

## The complaint

Mrs M complains about the decrease in the value of her Personal Investment Plan held with Scottish Widows Limited, trading as Halifax Financial Services (“Halifax”), and the lack of support from them over the years after it was sold.

## What happened

In 2003 Mrs M and her husband, who has since sadly passed away, received advice from Halifax to invest £64,500 in a Personal Investment Plan, split equally between two funds – the Index Linked Gilt Fund and the Gilt and Fixed Interest Fund. Shortly after they were advised to invest a further £5,500 in another Personal Investment Plan, split in the same way.

In September 2021, the first Plan was valued at around £149,000. In September 2022 Mrs M received a statement which showed a value of around £114,000 – a decrease from the previous year of around £35,000. The following year it had decreased by a further £10,000. Mrs M was very concerned by the decrease and after speaking to her son Mr M, in August 2023 she made a complaint to Halifax via her local branch, explaining her shock at the decrease, her worry that the value could continue to fall and asking for an explanation of the sharp decline in value.

In September, having not heard from Halifax, Mrs M visited the branch again, and it was discovered that the central offices hadn’t received the letter from the branch. At the beginning of November, Halifax replied to her complaint and sent her information about the reason for the performance of the funds. They paid her £300 for the delay in replying to her concerns.

In reply, Mrs M asked questions about the risk level of the investment and for copies of the original recommendation letters – though she didn’t complain about the advice originally given. She asked whether there were procedures in place for reviewing this investment and for Halifax’s vulnerable client procedure, particularly whether anything was put in place to deal with vulnerable clients after advisers were no longer working in Halifax branches.

It wasn’t until March 2024 that all questions were answered – in summary Halifax explained Mrs M’s attitude to risk, the level of risk involved in the Plan, and sent her the letters from 2003. They said they didn’t proactively review these Plans without requests from customers, and that Mrs M hadn’t been paying for ongoing advice from Halifax. They explained the removal of any branch-based advisers was communicated in branches at the relevant time. They explained that they wouldn’t have treated Mrs M as vulnerable simply due to her age and set out how she could go about getting advice if she wished. Halifax acknowledged and apologised for the service issues that had happened over the previous few months, but found the £300 previously paid was fair.

Mrs M and Mr M remained unhappy with the reply and brought the complaint to our service. In particular Mrs M felt the lack of contact from anyone over the years was unreasonable, particularly following such a sharp drop in 2022. An investigator at our service considered the complaint and found that Halifax’s offer was fair. In summary she found:

- Reviews by the adviser were not set out in the terms and conditions of the Plan and Mrs M wasn't paying a fee for reviews. The annual statements set out where Mrs M could get more information about the Plan and how she could get advice, if she was unsure of what to do with the investment.
- She explained that Halifax had decided to cease having advisers in branch, and that was a decision they were entitled to make. In any event, the reviews wouldn't have taken place without Mrs M's knowledge or involvement.
- She didn't think Halifax should have automatically assumed Mrs M was vulnerable purely because of her age. There was no indication prior to August 2023 that Mrs M needed additional help understanding her Plan.
- The investigator found that Halifax had provided poor service to Mrs M since August 2023, and that the offer of £300 was fair to put this right.

Mrs M and Mr M disagreed, in summary because:

- Halifax had approached Mrs M in 2003 – not the other way around. This gave her the impression that Halifax would be actively looking over her accounts to let her know when she might need advice about them, and that they'd act in her best interests. She strongly feels that they had a duty of care to continue helping her after the advice was given.
- Based on the advice in 2003, she thought the money would be as safe as the money in her bank account - she trusted the product just like she trusted Halifax, due to the length of their relationship.
- The information in the annual statements was buried and she felt it was unfair that Halifax would get to divest itself of responsibility by using the small print in the statements.

The investigator wasn't persuaded to change her mind, so the complaint has been passed to me 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.

Before I go into my findings, I want to be clear about the scope of my decision. In reply to the investigator's opinion, Mrs M has made comments about the advice given in 2003, specifically about the impression she was given that the money would be safe. Halifax hasn't considered a complaint about the original advice – and I cannot consider a complaint until Halifax has first had the opportunity to do so. As a result, I won't be commenting on whether the advice given in 2003 was suitable.

Instead, the focus of my decision is on whether Halifax treated Mrs M fairly and reasonably in the years that followed the advice, regarding not reviewing her investment, the removal of their advice service, and whether they ought to have done more to assist Mrs M, both before and after she got in touch in August 2023. Having considered this, I've reached the same conclusion as the investigator for largely the same reasons.

