

The complaint

Mr M complains that M & G Securities Limited trading as M&G Investments ('M&G') delayed the transfer of his ISA.

What happened

Mr M had a stocks and shares ISA with M&G. He asked M&G to transfer the contents to an ISA provided by a business I'll refer to as 'the third party'.

Mr M began the process of trying to transfer his ISA in January 2024. The transfer wasn't completed until August 2024. In this complaint Mr M says M&G caused delays which caused him substantial distress and inconvenience.

When Mr M complained to M&G it responded to the complaint on 16 May 2024 saying the following:

- In phone calls on 18, 26, 29 and 30 April 2024 M&G told Mr M it hadn't received a request to transfer his holdings.
- M&G apologised for telling Mr M on 29 April 2024 that it would write to the third party about the transfer. In fact M&G wouldn't write to the third party unless it had correspondence from the third party that it could reply to.
- On 16 May 2024 Mr M said the third party had told him it received a letter from M&G. But M&G had no record of having corresponded with the third party.
- M&G understood this was frustrating for Mr M because it'd been going on since January 2024.
- M&G had different entities. The third party might be corresponding with a different area of the business. It should write to '*The M&G Group*' at the postal address that was listed for M&G on the TISA database.

One of our Investigators looked into Mr M's complaint and thought M&G had caused unreasonable delay. He said the following:

- The third party said it sent written requests to M&G to transfer the ISA, but M&G said it didn't receive the requests.
- The issue should've been resolved before the point Mr M stepped in to try and move things along.
- Evidence showed the third party wrote to M&G as early as 9 February 2024 to request the transfer and sent chasers to the same address.
- The postal address used by the third party had a slightly different first line from the address M&G used. But that wasn't enough to stop letters being delivered.

- After Mr M contacted M&G about the delay M&G failed to take timely action to rectify the situation.
- The transfer took several months and became an ordeal that Mr M shouldn't have had to experience. To put things right M&G should pay Mr M £250 for distress and inconvenience.

M&G didn't agree with the investigator's view. It said the following:

- The first instruction M&G received from the third party was a letter dated 14 June 2024 which it received on 21 June 2024. M&G then made the transfer on 26 June 2024.
- In phone calls throughout April and May 2024 M&G invited Mr M to send copies of letters from the third party, but he didn't send anything.
- The contact information for M&G on the TISA database was correct.
- M&G wanted to see the evidence the investigator had relied on to reach his view.

The investigator sent M&G copies of letters dated 9 February and 28 March 2024 from the third party to M&G, asking M&G to act on the transfer of Mr M's ISA. The letters were addressed to '*M&G Financial Services Ltd*' at the postal address listed for M&G on the TISA database.

M&G said it had searched its records thoroughly and hadn't received those letters. It was concerned that so much correspondence couldn't be accounted for and wanted to see evidence of other correspondence Mr M had mentioned, including emails from the third party on 28 March and 12 April 2024, and further letters from the third party on 12 April and 7 May 2024. M&G said the high volume of unaccounted for correspondence suggested on balance that the third party had problems sending correspondence. And without conclusive evidence to support the investigator's view M&G didn't agree it should pay Mr M £250.

The investigator said the documentary evidence of correspondence that he'd relied on was the letters of 9 February and 28 March 2024. He said he hadn't relied on seeing copies of the further emails and letters M&G now asked to see. But he still thought the complaint should be upheld and M&G should pay Mr M £250.

Other evidence I've seen which I'm satisfied M&G has also seen includes the following:

- A copy of contact information about M&G from the TISA database which M&G provided to this service.
- A letter dated 20 May 2024 from Mr M to M&G asking it to transfer his ISA. This letter said it enclosed a copy of the third party's 12 April 2024 letter to M&G. Mr M sent this letter by recorded delivery to '*The M&G Group*' at the same postal address listed for M&G on the TISA database. Mr M mentioned in this letter that the third party said it had emailed two named managers at M&G about the ISA transfer. I've seen that the two named managers were listed on the TISA database as '*Escalation contacts*'. And Mr M included the names and contact details of two individuals at the third party who'd been involved in his request for transfer and who he said could help if M&G contacted them. M&G provided this service with a copy of this letter as part of its file for our investigation. A timeline provided by M&G to this service says M&G received this letter on 21 May 2024.

