

The complaint

Mr H complains that St. James's Place Wealth Management Plc (SJP) caused avoidable delays to his Defined Benefit (DB) pension transfer when it failed to request a new Cash Equivalent Transfer Value (CETV) as soon as the initial CETV had expired. Mr H feels that this caused him a financial loss.

What happened

Mr H met with his SJP adviser on 5 July 2021 and later signed letters of authority to enable information to be obtained on his pension schemes. He had benefits in a former DB scheme that he wanted to transfer into his Retirement Account (RA).

SJP received the CETV for £4,113,830 for the DB scheme on 20 September 2021. The CETV had a deadline of 13 December 2021.

Although I understand a fact-finding meeting took place during the first week of October 2021, the transfer didn't take place by the 13 December 2021 deadline. Mr H said he hadn't expected it to. He said he emailed his SJP adviser on 14 December 2021 to ask him to request a new CETV as a matter of urgency. He said he was concerned that the CETV would drop significantly.

Mr H said SJP replied on 15 December 2021 to tell him it couldn't request a new figure until the old one expired, despite the fact that it had already. He said he continued to chase SJP for a new CETV throughout January 2022 as he became increasingly concerned.

The administrator of Mr H's DB pension wrote to him in February 2022 with a new CETV of £3,716,958. This quote had an expiry of 9 May 2022. But it wasn't until the end of February 2022 that SJP texted him with the new CETV. Mr H said that SJP hadn't requested the second CETV until 27 January 2022, six weeks after the first one had expired.

Mr H felt he had no choice but to accept the much lower CETV as he felt it could still fall further. I understand that £3,716,958.55 was eventually invested in Mr H's RA with prices as of 18 May 2022.

Mr H felt that SJP's advisers had lost him almost £400K of his long-term investment. So he complained to it in November 2022.

SJP issued its final response to the complaint on 6 April 2023. It upheld the complaint. It said that it should've been able to complete the advice process and the transfer by the expiry of the first CETV.

SJP's Actuarial Department then calculated the hypothetical value of the transfer using 24 March 2023 unit prices, on the basis that Mr H had received an investment of £4,113,830 using prices of 13 December 2021, rather than the £3,716,958.55 that had actually been invested with prices of 18 May 2022. This calculation showed that Mr H would've been £83,507.57 better off if the first CETV had been obtained and invested on 13 December 2021.

SJP offered Mr H this amount as financial redress. But said that the calculation needed to reflect the tax that would otherwise be payable at retirement. It said that as Mr H could take 25% of the redress tax free (£20,876.89), only the residual fund of £62,630.68 would be subject to income tax which it assumed would be 20%. This meant that the cash sum it was offering to Mr H after tax was £70,981.43.

SJP also offered Mr H £400 for the inconvenience it'd caused him. And £150 for the delayed complaint response.

On 13 April 2023 Mr H responded to SJP's final response letter. He didn't feel it had addressed his complaint. And he didn't accept its offer. He said both he and SJP had known that the original CETV deadline would be missed. So he didn't accept that any financial redress should be linked to the first CETV. He also said he didn't want a cash offer, as he wanted the funds to be invested over the long term. Mr H said his complaint was actually about how the transfer had been handled since 13 December 2021.

Mr H said that SJP had asked him what outcome he'd wanted when it was considering his complaint. He said he'd asked it to find out what the CETV would've been if SJP had requested it as soon as the first one had expired. And that SJP had found out that the CETV would've been £4,099,284 with an expiry date of 21 March 2022. He felt that if SJP had requested the second CETV when it should have, he would've received an acceptable figure and it would've been invested by the end of March 2022.

Mr H felt that SJP's financial redress should've been based on fund prices as of 21 March 2022 and a loss figure of £382K, as he felt he would have had this if the CETV had been requested within days of the first one expiring.

Mr H was unhappy with SJP's response. So he brought his complaint to this service in July 2023. He said its complaint response had been sent 17 weeks after his complaint. He didn't agree with SJP that it should've been in a position to accept the first CETV. And felt that it had only said this as it led to a lower financial redress offer compared with looking at the position he'd have been in if a second CETV had been requested on 14 December 2021 and that transfer had been invested using 21 March 2022 unit prices.

Mr H also repeated his wish to have the financial redress, which he felt was £382K, paid into his pension so that it would benefit from long-term investment and put him where he should've been.

