DRN-5400403

The complaint

Mr J complains that HBOS Investment Fund Managers Limited (‘HBOS) had not sent him information about his stocks and shares Individual Savings Account (‘ISA’) for several years.

What happened

Mr J holds an ISA with HBOS that he took out at a local branch in 2003. He tried to locate this investment by calling into the branch, but they could not locate it. Mr J became worried about what had happened to his investment and complained to HBOS in 2024.

HBOS said they had spoken with Mr J in 2019 and clarified what his investment was. Because Mr J told them he had not received information about the investment for a few years, they re-sent him an annual statement and a transaction history at this time. HBOS provided an up-to-date valuation in their complaint response and another transaction history by post. They also sent Mr J a cheque for £150 for the poor level of service he received. This took into account that he was unable to access his investment at a local branch and that he may not have received some of the letters they sent to him.

Mr J brought his complaint to the Financial Ombudsman Service. One of our Investigators looked into things and didn’t think HBOS had treated Mr J unfairly and that they did not need to do anything else to resolve the complaint. Mr J asked that an Ombudsman decides the complaint and it has been passed to me to consider.

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 understand Mr J will be disappointed, but I’ve decided that HBOS have not done anything significantly wrong. I will now explain why.

There’s no dispute that Mr J went into a local branch within the HBOS group and opened a stocks and shares ISA in 2003. The account history shows a single premium investment spread over four funds, although in January 2005 Mr J started to make regular monthly contributions. Mr J says these regular contributions stopped in mid-2016, and the transaction history HBOS have provided confirms this.

Mr J says he doesn’t remember if the account was a cash ISA or a stocks and shares ISA but does remember the investment carried some risk. He has also said that he could access his investments on-line for some time, but that this stopped at some point. He recalls receiving a letter from HBOS telling him that on-line access to his investment had stopped, and that the letter provided him with a contact number to obtain information or valuations on his account. The year after Mr J stopped making monthly contributions, HBOS sent him an annual review letter by post. This letter, dated December 2017, provided the contact number for Mr J to get in touch with HBOS and provided an up-to-date valuation. I’m persuaded that, by this point, HBOS had taken reasonable steps to keep Mr J informed about his investment, what the investment was, what it was worth and what the account number was.

In 2019, Mr J called HBOS about his ISA, and they sent him a letter enclosing a transaction history. The letter was correctly addressed and included the account number and a telephone number for their customer support team.

In December 2021, Mr J called HBOS to tell them he hadn't received any information about this investment for a few years and provided HBOS with the account number. HBOS sent a further letter to Mr J and this included a transaction history for the ISA. HBOS requested the annual statement be re-issued.

When Mr J called HBOS again in early 2024, he said he hadn't received any information about his ISA for years. During this call Mr J told HBOS he thought the investment had been lost and may have been confused with a pension account he held. He said the local branch staff had looked for the ISA account on their system but could not find it. He was very distressed by this. HBOS explained that local branch staff didn't have access to the ISA account details.

The crux of Mr J's complaint is that he believes HBOS didn't help him to locate his ISA and didn't keep him informed about it. He says this has prevented him from helping his family when they needed help, and means he has for many years missed the opportunity to invest or withdraw his investments. Mr J says that it cannot be that he knew about his investment back in 2019.

As I've explained above, HBOS sent Mr H several letters and transaction histories when he requested them. HBOS also sent him copy annual statements when he told them he had not received them. Of course, I can't say whether Mr J received these letters, but I think it's more likely than not HBOS sent them to the correct address. Regardless of this, Mr J provided HBOS with the ISA account number in the call he made in 2019, so I'm persuaded he knew of this account at this time. And if, as I feel it is more likely than not this information was from the letter HBOS sent him in late 2017, Mr J reasonably knew the investment existed, what the value was and how he could contact HBOS very soon after he stopped his monthly contributions.

I do recognise Mr J made unsuccessful visits to a local branch and it will have caused him some anxiety and distress they could not locate the ISA. But I'm persuaded that, as early as 2017, HBOS had provided him with other means of contacting them if he had any questions about his ISA. These details were also included in letters they sent in 2019 and 2021.

I do understand that holding investments in different products can be confusing for consumers, and it's not uncommon for consumers to confuse a cash ISA with stocks and shares ISA. However, in the circumstances of this case I'm satisfied HBOS kept Mr J reasonably informed about his ISA. And, when he contacted them about his concerns, they took reasonable steps to explain the investment he held, the value of it and provided a full transaction history. Although Mr J feels HBOS prevented him from accessing his investment, or adding to it, the evidence and submissions I've seen do not support this.

I've decided HBOS have not done anything significantly wrong, but they apologised to Mr J that he may not have received the statements they had been sending. I can't reasonably hold HBOS responsible that these statements and transaction histories may not have been delivered to him, but I'm persuaded they were sent as I've seen copies of them. HBOS have acknowledged that it was distressing for Mr J to be told by branch staff they couldn't find his investment. In this regard they have explained why this happened and have paid him £150 to recognise any distress this may have caused him. Mr J feels this is too low because of the amount he has invested with HBOS. However, I'm satisfied this reflects that the impact on Mr J was more than just minimal and required several calls to HBOS to resolve. But it also takes into account that as far back as 2017, and at the latest 2019, Mr J would reasonably have been aware his investment was with HBOS, what it was worth and how he could contact them for further information.

I understand Mr J may not have presented the cheque for payment and it may now be out of date. If he accepts my decision, he may want to contact HBOS to ask for a new cheque or arrange for the payment to be made another way.

My final decision

For the above reasons I’ve decided HBOS Investment Fund Managers Limited do not need to do anything else to resolve the complaint.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr J to accept or reject my decision before 8 August 2025.

Paul Lawton
Ombudsman