

The complaint

Mrs C's complaint concerns the sale of investments held in her Sterling Bond Portfolio with Santander UK Plc. She feels that the sale should've been made when she originally requested it in 2020 and as it wasn't she was then pressured into making the sale at a loss in October 2022.

What happened

In 2010 Mrs C invested a total of £35,000 into the Santander Sterling Corporate Bond Fund (which later became the portfolio, administered through the Santander Investment Hub). The sum was split £5,100 into a stocks and shares ISA and £29,900 into a Direct Investment.

In January 2020 Mrs C completed an ISA transfer form in a Santander branch to move that part of the investment to a cash ISA. The transfer completed successfully. She says at the same time, with the help of a staff member, she wrote a letter requesting that the Direct Investment also be sold. However, that sale didn't complete.

Later, in October 2022, having received a statement for the portfolio, Mrs C attended a Santander Branch, and a call was arranged with Santander's call centre. The sale of the investment was completed on this occasion, but by this time its value had fallen from around £27,000 shown on the August 2022 statement to just under £25,000. Mrs C was very unhappy with this and wrote to Santander to complain.

Santander didn't uphold the complaint and it was referred to this service. Our investigator looked into the matter but also didn't think the complaint should be upheld. She set out some general background to the investment, explaining that the sale of the portfolio appeared to have been carried out on an execution-only basis, so Mrs C had not been advised by Santander to take it out. The investigator said that information about various changes to the investment had been provided to Mrs C over the years, along with regular statements showing its ongoing value. And she noted that regular income payments had also been made to Mrs C.

In respect of the main issue, the sale of the direct investment, the investigator explained that Santander had no record of receiving the sale instruction in 2020. She also felt that the call in October 2022 during which the sale had eventually been made was well handled and that the instruction was executed as it should have been.

Mrs C didn't accept the investigator's view. She explained in detail what had happened in 2020 and expressed her disappointment that there was no record of the call made in branch at that time. She asked that the matter be reviewed in light of the stress and financial loss that had resulted from Santander not making the sale in 2020.

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, although I recognise Mrs C will be very disappointed, I find I've come to the same conclusion as the investigator. I don't think the complaint should be upheld.

While it isn't the main reason for her complaint, Mrs C has, as noted, raised concerns about her understanding of the investment. So, I think that for completeness it's worth me just touching on that issue first.

Due to the time that's passed since she started the investment in 2020 there's little information available concerning how it originally came about. But I think it's most likely that it was an execution-only sale, with Santander simply providing information about the portfolio, as opposed to assessing the investment's suitability for Mrs C.

As the portfolio focussed on corporate bonds, it would've been a lower-risk investment and while there were some changes made to it over the years, these seem to have been communicated to Mrs C. Overall, I've not seen that Santander did anything wrong in respect of providing the investment to Mrs C in the first instance, or in its subsequent administration.

Which bring me on to the events of January 2020, which are at the heart of the complaint. It's apparent Mrs C did take steps to sell the investment at that time. As noted, she completed the transfer for the ISA element successfully. But the issue lies with the other part of the investment. She's provided a copy of a letter she says was written with the assistance of a staff member in the Santander branch, which requests that the investment be sold and the proceeds paid to her regular saver account. The letter is dated 2 January 2020, the same date as the ISA transfer form was completed.

Mrs C has provided a lot of detail about the appointment she had in the branch in January 2020 and I've no reason to think her version of events is not accurate. However, the problem is that Santander has no record of receiving the letter and, understandably nearly three years on, Mrs C has no proof of it having been sent. This being so, while I understand it's frustrating, I don't think I can reasonably hold Santander responsible for the sale not happening in 2020.

Following Mrs C's attempt to sell the investment the covid epidemic developed, causing great difficulties for many people, Mrs C included, and she has my sympathy for all that she's been through. But I think it's fair to note that it would've been clear from the documentation she received after the successful ISA transfer that the sale of the direct investment hadn't also completed. The proceeds didn't arrive in her saver account as intended and she continued to receive regular statements that would've shown that she was still invested. Indeed, it was one of these statements, received in August 2022, that prompted her to act.

I can entirely understand how the sale of the direct investment element not completing might have got overlooked given subsequent events. But it nevertheless did remain Mrs C's responsibility to keep oversight of the matter. In all the circumstances, I don't think Santander are at fault for the sale not having happened earlier and therefore I can't direct it to pay the difference in value between when Mrs C first wanted to sell and when she eventually did.

I know it will have been very disappointing for Mrs C to have received only just under £25,000 in October 2022, particularly given the value was higher only a few months earlier. But while I recognise it'll be of little consolation, I think it's worth just highlighting the fact that the ISA part was transferred in January 2020 at a value that originally invested, and Mrs C also received a regular monthly income throughout the period of investment.

My final decision

For the reasons given, my final decision is that I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs C to accept or reject my decision before 9 November 2023.

James Harris
Ombudsman