

## The complaint

Mr M complains that St James's Place UK plc ('SJP') failed to provide him with a chargeable event certificate following the partial encashment of an investment bond, which caused him to under-declare his tax in his tax return. As a result, Mr M says he's incurred charges, costs and reputational damage with HM Revenue and Customs ('HMRC') which he wants compensating for.

## What happened

The background and circumstances leading up to this complaint are well known by both parties, so I haven't set out everything here. In summary:

- In June 2019 Mr M partially encashed an investment bond held with SJP. Mr M says he didn't realise at the time that the encashment, which was part of a wider piece of financial planning, would give rise to a chargeable event. He says he didn't receive a chargeable event certificate from SJP, so he didn't declare it on his tax return.
- Mr M says the gain was first advised to him by HMRC in April 2022, following its review of his tax return for 2019/20.
- Mr M complained to SJP in October 2022. He said SJP failed to provide him with a chargeable event certificate, which meant he'd incurred interest charges, accountancy costs and his reputation as an honest tax payer had been damaged. He said his financial adviser had tried to get proof from SJP that the certificate had been sent, but nothing was forthcoming. He referred to what he said was a working spreadsheet provided by SJP to his financial adviser recording his bond withdrawals, which made no mention of the capital gain. And he said his online account with SJP showed no chargeable gain for the withdrawal.
- SJP didn't uphold the complaint. It said a document search of Mr M's account showed it sent a letter confirming the withdrawal from the bond in June 2019, to which was attached a chargeable event certificate dated 26 June 2019. It said its policy was to send a certificate to the account owner within three months of the event with a copy sent to HMRC at the same time. It said the reason the certificate didn't appear on Mr M's online account was because prior to July 2019 and the implementation of a new system, it wasn't standard practice to copy documents to a client's online account library.
- Mr M referred his complaint to us. He said he didn't receive the certificate and SJP can't provide a date it was sent. He said he now knows HMRC didn't receive a copy of the certificate until 18 November 2019, which is further evidence the June 2019 letter was never sent out. He said he is seeking compensation of not less than £10,000 in total given the length of time the matter remains unresolved.
- One of Investigators looked at all of this and they didn't uphold the complaint. In

summary they said the evidence indicated SJP had sent Mr M a copy of the chargeable event certificate dated 26 June 2019 and that the correct address was used as it matched the one he'd provided on his withdrawal request. So, they didn't think SJP had done anything wrong.

- Mr M disagreed with the Investigator's finding. He said SJP initially told his financial adviser they couldn't find a record of the certificate – it was only when they chased them that they provided a copy. And he repeated the point about HMRC not receiving a copy within the three-month deadline.
- The Investigator wasn't persuaded to change their opinion, so the complaint was referred to me for 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.

Having done so, while I understand this will be disappointing for Mr M, I've decided to not uphold this complaint for broadly the same reasons as the Investigator. My reasons are set out below:

- It is not in dispute that the partial withdrawal Mr M made from his investment bond in June 2019 gave rise to a chargeable event. So, as the bond provider, it was SJP's responsibility to provide Mr M with a chargeable event certificate so he could use the information from the certificate to complete his tax return for the year the chargeable gain took place.
- Mr M says he didn't receive the certificate at the time, SJP wasn't forthcoming with a copy in 2022 when his financial adviser enquired about things and it was reticent to supply them with a date when it was supposedly originally sent. While I accept it's possible SJP didn't provide Mr M with a copy of the certificate immediately in 2022 (albeit I've not seen evidence of multiple contacts required to obtain the information) it has nevertheless provided a copy of the certificate and a covering letter it says the certificate was enclosed with.
- Looking at the covering letter I can see it is dated June 2019, it is correctly addressed to Mr M and in addition to confirming Mr M's partial withdrawal from his bond, it says *"...and a copy of the Certificate of Chargeable Event is attached."* The copy certificate is also correctly addressed and is dated 26 June 2019. Given this, I think it's likely that, on balance, SJP did send Mr M the chargeable event certificate as it was obliged to do.
- I understand Mr M believes the vagueness of the date on the covering letter, which only carries the date of 'June 2019' supports his evidence it wasn't sent at the time. But I disagree. The copy letter is marked 'file copy' so, I don't think it is unusual to see this. And as I said above, the certificate itself is dated 26 June 2019 which leads me to believe it was likely sent with the covering letter on or around this date.
- Mr M has referred to a working spreadsheet he says SJP sent to his financial adviser showing the breakdown of his bond withdrawals, which made no mention that a gain existed. It is not entirely clear to me the nature of this document and whether it was something SJP completed. But in any event, the absence of information about the chargeable gain here is not in my view persuasive evidence that it did not send Mr M the chargeable event certificate in June 2019, which is what it was obliged to do

following the chargeable event occurring.

- Mr M also says there is no record or mention of the chargeable event certificate on his online portal with SJP – a copy of which he has provided - which he says is further evidence the certificate wasn't sent. SJP says that prior to July 2019 it wasn't standard practice for it to copy these documents over to online accounts, which is why it doesn't appear here. Taking everything into account, I don't think the absence of the certificate in Mr M's online accounts is evidence that the certificate wasn't sent to him by post at the time. As I said above, SJP has provided what I think is enough evidence to show that it was likely sent to Mr M in June 2019.
- In addition, Mr M says a letter from HMRC shows that it was only advised of the gain five months later in November 2019 even though SJP's policy is to send it a copy at the same time as the client copy and in any event within three months of the event occurring. Looking at the letter Mr M has provided, I can see this says that HMRC was unable to confirm the exact date the information was provided to it by SJP. The date of November 2019 was the date it was loaded on to its system. Just because it wasn't loaded onto the system until November 2019 does not in my view clearly show it wasn't received until this date. So I don't think this is sufficient evidence to show any wrong doing on SJP's part.

Once again, while I understand Mr M will be disappointed, for the reasons above, I don't uphold this complaint.

### **My final decision**

I've decided to not uphold this complaint - so I make no award in Mr M's favour.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 8 February 2024.

Paul Featherstone

**Ombudsman**