

## **The complaint**

Mr B complains Nucleus Financial Services Limited ('Nucleus') took too long to close his stocks and shares ISA and give him the proceeds. And he says it misled him about how long the process would take.

## **What happened**

Mr B had a stocks and shares ISA with Nucleus.

On Tuesday 18 June 2024 Mr B called Nucleus and asked to withdraw the contents of his ISA. He asked how long it would take and said he wanted the proceeds of the account urgently. A transcript of the call doesn't clearly show everything that was said during the call but Nucleus appears to have told Mr B the process could take up to four weeks, although it was likely to take less time because his investments weren't complex. Mr B discussed with Nucleus whether to do the withdrawal through his adviser or remove the adviser from his account and instruct Nucleus direct. Nucleus said it didn't know how long the process would take using an adviser. Mr B ultimately asked Nucleus to remove the adviser from his account and Nucleus said after it had done that it would send him the form for an execution-only withdrawal. Also, a check of Mr B's registered bank details found the details were out-of-date and Mr B had to provide details for an account he currently used.

On Wednesday 19 June 2024 Nucleus emailed Mr B the relevant forms, with some instructions for how to complete them.

On Thursday 20 June 2024 Mr B returned the signed forms. He also called Nucleus and discussed the update to his bank account details.

On Friday 21 June 2024 Nucleus told Mr B by phone that it had removed his adviser from his account.

On Thursday 27 June 2024 Nucleus finished the verification of Mr B's new bank details. Also that day Mr B emailed Nucleus saying he'd asked to withdraw his funds as soon as possible. Mr B also called Nucleus. It said it had asked its technical team whether it could start the sale of Mr B's investments while it was still verifying his bank account details. It said it didn't see why not. And it didn't think the verification of bank details should take very long. In another call Nucleus said there was a two-step process, but Nucleus would update his bank details that day and then sell down the investments and transfer the proceeds to Mr B.

On Friday 28 June 2024 Nucleus placed the sale order for Mr B's investments. Also on that day Mr B called Nucleus. Nucleus said the sale was still in progress. It said its process was to complete the bank account verification before starting the sale.

On Monday 1 July 2024 the fund manager picked up the sale order.

On 2 July 2024 Mr B called Nucleus for an update. Nucleus said it had initiated the sale and expected a response from the relevant fund manager on 5 July 2024. Mr B said he was

disappointed with how long it was taking. Nucleus said it understood but was currently waiting for the fund manager to carry out the sale.

On 3 July 2024 a contract note was issued with an estimated settlement date of 5 July 2024.

On 8 July 2024 Mr B emailed and called again about how long Nucleus was taking. Nucleus said on the phone that payments had to be checked before they went out but it would try to escalate the matter and see if it could be sped up. On that day the funds were settled and transferred to Mr B's bank account, and Mr B's account with Nucleus was closed.

On 9 July 2024 Mr B received the proceeds from his closed ISA.

Mr B complained to Nucleus that it had taken too long to close the ISA and give him the proceeds. Nucleus replied to Mr B's complaint on 9 August 2024. It didn't think it had done anything wrong. In summary it said the following:

- Mr B had called on 18 June 2024 to ask for a withdrawal and account closure, and a change of his bank details. Mr B and Nucleus also discussed removing Mr B's adviser from his account.
- Nucleus's process was to amend bank details before proceeding with the withdrawal and placing trades to sell investments.
- On 20 June 2024 Nucleus removed the adviser.
- Bank details were verified and updated by 27 June 2024.
- Nucleus initiated the sale of Mr B's investments on 28 June 2024.
- On 8 July, after the sales had settled, the proceeds of Mr B's account were transferred to bank account.
- Having listened to the calls between Nucleus and Mr B, Nucleus didn't agree it had told Mr B the timeline would be shorter.

On 16 August 2024 Mr B emailed Nucleus saying he disagreed with its conclusions on his complaint. He asked to be sent recordings of the phone calls he'd had with Nucleus and said that once he'd received the recordings he'd be in a better position to reply to Nucleus's response to his complaint. He wrote again requesting a response on 11 and 23 September and 1 October 2024. Nucleus didn't reply.

