

The complaint

Mr B complains that Cofunds Limited trading as Aegon failed to provide correct fund information to him in a timely manner. He was therefore unable to effectively manage his investments and experienced stress and anxiety as a result.

What happened

The background to the complaint will be familiar to both parties, so I won't go back over it in detail.

In short, Mr B holds an ISA and a General Investment Account with Cofunds. He wrote, initially in February 2024, to Cofunds requesting some fund factsheets and reports. In response he was incorrectly sent some Key Investor Information Documents (KIIDs) and other requested information was missed. He made further requests over the next few months but experienced ongoing failures by Cofunds to provide the information he needed.

Mr B complained to Cofunds about these issues, also questioning the time it took to respond to his requests. Cofunds said that, in respect of the response times, these had been within its usual service level agreements. But it acknowledged that errors had been made and offered Mr B £100 for the distress and inconvenience caused, which he accepted.

But in light of further failures to provide requested information, Mr B referred the matter to this service. Our investigator recognised the frustration that the ongoing issues in receiving the requested information had caused and recommended that Cofunds pay Mr B an additional £200, which it agreed to do.

However, Mr B told the investigator that he'd experienced further issues. He said he'd asked Cofunds for another factsheet that it had not supplied, and it had also misinformed him about the availability of factsheets for some other funds. He'd sought confirmation from the relevant fund manager as to when the factsheets should've been available, which conflicted with the information Cofunds had given him.

Cofunds didn't accept that it had acted incorrectly in this instance but reiterated that it remained happy to pay the additional £200 for the earlier problems.

Mr B maintained that he wanted additional compensation, and the matter was therefore referred to me to review. In response to a request for more detail on what level of compensation he was seeking, he explained that he used the factsheet information to plan his investment strategy. He felt that not receiving what he'd requested had lost him the opportunity to act on the information and therefore he'd likely incurred a financial loss. Given the size of his portfolio he felt such a loss could be estimated at around £3,000, but he said he'd accept a sum of around half that amount.

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.

Cofunds has accepted that it failed to provide a reasonable level of service to Mr B in response to his requests for information. It's clear it made a series of mistakes. Mr B has referred to Cofunds 'lying' to him. But I don't think there was any deliberate attempt to mislead or disadvantage him. I'm satisfied these were simply administrative errors and hopefully that, going forward, things will markedly improve. In respect of the time taken by Cofunds to respond, I'm satisfied it broadly met its usual service level agreements.

As such, all that remains for me to decide is what represents fair compensation in the circumstances.

I recognise it must be frustrating for Mr B to not receive complete information that he's using to support him in making investment decisions. His requests to Cofunds made it clear what it is he requires. And I understand how not receiving that information might lead to a feeling that he's potentially missing out on profitable opportunities.

But while I think a payment to compensate for the distress and inconvenience caused by that frustration and potential loss of opportunity is warranted, I don't think I can reasonably make an award for a financial loss. I think it would be far too speculative to try and determine a return that Mr B may have achieved if he'd received all the information he requested. There's simply no way of knowing what alternative investment decisions he might have made and whether he'd be better, or indeed worse, off.

That being so, I think the amount suggested by the investigator, of an additional £200 is fair and reasonable in the circumstances.

Putting things right

Cofunds must now pay £200 to Mr B to compensate for the distress and inconvenience created by its mistakes.

My final decision

For the reasons given, my final decision is that I uphold the complaint and direct Cofunds Limited trading as Aegon to pay compensation to Mr B as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 19 December 2024.

James Harris
Ombudsman