

The complaint

Mr C complains that Shawbrook Bank Limited caused a loss of interest and inconvenience by delaying a transfer from an Individual Savings Account (ISA) held with a third-party bank, which I'll refer to as B, to a new ISA he was opening with Shawbrook.

What happened

Mr C phoned Shawbrook to set up a new ISA and arrange to transfer funds into that account because he couldn't do that online. During the call, Mr C was asked specifically how much he wished to transfer, and he replied £30,000. Shawbrook's first two requests for the funds were unsuccessful but a third request did succeed. Mr C was unhappy with the delays and raised a complaint asking for compensation and for interest to be backdated to when the transfer was first requested (5 March 2024).

Shawbrook sent a final answer to Mr C's complaint and explained that it'd sent the transfer requests on 5 March 2024, 5 April 2024 and 3 June 2024. It upheld the complaint in part because Mr C had provided information on 14 May 2024 which should've started a new transfer request, but that didn't happen until 3 June 2024. Shawbrook apologised and credited Mr C's account with £100 compensation. Mr C wasn't happy with this resolution and so brought the complaint to us.

One of our investigators reviewed the case and, because of questions asked, Shawbrook agreed to pay interest from 14 May 2024 to 3 June 2024, additional to the compensation already paid. Our investigator concluded Shawbrook's offer of compensation and interest was a fair outcome to the complaint and didn't recommend that it should have to do any more. Mr C disagreed with our investigator and asked that his case be decided by an ombudsman. So, it's been passed to me to decide.

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 realise this will come as a disappointment to Mr C, but I don't intend to uphold his complaint. I'll now explain how, and why, I've reached my decision.

Mr C was asked in his phone call with Shawbrook on 5 March 2024 how much he wished to transfer to his new ISA. I've listened to the phone call and can confirm he answered £30,000. So, I'm satisfied that when Shawbrook completed the transfer requests with that figure, it was acting in accordance with Mr C's instructions.

The first transfer request was made on 5 March 2024 and was rejected by B on 6 March 2024. A second transfer request was made on 5 April 2024 which also failed. Having looked at the transfer requests filled in, I'm satisfied that the amount was correctly quoted on both as £30,000 in line with Mr C's instruction. So, I don't find those transfers were rejected because they'd been incorrectly completed by Shawbrook.

Following these two rejections, Shawbrook contacted Mr C on 26 April 2024 to request more information. Mr C gave Shawbrook what it asked for on 13 May 2024. He said:

1. *I can confirm the ISA matured end March when I originally asked you to transfer in so no there is no notice period anymore*
2. *Yes, please transfer the full amount.*

I'm satisfied Mr C only asked for the full balance to be transferred to Shawbrook on 13 May 2024 – and it's that which prompted the request to be accepted.

Shawbrook admitted that it missed Mr C's response of 14 May 2024 and didn't pick it up until Mr C chased a response. The transfer request was finally resubmitted on 3 June 2024. The electronic timeline shows the transfer as "referred" in B's records on 4 June 2024 with it being accepted on 1 July 2024. I'm told that B has confirmed it was dealing with delays at that time and so is responsible for that delay. Shawbrook confirmed it was ready for the payment on 2 July 2024 and the transfer was finally completed. Based on the evidence, I've decided that Shawbrook was responsible for the delay between 14 May 2024 and 3 June 2024, and I'm pleased it admitted this error and paid compensation. Had an offer not been made by Shawbrook, I would've made an award which would've been in the region of what was paid. So, I'm not asking it to pay any more.

I'm also pleased to see that Shawbrook accepted if it'd seen Mr C's response sooner, the transfer would've been completed quicker. Shawbrook calculated the interest which would accrue in 21 days, the delay it caused, and arranged for that to be credited to Mr C's account. I think that's a fair way to resolve the interest aspect of this complaint. As I've said before, the delay between 4 June 2024 and 1 July 2024 was due to B, and so I don't find Shawbrook should have to pay any compensation or interest for this period.

In summary, I find that Shawbrook was responsible for some delay in processing Mr C's transfer, but its resolution adequately compensates for this. So, I don't find that Shawbrook need do anything further in respect of this complaint.

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 Mr C to accept or reject my decision before 31 March 2025.

Stephen Farmer
Ombudsman