

## The complaint

Mr P complains about delays to a Stocks and Shares Individual Savings Account ('S&S ISA') which he says was caused by Bank of Scotland plc trading as Halifax.

## What happened

I issued a provisional decision on this case as I wanted to change the compensation from that recommended by the investigator. Both parties have now responded. Mr P said whilst the increase in compensation is welcome, he still thinks Halifax caused him financial loss due to its mistake. Halifax accepted my provisional findings and added nothing further.

The background to this complaint was set out in my provisional decision and is as follows:

*In October 2020, Mr P applied to an ISA provider, who I'll refer to as B, to transfer his cash ISA from Halifax to its S&S ISA. Prior to this transfer Mr P said he tried to transfer his S&S ISA from Halifax to another provider. However, he says Halifax caused delays, so, he decided to split the transfer into two parts. The first part was to transfer his S&S ISA to a cash ISA both with Halifax (the 'internal transfer'). And then he intended to transfer the cash ISA to the S&S ISA held with B. Mr P thought by doing this, it would speed up the process.*

*On 15 October Halifax received B's request to transfer Mr P's cash ISA to an S&S ISA. On 10 November B wrote to Halifax to say Mr P had complained to it about delays to the transfer. B told Halifax that it (Halifax) had rejected the transfer request believing Mr P was already undergoing a transfer into his cash ISA. But B pointed out that the other transfer stemmed from the earlier internal transfer between Mr P's Halifax ISA's.*

*The transfer completed on 2 December with a total of £16,112 being transferred to Mr P's S&S ISA with B, by which point he'd already complained to Halifax about the delays. Halifax rejected Mr P's complaint saying it was the fault of B who had rejected the transfer on three separate occasions. Halifax later said that it was because B hadn't provided sufficient details to complete the transfer including failing on two occasions to provide its (B's) sort code and account details.*

*Our investigator initially didn't think the complaint should be upheld. But following further information from B, he recommended upholding the complaint. He was satisfied that Halifax had caused the delays as a result of the knock on effect of incorrect information going back to the previous internal transfer. He said he thought Halifax should pay Mr P £150 for the distress and inconvenience caused. And that Halifax should pay Mr P for any losses as a result of the delayed transfer.*

*Halifax accepted the investigator's view but wanted clarification around the redress, in particular when the date of its calculations should be made. Mr P rejected the view as he said he didn't think £150 properly reflected the losses he suffered. Our investigator did clarify with Mr P that the £150 wasn't for the financial loss – that there was separate redress for this. But Mr P remained unhappy and asked for the matter to be referred to an ombudsman for a decision.*

So, now both parties have responded the matter has been passed back to me for a final 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.

Whilst Mr P has provided further submissions, I can't see he's added anything substantial to what he has previously said. He again raised the issue of the initial delays with his Halifax S&S ISA. He thinks the delays go back to July 2018 when this transfer request was made. However, as I've said in my provisional decision, it was his choice to do it this way. So, I don't think it would be fair or reasonable to say the delays went back to July 2018. Given this, and the fact that Halifax has accepted my provisional findings, my decision remains that it should pay Mr P £400 for its mistake. The extract from my provisional decision which now forms part of my final decision, is as follows:

*Whilst I've taken into account the previous internal transfer, I don't think that any delays caused by Mr P splitting the transfer in this case, was the fault of Halifax. I accept Mr P's reasons for doing it this way, but this was his choice and I can't hold Halifax responsible for delays caused by him deciding to split the transfer into two separate transactions. I can't see Halifax advised him to do it this way.*

*In terms of the cash ISA transfer to the S&S ISA held with B, it appears from all the evidence that Halifax caused the delays. And that this was due to the issues which had arisen as a result of the earlier internal transfer. B's letter to Halifax on 10 November explains this where it says:*

*"The crux of [Mr P's] complaint involves a rejection of our transfer request by Halifax as they believe the client is currently undergoing a transfer into yourselves from another provider. However, the other provider is also Halifax, and there have been several errors caused during this transfer process."*

