

The complaint

Mrs R complains HSBC UK Bank plc (HSBC) failed to carry out the correct transfer instructions for her ISA to a new provider.

What happened

Mrs R says she experienced several issues with HSBC dealing with a request from her new provider to transfer her Individual Savings Account (ISA). Mrs R says initially in June 2024 her new provider requested the transfer but quoted the incorrect account details and this was rejected. Mrs R says following a telephone call with an HSBC agent in July 2024, she was told the transfer would be organised the next day, but this didn't materialise as a fresh transfer form was required.

Mrs R says in mid-August 2024 two further requests were made, but both were rejected on the basis there were insufficient funds available to make the transfer. Mrs R says the reason for the rejection of the ISA transfers in August 2024, was down to HSBC not properly interpreting the instructions, and says those instructions clearly show that she wished to transfer £50,900 in total, including the £20,000 current year subscriptions and not in addition to.

Mrs R says due to HSBC's mistake she has lost out on interest and wants compensation for that and for the trouble and upset this matter has caused her.

HSBC says it accepts it did give misleading information to Mrs R when she called in July 2024 regarding when the ISA transfer would take place and have apologised for that and offered Mrs R £75. HSBC says the first transfer request from her new provider in June 2024 was rejected because it quoted incorrect account details. HSBC says the subsequent transfer requests in August 2024 were also rejected because the electronic requests it received from the new provider, asked for more than the balance of the ISA available.

Mrs R wasn't happy with HSBC's response and referred the matter to this service.

The investigator looked at all the available information but didn't uphold the complaint. The investigator says the initial ISA transfer request sent by the new provider in June 2024, had stated incorrect account details and it was rejected. The investigator agreed that HSBC had misled Mrs R to think that this would be sorted by them, following a telephone conversation in July 2024, but it had offered Mrs R £75 for that, and she thought that was fair.

The investigator felt from the information she had seen it showed in August 2024 the new provider had electronically requested HSBC to transfer £50,900 plus the current year's subscriptions of £20,000, which was not possible because this exceeded the balance of her ISA. The investigator says HSBC had written to both Mrs R and the new provider at the time explaining this. The investigator pointed out that HSBC would only receive instructions via electronic means and not any of the new providers ISA transfer forms Mrs R referred to, so she couldn't say it made an error here.

Mrs R didn't agree with the investigator's view and asked for the matter to be referred to an

ombudsman for 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.

Having done so, I won't be upholding this complaint and I will explain how I have come to my decision.

I can understand it would have been frustrating for Mrs R to have requested her new provider to transfer her ISA from HSBC, only to be informed it had been rejected on several occasions, which Mrs R believes is due to a misinterpretation of the instructions by HSBC.

When looking at this complaint I will consider if HSBC acted unfairly when it rejected the various transfer requests it received from Mrs R's new ISA provider.

Both parties have provided this service with comprehensive details of the course of events here and while that has proved helpful, I won't be commenting on every point made as I don't feel it's necessary in order to come to a full and impartial decision here. That's not to say I haven't considered everything – I have. But it's just that I don't need to comment on each individual point here in order to reach a decision on what's fair and reasonable.

Mrs R's complaint centres around the fact HSBC made several errors when she requested the transfer of her ISA to her new provider. Mrs R says initially her new provider sent the incorrect account details to HSBC in June 2024 and following a telephone conversation in July 2024 with HSBC, she was led to believe the matter was being dealt with – but it wasn't.

More importantly Mrs R says when new instructions were provided to HSBC in August 2024, it incorrectly interpreted the amount she wished to transfer as being £50,900 in addition to her current year's subscriptions of £20,000, which exceeded the balance of her ISA. Mrs R has provided details of the forms her new provider sent HSBC and she says these clearly show she only wanted a total £50,900 to have been sent.

While I understand the points Mrs R makes here, I'm not fully persuaded by her argument, and I will explain why. Firstly, it's agreed by all parties the initial transfer request Mrs R's new provider sent in June 2024 to HSBC, contained incorrect account details so that was correctly rejected. That said, I do agree in a phone call Mrs R had with an HSBC agent in July 2024, she was given the impression the matter was being dealt with, when in fact fresh instructions were required. HSBC have apologised for that and offered Mrs R £75 for the poor service, and I'm satisfied that is fair in the circumstances of that part of her complaint.

As far as the problems Mrs R faced in August 2024 when two further ISA transfer requests were rejected by HSBC, from what I've seen I'm satisfied it acted on the instructions it received from the new provider. I say this because despite what Mrs R may believe, HSBC receive instructions for ISA transfers electronically via BACS and not the forms from the new provider that she refers to. These forms are retained by the new provider for its internal processes. So, it's fair to say HSBC can only act on the electronic message transfer instructions it receives.

Having seen copies of those electronic instructions, it is clear HSBC were asked by the new provider on both occasions in August 2024, to transfer a partial amount from previous years subscriptions totalling £50,900, plus the current year's subscription of £20,000 which totalled more than the balance in her ISA. It's also worth mentioning when Mrs R instructed a new provider to transfer her ISA from HSBC in late September 2024, which went through

successfully, the instructions it sent electronically asked to transfer all current and previous years subscriptions, and I'm satisfied in all probability if that had been asked for in August 2024 by her then new provider, the transfer would have gone ahead. So, with that in mind I can't say HSBC are at fault here.

I will leave it with Mrs R if she now wishes to accept HSBC's offer and if so she should contact them directly.

While Mrs R will be disappointed with my decision, I won't be asking anymore of HSBC.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs R to accept or reject my decision before 12 February 2025.

Barry White
Ombudsman