

The complaint

Mr M has complained about a loss in the value of the stocks and shares ISA he holds with Santander UK Plc.

What happened

In November 2021 Mr M's ISA was valued at around £180,000, and by February 2022 it was worth around £170,000. Mr M became concerned that Santander was managing the ISA incorrectly, as he had paid a lump sum out of his current account – which he thought may have also been deducted from his ISA by Santander. As he was concerned about the continuing losses, he looked into moving the money into a cash ISA and was told he needed to open one in branch. When he spoke to the staff in his local branch, they put him in touch with a financial planning manager. When Mr M spoke to him, he found the service to be poor and the member of staff refused to help.

Mr M made a complaint in June 2022, by which time the ISA had lost around £20,000 compared with its value in November 2021. Santander explained the loss was not because any withdrawals had been made, it was simply the movement of the investment markets, largely due to the war in Ukraine. The complaint handler paid Mr M £100 in recognition of how the service from the financial planning manager had impacted him. However, they noted they couldn't find any evidence of the service provided, other than Mr M's recollections of events, due to the time that had passed and a lack of records.

Mr M referred the complaint to us, as he wanted an independent opinion on the loss he'd experienced. An investigator at our service looked into the complaint and he found there had been no withdrawals from the ISA and so the loss experienced was simply down to the movement of the investment market. He said that the £100 offered for the service Mr M had experienced was fair.

Mr M asked for an ombudsman to review the complaint, because he still thought there might have been a mix up between his ISA and current account. He said he felt he hadn't done anything wrong but was being punished by the loss he'd experienced. So the complaint was passed 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, I agree with the conclusions reached by the investigator for largely the same reasons.

I've carefully considered the statements for Mr M's ISA over the period of November 2021 to August 2022. I can see that he made a deposit into his ISA in mid-November, of £10,000, which was split equally between the two funds which he had previously invested in. Following that, he had 27,038.7720 units in one fund, and 32,085.5820 units in the other.

If any withdrawals had been made by Santander from the ISA, units would have needed to be sold to facilitate those withdrawals. I've looked at whether the number of units Mr M owned has changed over the months and I can see that the number shown on each statement remained the same throughout the period to August 2022. So, I'm satisfied that no withdrawals have been made from Mr M's stocks and shares ISA during that period.

There is also a cash account attached to the ISA, and for the same period from mid-November 2021 to August 2022, the only withdrawals have been to pay the fees for the ISA. They are much lower than the amounts Mr M paid out from his current account and appear in line with the fee structure of the account, so I'm satisfied they aren't duplicates of any withdrawals from his current account.

I've also checked the unit values showing on the statements and compared this to the pricing information for the two funds, found online. Having done so, I can see the unit prices quoted in Mr M's statements for the period in question were correct on the statements. So overall, I'm satisfied Santander hasn't done anything wrong in the way the ISA has been managed. It seems that the loss Mr M has experienced is simply due to the movement of the investment market.

I appreciate Mr M has been worried about the value of the ISA and tried to get advice from Santander about his options. Though there isn't a recording of the call Mr M had with the financial planning manager, I've noted Mr M's recollections of that conversation have been consistent throughout this complaint. It also appears that the branch staff didn't need to refer Mr M to an adviser, as he wanted to open a cash ISA, which he ought to have been able to do in branch. Having considered everything, I'm persuaded that Santander didn't treat Mr M fairly and reasonably in the service they provided. However, the amount of £100 that Santander has already paid is fair to make up for the distress and inconvenience caused by the service errors that occurred here.

My final decision

I uphold the complaint. As Mr M has already been paid £100 to put things right, which I think is fair and reasonable in all the circumstances of the complaint, Santander UK Plc doesn't need to do anything further.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 9 January 2023.

Katie Haywood
Ombudsman