

## **The complaint**

Ms B complains about how Castle Trust Capital PLC dealt with her Individual Savings Account (ISA) and that she wasn't given appropriate advice about payment deadlines.

## **What happened**

Ms B opened a Castle ISA in March 2022 and says she was told there was a 14-day funding window. She reinvested that money into a one-year fixed ISA on 28 March 2023 and was told she had a 14-day window to fund that account. Ms B says she made further payments to the account on 6 and 7 April 2023 but says she wasn't told that the 14-day window was affected by the end of the tax year. She says she contacted Castle before that date as she was unsure of the position but wasn't given appropriate or correct information. Ms B says she was unable to use her ISA allowance and in March 2024 made a further payment that was held in a Castle holding account before being returned to her for which she would like the interest she lost repaid to her. She would like her losses repaid.

Castle says Ms B called it in March 2023 and says it accepts there was some confusion on the telephone calls. It says it told Ms B that payments had to be made within the tax year. In summary Castle says Ms B was given the correct information and says it had no choice but to place the payment received in March 2024 in a holding account before being returned to Ms B as it was received before the funding window for the ISA.

Ms B brought her complaint to us, and our investigator upheld the complaint. The investigator thought Castle gave Ms B incorrect advice which meant she lost some of her 2022/23 ISA allowance. The investigator recommended Castle pay Ms B the lost interest of £312 and then pay interest at 5.08% on the difference between approximately £55,000 and £47,000.

Ms B agrees with that view but Castle questions the investigator's calculations. It says it will pay compensation for the confusion, but it was Ms B's choice to send the money in March 2024 for which the investigator recommended the £312 interest be repaid.

## **My provisional decision**

I issued a provisional decision on this complaint and said I came to the provisional view that I intend to uphold this complaint in part but for different reasons to those of the investigator. I also said I intend to direct Castle to pay compensation rather than attempt a calculation for lost interest for the reasons I would explain.

I listened carefully to the main telephone call between the parties on 20 March 2023. I accepted there was confusion during that call. I didn't think Ms B clearly explained herself and I didn't think Castle clearly explained the ISA position or asked Ms B to explain exactly what she wanted to achieve. I was satisfied that Castle correctly told Ms B what the ISA limit was and that the new tax year started in April, although didn't tell her the exact date. So, I thought that Ms B ought to have appreciated that the new tax year started in April and could have told Castle which tax year she wished to invest in. I also thought that Castle should have been far clearer in explaining the exact tax year start in circumstances where the 14-

day window was in conflict with the start or end of a tax year.

I was satisfied that Castle should pay compensation for the misleading information and the failure to clarify what exactly Ms B wanted to achieve. I thought provisionally that Castle should pay £250 compensation which I thought is fair and reasonable. I said it also takes into account that it's the expert here and not Ms B. I appreciated that the investigator recommended Castle put Ms B back in the position she would have been in. But I thought that was difficult to do so, and I made clear that Ms B was told there was a deadline of April to make the payments within a tax year.

I appreciated Ms B says she tried to mitigate her position by making the further payments in March 2024. But I was satisfied Ms B made that decision without any input from Castle and I was satisfied that Castle had no choice but to return the money as soon as it was able. I appreciated Ms B says she has lost interest but in these circumstances, I said I can't fairly direct Castle to pay that amount for the reasons I explained.

Overall, I was satisfied that Castle could have provided clearer information. I said I can't fairly direct Castle repay any lost interest or pay compensation for the loss of an ISA allowance for the reasons I explained. But I could direct Castle pay compensation of £250. I didn't think it clear why Ms B says Castle should pay interest on the £20,000 she says she could have invested in an ISA with a different business. And I said that Ms B could explain why she maintains that should be paid by Castle or why she didn't simply invest the money with that other business.

Ms B has replied to my provisional decision and in summary doesn't accept it. She says she believed the 14-day funding window was for the previous tax year and that she received misleading information. Ms B says she could have opened a new ISA with a different provider with a higher interest rate.

### **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 come to the same overall view that I reached in my provisional decision and for the same reasons.

I appreciate Ms B says that she thought the 14-day window meant that she could invest in the previous tax year as long as it was in that window. But that is not allowed under taxation rules. And I don't think Castle ever told Ms B that was allowed. I find that both sides ought to have been clearer and that Castle ought to pay compensation for its part. I can't fairly direct Castle pay the difference in interest rates and have explained that I find it was Ms B's decision to make the later payment without input from Castle at that time. I appreciate what Ms B says about the reasons she did so, but I am sorry to say that does not change my decision.

### **Putting things right**

Castle should pay Ms B £250 compensation. Ms B's acceptance of this decision would be in full and final settlement of this complaint.

### **My final decision**

My final decision is that I uphold this complaint in part and order Castle Trust Capital PLC to pay Ms B £250 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms B to accept or reject my decision before 30 November 2024.

David Singh  
**Ombudsman**