

complaint

Mrs D complains about the investment advice she and her late husband received from Barclays Bank Plc. In particular, she says:

- The investments were unsuitable because the adviser failed to establish their attitude to risk.
- There were errors in the information documented in the fact find.
- The adviser had misjudged the severity of Mr D's ill health at the time.
- Mrs D was not present at the meeting.
- Mr and Mrs D were pressured in to making the investment.

background

In August 2014, Mrs D complained to Barclays as outlined above through a claims management company (CMC). Barclays didn't uphold the complaint. It didn't agree the adviser had misjudged Mr D's health condition, and believed the advice was suitable. The complaint was then referred to this service.

One of our adjudicators considered the complaint. He did not think it should be upheld. In summary, the adjudicator said:

- He was satisfied Mrs D was present when the recommendations were made by the adviser. Also there was a suitability report, outlining the recommendations, sent to Mr and Mrs D.
- Whilst he empathised with Mrs D, he thought Mr D had made it clear that he and Mrs D wanted to invest some of their capital for the future.
- Mr D was concerned there would be a shortfall in household income should his health worsen.
- The adviser had taken Mr D's health into account and recommended the investments were in joint names because of this.
- He had not seen evidence Mr and Mrs D were put under pressure to accept the investment advice. There was around seven weeks between the two meetings.
- Mr and Mrs D were assessed as inexperienced investors who had a cautious approach to investing. They wanted to invest but also wanted capital security for their investments.
- The investments the adviser recommended were suitable for Mr and Mrs D's requirements and attitude to risk.

The CMC did not agree with the adjudicator's view, and asked for the matter to be considered by an ombudsman. But it didn't provide any further comments.

The matter has now been passed to me for consideration.

my findings

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 have come to the same conclusions as the adjudicator, for largely the same reasons.

When the adviser met with Mr D in September 2007, he obtained details of both Mr and Mrs D's circumstances. So I appreciate Mrs D was not present at the first meeting. But Mr D appears to have been happy to proceed anyway. There seems to be no reason

why Mrs D could not also have attended, had she wished to do so. I don't think the fact Mrs D wasn't at the initial meeting means any advice given was unsuitable.

It's clear the adviser was aware Mr D had been seriously ill. It was recorded that he had been diagnosed with cancer the previous year, and had undergone surgery. But I've not seen evidence the adviser was told Mr D was terminally ill. I think it likely that had this been discussed, such an important piece of information would have been recorded. It would also have played a part in any recommendations made. So I think Mr and Mrs D would have queried this when it was not mentioned in the adviser's suitability letter.

It also seems Mr D was prepared to invest for a period of up to five years.

So while I appreciate Mr D sadly died around 15 months after the advice was given, I've not seen clear evidence the adviser was aware this was likely to happen.

The advice Mr and Mrs D were given did take into account the possibility of Mr D dying. The investments were recommended to be on a joint basis because of this. It was noted that if either Mr or Mrs D were to pass away, the investments would remain in place for the surviving spouse.

Mr and Mrs D were looking to invest some of their capital in order to get a better return than was available from their bank accounts. They were not attracted to low risk products, as the returns were not sufficient. They were prepared to take a cautious degree of risk. But they also wanted to ensure the original capital invested could be returned.

The three investment products the adviser recommended met these requirements. Two were structured products that would at least return the initial capital at the end of three years and five years. The third was an investment bond using a fund with a five-year guaranteed period.

I think overall they were suitable for Mr and Mrs D's circumstances and requirements. As well as the capital invested, Mr and Mrs D retained just over £100,000 on deposit. So they were left with a reasonable sum for emergencies.

I appreciate Mrs D was disappointed because the two structured products only returned the original capital when they matured. Also, I understand she suffered a loss when she surrendered the investment bond. But this would also have returned the original capital had it been retained for five years.

my final decision

I do not uphold the complaint and I make no award.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs D to accept or reject my decision before 12 November 2015.

Doug Mansell
ombudsman