

The complaint

Mrs A has complained that Quilter Investment Platform Limited ('Quilter') has mis-managed her investments and they have performed badly. She is concerned fraudulent activity has taken place on her account. She doesn't have sufficient capital left to finance her retirement.

What happened

Mrs A's adviser from a predecessor business opened her account with Quilter in 2014. Mrs A held a Collective Investment Account ('CIA') and an ISA.

Mrs A complained to Quilter. Its understanding of the complaint was that Mrs A's CIA wasn't showing on her most recent statement, the account values had decreased, and money had been fraudulently taken. It didn't uphold the complaint. It said;

- The main reason Mrs A's CIA and ISA had decreased in value was because of regular and one-off withdrawals.
- Mrs A had also been paying for adviser frees and services charges.
- It detailed the amounts invested into both accounts and the withdrawals that had been made.
- The CIA had been closed in July 2021 which is why it wasn't showing on Mrs A's latest statement.
- No fraudulent activities had taken place on the accounts.

Our investigator who considered the complaint didn't think it should be upheld. He said;

- He couldn't find any evidence of fraudulent activity on the account. The account had decreased in value because of withdrawals made by Mrs A.
- Mrs A had invested £220,000 in the CIA and taken regular withdrawals for the majority of the time since the account has been opened plus one-off withdrawals. These totalled £237,874 which exceeded the amount invested.
- Mrs A had invested – over the years – a total of £168,123.02 into her ISA account. Again, she made regular and one-off withdrawals. These totalled £202,194.84, so again Mrs A withdrew more than was invested.
- During the time the investments were with Quilter Mrs A had paid adviser and platform fees which were part of the terms and conditions.
- There was nothing to suggest that any money was taken from her account other than the withdrawals/encashments made by Mrs A and which were transferred to her bank account.

Mrs A didn't agree with the outcome and requested that her complaint be decided by an ombudsman, so it has been passed 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.

After doing so, I've reached the same outcome as in the investigator and broadly for the same reasons. I'll explain why.

I appreciate Mrs A has been extremely worried about her investments and what happened to her funds. I am sorry to hear that Mrs A is in financial hardship.

Both parties are aware of the cash additions and withdrawals made from both accounts. These were clearly given in Quilter's letter in response to Mrs A's complaint, so I don't need to list them all in detail again.

However, it is clear that withdrawals – both regular (for monthly income for Mrs A) and one-off transfers had an impact on the portfolios.

I've reviewed the movement of capital in the accounts. From the CIA transfers were made to the ISA account to fund Mrs A's ISA each year. The CIA was encashed in July 2020 and ISA in December 2021. For both the CIA and ISA profits were made and the amount taken out of them exceeded the amounts put in. Mrs A made a profit on both accounts.

The CIA

£220,000 was deposited into the account in 2014. Mrs A took regular monthly withdrawals from the CIA since January 2015 to provide her with an income. These started at £1,500 a month, reduced to £1,000 a month in 2017 and increased again to £1,200 a month in 2018. These totalled just over £84,000.

After some one-off withdrawals from the account ranging from just over £2,000 to £20,000 totalling just over £95,700 Mrs A encashed her CIA for £57,937.88 in July 2020 to fund a house purchase. The remainder needed for the house purchase was withdrawn from the ISA – just over £22,000 in July 2020.

The ISA

For the ISA account in 2014 there was a one-off deposit of £15,306.12 at the outset plus the sum of £42,936.90 was transferred in from another provider. Since then it looks like Mrs A's ISA allowance was utilised each financial year with transfers from the CIA and surplus cash provided by Mrs A. After the CIA was closed, monthly income was taken from the ISA. These started at £1,200 in July 2020 and reduced to £700 per month from September 2020. The ISA account was encashed in December 2021 and £167,232.72 paid out to Mrs A.

Mrs A doesn't agree with the amount invested into the CIA. She has said that in 2005 she paid in £250,000 but this isn't recorded. But Quilter has provided statements from the beginning of the CIA account in 2014 where I can see that £220,000 was added at the inception of the account. And I can see from a bank statement provided by Mrs A that her current bank account was debited by that amount on 6 November 2014. So, this amount tallies with Quilter's records. And from what I have seen Mrs A didn't use Quilter's platform services prior to 2014.

Like the investigator, I can't see any evidence of fraudulent activity. From the limited bank statements Mrs A has given us I have cross referenced amounts paid from Mrs A's Quilter

accounts to Mrs A's bank account. And I can see those tie in with the amounts referred to in Quilter's letter.

I know Mrs A has been very concerned about the apparent loss in value and she has worried that fraudulent activity has taken place. But from my review of everything that has been provided, I can't agree that Mrs A has lost value in her investments. And there is nothing to suggest that fraudulent activity has taken place. I do hope that Mrs A is comforted by this.

Overall, taking everything into account I can't find that Quilter has done anything untoward or that Mrs A's investments have lost value. Because of this, I don't uphold Mrs A's complaint and I won't be asking Quilter to do anything more.

I do appreciate that Mrs A feels very strongly about her complaint and I thank her for the effort she has made in bringing it to us. But I hope I have been able to explain how and why I have reached the decision that I have.

My final decision

For the reasons given, I don't uphold Mrs A's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs A to accept or reject my decision before 2 August 2023.

Catherine Langley
Ombudsman