

The complaint

Mrs P complains that abdrn Client Management Limited (“abdrn”) took too long to act on her instruction to transfer her stocks and shares ISA to a new provider.

What happened

Mrs P gave authority to her chosen new provider to transfer her stocks and shares ISA from abdrn on 4 August 2023. The transfer wasn’t completed until 24 January 2024. Mrs P said she relied on her ISA to top up her pension income and that she had to borrow money from family to pay a bill over the Christmas period. She said it was very difficult to get any information from abdrn about the progress of the transfer.

Abdrn apologised that the transfer had taken longer than it would usually expect. It said it was experiencing high volumes of work. It offered her £150 compensation.

When she referred her complaint to us, Mrs P also raised concerns that there still seemed to be cash in her abdrn ISA account that hadn’t been transferred.

Our investigator explained that when a stocks and shares ISA is transferred, residual cash is sometimes received – for example, interest and dividends received after the holdings and main cash balance is transferred. And he noted abdrn had arranged to transfer this residual cash to Mrs P’s new account.

The investigator didn’t think £150 was enough to fairly compensate Mrs P, because of her circumstances, the poor communication from abdrn. and the lack of information it provided. He recommended abdrn should pay her £500 to fairly cover lost interest on the cash transferred and compensation for the distress and inconvenience caused.

Mrs P agreed with the investigator’s conclusion.

Abdrn didn’t reply, and hasn’t paid Mrs P any compensation, so the complaint was passed to me to issue 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.

The government guideline for the timescale for transferring a stocks and shares ISA to a new provider is that it should take no longer than 30 calendar days. The transfer here took almost six months. There are sometimes valid reasons why a transfer may take longer. And sometimes a delay is out of the current ISA manager’s control. But in Mrs P’s case, abdrn said the delay was caused by heavy workloads. It seems this also caused the difficulties Mrs P encountered when she tried to find out what was happening.

Whilst abdrn recognised Mrs P had been impacted by its poor service, I agree with our investigator that its offer of £150 wasn’t enough to fairly compensate her. I say this in particular because of the individual circumstances here – Mrs P couldn’t access her ISA to

withdraw the money she needed to pay a large bill over the Christmas period. And, because she couldn't get any information on progress from abdrn, she had no option but to borrow money from family members.

I agree with our investigator that £500 fairly compensates Mrs P for the interest she lost on the cash that was transferred, and for the distress and inconvenience she was caused.

My final decision

My final decision is that abdrn Client Management Limited should pay Mrs P £500.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs P to accept or reject my decision before 18 March 2025.

Elizabeth Dawes
Ombudsman