Our investigator issued his first view in November 2023. He felt that SJP should've completed the transfer process by the 13 December 2021 deadline. As such, he didn't consider that SJP's failure to request an updated CETV as soon as the first one had expired had caused any further financial loss to Mr H.

Our investigator considered the offer SJP had already made. He felt that the amount it'd offered for distress and inconvenience was reasonable. But that it needed to take further steps to put things right. He felt that in order to put Mr H as close to the position he would've been in if the first CETV deadline had been achieved as it could, SJP should also pay him 8% simple interest from 13 December 2021 to the date the outcome was accepted, to compensate Mr H for the loss of use of this income payment. He also felt that SJP should compensate Mr H for any difference in his tax-free lump sum, again with interest.

Mr H didn't agree with our investigator. He felt his complaint wasn't about the original transfer value, but the delay in requesting the second transfer value. He said this had led to an investment loss of £382K. He said that both he and SJP had known that it wouldn't be able to make the December 2021 deadline.

Mr H felt that the redress our investigator had proposed wouldn't put him back to the position he would've been in. And that the actual investment return he would've received should be used to calculate the compensation. He also said that the tax-free lump sum he would take was at its maximum amount.

Our investigator told Mr H that this service generally considers that the three-month validity period should be sufficient to complete a transfer. Therefore, even though Mr H felt that the December 2021 deadline wasn't ever going to be met, he felt that it should've been achievable.

SJP didn't agree with our investigator. It felt there'd been some misunderstanding about the investment loss calculation and the amount and timing of tax-free cash.

SJP said its Actuaries had calculated the notional value if the CETV of £4,113,830 had been invested on 13 December 2021. And then compared this to what the value would've been at the same date but using the actual transfer value achieved. It said the difference in fund value was calculated as £83,507.57 using 24 March 2023 unit prices.

SJP said that it had needed to obtain a notional value to compare the position close to the date of decision so that it could consider loss of investment growth. It said its final response letter was dated 6 April 2023. And the notional value was calculated using unit prices of 24 March 2023.

SJP said it couldn't directly place this amount into Mr H's RA, so had made a cash compensation offer. And that this was £70,981.43 after an adjustment for tax.

Regarding our investigator's proposed tax-free cash redress, SJP said that Mr H had chosen to take only £16,666.75 of tax-free cash on 12 July 2022. So it didn't believe it needed to cover any difference in tax-free cash as it felt Mr H would've always only taken £16,666.75. It also said that Mr H was only entitled to take tax-free cash equating to 25% of his protected lifetime allowance limit of £1.5M. SJP said that as Mr H was only entitled to tax-free cash of £375,000, the amount he'd be allowed to take if it'd received a higher transfer amount of £4,113,830 wouldn't have changed.

SJP also said that it'd received the transfer proceeds on 18 May 2022. But Mr H hadn't first crystallised benefits until 11 July 2022. So it felt it was reasonable to assume he would've done the same notwithstanding an earlier transfer date of 13 December 2021. It said it therefore didn't believe Mr H would've crystallised benefits any earlier than 11 July 2022 if an earlier transfer had taken place. And that there was therefore no loss of investment to consider here either.

Mr H still felt that SJP's offer was out of date and that it didn't reflect the current world markets or the increased value of pensions. He also felt that SJP had admitted to being too slow to achieve the December 2021 deadline as this was the cheapest option for redress. He provided his own calculations which led to much higher financial redress amounts. Mr H also said he didn't want the cash payment offered by SJP. He wanted the investment loss to be paid into his pension so that it could benefit from long-term investment.

Our investigator considered the points both Mr H and SJP had made. And issued his second view on the complaint in December 2023. He still felt that SJP had adequate time to ensure the initial transfer value that expired on 13 December 2021 could be met. He explained why SJP wasn't able to pay any financial redress into Mr H's RA. And went on to state that he was no longer upholding the complaint because he now felt that SJP's proposed redress was in line with what we would expect.

Mr H asked our investigator why SJP had chosen 24 March 2023 as the valuation date for the settlement payment. He explained that it had been calculated before SJP's final response letter. And that this was a normal approach.

