

## **The complaint**

Mr and Mrs S complain that St. James's Place UK Plc ("SJP") failed to provide complete information to their financial advisers regarding a bond withdrawal, which led to them incurring a large tax liability.

## **What happened**

The background to the complaint will be well known to all parties, so I'll only give some key details here.

Mr and Mrs S, via their advisers, wanted to make a full withdrawal from their investment bond during the 2023/2024 tax year to take advantage of favourable tax circumstances. They intended to use top slicing relief to reduce their income tax liability on the withdrawal.

SJP explained that a full withdrawal from the bond wouldn't be possible because withdrawals from SJP's Property Fund, in which the bond was partly invested, were deferred at that point. They were given the option to either make a partial withdrawal of most of the money with the balance taken later, or to queue the full withdrawal request until the Property Fund deferral was lifted.

They proceeded with the former option and at the end of that policy year, in July 2024, a chargeable event certificate relating to the partial withdrawal excess event was issued to them. This showed that there was only one year available for top slicing relief, when they had expected there to have been seven, that being the full period for which the bond had been held.

Mr and Mrs S's advisers queried this, and it transpired that there had also been some other small excess events in 2022 and 2023. As top slicing for partial withdrawals looks at the number of years since the last chargeable event, rather than the entire duration of the bond, this meant that the 2023 event had reduced the years available for top slicing relief to just one.

Mr and Mrs S's advisers complained to SJP, but it didn't consider it had done anything wrong. It accepted that the Property Fund deferral had created the issue, by effectively forcing a partial withdrawal. But it was satisfied it always made that situation clear and had provided correct information when requested.

The complaint was referred to this service, where our investigator also felt it shouldn't be upheld. She agreed that correct information had been provided to Mr and Mrs S's advisers by SJP, both in writing and by telephone. She felt that if specific information regarding previous excess events had been required, Mr and Mrs S's advisers could've requested it from either SJP or Mr and Mrs S themselves, who had previously been sent the relevant certificates.

Mr and Mrs S's advisers didn't accept the investigator's view. In short, they felt that SJP would ordinarily have provided the required information, so in failing to do so on this occasion had been responsible for the problem.

As no agreement could be reached, 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 come to the same conclusion as the investigator. I don't think the complaint should be upheld – fundamentally on the basis that SJP provided correct information in response to the requests made.

It was unfortunate that the full encashment couldn't go ahead as originally intended because of the deferment of withdrawals from the Property Fund. But that issue was made very clear by SJP and there was no ambiguity around how the matter would then progress following Mr and Mrs S's confirmation that they nevertheless wished "for all funds that can be withdrawn (outside of the property fund) to be withdrawn as a matter of urgency".

It was also confirmed that they understood the implications with regards to the taxation and were happy to proceed. No request was made at any point for information regarding previous chargeable events – information which, as the investigator noted, had in any event been provided previously to Mr and Mrs S.

And I've seen nothing that persuades me that it was standard practice for SJP to provide previous chargeable event information in response to a partial withdrawal request being received.

I understand that Mr and Mrs S's adviser's feel that given the unusual circumstances of the Property Fund deferment SJP should've taken additional steps to avoid problems, but I don't agree that's the case. I've no reason to think that if SJP had been asked to provide any excess event information as part of the process, it would have failed to do so.

### **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 S and Mrs S to accept or reject my decision before 19 March 2026.

James Harris  
**Ombudsman**