

## **The complaint**

Mr T complains about Yorkshire Building Society ("YBS"). He said it delayed a transfer from a cash ISA account Mr T held with it, to a stocks and shares ISA he held with a third party.

Mr T said the delay caused him distress and upset and he thinks he incurred investment losses. He would like YBS to compensate him.

## **What happened**

Mr T opened a cash ISA with YBS in January 2023. He said he put in an instruction with a third party, Trading 212 (T212), to transfer money from his cash ISA account to a stocks and shares ISA account that he held with it.

Mr T said he completed a transfer request with T212 and checked that it sent it to YBS. He said he then chased YBS on 26 April 2024, who said it hadn't received anything. Mr T said T212 resent the transfer request on 29 April 2024. He said YBS said it would ensure the transfer would go through the following day. But, he said, it insisted on a wet signature on the transfer form. Mr T said the money wasn't transferred until the day after, on 1 May 2024.

Mr T said YBS refused to investigate whether there were any technical issues at its end, instead assuming the emails sent by T212 were lost in transit. He said the unnecessary delays and missed promises stopped him from opening a position on a particular stock before it announced its earnings, following which the share price increased dramatically.

Mr T said YBS delayed the transfer, and this had caused him high levels of distress and upset. He said as well as this, the delayed transfer cost him in excess of £7500 in lost profits. He complained to YBS about this.

YBS said in response that it did not receive any contact about the transfer from T212 or Mr T, before it received a phone call from Mr T on 26 April 2024. YBS said when Mr T called on 26 April 2024 to complain about the transfer, its representative didn't log his complaint as he hung up before she could advise of next steps. It said the complaint should have been logged anyway and it apologised for this.

YBS said on 29 April 2024, Mr T called again, and it was on this occasion that the representative provided him with his own email address. The representative then, on receipt of the forms, sent them on to YBS's ISA team to action. YBS said the ISA team rejected Mr T's request because it didn't contain a wet signature. It said it was sorry and a more pragmatic approach should have been taken here. It said the representative approached the ISA team the following day to ask it to do this. It said Mr T's account was closed and the transfer happened on 1 May 2024.

YBS concluded it should have done better with regards to logging Mr T's complaint on 26 April 2024, and regarding the issue with the wet signature on 29 April 2024. But it said, it did not receive any emails from T212 about the transfer before Mr T contacted it on 26 April 2024.

YBS said to say sorry for the mistakes it did make, it would pay £200 compensation to Mr T. It enclosed a cheque with its reply for this amount.

Mr T was not happy with YBS's response and referred his complaint to our service.

An investigator looked into Mr T's complaint. He said he didn't think YBS needed to take any action. He provided a timeline of what he felt happened, including that YBS received the ISA transfer form on 13 April 2024, and completed the transfer on 1 May 2024, within the 15 working days timeframe allowed by HMRC.

The investigator said YBS's compensation paid for the distress and inconvenience it caused for mistakes it made was fair and reasonable and in line with what our service would recommend.

The investigator concluded that although Mr T said he would have invested in Super Micro Computer, he couldn't say with any certainty whether Mr T would have lost or gained if he had investment before 1 May 2024. He said he was not persuaded it would be fair and reasonable for YBS to pay additional compensation here.

Mr T was not in agreement with the investigator's view. He said if YBS had contacted him much sooner to resolve the issue of the wet signature, then everything would have been resolved much quicker.

Mr T said YBS failed to log a complaint, gave misinformation many times, made commitments that were missed – all in relation to a sizable amount of money. He said as well as it owing him for the lost profit that he incurred, he didn't think £200 was adequate recompense for repeated failings. Mr T also said he had traded in the company in question with money already in his stocks and shares ISA. He said he had made a profit and so on balance, that's what he would've done if he had received his money sooner.

Because the parties are not in agreement, Mr T's complaint has been passed to me, an ombudsman, to look into.

### **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 have independently reviewed Mr T's complaint and have arrived at the same outcome as the investigator, for broadly the same reasons. I will explain why.

I've looked through what happened here, and this has included reading the system notes kept by YBS, listening to the call recordings submitted and reading what the parties have said. The timeline of events I think are as described by the investigator, and the parties have read through this. I don't think I need to repeat all of the detail here as everyone is aware of what has been said up to now. Instead, I have concentrated on what I think the crux of Mr T's complaint is, namely that YBS ought to have transferred his money sooner than it did.

I firstly looked at what happened when Mr T instructed the parties to make the transfer happen. This being the transfer of cash from his YBS cash ISA to his stocks and shares ISA held with T212.

