

The complaint

Mr W complains about Halifax Share Dealing Limited trading as IWeb (UK) Limited. He's unhappy with the time taken to transfer money between his share dealing and ISA accounts, and also with the service he received when he subsequently complained.

What happened

Mr W holds a sharedealing account and an ISA with IWeb. He tried to transfer money to his ISA but mistakenly funded his sharedealing account. He then tried to transfer the funds to his ISA but subsequently found out it would take three working days.

He then complained to IWeb and, in summary, expressed his concerns about the timescales and the lack of warning about how long a transfer would take - especially as it was close to the end of the tax year. Because of this, the funds he'd tried to transfer were stuck in the system and he had to borrow money to make the transfer at a significant cost.

IWeb didn't provide an answer to the complaint until Mr W chased them for a response some three months later. They investigated his concerns but didn't think they'd done anything wrong and therefore didn't uphold the complaint. Mr W wrote back to them and raised further concerns - he was unhappy with the time it had taken them to respond to his complaint. He also said he hadn't received a call or letter from them as they'd said in an email they'd sent him when he'd chased up the complaint.

IWeb reinvestigated his complaint and issued a further response. They still didn't think they'd done anything wrong regarding the transfer. But they acknowledged that they hadn't called him or sent a letter as they'd said in their email. They apologised and offered £50 in compensation.

Mr W didn't accept their findings and after further correspondence with IWeb, he brought his complaint to this service where it was considered by one of our investigators. She looked into his concerns but didn't think IWeb needed to take any further action. Mr W didn't agree and said, in summary:

- He wanted to know why he couldn't transfer money between accounts – especially as this was common practice across other firms.
- As he wasn't able to make an online transfer, IWeb should have done it during the live chat he had with them.
- He wanted to know why the complaints inbox wasn't monitored as he'd been told it would have been.
- His emails had been ignored – specifically the emails of 3 April 2020 and 23 September 2020. He'd also been promised callbacks that hadn't been made.
- IWeb lied to him in their email of 3 July 2020 regarding writing and speaking to him.

- His main issues hadn't been addressed in IWeb's first response letter.
- He felt IWeb were essentially blackmailing him by insisting he accept £50 as full and final settlement which would deny him his rights to refer his complaint to this service – they would either get away with only having to pay £50 or he'd have to wait many months to get an answer from us.

The investigator wasn't persuaded to change her opinion so Mr W asked for an Ombudsman to review the complaint. I issued a provisional decision earlier this month where I said:

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I'd firstly like to say that I appreciate Mr W's strength of feeling regarding this complaint. I'd like to assure him that I've read and considered everything he's told us. I'm aware I've summarised his complaint points in less detail than he has, but this simply reflects the informal nature of our service.

This service isn't the regulator, that is the role of the Financial Conduct Authority. Our service therefore doesn't have the power to make rules for financial businesses, or direct that they change their policy or procedures. Broadly speaking, we won't interfere with a commercial decision. Our role here is to look at what happened in the circumstances of this complaint and check that IWeb followed their rules and procedures – as well as those set by the regulator and any relevant industry guidance and good practice - and applied them fairly.

It's not in dispute that Mr W made a mistake and paid funds to his sharedealing account instead of his ISA. I've considered what he's said about the time taken to transfer the funds back to his ISA. I appreciate the points he's made, but the terms of the account he holds clearly state that withdrawing funds will take three working days. I accept that this could be faster but IWeb have made a commercial decision around how long it will take for withdrawals. And as I've previously said, we generally wouldn't interfere with a commercial decision.

In usual circumstances, Mr W would have been able to contact IWeb and arrange for a transfer between accounts. However, due to the pandemic, there was widespread disruption which caused IWeb to reduce some of their services. Taking everything into account, I don't think this was unreasonable and from what I've seen, IWeb haven't done anything wrong regarding the transfer. Therefore, I won't be asking them to do anything more around this point.

I've then gone on to consider the service Mr W received after he made his complaint. The notes from the webchat he had with IWeb on 3 April 2020 show that he asked how to make his complaint and while different options were discussed, he was told that he should send an email and IWeb would arrange for the email inbox to be monitored. Mr W sent the email but received no response until he chased the matter up on 3 July 2020.

He was then incorrectly told that he'd received a letter and a call regarding the complaint – IWeb later confirmed that this related to a complaint from April 2019, not the complaint Mr W had raised in April 2020. IWeb then sent Mr W their first final response letter where they didn't uphold his complaint. Mr W wrote to them and asked them to look into the matter again and consider what they'd said to him about the letter and call.

IWeb then sent Mr W a further final response letter where they apologised for providing him with incorrect information and offered him £50 in compensation. There was further correspondence between both parties regarding the matter over the next few months and I

can see that Mr W was offered a callback in December 2020 which doesn't appear to have been made.

Taking everything into account, I don't think the service that IWeb has provided Mr W with has been good enough. He was promised that someone would monitor the email inbox he was told to send his complaint to and this didn't happen, he was given incorrect information about receiving a call and a letter and was also promised a callback which doesn't appear to have been made. Having considered everything, I don't think £50 is sufficient. Instead, I think compensation of £100 is fair and reasonable in the circumstances given the poor service that Mr W has received.

Responses to my provisional decision

IWeb responded and asked me to clarify the evidence I'd used to come to my decision. Mr W responded and agreed with what I'd said. But he also asked me to reconsider his point about IWeb employing a strategy of making an award and only agreeing to pay it once the customer agrees it is in full and final settlement. He thought this was wrong for several reasons and believed the compensation should be increased further because of IWeb's actions.

What I've decided – and why 'Our complaints manager will yes'

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, and in response to what IWeb have said, I'll firstly set out the key points from the evidence.

The webchat of 3 April 2020 shows that at 12:38 IWeb said '*...If you send an email, we will arrange someone to monitor the mailbox to retrieve it.*' And the webchat from 17 December 2020 shows that there was a discussion about someone calling Mr W, and at 11:13 Mr W asked '*....I still want your manager to review this Chat and call me.*' At 11:14 IWeb replied and said '*Our complaints manager will yes*'.

Neither action took place, so I'm satisfied that £100 is fair compensation for the inconvenience Mr W suffered when taken into account with the incorrect information he was also given.

I've then considered the points Mr W has made about the offer that IWeb made. I'd like to reiterate what I said in my provisional decision – this service isn't the regulator and we don't have the power to make rules for firms. I appreciate what he's said but I don't think it's uncommon or unreasonable for a firm to make what they think is a fair offer in full and final settlement of a dispute.

IWeb might have made him an offer, but they also rightly provided him with referral rights to this service if he didn't want to accept. So, I don't think I can fairly say they've done anything wrong regarding this point and I remain of the opinion that £100 is fair compensation for the reasons I've previously explained.

Putting things right

IWeb should pay Mr W £100 in compensation in recognition of the poor service they've provided.

My final decision

I uphold this complaint, Halifax Share Dealing Limited trading as IWeb (UK) Limited should pay Mr W compensation as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 19 August 2022.

Marc Purnell
Ombudsman