

The complaint

Last year X arranged to have his investment portfolio transferred from NATIONAL WESTMINSTER BANK PUBLIC LIMITED COMPANY (under its NatWest/Coutts brand) to Rathbones. NatWest committed an error in the process by liquidating some holdings contrary to instruction, resulting in the crystallization of gains and an associated Capital Gains Tax ('CGT') liability.

NatWest upheld the complaint. It has settled the financial loss to X resulting from its error and it has paid X £500 for the trouble and inconvenience the matter caused him.

X accepts that merit in his complaint and his financial losses have been resolved, so they are not parts of his complaint. He maintains the complaint, and has referred it to our service, because he considers that NatWest should pay more for the trouble and inconvenience cause to him. He also says NatWest should undertake more accountability, and corrective action, for its mistreatment of him and Rathbones in the matter.

What happened

One of our investigators looked into the complaint and concluded that it should not be upheld. He considered that NatWest had done enough to resolve it by upholding it, settling the losses in it and paying £500 for the trouble and inconvenience caused to X.

The investigator noted the following –

- NatWest's error resulted in an unintended gain of £27,699.11 and CGT liability of £6,647.79.
- It paid X redress in the amount of £6,647.79 to cover the CGT liability.
- X's accountant's services were required in the associated calculations, so NatWest also paid £4,740 to reimburse X for the cost of those services.
- It paid X £500 for the trouble and inconvenience caused to him.
- In total, NatWest paid £11,887.79 to resolve the matter.
- The relevant aspects of X's financial losses have been redressed, and the £500 payment to him is reasonable in the circumstances so NatWest should not have to pay more.
- X's reference to a need for recognition of the impact caused upon Rathbones in the matter has been noted, but Rathbones is not the complainant so we cannot make a finding in that respect. His references to a need for something to hold NatWest more accountable and to deter it from committing, in the future, the type of mistreatment he has claimed have also been noted, but our awards for trouble and inconvenience are not punitive and we are not the industry regulator.

X disagreed with this outcome. He says the mistreatment – including rudeness from NatWest and its initial avoidance of responsibility – that he was subjected to warrants more than the £500 payment covers. He also said –

"... this figure should be £1,500 because I was not just inconvenienced until I was recompensed, NatWest tried to avoid its responsibilities, liabilities and forced us to spend a

good deal of time winning the argument. In terms of professional time wasted by me on this, I would rate the loss caused nearer £5,000!

NatWest behaved disgracefully and I am absolutely NOT satisfied with your decision that their view of my distress, in this matter, is adequate."

He also suggested a meeting with our service, but the investigator explained our process and considered that such a meeting would not introduce new evidence or change the factors in the case, so it would not be productive or appropriate.

X maintained his disagreement and asked for an Ombudsman's 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.

Having done so, I do not uphold X's complaint. I also echo and endorse the investigator's response to X's proposal of a meeting.

I acknowledge that the complaint is not about the error committed by NatWest in the transfer of X's portfolio, which it has conceded and redressed. For the sake of completeness, I am satisfied that merit in the complaint in that respect was rightfully upheld by NatWest and that it has redressed and resolved the associated financial losses to X. Therefore, these aspects of the case do not need to be addressed any further.

On balance, and for the reasons I set out below, I am also satisfied that NatWest has made a fair and reasonable payment to X, in the circumstances of his case, to compensate for the trouble and inconvenience caused to him in the matter. Given that the £500 payment has already been made, I consider that this aspect has also been fairly concluded.

I share the investigator's explanation about our service's role.

We are not the industry regulator. I can understand the submissions X has made about the wrongdoings committed by NatWest, specifically with regards to its treatment of him and of the relevant Rathbones staff, for which he says it should be held accountable, and should be deterred from repeating.

Our service can address the experience with NatWest in relation to him, by way of an award compensating him for the trouble and inconvenience he faced, but as the investigator said our remit will not extend to considerations concerning Rathbones. Rathbones is not party to the complaint. We also cannot conduct a form of general appraisal on NatWest's customer services operations or put in place the deterrent measures that X seeks. Such a wider remit belongs to the regulator.

Our awards are not designed to be punitive. This too is explained, at least partly, by the fact that we are not the industry regulator, so it is not within our powers to punish firms. It is also explained by the fact that the purpose of the awards is to compensate a complainant for trouble, distress, upset and/or inconvenience faced in relation to a complaint, and distinct from any financial loss suffered in the complaint.

There is a helpful document in which X summarises the issues which he believes justifies a compensation award based on the £1,500 and £5,000 figures he counter proposed. The document cites the same figures, and it is his response, late last year, to NatWest's complaint treatment and its offer and payment of the £500 compensation. His reasons for

considering the payment insufficient and for considering his counter proposals to be appropriate included –

“I do feel that my earlier request for £1,500 for trouble and upset was reasonable but, now I have had to sit down and write this up, I think my treatment, overall, has been dire.”

“As I experienced it, Coutts and Co made a succession of errors, starting with the sale, directly contrary to my instructions. Rathbones had to invest enormous effort before Coutts and Co would accept this. In the process of these pretty fraught negotiations (see below), Coutts and Co stated that they did not think I needed to be compensated because they had looked at what I had in my bank account. This feels very wrong.”

