

The complaint

Mr H is unhappy at the length of time it took Idealing.com Limited took to transfer his funds to its platform from a different firm. To put things right, Mr H asked for an apology for its failure, a refund of charges and compensation for the consequential financial losses he says he suffered.

What happened

On 22 February 2022 Idealing requested a transfer of cash and in-specie funds from Mr H's existing broker. A valuation was sent to Idealing by the broker, but despite chasers being sent, the transfer did not take place and was eventually cancelled on 16 March 2022.

Mr H complained about the delay. He claimed that had his transfer completed on time, he would've made certain investments and these would've generated a profit – so he asked for compensation for that missed investment growth.

Idealing looked into Mr H's complaint, but didn't think it had done anything wrong. In short, it said that Mr H's broker didn't comply with its procedure for accepting transfers in, and that was beyond its control. It also said that it didn't accept it had any liability over the investments Mr H said he would've purchased.

Mr H didn't agree and referred his complaint to this service. One of our investigators looked into his complaint. He agreed that Idealing hadn't dealt with the request promptly enough, and awarded some compensation for the impact this had on Mr H. However, the investigator didn't think it would be fair and reasonable to ask Idealing to compensate Mr H for investments he says he would've made but couldn't because of the delay in the transfer completing.

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.

I've considered Mr H's comments, and his reasons for believing he is entitled additional compensation. In short, Mr H told Idealing what trades he would've carried out in his emails of 17 and 18 March 2022. However, as the transfer didn't take place, he chose not to carry out those trades with his existing broker, because its fees were higher than Idealing's. Since the shares he would've purchased increased in value between that time and when he eventually bought them, he believes he is entitled to that investment growth.

However, whilst I understand Mr H's argument, I'm not persuaded his proposed compensation is fair and reasonable. Whilst I fully appreciate why he was committed to transferring to Idealing, it's clear to me that if he wanted to own the stock he needed to buy it via his existing broker. He wasn't prevented from doing that.

I accept his argument that this would've incurred around £600 of additional fees compared to what he would've paid with Idealing – but those fees are far less than the compensation he

is now seeking. In other words, Mr H had an opportunity to mitigate his perceived loss by purchasing the stock with his existing broker – and then potentially claiming these additional fees based on what he thought was Idealing's failure to accept the transfer quickly enough.

The key issue is that Mr H wasn't prevented from purchasing the stock he says he wanted to buy. And, furthermore, by the time he notified Idealing of what he would've done had the transfer completed on time, he had already been told the transfer had been cancelled. So taking all this into account, I'm satisfied that there are no financial losses in Mr H's case that ought to be compensated, fairly and reasonably, by Idealing.

However, it's clear that the matter has caused Mr H some trouble and upset for which some compensation *is* fair and reasonable. I understand Mr H's claim that £50 is not sufficient is based on the emails and efforts he went through to try and get the transfer sorted. However, in looking at the evidence available, it's clear to me that:

- The delay was limited to three weeks, and during this time Mr H wasn't prevented from carrying out any investment activity;
- Part of the delay was not due to something Idealing did or didn't do – it's clear its process was to accept cash via cheque only, and the evidence suggests on balance that this was made clear to Mr H's existing broker.
- Mr H was, however, inconvenienced by Idealing not responding to his broker's solicitations, and for that reason the transfer was cancelled.

Taking all the above into account, I'm satisfied £50 is fair and reasonable compensation.

Putting things right

Idealing.com Limited must pay £50 to Mr H within 28 days of when we tell it he has accepted this final decision.

My final decision

My final decision is that I uphold Mr H's complaint and award the compensation above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 15 September 2023.

Alessandro Pulzone
Ombudsman