SJP said that there'd been no intention of selecting a unit price date so that Mr H got less compensation. It provided its internal email history with its Actuarial team which showed that it'd requested the calculation on 17 March 2023, when it was reviewing the complaint. It said that team had provided the calculation on 27 March 2023 and used the most up to date value available, which was unit prices as of 24 March 2023.

SJP said it wouldn't look to obtain further notional values based on the current unit price, as it had made a reasonable offer to Mr H in March 2023 that our investigator had agreed with.

Mr H didn't agree with our investigator. He still felt that SJP couldn't have completed the transfer by 13 December 2021. And that financial redress should be based on the CETV he would've got if SJP had asked for a new CETV on 14 December 2021. He also felt that the financial redress SJP had offered should be recalculated to allow for the investment growth he would've earned on it since.

Mr H shared some additional loss calculations he'd done which he felt showed that the financial redress should be much higher. And that had further convinced him that SJP had ignored his actual complaint and taken the cheapest option. He still felt that the calculations should be carried out as and when the Ombudsman made their decision, "*not some random date chosen by SJP nine months ago*".

As agreement couldn't be reached, the complaint came to me for a review.

I issued my provisional decision on 12 January 2024. It said:

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 intend to uphold it. But I'm afraid that Mr H will still be disappointed. I agree with our investigator that the offer SJP made in its April 2023 final response letter is reasonable under the circumstances. And I'm not going to require it to take any additional steps to put things right. However, in order to ensure that SJP takes the actions it offered to take I need to uphold the complaint. I'll explain the reasons for my decision.

Where a business has made an offer to settle a complaint – as SJP has done here – what I have to decide is whether, in all the circumstances, that offer is fair and reasonable.

In this case, SJP has acknowledged that it should've completed all of the work required for the transfer before the expiry of the initial CETV. And if it had, Mr H would've received £4,113K into his RA on 13 December 2021.

In its 6 April 2023 final response letter, SJP offered to put Mr H back to the position he would've been in as at 27 March 2023 if the £4,113K CETV had been obtained and invested on 13 December 2021. It also offered Mr H £400 for the distress and inconvenience this issue caused him.

Mr H doesn't consider that this offer is fair. I acknowledge that there are several elements of this offer that Mr H doesn't agree with. In summary, these are:

- *He doesn't agree the deadline for the first CETV could've been met, so considers that the financial redress should be based on the CETV that could've been obtained*

if requested on 14 December 2021. This would've been provided on 21 December 2021 and invested on 21 March 2022.

- He considers that SJP should be required to include investment return up to the date of settlement.*
- He doesn't want the financial redress to be paid as cash. Instead, he wanted it paid into his pension so that it would benefit from long-term investment.*

When a business does something wrong, and makes an offer, this service will assess whether the offer is sufficient to fairly put things right. We want, as far as reasonably possible, to put Mr H back into the position he would've been in if SJP had done nothing wrong.

Mr H isn't complaining about the suitability of the transfer advice. His complaint is about the delays SJP caused to his transfer. And the financial impact these caused him.

I appreciate that Mr H says his complaint is about the time it took SJP to request a second CETV after the first one expired. But I first need to consider whether SJP should've met the deadline for Mr H's first CETV. If I find that it should have, I won't then need to consider the delays that happened after that. I say this because if I'm satisfied that the first CETV deadline should've been met, there would've been no need for any further CETV requests.

Should SJP have met the 13 December 2021 deadline for Mr H's first CETV?

In its final response letter, SJP said that although it had undertaken work to move the transfer forward for Mr H, it didn't think it'd placed sufficient emphasis on attempting to complete the regulatory requirements during October and November 2021. It felt that if it had, it would've secured the CETV before its expiry on 13 December 2021. SJP also felt that its Regulator would've expected it to have been able to complete the advice process to transfer the DB scheme by the expiry.

Mr H said that after he'd received the first CETV, he met with SJP in the first week in October 2021. So it had around 10 weeks to be in a position to accept the initial transfer value. He felt that SJP was never going to achieve the December 2021 deadline. And noted that although SJP had actioned the second CETV within the three-month guarantee period, it had already been working on it for seven months. He also said that SJP had acknowledged during the process that it wasn't going to meet the December 2021 deadline.

I acknowledge that SJP might've known at some point before the guarantee expiry that it wasn't going to be able to complete the work required before 13 December 2021. But the real question is whether it should've completed this in the time available.

