DRN-5986282

The complaint

Ms D complains about the way St James's Place Wealth Management Plc handled her entitlement to her ex-husband's pension under a Pension Sharing Order.

What happened

Ms D's ex-husband (I'll refer to him as "Mr X") had a pension plan with St James's Place Wealth Management Plc ("SJP"). As part of the divorce settlement, Ms D was awarded a Pension Sharing Order ("PSO") which entitled her to a percentage of Mr X's SJP plan. In December 2024 Ms D's solicitors sent the PSO to SJP so that the relevant percentage could be sent to a pension plan in Ms D's name.

Unfortunately the PSO incorrectly recorded Ms D's entitlement as 5.0% rather than 50%, so it had to be amended by the court, which was resolved in January 2025.

The PSO required the ceding scheme (SJP) to calculate Ms D's entitlement under the PSO and transfer it from Mr X's plan into a personal pension in her name. She wanted to immediately release the 25% tax-free lump sum and then access the funds flexibly by way of a drawdown plan. But Ms D wasn't SJP's client, so in January 2025 it wrote to her with the crystallised and uncrystallised figures and asked for details of the pension plan she wanted the funds transferred to. Ms D signed the form on 29 January 2025, and in the box for the "*Receiving Scheme"* she wrote "*St James's Place Retirement Plan*" as she thought it made sense if SJP opened one of its Retirement Accounts for her and transfer the funds there.

SJP explained it couldn't simply open a plan for her as she wasn't its client, and it would be a conflict of interest if she dealt with the SJP partner who looked after Mr X. Ms D said she didn't want an adviser, she just wanted the funds transferred to an SJP plan in her name, so she could access them. SJP explained it could only do that with advice, so to move things forward Ms D was offered a remote appointment with another SJP partner Mr J in February 2025. Having considered Ms D's situation Mr J explained that SJP's products and charging structure are aimed at long-term investing, and as Ms D was intending to access the plan straight away SJP's offering may not be in her best interests. He also explained he wasn't authorised to advise clients who reside overseas, so he suggested she consult an independent adviser who could review the open market for a suitable plan.

Ms D thought this was unhelpful as she just wanted to access the funds, and in her view it made sense to remain with SJP. So in March 2025 Ms D's daughter raised a complaint with SJP on her behalf.
In April 2025 a financial adviser appointed by Ms D wrote to SJP on her behalf, providing a signed letter of authority. But SJP couldn't disclose the requested information without the consent of their client Mr X.

SJP responded to the complaint in May 2025, explaining it couldn't simply open a plan for Ms D without providing advice. And due to the early withdrawal charge ("EWC") she'd incur by accessing the funds immediately, the adviser had acted in an ethical manner by suggesting she find a more "*simplistic*" plan where she'd incur no penalty charges. But when Ms D provided details of her new pension plan the funds would be transferred without delay.

Ms D eventually opened a personal pension with provider R, but wasn't satisfied with SJP's response, so in August 2025 she referred her complaint to this service. She explained she'd tried to call SJP several times, but it wouldn't talk to her, and she'd returned the signed form with her instructions but then heard nothing. She discovered SJP had been writing to her ex-husband's address, which added to the delay and prompted him to complain. And SJP had treated her "*abysmally"* when she was going through a really difficult time. She just wanted access to the funds she was entitled to and didn't understand why SJP couldn't open a pension plan in her name.

One of our investigators looked into what had happened but didn't think SJP had acted unfairly. Ms D didn't accept the investigator's findings. She reiterated the difficulties she'd faced dealing with SJP and didn't understand why it was so difficult to resolve, when she'd been clear from the outset what she wanted.

I attempted to resolve the complaint informally, by explaining to Ms D why SJP couldn't simply open a new Retirement Account for her, and the additional costs she'd have incurred when she accessed the funds as she wanted. But Ms D remained dissatisfied and requested a final decision.

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 appreciate this all came at a very difficult time for Ms D. As well as the end of her marriage, she'd recently lost two close family members. She knew her entitlement under the PSO had to be paid into a pension and thought opening one with SJP would be straightforward. She didn't think advice was necessary, as she already knew what she wanted to do, and hoped it would be sorted out before her visit to Australia. So I can see why she felt SJP was being unhelpful, and was preventing her accessing the funds to which she was entitled.

SJP is required to act on a PSO, but its responsibility was limited to applying it to their client's pension savings. As Ms D intended to release the tax-free cash and take regular income, she needed a plan which would facilitate that. But SJP's wasn't obliged to accept her as a client or open a drawdown plan for her.

On SJP's form, Ms D (or her adviser) was asked for the "*receiving scheme"* to which the funds should be sent. SJP acts for its client Mr X, so was not obliged to provide Ms D with any particular support or assistance and was aware of the potential conflict of interest. So I think it was reasonable of SJP to refuse to open a Retirement Account for Ms D, which wouldn't have been as simple as she assumed. In order to accept her as a client, SJP (or any financial adviser) would need to understand and assess her financial and personal circumstances, objectives, attitude to risk and capacity for loss. They'd need to recommend a plan to suit her needs, and to explain how the product worked including the charges. As the funds within a drawdown plan would remain invested for future growth, they'd also need to recommend suitable investments for Ms D, which are likely to differ from the investment strategy of Mr X's SJP plan.

SJP are not independent so can only advise on its own products, they won't review the options available on the open market. While Ms D didn't want financial advice it would've been necessary in order to open a pension, and advice is not free. Unlike other firms, SJP doesn't deduct an upfront fee based on the sum to be invested, its advice fee is built into the management charges for the plan. Ms D wanted to start taking regular income, so unless she took no withdrawals for the first six years, SJP would apply an Early Withdrawal Charge ("EWC"), to each withdrawal, starting at 6% and reducing proportionately over the early years of the plan, in addition to its annual management charge and ongoing advice charges. So had Ms D opened an SJP plan, and taken withdrawals as she planned, she'd have been penalised by the charges. Which is why I think Mr J acted fairly by explaining that a product from another provider with no exit penalties would probably suit her better.

I'm sure Ms D's experience of trying to communicate with SJP was frustrating, but the PSO didn't give her the right to information about Mr X's plan without his consent. And SJP couldn't act on her financial adviser's letter of authority as it hadn't been signed by Mr X.

Although she was only visiting her daughter, Mr J was under the impression Ms D lived in Australia, which is why he said he wasn't authorised to provide advice to non-UK residents. Taking benefits from a pension can be more complex for overseas residents, but I think it was Ms D's intention to access the funds immediately rather than her tax status which was the key factor in SJP saying it couldn't help her.

So while I appreciate Ms D thought it would be simpler if SJP opened her a pension plan and transferred the funds across from Mr X's plan, I don't think she realised she'd need to receive financial advice to do so, or the impact of SJP's charging structure. So I agree with the investigator that SJP didn't treat Ms D unfairly by not opening a Retirement Account for her.

My final decision

I don't uphold this complaint and make no award.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms D to accept or reject my decision before 4 March 2026.

Sarah Milne
Ombudsman