

## **The complaint**

Mr C complains that St. James's Place Wealth Management Plc (SJP) failed to provide him with information about his pension fund in a timely manner. He also complains about the system SJP uses to communicate with him.

## **What happened**

Mr C had a pension fund with SJP. He contacted it at the end of January 2021 and asked it to provide him with advice about his retirement options. He says SJP wasn't able to provide information to him in the way he'd asked.

Mr C says it's not good enough for SJP to only provide him with information using a standard approach. He says it should be able to provide him with advice in the way that he requests and not just in the way that suits SJP's systems. He says SJP was ultimately able to provide him with the information he sought. It did that in March 2021. He says this shows SJP hadn't been honest when it told him it couldn't provide him with an illustration in the way he'd requested.

In addition, SJP used encrypted emails to correspond with Mr C. Mr C says this method of communication is not suitable because he cannot download or store the emails and the emails disappear off the system after 90 days. He says he needs to be able to access the information for at least two tax years. Mr C says encryption of emails was a reduction in service level which has introduced a barrier to him being able to access information which is necessary to make decisions on his investments. He asked for this to be added to his complaint.

SJP investigated his complaints. On 13 April 2021 it issued a final response letter to the issues he'd raised about the information he'd requested at the end of January 2021 and start of February 2021. It said it had responded to his queries and provided information to him at the time. It had told him it would have discussed the information with him at a review meeting scheduled for 12 February 2021. It didn't think there had been an unreasonable delay providing him with the information before he logged his complaint on 9 February 2021. It said it had now provided Mr C with the information he'd requested and whilst it didn't accept any redress was due, it acknowledged Mr C had been caused trouble and upset as a result of the time taken to respond to his concerns. It offered him £250 by way of apology.

Mr C wasn't satisfied with this response. He said it didn't address the issues he'd raised.

SJP sent a further letter to Mr C on 20 April 2021. It said it only sent communications to its clients by post or encrypted emails for the reasons explained on its website. It said Mr C could save encrypted emails in .pdf format or he could take screenshots if he wanted to retain the information for more than 90 days.

SJP said Mr C had complained on 9 February which was prior to the date the review meeting had been scheduled. As a result there'd been a delay in providing the information to him, which was due in part, it said, to its advisor seeking confirmation that he could continue to communicate with Mr C about the matters he'd complained about.

Mr C didn't agree. He referred his complaint to our service. He also told us SJP had taken an unreasonable period of time to respond to his complaint and had ignored one of his complaints in its final response letter.

Our investigator looked into his complaint. He thought SJP had explained to Mr C why emails were encrypted. He said our service had no remit to tell SJP to alter its approach and there was no evidence that SJP was treating Mr C differently to how it treated its other customers.

Our investigator also looked at how Mr C's request for information had been dealt with. SJP had a method of providing cashflow projections and he thought it was reasonable for it to use its standard approach. It had also offered to meet Mr C to discuss the matter. Our investigator said that answers to some of the questions Mr C had raised had not been forthcoming and some of the information had initially been inaccurate. But, the information had been provided to him, albeit two months later. Our investigator thought these matters were servicing issues and Mr C hadn't suffered any financial loss as a result. He thought the offer of £250 was fair and reasonable.

Mr C responded to what our investigator had said. He said he was willing to accept £250 for the service failure. But, he thought it was ridiculous to say that SJP could use its standard approach. He thought that was the same as saying it could deliver whatever service it wanted and didn't have to offer advice other than in the way it chose. He thought our investigator had failed to address the fact that Mr C paid SJP an Adviser fee. Mr C also said the encrypted email service was a reduction in service level.

Our investigator considered what Mr C had said. SJP confirmed that there had not been any change in its encryption policy since the date when Mr C had accepted its terms of business. So, our investigator didn't change his view.

Because Mr C disagreed, the complaint has been passed to me to decide.

### **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.

Mr C has raised several issues about the service he received. I'll deal with each separately:

#### *Mr C's request for information about a target retirement date of age 60*

I've looked closely at the sequence of events here.

Mr C sent an email to SJP on 30 January 2021. That email set out a proposed plan to retire at age 60 with an initial income of £3,000 per month. It also included information about potential additional capital being available from around age 65. From age 65 Mr C said he wanted to use this additional capital and his pension fund to provide an income of £2,500 per month.

In his email Mr C also indicated that he had other reserves available to him including premium bonds, a potential inheritance at age 65 and proceeds from the potential future sale of a second home he owned.

At the end of the email he posed two questions and asked for "*some projections and advice*". His questions were:

- Is this a realistic plan and what actions might need to be taken to make it easier and/or tax efficient; and
- Is there ... any risk or disadvantage with taking the tax free lump sum earlier and investing it in different tax free investment vehicles and are the charges higher?

The adviser responded the same day and said he would get back to Mr C the following week with projections and thoughts.

On 3 February 2021 SJP sent Mr C a cash flow modelling report. Mr C wasn't happy with this report because he didn't think it had taken account of everything he'd told SJP in his initial request. He also didn't think it was appropriate for SJP to use a standard model when responding to his request for advice.

There was a series of subsequent emails exchanged. At this point, Mr C wrote to SJP to express his frustrations. He said he wanted to know if the level of income he'd mentioned in his earlier email could be sustained. He also asked further questions about the tax implications of taking income as opposed to a tax free lump sum.

