

The complaint

Mr K complains that iDealing.com Limited didn't follow his instructions to transfer funds from his ISA to a new provider. He says the delays and handling of this left him without access to his funds and has suffered loss as a result.

What happened

Mr K held an ISA account with iDealing.com Limited. He raised several complaint points about their failure to execute his instructions as well as customer services failings. Mr K instructed iDealing to transfer his existing ISA fund to a new provider that I will call "Company A". The relevant documents to execute the transfer were completed and the funds should have been transferred directly to Company A.

In September 2022, Mr K received a letter from iDealing confirming the transfer as well as a copy of the letter sent to Company A. Mr K was later informed that Company A did not receive the funds, so he complained to iDealing. They say a banker's draft was sent directly to Mr K to forward onto Company A himself, and they did not hold the funds. Mr K confirms receipt of the letters sent but states there was no payment attached. As he was unable to recover the funds, and the banker's draft was missing, he reported this to the police as a potential theft. The funds have not been recovered to date, and Mr K holds iDealing responsible for not transferring the funds to Company A.

To resolve his complaint, Mr K would like the funds to be sent to him as well as compensation for the period he has not had access to his funds and for the way he has been treated. As the situation has not been resolved, Mr K brought his complaint to our service.

An investigator here considered the complaint and upheld this. She said there was no evidence of Company A having received the funds, or that Mr K received the banker's draft. She asked iDealing to pay Mr K the outstanding amount of £28,340.37 plus 8% per annum simple interest from 28 September 2022 as well as £500 for the distress and inconvenience caused.

iDealing didn't agree, so this has been passed to me to consider.

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 am not going to list every issue mentioned, though I would like to reassure Mr K that I have considered all the complaint points. Having done so, I have come to the same conclusion as the investigator and for broadly the same reasons. I will explain further.

Mr K requested his funds to be transferred to Company A, the instructions were clear. This was also confirmed by Company A on 8 September 2022 when they requested the funds to be sent via BACS transfer, but instead iDealing issued a banker's draft to Mr K on 28 September 2022. He contacted them to inform them he hadn't received a banker's draft and

to transfer the funds directly to Company A, but iDealing failed to take any action. The evidence shows Mr K also followed up with Company A to check if they'd received the payment or the letter iDealing issued. They hadn't received either.

The evidence I have seen shows Company A tried to follow up with iDealing to resolve the issue but faced inadequate responses or no response to their communications. Company A continued chasing iDealing for a response for at least two months with no progress. I found iDealing's communications to be extremely limited and unhelpful with both Mr K and Company A. They were insufficient to deal with the situation and failed to take any action to help resolve the issue.

Receipt of the correspondence issued by iDealing has never been in dispute, but iDealing have not been able to provide any evidence that Mr K or Company A received the funds. It has been confirmed that the banker's draft funds remain outstanding which corroborates what Mr K and Company A both say, that the funds were never received. Mr K invested his funds with iDealing, responsibility for safeguarding those funds rests with them. Any issue between iDealing and the bank issuing the banker's draft is a matter for iDealing to resolve directly. It is not the role of this service to adjudicate between iDealing and the issuing bank.

In terms of Mr K's complaint against iDealing, it remains unclear what happened to the original banker's draft, but what is apparent is that Mr K's instructions to iDealing were clear – that they should transfer the funds directly to Company A. In addition to this, both Mr K and Company A tried to resolve the issues soon after it was discovered that the funds hadn't been received but made no progress with iDealing when this could have been resolved sooner. More than three years have passed since the issue arose and it is unreasonable that Mr K has still not received the funds. iDealing failed to follow Mr K's instructions by not transferring the funds to Company A and unfairly deprived him of the funds. I am satisfied that iDealing failed to meet its obligations by not acting fairly or reasonably in respect of Mr K's invested funds and so it is their responsibility to put things right.

Putting things right

Mr K no longer needs the funds to be transferred to an ISA and has requested this be transferred to him. So, iDealing should transfer to him by BACS payment £28,340.37 plus 8% per annum simple interest from 28 September 2022 to the date of settlement. Any cost involved in making the transfer should be incurred by iDealing.

I've also thought about what Mr K was intending to do with the funds and how iDealing can put this right. Mr K intended to use the funds to renovate a property and withdraw the funds when he was in need to help with living costs. He has not been able to invest this or utilise the funds as he wanted and he has had to draw down from his pension fund, the evidence confirms he did this in June 2023. He has suffered considerable frustration and inconvenience in trying access his funds. Not having access to these funds has resulted in financial strain which could have been avoided if iDealing had transferred the funds to Company A or Mr K. Mr K has been trying to resolve this for over three years, with little explanation from iDealing for failing to resolve the issue. iDealing's service fell below what was expected of them and the impact over this period has been significant causing emotional and financial distress. As such, iDealing should pay Mr K £500 compensation in recognition of the distress and inconvenience he has suffered.

My final decision

For the reasons given above, I uphold this complaint against iDealing.com Limited. They should pay Mr K as noted above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 20 March 2026.

Naima Abdul-Rasool
Ombudsman