

The complaint

Mr S has complained about the way in which the price of UK Treasury Gilts was displayed on the Halifax Share Dealing trading as IWeb Share Dealing ("IWeb") platform. He has said this led to him purchasing the incorrect amount of shares initially and then incurring further charges in order to purchase the total amount he had originally wanted.

What happened

On 2 August 2023, Mr S went on to the IWeb trading page to buy 204 TN24 UK Treasury Gilts (gilts) at a price that was quoted as 97.57 - 97.67 GBP.

He told us he was expecting the total of his order to have been approximately £19,000/£20,000 however the trade was executed for just under £200. Because of this Mr S raised the issue with IWeb via the live chat option available to him through the IWeb website. He explained that the system showed the price to purchase the gilts was in "GBP" therefore he naturally presumed the Gilts were shown as being priced in pounds sterling rather than pennies sterling therefore IWeb had completed his trade incorrectly. However the chat adviser told Mr S that IWeb's prices are always shown in pennies rather than pounds despite the "GBP" being recorded on the screen. Mr S disagreed with this and explained to the adviser that his understanding was that Gilts are always quoted as a premium or discount to £100, and even the London Stock Exchange website lists the price in pounds rather than pennies. So it stands to reason that a quantity of 204 gilts would mature at £20,400 rather than £204.

The chat adviser wasn't able to do anything for Mr S apart from refunding him the £5 fee that Mr S incurred when making the second trade he needed to bring up his purchased Gilts to the amount he originally wanted.

Mr S then escalated his complaint.

IWeb didn't uphold the complaint. It said that when a customer requests an indicative quote online all prices are displayed in pounds and not pence and it didn't understand why Mr S had said he was quoted the price in pence. It also explained that Gilts are priced for a block of 100 units in the bond and so if the indicative price for the Gilt was £100 this would be £100 for 100 units in the bond.

It felt that Mr S had not been misled on price and that it had fulfilled its obligations by providing the correct price quote and carrying out Mr S' specific investment instruction. It added that it felt Mr S had misunderstood how Gilts are priced.

It also said that the pricing convention of Gilts and bonds is beyond a broker's remit and is how the UK government choose to operate across all of their listings. It explained that IWeb is an execution only broker and information around these assets is public information. And that neither it nor any brokerage firm is obligated to advise customers the price is offered per 100 units in the same way that it is not obligated to advise that equities are priced per unit. It felt that to challenge this would be to challenge the entire industry and how it operates.

As Mr S was unhappy with the outcome reached by IWeb he referred his complaint to this Service where it was assessed by one of our investigators who concluded that the information presented to Mr S at the time of trying to make the trades was misleading and it wasn't unreasonable that Mr S had presumed by virtue of GBP being shown on the trading screen, that his trade would have been completed in pounds rather than pence. He said that although IWeb had already refunded Mr S the additional £5 he had to pay to make his second trade IWeb should refund Mr S the additional £6.38 he had to pay to purchase the additional Gilts and also pay him £75 for the distress and inconvenience caused.

IWeb didn't agree with the assessment and provided a number of screen shots which it felt showed that the price on the trading screen for the Gilts in question was shown in pence. It also referred to the Key Information Document (KID) for which a link was provided on the trading screen, which set out the specific pricing convention for gilts. This document had to be read before any trade could be executed and so IWeb was satisfied that all the information it provided about the pricing of Gilts was clear and not misleading so it was Mr S who didn't understand the process of buying Gilts.

IWeb's response, however, didn't change the investigators initial outcome. So as no agreement could be reached, the complaint has been 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.

I've taken into account relevant: law and regulations; regulatory rules; guidance and standards; codes of practice; and (where appropriate) what I consider to have been good industry practice at the relevant time.

Where the evidence is incomplete or inconclusive, I've reached my decision based on the balance of probabilities – in other words, on what I think is more likely than not to have happened given the available evidence and wider circumstances.

Having done so I agree with the investigator's outcome that the complaint should be upheld. Its important to note that my findings are not a comment on the way Gilts are priced generally and industry wide. My findings are focused on the information Mr S saw on the trading screen for this specific transaction when placing his trade and they take into consideration whether the information was clear, fair and not misleading. This decision also doesn't concern itself with Mr S's knowledge about the pricing convention for Gilts (for the record however, I am satisfied Mr S understands this).

IWeb has sent in screen shots depicting what Mr S would have seen on the day he placed his trade, relating specifically to his chosen Gilts. However, in my view, these all show the price of Gilts to be in pounds. So it isn't unreasonable that when processing his transaction Mr S was under the impression that he was buying 204 shares at £97.57-£97.67 per share. And I see no reason why from these alone Mr S should have known he was trading in pence rather than pounds.

I acknowledge that the KID IWeb referred to is clear about the way Gilts are priced and I acknowledge that it had to be read before executing the trade. However, the actual trade screen says something completely different to what's in the KID - basically that this product works totally differently to how it is described on the trading screen. In my view it isn't enough to have an explainer for this specific asset hidden in a KID that one has to click through to access - its very important information so it doesn't seem fair or reasonable to me that this isn't made more prominent.

If the trade screen couldn't handle the specific pricing for Gilts then a warning when Gilts are selected that says something like *you must read the KIDs because this trades in multiples that differ from what you might expect from our other order screens* seems to be a more explicit and fair way of ensuring the customer is aware of this information.

I know IWeb has pointed to the facility on its trading screen which allowed Mr S to input a monetary value of what he wanted to pay for the transaction rather than the number of shares that he wanted to buy. However, this doesn't negate the requirement for the information on the trading screen to be clear and not misleading. And it was only when the trade was executed that Mr S knew something had gone wrong and he hadn't bought the amount of shares he wanted but by that time it was too late to change anything.

I therefore think that when considering the information provided by IWeb on its trading screen for this specific Gilt that Mr S was buying it wasn't clear enough and I don't think it's unreasonable that Mr S thought he was buying shares that were valued in pounds rather than pence. I therefore think IWeb need to recognise this misleading information.

In addition to this it is apparent that Mr S was given the wrong information by the adviser he spoke to on the live chat when he placed his first incorrect trade. IWeb has said it doesn't understand where Mr S got this information from but from the transcript of the chat it can be clearly seen he was told this by the chat adviser when this issue first arose.

The transcript of the chat shows that Mr S was told on 2 August that:

"when we show you the price for the shares on the dealing screen it is always in pennies for all UK investments."

And around 10 minutes later he goes on to say:

"this is how all share prices are shown, they are always shown in pennies even on other websites such as google".

As this contradicts what IWeb has told us in responding to this complaint I think this wrong information needs to be recognised by IWeb by paying Mr S an amount of £75.

Putting things right

Based on the above, I think that it is fair and reasonable for IWeb to:

- Refund Mr S the additional £6.38 he had to pay to purchase the additional Gilts.
- Pay Mr S £75 for the distress and inconvenience caused.

My final decision

My final decision is that I uphold this complaint. I now direct Halifax Share Dealing Limited trading as IWeb Share Dealing

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 4 July 2025.

Ayshea Khan
Ombudsman