transfer value would be needed for full advice and that the transfer would likely not complete until around 12 weeks from the

point of obtaining that transfer value. So, before the abridged advice was issued, I think Mr G was aware of the overall timescales involved in the possible transfer and that the process (including the abridged advice) would go beyond the October budget.

I understand that an Origen employee cancelled the abridged advice invoice on 7 November 2024 on the understanding that Mr G had contacted the Origen adviser to cancel the services before the advice was issued on 17 October 2024. However, that was not the case and so Origen has reinstated the invoice. I know that Mr G will be disappointed, but given everything I've set out above, I don't think it's fair or reasonable for me to direct that Origen now cancel the invoice or otherwise pay Mr G compensation.

### **My final decision**

I don't uphold Mr G's complaint against Origen Financial Services Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 19 March 2026.

Abdul Hafez  
**Ombudsman**