

The complaint

Mr B is unhappy with Financial Administration Services Limited (FASL). Mr B had a Regular Savings Plan (RSP) payment going every month into his son's Junior ISA (JISA). The payment was cancelled, and Mr B is unhappy about the cancellation and the loss of investment.

What happened

Mr B said he never cancelled the RSP monthly payment. But FASL said the computer record shows Mr B cancelled the payments. Mr B said the computer was wrong and he never would have stopped the payment. He wants FASL to consider his complaint fully and he would like it to make up for the loss of investment over the period the payments stopped. Mr B felt FASL were dismissive of his complaint.

As agreement couldn't be reached Mr B brought his complaint to this service.

Our investigator didn't uphold the complaint. She said the sale of shares arranged by Mr B was an entirely separate transaction to the cancellation of the RSP according to FASL. Our investigator noted the RSP wouldn't cancel due to the share sale and would require a separate cancellation instruction. Our investigator reviewed FASL's online journey and said it would have been clear (or ought to have been) that the RSP was cancelled. She noted the account statements showed very clearly that no payments were being made into the account. Our investigator also accepted FASL's point that it wouldn't have bought fractional shares. The monthly £100 wouldn't have covered the shares that were individually worth roughly £400 each. Based on the records from FASL she accepted it was most likely Mr B cancelled the RSP. She said there had been previous regular investment into the H fund and she noted the substantially higher price of the I fund.

Mr B didn't accept this and asked for his complaint to be passed to an ombudsman for a final 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.

Mr B said he sold one stock and reinvested the proceeds in another stock. He said at this point the direct debit was cancelled, but he didn't cancel it. He said the sale of shares was nothing to do with his direct debit. Mr B said he was treating all his children the same and so he wouldn't have cancelled the monthly payment for just one of them.

Mr B didn't accept FASL's position that the computer said he had cancelled it and that is the end of it. He feels FASL aren't interested, and he said it didn't respond when he continued to query the problem after its final response.

Mr B said the market had risen since the RSP was cancelled and so his son's investment had been disadvantaged.

Mr B wanted FASL to make up the lost investment amount and not get away with dismissive treatment of its customers. Mr B said FASL's computer record was mistaken.

Mr B said the cost of the new fund was neither here nor there. He said this was immaterial and shouldn't be taken into account. He said the £100 per month would have accumulated and then bought units when it held enough funds.

FASL apologised for any inconvenience the issues had caused Mr B.

FASL said Mr B sold Fund C through the online platform. It said the RSP was cancelled on the same day. It said, *"We can see on our system that the RSP was cancelled by you online shortly after you placed the sell."*

FASL said a couple of days after selling Mr B bought CSP1 shares. It continued *"The RSP would not have been automatically invested into CSP1 as we hadn't received an instruction to do this."*

FASL said it sent a statement and valuation for the period 8 January to 7 April 2023 that showed no RSP payment for February and March. It followed by confirming further statements were sent in July and October both showing no further RSP payments.

FASL provided copies of its records which it said showed Mr B sold the stock in the JISA and the instruction to cancel the RSP. It said, *"Please note that instructions that are received through the online account are listed as 'Endinvestor' as can be seen close to the top of each instruction under Caller Reference."*

FASL said *"I would also like to highlight that the instruction to cancel the RSP was received 1 minute after the sell instruction."*

FASL said Mr B had now set up a new RSP paying cash only into the JISA.

It concluded that it was satisfied it hadn't cancelled the RSP. It said it was possible that Mr B cancelled the RSP in error. And reiterated that one minute after Mr B placed a sell instruction it also received an instruction to cancel the RSP from his online account. FASL said it couldn't agree to any financial redress as it hadn't made any errors.

FASL said it is rare for an RSP to be cancelled by it or the bank and this would only happen if restrictions had been placed on an account. It said that wasn't the case for Mr B's account. It also said if it cancelled the RSP it would send a notification letter to the client. FASL said no letter would have been sent in this instance as Mr B cancelled online and he would have got confirmation of this cancellation at the time of submitting the instruction.

FASL referred to its terms and conditions:

"(d) With a Regular Savings Plan, you can ask us to increase (where permitted), reduce or stop your payments (temporarily or permanently) at any time. We will continue to collect your Regular Savings Plan payments until you tell us to stop. You must tell us at least 12 Business Days before the next scheduled payment date if you want the change to take effect from then."

"(e) We can stop your Regular Savings Plan by giving you a minimum of one month's notice in writing, although we will always try to give more notice where reasonably practicable. Where we have given you such notice we will assist you to re-register your investments with another provider without charging you a fee if you would like to do so."

It apologised for failing to respond to Mr B's challenges to its final response. But said it reiterated its stance in a call with Mr B on 24 March 2024 and Mr B said he would be escalating the complaint to the Financial Conduct Authority.

There's no dispute that £100 per month had previously been paid into this account.

I take on board Mr B's feeling that FASL was dismissive of his complaint. But I have not seen that in the evidence. I think FASL has been matter of fact about what it said happened, but I think it has backed that up with the details and evidence. So, although I understand the point Mr B makes, I think FASL has just tried to be factual. I think it has considered the complaint in full.

I'm guided by the evidence and based on that I can't find that FASL acted unfairly or unreasonably in this case. The records it has produced backs up what it said happened. I must consider the balance of probabilities and nothing FASL has sent in suggests there was any issues with the way its system performed in this case.

It has also confirmed the sell and the cancellation instruction all appeared part of the same group of transactions on the same day via Mr B's online account. And it has shown that regular statements confirming the RSP wasn't being paid into the account over an extended period were sent out. FASL also provided an audit of the journey to do the cancellation online.

On balance I think FASL has acted fairly and reasonably in this case.

My final decision

I don't uphold this complaint.

I make no award against Financial Administration Services Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 24 December 2024.

John Quinlan
Ombudsman