“I am not satisfied by your determination that £500 covers this, as a trouble and upset payment. I suggested a much higher figure, bearing in mind (1) the initial error, (2) the trouble my new team at Rathbones had in fighting to get it accepted by Coutts and Co and then (3) the apparent data breach between my personal bank account, at NatWest, and Coutts and Co.”

“Then, when Rathbones asked Coutts and Co for a detriment settlement, it took weeks to come and, when it did, it was factually incorrect, in both the workings and calculation!”

“As if this was not enough, Rathbones appealed the error to the Coutts and Co Operations Team but they refused to accept that there was an error. My Rathbones representative was compelled, by Coutts and Co, to lodge a formal complaint before they would even reconsider the error or doing the work to correct it.”

“In essence, I am claiming that Coutts and Co has grossly failed in its fiduciary responsibility to this client: it has ignored proper practices and has been deliberately obstructive and unfriendly to the proper pursuit of a solution. I am also concerned that one side of your banking enterprise seems to assume it holds a right of access into my private accounts, in another part of the business.

I would regard £5,000 as a more realistic assessment of my trouble and upset in this matter, rather than the £500 you independently decided, because this is far more dismal a performance by Coutts and Co than that which might have caused this client a bit of “trouble and upset”.”

It is broadly evident from the submissions quoted above that X's points relate much more to the experiences faced by Rathbones, and much less to the experiences faced directly by him. I do not say or suggest that the impact of the entire matter was not felt by him. It was. After all, the portfolio, the realised gain, the CGT liability and the need to have the entire matter resolved all related to him. However, the point I seek to make is that, by his own admissions (as expressed in most of the quotes above), Rathbones, on his behalf, faced the majority of the experiences in the pursuit of a resolution.

I repeat what I said earlier – our remit to make awards for trouble and inconvenience do not extend to considerations concerning Rathbones. Rathbones is not party to the complaint, it is not the complainant – X is – and it is not my role, in terms of determining the complaint, to make findings of alleged mistreatment between NatWest and Rathbones.

This analysis shows why there is an absence of merit in X's counter proposals for the award. His main grounds for the counter proposals relate to Rathbones' experiences, they do not appear to relate to his. Overall and for this reason, I am not persuaded that they serve as grounds that justify an increase in the trouble and inconvenience award and I have not seen any other reason to increase the award.

As far as his experiences are concerned, I repeat my acknowledgement that the entire matter would have impacted upon him. He had the vested interests I mentioned above. He also had the trouble and inconvenience of dealing with an error by NatWest that could and should have been avoided, along with the trouble and inconvenience of having to go through the process (with Rathbones' assistance) of pursuing a resolution to the consequences of the error.

I have noted the behaviours from NatWest that X is displeased about. However, the facts remain that NatWest's concluding position in the matter conceded the complaint and that it made good on all the financial losses that arose within it. It also acknowledged and addressed the trouble caused to X, by way of an apology and the £500 award.

On the alleged bank account breach that X raised in one of the quotes above, NatWest responded as follows –

"I routinely need to review bank accounts as part of my complaint investigations and the bank can share information between departments if it is needed to resolve a complaint. For instance, yesterday I looked into a complaint where a client was chasing up a payment and found that the credit had been made since the complaint was lodged. Had I not been able to access this information, it would have made my investigation much more drawn-out. I do not take into account the balances of accounts in arriving at compensation, although if a mistake has sent a client overdrawn I might need to allow for this (fees incurred for instance).

From your message:

Coutts and Co stated that they did not think I needed to be compensated because they had looked at what I had in my bank account.

This is contrary to what I would expect and I will look into it further. I'll come back to you on this. I'm so sorry that you have been upset by the engagement with the investment team."

The above appears to show a basis on which the access to his bank account that X mentioned was probably reasoned, in the context of NatWest dealing with the error related complaint. It does not appear that a breach occurred in this respect. Nevertheless, NatWest undertook to look further into X's reference to an inference being drawn from his bank account in relation to his position on compensation and apologised again for his experience in the matter. Overall and for these reasons, I am not persuaded that this aspect serves as grounds for an increase in the trouble and inconvenience award.

Our service can make awards to complainants for the trouble, distress and inconvenience faced in a complaint matter and guidance on how we approach the awards is in our website, at the following link – <https://www.financial-ombudsman.org.uk/businesses/resolving-complaint/understanding-compensation/compensation-for-distress-or-inconvenience>.

An award between £300 and £750 can be made where the matter has caused a complainant considerable distress, upset and worry, and where the impact lasts over many weeks or months. On balance, given the facts in X's case, and for all the reasons set out above, I am persuaded that the £500 payment he received from NatWest, which sits within this range, amounts to fair compensation for the trouble and inconvenience he faced, so I do not consider that NatWest should have to pay any more.

My final decision

I do not uphold X's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask X to accept or reject my decision before 18 May 2026.

Roy Kuku
Ombudsman