*In response to our service's investigation, B confirmed the main reason the transfer request made was initially unsuccessful was because Halifax supplied it (B), and held itself, incorrect details regarding Mr P's ISA subscriptions. This was following his internal transfer at Halifax. B says it did chase and raise queries with Halifax but these weren't corrected until 30 November, after which the transfer was made within two working days.*

*In terms of not including certain details, B said in an attempt to resolve matters, it submitted an amended transfer request that was ultimately rejected. It said this request was done purely to determine the subscriptions that Halifax had recorded for Mr P's cash ISA. And was performed as B were having a significant amount of difficulty reaching the cash ISA departments of Halifax. B also said when it did reach Halifax on 30 October and 6 November, it was informed it (Halifax) was unable to assist as it was awaiting internal confirmation from its S&S ISA department regarding Mr P's previous internal transfer.*

*I can see from a Halifax system note dated 15 October that the total transfer amount value was recorded having changed 'from/ to' £16,104. And on the same line it said that it had changed 'from/ to' £5,104. A similar system note was recorded on 21 October. But from all accounts Mr P hadn't paid anything further into the cash ISA, so his subscription hadn't changed. I think this issue was a direct result of the earlier internal transfer.*

*I note what Halifax says about the transfers being rejected because B hadn't provided it's bank details. But I think B has provided a reasonable explanation for this. Whilst I can't say*

*for sure whether this was the correct course of action to take, I think B made several attempts to let Halifax know what the problem was including in its letter of 10 November. All in all, I'm persuaded the issues that led to the delays can be traced back to the earlier internal transfer. And I think these issues were, on balance, the fault of Halifax.*

*Looking now at when I think the transfer would have been completed but for Halifax's delays, I think this would have been around two working days after it had received B's initial request. This is because this is how long it had taken once Halifax was satisfied it had everything it needed from B which was on the 30 November.*

*However, after reviewing Mr P's statements following the transfer to B, I can see that his investments weren't all purchased straight after the transfer. When the transfer was completed Mr P purchased investments in several different funds. And some of the purchases were in the same funds but on different dates. The dates and amounts Mr P purchased investments using the transferred funds are as follows:*

- *03/12/2020 Bought 137 shares with a total cost of £5,987.04.*
- *29/12/2020 Bought 443.890 units with a total cost of £2,500*
- *29/12/2020 Bought 129.132 units with a total cost £2,500*
- *30/12/2020 Bought 268.740 units with a total cost of 1,500.00*
- *30/12/2020 Bought 342.302 units with a total cost of £1,000*
- *30/12/2020 Bought 52.165 units with a total cost of £1,000*
- *31/12/2020 Bought 259.094 units with a total cost of £750*
- *31/12/2020 Bought 135.160 units with a total cost of £750*

*Mr P told this service that: "I thought that I bought [the investments] promptly but I might be wrong. Of course one reason for a delay is that the share price had gone up so much in the period in which I was waiting for Halifax to transfer the funds, so I was upset that I had missed such a big opportunity." He also said that: "Anyone who invests knows to be more wary once prices have risen massively, which would explain a delay. It is clear that during the period in which Halifax delayed the transfer, the investment classes in which I was investing went up massively (both main funds doubling in value)."*

*Whilst I understand Mr P was upset by the delays, I can't say there is any clear pattern to show how quickly he was intending to purchase his investments once the transfer had happened. I think to try to recreate what would have happened but for the delays, is too speculative due to the pattern of purchasing he did after the funds were transferred.*

*So, I think a fair and reasonable way to resolve this dispute would be to award Mr P an increased award for the loss of opportunity to invest in the way he wanted to at an earlier point in time. Taking everything into account, I'm minded to award Mr P a total of £400 for the delays caused by Halifax's mistakes. I think this fairly compensates him for the loss of opportunity and the inconvenience caused by the delays.*

*For all these reasons my final decision is that Halifax should pay Mr P £400 in compensation for the mistakes it made.*

**My final decision**

I uphold the complaint. Bank of Scotland plc trading as Halifax should pay Mr P £400 for the distress and inconvenience it caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 26 May 2022.

Yolande Mcleod  
**Ombudsman**