

The complaint

Mr P complains about the service provided to him by St. James's Place Wealth Management Plc ("SJP"). He says it failed to provide him with annual reviews of his investments and feels they have underperformed as result. He also says he wasn't informed about the restrictions of SJP's advice service, nor the charges involved.

What happened

Mr P originally invested with SJP in 1995, placing £6,000 into a Personal Equity Plan invested in Unit Trusts (UT).

In February 2022 he had a review with an SJP Partner during which his investments, including his pensions and the 1995 SJP investment (by this time an ISA), were discussed. A recommendation was made for him to invest a further £50,000 from his significant cash deposits, partly into the ISA for that year's allowance and the balance into a feeder unit trust account. There was also a switch of funds within the ISA.

An annual review of Mr P's investments and circumstances was carried out the following year, in August 2023, then in March 2024 he made a complaint to SJP along the lines set out above.

SJP didn't uphold the complaint. It explained that because Mr P's original investment started in 1995 it hadn't been subject to any ongoing advice charge, so there'd been no requirement for it to provide ongoing reviews. These weren't introduced until much later, in 2013, following the implementation of the Financial Conduct Authority's Retail Distribution Review ("RDR"), when regulatory changes were made to the way investments were charged for, to increase transparency for customers.

SJP explained that it was only when changes were made to Mr P's investments as a result of the 2022 advice (so post-2013) that ongoing advice charges started to applied and annual reviews became due. And the first of these reviews, and the only one that had been due up until the point the complaint was made, had been carried out correctly in 2023.

SJP acknowledged that due to the passage of time it had no documentation relating to the 1995 advice, but it was satisfied Mr P would've likely been made aware of relevant charges and the restricted nature of the service.

By the time SJP had issued its response to his complaint Mr P had already referred the matter to this service. Our investigator considered it but reached the same conclusions as those reached by SJP.

Mr P didn't accept this. He provided some information relating to SJP's own review of ongoing advice charges and made the following points –

- He felt that SJP should've contacted him directly in relation to the failure to provide ongoing advice, in line with its own review.
- The failure to provide reviews since 1995 had meant his investments hadn't been

reassessed to reflect his changing risk profile, which had significantly impacted their performance.

- SJP had provided information in 2015 concerning changes to its administrative systems, which confirmed he had been paying 0.5% ongoing advice charges since 1995.
- The 2022 advice had been initiated in respect of his pensions rather than his ISA, and no action had been taken on them. He'd not been made aware of any charges relating to the ISA/UT recommendation.
- That said, his complaint was largely about SJP's failings since 1995.

The investigator wasn't persuaded to change his opinion, so the matter was 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've reached the same conclusions as the investigator and for broadly the same reasons.

In respect of the crux of the complaint – that Mr P has been charged for an ongoing review service since 1995 that SJP has failed to provide – I'm satisfied that is not the case and what has already been explained to him in that respect is correct.

Before the implementation of the RDR in 2013 an 'initial' commission was generally paid by product providers to advisers when a product was taken out. Advisers might also have received an ongoing 'trail' commission, commonly around 0.5%, but, importantly, there was no requirement they provide an ongoing service as a result of this.

This is the situation that applies to Mr P's 1995 investment. He was not due an ongoing service until the point at which changes were made to his investment post-2013, as happened in 2022. Then as a 'new' investment it became subject to the RDR requirements. Ongoing advice charges started to be applied – as set out in the illustrations provided to Mr P – and reviews became due.

I note all the information that Mr P has provided regarding SJP's own review of its charging. But that information simply confirms what SJP told him in its final response, what the investigator reiterated and what I've explained above. There was no requirement for ongoing reviews for his investments until 2022. So, in the event his 1995 investment did become inconsistent with his changing attitude to risk and its performance potentially suffered as a result, that wouldn't have been SJP's responsibility.

Regarding the generic information provided to Mr P in 2015 about the administrative changes SJP made at that time, while they may have stemmed, in part at least, from the requirements of the RDR, the information didn't mean or imply that Mr P was paying any charge for which he should receive an ongoing service. The information mentioned SJP's 0.5% ongoing advice charge because by that time, post 2013, it was being applied to some customers, so as the information provided was generic information it needed to cover all eventualities.

Turning lastly to the advice provided in 2022, while, as noted, I recognise it's not Mr P's primary concern, for clarity I should say that I'm satisfied all the relevant information regarding the related charges and SJP's restricted service was provided to him. I note what he's said about this advice being initiated in respect of his pension on which no advice was

actually given, but there's nothing to suggest that he wasn't also seeking advice in respect of his other money and investments. I'm also satisfied he received a review in 2023, in line with his payment of the ongoing charge.

In summary, I'm satisfied there was no requirement for SJP to review Mr P's investments until after it provided advice to him 2022, for which it provided him with all the relevant required information.

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 Mr P to accept or reject my decision before 13 June 2025.

James Harris
Ombudsman