

The complaint

Mr W is unhappy with the time it took Halifax Share Dealing Limited to transfer funds from his stocks and shares ISA to other providers.

What happened

In late 2019, Mr W decided to sell the investments in his ISA, converting them to cash in order to transfer this out to different providers.

He submitted various transfer requests but believes Halifax took too long to carry these out. He feels they should've been completed within two days, based on industry guidance and the fact he'd already sold his investments which just left cash to be transferred.

Halifax looked at six transfers that took place between January and August 2020. They didn't uphold most of Mr W's complaint, explaining that the transfers took place in line with HMRC guidelines. However, they noted that one transfer was outside of their own service standard of 15 working days due to an internal service issue, and offered Mr W £25 in compensation.

After Mr W brought the complaint to our service, Halifax increased their offer to £200. The investigator thought this offer was fair, as the transfers took place both in line with HMRC guidelines as well as under the terms and conditions of the account.

In response, Mr W raised several points, namely that:

- The transfers weren't carried out in line with industry timeframe guidelines.
- The terms and conditions referred to by the investigator apply to the closure of an ISA account – not the transfer of cash held on an account.
- A separate section of the terms states the transfer of cash should only take up to three working days.
- The dates provided by Halifax for when the transfers started weren't always the same as the date the requests were stamped as received, particularly one of the transfers which the new provider noted as being sent over two weeks before the transfer process started.

As an agreement wasn't reached, the complaint has been passed to me to consider.

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 investigator for broadly the same reasons. Before I explain why, it's important to say that, while I haven't individually addressed every specific point Mr W has raised in his detailed submissions, I have read and carefully considered them all when coming to my decision.

When considering complaints about ISA transfers, our service considers it reasonable for businesses to rely on guidance provided by HMRC, which explains that they should take no longer than 15 working days when transferring between cash ISAs, and 30 calendar days for any other types of transfer.

I appreciate that Mr W believes a shorter timeframe should apply because Halifax only needed to transfer cash. However, the transfers took place from a stocks and shares ISA rather than between cash ISAs. So, in line with the guidance, the 30 calendar day timeframe applies for these transfers.

Mr W has relied on guidance produced by representatives across the financial industry, and believes that according to this, Halifax ought to have carried out the transfers within two days. I've read the document provided by Mr W, but I note it explains the procedures outlined are recommendations only and not prescriptive. I'm not satisfied this creates an obligation for Halifax to follow this guidance, or that there was a reason for them not to follow the standard industry guidelines provided by HMRC, as I'd have expected.

Moving to the terms and conditions of the account, I agree with Mr W that the clause our investigator has referred to isn't applicable to this situation. The clause, 20.48, appears only to refer to the closure of an ISA. However, I don't believe that the clause Mr W has relied upon is applicable either. That clause, 7.13, provides a timeframe for when funds will be sent to a nominated bank account after they've been withdrawn from an ISA. This isn't the same as transferring the funds to another ISA with a different provider, so it wouldn't be fair to rely on this clause here.

I can't see that the terms specifically mention a timeframe for ISA transfers, but this isn't unusual, as it's reasonable for Halifax to rely upon the guidelines set out by HMRC. I understand Halifax have their own service standard of 15 working days when transferring cash to another provider, but this is an internal timeframe and not one Halifax was bound to by the terms of the account.

Mr W has noted that the start dates for the transfers were not always the same as the dates the transfer forms were stamped as received. I believe it's reasonable to expect it to take a short time for a form to be received and processed, so I have no concerns about the small discrepancy between these dates.

Mr W has highlighted one date in particular, where one provider noted sending a transfer request to Halifax on 8 February, but the transfer process didn't start until 27 February. I can see the provider's notes do confirm a transfer request was sent to Halifax on 8 February. However, further notes show that when contacting Halifax for a response, they were told Halifax hadn't received the request, and it was only subsequently received on 26 February after being re-sent. It's unclear what happened to the initial request, but I've seen no evidence to satisfy me that Halifax made an error here.

With the above in mind, I'm satisfied that it was reasonable for Halifax to rely upon HMRC guidelines when carrying out these transfers, and that they were processed within the relevant timeframes. So, I don't believe Halifax should do anything further than paying what it has already offered Mr W.

Putting things right

Halifax has offered £200 in recognition of the delay caused in one transfer which took longer than their internal service standards. I believe this offer is fair and I'm not asking Halifax to do anything further.

My final decision

Halifax Share Dealing Limited has already made an offer to pay £200 to settle the complaint and I think this offer is fair in all the circumstances. So my decision is that Halifax Share Dealing Limited should pay Mr W £200.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 22 November 2022.

Artemis Pantelides

Ombudsman