

## **The complaint**

Ms R has complained about the service received from Forester Life Limited. She said the value of a child trust fund held for her son, had gone down by a third in value. When she looked into this, she said Forester took a long time to respond and this caused her distress and inconvenience.

## **What happened**

Ms R has a child trust fund (CTF) with Forester, that is held for her son. She said she checked and the value of the fund on 22 October 2021 was around £11,250. She said a few days later on 8 November 2021 the value had reduced significantly to around £7600. She queried this with Forester and found out that the investment had been switched by mistake by Forester. This was all part of its 'Lifestyling' plan.

'Lifestyling' according to Forester is about reducing the risk of the investment in the final years of the plan. Ms R didn't want Forester to do this or switch the investment, so she complained to it about this, and to query how the investment had gone down in value by so much in such a short space of time.

Forester said in response that arrangements were made to ensure Ms R's son's plan had not been financially disadvantaged because of a technical issue that had occurred following her request. It said the error had been resolved and units were now back to how they were before 'Lifestyling' had happened. Forester offered an ex-gratia payment of £100 for the distress and inconvenience it said it had caused.

Ms R was not happy with Forester's response and referred her complaint to our service. She was not happy with how long Forester had taken to respond to her, misinformation, the lack of concern it showed or the impact the complaint was having on her complaint.

An investigator looked into Ms R's complaint. She said she didn't think Forester had acted fairly. She concluded there was a long delay from the start of Ms R's complaint up to the point in which Forester put right the units held. She said taking into consideration time taken to fix the error along with the lack of communication to Ms R, she didn't think £100 compensation was sufficient. She recommended Forester pay a total of £300.

Forester responded and said it was prepared to offer £200 in full and final settlement of Ms R's complaint. Forester said it thought £300 was excessive. Ms R didn't agree with Forester's offer and said she felt the investigator's offer was fair.

Forester is not in agreement with the investigator's view. So as this is the case Ms R'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.

I am upholding Ms R's complaint. I will explain why:

- Ms R's initial complaint to Forester was about the value of her son's trust fund. Ms R could see that the overall value of the fund had dropped significantly within a few days. Forester said that arrangements had been made to ensure her son's plan had not been disadvantaged because of a technical issue. I can see Forester put things right and both parties are now not in dispute about this.
- What is left for me to decide on, is about the service Ms R received from Forester when she complained to them about the value of her son's trust fund. Ms R said she suffered distress and inconvenience over the months she was looking to resolve her concerns. The parties have not come to an agreement about how much compensation Ms R should receive for this. So, I have looked into what happened here and considered this further.
- I can see that Ms R first contacted Forester in November 2021. There was some initial discussion between the parties about what had happened. Ms R has said about this that if she hadn't taken matters further then the trust fund would have been worse off by about a third of its value. She said Forester initially gave her misinformation and didn't acknowledge or show any concern about the loss. I acknowledge what she has said here and can see how that would contribute to the stress that she was under at this stage, as she looked to resolve matters.
- Forester needed to investigate and then explain to Ms R what had happened. It continued to update Ms R up to January 2022 that it was looking into her concerns. But then there was then a period of about five months where Forester didn't make any contact or update Ms R about what was happening. This must have been a stressful period for Ms R as she would have not known whether the issue was going to be resolved.
- Forester then managed to work out what had happened in June 2022 and put things right in her child's trust fund by putting things back to the way they were and would have been but for what it called a technical issue.
- I am satisfied Forester did the right thing and unwound the account back to where it would have been but for the mistake it said it made. However, I think it has caused Ms R distress and inconvenience due to the length of time it took to do this. I can't see that it regularly updated Ms R either. It took Forester around seven months to resolve her complaint and for five of these, Ms R wouldn't have known whether the issue was being resolved or what the outcome was going to be. I think Forester is responsible for causing Ms R distress and inconvenience here.
- The investigator felt a payment for £300 for distress and inconvenience was fair but Forester disagreed and felt this was excessive. When I consider what I have found above, I don't think it is. I can see that Ms R had needed to deal with her complaint for a protracted amount of time, and throughout was not receiving updates from Forester. I think this would have been a stressful time for her. So, I think £300 is a fair amount of compensation for Forester to pay.

Based on everything I have read and the findings I have given, I uphold Ms R's complaint. Forester now needs to put things right.

### **Putting things right**

Forester has put things right in relation to Ms R's son's trust fund. It has ensured that the units have been restored in the original investment held within the fund. So, it doesn't need to do anymore with regards to Ms R's original complaint. But I do uphold Ms R's complaint for the reasons I have given above, and Forester need to do the following to put things right:

- Pay Ms R £300 for the distress and inconvenience caused due to the length of time it took to resolve her complaint and how it handled it.

### **My final decision**

My final decision is that I uphold Ms R's complaint and direct Forester Life Limited to put things right as I have described above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms R to accept or reject my decision before 25 October 2023.

Mark Richardson  
**Ombudsman**