Financial Ombudsman Service

The complaint

Mr E complains about the advice given by David Stock & Co Limited ('DS&C') to transfer the benefits from his defined-benefit ('DB') occupational pension scheme, the British Steel Pension Scheme ('BSPS') to a personal pension. He says the advice was unsuitable for him and believes this has caused a financial loss.

Mr E is being represented by a professional third party but for ease of reading this decision I'll largely refer to representations as being made by Mr E.

What happened

In March 2016, Mr E's employer announced that it would be examining options to restructure its business including decoupling the BSPS (the employers' DB pension scheme) from the company. The consultation with members referred to possible outcomes regarding their preserved pension benefits, one of which was a transfer to the Pension Protection Fund ('PPF') – the PPF is a statutory fund designed to provide compensation to members of defined benefit pension schemes when their employer becomes insolvent. The BSPS was closed to further benefit accrual from 31 March 2017.

In May 2017, the PPF made the announcement that the terms of a Regulated Apportionment Arrangement ('RAA') had been agreed. That announcement said that, if risk-related qualifying conditions relating to funding and size could be satisfied, a new pension scheme sponsored by Mr E's employer would be set up – the BSPS2.

The RAA was signed and confirmed in August 2017 and the agreed steps were carried out shortly after. Updated transfer valuations were then provided by the BSPS trustees to qualifying members, reflecting the improved funding position – with the cash equivalent transfer value ('CETV') of Mr E's pension being £119,315.12. And in October 2017 members of the BSPS were sent a "time to choose" letter which gave them the options to either stay in the BSPS and move with it to the PPF, move to the BSPS2 or transfer their BSPS benefits elsewhere.

Mr E approached DS&C at the end of October 2017, for advice about his pension.

DS&C says Mr E attended an 'educational' session on 3 November 2017 where he was given general information about a possible transfer. A one-page questionnaire about his circumstances was completed on 3 November 2017. This noted he was 39, single and had four children. A copy of his transfer valuation was also shared with DS&C at that point.

DS&C has provided a copy of its “initial report” which was dated 10 November 2017. This letter summarised the options available to Mr E and said after speaking to a number of members of the BSPS, the majority had chosen to join the BSPS2 or transfer. DS&C said Mr E had asked for advice about his pension. It went on to say it had carried out a transfer analysis and calculated the critical yield - the level of growth the transferred funds would need to achieve each year to enable Mr E to purchase equivalent benefits to those he was giving up. It said this was 5.05% which DS&C said it thought was reasonably acceptable. It said it had assumed for the purpose of the report that Mr E’s attitude to risk would be moderate / balanced.

The report went on to say that Mr E was interested in transferring having received his CETV. It summarised the position regarding the BSPS entering the PPF and its charges. It also said, if the challenges of transferring were acceptable to Mr E, DS&C could recommend a pension from several providers, but DS&C favoured a specific adviser. The letter concluded by saying on receipt of the transferred funds DS&C would hold a meeting to discuss investments. And if the report met with Mr E’s approval it would arrange a meeting to complete the relevant paperwork.

A meeting then appears to have been arranged for 17 November 2017. DS&C has provided a copy of a fact-finding document completed at that meeting. The document allowed for significantly more detail than the previous one-page questionnaire. But the fact-find was only partially completed. It again recorded that Mr E was 39, single with four children and also said he was in good health and employed full time. The sections in the fact find to record information about Mr E’s income and expenditure were struck through and left blank. Nor was anything recorded about any savings or assets that Mr E held. It was noted he had a credit card with an outstanding balance of £400 but no other liabilities were recorded.

The section about pensions indicated that in addition to the benefits he held in the BSPS, Mr E was also a member of his employers new defined contribution (‘DC’) pension. But there was nothing recorded about its value, or the level of contributions being made. Another pension provider was also referenced, but the nature and value of this other policy again were left blank.

The fact-find said Mr E had requested advice because of a lack of trust in his employer regarding the pension. And it suggested he was interested in flexibility and having control of his own pension. When he would like to retire and what income he expected to need in retirement were also left blank.

The fact-find included sections about Mr E’s investment experience, capacity for loss and attitude to risk. In the capacity for loss section the word ‘minimal’ was recorded. The first page of the attitude to risk section suggested Mr E had a ‘moderate to speculative’ attitude. But the questions about attitude to risk on the following page were struck through and the had written notes indicated instead a ‘cautious’ attitude to risk.

