

The complaint

Mr C complains about the level of service he's received from Scottish Widows Schroder Personal Wealth Limited (SPW). He's unhappy with how his accounts have been managed and how he's been treated by some of their staff.

What happened

Mr C received investment advice from an adviser in 2017 and 2018. At the time, the adviser worked for a business that I shall call B1. The adviser moved to SPW (a joint venture between B1 and Schroders) in June 2019 and in September 2019 some of Mr C's investments were moved to Scottish Widows Schroder Personal Wealth (ACD) Limited (SPWACD) which is a separate legal entity to SPW.

Mr C complained to SPW in 2022 and raised several issues, including the lack of ongoing advice and the poor service he'd received. SPW didn't resolve the complaint to Mr C's satisfaction, so he asked us to look into it. It was considered by one of our investigators who didn't think it should be upheld.

The investigator thought, in summary:

- There was no evidence to suggest that the adviser had ever provided Mr C with an ongoing service. Instead, it appeared that he provided Mr C with ad-hoc advice as and when it was required. Therefore, there was no responsibility for the adviser to monitor, advise or provide Mr C with any services.
- She appreciated that the adviser had kept in touch with Mr C after the meetings they had in 2017 and 2018 but there wasn't formal arrangement in place that Mr C was paying for. Therefore, when the adviser joined SPW, management of Mr C's portfolio didn't move to their organisation.
- Mr C's investments were held by SPWACD and any complaints about issues with his investments should be directed to them.

Mr C didn't agree with her findings. He thought he'd been misled and explained that the adviser had told him that he did not need a personal wealth advisor because he would continue to look after the accounts. And the adviser had continued to contact him after he'd moved to SPW. He also thought the investigator hadn't properly investigated how he'd been treated by SPW staff.

The investigator considered what Mr C had said but wasn't persuaded to change her opinion. As there was no agreement the complaint was 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.

Having done so and while I appreciate it will disappoint Mr C, I don't think this complaint should be upheld. I will now explain why.

I would firstly like to say that I cannot consider the adviser's actions while he was working for B1 in this complaint. Mr C needs to raise a complaint against B1 for that matter to be investigated. I also can't consider any complaint points relating to how Mr C's investments were managed, as they are held by SPWACD. However, I have considered the actions of the adviser while he was working for SPW.

Mr C had a call with the adviser in July 2020. At this time the adviser was working for SPW, and I can see that he had a discussion with Mr C. They spoke about the wider financial climate due to the ongoing pandemic and Mr C's financial situation at the time. The adviser also discussed how he interacted with Mr C - he said that the nature of their relationship was that Mr C would email him and then they would arrange a meeting to discuss Mr C's finances.

He then discussed a potential option where there would be a more formal agreement where there would be a dedicated support team and Mr C would be guaranteed at least one full review each year. He explained that Mr C would potentially benefit from access to a wealth platform and ongoing advice. Mr C asked the adviser to send him information about the new option and he'd review it and get back to the adviser.

I think this demonstrates that Mr C was receiving ad-hoc advice from the adviser and there wasn't an ongoing relationship. Therefore, I don't think there any responsibility for the adviser to proactively contact Mr C and explain that he was moving roles. But, I think the adviser could have been clearer about the difference between SPW - who he worked for - and SPWACD who held Mr C's investments. I think it wouldn't have been evident from the discussion that there was any difference between the two entities.

Mr C contacted the adviser in January 2022 to arrange a review meeting. The adviser explained that he was moving roles and arranged for another adviser to get in touch with Mr C. Unfortunately, at the time the other adviser wasn't working due to personal circumstances, and no-one got in touch with Mr C. This resulted in Mr C having to complain and during that process he was unhappy with how he was treated on the phone by an employee of SPW.

SPW have accepted that they could have communicated with Mr C better and that someone should have picked up the request to have the review meeting. They have apologised and offered him a free initial advice meeting, a bottle of wine and provided feedback to their staff. Taking everything into account, while I think SPW have provided Mr C with a poor level of service, I think the compensation they've offered and the actions they've taken are fair and reasonable and I won't be asking them to do anything else to resolve the complaint.

My final decision

For the reasons given above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 28 July 2023.

Marc Purnell
Ombudsman