

## **The complaint**

Mr M complains that Aldermore Bank Plc didn't provide the service it should have when he requested to transfer his Individual Savings Account (ISA) to another finance provider.

## **What happened**

Mr M submitted an application to open a new account at a building society on 21 October 2022 which was to be funded by transferring his existing 30-day notice ISA account held with Aldermore. The funds were finally credited on 20 December. Mr M says there was an unjustifiable delay which meant he had to make several phone calls to try to get the issues resolved. He said that both finance providers blamed the other for the issues and that the whole process has been frustrating and stressful. He said he needed to use the funds for urgent health treatment and was left uncertain as to when he would be able to access his money.

Aldermore issued a final response letter dated 9 January 2023. It said it received Mr M's transfer request on 21 October 2022, and placed his account on notice to avoid any penalties on the closure of his account. It acknowledged receipt of the building society's request on 25 October and confirmed the notice due date of 24 November. It said it messaged the building society on 23 November to advise it had accepted its transfer request and needed to receive the message to advise it was ready to receive the funds. When Mr M contacted it on 9 December it explained it was waiting to hear from the building society that it was ready to receive the funds. It said the building society would be contacted and that it kept Mr M updated between 13 and 19 December. On 15 December Aldermore identified that the building society's transfer status had not been updated which is why the message about accepting funds hadn't been received. A new request was submitted by the building society on 16 December which Aldermore acknowledged on 19 December and the funds were transferred on 20 December.

Aldermore said that the delay was due to the building society not updating its transfer status, and it had acted appropriately and kept Mr M updated. Therefore, it didn't uphold his complaint.

Mr M referred his complaint to this service.

Our investigator upheld this complaint. She said that having looked at the timeline of events, the communication and responses from Aldermore could have been more proactive and timely. She noted that Mr M had to call up about the progress of his ISA transfer numerous times and that the delay caused him stress as he couldn't access his funds for a period of time in which he needed them urgently. Because of this she recommended that Aldermore pay Mr M £75 compensation for the distress and inconvenience caused.

Aldermore didn't agree with our investigator's view and provided further evidence to support its position. Our investigator responded to this saying that her view hadn't changed. Because a resolution hasn't been agreed, this case has been passed to me, an ombudsman to issue a 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.

There are two parties involved in the process of the transfer of Mr M's ISA account but this complaint is raised against Aldermore and so, while I have noted the actions of the other party, this decision is about whether I find that Aldermore provided the level of service it should have when dealing with Mr M's transfer request.

I have looked at the timeline of events. Aldermore received a request from the building society on 24 October 2022 for the transfer and issued a message on 25 October to pend transfer until 24 November, as Mr M had chosen to serve a 30-day notice period. On 24 November Aldermore issued an accept message to note it could proceed with the transfer out. At this stage I do not find that Aldermore had done anything wrong.

I note Aldermore's comment that it is the duty of the acquiring provider to ensure that the 'ready' message is sent to allow the transfer to proceed. However, on 5 December 2022, Aldermore says it received an email asking it to confirm when the funds would be sent and it noted that the building society had tried to call Aldermore. Based on this I think that Aldermore could have done more at this point to ensure the transfer was made. Contact had been made by the building society and had a call happened at that time this issue may have been resolved. Unfortunately, this didn't happen, and I can't see any evidence of a response to this until after Mr M had called on 9 December chasing the transfer.

I have listened to the calls provided. On 9 December Aldermore made contact with the building society and was told that calls had been attempted on 5 and 8 December with no success. The details of what had been sent from Aldermore were given and the building society said this would be looked into. I can see that Aldermore updated Mr M following this conversation and then updated him again later following a further conversation. At this time, I find that Aldermore was taking reasonable steps to try to resolve the delay.

However, the issue wasn't resolved and on a further call to Mr M on 13 December he explained that the building society had sent an email to Aldermore the previous day. Aldermore hadn't received this. Further calls took place between Aldermore and the building society and Mr M on 14 December. On 19 December the request was reissued at which time the process appears to have worked and the transfer happened on 20 December.

Having considered the timings in this case I find there were unnecessary delays in Mr M's ISA transfer taking place. While I note the comments Aldermore has made about not receiving the 'ready' message I have also taken into account that the building society attempted to call it to chase the transfer on 5 and 8 December and that it wasn't until Mr M made contact that it started to follow up on this transfer. Therefore, I find that Aldermore could have done more in this case to have made the transfer happen in a timelier way.

Because of this I find it should pay Mr M compensation for the upset and distress he has been caused. Mr M has explained that he had to chase for a response and that he wasn't clear when he would be able to access his money which he has explained he needed urgently. Against this I have taken into account the actions of Aldermore on 9 December in trying to move things forward and that it contacted Mr M at this time and subsequently to keep him updated. Taking all this into account I agree with our investigator's recommendation that Aldermore should pay Mr M £75 compensation for the delay in his ISA transfer and the frustration and upset this caused him.

**Putting things right**

Aldermore should pay Mr M £75 compensation for the distress and inconvenience caused by the delay in processing his ISA transfer.

**My final decision**

My final decision is that I uphold this complaint. Aldermore Bank Plc should take the action set out above in resolution of this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 11 December 2023.

Jane Archer  
**Ombudsman**