

The complaint

Mr B complains that Equiniti Financial Services Limited gave him wrong information about the valuation point for one of his funds. He says the wrong information meant he traded on a false basis. He wants compensation for the losses he says he's incurred and for the time he's spent trying to resolve this matter.

What happened

Mr B has an execution only dealing account with Equiniti. He says he made 15 separate purchases of units in a fund, which I will refer to as V, the last being in March 2020. He says Equiniti showed the dealing cut off time as 9.15am and the valuation point as 10am. He said he placed orders as close to the cut off time as possible – when he knew the previous day's US and Far Eastern market movements and when he knew how UK and European markets had started the day. But he noticed the fund price would increase after a fall in the markets, which led him to believe the valuation time was wrong. He found evidence that the valuation time was 9pm and he complained to Equiniti that he'd been financially disadvantaged.

Equiniti said it receives its pricing information from a third party and that the price shown for Mr B's fund was accurate.

Our investigator didn't recommend that the complaint should be upheld. She concluded that Equiniti was showing the wrong valuation point, but that it had reasonably relied on a third party for that information. The investigator couldn't conclude Mr B would have done something differently if the correct information had been showing on Equiniti's website, so she didn't think Equiniti needed to compensate Mr B.

Mr B didn't agree, so the complaint was passed to me.

My provisional decision

I thought the complaint should be upheld but I thought compensation should only be paid for the distress and inconvenience Mr B had been caused. I explained why, saying:

I agree with the investigator that Equiniti reasonably relied on the information provided by a third party for the price, valuation point and dealing cut off time for V. And when Mr B first queried the information with Equiniti in March 2020, I think it acted reasonably by checking the information it received from that third party was reflected on its website.

But on 30 April 2020, Mr B told Equiniti that he had found evidence that the valuation point for V was 9pm – not 10am as shown on Equiniti's website. Despite chasing, Mr B didn't receive a response until he complained. But Equiniti's response to Mr B's complaint did not address the incorrect information, it merely said its website showed the correct price. I think Equiniti had been put on notice by Mr B that it might be showing inaccurate information on its website. I think it reasonably should have done more to check the valuation point and dealing cut off times – all it needed to do was check V's website or, as our investigator did, email V.

Even after our investigator passed Equiniti the information V had provided – that its valuation point is 9pm and its dealing deadline is 9am – Equiniti didn't take any action. It conceded that "*our website could be clearer*", but didn't think this had disadvantaged Mr B.

When the complaint was passed to me, I again asked Equiniti whether it thought the information it was showing on its website about V was fair, clear and not misleading and whether it would consider a goodwill payment to Mr B for the time and trouble he had taken to bring this to its attention. I pointed out that it was showing a dealing cut off time which was 15 minutes later than V's published cut off time. Equiniti said it had changed the cut off time on its website to 9am. And that it would review any award I suggested.

It's disappointing that Equiniti is still not showing the correct valuation point on its website. But my role doesn't extend to ordering Equiniti to correct the information it chooses to display. That's the role of the regulator, the Financial Conduct Authority. My role is to consider the individual circumstances here to decide the outcome of this complaint.

I think the inaccurate information Equiniti displayed did mislead Mr B. But I can't conclude this led to a financial loss for which he should be compensated. He told us there may have been orders he might not have placed if he'd known the valuation point was 11 hours later than Equiniti was showing because of the risk of market movements affecting the price. Whilst I accept he hasn't dealt in V since he realised the valuation point was 9pm, I don't think Mr B has been able to say with any certainty what he would have done differently. And, whilst I haven't looked in detail at the 15 trades he placed, it's likely that on some occasions the price was lower than he expected it to be too. In any event, I'm satisfied Mr B received the correct price for the orders he placed, so I can't order Equiniti to compensate him for a financial loss that he thinks he may have incurred.

But, as noted above, I think Equiniti should have done more at an earlier stage to check the information it was displaying was accurate. It failed to do that which meant Mr B continued to have to make his own investigations and to refer his complaint to us. I think it's fair he's compensated for the time and inconvenience he's been put to. I consider £150 to be fair and reasonable in the circumstances.

Mr B didn't have any further information or comment. Equiniti didn't respond.

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.

As neither party has any further comment in response to my provisional decision, I see no reason to depart from my earlier conclusions.

My final decision

My final decision is that Equiniti Financial Services Limited should pay Mr B £150.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 11 October 2022.

Elizabeth Dawes
Ombudsman