- The third party's 12 April 2024 letter to M&G said the third party had recently requested the ISA transfer and asked M&G to take action as soon as possible. This letter was addressed to '*M&G Financial Services Ltd*' at the postal address listed for M&G on the TISA database. M&G provided this service with a copy of this letter as part of its file for our investigation. The timeline provided by M&G says M&G received this letter on 21 May 2024.
- The third party's letter dated 14 June 2024 which M&G has acknowledged receiving and which says the third party had already asked M&G to transfer the ISA. This letter was addressed to '*M&G Financial Services Ltd*' at the postal address listed for M&G on the TISA database. M&G provided this service with a copy of this letter as part of its file for our investigation.
- A copy of an ISA transfer request recorded as having been signed by Mr M on 8 February 2024 and the third party on 9 February 2024 – and certified on 17 June 2024 as being a true copy of the original. M&G provided this service with a copy of this document as part of its file for our investigation.
- A letter dated 18 June 2024 from Mr M to M&G which said amongst other things that the third party told him it had emailed M&G on 28 March and 12 April, and it had sent letters on 9 February, 28 March, 12 April and 7 May. M&G provided this service with a copy of this letter as part of its file for our investigation.

Because no agreement could be reached, this complaint was passed to me to review afresh and make 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.

Having done so, I'm upholding the complaint for essentially the same reasons given by the investigator for this service. I'll explain why.

The purpose of this decision is to set out my findings on what's fair and reasonable, and explain my reasons for reaching those findings, not to offer a point-by-point response to every submission made by the parties to the complaint. And so, while I've considered all the submissions by both parties, I've focussed here on the points I believe to be key to my decision on what's fair and reasonable in the circumstances.

All of the letters I've seen from the third party to M&G were addressed to the same postal address. The third party used a slightly different name for M&G, but otherwise the address was the same as the one used by Mr M when he wrote to M&G, and the same as the one listed for M&G on the TISA Database which I've seen and which M&G has said is correct.

M&G received a letter from Mr M using that address, and it acknowledged receiving the third party's letter of 14 June 2024 which used that address. So I can't say correspondence was routinely failing to reach M&G at that postal address.

Given the number of letters I've seen from the third party to M&G and the fact Mr M also told the M&G the third party had emailed M&G and emailed named individuals from the TISA database, I can't reasonably accept on the balance of probabilities that it was 21 June 2024 when M&G first received a transfer request – or correspondence about the transfer request – from the third party. M&G's own records acknowledge it received a letter dated 12 April 2024

from the third party via Mr M's recorded delivery on 21 May 2024, despite later saying it first received a request from the third party on 21 June 2024.

Considering the evidence I've described I find it likely that M&G received correspondence at its postal address from the third party as early as 9 February 2024. And even if M&G didn't receive anything from the third party until it received the forwarded letter via Mr M's recorded delivery on 21 May 2024, I'd still say M&G delayed too long taking action. By 21 May 2024 M&G was well aware Mr M had been attempting to transfer his ISA since January 2024, and that he'd said the third party had been writing to M&G. In these circumstances I'd expect M&G to have acted with some urgency to facilitate the transfer. But it appears to have done little if anything productive until a month later when it received a further letter from the third party on 21 June 2024.

The effort Mr M made to get his ISA transfer underway was extensive – he made numerous phone calls and sent letters including forwarding correspondence by recorded delivery. And it wasn't unreasonable for him to take the steps he did, given the lack of action on M&G's part despite M&G being told the third party had repeatedly tried to make contact to begin the transfer. I can understand that Mr M found the experience extremely frustrating. So I agree with the recommendation from our investigator that M&G should compensate him.

M&G has asked whether a complaint has been considered about the role of the third party in these events. My decision here relates solely to the actions of M&G in carrying out its own role in the transfer of Mr M's ISA. I haven't held M&G accountable for the actions or obligations of others. But in the circumstances of this complaint M&G has failed to treat Mr M fairly and reasonably. And that's caused him distress and inconvenience for which M&G should compensate him.

Putting things right

To put things right I require M & G Securities Limited trading as M&G Investments to pay Mr M £250 for the distress and inconvenience it caused by delaying his ISA transfer.

My final decision

For the reasons I've set out above, my final decision is that I uphold this complaint. M & G Securities Limited trading as M&G Investments must take the steps set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 12 May 2025.

Lucinda Puls
Ombudsman