Mr B referred his complaint to this service. One of our Investigators looked into it. She initially formed the view that Nucleus had told Mr B the process would take up to two weeks, and Nucleus had then taken too long to complete the process. Nucleus then provided detailed evidence about what had happened, and the investigator came to the view that Nucleus had acted reasonably. In summary she said the following:

- Nucleus was an adviser-led platform. And so it expected customers to have their transactions managed by advisers.
- Mr B decided to proceed without an adviser. And so Nucleus needed to verify his identity and update his bank account details before starting any sale or withdrawal. This was necessary to prevent potential fraud and ensure funds were transferred to the correct account. It was also standard practice and was in line with the FCA's Principles for Businesses which required firms to act with due skill, care, and

diligence and treat customers fairly.

- Industry standards generally allowed up to 15 working days for ISA liquidations and withdrawals, provided all necessary steps and checks were completed without unreasonable delay.
- Nucleus had taken four working days to verify Mr B's new bank account details which was within its service target of five working days.
- It had placed sell instructions the next morning after it had verified Mr B's bank details.
- The process had taken 14 working days. This was within the broad industry standard. And it was reasonable where, as in Mr B's case, additional security checks were involved.
- Evidence from phone calls from Nucleus showed Mr B was informed accurately about the expected timeframes and Nucleus didn't guarantee the process would take only two weeks. Nucleus told Mr B additional time might be needed due to the change in bank account details and the need for security checks.

Mr B disagreed with the investigator's view. In summary he said the following:

- His change of bank account details shouldn't have resulted in several days' delay. It's possible to verify the validity of a personal bank account in an instant. It's an automatic process when one sets up a new payee for one's bank account by entering the name, sort code and account number of the new payee.
- In a call on 24 July 2025 Nucleus admitted its verification process was too slow and that it could be done at the same time as other processes for the account closure.
- Nucleus should be sanctioned for not replying to Mr B's requests for call recordings, and for delaying replying to correspondence from this office.
- Mr B had a recording of one call he'd made to Nucleus on 27 June 2024. In the call he said Nucleus had him told on 18 June 2024 that his investment was simple and straightforward and so it should be possible to get things done in a week.

Mr B also asked whether Nucleus ought to have responded to his emails requesting call recordings and should've provided the recordings. He said he was disadvantaged by not receiving copies of the phone calls.

Because no agreement could be reached, the complaint was passed to me to review afresh and make a decision.

I issued a provisional decision in which I said I was minded not to uphold the complaint. I agreed with Mr B that it was fair he should receive a copy of the available information relating to his calls with Nucleus so he wouldn't be disadvantaged in the complaints process. To that end I arranged for him to be sent a copy of the relevant call transcripts received by this service. I set out the reasons for which I was minded not to uphold the complaint and said I'd consider any further comments or evidence from Mr B or Nucleus before making a final decision on the complaint.

Nucleus said it accepted my provisional decision. Mr B didn't accept it. He said his position was still compromised by having received only the call transcripts and not any recordings of his calls with Nucleus.

### **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.

Having done so, I'm not upholding the complaint. I'll explain why.

The purpose of this decision is to set out my findings on what's fair and reasonable, and explain my reasons for reaching those findings, not to offer a point-by-point response to every submission made by the parties to the complaint. And so, while I've considered all the submissions by both parties, I've focussed here on the points I believe to be key to my decision on what's fair and reasonable in the circumstances.

I've looked at the steps Nucleus took to carry out the withdrawal and closure for Mr B's ISA. I find that the steps themselves weren't unreasonable. And on each occasion Nucleus had to take a further step, I find it acted reasonably promptly to carry out that step. I don't see that it caused any unreasonable delay at any point in the process.

I also think the overall time taken wasn't unreasonable. Updating bank account details isn't a standard part of withdrawing funds from an ISA and closing the ISA. So that and the security checks Nucleus had to do in connection with that could reasonably mean Mr B's withdrawal could take longer than is usual. But in any case the total time Nucleus took to carry out the withdrawal and closure wasn't excessive, even including the time it took to update his bank account details and do the related security checks.

In relation to the security checks themselves it's reasonable that a regulated financial services firm will conduct security checks that don't simply rely on the checks consumers receive when they add new payees to online banking accounts. So I'm not persuaded Nucleus ought reasonably have completed its checks in less time and so ought reasonably have completed the withdrawal and closure sooner.

