

## **The complaint**

Ms T complains about the problems she's faced when transferring her share dealing account from ITI Capital Limited. She complains that it took too long to transfer her shares and cash, and this has caused significant distress and left her without access to her investment.

## **What happened**

Following the insolvency of her previous broker, in June 2020, Ms T investments were transferred to ITI. She held a dealing account and an ISA account – the shares and cash she held in the accounts were due to be transferred.

Ms T said due to the problems with the transfer to ITI, in November 2020, she initiated a further transfer of her investments to a new broker. She said this transfer should have been completed by early January 2021 but due to ITI's handling it was still being finalised in late May 2021.

In March 2021, Ms T raised a complaint with ITI. She was unhappy with the failure to manage and successfully complete the transfer of her accounts held with ITI. She was concerned about delays, the time she had spent chasing up ITI and also that there were missing dividends and cash that hadn't been transferred to her new broker.

In May 2021, ITI responded to the complaint. It upheld it and acknowledged that the service it had provided caused unnecessary delay and inconvenience. It made her an offer of £150 in compensation.

Ms T didn't accept the offer made. She didn't think this adequacy compensated her for the problems she experienced. She said the cash transfer she received for her ISA account was missing a dividend payment and the final amount paid to her was £215 short of what she was expecting. After this she referred her complaint to this service for an independent review.

One of our investigators looked into the complaint. He noted that ITI had agreed to increase its offer of compensation to £300. He felt this was a fair and reasonable level of compensation for the circumstances of the complaint. He didn't find that ITI had failed to pay Ms T any dividends or cash balances that were due.

Ms T didn't accept the investigator's conclusions and asked for an ombudsman to reach a decision on her complaint. In summary she said:

- ITI didn't transfer all the cash that was being held in her ISA account at the time of transfer from them to my new broker – so she thinks she is still owed £215. She has based this on the statements ITI provided to her about the cash value and expected dividends due.
- She is now satisfied from the evidence provided, the dividends due on her dealing account were paid.
- The transfer of her funds from the original broker that was liquidated to ITI is irrelevant to this complaint – and what matters is the transfer of the cash being held

by ITI at the time of transfer to her new broker.

### **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.

The crux of this complaint relates to problems Ms T has experienced in transferring her investments away from ITI. She has concerns that she hasn't received all of the funds she should have into her accounts with the new broker. She has also explained the earlier transfer into ITI isn't relevant to the complaint she makes now. So, I will concentrate my findings just on the transfer she made away from ITI.

Firstly, I acknowledge from Ms T's comments in response to the investigators assessment that she is satisfied she has now received all of the dividends she was due on her dealing account. What remains in dispute is whether she has received the correct dividend payments and linked to the cash balance transferred to her new broker for her ISA account.

Ms T maintains that £215 is missing from the cash transfer for her ISA. Ms T says she was expecting £23,818 in cash based on a statement she received from ITI on 9 March 2021 and on top of this she was also expecting dividend payments (of £104.51 and £36.64). She says the amount transferred to her new broker didn't fully cover the cash and dividends she was due.

ITI says it has paid all of the cash and dividends that were due to Ms T on her ISA account. It has provided evidence that it paid dividends to her. ITI has provided transaction data to show it made an external cash payment from Ms T's account of £23,691.51 on 1 April 2021 and further a further payment of £231 on 4 May 2021. It says the second payment was in respect of the dividends that were due to Ms T. ITI has also shown systems data to show there are no funds remaining in the ISA account.

I understand why Ms T is concerned that she hasn't received everything she should have - particularly in light of the way the transfer has been handled by ITI. But in order to say she has suffered a loss because she hasn't been paid all of the funds she is due, I would need to be satisfied that ITI had made an error when transferring her portfolio. I've considered the evidence available to establish whether an error has been made. There seems to some confusion in the figures on whether dividend payments due were including or not in the statement total Ms T refers to gain her understanding of what should be transferred. There were two dividend payments that became due after the shares had been transferred – which I can see were paid. It seems most likely to me this is why Ms T believes she hasn't had the full amount due to her and there is a misunderstanding of the figures due rather than an error by ITI. I understand this will come as a disappointment to Ms T but the evidence I've seen doesn't support that there is remaining funds due to her. For this reason, I'm not going to ask ITI to make any further payment for missing funds.

Finally, I've considered whether the offer of compensation ITI made fairly compensated Ms T for the frustration and hassle she has experienced as a result of the way it has handled the transfer. ITI increased its initial offer after the complaint was brought to this service. I agree the initial offer of £150 wasn't sufficient to compensate Ms T for what's happened, so I need decide whether the increase to £300 is fair compensation.

Ms T has provided evidence of various emails and contacts she made with ITI trying to establish what was going on and chasing up things with ITI. I can also see that Ms T became distressed as she was worried her money had gone missing. She encountered delays as a result of the transfer taking longer than it reasonable should have. From her initial transfer

request, the process took quite a few months to complete, which based on my experience is longer than I would expect for the size and type of portfolio. ITI also haven't provided much in the way of evidence to explain the reasons for the delays other than to say it had received a high number of transfer requests at the same time. But I note it has conceded that the service Ms T received fell short of the standards it expects to deliver.

The impact ITI's handling of the transfer has caused considerable distress and worry – as well as inconvenience to Ms T that meant she spent extra time trying to get the transfer sorted. Having considered everything, I'm satisfied that the increased offer of £300 fairly compensates Ms T for this impact caused as a result of ITI's handling of the transfer.

### **My final decision**

My final decision is ITI Capital Limited is required to pay Ms T pay £300 to settle the complaint for the distress and inconvenience caused by its handling of the transfer of her investment.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms T to accept or reject my decision before 18 October 2022.

Daniel Little  
**Ombudsman**