

## **The complaint**

Mr S is unhappy with Bank of Scotland plc trading as Halifax. Mr S was looking to close and transfer an ISA to another bank. But Mr S said the wrong ISA was transferred leaving him with less financial protection and penalty interest fees. Mr S wants the penalty interest fees refunded to him.

## **What happened**

Mr S arranged to transfer one of his ISA's and filled in the transfer form. But in the transfer a different ISA belonging to Mr S was closed and transferred to the other bank. This wasn't what Mr S wanted to happen and he ended up paying a fee of £1,298.26.

Mr S said he'd noticed in the transfer period that the details passed between the banks was for the wrong ISA. He said he'd made repeated requests during the process to stop the transfer of the wrong ISA. With Halifax unable to stop the process the transfer completed, and Mr S was left with the interest penalty fee. Mr S brought his complaint to this service.

Our investigator didn't uphold this complaint. She said the new bank the ISA was transferring to contacted Halifax through the automated interbank system used for the transfer of ISA's. Our investigator said there wasn't sufficient details on the transfer request to suggest to Halifax there were any issues with the transfer. She said it went ahead and followed the usual process in line with the interbank system.

Mr S didn't accept this and asked for his complaint to be passed to an ombudsman for a final 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.

Mr S accepts that errors were made and despite the loss of some of his financial protection following the transfer of the ISA he said he can accept that if the fees are refunded.

Mr S felt that he'd done as much as he could do to stop the transfer completing. He realised the account number for the transfer was wrong and it wasn't the ISA that he wanted to move. Mr S felt the different names of his ISA's and the difference in value should've been enough to trigger Halifax into halting the transfer and checking it further.

Halifax has confirmed that the process between the banks is an automated system and once a request is received it will be processed within three working days. It said if Mr S wanted to stop the transfer he would've needed to contact the requesting bank where the ISA was being moved to. Halifax said the requesting bank could've cancelled the transfer if the automated request hadn't been completed.

Halifax continued *"I have contacted our ISA team and they have confirmed the Early Closure Waiver (ECW) is ticked or it says true which means that customer is aware and accepts*

*penalty and wants to proceed immediately.*” Halifax said based on these details the instruction from Mr S was clear and so it would proceed immediately to carry out the instructions of the transfer.

Halifax didn’t have the ISA name or the ISA amount as part of the transfer request in the automated system.

I can understand Mr S’s point about getting in contact to stop the transfer. He tried to do that. This would have been very frustrating for him. It seems even though the letter is sent Halifax wouldn’t have been able to stop the transfer. Although I do understand Mr S’s upset, I don’t think Halifax acted unfairly or unreasonably when it carried out the transfer in line with the automated request.

### **My final decision**

I don’t uphold this complaint.

I make no award against Bank of Scotland plc trading as Halifax.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr S to accept or reject my decision before 27 February 2024.

John Quinlan  
**Ombudsman**