

## The complaint

Mrs F, represented by a claims management company (CMC), complains about the suitability of advice she received from St. James's Place Wealth Management Plc ("SJP") and that it provided no ongoing annual reviews of the recommended investment.

## What happened

Mrs F received advice to invest in a PEP in 1997. Neither she nor SJP have been able to provide copies of the documentation completed at the time of the advice – the fact find, suitability letter. etc – that would've shed some light on the rationale behind the recommendation. The investigator was, however, able to consider records SJP provided regarding the operation of the investment after 1997 – including the amounts invested and withdrawn.

In respect of suitability, the investigator made the following findings, on the balance of probabilities –

- As Mrs F had been aged 50 at the time of investing a capital growth objective appeared reasonable.
- The choice of a PEP, as opposed to a lower risk TESSA alternative, indicated a likely appetite for risk.
- Mrs F didn't access her PEP until the 2013/2014 tax year, around 16 years after the investment was made, indicating likely affordability.
- The PEP invested in the Greater European Progressive Unit Trust – a medium-high risk rated fund. The records suggested Mrs F hadn't acted to exit this or switch to less volatile funds during significant market movements, which suggested a tolerance for the risk and understanding that investments needed to be held longer-term to reduce the impact of short-term volatility.
- Her financial circumstances (sufficient regular income, assets, including cash, investments, property and regular financial commitments) meant she was able to financially withstand the investment risks.
- As such, on balance, the advice had likely been suitable for Mrs F.

In respect of the charges, the investigator said –

- It was likely the charges would've been disclosed and discussed with Mrs F in 1997 as part of the adviser's usual process.
- The PEP commenced in 1997 at which time advisers were remunerated by commission. An initial commission would've paid by the product provider as a percentage of the amount invested, with an ongoing 'trail commission' of around 0.5% also paid. But pre-2013 and the Financial Conduct Authority's Retail Distribution Review, a business wasn't required to provide an ongoing advice service in return for the trail commission.
- The investigator was satisfied, on balance, that in 1997 SJP had been remunerated via commission and there'd been no contractual obligation to provide Mrs F with ongoing advice.

Mrs F's CMC accepted the investigator's view regarding charges but disagreed in respect of the suitability of the advice. In brief, it said in light of the lack of documentation, and based on its knowledge of how SJP had worked and its costs, it was reasonable to conclude the advice had been unsuitable.

SJP then confirmed that for completeness it had carried out three calculations using this service's usual benchmarks for determining investment loss, which had shown that in any event there'd been no loss incurred by Mrs F.

Mrs F's CMC said that it nevertheless felt compensation for the distress and inconvenience experienced by Mrs F was warranted.

As no resolution was reached, the matter's been referred to me to review.

### **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'm in agreement with the findings of the investigator and the reasoning behind them. There's little I can usefully add in that respect.

Regarding the CMC's suggestion that Mrs F should be compensated for distress and inconvenience caused by SJP, I see no basis for making such an award. As noted, my findings are that, on balance, SJP acted correctly, providing suitable advice with no ongoing obligation to review the recommended investment.

While I note the CMC's comments in respect of SJP's inability to provide the original sales documentation and the time taken to administer the complaint, I'm not persuaded that, having been represented in bringing the complaint, those issues have impacted Mrs F such that she's experienced any material degree of either distress or inconvenience.

### **My final decision**

For the reasons given, my final decision is that I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs F to accept or reject my decision before 15 August 2025.

James Harris  
**Ombudsman**