From what I've seen, I agree with SJP that it could've completed all required work before the expiry of the first CETV on 13 December 2021. I say this because the evidence shows that SJP took very little action on the transfer before the initial deadline. And because the three-month guarantee period that's generally attached to CETVs is usually considered long enough for an adviser to complete the advice process and give a personal recommendation. Indeed, once SJP obtained the second CETV it managed to do the required work before that guarantee expired.

I acknowledge that Mr H feels that SJP only met the second CETV deadline because it'd already been working on the transfer for a while. But I'm not persuaded that this is the case.

I've also seen nothing to suggest that SJP found unexpected complications to Mr H's

transfer, which might've made the deadline harder to make.

We can't know exactly what would've happened if SJP had taken further steps to try to complete the regulatory requirements in time to meet the December 2021 expiry date. But while I know this will be extremely disappointing to Mr H, on balance I think SJP could've done enough to ensure that the transfer would've completed by the original 13 December 2021 expiry.

I acknowledge that Mr H considers that SJP ignored his actual complaint, which was about how long it took to request the second CETV. And that he feels it's offered him the cheapest option for financial redress.

But I must think about what lies at the heart of a complaint. That means I must always try to see the whole picture. Having done that, I consider that Mr H could've reasonably expected the first CETV deadline to have been met. And if it had, there'd have been no need for further CETV requests, and therefore no opportunity for additional delays.

As I've reached this conclusion, I'm satisfied that I don't need to consider the delays that happened after 13 December 2021. I'm of the view that the transfer process should've completed by 13 December 2021. And that Mr H should've obtained a CETV of £4,113K.

So I've gone on to consider the redress that SJP offered Mr H.

Is SJP's financial redress offer fair and reasonable?

SJP said it should've completed all requirements for the transfer before the 13 December 2021 CETV expired. Therefore it offered Mr H compensation based on the initial £4,113K CETV having been invested on 13 December 2021. It said that Mr H would've been £83,507.57 better off on 27 March 2023 if this had happened. And offered to pay Mr H a lower cash alternative to this as it said it couldn't make the payment directly into Mr H's RA. I'll address this point later in my decision.

This effectively means that SJP's offer put Mr H into the position he would've been in on 27 March 2023 (the date of the calculation, using 24 March 2023 unit prices) if he had actually received the initial transfer value of £4,113K on 13 December 2021.

I acknowledge that Mr H feels that SJP's offer is now out of date and that it doesn't allow for the investment growth he would've earned on it since. So I understand why he considers that the calculations should be carried out once I've made my decision.

However, as this offer was made on 6 April 2023, only a few days later than the calculation date, if I consider that it was fair and reasonable at that time, I won't require SJP to take any further steps than it has already offered to take. I say this despite the fact that several further months have now passed since this offer was made. This is because it was Mr H's decision not to accept the offer at the time.

SJP feels it shouldn't need to update the calculation it made for the 6 April 2023 final response offer. And I agree with it here.

I say this after having carefully considered SJP's offer of financial redress, because I'm satisfied that it puts Mr H as close as it can back to where he would've been if there'd been no avoidable delays to the processing of the first transfer value. If Mr H had accepted this offer – which I consider to be fair – at the time it was made, he could've himself invested the funds in order to mitigate against any future investment losses. I do appreciate that it wasn't possible to put Mr H entirely back to the position he would've been in as SJP was unable to

pay the redress into his RA.

While I understand why Mr H would strongly prefer the financial redress to be put into his RA, this isn't possible. Therefore I consider that SJP's offer of financial redress was fair and reasonable.

Mr H's strong preference is for the financial redress to be paid into his RA so that it could benefit from long-term investment. SJP said it can only make a cash offer. So I've gone on to consider whether SJP's position here is fair and reasonable.

Should SJP be required to pay the financial redress into Mr H's RA?

SJP told this service that the complaint was established and answered by St James's Place Wealth Management Plc, which isn't the product provider of the pension. Therefore it can't make direct adjustments to Mr H's plan. His RA is provided by a technically separate entity.

SJP said that it wouldn't therefore arrange to make unit adjustments or pay compensation into Mr H's RA, as it didn't want to compromise the tax treatment of the existing fund. And because it couldn't fully assess how any such amendments may affect the existing fund without a wider review of Mr H's allowances and circumstances. SJP said this was why it'd made the cash offer to Mr H instead.

