

## The complaint

Mr H complains that when he tried to invest into a specific fund within his Individual Savings Account ('ISA') Halifax Share Dealing Limited told him he could no longer buy units in the fund using their platform.

## What happened

Mr H held funds within an execution only ISA account with HSDL. Some of the funds were invested in a cash fund with a provider I will call company L. In March 2024, Mr H decided to invest a further amount into his HSDL ISA and invest this into the cash fund with company L. When Mr H tried to invest the funds into company L, HSDL explained they had decided to stop purchases into the fund in April 2023. When Mr H complained HSDL said company L had changed its settlement policy and they had made a commercial decision to restrict further investments into the fund as it was not a settlement period they could support. HSDL offered to pay Mr H £25 for the distress and inconvenience caused to him when an agent incorrectly explained why he couldn't invest in the fund.

Mr H brought the complaint to the Financial Ombudsman Service and one of our Investigators looked into things. The Investigator thought HSDL had treated Mr H unfairly as, based on what he saw when he was considering the new investment, he would have reasonably thought an investment into the cash fund with company L was available through his account with HSDL.

HSDL has asked that an Ombudsman decides the complaint and it was passed to me to consider. As I reached a significantly different outcome to that of our Investigator, I issued a provisional decision and asked both parties for further comments and evidence. In my provisional decision I said:

*"It's not the role of the Financial Ombudsman Service to tell a business what processes it must follow, that is a role carried out by its regulator the Financial Conduct Authority ('FCA'). This means, in a case like this, I cannot tell HSDL what funds they must make available on their platform; nor can I tell HSDL that it must allow Mr H to invest in company L. However, I can consider whether the information about the company L fund that was on Mr H's online account was misleading. I understand Mr H will be disappointed, but I intend saying that I don't think it was misleading, and I will now explain why.*

*Mr H already held units in a cash fund with company L within his execution only ISA. With this type of account HSDL doesn't give advice – it simply buys and sells shares on Mr H's instructions. It seems more likely than not that when he initially purchased units in this fund, Mr H would have satisfied himself it was a fund that was available on HSDL's platform. Under the FCA's rules, HSDL isn't authorised to give investment advice and they don't take any on-going responsibility for the buying or selling of funds within the account.*

*Mr H says that when he looked at his account online, he saw a '+' next to the investment he already held and reasonably believed that he could invest a further amount in this fund. I've seen a screenshot of Mr H's account dated 15 March 2024 confirming the '+' next to the cash fund in company L. The same screenshot explains the information on the page is*

*indicative so Mr H should independently check any data before he makes an investment decision. Mr H says that, based on the '+' sign, he arranged for further funds to be invested into his ISA with the intention that he would invest into the cash fund with company L. He put new funds into his ISA and when he later attempted to purchase more units in the cash fund with company L, the purchase failed.*

*HSDL says they made a decision to put a buy-restriction on the cash fund with company L in April 2023. They say they did this because their platform wasn't able to support the settlement policy that company L had adopted. The change by company L is outside of HSDL's control and it's up to them to assess whether they can support the changes made by company L. As I've said previously, it's not my role to tell HSDL what funds it must offer on their platform. And, although Mr H says the fund is available on other ISA provider platforms, this doesn't mean HSDL have to offer it.*

*Mr H says that because HSDL didn't allow him to invest in company L through their platform, he lost the ability to subscribe into a fund of his choice in his 2023-2024 ISA. I intend saying I don't consider this to be the case. Mr H has explained the cash fund with company L is available on other platforms. It would be reasonable for Mr H to consider transferring his ISA to a provider that offers access to the fund if this is a key driver for his investment strategy. If this was not his strategy at the time, there were other funds Mr H could have invested in using the HSDL platform. Therefore, I intend saying it wouldn't be fair and reasonable for me to decide that Mr H lost the ability to invest his ISA how he wanted because HSDL no longer offered the fund he wanted through their platform. Any loss in this regard is a result of Mr H not mitigating any potential loss of investing or transferring his 2023-2024 ISA into funds of his choice. Mr H has been able to transfer his ISA from HSDL at any time.*

