

The complaint

Mr N complains that HSBC UK Bank plc (HSBC) didn't cancel an ISA transfer request. As a result, he says he lost a £3000 government subsidy. He would like this amount paid to him.

What happened

The details of this complaint are well known to both parties so I won't repeat them again here, instead I will focus on giving the reasons for my 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 have reached the following conclusions: -

- HSBC has referred to phone calls and online chats between itself and Mr N. I have considered if I should ask to have phone calls to listen to but have decided I do not need to delay issuing my view to get these. This is because our investigator provided, in his view, a timeline of events noting the content of the relevant phone calls and chats. Mr N has disputed some issues in this timeline. I think it's fair for me to assume that comments referred to in phone calls that he hasn't disputed he accepts as being an accurate record of any communication between himself and HSBC.
- HSBC has evidenced it sent Mr N annual reminder letters about the Help to Buy ISA which contained the rules of the scheme so Mr N would have been aware of these.
- From the information provided, I can see that Mr N requested via an online chat to cancel his initial ISA transfer request on 8 April 2024 confirming this by phone the next day which HSBC actioned.
- HSBC then evidenced on 15 May 2024 Mr N asked online for help to close his ISA. Mr N says this request was never accepted so should be considered as null and void. I am not sure if Mr N got a response to this request or not, however, on 16 May HSBC received a second ISA transfer request from the business Mr N wished to transfer his ISA to. It seems to me that both these events indicate Mr N wanted to close his account and go ahead and make the ISA transfer.
- Mr N says the request for the second transfer was not a new request but a follow up on the first request. Even if that were the case, I think HSBC were entitled to believe the transfer was still to be made. If the new provider sent that request in error that is something Mr N needs to take up with them.
- However, Mr N hasn't disputed he had a phone call with HSBC on 22 May 2024 in which HSBC said, if Mr N had made a mistake, it could reopen the ISA but Mr N said he hadn't made a mistake and wanted to go ahead with the transfer. Mr N has also

sent us a copy of a text message with the new provider dated 23 May 2024 asking how fast the money could be transferred into his account. It's clear to me Mr N asked, and wanted, the transfer to go ahead so I don't think HSBC has done anything wrong in making the transfer and closing his account. If Mr N's actions meant he lost out on the government subsidy I can't really ask HSBC to compensate him for this as it has evidenced, it made him fully aware of the scheme rules.

- I have noted that HSBC paid Mr N £200 compensation as it realised it failed to advise Mr N it sent the ISA history to the new provider on 20 May 2024 which meant Mr N had to chase this up. I don't doubt having to chase something up takes time and is inconvenient. I think that HSBC's actions in making the compensation award that it did were reasonable.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr N to accept or reject my decision before 21 November 2024.

Bridget Makins
Ombudsman