Our own guidance at this service acknowledges that we don't expect businesses to make the payment of compensation directly to the product provider unless they want to do so. Instead, where a business can't pay the compensation into a consumer's pension, it has to be paid to the consumer in cash. And, when cash compensation is required, we often have to make adjustments to ensure that the consumer isn't over-compensated. One example of this is where the compensation isn't being added to the pension fund, but represents additional pension benefits that would otherwise be taxed in future.

That means the compensation needs to be adjusted downwards to reflect the income tax the consumer would otherwise have had to pay when they eventually withdrew those extra funds from their pension fund during retirement. This is what SJP has done here.

I do understand why Mr H would strongly prefer his financial compensation to be made into his RA. But I don't have the power to require SJP to do this.

Overall, I can't reasonably require SJP to pay the financial redress into Mr H's RA.

I finally considered whether the £400 SJP offered to Mr H in respect of the distress and inconvenience its delays had caused him was reasonable under the circumstances.

Distress and inconvenience

This has clearly been a distressing event in Mr H's life. But I consider that SJP took reasonable steps to put things right when it made its offer of financial redress in April 2023.

The issue at the heart of this complaint has taken a considerable time to reach a resolution. And it must've caused Mr H great concern over that time. But I consider that the £400 SJP has offered for the distress and inconvenience is in line with what I've would've otherwise required.

In summary, I understand why Mr H felt that SJP had chosen an unfair date for redress, but I've found no evidence that this is the case. The evidence shows that while the complaint was being worked on, SJP asked its Actuarial team for the required calculations on 17

March 2023. And that the calculations which were used in the final response letter were produced using 24 March 2023 prices. I can't fairly say this was unreasonable.

I appreciate that Mr H considers the complaint should be about the delay in requesting the second CETV, but can't fairly agree. I have to look at the whole process – which was to transfer the DB benefits into the RA. And I agree with our investigator that SJP should've had time to complete the transfer process by the 13 December 2021 deadline. I know Mr H doesn't agree, because SJP didn't meet that deadline. And because it had become apparent before then that the first CETV deadline wouldn't be met. But that doesn't mean it couldn't have been met if there'd been no avoidable delays.

I also appreciate that SJP's offer of redress doesn't put Mr H exactly back into the position he would've been in because the redress can't be paid into the RA. But I consider that this is as close as possible given SJP isn't the product provider.

Putting things right

I intend to require St. James's Place Wealth Management Plc to pay Mr H the amounts it outlined in its 6 April 2023 final response letter.

Response to my provisional decision

SJP asked this service to confirm how this complaint would be recorded if my final decision didn't change. Our investigator explained this service's position.

Mr H first wanted to confirm that this service understood his complaint. After our investigator had shared our understanding of his complaint, he made the following points:

- He wanted me to confirm I was aware that SJP carried out two calculations based on the fund value on 23 March 2023, where the first calculation was based on £4,113,830 invested in December 2021 and the second was based on £4,099,284 invested in March 2022. He said that SJP assessed the first loss as £83,507. But that he felt the second calculation showed a loss of around £257,700.
- Mr H noted that SJP's final response letter was sent 17 weeks after his complaint. He said that despite acknowledging that his complaint was in relation to: "*the delay in requesting a new figure from the 13th December to the 27th January*", SJP had failed to respond to the following issues that were raised in his complaint:

1. Having asked [name] to get me a new figure on the 14th December 2021 why was my instruction not acted on.

2. Why was I told on the 15th December by [name] that the new transfer value may well fall

3. Why when in April 2023 I asked [names] why they hadn't requested a new transfer value until the end of January 2022 the response from [name] was that if they had requested it any sooner they wouldn't have been able to achieve the new 3 month deadline.

4. According to [name] email to [name] on the 3rd March 2023 the second transfer value of £3,716,958 was received on the 9th Feb 2022. Why was I not informed until the end of February and why was it by text, and why did it include [my pension name] in the calculation.

Mr H asked this service to ask SJP to answer these questions.