I can see Mr B's point that things would've been quicker if Nucleus had've proceeded with selling his investments at the same time it was updating his bank details and carrying out the related checks. But Nucleus said its process wasn't to do that and I think it's provided a reasonable rationale for that. Sales and withdrawals that follow a change of bank account can indicate a risk of fraud – and proceeding with the sale and withdrawal at the same time as carrying out security checks could fail to protect customers against such fraud. It could also lead to proceeds being sent to the wrong account, if for example the bank account details hadn't been verified by the time the sale of the investments was complete. Mr B is entitled to his opinion about what Nucleus's procedures ought to have been, but I can't say Nucleus acted unreasonably by choosing to follow the procedures it followed in his case.

Having decided Nucleus didn't unreasonably delay things, I've gone on to consider whether Nucleus wrongly gave Mr B the impression that the process would be quicker than it was.

I've looked at the correspondence that passed between Nucleus and Mr B, and looked at the call transcripts which were generated by Nucleus's call recording system.

The transcript from Mr B's call to Nucleus on 18 June 2024 contains gaps which make it difficult to see how long Nucleus said the withdrawal and closure were likely to take. But the transcript includes a reference to '*four*' by Nucleus. And I'm satisfied on balance that

Nucleus mentioned a duration of four weeks to Mr B, which is what Nucleus has said it mentioned.

The transcript also shows Nucleus indicated the time taken could be within a range of potential outcomes, rather than according to a definite, fixed or guaranteed timeframe.

I know Mr B's recollection is that Nucleus told him the process would take up to two weeks (not up to four weeks), and possibly even less than one week. Having thought carefully about this, I've also concluded that even if I accepted Mr B's recollection of events, I wouldn't find Nucleus had unreasonably misled him. As I said above, the removal of the adviser and the updating of bank details weren't an inherent part of the withdrawal and closure process. So it wouldn't be unreasonable if the overall time taken in Mr B's case were longer than the time Nucleus estimated for the withdrawal and closure.

Mr B's bank details were verified on 27 June 2024. It was after that that Nucleus could begin the withdrawal and closure. And the withdrawal and closure were done by Nucleus on 8 July 2024, with Mr B receiving the proceeds on 9 July 2024. So Nucleus completed the process within two weeks. So if Nucleus did tell Mr B to allow up to two weeks for the process – which I'm not persuaded it did – I wouldn't say it had misled him.

I understand Mr B's dealings with Nucleus have been frustrated by a lack of further response from Nucleus after it sent him its final response to his complaint. And he said Nucleus should be sanctioned. It's not the role of this service to sanction businesses – that role belongs to the regulator, the FCA. The role of this service is to resolve individual complaints and, where a business hasn't acted fairly and reasonably towards an individual, to have things put right for that individual. So it's not for me to say whether Nucleus should be sanctioned for the way it communicated with Mr B or with this service. And I've focused here on the complaint Mr B referred to this service and whether Nucleus caused him any detriment that it needs to put right.

I fully understand Mr B's frustration over not receiving the call recordings he asked for after Nucleus had responded to his complaint. But his requests for call recordings were made as part of the complaints process while he expressed his disagreement with the response Nucleus had given to his complaint. The requests weren't made as part of the withdrawal and closure request which had already been completed by then.

The rules explaining what complaints this service can deal with are set out in '*Dispute Resolution: Complaints*' ('DISP') in the FCA Handbook. For this service to look at a complaint, the complaint needs to be about a regulated activity or other specified activity as set out in DISP. The way a business has handled a complaint isn't a regulated activity or otherwise included in our remit under DISP. That means we can't look at complaint handling itself. So Mr B's concerns about Nucleus's failure to respond to his challenge to its complaint response are outside the remit of this service. And so I haven't considered those concerns here as part of Mr B's complaint.

Mr B expressed the view that the call recordings are critical to knowing what happened in the circumstances of this complaint. I understand his point of view. However, as I said above I'm satisfied that the call transcripts – despite gaps – show on balance that Nucleus mentioned to Mr B the possibility of the ISA withdrawal and closure process taking four weeks. And I've already said that even if Nucleus said the process might take up to two weeks I wouldn't find it had misled him. So I'm not persuaded the call recordings would make a difference to my findings on Mr B's complaint.

Overall, I do realise Mr B has been frustrated by not receiving the service from Nucleus he thought he should've been able to expect. But having looked at everything I can't conclude

Nucleus has failed to treat him fairly in its handling of his ISA withdrawal and closure. And so I'm not asking Nucleus to do anything.

**My final decision**

For the reasons I've set out above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 15 September 2025.

Lucinda Puls  
**Ombudsman**