

The complaint

Ms B complains about a shortfall in funds when ITI Capital Limited transferred her investments to a new product provider.

What happened

One of our Investigators looked into the complaint and thought it should be upheld.

After reviewing everything I came to a different outcome to our Investigator and thought things should be put right in a different way.

I issued a provisional decision on 12 October 2023 in which I said:

It's clear how strongly Ms B feels about what happened and I want to assure her that I've considered everything that has been provided.

Where there is missing or conflicting information, I've come to a decision based on the balance of probabilities about what I think is most likely to have happened

In November 2021, prior to the transfer to the new product provider, ITI confirmed the value of Ms B's investments was £171,350.31.

When the transfer was made some months later an amount of £135,903.26 was sent – this was a shortfall of £35,447.05.

ITI say this difference was because of an accounting issue between two systems used to hold Ms B's investment meaning the wrong balance was provided in November 2021. And looking at what happened I'm persuaded that is the case, and that the correct balance was transferred to the new provider.

ITI used two accounting systems to hold the balances of two different parts of the investment. When the balance was provided to Ms B in November 2021 there was an issue with some double accounting where a balance of a smaller portion of the investment was counted twice.

This accounting issue can be seen in two statements provided to Ms B in October 2021.

The main statement shows closing balances of £133,837.96 and USD\$2,834.43.

Included in those balances are 'cash credited in non-trading transactions' amounts of £34,246.95 and USD\$1,655.35.

A second 'Activity Statement' was provided which shows 'Ending Settled Cash' balances of £34,246.95 and USD\$1,655.35.

So whilst issuing two statements may have caused some confusion I'm satisfied that the balances in the 'Activity Statement' were included in the balance of the main statement.

The error came about when ITI provided a balance to Ms B in November 2021 and added both amounts together in error.

Changes in the balance of the investment before the transfer meant that £135,903.26 was sent to the new provider. This was less than Ms B expected due to the error when providing her with the balance of her investment, however I'm satisfied this was the correct amount of the investment at the time. And I've not seen any persuasive evidence that the amount provided to Ms B in error existed or was ever the actual balance of the investment.

Having carefully considered everything that happened I'm satisfied ITI transferred the correct amount of Ms B's investment. I'm persuaded there was an error in providing an inflated balance of the investments which led to a loss of expectation, rather than any mistake with the actual amount transferred.

Ms B has been put to a level of distress and inconvenience by what happened. Our Investigator thought ITI should pay £100 for the trouble and upset caused. Considering the length of time the issue has been going on, and also the amount of money involved, I think a payment of £300 is fair for what happened. I've also taken into account the failure of ITI to meet the time limits and provide information which means that things have taken longer to resolve.

Putting things right

ITI Capital Limited should pay Ms B £300 for the distress and inconvenience caused.

I asked both parties to provide me with any further submissions before I issued my final decision.

Ms B replied disagreeing with the decision providing extra reasoning about why she thought the issue wasn't caused by a duplication on ITI's systems.

ITI didn't provide any further comments.

The complaint has now been passed back to me for a 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've carefully considered the response from Ms B however I find myself coming to the same conclusion as my provisional decision. I'm persuaded, on balance, that there were errors in providing information to Ms B rather than any mistakes in the amount transferred.

Ms B is understandably unhappy with the outcome of this complaint. And in her response asked what evidence ITI had provided to support their stance. The reasoning I used in my provisional decision comes from statements provided by Ms B, and I've also read and considered everything else that has been provided.

I've conducted an independent review of everything from both parties when coming to a what I think is a fair and reasonable outcome. As I explained in my provisional decision, where there is conflicting information, as some of it is here, I've come to a decision based on what I think is most likely to have happened.

Having carefully considered everything I think ITI should pay Ms B £300 for the distress and

inconvenience of what happened when being given the incorrect information. I'm satisfied this is a fair and reasonable way of putting things right. However I'm not persuaded, on balance, that there were any errors in the amount transferred.

Putting things right

ITI Capital Limited should pay Ms B £300 for the distress and inconvenience caused by what happened.

My final decision

For the reasons I've explained above I uphold this complaint.

To put things right ITI Capital Limited should take the action I've outlined above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms B to accept or reject my decision before 8 December 2023.

Warren Wilson

Ombudsman