

The complaint

Mrs H complains that National Westminster Bank Plc charged her a fee for investment advice, then later closed her stocks and shares ISA. She'd like the advice fee returned.

What happened

Mrs H had several bank accounts with NatWest. In July 2023 NatWest issued Mrs H with sixty days' notice of closure. On 1 November 2023 NatWest notified Mrs H that in line with their decision to close her banking facilities they were also closing the investment she holds with them, including a stocks and shares ISA. NatWest informed Mrs H that she'd have 30 days' to make arrangements to transfer her ISA to another provider otherwise the funds would be liquidated.

But Mrs H complained – she thought her ISA wasn't included in the closure. Mrs H also highlighted that she paid £2,400 in fees for advice to set up the Investment for her and her husband, Mr H. I'll be considering Mr H's complaint under a separate reference.

NatWest looked into Mrs H's complaint, but advised her that they couldn't find the details for her ISA, so didn't uphold her complaint.

Mrs H wasn't happy with NatWest's response so complained to our service. Mrs H has been represented throughout the complaint, but for ease I'll refer to correspondence as if coming from Mrs H.

Mrs H argued that NatWest had advised her that her ISA wouldn't be closed and they didn't respond to her complaint. Mrs H thought it was unfair NatWest had taken the decision to close her ISA soon after charging her the advice fee.

One of our Investigators looked into Mrs H's complaint, but after reviewing all the evidence they thought NatWest were clear in the fees they charged Mrs H for the investment. They thought the advice fee wasn't linked to NatWest's decision to close Mrs H's ISA which was closed in line with the terms and conditions. They accepted that NatWest provided a poor level of service by failing to find her ISA account when she complained, but didn't feel the inconvenience caused warranted compensation.

Mrs H didn't agree. She felt NatWest failed to act within the FCA principles including acting with integrity, and delivering good outcomes. Mrs H argued that she wasn't told that if NatWest were later to deny her access to the products the fees for the advice wouldn't be returned. And it clearly wasn't a good outcome for her. Mrs H also highlighted that she was vulnerable and recovering from cancer.

As Mrs H didn't agree it's been passed to me to decide.

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.

In considering what I think is fair in this case, I've looked at the relevant laws and the terms and conditions of Mrs H's account. I've also considered the FCA's Principles. I realise she'll be disappointed by my conclusion – but I'm afraid I can't conclude NatWest have acted unfairly here.

I've seen a copy of a letter sent by NatWest to Mrs H outlining the investment advice she received and the fee of £2,400. I can't see any indication that Mrs H was unhappy with the advice given, or the fee, until she was advised that her ISA was going to be closed in November 2023. If, as Mrs H argues, she didn't require the advice I'd have expected her to have raised this sooner.

I understand it's frustrating for Mrs H that she was charged an advice fee and then soon after her ISA was closed. But, I've considered NatWest's investment terms and conditions, which state they can terminate any agreement by giving 30 days' notice, and NatWest's reasons for doing so. I'm afraid our service is entitled to receive evidence in confidence, which I think is appropriate in this case, so it follows that I can't share these reasons with Mrs H. But, on reviewing them I'm satisfied that NatWest followed their terms, acted fairly and with integrity. In allowing Mrs H to transfer out her ISA, I'm satisfied they didn't prevent her from having a good outcome.

I agree with our Investigator that NatWest's handling of Mrs H's complaint was initially poor, when they failed to identify her ISA account. But, I can't say this caused her significant inconvenience. Therefore I won't be asking them to do anything further here.

My final decision

My final decision is I don't uphold this complaint

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs H to accept or reject my decision before 4 March 2025.

Jeff Burch
Ombudsman