Application forms were completed on 17 November 2017, to transfer the BSPS benefits to a personal pension. I do note that the application for the new pension included an expression of wish regarding death benefits which nominated Mr E’s partner as the beneficiary. Although again he was referred to as being single in the other documents.

Mr E also signed an acknowledgment that he’d received advice from DS&C on 17 November 20178. And I’ve seen evidence these applications forms were submitted on 22 November 2017, with DS&C confirming it had provided Mr E with advice.

On 21 December 2017, DS&C sent Mr E another letter. This said it was a suitability report, setting out its recommendation. This report said Mr E's objectives were to have flexibility to retire before the BSPS allowed and to control his pension savings and use them to help his children. It also said an objective was for Mr E to leave his pension savings in his will. And it said Mr E had decided to transfer his pension no matter the risks and that his union representative had suggested he do so. DS&C said a DB scheme did not offer flexibility about when a pension could be taken and would not permit retirement before age 65 other than with trustee and employer consent. And even if it did allow early retirement, significant actuarial reductions could be applied. The report went on to say that DS&C recommended that Mr E transfer his CETV to the pension provider that it previously indicated it favoured. And it said Mr E should invest in line with his 'cautious' attitude to risk. The report said before making a decision, Mr E should consider what DS&C had said carefully - despite an application having already been submitted.

Mr E complained in March 2022 to DS&C about the suitability of the transfer advice. He felt a transfer should not have been recommended.

DS&C didn't uphold Mr E's complaint. It said it had established information about Mr E's circumstances and established after discussion that he was a cautious investor. It believed it had made a suitable recommendation as this would allow Mr E to retire early and addressed his intention of wanting to transfer away from the BSPS. And it said Mr E was given clear information about the relevant risks.

Mr E referred his complaint to the Financial Ombudsman Service. One of our Investigator's considered the complaint and said they thought it should be upheld. She thought Mr E was unlikely to improve on the benefits he was giving up by transferring and that there weren't any other reasons that meant transferring was in Mr E's best interests. She noted he was a long way from being able to retire, so his plans were not likely to be finalised. She felt his desire for control had likely been overstated. And the alternative death benefits didn't mean a transfer was in his interests, as the pension was intended to provide for Mr E's retirement needs. So, she thought DS&C should've advised against a transfer. And so recommended that DS&C compensate Mr E for any losses caused by the unsuitable advice and pay him £200 for the distress he'd been caused.

DS&C disagreed and still considered that the advice it gave was suitable and adequate warnings about the risks had been provided. It also said the BSPS2 was not confirmed at the time of the advice so shouldn't be used as a comparison for redress purposes. It added that clients approached it intending to transfer. And it had made the decision that it would not make overt recommendations to transfer. It further set out its process and said clients were always happy with this.

Mr E's representatives largely agreed with the Investigator's findings. But said they didn't think making an overall 15% notional deduction from the compensation amount to account for income tax was fair as this didn't account for ongoing charges that Mr E may incur.

The investigator wasn't persuaded to change their opinion, noting that the information at the time did support that the BSPS2 was likely to go ahead and that they were satisfied Mr E would likely have joined this if suitable advice had been given. The complaint was referred for an ombudsman's decision.

DS&C later said, without prejudice to its position that the advice was suitable, it had run a redress calculation using the methodology set by the regulator, the Financial Conduct Authority ('FCA') at the time. Which it said showed that Mr E had not suffered a loss. So, no redress was due. In order to settle matters though, it said it would agree to pay the sum the Investigator had recommended to address any distress caused.

This calculation was shared with Mr E. His representatives said they believed some of the information used in the calculation was potentially incorrect. We informed DS&C of this, but it declined to re-run the calculation at that time.

The regulator has since developed a BSPS-specific redress calculator. The calculator was developed for the BSPS consumer redress scheme. But it can still be used to carry out calculations in non-scheme cases, like Mr E's complaint with the Financial Ombudsman Service. And our Investigator informed both Mr E and DS&C, that if the Ombudsman considering the case decided to uphold it, they may require DS&C to calculate any redress due using the FCA BSPS-specific calculator.

Mr E's representative said that any redress calculation should be done by an expert actuary, because Mr E's transferred BSPS benefits had been combined with other pension provisions.

