

## The complaint

Mrs A complains about the service received from Financial Administration Services Limited ("Fidelity"). She says Fidelity delayed the transfer of her holdings to it from a third-party and this caused her distress and inconvenience in having to chase this up.

Mrs A is being represented in her complaint by her husband. But to keep things simple I have referred to Mrs A throughout.

## What happened

Mrs A put in a transfer request to Fidelity on 8 August 2021. She was looking to move holdings held within her stocks and shares ISA with another provider (party A) to Fidelity. Mrs A felt the transfer should take around 6-8 weeks, as this was the timeframe advertised on Fidelity's website but, she said, it took much longer.

On 11 November 2021, Mrs A complained to Fidelity about the delay. At that time, Mrs A said two stocks still hadn't been transferred. She said that in her online account, she could see that Fidelity had received her transfer request on 14 August 2021, had reviewed the transfer around a month later with party A, but on 8 October 2021 she had received a cancellation request and didn't know why.

Fidelity said it made errors when it transferred Mrs A's holdings from party A. It said there had been a problem with one of the holdings that it wrongly accepted to transfer across 'in specie' on 8 October 2021. It said it did not offer the fund on its own platform and admits it should have told party A this and asked it to sell the holding. It said it could have then transferred the cash proceeds instead. It said there was a delay in dealing with this and it accepted it was at fault. It offered to put things right and said it would pay the difference between what the price was in January 2022 when the holding was sold and what Mrs A would've received if the holding was sold in October 2021. It offered Mrs A the difference which came to around £20.

Fidelity also acknowledged that the errors it was responsible for in the delayed transfer would have caused Mrs A distress and inconvenience and for this it offered £250 compensation. It said this payment recognised the times when Mrs A was promised call backs that didn't occur and occasions it didn't respond to secure messages. Mrs A wasn't happy with this and felt the compensation for distress and inconvenience should have been more. She said it should be more around £1,000. So, she complained to our service.

An investigator from our service looked into Mrs A's complaint. She sent her view to both parties and didn't think Fidelity had acted fairly. She said to reflect the amount of distress and inconvenience caused a fairer amount of compensation would be £350, so she asked Fidelity to pay an additional £100.

Fidelity responded and made the following comments:

- Our service is implying Fidelity was largely responsible for the delays, despite also concluding it was in constant contact with party A over the transfer.

- The investigator did not expand on reasons why the transfer took so long or emphasised the true cause of the delays.
- Fidelity provides no guarantees over transfer times and are largely dependent on third parties to act.
- Fidelity is not responsible for third party delays – a point not made clear to Mrs A.
- With regards to financial loss, the fact Mrs A had not been financially disadvantaged was not mentioned.
- £250 for distress and inconvenience is a very fair and reasonable level of compensation. There is no reason for the arbitrary additional £100 increase.

Mrs A responded and said the service provided by Fidelity can only be described as very poor in terms of performance, communications and affecting a timely transfer.

As the parties are not in agreement, Mrs A's complaint has been passed to me, an ombudsman, to look into.

### **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.

The issue that is left to resolve in Mrs A's complaint is about how much compensation for distress and inconvenience Fidelity should pay. It has offered to pay £250; Mrs A says she should be paid £1,000 and the investigator from our service suggested £350 be a fair and reasonable amount.

Fidelity has already said it made errors when it transferred Mrs A's holdings from Party A. It said the errors it made contributed to the delay in making the transfer happen. It said it could've done better when it received the valuation from party A and processed it quicker. It also said it made an error with one of the holdings as it was unable to have this on its platform. This error also caused a delay.

Fidelity also said that there were times when it promised call backs that didn't occur or happen in a timely manner and there were also occasions when it did not respond to secure messages from Mrs A. It said it was sorry for the errors that it had made and the delay that these errors had caused.

Fidelity has most recently made comments to our service about the delay itself and that it was reliant on party A to act during the transfer. But I am not looking at what any other party has done here, only considering Fidelity's actions, the errors it has said it caused and the impact this has had on Mrs A.

Fidelity has been clear about the errors it says it made during the transfer and has said sorry for these. I can see that the errors that it made did contribute to the delay and would have done so above and beyond the timeframe that it states it should take to carry out an 'in specie' transfer, on its website. Fidelity said it made an error regarding a holding that it couldn't have on its platform. I can see that resolving this issue, took a long time to sort out. And Fidelity said it should've done better here and resolved this a lot sooner. I think the error it was responsible for here prolonged the delay and would have caused distress and inconvenience to Mrs A, especially as it would have also prolonged the amount of time she felt she needed to contact and chase Fidelity for updates.

I have looked at a spreadsheet compiled by Mrs A and also a list provided by Fidelity regarding communications between the two parties. I can see that Mrs A has tried to contact

Fidelity on a number of occasions throughout the transfer and it is clear to me when I read this, that this all would've caused her an undue amount of distress and inconvenience, especially when there are times when Fidelity didn't call back when it said it would.

When I read all of this, I do think Mrs A has suffered distress and inconvenience due to a prolonged attempt by her and her husband in trying to get resolutions to their issues but without any success. So, although I do acknowledge Fidelity has said sorry and has offered to pay compensation of £250 to her, I don't think, after I've read through all of the communications between the parties, that this is enough. I think it should pay an additional £100, making a total award of £350 to Mrs A for the frustrations it has caused her, that could have been avoided but for the errors that it has said it made.

In conclusion, I uphold Mrs A's complaint about Fidelity, and it is now time for it to put things right.

### **Putting things right**

Fidelity has already offered to pay Mrs A £250 compensation for distress and inconvenience. It should now look to do this if it hasn't done so already.

For the reasons given above, in addition Fidelity needs to:

- Pay Mrs A a further £100 for the errors that it made making the total award £350.

### **My final decision**

My decision is that I uphold Mrs A's complaint about Financial Administration Services Limited and direct it to put things right, as I have described above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs A to accept or reject my decision before 27 February 2023.

Mark Richardson  
**Ombudsman**