Regarding ongoing advice, I've considered Mrs M's comments about the impression she was given about Halifax actively monitoring the investments. Halifax has explained that they had no evidence of reviews taking place with Mrs M prior to the withdrawal of their advisers from branches. But that isn't to say no reviews did take place, it's just that they would have

only been recorded on the system if further investments had been made. In the suitability letters the adviser said:

*“to ensure that your Halifax investments continue to meet your needs, as agreed we will contact you on 11th May 2004 to review the performance of your investment plan and discuss any other matters that you may wish to.”*

To me this is clear that the reviews of the investments were discussed – but that they would take place only following contact between Halifax and Mrs M. There’s no promise of any reviews taking place without Mrs M’s knowledge. In my view, against that background, it wouldn’t be fair to say Halifax misled her into thinking that the investments would be actively monitored by the adviser. It follows then that even if the advisers hadn’t been withdrawn from the branches, Halifax wouldn’t have acted any differently towards Mrs M and her investment.

Regarding Halifax’s approach to vulnerabilities – I should note that my role is not to make a finding on whether they have acted in line with any equality or human rights laws – that’s the role of the courts. Rather my role is to make a finding as to whether Halifax has acted fairly and reasonably, *taking into account* any regulations and laws that apply. I can see that Halifax’s main reason for not assuming that Mrs M’s age made her vulnerable, was that age is a protected characteristic under the Equality Act 2010. I’ve considered whether their actions have been reasonable against that background.

Having done so, I am satisfied Halifax has acted fairly and reasonably in not assuming Mrs M is vulnerable simply due to her age. I appreciate Mrs M and Mr M’s strength of feeling on this matter. But I’d ask them to consider the wider impact of what would happen if Halifax were to put in place a policy where every customer over a certain age was assumed to be vulnerable. This could lead to Halifax taking steps to get involved in a person’s affairs as a result of age alone. As I’m sure they can agree, this could lead to a great level of upset, as being older doesn’t automatically mean a customer needs additional support, is in poor health, or is otherwise vulnerable. While Halifax has got various duties toward their customers, in my view their duties don’t extend that far, as they must be balanced against a customer’s right to privacy and their right to make their own choices.

I’d also note that these products are designed to be held long term, so I wouldn’t expect Halifax to consider it unusual that a customer hadn’t engaged with them about the investments for many years. So, Mrs M’s lack of contact wouldn’t reasonably have given rise for cause for concern. Overall, prior to August 2023, I’m persuaded that Halifax treated Mrs M fairly and reasonably.

Turning to the events after August 2023, I’ve considered the delays Mrs M experienced and have found:

- If Halifax had actioned Mrs M’s letter in August, under the complaint rules they would have had a maximum of eight weeks to reply to her – so a reply should have been received around mid-October latest. Instead, Halifax didn’t reply until the beginning of November, a delay of around three weeks.
- Mrs M wrote to Halifax on 14 November with five questions. Three out of five were answered in Halifax’s letter of 4 December, 12 working days from when they received the letter on 16 November.
- There was then a delay of around three months before Halifax provided information about how they identify and deal with vulnerable customers.

It is clear Mrs M was very worried about the loss experienced and didn’t understand how it had occurred. I can see that Halifax provided her with an explanation of what had caused the loss at the beginning of November. They provided her with appropriate information of where

she could seek help and what her options were in November, with further information provided and the answers to the majority of her questions in the letters sent in December. So, while I appreciate Halifax hadn't answered all her questions by that point, they had taken reasonable steps to do what they could to help mitigate the worry Mrs M was experiencing.

Noting again that I am not looking at the original advice given, I cannot fairly blame Halifax for the distress Mrs M experienced when discovering the loss itself. They also, reasonably in my view, wouldn't have been able to fully mitigate the upset she was caused by that loss. While Mrs M's worry was natural in the circumstance, I can't say it is fair to ask Halifax to compensate Mrs M for the impact of the loss itself.

That being said, in my view Halifax did exacerbate Mrs M's distress by causing delays and so compensation is warranted for that. Having considered everything, I'm satisfied that the offer that's already been paid of £300 is fair and reasonable.

### **My final decision**

Scottish Widows Limited, trading as Halifax Financial Services, has offered £300 to settle the complaint and I'm satisfied this offer is fair in all the circumstances. As that amount has already been paid, I don't think Scottish Widows Limited, trading as Halifax Financial Services, needs to do anything further to settle the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M to accept or reject my decision before 4 September 2025.

Katie Haywood  
**Ombudsman**