

complaint

Mrs P complained about Coutts & Company's handling of her discretionary portfolio.

background

Mrs P had a discretionary portfolio with Coutts, including a holding in the Orbita Capital Return fund. In April 2013, Mrs P told Coutts she wanted to liquidate her portfolio and transfer the cash to another discretionary manager.

Mrs P became concerned at the time taken to liquidate her investments, and complained to Coutts. It told her that the manager of the Orbita fund had converted part of her investment in that fund to Z shares – and those shares couldn't be sold immediately. It said she would eventually receive some value from the Z shares, but it couldn't say exactly how much or when.

Mrs P wasn't satisfied with Coutts' response, and she referred her complaint to our service. She wanted Coutts to "*repay the outstanding balance of the investment now*".

Mrs P later received some money from her Z shares, but some shares remain outstanding.

I issued a provisional decision on this complaint in May 2015. Briefly, I said:

- Coutts wasn't responsible for the Orbita fund manager's decision to create the Z shares, or to "*gate off*" part of her investment. I didn't think it would be fair for me to order Coutts to pay any compensation in that respect.
- However, Coutts' customer service in this complaint was particularly poor. It took a long time to explain to Mrs P why she couldn't sell her Z shares (approximately April to August 2013), and it took a long time to reply to our adjudicator's information requests – thus delaying our consideration of the complaint, and causing additional and avoidable distress to Mrs P.
- Overall, I thought a fair and reasonable outcome to this complaint would be for Coutts to pay Mrs P £300 to apologise for the confusion caused by its poor administration.

Coutts and Mrs P both accepted my provisional conclusions. Neither of them provided any new evidence or arguments.

my findings

I have reconsidered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint. Having done so, I see no reason to depart from my provisional conclusions, and I confirm them as final.

I should stress that my decision does not affect Mrs P's Z shares, and it does not change the amount of money (if any) she will eventually receive from those shares.

my final decision

My final decision is that I uphold this complaint. I order Coutts & Company to pay Mrs P £300 for its poor administration.

Under the rules of the Financial Ombudsman Service, I am required to ask Mrs P to accept or reject my decision before 10 July 2015.

Laura Colman
ombudsman