

The complaint

Mr R complains to Santander UK Plc about the sale of his investment in 2019 he didn't know about – he's unhappy his money has been uninvested for so long and seeks compensation for the loss of growth.

What happened

The background to the complaint is well known to both parties so I will summarise it briefly:

- Mr R had held a tracker fund within his Santander stocks and shares ISA
- In 2019, the fund was moved to be managed by another company which meant Santander would no longer be able to support it on their platform
- They wrote to investors in late June to let them know and give them the option of either:
 - selling their holdings,
 - switching them to another fund supported by the investment hub, or
 - leaving them for Santander to automatically sell down to cash.
- Mr R didn't get the letter, so his investment was sold to cash in late July
- Though Santander sent regular statements, it wasn't until five years later that Mr R realised his money was uninvested in the market as the front pages always just showed the total value within the stocks and shares ISA
- He made a complaint to Santander but they didn't agree they ought to compensate him

Mr R asked for our help and one of our investigators had a look at what'd happened. But she didn't agree Santander had done anything wrong – she said, in short, that she could see Santander had notified him of the change and that their statements had showed his money in cash.

Mr R didn't agree – he checked the terms relevant at the time and pointed our investigator to Schedule 2, Section 2.4 which said he ought to have been notified and Section 23 of the general terms which said notification would be by email, and only post when an email address hadn't been provided, along with a notice filed within the online document library. Mr R hadn't received an email, nor notice within the document library.

Our investigator thought about what Mr R had said and went back to Santander:

- *Regarding email:* they could see Mr R had signed up with an email address when opening an account in 2002, but given the time that'd passed since then could no longer access the record showing what it was. They could see Mr R had updated an email address in March 2021, but couldn't see what it was before then or whether they'd emailed him about this matter in 2019
- *Regarding the document library:* the notification letter wasn't added to the library as it was generated by another team whose correspondence wouldn't automatically be included

Despite this, Santander pointed to their statements showing the balance in cash, along with the wording within the statements that drew attention to cash within accounts and their suggestion to review investments regularly.

Mr R remained unhappy – he'd received emails from Santander for years, and had used the document library on a number of occasions, so he didn't think it was fair for Santander to abruptly switch protocol on an important issue like this. As an agreement wasn't reached, the case was passed to me to decide.

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 done so, I will start by saying that I appreciate Mr R's frustration here as I don't believe he's had one of his key complaint points answered. He highlighted that the terms at the time said Santander would email him, and only write to his address where an email address hadn't been provided. But instead, he has shown us he was receiving emails from Santander at the time.

When I asked Santander more about this, they explained that the notification about the fund change was communicated by a different department – it was the marketing team that were tasked with notifying investors, rather than a team that's part of their investment hub. When the hub are communicating with investors, they will use email and notifications within the account. But as the marketing team did the communication, they used post.

I wrote to Santander to challenge this as while I respect the fact that a large organisation will have multiple departments doing different things, they ought to organise themselves in a way which means the customer isn't impacted. Here, Mr R is able to point to terms which suggested it was fair for him to rely on being emailed about anything he needed to know. So I do agree with Mr R, that it was reasonable for him to expect an email about this sort of thing.

That said, it doesn't follow that I think Santander would be responsible for Mr R's money being out of the market for five years. Santander did write to him instead, so it isn't the case that they didn't notify him at all. While the letter wasn't received, Santander did try to contact him and it is general practice to assume that letters sent are letters received. But given the communication wasn't in line with what Mr R would expect to receive, I thought Santander ought to compensate him for the distress and inconvenience caused here, and they have agreed with my recommendation of £250.

I appreciate Mr R will remain unhappy with this, as the growth on his ISA could have been much more had it been invested. But I while I recognise there was a shortcoming on Santander's part, I also recognise there to be one on Mr R's.

Mr R was being sent quarterly statements. The covering pages all started with tables comparing the ISA's value on the statement date with three months prior – I think these tables ought to have been enough for Mr R to realise there was little movement or fluctuation in the value of his ISA, and that this ought to have led him to question the position given what we usually see with performance linked to market exposure. The February 2020 statement showed the ISA had only grown £8 in three months. The May statement showed £17 growth and the August statement showed £12. Had Mr R have looked beyond the covering page of any statement, he'd have seen that while the money sat within the ISA wrapper, it was in cash.

In my view, after receiving a few quarterly statements Mr R ought to have realised his investment remained rather static. I don't think it is onerous to have expected him to flick through the statement to see the money was in cash. So while I agree Santander ought to compensate Mr R for the service failing, I don't think this absolves him of monitoring his own investments for five years.

Putting things right

Santander should pay Mr R £250 to recognise the distress and inconvenience caused as a result of the change in communication medium.

My final decision

For the reasons explained, I uphold this complaint in part and direct Santander UK Plc to pay Mr R £250.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 26 March 2026.

Aimee Stanton
Ombudsman