- Mr H questioned whether it would've been possible for SJP to have completed his

transfer by 13 December 2021. He felt that his case was far from straightforward as he had high monthly outgoings, domestic and buy-to-let mortgages, car loans, shares etc. And that the evidence of all of this had to be provided in a very short time frame starting from late October 2021. He felt that in the end, the 29 April 2022 recommendation letter had only been produced 10 days before the 9 May 2022 guarantee expiry date. He didn't feel it would've been possible for all of the robust and specialist assessments that were required to have been carried out in time for the first CETV expiry to have been met. And repeated his point that SJP had already had three months to work on his transfer before it received the second CETV. He also said that the April 2022 recommendation letter had a number of errors in it.

- Mr H said that SJP had obtained a value for what the CETV would've been if it'd immediately requested a second transfer value on 14 December 2021. He noted that the CETV would've been £4,099K. But he felt that SJP had then chosen the date for the loss calculations it carried out. He said the date it chose was 23 March 2023. And noted that this was 17 weeks after he'd made his complaint, rather than the 8 week guideline. He felt that SJP had admitted it should've met the original CETV guarantee date as it would only cost them £83,507. And that if it'd instead admitted to the delay in requesting the second transfer, his complaint would've cost it £257,700.
- Mr H didn't feel that SJP really had upheld his complaint, despite stating that it had in its final response letter. He didn't feel that it'd considered his actual complaint, about the delays caused in requesting a second CETV. Instead, he felt SJP had simply decided to state that it should've met the first CETV deadline. He asked me if I felt SJP had dealt with his actual complaint or just ignored it and manipulated it to reduce the compensation required.

Mr H felt that my provisional decision had dismissed his actual complaint about the delay in obtaining a second CETV following the missed December 2021 deadline. And that it shouldn't have been based on believing that the December 2021 deadline could've been met.

- Mr H said he should be compensated for the loss of investment returns he felt he should've received on his financial loss. He noted that although I'd said in my provisional decision that if he'd taken the £83,507 compensation SJP had offered in April 2023 he could've benefited by investing it, he felt he would've only earned 5% in interest at best. He felt compensation based on the investment return he should've instead received would be considerably higher than this.

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 first considered whether SJP and this service have considered the correct complaint.

Have SJP and this service considered the correct complaint?

I acknowledge that Mr H still considers that his actual complaint hasn't been considered by either SJP or this service. And that SJP has ignored his actual complaint so that it could choose to pay him less financial compensation. But I can't fairly agree.

I say this because, as I covered in my provisional decision, I have to consider what lies at the heart of a complaint. In this case, I'm of the view that when Mr H asked SJP to provide him with transfer advice, he wanted to consider whether or not it was in his interests to

transfer the benefits from his former OPS. And that, as CETV's are guaranteed for three months, and SJP received the CETV less than a week after it'd been produced, I consider that he could've reasonably expected SJP to meet the first CETV deadline. Therefore, on balance of probabilities, I consider that the transfer should've completed before the expiry of the first CETV on 13 December 2021. Therefore I've based what I consider fair compensation for the delay on where Mr H would now be if the first CETV deadline had been met.

It is clear that Mr H doesn't agree that this would've ever been possible. He's explained that SJP never guaranteed that it could complete the required work by the first CETV expiry date. And that his case was a complex one, which would always take a lot of time. He also points to what actually happened during the period SJP was working with the first CETV, noting that SJP itself told him that it wouldn't meet the December 2021 deadline. Mr H also feels that SJP was only able to complete his transfer shortly before the second CETV expired because it'd already done a lot of work on his case before receiving that second CETV.

While I do understand why Mr H feels this way, I'm not persuaded that it wasn't possible for SJP to have completed the work required to meet the first CETV deadline.

I say this because SJP acknowledged that it didn't place sufficient emphasis on attempting to complete the regulatory requirements during October and November 2021. It felt that if it had, it would've been able to secure the initial CETV. And if it had, there'd have been no need for further CETV requests, and therefore no opportunity for additional delays, or alternative loss calculations.

So while I appreciate that Mr H would still like SJP to answer his four questions about what happened after the expiry of the first CETV, and why it happened, I'm not persuaded that this is required for the fair resolution of this complaint. I say this because, as I noted earlier, I'm satisfied that the heart of this complaint is that Mr H's transfer took longer that it should have. And, although I know that Mr H disagrees, I think that it should have completed by 13 December 2021.

