

The complaint

Ms W complained that a payment of £150 compensation from St. James's Place Wealth Management Plc ('SJPWM') was inadequate to reflect the delays she experienced and the poor service it provided to her during the process of transferring her cash ISA from another financial services business (whom I'll call 'B' to keep things simpler.)

What happened

Ms W held a consolidated Cash ISA with B that matured in April 2022. She already had other assets invested with SJPWM and wanted to transfer these proceeds from B to SJPWM on maturity.

23 March 2022 – Ms W had made SJPWM aware of her transfer intentions and was in communication with them about this.

12 April 2022 - SJPWM posted a signed letter of authority to B, authorising it to release information about Ms W's ISA.

Between 25 April 2022- 16 May 2022, in the absence of any response, SJPWM chased up the requested information from B on three occasions.

25 May 2022 – SJPWM heard back from B with the requested information.

6 June 2022 – SJPWM asked Ms W to sign a cash ISA transfer authority form.

29 June 2022 - The transfer was completed.

When Ms W complained to SJPWM about how long the transfer had taken it said B was mainly responsible for the delay and that once SJPWM had everything it needed, it had completed the transfer within 16 days. But SJPWM upheld Ms W's complaint in part. It acknowledged it had been responsible for delay in providing a response to her complaint and offered her £150 as a gesture of goodwill.

Ms W didn't feel this went far enough to resolve things and so she brought her complaint to us and one of our investigators looked into what happened.

Our investigator thought that the service provided by SJPWM had fallen short in some key respects and so upheld this complaint. He didn't identify any investment loss or think SJPWM needed to refund any charges. But he felt that the redress paid by SJPWM wasn't enough to reflect the full extent of the impact on Ms W of SJPWM's service failings and recommended that SJPWM should pay Ms W a further £150 for the trouble and upset it was responsible for causing her.

Ms W agreed with our investigator and said she would be content to accept £300 compensation in total from SJPWM.

SJPWM however disagreed with the investigator's assessment of the issues. It said that the delays were attributable to how long it took B to provide SJPWM with scheme information, without which it could not send Ms W a recommendation or transfer pack. And it didn't agree that it hadn't responded adequately to Ms W's information requests and the concerns she'd raised about what she was being asked to sign.

So this complaint comes to me to make a 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 sympathise with Ms W's frustration at the delay she encountered when it took longer than it should've done to carry out her transfer instructions. I've thought carefully about how far SJPWM was responsible for unreasonable delay and about the quality of the service it provided to Ms W in connection with this matter.

HMRC guidance says ISA transfers should take no longer than 15 working days for transfers between cash ISAs. So it's fair to say that once SJPWM was satisfied it had everything it required, the transfer completed within a reasonable timescale, especially bearing in mind that there were two bank holidays during this period. But that alone isn't a reason for me not to uphold this complaint.

From early May onwards, so a month or so after the maturity date, Ms W was repeatedly in contact with SJPWM trying to find out what was happening. Ms W was reasonably entitled to expect that the cash from the transfer of her consolidated ISA should by then have been with SJPWM. I don't think SJPWM did enough to clarify what the reason was for the hold-up.

It said, for instance, on 8 June 2022 that the delay was attributable to B's slow response in providing the information requested '*...and the regulatory requirements that we have to enable the investment to be processed*'. SJPWM explained that it asked for this information to ensure all the details it held were correct, up to date and there were no hidden charges or conditions that could affect the advice.

But I think it's understandable that Ms W was concerned when SJPWM asked her to sign the transfer authority form saying '*Please take this form as authority immediately to cash in my Cash ISA, as shown below, and transfer the proceeds...*' some two clear months after she had first asked SJPWM to arrange this. She had signed the letter of authority at SJPWM's request around the time her ISA had matured, which led her to think the transfer process was actively underway. SJPWM didn't explain to her what '*hidden charges or conditions*' would be likely to impact on the transfer proceeds, given that Ms W understood her cash ISA would have matured or ask whether she could provide evidence to show SJPWM that it had by then matured, or why the transfer authority form couldn't have been sent to B sooner in these particular circumstances.

I've also taken into account that SJPWM later told Ms W that it had '*...requested work commence on the suitability pack ...in an attempt to reduce the time it would take to complete your transfer...*'. This suggests to me that there was some flexibility in its process. So doing this and sharing this information with Ms W sooner might have taken away much of the anxiety and stress she suffered. Looking at this from Ms W's point of view, she simply wasn't told what was happening, beyond B being blamed for not responding.

I also think it's clear that SJPWM's responses to Ms W's emails sent 8 June failed to address her concerns in the way she was reasonably entitled to expect. Ms W had explained why she was worried about the way the transfer form was filled out and asked for reassurance. She had a significant amount of money tied up in the cash ISA and she was paying for SJPWM's services and advice. There had been plenty of time to discuss the transfer form with her and to get it signed, irrespective of B's lack of response to enquiries. To my mind, Ms W was entitled to expect a better service from SJPWM rather than simply being told: '*...With regard to signing the form, please do. I can assure you that it has been correctly prepopulated. It is all explained in our response to your latest email which you will receive shortly.*'

For these reasons, I am upholding Ms W's complaint about the service SJPWM provided to her on this occasion. So I've thought carefully about redress.

The investigator didn't identify any financial loss and Ms W has accepted the investigator's findings. So I don't need to say more about this except that I agree with the investigator. I haven't seen enough to show that Ms W has suffered any investment loss or that she's lost out in money terms any other way.

But fair compensation needs to properly reflect the impact on Ms W of SJPWM's service failings on this occasion. The further £150 suggested by the investigator matches the level of award I would make in these circumstances had it not already been proposed. I don't doubt that the shortcomings in the service SJPWM provided to Ms W, as described above, caused Ms W significant distress and inconvenience.

Whilst I can consider the customer service Ms W received, complaint handling isn't a regulated activity. The FCA says our service can only look into complaints about regulated activities. For this reason, I will not be commenting on SJPWM's goodwill payment made already in respect of its delay handling her complaint beyond saying that I've taken into account that this will mean total compensation paid to Ms W will be £300, which feels fair and reasonable to me in these circumstances.

Putting things right

SJPWM should pay Ms W a further £150 (making a total payment to her of £300) to put things right.

My final decision

I uphold this complaint and direct St. James's Place Wealth Management Plc to put things right for Ms W, as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms W to accept or reject my decision before 16 October 2023.

Susan Webb
Ombudsman