

The complaint

Mr M and Mrs M are unhappy with the service provided by Financial Administration Services Limited (Fidelity) following the transfer of their stocks and shares Individual Savings Account (ISA).

What happened

Mr M and Mrs M held an ISA with company L. Mrs M had provided her bank details to company L so that income from their investments was paid directly into Mrs M's account. In July 2021 company L transferred its personal investment business (including Mr M and Mrs M's ISA) to Fidelity.

In early August Fidelity sent Mr M two letters welcoming him to Fidelity. Among other things, these set out some of the differences from his old fund provider, and explained how to set up an online account.

In November 2021 Mr M was sent a statement by post. Mr M complained to Fidelity about the statement not being detailed enough, the performance of the fund in which he was invested, and not receiving email verification after transferring from company L (so being unable to receive dividend payments).

Fidelity responded to Mr M's complaint saying a detailed insight into Mr M's investment could be found by accessing his online account. Fidelity explained it wouldn't comment on fund performance as it acts as the fund provider only, and the fund is owned by a third party. In respect of Mr M's complaint about access issues for his online account, Mr M was informed:

Prior to 6 December, we did not send you any form of verification regarding your account. This suggests that perhaps there was an issue attempting to register initially. I am sorry if this caused any frustration. I am pleased to see that on 6 December you registered for online access. Please note, your email is still not verified. Please check your mailbox in order to verify your email.

Mr M was unhappy with Fidelity's response. Mr M brought his complaint to this service for investigation. The investigator found Mr M had been provided with information about how to set up his online account.

During our investigation the investigator contacted Fidelity to find out more about Mr M's online account access issues. They found that when Mr M had tried to set up an online account in December 2021, the email address that he'd provided was mis-spelled and so registration couldn't be successfully completed. After discovering this issue, Mr M's account was re-set and Mr M was able to login successfully on 15 June 2022. Mr M also withdrew his cash from his Fidelity account on the same date.

Mr M remained unhappy with the service provided by Fidelity and asked for an ombudsman to look at his complaint saying (amongst other things) 'Simple issue. They were given correct

bank details from [company L], chose not to use them and kept my dividend payments, made no effort to contact me nor respond to complaint made.'

As the complaint couldn't be resolved it has been passed to me for 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'd like to reassure the parties that although I've only summarised the background to this complaint, so not everything that's happened or been argued is set out above, I've read and considered everything that's been provided.

Not receiving dividend payments

Mr M says although both his and Mrs M's investments transferred to Fidelity, it is only Mr M that has experienced issues with receiving dividend payments. Mr M says Fidelity could've made dividend payments to Mrs M's account as was the case when company L was their fund provider.

It's not disputed that Mrs M received payments from company L for both Mr and Mrs M's investments. Fidelity has explained that although company L made payments in this way, following the transfer it could not make payments to a third party payee. Fidelity say that the reason for this is because it only pays to a bank account in the name of the customer and won't pay to a third party.

I have seen that the welcome pack sent on 2 August 2021 explained *'From now on, income you have asked to be paid to you from your investments will now be paid into 'Cash' within your Fidelity account, as we don't have any bank details for you. As soon as you've received your Welcome Pack and registered online, you'll be able to log in and add your bank details.'*

This instruction clearly explained to Mr M how payments would be made following the transfer to Fidelity, and what steps Mr M would need to take in order to receive payment into a nominated bank account. Although I can appreciate the frustration and inconvenience caused to Mr M because of this process change, I'm satisfied Fidelity's decision to make payments this way was explained to Mr M following the transfer.

Although Mr M was provided with this information in August 2021, it wasn't until December 2021 that he attempted to set up an online account with Fidelity. But the registration process wasn't completed. Fidelity has provided evidence showing the email address provided by Mr M at the time was invalid. Because of this Mr M didn't receive the email link needed to verify his account.

I have seen that when Fidelity responded to Mr M's complaint in December 2021, Mr M was told his email address had not been verified. I understand it wasn't until this service's involvement that the issue with Mr M's email address being spelt incorrectly was identified, and dealt with. I've considered whether it's reasonable to hold Fidelity responsible for this delay. And I don't think it is.

Mr M was told his email needed to be verified in December 2021. Mr M feels strongly that Fidelity should've told him that the email address he'd provided was incorrect. I can appreciate Mr M's reluctance to contact Fidelity given his previous frustrations which led to his complaint. But I also consider that Mr M was correctly informed that verification of his

email was outstanding. I'm satisfied that it would've been clear that further action was needed from Mr M before his online account could be set up.

Mr M did set up his online account in June 2022 and the issues with access have now been resolved. I appreciate it has been a difficult journey for Mr M in getting to this point. Although I sympathise with the difficulties experienced by Mr M because of the problems in accessing his online account, I can't say Fidelity is responsible for this. I'm satisfied the service provided by Fidelity has been reasonable and in line with what we'd expect. So I won't be asking Fidelity to do anything in settlement of this complaint.

The statements sent by post have not been detailed enough

Mr M says he wasn't provided with a detailed insight into his investments after the transfer to Fidelity. I'm satisfied the postal statement issued to Mr M provided an overview of his investment's performance, with the explanation that '*you can see all your account transactions, along with supporting information, by logging in at fidelity.co.uk.*'

The information provided in the statement gave an overview of Mr M's transaction history for the quarter. For more detailed insight Mr M was referred to his online account. I think this was reasonable. So I won't be asking Fidelity to take any further action in respect of this complaint.

Fund performance

Mr M says his fund lost substantial value on a daily basis. Fidelity acts as the fund provider only, and the fund is owned by a third party. As fund performance isn't something Fidelity is responsible for, this isn't a complaint I can look at.

My final decision

For the reasons provided I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 19 May 2023.

Neeta Karelia
Ombudsman