I understand DS&C has said recently that it was willing to re-run a redress calculation using the BSPS specific redress calculator. But it has been unsuccessful in obtaining the information it requires from Mr E's representatives. As the complaint has not been resolved and there remains a dispute, in fairness to all parties, I'll now make a decision on the matter.

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.

I've taken into account relevant law and regulations, regulator's rules, guidance and standards and codes of practice, and what I consider to have been good industry practice at the time. This includes the Principles for Businesses ('PRIN') and the Conduct of Business Sourcebook ('COBS'). And where the evidence is incomplete, inconclusive or contradictory, I reach my conclusions on the balance of probabilities – that is, what I think is more likely than not to have happened based on the available evidence and the wider surrounding circumstances.

The below is not a comprehensive list of the rules and regulations which applied at the time of the advice, but provides useful context for my assessment of DS&C's actions here.

PRIN 6: *A firm must pay due regard to the interests of its customers and treat them fairly.*

PRIN 7: *A firm must pay due regard to the information needs of its clients, and communicate information to them in a way which is clear, fair and not misleading.*

COBS 2.1.1R: *A firm must act honestly, fairly and professionally in accordance with the best interests of its client (the client's best interests rule).*

The provisions in COBS 9 which deal with the obligations when giving a personal recommendation and assessing suitability. And the provisions in COBS 19 which specifically relate to a DB pension transfer. These include COBS 19.1.6G in which the FCA states that the starting assumption for a transfer from a DB scheme is that it is unsuitable. So, DS&C should have only considered recommending a transfer if it could clearly demonstrate that the transfer was in Mr E's best interests.

I think there are issues with the process that DS&C followed here. It's initial report to Mr E was issued before any meaningful information about his circumstances or objectives appear to have been obtained, and instead talked about what other BSPS members had done, and implied Mr E would likely want to do the same. The letter already talked about the process for transferring, what would happen next and a preferred personal pension provider. I don't think this indicates DS&C started from the position that a transfer was unsuitable for Mr E. And I can't see that DS&C had enough information about Mr E to make a recommendation about what was in his best interests at that time.

A follow up meeting took place a week later. The further information gathered and recorded about his circumstances in the more detailed fact-find appears to have been minimal, with large sections of information left blank. Again, it is difficult to say that DS&C had enough information to determine that a transfer was in Mr E's best interests. Yet at this meeting a positive recommendation to transfer appears to have been made – as relevant application forms were all signed at that time. DS&C has said Mr E was in an informed position and given time to consider the transfer. But the timeline doesn't appear to support this, as an application was completed the same day. And a suitability report, setting out the reasons for the recommendation, wasn't provided until over a month after this meeting and after the application to transfer had already been submitted.

DS&C has also said that it did not make overt recommendations to transfer and has suggested it facilitated what consumers wanted. But it wrote to the BSPS confirming it had provided Mr E with professional pension advice. It was recorded as Mr E's financial adviser on the application for the personal pension and received commission for this. And the role of an adviser, in relation to pension transfers, is to give objective advice about what was in a consumer's best interests. Not to facilitate something they may have thought they wanted. The suitability report was also very clear that DS&C's recommendation was that a transfer met Mr E's needs and objectives and stated, *"I recommend the transfer value be transferred…".* So, I'm satisfied it did recommend a transfer to Mr E.

Notwithstanding these issues with the process followed, having considered all the evidence in this case, like our Investigator, I'm not satisfied a transfer was in Mr E's best interests or that the advice to transfer was suitable. So, I'm upholding the complaint. I'll explain why.

- There was some inconsistency in the information provided about Mr E's attitude to risk. The initial report said it assumed his attitude to risk would be 'moderate / balanced' and not overly cautious. But that doesn't appear to have been based on any actual discussion with Mr E. The fact-find said his capacity for loss was minimal. But at different points it indicated both a 'moderate / speculative' and 'cautious' attitude to risk. The suitability report made reference to Mr E having both a 'cautious' and 'minimal' attitude to risk. And DS&C's response to the complaint said it was established in its discussions with him that he was a 'cautions' investor. And so, on balance, I think it's fair to say that Mr E's attitude to risk was likely cautious.