SJP's adviser wrote to Mr C on 4 February 2021. I think this was an important email because in it SJP explained that there were various "multifaceted" options available to Mr C and each of those options could have different implications. But, by way of summary SJP assured Mr C:

*"..your plan is achievable and sustainable, however, ultimately the income streams... will be taxable."*

It is important to note that SJP offered to explain all the models that had been provided to Mr C at the meeting which had been scheduled for 12 February 2021. This offer to explain the models had also been included in SJP's email of 3 February when the cash flow modelling was sent to Mr C initially.

Mr C wasn't happy with this response. On 9 February, he asked for further projections and cancelled the meeting. He complained to SJP that it had failed to provide the advice he'd asked it for and the advice it had provided was "riddled" with errors. He set out again the information he wanted.

I can see that SJP did provide him with all of the information he wanted, in the format he'd requested, on 10 March 2021 – which was just over a month after he'd requested it. Part of the reason for that delay appears to have been the fact that a complaint had been raised and the adviser was uncertain whether that should be resolved before he could respond to the specific information request.

Having looked at the sequence of events here, I'm not persuaded that SJP has acted unfairly or unreasonably. Whilst there were issues with some of the information in the cash flow reports provided to Mr C, those reports were provided to him in the context that there would be a meeting to discuss his requirements and to provide advice on how his objectives could be achieved. SJP also offered to explain the cash flow modelling report at the meeting. But, Mr C wasn't prepared to attend the meeting until he got all the information he'd requested.

I'd just point out that when Mr C first contacted SJP on 4 February he had concluded his email with a request for "*some projections and advice*" (emphasis added).

The advice Mr C was seeking here was about decisions that would have a significant impact on his future and his retirement plans. Giving advice in these circumstances is regulated by the Financial Conduct Authority (FCA). The adviser is required to assess the client's demands and needs, consider how those demands and needs can be met, set out the advantages and disadvantages of the various options available and then make a personal recommendation to the client about how to proceed. This requires the client's active participation – which generally includes a conversation during which information is exchanged and different options are presented, evaluated and assessed against the client's objectives. So, I think it was reasonable, given the wording in the email from Mr C, for SJP to expect that there would be a meeting to discuss things further rather than simply provide information by way of response to his request.

Mr C has complained that SJP was only willing to give him advice using standard models. But, whilst the information it had sent to him was compiled using a standard model, I don't think SJP intended the cash flow modelling to be treated as "advice". It was one of the tools that SJP intended to use when providing advice to Mr C about how he should proceed and it had told him it would explain the cash flow modelling report in more detail at the scheduled meeting.

Mr C has commented on the fact that he was paying an "advisor fee" to SJP. Having looked at the exchange of emails, I'm satisfied SJP was willing to give Mr C advice – its email of 4 February makes that clear. And, I think if he'd attended the meeting that had been scheduled for 12 February, SJP would've been able to progress his request for advice.

Having considered everything here, I'm not persuaded Mr C was willing to engage with SJP in the way that would have enabled it to give him advice about how best to achieve his objectives. As mentioned above, it did send him the information he requested on 10 March 2021 – but that letter was not an advice letter, it did not contain a personal recommendation. There was a delay sending this information to Mr C, but having taken everything into account, I'm not persuaded SJP acted unfairly or unreasonably.

### *Encryption of emails*

Mr C says that SJP has refused to communicate with him using standard (unencrypted) email. Instead, he says, it insists on using a system where emails are encrypted and deleted after a three month period. Although he can download and retain emails, any attachments are undated. He says this means he isn't able to access important information. He says he needs to be able to access these emails for at least two tax years.

SJP says it introduced encrypted emails in 2016. It didn't proactively inform its clients at that time about the introduction of encrypted emails. Mr C says that it should have informed its clients because this change was a reduction in service levels.

I've looked at the process that occurs when SJP sends an encrypted email. The client receives an alert with a link to the email. The link expires after thirty days. There is also a link to questions and answers which provide more detail about why encryption is used and how the service works. Once the client clicks on the link, there is a registration process during which a password is selected and a validation code is sent.

So, although SJP didn't formally write to its clients to tell them about the introduction of encryption, I don't think it needed to do that. I say this because the client was informed as soon as the first encrypted email was received and was invited to register for the service. The questions and answers also made clear the reasons why encryption had been introduced. I don't consider those reasons to be unreasonable given the goal was to improve

the security of client information. Mr C didn't have to register for the service. He still had the option to receive his correspondence by post if he preferred that method.

After Mr C complained about the retention periods for the emails, SJP told him it could send him correspondence by post if he didn't want encrypted emails. It also told him that if he wanted to retain encrypted emails for longer than 90 days, he could save the email as a .pdf or screenshot. SJP also indicated it was willing to provide further assistance if he required it.

Mr C has a choice about whether to use the encrypted email service or not and he has been given information about how he can retain the information for longer periods, if he does choose to use the encrypted service. Having considered everything, I'm satisfied SJP acted fairly and reasonably when it sent encrypted emails to Mr C.

### *Complaint handling*

Mr C says that SJP took an unreasonable period of time to consider his complaint and its response ignored one part of his complaint.

SJP has offered Mr C £250, without prejudice, by way of compensation for the trouble and upset he'd been caused as a result of the time taken to respond to his concerns. Our investigator thought that was fair and reasonable. I also think it is fair and reasonable. That said, under the rules which apply to our service, we cannot look into complaints which are solely about how a business handled a complaint. That's because complaint handling is not itself a regulated activity. It means I can't tell SJP what to do in this respect, although I would hope that it honours its £250 offer, if it hasn't done so already.

### **My final decision**

For the reasons given above, I do not uphold this complaint about St. James's Place Wealth Management Plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 12 October 2022.

Irene Martin  
**Ombudsman**