

The complaint

Ms T complains TSB Bank plc (TSB) delayed the transfer of her Stocks and Shares ISA to them from Bank A, causing her to lose out financially.

What happened

The details of this complaint are well known to both parties, so I won't repeat them again here. The facts are not in dispute, so I'll focus on giving the reasons for my 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 agree with the conclusions reached by the Investigator for these reasons:

- An issue with the paperwork signed in branch on 7 March 2020, meant TSB needed to send a further copy out for Ms T to re-sign and return. This meant the transfer wasn't processed until 13 March 2020.
- It isn't in dispute TSB caused this delay. They've apologised to Ms T, paying her £25 compensation however they don't feel they're responsible for the drop in value of her Stocks and Shares ISA. I disagree.
- It's important to say I understand Stocks and Shares ISA's can fluctuate in value daily. It's a risk taken by a customer that their investment could go down as well as increase. Had Ms T's ISA simply lost value during the necessary transfer process it wouldn't be for TSB to cover that loss.
- I also note TSB point to their ISA promise that a Stocks and Shares ISA transferred to them will take no more than 30 days to complete. But that doesn't allow TSB carte blanche to act so long as the transfer completes within that time.
- Ms T's transfer did complete within 30 days, but as a result of a clear error caused by TSB, it took longer than it needed to have taken. And because Ms T lost out financially due to the additional time taken through no fault of her own, I don't think it's fair or reasonable that she is disadvantaged.
- Ms T's Stocks and Shares ISA value was calculated by Bank A four days after TSB initiated the transfer. Bank A have confirmed had the value been calculated on 11 March 2020 (four days after TSB should've initiated the transfer) her ISA would've been worth an additional £765.29.
- On this basis, it follows I find TSB should put Ms T back into the position she would've been in had her transfer progressed without the error occurring.

For these reasons, I uphold this complaint.

Putting things right

To resolve Ms T's complaint TSB Bank plc should:

- pay her £765.29,
- and apply interest of 1.05% on the above amount. This should be from 7 March 2020 until the end of the two-year fixed term providing the terms of the Fixed Rate Cash ISA weren't broken early.

My final decision

My final decision is that this complaint should be upheld.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms T to accept or reject my decision before 24 May 2022.

Sean Pyke-Milne
Ombudsman