YBS has more recently provided an explanation as to what it thinks happened here and I'm persuaded by what it has said. This being that it received the transfer form on 13 April 2024

from T212. It said it then rejected the transfer form because there wasn't a wet signature on the form. It said it did this on 23 April 2024. It said it has since amended its processes and now accepts transfer forms without a wet signature. But at that time, it didn't.

This issue caused the delay between the parties, as YBS required a wet signature and T212 didn't think it needed one and requested the transfer go through on the form it submitted. That said, matters were resolved as YBS staff obtained permission for the transfer to go ahead on the originally submitted form. This meant that after agreeing to complete the transfer on what it had on 30 April 2024, a chaps payment was made, and the money was transferred on 1 May 2024.

Up until recently YBS required a wet or electronic signature on ISA transfer forms and when T212 submitted Mr T's request, it had neither on the form. It was its process at the time to request the form be completed in a certain way, and I can see that it has since the events of Mr T's complaint, changed its process, and now accepts transfers without a signature.

I don't think I can fairly say YBS made mistakes when it rejected Mr T's form as that was its process at that time. Moreover, it sought to resolve matters and I can see its staff looked to obtain permission to complete the transfer, using the form as it was submitted by T212.

When it did make the transfer happen and Mr T's money was transferred to his stocks and shares ISA, I can see that it took YBS 18 calendar days to complete matters. I don't think this was an unreasonable amount of time for YBS to take, from its side especially as I don't think it made any mistakes that contributed a delay to that. The government guidelines state that any other ISA transfer (not cash ISA to cash ISA) should take no longer than 30 calendar days, so I can see that YBS for its part, completed its side of things within these rules.

Mr T said if YBS had contacted him on 23 April 2024 about a wet signature, the matter would have been resolved sooner. I agree with him here, but there is a difference I think between what would have been good service and what YBS was obligated to do or whether it treated him fairly. I can also see that it was looking to resolve matters a different way, by obtaining permission internally to accept Mr T's transfer form without the wet signature. Again, I don't think this was an unreasonable action for it to take, to try and resolve matters for Mr T.

In conclusion, I don't think YBS made any mistakes that contributed to how long the transfer of Mr T's money from his cash ISA held with it to T212 took. The transfer did take 18 calendar days, and this was because there was an issue regarding a wet signature. Again, I don't think YBS caused any mistakes here, but note it has changed its processes going forward. I can also see it carried out the transfer within the government rules around ISAs.

So, it follows that I don't think it would be fair to ask YBS to compensate Mr T for any losses he felt he incurred, as I don't think it made any mistakes that contributed to the amount of time it took. I also conclude that I don't think the transfer took an unreasonable amount of time either.

But, even if I had concluded YBS was responsible for a delay, I don't think it would have been fair for it to compensate Mr T for any investment losses anyway, based on what he has told our service. This is because I haven't seen enough contemporaneous evidence about this. I appreciate Mr T now thinks he would have invested in the shares in question and points to the specific dates that he would have bought them and then gone on to sell them. But I haven't seen enough to persuade me this was his plan from the outset. This matters as the share price for the shares in question were volatile during this period and, as our investigator explained, Mr T could have just as likely lost money as made profit, if these were the shares he would have invested in.

Mr T has pointed to what he did do with money already in his ISA that he invested in the company in question, but there are too many variables here that mean it would be unfair to conclude Mr T would have done exactly as he is suggesting he would have.

That said, YBS has made mistakes, that I think are unrelated to how long the transfer took, but still would have caused Mr T distress and inconvenience. YBS said it gave Mr T misinformation, when he called it on two occasions. I can see it did do this and can see the reasons why: it didn't update its system notes about what was happening with the transfer request.

So, when its representatives checked on the system, they were not able to give Mr T the updates he required. I don't think on balance, that if it did, it would have changed too much regarding the transfer, as he called from 26 April 2024 and the transfer was completed on 1 May 2024. But the misinformation it gave during these calls, would have caused Mr T distress and inconvenience. YBS has acknowledged and said sorry for this and has provided Mr T with a cheque for £200 as compensation for its mistakes. I think this is fair and reasonable in all the circumstances of Mr T's complaint. It is similar to the sort of award I would have made here.

I appreciate that my decision will be disappointing for Mr T, and I acknowledge the strength of his feelings in the submissions provided. But based on everything I have read and the findings I have given, I don't uphold his complaint, for the reasons I have provided.

### **My final decision**

My final decision is that I do not uphold Mr T's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 22 April 2025.

Mark Richardson  
**Ombudsman**