

The complaint

Mrs E complains about unreasonable delays by Standard Life Savings Limited trading as abrdn when completing an ISA transfer.

What happened

Standard Life accept that they've caused unreasonable delays in this case. They twice chose not to honour cheques they'd sent to Mrs E's new ISA provider. It seems Standard Life had flagged Mrs E's account in some way that meant they needed to do some further checks before releasing her money. It seems that before they'd been able to complete those checks, the process for honouring the cheques had timed out.

Standard Life eventually managed to send Mrs E's money to her new provider electronically. They also made a payment to the new ISA to cover interest the new provider calculated had been lost because of the delay. And Standard Life offered Mrs E £200 compensation to acknowledge the distress and inconvenience she'd been caused.

Mrs E didn't feel that was a suitable amount of compensation, so she came to us. But one of our investigators looked at the case, and felt the £200 was a reasonable amount. Mrs E didn't agree, and the case is now with me for a formal decision.

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 decided to uphold Mrs E's complaint. But I find the offer Standard Life made to resolve it is suitable in this case. I'll briefly explain why.

I agree with Mrs E that the issues Standard Life have had with honouring their cheques was unreasonable. Certainly after the first time it happened, they should have realised that unless they identified and fixed the problem it would happen again the second time. The repeat of the error was clearly frustrating for Mrs E, as well as delaying what should have been a simple process – honouring a cheque.

I'm pleased to see Standard Life have held their hands up to their mistakes. The issue then is how to put things right.

Putting things right

Standard Life have taken steps to make sure Mrs E hasn't lost out on the interest she would have received, if the service had been more reasonable. I find the approach taken there was reasonable, and nothing is needed to put right the financial impact in this case.

The distress and the inconvenience caused for Mrs E can't be undone. It happened, and all Standard Life can really offer is an acknowledgement that it shouldn't have.

Compensation in these circumstances can serve as a way of providing that sort of

recognition. But there's no set formula for working out how much that should be. Instead, different factors need to be taken into account, and broadly balanced out.

Here, there's no lasting financial impact on Mrs E. The money that was delayed wasn't needed for her day-to-day living expenses, or for a significant and time critical purchase. While it would have been concerning to think the money might have gone missing or been taken fraudulently, within a few days the ISA providers and Mrs E's advisor do seem to have been able to identify that wasn't the case and Standard Life still had the money.

I appreciate Mrs E's talked about the calls she had to make. And I've seen the emails she wrote. And the frustration was added to by the same thing happening twice, after Standard Life failed to sort it out at the first attempt.

With all of the above factors in mind, I've thought about Standard Life's offer to pay Mrs E £200. It's a matter of opinion, but in my view that suitably balances the factors above with the fact that the payment Standard Life already made to put right the lost interest has kept there from being a lingering financial impact for Mrs E. As such, I've decided to direct that £200 is the right figure for this case.

My final decision

I've decided to uphold Mrs E's complaint about Standard Life Savings Limited trading as abrdn. I can see they've already put right the financial impact on Mrs E's ISA. To recognise the emotional impact on Mrs E, Standard Life should pay her a total of £200 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs E to accept or reject my decision before 21 April 2023.

Paul Mellor
Ombudsman