- DS&C was required, by the regulator to produce a transfer value analysis ('TVAS') report. One of the pieces of analysis this included was the calculation of critical yields – how much Mr E's pension fund would need to grow by each year in order to allow him to obtain equivalent benefits at retirement to those provided by his DB scheme. Despite it saying that Mr E wanted flexibility to potentially retire early, and this being something that the BSPS2 and PPF allowed, DS&C only calculated the critical yield to match the benefits payable at age 65. And, only looked at the yield to match the full pension available under the scheme – and didn't consider the option to take tax-free cash and a reduced pension. Which I'm satisfied could have been calculated.

- There would be little point in Mr E giving up the guarantees available to him through his DB scheme only to achieve, the same level of benefits outside the scheme. And even if the critical yield was achieved consistently year on year, it would only enable him to replicate what was being given up.

- DS&C said the critical yield to match the full pension the BSPS2 would provide at age 65 was 5.05%. And to match the full pension the PPF would've paid from that age was 4.36%. DS&C said it felt the former was reasonably achievable for someone with an attitude to risk of 5 on a scale of 1-10. But as I've said, Mr E was a 'cautious' investor.

- The advice was given after the regulator gave instructions in Final Guidance FG17/9 as to how businesses could calculate future 'discount rates' in loss assessments where a complaint about a past pension transfer was being upheld. Prior to October 2017 similar rates were published by the Financial Ombudsman Service on our website. Whilst businesses weren't required to refer to these rates when giving advice on pension transfers, they provide a useful indication of what growth rates would have been considered reasonably achievable for a typical investor. The relevant discount rate at the time were 4.6% for 25 years to retirement – relevant if Mr E retired at age 65.

- Given Mr E's cautious attitude to risk, the discount rate and considering the regulator's low and medium standard projection rates at the time of 2% and 5% respectively I think there was limited scope for Mr E to improve on the benefits the PPF would've offered from age 65. And I think he was always likely to receive benefits of a lower overall value than the benefits the BSPS2 would've provided. And if retiring earlier than the normal scheme retirement age was a genuine objective, I think he was even more likely to be worse off. Which is because the critical yield at a younger age was likely to be higher given benefits would have to be paid for longer and the investment horizon to retirement was shorter.

- And the critical yields aren't the only thing that, in my view, indicates Mr E would be worse off in retirement by transferring. The TVAS estimated that the cost, or pension fund value that would be required, to purchase equivalent benefits at age 65 to match the full pension the BSPS2 would provide was an estimated £369,469.81. But a personalised illustration from the pension provider said that if the mid-rate of growth it used was achieved until age 75, the value of the pension was likely to only be £197,000. This is significantly below what would be needed to replicate the guaranteed benefits that he'd given up and was reliant on a further ten years of additional growth. So overall, I think Mr E was always likely to be worse off in retirement by transferring.

- DS&C said Mr E was interested in retiring earlier than the DB scheme would allow. So, he wanted flexibility to enable this. And it said in the suitability report that the DB scheme was inflexible and would generally not permit this. And even if it did, actuarial reductions would apply.

- The BSPS2 and PPF would've allowed Mr E to access benefits earlier than 65, albeit with actuarial reductions. So, while the statements about these reductions was broadly correct, I think the way this was presented in the suitability report – that early retirement was unlikely - was potentially misleading.

- But in any event, Mr E was only 39 at the time of the advice. While he may have indicated in discussion with DS&C that he aspired to retire early, I don't think any thoughts he might've had on this were finalised. I think, when asked, most people would say they would like to do so. But his circumstances, objectives or aims could've changed over the years that followed.

- I also don't think, even if this was discussed, that there was enough information gathered to demonstrate that he needed flexibility or that transferring for this purpose was in his best interests. There was no information recorded about what age he might like to retire or what level of income he might need in retirement. There was also no detailed information recorded about his income or expenditure, in order to determine if any estimates made about what he might need in retirement were likely to be accurate. I appreciate, so far removed from retirement, that it would've been difficult for Mr E to predict what his needs might be. But this just serves to further illustrate that any thoughts he had about potentially retiring early were nothing more at that stage than a vague aspiration.

- So overall, I think it was too soon for an irreversible decision to transfer out of his DB scheme to be considered in his best interests. Particularly when he had the option of joining the BSPS2, which would've meant he retained the option to transfer out at a later date if his circumstances required it.

- DS&C said Mr E was interested in using his pension savings to help his children and being able to leave these in his will. But a pension's primary purpose is to meet the holder's needs in retirement. Mr E was young and recorded as being in good health. So, there was no reason to believe he wouldn't be reliant on his pension to meet his own needs in retirement into his old age.

