

The complaint

Miss Y complains that RBS Collective Investment Funds Limited (RBS) failed to process a withdrawal request made in April 2022, resulting in an investment loss when the funds were withdrawn some months later. Miss Y wants RBS to provide redress to reflect the drop in value.

What happened

Miss Y held an investment with RBS. She applied unsuccessfully on 9 April 2022 via RBS' online portal with a view to withdrawing all the funds held in the investment – valued at approximately £7,750 on that date. As part of the online process, Miss Y uploaded a copy of her driving licence.

RBS wrote to Miss Y on 19 July 2022 telling her it had been unable to process her request as its online address check was unsuccessful.

In early November 2022, Miss Y subsequently complained that she had repeatedly tried to access her funds online and by phone, but said the portal continually crashed and the phone number was always engaged.

RBS responded to Miss Y saying it had received her driving licence, but it had not received any written instruction in relation to her intentions regarding the investment and it still required address verification. It referred her to the list of documents acceptable for this purpose set out in its letter sent on 19 July 2022. RBS said it was sorry to hear that she had experienced delays trying to speak to its contact centre and that call volumes sometimes led to delays, but that it couldn't accept instructions over the phone, only online or by post. RBS sent Miss Y copies of the paperwork she could complete in order to make her withdrawal request.

There was a further exchange of correspondence towards the end of December 2022 when RBS told Miss Y that it wasn't given information about why clients sometimes do not pass the electronic check as this was done by a third party, but there were various reasons why this could happen. RBS said it had redone the electronic check and Miss Y had passed this time, so it no longer required any further documents from her – she just needed to send her withdrawal instruction. RBS included a further copy of the form she needed to complete, along with a prepaid envelope.

On 31 January 2023 Miss Y applied via the online portal to withdraw all her funds. Full withdrawal was placed the next day and RBS sent Miss Y a cheque for the proceeds (around £7,346).

Miss Y didn't feel this went far enough to resolve things and so she brought her complaint to us and one of our investigators looked into what happened.

Our investigator decided to uphold Miss Y's complaint in part, mainly saying (in brief summary) that:

- RBS was responsible for some initial delay and should pay £50 compensation to reflect any inconvenience caused, but
- it wasn't responsible for investment loss as there wasn't enough evidence to show that Miss Y had provided withdrawal instructions before 31 January 2023.

RBS agreed with the investigator's view and with the proposal to offer £50 in recognition of the delay in letting Miss Y know sooner that her address had failed initially.

Miss Y disagreed with our investigator. As I understand it, she mainly feels that RBS should have told her more quickly that she needed to send in further documents and she is certain that she followed the onscreen instructions when attempting the withdrawal via the online portal.

As the complaint hasn't been resolved, it comes to me 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.

I sympathise with Miss Y. I've carefully listened to the call recordings provided and I can completely understand that what's happened has been upsetting and frustrating for her. But having thought about everything I've seen and been told, I've independently reached the same overall conclusions as our investigator. I'll explain why I say this.

It's part of my role to identify and concentrate on the core issues I need to address in order to reach a fair outcome. It's my understanding that the crux of Miss Y's complaint is that she's lost out financially because RBS is to blame for the fact that a withdrawal she wanted to complete in April 2022 was unsuccessful. So, I have made this the main focus of my decision.

RBS has provided me with detailed information about its online withdrawal process and sent examples of screenshots it says are similar to those that Miss Y would have seen. Miss Y has said she doesn't recognise these and they aren't the same as the screens she remembers seeing. Unfortunately, RBS can't provide me with the screens Miss Y completed and Miss Y can't provide me with anything that shows me exactly what she saw onscreen.

Where there's conflicting information about what happened and gaps in what we know, my role is to weigh the evidence we do have and decide on balance what is most likely to have happened. I must consider the evidence presented by both parties and reach an independent, fair and reasonable decision. I have to be impartial and give due weight to what both parties say. This can mean having to make some reasonable assumptions.

I don't doubt that Miss Y is certain about what she's told us regarding what she saw on the online portal. But what Miss Y says isn't enough on its own for me to be able to make a finding that she's remembered correctly and she's right about what she says about this. In coming to my decision, I think it's reasonable for me to assume that the example screenshots RBS has sent give a useful insight into the process Miss Y would have had to follow when she first applied via the online portal to withdraw funds.

