

The complaint

Mr B complains about St. James's Place Wealth Management Plc (SJP) as he says their admin centre were inactive after his adviser stepped down.

What happened

Mr B's financial adviser worked for a firm which was an appointed representative of SJP. SJP are responsible for this complaint.

Mr B was going through a divorce which included settling financial assets. Mr B and his ex-wife both had separate advisers working at the agent firm. In June 2020, the advisers decided to step down.

Mr B withdrew funds from his stocks and shares Individual Savings Account (ISA) at a time when he didn't have an appointed adviser. He complains that he had to make this decision without advice and had to contact the admin centre a number of times. He's unhappy because he said he wasn't aware of the consequences.

SJP responded to the complaint but didn't accept they were responsible for any financial loss. They offered £250 to recognise the inconvenience Mr B experienced in bringing matters to their attention. Mr B remained unhappy and asked our service to investigate. Our Investigator issued a view explaining why he felt SJP's offer was fair and reasonable in all of the circumstances. Mr B didn't agree. So, the complaint has been passed to me to decide.

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 haven't commented on everything Mr B has said, but I'd like to reassure him that I've looked at everything he's submitted, and further highlighted. If I don't mention a specific point, it's not because I've not thought about it, it's simply because I don't think I need to comment on it to reach the right outcome in this particular case. But I do want to acknowledge the time and effort he has put into his complaint.

I've reviewed the telephone note provided by SJP from March 2018. The adviser noted Mr B's comments about the conflict of interest. She explained they were able to manage the conflict because they had two separate advisers. Also, they hadn't experienced a problem previously. So, I can see Mr B did raise his concerns, but they were dealt with sensibly as the advice could be provided separately. Mr B continued instructing the adviser and I'm satisfied he found this acceptable at the time.

On 1 June 2020 the adviser emailed Mr B. She explained both herself and the other adviser, felt their position had become untenable in the circumstances so had decided to step down. I've seen email correspondence from the time which details the ongoing negotiations between Mr B and his ex-wife. In these circumstances, I'm satisfied the decision to step down was made and communicated fairly.

In the email, the adviser explained she'd notified SJP, and the admin centre would be in touch. She provided the contact information for the business manager in the event any issues arose. So, I'm satisfied Mr B was provided with a contact.

Mr B has explained the admin centre did not contact him. Instead, he had to contact them on many occasions. He says he was told he needed to contact his adviser. At the time, he needed funds to secure a property. So, I can appreciate the inconvenience here.

Mr B went on to withdraw funds from his ISA (around £55,000 on 14 July 2020 and £40,000 on 1 September 2020) without advice. He said he didn't appreciate the consequences or other options available to him. He now has a lump sum from the divorce settlement, and he can't invest a significant proportion of this within the ISA.

However, his adviser had already provided contact details of the business manager and it would have been reasonable for Mr B to contact him in light of the issues. I can see when the business manager was involved from January 2021, SJP arranged for a new adviser to be appointed. I've seen no evidence Mr B contacted the business manager any sooner. I think he could have also contacted his old adviser to resolve the issues with the admin centre. These would have been reasonable steps to take if he sought advice on withdrawing funds.

Mr B has said he didn't contact his old adviser or the business manager because he didn't want to continue the conflict of interest. He thought it was only his adviser that was stepping down and the other adviser was going to continue to provide advice to his ex-wife. However, I think the email is reasonably clear – both advisers are referred to in respect of stepping down. And I'm not persuaded the recipient details on the email confused things as both Mr B and his ex-wife received the email. He might also have sought advice elsewhere.

Mr B has explained he didn't have time to find an adviser. He needed funds urgently for the purchase of a property. However, over a month passed between his adviser stepping down and his first withdrawal. So, I'm satisfied there was sufficient time. In any event, Mr B understood he'd need to purchase a property much sooner than June 2020. For example, in his email on 13 November 2019 he explained he was looking to purchase a property. So, there was ample time to seek advice about raising the funds.

Overall, I agree Mr B has experienced inconvenience. However, I don't accept SJP are responsible for any financial loss, or the consequences Mr B faces as a result of having withdrawn funds from his ISA. Ultimately, when Mr B withdrew the funds, he did so of his own accord and understood he hadn't been advised. If Mr B wanted advice prior to withdrawing the funds, I would have expected him to reach out to the business manager who could have found him an adviser at SJP or try and obtain advice elsewhere.

Putting things right

SJP have already offered £250 to recognise the inconvenience caused to Mr B in raising the complaint. I'm also mindful of Mr B's comments about the inconvenience he experienced when contacting SJP's admin centre. And I'm satisfied this offer is fair and reasonable in all of the circumstances of the complaint.

My final decision

For the reasons outlined above, St. James's Place Wealth Management Plc should pay Mr B £250.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 3 March 2023.

Laura Dean
Ombudsman