

Steve Dodge wants you to complain!

I've just read a very sad article about older folk being sold inappropriate plans by Banks.

Which? magazine has warned of a sharp increase in complaints echoing the concerns of the Financial Ombudsman Service. The Consumer group says it has received an increased number of calls from elderly people, who have been sold investment bonds believing them to be savings bonds.

An Investment Bond can fall in capital value and it can be quite a shock to discover your capital has reduced in value, especially if you thought you were in a no-risk deposit account!

There have also been calls for the Financial Services Authority, to investigate Bank Advice after the Ombudsman reported a rise in complaints by people over 65 concerning advice they had received from their Banks.

The article goes on to comment that as the FSA is run by ex Bank staff, not a lot will happen but the more people that complain the more likely it is that this widespread practice will stop.

Which? actually want to hear from others affected by this practice and will take up matters with the Ombudsman service if it receives more complaints, good news indeed.

We regularly get clients who have very negative experiences with their Banks and I am often asked which is the best, and frankly there is nothing to choose between them, moving bank is definitely "frying pan to fire-place" stuff.

Only this week I had a 72-year-old new client call me, who having lost a close relative, had received a six-figure cheque and wanted to know what to do with it. I suggested she popped it into her bank until we had time to meet and discuss her needs and attitude towards investment risk.

She had an awful time apparently, her bank would simply not let her pay the cheque into her account, she had to see their Financial Adviser, which took over an hour and he insisted on opening a new account etc. etc.

When I saw her the next day she had no idea what had happened to her money, not even a passbook or receipt, hardly treating customers fairly is it, which is the FSA's latest regulatory idea.

Fortunately they had done nothing that I could not unravel but who wants to go through that fuss just to pay a cheque into your account.

Regular readers will know that the simple solution is to see an IFA but if the above story rings a bell or you've been a victim of bad practice and/or been sold a product without sufficient explanation, please complain, it's the only way this appalling practice can be stamped out.