

## **The complaint**

Mr D complains about the time it took for ITI Capital Limited to transfer his investment ISA.

## **What happened**

In 2020 Mr D's ISA, which he held with another firm that had gone into administration, was transferred over to ITI. At the end of July 2020 Mr D received confirmation that the account had been migrated. During July Mr D began the process to transfer his ISA from ITI to another ISA manager, who I'll call Company A. By October 2020 the transfer wasn't complete, so Mr D made a complaint about the amount of time it was taking. On 10 December 2020 ITI offered him £85 for the delay, and the transfer completed soon after.

Mr D felt the compensation wasn't enough to make up for the inconvenience caused, and the fact he wasn't able to make investment decisions during that period of time. So, he escalated the complaint to our service. Mr D's son is representing him in this matter, who I'll refer to as Mr D2. An investigator at our service looked into the complaint and found that ITI should pay Mr D a total of £300 for the distress and inconvenience caused. ITI and Mr D accepted this, and we provided ITI with payment details for Mr D in September 2022.

However, Mr D didn't then receive payment and asked to escalate his complaint. Mr D2 explained how frustrating the further delay was to Mr D, given the history of poor communication from ITI. So, the complaint was passed to me for a final decision.

I wrote to ITI and explained that I felt the £300 previously agreed was not sufficient in the circumstances. I said the delays ITI caused throughout the complaint compounded the frustration and inconvenience caused to Mr D and I was minded to award a total of £400 compensation. I also explained that I was minded to award interest on the £400, if the award wasn't paid within 30 days of ITI being notified of Mr D's acceptance of the award.

Mr D2 replied on Mr D's behalf, and said they agreed with what I'd said. ITI didn't reply.

## **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.

Mr D says he initiated this transfer in July 2020, and ITI hasn't disputed this – but I'd note I have no evidence of when ITI received the transfer request from Company A. I understand that Mr D wouldn't have received his account details from ITI until the end of July, and couldn't have requested the transfer until then. I've no reason to doubt his recollections of beginning the transfer in July, which he'd have done by initially speaking with Company A. They will have processed the application and then sent it over to ITI, which likely will have taken Company A several working days. So, I think it's more likely than not that ITI would have received the transfer request at some point during the first half of August.

However, the evidence I've seen shows ITI didn't process the transfer request until 29 November 2020, at which point it sent the valuation of the ISA to Company A. Mr D, and

sometimes Mr D2 on his behalf, rang ITI at least three times before that, and logged a complaint – none of which they should have needed to do. The ISA was transferred to Company A in mid-December 2020.

ITI haven't told me how long it should have taken them to send the valuation to Company A, so I've considered how long a fair and reasonable timeframe would be. I don't think it would be fair to say they ought to have sent it immediately, as it's not unreasonable to allow some lead-in time. But equally I don't think it should take more than a couple of weeks to progress each stage of a transfer as, based on my experience of the general timeframes that firms take to complete each step in a transfer, it rarely takes two weeks. I think it would be fair to pick a mid-point between the two amounts of time – somewhere between immediately and a couple of weeks. So, I think it's fair to say ITI ought to have sent the valuation to Company A within a week, particularly given the relatively minimal work involved in that step of the process.

I can see that once they did send the valuation this was accepted by Company A on 14 December 2020 and the transfer was settled on 16 December 2020. So had everything gone as it should, the transfer to Company A ought to have been complete by the end of August or the beginning of September 2020. Based on this, there's been a delay of around three and a half months.

ITI admits that this delay was its fault. Mr D2 has said that Mr D had wanted to place trades before the transfer was complete, especially in November and December – but hasn't been specific about which shares would have been sold. Trades can be placed during the transfer process – but this can cause delays to the transfer, so I understand why Mr D didn't attempt to trade, given the already lengthy delays he was experiencing. That being said, as he's not been specific about the trades he wanted to place, and there's no evidence of when they would have been placed, I'm not persuaded to award any financial loss here.

Mr D and Mr D2 on his behalf have explained how frustrated and unhappy Mr D was about the delays. I've considered the following when reaching my decision on the amount of compensation to award:

- The delay here was significant, and I understand Mr D wasn't kept informed of any progress, which will have naturally been frustrating.
- Mr D made a number of calls, and a complaint, to understand what was taking so long, which was an inconvenience to him.
- Mr D has told us that he'd wanted to trade, but didn't feel able to do so, due to ITI's actions.
- When Mr D had understood the matter would be settled, ITI has seemingly ignored him and not paid the original amount agreed. That delay, on top of others experienced throughout the complaint process, worsened the distress caused to him.

Having reviewed all the evidence and in particular taken account of the above factors, I'm persuaded that an award of £400 for the distress and inconvenience caused is fair and reasonable in the circumstances.

### **My final decision**

I uphold the complaint. My decision is that ITI Capital Limited must pay Mr D £400 for the distress and inconvenience caused.

ITI Capital Limited must pay the compensation within 28 days of the date on which we tell it Mr D accepts my final decision. If it pays later than this, it must also pay interest on the compensation from the date of my final decision to the date of payment, at 8% a year simple.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 24 February 2023.

Katie Haywood  
**Ombudsman**