

## **The complaint**

Mr T complains that Interactive Investor Services Limited ('IISL') is wrongly seeking to charge him the full amount of monthly account fees which he says have already been paid in full or partially from his portfolio dividends.

To put things right, Mr T wants IISL to accept it has made a mistake and agree figures he says more accurately reflect the position on his account and refund excess payments charged.

## **What happened**

This complaint concerns Mr T's online trading account with IISL. The account has a £9.99 monthly fee which can be offset by credits on the account resulting from dividends received.

When Mr T complained that IISL was overcharging him by not making proper allowance for credits received into his account when applying the monthly fee, IISL didn't uphold Mr T's complaint. IISL said it hadn't made any error and dividends received had been put towards his outstanding account fees, covering the cost in part but leaving unpaid fees outstanding. IISL said Mr T needed to navigate through the online payment pages, past the screen which showed the £9.99 monthly fee, and the correct figure outstanding would be provided – and that is what he would be charged.

Mr T asked us to look into his complaint. Our investigator didn't recommend upholding Mr T's complaint, mainly saying he was satisfied that IISL had applied fees correctly and in line with its terms and conditions.

Mr T disagreed saying the issue was unresolved. He sent screenshots in support of his complaint which he said showed IISL required him to pay the monthly fee in full when the outstanding account balance meant he owed less.

As the complaint isn't resolved, it comes to me to make 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.

We provide an informal complaints handling service and this is reflected in the approach I've taken when considering this complaint. I'd like to assure Mr T that I've carried out an independent review. Having done so, I've reached the same conclusion as our investigator.

It's my understanding that there are essentially two parts to Mr T's complaint:

- he doesn't owe the outstanding monthly fees IISL says are unpaid
- the screenshots requiring him to make payment show the wrong amount.

So I have concentrated on these two aspects and made this the focus of my decision

There doesn't seem to be any dispute about IISL's entitlement to charge a monthly account fee of £9.99 over the relevant period, as set out in the terms of service Mr T would have had to sign up to in order to use his account. So I don't need to say more about this.

I've looked carefully at the various screenshots Mr T has provided and the transaction history and account information IISL has sent me.

I am satisfied that dividends received have been applied to Mr T's account to offset the regular £9.99 monthly fee. The transaction history provided shows monthly fees were paid up to September 2022.

October 2022 – monthly fee not paid - £9.99 outstanding

Looking at the record of trades on the account, this shows:

November 2022 - arrears of £9.11 after monthly fee applied (£9.99 fee less 88p net dividend held on the account after trading).

December 2022 – monthly fee paid. Dividends paid into the account on 30 November 2022 resulted in a £13.63 credit figure which covered the £9.99 monthly fee leaving a £3.64 credit balance on the account.

January 2023 – arrears of £6.35 (£3.64 on account - £9.99 monthly fee).

February 2023 – the net result of trades and dividends received left a credit balance of £1.17 on the account - which meant there were arrears of £8.82 after the monthly fee was applied (£9.99 – £1.17).

March 2023 - dividends received put a credit balance of £6.76 on the account – resulting in a shortfall of £3.23 after the monthly fee was applied (£9.99 -£6.76).

April 2023 – monthly fee not paid.

May 2023 - arrears of £9.83 accrued after dividends paid into the account on 5 May (plus 1p interest paid later in the month) offset the monthly fee leaving 16p credit on the account.

June 2023 – there were arrears of £1.71 on the account as dividends received on 31 May put the account £8.28 in credit.

These figures reflect the amounts Mr T has worked out. I conclude from all this that, as IISL says, except in December 2022, the other £9.99 monthly payments due were missed as a result of insufficient funds on the account, even after IISL allowed for the dividends credited to Mr T's account. So I don't find that IISL owes Mr T any refund in respect of fees it shouldn't have charged him.

I appreciate that when Mr T checks his account online, he is initially presented with information that shows the account fee is always £9.99 – irrespective of the fact this isn't always what he owed. I understand this is why he considers that he's being asked to pay a full monthly fee when part of the fee should already be covered by credit on the account resulting from his trading activities.

But despite what Mr T suggests, IISL has explained that this isn't the case. It has said the screenshot he relies on showing an outstanding £9.99 fee just shows what the monthly fee is for his account. IISL has said that if Mr T navigates further and clicks on the 'pay now' button, then the website will provide him with the correct figure outstanding. The screenshots Mr T has provided don't show that IISL isn't correct in saying this. I haven't been provided with any evidence showing that Mr T has actually paid a £9.99 account fee when he owed less that month.

In order to uphold Mr T's complaint I would have to be able to make a finding that IISL made an error or acted unfairly or unreasonably. After having taken into account everything that Mr T and IISL have told me, I haven't seen enough to show that IISL did anything wrong or that it treated Mr T in a way that wasn't fair and reasonable. The way a financial business chooses to offer its services comes under the oversight of the regulator - the Financial Conduct Authority (FCA). For these reasons, Mr T's concerns about the way IISL operates and its procedures fall outside my remit. So I can't uphold this complaint.

I appreciate that my decision will be disappointing for Mr T but I hope that setting things out as I've done helps to explain how I've reached my conclusions.

### **My final decision**

For the reasons I have set out above, I don't uphold this complaint. Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 8 March 2024.

Susan Webb  
**Ombudsman**