

## **The complaint**

Mrs F complains about the way in which FIL Investment Services (UK) Limited issued statements on her Flexible Mortgage Individual Savings Account (FMISA).

Mrs F is being represented in her complaint by a family member. For ease I will refer to all actions as being those of Mrs F.

## **What happened**

When Mrs F saw the value of her FMISA fall she complained to FIL saying they did not put any warnings about this on her statements.

FIL told Mrs F that they didn't provide warnings on their statements.

Remaining unhappy Mrs F brought her complaint to our service where one of our Investigators considered the issues.

They were satisfied that the statements were sent and that they provided details about the performance and current values of the account. Our Investigator didn't think that placing warnings on the statements was something FIL was expected to do, though they acknowledged that under a previous administrator warnings did appear. Mrs F didn't agree.

Mrs F said there had been a breach of duty in care as warnings about performance were not provided on the account statements. And this lack of warnings had caused her a financial loss.

Because an agreement couldn't be reached the matter has come to me for a 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.

Mrs F has provided a lot of information about the complaint and it's clear how strongly she feels about what happened. I want to assure Mrs F that I've read and considered everything provided even if I don't mention it all in detail. I've summarised some of what happened which reflects the informal nature of our service.

There are three different businesses involved in the management and administration of the account. This is because the product is split into two parts – the ISA and the life insurance cover. So I can understand why it may not always have been clear to Mrs F which business was responsible for which activities. And I know there were some difficulties at times with this.

This decision only considers the role of FIL and that role was limited to administration activities such as providing statements and answering questions about the investment.

Administration for the account was transferred to FIL in November 2021 and it is since this

time that Mrs F says there have been no warnings on the statements about fund performance. This change of administration for the account is the type of commercial decision that businesses are allowed to make

When the migration took place FIL wrote to all account holders saying what was happening. This information explained that the account could also be viewed online to check the value. I haven't seen that FIL said they would provide any warnings on the statements.

I know Mrs F would have liked FIL to provide warnings about performance on the statements, but I haven't seen any evidence that it said it would do so. And whilst such a warning might have proved useful, I don't think FIL was obligated to send statements in that way.

The statements were issued quarterly and showed all activity on the account including the valuation at that time. And they were sent to the address which FIL had on file at the time. Information about the account was also available to view online should Mrs F have chosen to do so. If when the first statement arrived from FIL the information provided was insufficient for the needs of Mrs F then it was possible to make contact and obtain what she required.

I think the statements provide sufficient information for Mrs F to be made aware of the investment performance of the account. FIL don't provide any financial advice so if there were any concerns or questions about the value of the account then Mrs F would've needed to discuss this with her financial advisor.

Mrs F has made parallels between her account and a mortgage endowment. However whilst the end goal for Mrs F might be the same – the funds are to be used to pay off a mortgage at the end of the term - a FMISA is not an endowment account so the same regulations about administration don't apply.

I note that the business responsible for administering the life cover part of the policy also issued statements on this type of account. These statements cover both the life and the investment part of the account. The procedure of that business was to include information about performance including possible warnings.

Having carefully considered everything that happened I'm satisfied FIL acted fairly and reasonably when administering the statements on the account so won't be asking them to take any further action.

### **My final decision**

For the reasons I've explained above, my decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs F to accept or reject my decision before 9 December 2024.

Warren Wilson  
**Ombudsman**