

The complaint

Mr L complains about how ITI Capital Limited (“ITI Capital”) administered his investment accounts.

What happened

Mr L says ITI Capital is responsible for him never having proper access to his accounts – in particular his ISA – and for a delay in transferring them. He says as a result he was unable to access and reinvest cash in his ISA. He has said his ISA was his main concern so what I’ve said below refers mainly to that account.

Mr L says ITI Capital’s system wasn’t working from the start and ITI Capital didn’t want to help him. He says he got very few replies to his emails. He says the log-in details he was given didn’t work – and a letter to him from ITI Capital refers to problems with this. He says he was able to gain some access to his account using his own initiative, but he wasn’t able to see his cash or the number of shares he held.

From what I’ve seen, after it took on the account, Mr L emailed ITI Capital on 7 August 2020 about not having access to his account. On 11 August 2020 ITI Capital acknowledged there were difficulties and that it was looking into these and the matter was being given priority.

On 18 August 2020 Mr L emailed again about log-in difficulties, the limited nature of what he could see on the account and how he wasn’t able to start a transfer out as a consequence.

ITI Capital has notes referring to a phone call on 26 August in which ITI Capital says Mr L refused to upload documents to see his holdings. Its notes also refer to a 11 September call in which ITI Capital says Mr L would not “*provide verification for the account*” and wanted the transfer out done without him logging on to the system.

By September 2020 Mr L had already contacted a new provider to ask for a transfer – and ITI Capital says it received the transfer request on 11 September. A note of 18 September from ITI Capital again refers to Mr L not being happy that ITI Capital was telling him he had to provide more information for “*verification*”. There is a suggestion in the note that Mr L was asked to send an email to help with the transfer. I don’t know if Mr L did this, but whatever problem this related to isn’t mentioned later and doesn’t appear to have stopped the transfer eventually taking place. So whatever this issue was it appears to have been resolved.

Following its September transfer request, Mr L’s new provider chased ITI Capital periodically – in November, December and January – according to notes sent by that provider. Mr L says he phoned the provider every week for an update.

On 9 November ITI Capital noted Mr L wished to speak about incorrect information shown on the account for stocks and cash. ITI Capital’s response to that is not detailed there.

In January 2021 Mr L chased the transfer by phone and later in January suggested he was taking legal action to escalate things. Shortly after that, on 21 January 2021, ITI Capital took the next steps to complete the transfer, which it has referred to as logging the transfer. The

transfer of shares and uninvested cash completed shortly afterwards in February 2021 (a small payment of dividends followed in April 2021).

Mr L says he is self-employed and regards the savings in his ISA as his pension which he has been building up for around the last eight years or so. He's given us a value of around £18,000 for his ISA shares in August 2020. Also his ISA contained cash – the figure he has given us is around £7000 - that the delay meant he was unable to reinvest. He says there were some very cheap shares available. He has told us his lack of access to his cash and invested funds was very stressful to say the least.

Our investigator was persuaded by Mr L's account of what happened – noting the absence of any evidence to show that ITI Capital did give Mr L a practical way to gain full access to his account. Our investigator also thought it likely the ISA cash would have been invested in some way if it hadn't been for the delay. Our investigator thought it likely was very stressful and frustrating for Mr L given that our investigator accepted the ISA played a significant role in Mr L's retirement funding plans and bearing in mind the years he had been saving into it.

In all the circumstances, our investigator thought it fair for ITI Capital to compensate Mr L by way of an interest payment at the rate of 8% simple per year on the cash accumulated in his ISA from 3 September 2020 – being when Mr L would've likely invested the cash had he had access to it. Our investigator also thought ITI Capital caused Mr L inconvenience and also distress - as a result of his lack of access to his investments and inability to monitor them - for which it ought to compensate him by paying £400.

Mr L accepted our investigator's findings. ITI Capital didn't reply to them – so the complaint couldn't be resolved informally and has been passed to me to decide.

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've decided to uphold Mr L's complaint – and for the same reasons as those given by our investigator.

In short, I conclude ITI Capital could've and should've provided a better service to Mr L. Also I conclude the transfer took much longer than necessary and in the meantime Mr L was unable to monitor the detail of his account and was kept from using his uninvested ISA cash as he wished for a period. So I think ITI Capital should put things right.

I do not overlook ITI Capital's notes about Mr L not providing verification information. But I've received no suggestion from ITI Capital that this made a material difference to how long things took – or that it ought to affect my conclusions when looking at the delay.

According to ITI Capital's notes, it didn't take next steps for the September 2020 transfer request until 21 January 2021. When it took these steps, the process completed quickly. There's no suggestion in what I have that the transfer proceeded as it did after 21 January as a result of anything extra Mr L provided at that time – and so nothing to suggest that the transfer was held up before then by Mr L not providing something that was needed.

In terms of the uninvested cash and Mr L's arguments about how this might have been used, I've seen nothing persuasive to suggest that what Mr L has said about this isn't right – and nothing to suggest that the remedy proposed by our investigator for that isn't reasonable and fair. What I have makes me think it is fair and reasonable. Also I accept there were significant savings in the ISA that were to be used for Mr L's retirement.

Our investigator's findings about Mr L not having been given full access to his account or a proper service, haven't been disputed and I agree with them based on the evidence I have. Mr L has said being unable to monitor his account meant not knowing what dividends had been paid. I accept this will have been frustrating.

In terms of the practical steps Mr L had to take in response to this and the other problems, Mr L has mentioned logging in to his account regularly – at times daily – to try to check on it. He has mentioned making a number of complaints without reply. He has mentioned phoning his new provider weekly for transfer updates. I've seen no suggestion that all this – and the problems themselves - didn't cause Mr L stress like he says as well as inconvenience.

I've taken all this into account when deciding what redress would be fair and reasonable for the inconvenience and distress Mr L was caused by ITI Capital's failings. Examples of our approach given on our website provide context, but my decision is based on the particular circumstances here and in light of all I've said above I think £350 is fair and reasonable here. This is in addition to the interest I've already mentioned above.

I'm grateful to Mr L for the assistance he has given us and in particular his time explaining and discussing his complaint with our investigators during our investigation of his complaint.

Putting things right

ITI Capital Limited should pay Mr L simple interest on the cash sum that was in his ISA as at 3 September 2020 at the rate of 8% per year from that date until the date the cash was transferred to his new provider.

ITI Capital Limited should also pay Mr L £350 for the distress and inconvenience caused to him by ITI Capital's failings, as detailed above.

My final decision

For the reasons I have given and in light of all I've said above, I uphold Mr L's complaint and order ITI Capital Limited to put things right by doing what I've said above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 28 September 2022.

Richard Sheridan
Ombudsman