- I also note that the application for the new personal pension said, in the expression of wish section, Mr E's partner should be the beneficiary. DS&C says Mr E didn't disclose any details of a partner and said he was single. But given the lack of information that seems to have been gathered in general, and the fact this form was completed in a meeting with DS&C on 17 November 2017, this arguably should've been considered. And given Mr E was relatively young, there was still the possibility he could marry – in which case the spouse's benefits the DB scheme provided could've been useful to his family.

- That notwithstanding, overall, I don't think different death benefits available through a transfer meant it was in Mr E's best interests. And ultimately DS&C should not have encouraged Mr E to prioritise the potential for alternative death benefits through a personal pension over his security in retirement.

- DS&C has said that Mr E had a lack of trust in his employer given what had happened with the pension and wanted to take control. But I can't see that Mr E had any investment experience or an interest in or the knowledge to be able to manage his pension funds on his own. Indeed, the recommendation to transfer appears to have been on the understanding he would take ongoing advice about how his pension was invested, at a further cost. So, I don't think that having control over his pension was a genuine objective for Mr E – it was simply a consequence of transferring away from his DB scheme.

- I don't doubt that Mr E was likely to have been upset by what had happened with his pension to that point. Or that he had negative feelings about his employer and might've thought moving his pension away from it was appropriate. I think that would have been a very natural emotional response to what was happening. But again, DS&C's role was to give impartial, objective advice. Mr E's employer and pension scheme were not one and the same. And Mr E was paying into a new pension scheme with his employer. So, the relationship may not have irretrievably broken down as suggested.

- Mr E may have held concerns about the prospect of his deferred benefits entering the PPF. But there had been a number of key announcements that all pointed toward the BSPS2 being established as an alternative. Which was expected to provide better benefits than the PPF and still provide Mr E the option to transfer closer to retirement. DS&C has said that the BSPS2 was not confirmed at the time of the advice. But I think it is overstating the chance of this not going ahead. The restructuring of the BSPS had been ongoing for a significant amount of time by the point it gave advice. Actions had been agreed with the pension's regulator and carried out as scheduled – not least a significant lump sum payment into the BSPS which enabled the provision of improved transfer value quotations. Members had been sent "time to choose" letters, with opting into the BSPS2 one of the options offered to them. And indeed DS&C had said in its correspondence with Mr E that this was a choice he had. So, based on what had happened to that point, I think the relevant parties, not least the trustees, were confident the BSPS2 would go ahead.

- But even if this hadn't happened, the PPF still provided Mr E with a guaranteed income and the option of accessing his benefits early. Mr E was unlikely to improve on these benefits by transferring. So, entering the PPF was not as concerning as he might've thought, and I don't think any concerns he held about this meant that transferring was in his best interests.

Overall, I can't see persuasive reasons why it was clearly in Mr E's best interest to give up his DB benefits and transfer them to a personal pension.

DS&C says Mr E was given time to consider his options, made an informed decision to transfer and had indicated he was always going to transfer, regardless of the risks.

As I've already explained I don't think the evidence supports that Mr E was given a great deal of time to consider the transfer – given the relevant application forms were signed at the first meeting to specifically discuss this. And the suitability report wasn't provided until a month after the application to transfer was made. So, he hadn't received a written explanation of the reasons for the recommendation before proceeding.

Mr E might've gone into the discussion thinking transferring was a good idea and thinking that this was what he wanted to do. And it has been suggested his union representative had reinforced that. But the union representative wasn't a financial adviser. And DS&C's role wasn't to just facilitate what Mr E, an inexperienced investor, might've thought was best. Ultimately DS&C advised Mr E to transfer. And I think he relied on that advice. If DS&C, a professional adviser whose expertise he had sought, had explained why it wasn't in his best interests to transfer I think he'd have accepted that advice.

As a result, I'm upholding this complaint as I think the advice Mr E received from DS&C was unsuitable.

Mr E had over 25 years before he reached the normal retirement age of the scheme. And was a significant amount of time from when he might've been able to access benefits early. And again, I think any thoughts he had about retiring were unconfirmed. So, I don't think that it would've been in his interest to accept the reduction in benefits he would've faced by the scheme entering the PPF. By opting into the BSPS2, Mr E would've retained the ability to transfer out of the scheme nearer to his retirement age if he needed to. And the annual indexation of his pension when in payment was also more advantageous under the BSPS2. So, I think, had he received suitable advice not to transfer, Mr E would've opted into the BSPS2.

