

The complaint

Mrs H complains that Halifax Share Dealing Limited ('HS') caused delays to her Stocks and Shares Individual Savings Account ('ISA') transfer.

What happened

On 2 March 2020, HS logged Mrs H's ISA transfer request. On the same day HS wrote to her current provider, who I'll refer to as 'B', requesting a valuation. On 11 March 2020 B wrote to HS providing details of Mrs H's investments including a valuation. But HS says this letter wasn't received so it sent a chaser dated 18 March 2020. However, this letter didn't contain Mrs H's details and the HS reference number was different from the one it sent in its previous letter. As B wasn't able to locate the account, it wrote to HS for further details.

On 10 April 2020 HS recorded receiving B's letter. On the same day, it wrote to Mrs H saying that the transfer had been rejected by B and no further action would be taken. However, on 27 April 2020 HS recorded receiving the valuation from B and restarted the transfer process which was completed on 1 June 2020.

Mrs H complained about the delays. HS said the delays weren't something it had any control over. It noted the Covid-19 situation had impacted on its business timescales for transfers, which it normally aimed to do within six to eight weeks. HS also said that it could only action a transfer when it received a valuation from B, which it said was on 27 April 2020. Halifax said it took nine weeks to complete the transfer and it was satisfied this was reasonable in the circumstances.

Our investigator initially recommended HS pay Mrs H £100 for distress and inconvenience as she was satisfied that it had caused delays to the transfer process. Mrs H disagreed with the sum awarded. HS also disagreed and provided information to support its case.

Our investigator reconsidered everything and recommended increasing the compensation to £200. She thought HS had contributed to the delays by not providing sufficient information to B in its letter dated 18 March 2020. She also thought it had provided incorrect information to Mrs H when it told her B had rejected the transfer when, in fact, this wasn't the case.

Mrs H accepted the recommendation. HS didn't respond. As no agreement could be reached, the matter was 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.

Having done so, I'm upholding this complaint. I'll explain why.

I should note from the outset that I'm not considering any compensation for financial loss as there hasn't been any due to the ISA transfer being done 'in-specie'. In terms of the distress

and inconvenience caused to Mrs H by HS's actions, I'm satisfied £200 fairly compensates her for its mistakes.

As our investigator has said, it took twelve weeks for the transfer to complete not the nine weeks HS claims. HS records show the request was logged on its systems on 2 March 2020. The transfer was completed on 1 June 2020.

Whilst I've taken into account the impact of the Covid-19 situation, I can see that delays were caused by HS when it provided the incorrect identifiable details to B in its letter dated 18 March 2020. In turn, this caused avoidable delays to the transfer process. At this point, B had already provided HS with its valuation for Mrs H's investments in a letter dated 11 March 2020 – this is something HS has said in its submissions it was relying on to process the transfer.

B has provided its letter dated 11 March 2020. This clearly sets out the valuation that HS had requested in its letter dated 2 March. I can see the letter to HS dated 11 March, is correctly addressed. The address details match those on Mrs H's transfer form. HS hasn't said it had any difficulty in receiving letters at that time, so I think on balance, it was likely to have been received at the correct address. And for whatever reason, HS didn't record this information against Mrs H's account until 27 April 2020.

HS sent a chaser on 18 March 2020 which it says was because it hadn't received any response from B to its letter from 2 March. But I can see the letter dated 18 March, didn't contain any account details or even Mrs H's name. Mrs H had provided the account details in her ISA transfer form. So, even if I were to accept that HS didn't receive the letter from B dated 11 March with the valuation of Mrs H's investments, I think the way it (HS) responded to this led to delays with the transfer process overall.

I think HS's mistakes caused at least four weeks delays to the transfer process. As I say I appreciate the Covid-19 situation did cause disruption to businesses at that time but from what I can see, when HS sent the chaser dated 18 March 2020, it could've provided correct identifying details. B had been able to use details contained in HS's letter from 2 March to identify Mrs H's account. So, it follows if HS had provided these same details in its chaser of 18 March, this would have avoided B having to go back to HS for more information.

I've also taken into account HS's communication with Mrs H during the transfer process. In particular, its letter dated 10 April 2020 was sent to Mrs H on the same day HS received a request from B asking for more information. So, I don't think the transfer had been 'rejected' as HS told Mrs H. Therefore, I think the information provided to Mrs H by HS was unclear, unfair and misleading. This resulted in Mrs H having to liaise with both businesses to try to get the transfer back on track.

For all these reasons, I'm upholding the complaint. Taking everything into account, I think £200 for the distress and inconvenience caused to Mrs H fairly and reasonably compensates her for HS's mistakes.

My final decision

I uphold the complaint and I order Halifax Share Dealing Limited to pay Mrs H £200 for the distress and inconvenience it has caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs H to accept or reject my decision before 27 January 2022.

Yolande Mcleod
Ombudsman