I've taken into account that RBS has explained that the deal would automatically have been placed on 9 April 2022 if Miss Y had correctly completed and submitted her withdrawal request. This is the way the system is set up to work and RBS told us that it is unaware of any incidents where this hasn't happened automatically as it should have done. This tends to suggest that Miss Y didn't correctly complete the withdrawal process on 9 April.

I am further persuaded that this is the reason her withdrawal wasn't processed that day, keeping in mind that RBS' records indicate that Miss Y would have seen a screen asking her whether she wanted to verify her identity or make a choice about her fund. One screen provided choices that included the option to '*withdraw all the money and close the account*' which Miss Y says she selected. After this, she would have been required to provide her identity. There were different ways she could do this. Miss Y picked the option to upload her driving licence – and it's not in dispute that she successfully completed this part of the process.

As I understand it, part of RBS' online process includes reliance on a background identity check provided by a third party. In Miss Y's case, that check didn't provide the necessary verification and Miss Y needed to provide further evidence to verify her identity. The onscreen process allowed for this and Miss Y could have chosen to '*Continue and supply ID later.*'

Had she done this, it's my understanding that Miss Y could still have made an election on what happened to her investment and her withdrawal instruction could have been placed pending the necessary ID documents being produced. The fact that this didn't happen supports a finding that Miss Y didn't successfully complete the online process. I have no firm evidence giving me reason to doubt RBS when it says its automatic process has always been reliable and the deal would have been placed if her request had successfully completed. So I don't think it's likely this wouldn't have happened in Miss Y's case, if the withdrawal request had been completed and submitted on 9 April.

RBS has also said that had Miss Y elected to withdraw and close the account, the next screen she would have seen asked her to type in either the amount she wanted to withdraw or select all and then she would have needed to provide bank details. RBS doesn't have a record of this being done and Miss Y hasn't shown me that she did this. So I haven't seen enough to be able to safely say that Miss Y fully completed the online withdrawal application.

For these reasons, I don't find that RBS did anything wrong on 9 April or that it would be fair to say it was responsible for the withdrawal request not completing on that day.

I agree with the investigator that it's reasonable to expect that RBS should have sent Miss Y the information in its letter dated 19 July much sooner than happened. So I am upholding this part of the complaint and I have considered what it's fair and reasonable to require RBS to do to put things right.

There's information on our website which explains the Financial Ombudsman Service approach. Thinking first of all about any financial loss, when considering redress my approach is to try to put Miss Y into the position she would've been in had RBS done everything as it should have done. Briefly, I need to decide what I think is likely to have happened if RBS had not delayed sending the 19 July letter to Miss Y – and crucially, whether it's likely that Miss Y would have made the withdrawal sooner than happened.

Miss Y did not provide the instructions RBS required in order to action her withdrawal until 31 January 2023 – even though RBS had made clear to her on 19 July 2022 what she would need to do, and subsequently repeated the information Miss Y needed to action her withdrawal several times and provided forms she could use for this purpose. We expect consumers to take reasonable steps themselves to limit the impact of things going wrong. So I can't fairly require RBS to make up the shortfall resulting from the change in value of her investment between 9 April 2022 and 31 January 2023 when Miss Y could have actioned the withdrawal request sooner.

But fair compensation isn't just about not being worse off in money terms – it needs to properly reflect the full impact on Miss Y of RBS' service failings on this occasion. RBS agrees that it should have sent her the information in its 19 July letter sooner. I think it's likely that not hearing from RBS, when Miss Y said she was already having difficulty making contact by phone and struggling with the online portal, added to what was a stressful and trying situation for her.

RBS has agreed to pay £50 to reflect the trouble and upset caused and that amount is broadly in line with the level of award I consider fair to reflect the extent and impact on Miss Y of service failings on RBS' part on this occasion. I don't find it would be reasonable to ask RBS to make any additional payment here. I am satisfied that £50 is in line with the amount this service would award in similar cases and it is fair compensation in these particular circumstances.

If I have not referred to everything mentioned during the course of this complaint, that's because I've concentrated on what seems to me to be the core issue I needed to address – essentially the question of fair redress for what happened. I hope that setting things out as I've done explains how I've reached my conclusions and even though this isn't the outcome Miss Y hoped for, she will at least feel that the Financial Ombudsman Service has fully considered her complaint.

Putting things right

To put things right, RBS should do as it has agreed and pay Miss Y a total amount of £50 redress (if it hasn't already done so).

My final decision

I partly uphold Miss Y's complaint and direct RBS Collective Investment Funds Limited to take the steps set out above to put things right.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss Y to accept or reject my decision before 12 February 2024.

Susan Webb
Ombudsman