

Video 1 – Introduction

Hello and welcome. My name is Mark Goold and I work for the Communications Division of the Financial Conduct Authority.

In this series of videos, I want to talk about our expectations of financial advisers when they provide pension transfer advice, such as leaving a defined benefit scheme.

The first thing to say is that our message to the advisers we regulate is and always has been very clear. That message is that generally, it will not be in a client's best interests to leave a pension scheme that will provide them with a guaranteed lifetime income when they retire.

There are some very specific occasions where it may be a good idea but the key word here is specific - it does depend very much on your own individual circumstances – so for example, your background, your family situation, your financial position and lots of other things.

Therefore, we expect financial advisers to carry out a detailed analysis of your personal circumstances, before making any recommendation to leave a pension scheme and it's this detailed analysis that we will look at in this series of videos.

This analysis would normally be known as the 'advice process'. In other words, we would expect advisers to follow certain steps, ask certain questions, carry out research and provide specific documentation when reviewing your personal situation and recommending something to you.

These steps generally should be carried out in the order you see them on the screen – this list isn't exhaustive but in most cases this order should be followed.

So, we would expect advisers to talk to you about the services they offer and the cost of these services.

We'd expect advisers to ask lots of questions about your **personal situation** and then carry out **research**.

When they recommend a course of action to you, we'd also expect advisers to provide you with a **suitability report** where they will tell you what their

recommendation is and explain the reasoning behind that recommendation and talk about the role of **ongoing services**.

In each video, I am going to talk through each of these areas in turn and describe what should happen when you deal with a financial adviser.

If you have already taken advice, you should consider if these steps were covered in detail with you. If that wasn't your experience, or you're not sure if the advice you received was suitable then in the first instance, you should take this up with the firm that advised you.

You should also look at the Financial Ombudsman Service's website for further details and the process to follow. If the firm no longer exists, please look at the Financial Services Compensation Scheme website.