

The complaint

Mr M complains that abrdn Client Management Limited, trading as abrdn, didn't pay him the full value of his ISA investment when he liquidated the account.

Mr M would now like abrdn to pay him the difference between what they originally advised him his investment ISA proceeds would be, compared to what they eventually paid out.

What happened

On 2 October 2023, Mr M's financial adviser requested a full withdrawal from his stocks and shares ISA. The request was undertaken via abrdn's platform and at that time, the balance of his ISA was showing as £109,320.27. The following day, abrdn issued a letter to Mr M stating that *"a single payment of £109,320.27 will be made into your bank/building society account with sort code XX-XX-XX and account number XXXXXX by 17 October 2023"*. However, when the monies were eventually paid into Mr M's bank account on 17 October 2023, he received £108,138.43, which was £1,181.84 less than he was expecting.

Shortly afterwards, Mr M decided to formally complain to abrdn. In summary, he said that he was unhappy that there was a difference in the amount of monies abrdn had originally quoted in their letter of 3 October 2023 and the actual amount that had been paid into his bank account.

After reviewing Mr M's complaint, abrdn concluded they were satisfied they'd done nothing wrong. They also said, in summary, that Mr M's adviser should have been aware that his monies would have been subject to fluctuations prior to actually being sold down and the final amount received may differ. However, abrdn conceded that there had been a loss of expectation and in light of this, they wanted to offer Mr M £150 as a gesture of goodwill. abrdn said the £150 was in addition to the £50 that they had already sent in recognition of the fact that they had failed to explain in a timely manner the background to the difference in the amount he had received.

Mr M was unhappy with abrdn's response, so he referred his complaint to this service. In summary, he said that he didn't think abrdn had treated him fairly and that's because, he said, their letter of 3 October 2023 didn't have any caveats included and in his mind, clearly laid out what he should expect.

The complaint was then considered by one of our Investigators. He concluded that abrdn hadn't treated Mr M unfairly because from what he'd seen of their terms, website and contract note that were issued to Mr M, it was made clear that any final value shown is not guaranteed and would be dependent upon the selling price.

Mr M, however, disagreed with our Investigator's findings. In summary, he said that abrdn's letter hadn't included any caveats and the figure quoted is the amount he expected to receive. In addition, Mr M said that he thought stocks and shares were bought and sold instantaneously, so the price quoted should be the price paid.

Our Investigator was not persuaded to change his view as he didn't believe that Mr M had presented any new arguments he'd not already considered or responded to. Unhappy with that outcome, Mr M then asked the Investigator to pass the case to an Ombudsman 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.

I have summarised this complaint in less detail than Mr M has done and I've done so using my own words. The purpose of my decision isn't to address every single point raised by all of the parties involved. If there's something I've not mentioned, it isn't because I've ignored it - I haven't. I'm satisfied that I don't need to comment on every individual argument to be able to reach what I think is the right outcome. No discourtesy is intended by this; our rules allow me to do this and it simply reflects the informal nature of our service as a free alternative to the courts.

My role is to consider the evidence presented by Mr M and abrdn in order to reach what I think is an independent, fair and reasonable decision based on the facts of the case. In deciding what's fair and reasonable, I must consider the relevant law, regulation and best industry practice. Where there's conflicting information about what happened and gaps in what we know, my role is to weigh up the evidence we do have, but it is for me to decide, based on the available information that I've been given, what's more likely than not to have happened. And, having done so, whilst I'm upholding Mr M's complaint in part – I'm not going to instruct abrdn to do anything beyond what they've already proposed to do and I'll explain why below.

It seems that Mr M's monies were invested in a managed fund and after requesting a full withdrawal of his ISA, the sale took place on 4 October 2023 when abrdn issued a contract note detailing the price achieved for his fund, which was £108,138.43, rather than the £109,320 that he was expecting. Unlike shares, when a fund is sold, the price isn't always instantaneous because the fund is only valued once a day, so the consumer typically gets the price at the next valuation point. And, given the underlying nature of the investments that Mr M's monies were committed to within the fund, there was always a risk that he could get back more or less, which is the case in this instance, than the value that he saw on 2 October 2023. Having looked at abrdn's website portal, I'm satisfied that they make it clear that any values provided are not guaranteed and will be dependent on the selling price.

The contract note that abrdn issued confirmed that the settlement date would be on 10 October 2023 and once abrdn had sold the fund down, they paid the monies into Mr M's bank account on 17 October 2023. Having looked at the timeline of events, I've not seen any evidence of delays on abrdn's part so consequently, Mr M hasn't suffered a financial loss.

Whilst I do appreciate that abrdn's letter of 3 October 2023 did cause some confusion, it wouldn't be fair or reasonable for me to instruct abrdn to pay Mr M monies to which he was never entitled to. Conversely, had abrdn's letter of 3 October 2023 stated that Mr M would receive £108,138.43 but he then received £109,320.27, I well suspect that he wouldn't have raised a complaint – but, that's the very nature of investing in the stock market; until the trade is settled, there's no certainty what you'll receive back.

Using financial services won't always be hassle free and sometimes mistakes occur but when they do, we'd typically instruct the business to put the consumer back into the same position that they would've been were it not for the error. It seems to me that Mr M has received the full entitlement of his fund and he's received that within a reasonable timescale, so I won't be instructing abrtn to pay him the £1,181.84 difference.

However, having looked at abrtn's letter of 3 October 2023, I do agree that Mr M's expectations could have been better managed and as such, their wording could have been framed more clearly that any figures quoted are only a guide until such time as any sell order is settled and a contract note is issued. It seems that when a request for withdrawal is made, an automated letter is generated with the consumer's account balance at that time. But, abrtn have already conceded that they could have explained the differences more promptly, and they have offered to pay Mr M £200 for the loss of expectation their letter caused and delays in responding to his questions. I've thought carefully about abrtn's offer and I'm satisfied that it's in line with what I would've instructed them to pay to Mr M had they not already offered to do so.

My final decision

abrtn Client Management Limited, trading as abrtn, has already made an offer to pay Mr M £200 to settle the complaint and I think this offer is fair and reasonable in all of the circumstances.

So, my decision is that abrtn Client Management Limited, trading as abrtn, should pay Mr M £200 if they've not already done so.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 12 February 2025.

Simon Fox
Ombudsman