As I said in my provisional decision, I'm therefore satisfied that I don't need to consider the delays that happened after 13 December 2021. This is because in my view, they don't have any impact on what should've happened, or on what SJP should fairly pay Mr H in compensation. Put simply, if SJP had met the first CETV deadline, no further CETV requests would've been made. And Mr H would've obtained a CETV of £4,113K around 13 December 2021.

I next considered Mr H's points about the calculation of the financial redress SJP has offered him.

Has the financial redress SJP offered been fairly calculated?

Mr H said that if SJP had immediately requested a second transfer value on 14 December 2021, the CETV would've been £4,099K. He noted that SJP had carried out two calculations: one based on what the fund would've been worth on 23 March 2023 if £4,113,830 had been invested in December 2021, and the other assuming the notional 14 December 2021 CETV of £4,099,284 had been invested in March 2022. Because the first calculation led to a much lower loss than the second, Mr H felt that SJP had only admitted that it should've met the original CETV guarantee date in order to reduce the amount of compensation payable.

Mr H also felt that SJP had taken much longer than it should have to respond to his complaint. And that it had then chosen the date for the loss calculations as 23 March 2023, as this ensured low compensation.

Mr H told this service that when he complained to SJP, he asked it to find out what the CETV would've been if it'd requested one as soon as the first one expired.

The evidence shows that during SJP's complaint investigation, it first made a request to its actuarial team for a loss calculation on 29 December 2022. It asked for the following information.

- *Value of plan and unit position had CETV of £4,113,830.08 been used and invested on 13.12.2021 rather than actual amount received, and then provide confirmation of actual value and unit position. (Info from Actuarial)*

This shows that SJP had already decided that a reasonable redress should be based on the first CETV deadline having been met. It didn't at this stage know what the notional CETV Mr H had requested would be, so I can't fairly say that SJP made this request in an attempt to minimise the redress.

The actuarial team carried out the requested calculation and shared it on 9 January 2023. The loss calculation showed that a loss of £84,548 would've been incurred as at 6 January 2023.

It was only on 10 March 2023, presumably after Mr H's request to SJP that it found out what the second CETV would've been if it had requested it on 13 December 2021, and after it had received that notional figure, that a further calculation based on the notional CETV was requested. The subsequent loss calculation assumed that SJP had received £4,099,284.43 on 21 March 2022, rather than the £3,716,958.55 which it'd actually received on 19 May 2022. The loss was assessed as around £262K as at 10 March 2023.

While I appreciate that this loss assessment resulted in a much greater value than the method SJP had initially requested, the evidence shows that it hadn't been SJP's intention to base its redress on this figure, regardless of whether it was greater or smaller than SJP's chosen method. I consider that SJP only asked for this calculation to be carried out for completeness, given Mr H's request for the notional CETV to be obtained.

SJP then made one further request on 17 March 2023 for an updated loss calculation on the original basis. This led to the £83,507 figure SJP based its redress offer on. I consider that it was reasonable for SJP to update its original calculation so that the figure it presented to Mr H in its final response letter was reasonably up-to-date.

SJP told this service that there was no intention of selecting a unit price date of 24 March 2023 in its calculations for the purpose of providing Mr H with less compensation.

From what I've seen, the date SJP ended up basing its redress on was effectively driven by Mr H's request for a notional CETV to be obtained. This took some time. Therefore the original redress calculation that SJP had arranged became out of date, so had to be updated at the point that it was ready to issue its final response.

While I do understand why Mr H feels this way, I've found no evidence that SJP tried to manipulate the timing of the loss calculations in order to minimise the financial redress. Nor do I consider that the loss calculation SJP has based its offer of redress on is unfair.

I acknowledge that Mr H considers that compensation based on the investment return he should've instead received would be considerably higher than the interest he could've made if he'd taken SJP's offer of financial redress when it first made it. But I'm satisfied that I've already fully covered this point in my provisional decision. In any event, there was nothing to stop Mr H from investing the financial redress however he chose to at the time it was offered.

While I've considered all of Mr H's comments, they don't change my decision. Therefore I remain of the view I set out in my provisional decision.

Putting things right

I require St. James's Place Wealth Management Plc to pay Mr H the amounts it outlined in its 6 April 2023 final response letter.

My final decision

For the reasons set out above, I uphold Mr H's complaint. St. James's Place Wealth Management Plc must pay Mr H the amounts it outlined in its 6 April 2023 final response letter.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 27 February 2024.

Jo Occleshaw
Ombudsman