Our Investigator recommended that DS&C make a payment for the distress caused to Mr E. Mr E received advice from DS&C in November 2017. He first complained about that advice in 2022. I haven't seen anything that suggests the advice caused him ongoing distress during that period as the first indication he potentially had any concerns about the advice seems to have been when he first discussed matters with his professional representative. Nevertheless, I accept Mr E may potentially been worried to find that the advice might not have been suitable for him. And given the circumstances and uncertainty under which he first asked for this advice, I don't doubt he has been concerned. This wouldn't have occurred but for the advice that is the subject of this complaint. So, in the circumstances, I think the recommended award of £200 is fair and reasonable.

Putting things right

A fair and reasonable outcome would be for DS&C to put Mr E, as far as possible, into the position he would now be in but for the unsuitable advice. I consider Mr E would have most likely remained in the occupational pension scheme and opted to join the BSPS2 if suitable advice had been given.

DS&C must therefore undertake a redress calculation in line with the rules for calculating redress for non-compliant pension transfer advice, as detailed in policy statement PS22/13 and set out in the regulator's handbook in DISP App 4:
https://www.handbook.fca.org.uk/handbook/DISP/App/4/?view=chapter.

DS&C should use the FCA's BSPS-specific redress calculator to calculate the redress. While I note Mr E's representatives' comments that the transferred funds are now combined with other pension provisions, the calculator does account for the addition of other funds following a transfer. So, I don't think this is a reason not to use it here. And DS&C can enlist the assistance of an appropriate provider, should it need to.

A copy of the BSPS calculator output should be sent to Mr E and the Financial Ombudsman Service upon completion of the calculation together with supporting evidence of what DS&C based the inputs into the calculator on.

For clarity, Mr E has not yet retired, and he has no plans to do so at present. So, compensation should be based on the scheme's normal retirement age, as per the usual assumptions in the FCA's guidance.

This calculation should be carried out using the most recent financial assumptions in line with DISP App 4. In accordance with the regulator's expectations, this should be undertaken or submitted to an appropriate provider promptly following receipt of notification of Mr E's acceptance of the decision.

If the redress calculation demonstrates a loss, as explained in policy statement PS22/13 and set out in DISP App 4, DS&C should:

- calculate and offer Mr E redress as a cash lump sum payment,
- explain to Mr E before starting the redress calculation that:
    - the redress will be calculated on the basis that it will be invested prudently (in line with the cautious investment return assumption used in the calculation), and
    - a straightforward way to invest the redress prudently is to use it to augment his DC pension
- offer to calculate how much of any redress Mr E receives could be augmented rather than receiving it all as a cash lump sum,
- if Mr E accepts DS&C's offer to calculate how much of his redress could be augmented, request the necessary information and not charge Mr E for the calculation, even if he ultimately decides not to have any of his redress augmented, and
- take a prudent approach when calculating how much redress could be augmented, given the inherent uncertainty around Mr E's end of year tax position.

Redress paid to Mr E as a cash lump sum includes compensation in respect of benefits that would otherwise have provided a taxable income. So, in line with DISP App 4, DS&C may make a notional deduction to cash lump sum payments to take account of tax that consumers would otherwise pay on income from their pension. Typically, 25% of the loss could have been taken as tax-free cash and 75% would have been taxed according to Mr E's likely income tax rate in retirement – presumed to be 20%. So, making a notional deduction of 15% overall from the loss adequately reflects this.

I've thought about Mr E's representative's point regarding this deduction. It believes this is unfair as it doesn't account for the charges that would've been deducted from the fund value over that time. While I appreciate the representative feels this may unfairly reduce the redress payable, I'm mindful that it is not possible to provide exact compensation in these circumstances, as the only way to achieve this would be to put Mr E back into the scheme as if the transfer out hadn't happened. So, overall, I remain of the view that the redress proposed fairly compensates Mr E for the impact of the unsuitable advice he received.

In addition, DS&C should pay Mr E £200 for the distress caused by the disruption to his retirement planning.

My final decision

I uphold this complaint and require David Stock & Co Limited to carry out the steps outlined in the 'putting things right' section of this decision.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr E to accept or reject my decision before 10 January 2024.

Ben Stoker
Ombudsman