

The complaint

Mrs W complains about a transfer she requested with her stocks and shares individual savings account (ISA). She asked Financial Administration Services Limited (“FASL” trading as Fidelity) to transfer one of her funds to it from her current provider, but instead it transferred all four of her funds.

Mrs W said FASL needs to reconsider what it has offered to her in compensation for its mistakes.

What happened

Mrs W has a stocks and shares ISA with FASL. On 17 December 2024, she submitted a request for one of her funds to be transferred from a third party, that she also held an ISA with, to FASL. It was up to FASL to initiate this request and ask the third party to arrange for the transfer to happen. On 19 December 2024, it sent the request form over.

On 20 December 2024, Mrs W received an update from FASL, but this didn’t provide details as to what was being transferred over. On 24 December 2024, Mrs W was informed by the third party that all her funds had been transferred over to FASL. Mrs W complained to FASL about this as she had put in a transfer request with the intention of transferring over one fund, not all four of them.

FASL admitted it made a mistake on 11 February 2025 and said sorry. It initially made an offer of £100 for the distress and inconvenience it had caused. But revised this later to £350. It also said it would reverse the mistake it made and return three of the funds.

Mrs W was not happy with FASL’s response. She did though latterly ask FASL to keep the three funds with it. She didn’t agree with it about the amount of compensation it was offering and said it had caused a lot more distress and inconvenience. She had health problems and FASL’s mistakes were adding to this. She referred her complaint to our service.

An investigator looked into Mrs W’s complaint. She said the transfer form wasn’t clear and although one fund was mentioned, Mrs W had also ticked a box indicating that 100% of the investment was to be transferred.

Mrs W said FASL said it should have checked with Mrs W before proceeding and has accepted it made an error. She said she didn’t think Mrs W had made any investment losses regarding the transfer and felt FASL’s offer of compensation of £350 was fair and reasonable. She concluded FASL acknowledged the error, took steps to put things right and offered fair compensation. She said she didn’t think it needed to take further action.

Mrs W was not in agreement with the investigator’s view. Most of her additional points were aimed at the third party but about FASL she said:

- FASL and the third party arranged for the return of the funds back, without her consent and behind her back.

- She objected to the funds being returned as she had lost confidence in both firms. She said she couldn't face another ordeal.
- FASL subjected her to a lot, and she should've been properly compensated for the time causing distress and impact on her health.

Because the parties are not in agreement, Mrs W's complaint has been passed to me, an ombudsman, to look into.

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 have independently reviewed Mrs W's complaint and have arrived at the same outcome as the investigator, for broadly the same reasons. I will explain why.

The crux of Mrs W's complaint is that she doesn't think FASL has offered fair and reasonable compensation to her for the error it made. So, I have looked into this.

Firstly, I don't need to make a finding about whether FASL made a mistake here when it put in Mrs W's transfer request form, FASL has taken responsibility for what happened and said it did.

So, I have proceeded on the basis that FASL should have contacted Mrs W and clarified with her about her instructions or understood what it was that she wanted, from the form. Either way, it did neither and transferred all of the funds across when it should have only transferred one.

All but one of the funds were transferred 'in specie', meaning Mrs W's money remained invested in the same funds throughout. As a result, she didn't make any investment losses in respect of those funds because of FASL's mistake.

But one fund was sold to cash on 24 December 2024 in error by FASL. I have thought about this, and our service has gone back to FASL to clarify what happened here. I considered whether Mrs W made any losses but for FASL's mistake.

While FASL's error caused Mrs W's fund to be sold to cash, FASL offered on 12 February 2025 to put matters right by reinstating the investment and correcting any loss. Mrs W chose at that time not to accept FASL's offer of reinstatement. In this circumstance where Mrs W has decided not to be put back into the position she would have been in but for FASL's error, I don't think it would be fair or reasonable to require it to calculate or pay any investment losses for that period.

What is left for me to decide is whether FASL offered Mrs W compensation that was fair and reasonable in the circumstances. It initially offered £100 but then after further discussion, revised this to £350 for the distress and inconvenience it had caused. It has recently clarified that it did this to recognise the loss of confidence Mrs W had felt, that led to her decision to keep the investments where they were. Based on what has happened and what has been explained about this, I think its revised offer is fair and reasonable, and in line with what I would have awarded.

I can see that FASL's mistake would have caused Mrs W stress and worry, about her funds and what was happening, and she had to chase this up with the parties at a difficult time for her. This then led to Mrs W losing confidence in both firms. I think FASL were right to pay £350 on this occasion.

I know Mrs W feels FASL should be paying more here but I do need to take into consideration that it did take responsibility for its actions and offered to put things right when it found out what had happened, so in the circumstances of this complaint, I don't think it would be fair if I did ask FASL to do this.

I appreciate that my decision will be disappointing for Mrs W, and I acknowledge the strength of her feelings in the submissions provided. I have also read about her health issues, and I'm sorry she has had to endure such a difficult time. But based on everything I have read and the findings I have given, I am not going to ask FASL to do anything else.

My final decision

My final decision is that I do not uphold Mrs W's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs W to accept or reject my decision before 12 January 2026.

Mark Richardson
Ombudsman