

The complaint

Mr C complains about Halifax Share Dealing Limited (“HSDL”).

In summary, he says that he’s unhappy about the service he received from HSDL – in relation to not being able to trade in “Tritax Eurobox (EBOX)” – referred to as “EBOX” – using HSDL’s platform.

Mr C says he contacted HSDL’s WebChat who informed him that the shares aren’t on his platform – that’s why he couldn’t find trade them – but couldn’t tell him why. He was told to check the Key Information Document (KID) but wasn’t told where to find it.

He feels the chat function was a total waste of time. Another platform offered to trade EBOX, but there was no explanation as to why HSDL didn’t.

What happened

HSDL partially upheld the complaint. In summary, it said:

- It’s unable to trade EBOX through its platform, as EBOX doesn’t meet its trading criteria.
- The KID makes clear *“The product is intended for institutional investors, professionally advised private investors and highly knowledgeable investors”*, as such the company isn’t specifically intended for retail investors. As a retail bank, its services are offered for retail customers only.
- In terms of the WebChat, the service fell below what it would expect. In terms of the distress and inconvenience caused, it proposed to credit his share dealing account with £9.50 which would cover the commission on Mr C’s next trade in full and final settlement of his complaint. The offer was open for six months.

One of our investigators considered the complaint but didn’t think it should be upheld. In summary, he said:

- He doesn’t think the complaint should be upheld. However, he’s aware that HSDL – as a gesture of goodwill – has credited/offered to credit £9.50 to cover the commission for the next trade (offer available for six months until May 2023) which is fair and reasonable.
- At 11.11am on 16 May 2023 – using HSDL’s WebChat function – Mr C enquired about why he was unable to buy or search for EBOX.
- At 11.18am an operative explained that EBOX doesn’t meet their trading criteria, that’s why Mr C was unable to trade on its platform. It was further explained that the trade was unsupported due to being ‘non-retail’. The operative encouraged Mr C to search for the KID for EBOX.
- Following Mr C’s complaint (made the same day) HSDL responded the same evening, partially upholding the complaint on the basis that its service wasn’t at the level Mr C could expect.

- Although other businesses might support shares recommended for professional investors, HSDL do not, in relation to this specific fund.
- When creating his execution-only account with HSDL, Mr C would've agreed to the terms and conditions, namely HSDL's commercial decision not to support trading of this fund.
- There's no evidence that HSDL had fallen short of regulations.

Mr C disagreed with the investigator's view and asked for an ombudsman's decision. In short, he asked for the full conversation to be reconsidered.

As no agreement has been reached, the matter has been passed to me for review.

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 investigator's conclusion for much the same reasons. I'm not going to uphold this complaint.

On the face of the evidence, and on balance, despite what Mr C says, I'm unable to safely say that HSDL behaved in such a way that this complaint should be upheld.

Before I explain why this is the case, I think it's important for me to note that I very much recognise Mr C's strength of feeling about this matter. He has provided submissions to support the complaint, which I've read and considered carefully. However, I hope he won't take the fact my findings focus on what I consider to be the central issues, and not in as much detail, as a discourtesy.

The purpose of my decision isn't to address every single point raised under a separate subject heading, it's not what I'm required to do in order to reach a decision in this case. In other words, I don't have to comment upon every single point made. My role is to consider the evidence presented by Mr C and HSDL, and reach what I think is an independent, fair and reasonable decision based on the facts of the case. In the circumstances, I don't need any further evidence to make my decision.

I don't uphold this complaint, in summary, for the following reasons:

- On the face of the evidence, and on balance, despite what Mr C says, I'm satisfied that the key issue – namely Mr C not being able to trade EBOX – was dealt with by HSDL reasonably.
- I note it upheld the complaint on the basis that it could've provided more clarity to some of Mr D's questions, i.e. explaining better 'why' he was unable to trade, but in the circumstances and on balance, I don't think that's a basis for me to uphold the complaint.
- I'm aware that Mr C couldn't trade EBOX because it wasn't supported by HSDL. I'm aware that the share didn't even come up on the search facility, which is what prompted him to contact HSDL (via the online WebChat) in the first place.
- Thereafter I'm satisfied that Mr C was notified (almost immediately) of the key reason why he couldn't trade EBOX, but he wanted to know why that was, because it could be traded on other platforms. However, in the circumstances, I don't think the operative was necessarily wrong not to go into further detail – I'm mindful that Mr C was referred to the KID which contained further information on this issue. I'm also mindful that this was an execution only platform and HSDL wasn't obliged to offer

any advice. It's arguable that it was Mr C's responsibility to undertake any research in relation to the funds that HSDL could trade.

- The above notwithstanding, I note that this situation hasn't arisen as a result of anything said or done by HSDL. And so, I can't say that Mr C couldn't trade EBOX because or anything said or done wrong by HSDL.
- As I alluded to above, in the circumstances I don't think that HSDL not providing further information – about the technical reasons why EBOX wasn't supported by its platform – over and beyond answering his query (promptly) means that this complaint should be upheld.
- I appreciate that other businesses might support shares which are recommended for professional investors – but I can't blame HSDL for not doing the same.
- Mr C referred to a different business that was able to trade EBOX, but that doesn't mean that HSDL did anything wrong by not doing so itself. I note in correspondence it said it is a retail bank, and its services are for retail customers only which broadly explains its position.
- Furthermore, I'm mindful that it's a matter for HSDL in the exercise of its legitimate commercial judgement, what service it chooses to provide and to whom – that's not something I can interfere with or comment upon further.
- In response to Mr C's question, perhaps HSDL could've given him some direction on where he could access the KID or give him a link, but again I don't think it not providing further information means the complaint should be upheld. Based on what the HSDL says, the information was available publicly.
- Despite what Mr C says, I'm satisfied that overall HSDL dealt with his concerns promptly and in a timely fashion. I'm mindful that it even dealt with his complaint, issuing an FRL – addressing his concerns – the very same night.
- Despite what Mr C says, given that it was an execution only service, I maintain that it wasn't for HSDL to advise he about what he could or couldn't trade and why.
- I note Mr C says that he'll only accept £75 compensation as a minimum compensation for the distress and inconvenience caused. For the reasons set out above I disagree, I don't think Mr C's entitled to any compensation. I'm mindful that the relevant documentation made clear the position regarding EBOX – namely that the trade isn't supported on its platform, so it couldn't have accommodated his request in any event. In any case, I'm satisfied that he's not suffered a financial loss for which HSDL is responsible.

I appreciate that Mr C will be thoroughly unhappy that I've reached the same conclusion as the investigator. Furthermore, I realise my decision isn't what he wants to hear. Whilst I appreciate his frustration, I can't safely say that HSDL behaved unreasonably such that this complaint should be upheld.

In other words, on the face of the available evidence, and on balance, I can't uphold this complaint and give Mr C what he wants.

My final decision

For the reasons set out above, I don't uphold this complaint and I make no award.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 28 February 2024.

Dara Islam
Ombudsman