*The crux of this complaint is whether the information HSDL provided to Mr H before he decided to transfer funds into his ISA account was misleading. Mr H feels he should have been able to rely on the information about the cash fund with company L displayed on his online account. I intend saying it wasn't reasonably an intention of HSDL to provide specific fund information on Mr H's account screen. This screen was a snapshot of the funds Mr H already held and their values – it gives no meaningful indication that HSDL is still able to buy units in the fund. It's unfortunate that Mr H didn't check whether the fund was still available on HSDL's platform before he deposited funds into his ISA. But, because Mr H has an execution only account with HSDL, I intend saying the responsibility is on Mr H to satisfy himself the cash fund with company L was still available to purchase on HSDL's platform.*

*After the funds arrived in Mr H's ISA, he attempted to purchase units in the cash fund with company L and the purchase was declined. HSDL accepts that when Mr H called to find out why it had been declined one of its agents didn't provide a correct explanation. I intend saying that it's more likely than not Mr H had already decided to increase the funds in his ISA before attempting to purchase units in the cash fund of company L. Regardless of the incorrect explanation HSDL's agent gave for the purchase not completing, HSDL was never going to complete the purchase – they could not do so as a buy restriction was in place and the fund was not available on their platform. I therefore intend saying this call had a minimal impact on Mr H and that HSDL's offer of £25 to reflect the inconvenience and distress it caused him was a fair and reasonable offer."*

Mr H rejected my provisional decision. He said he didn't ask HSDL for advice and only wanted them to carry out his instruction to buy new units in the company L fund. Mr H believes that HSDL should have told him the fund he instructed them to buy was no longer available on their platform. Mr H doesn't think it's reasonable for a customer of HSDL to have to call them before any investment to check if the product is still available. He has

provided a screenshot showing that on the HSDL platform he was able to see options to “Buy,” “Sell” and “Research” the fund.

In their response, HSDL provided details of what message Mr H would have seen if he had pressed the “Buy” tab on their platform. HSDL say the message would have read, *“Investment into this asset is currently unavailable through our service. This could be for a number of reasons, such as the asset no longer meets our policy, the manager of the asset has declared it does not provide value or due to a change in regulation. Please visit our research centre for alternatives.”* HSDL believe that as an execution-only customer, it was Mr H’s responsibility to satisfy himself that the fund was available on the HSDL platform before he transferred funds into his ISA.

### **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 considered the additional evidence and comments provided by Mr H and HSDL, I’ve decided to adopt my provisional decision as my final decision. I will address the comments received from Mr H and HSDL to my provisional decision below.

When operating an execution-only account, it’s the responsibility of a consumer to ensure that any instructions provided can be completed on the platform they use. In this case, Mr H already held the fund he wanted to invest more money into, but I don’t think it’s enough for him to assume the fund would still be able to be purchased on the platform. I would expect Mr H to take reasonable steps to confirm he could still buy into the fund before he paid money into his ISA.

There’s no dispute that Mr H made an attempt to confirm the fund was still available by clicking on the ‘+’ sign on his account page. And, that when he saw the options of “Buy,” “Sell” and “Research”, he believed this was a clear indication that he could invest new funds into the same investment. However, it seems more likely than not that Mr H didn’t actually click on the “Buy” tab on the screen, because if he had, I think he would have seen the fund had a buy restriction on it at the time. I think it’s likely that if he’d taken the next step and seen the information HSDL provided about the fund, telling consumers that it was currently unavailable on their platform, he wouldn’t have transferred the funds into his ISA.

The account page Mr H looked at made it clear to him that the information on there was indicative. I don’t think the screen was misleading. Instead, this page gave Mr H the ability - through the “Buy,” “Sell” and “Research” tabs - to satisfy himself that HSDL were able to complete a buy order. It’s unfortunate that Mr H didn’t take the next step to confirm a buy order was still available on the HSDL platform, but I’m persuaded that HSDL made this information reasonably accessible for Mr H to obtain.

### **My final decision**

For the above reasons, I’ve decided the offer Halifax Share Dealing Limited made to resolve the complaint was a fair and reasonable one in the circumstances and they should pay Mr H £25.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr H to accept or reject my decision before 25 March 2025.

Paul Lawton  
**Ombudsman**