

The complaint

Mrs H complains Trading 212 UK Limited took too long to return money she wanted to invest into an ISA and handled her complaint poorly.

What happened

Mrs H has investments with Trading 212 including ISAs.

On 20 July 2024 Mrs H says she attempted to pay £1,000 into one of her ISAs without success. Trading 212 agrees that it wasn't able to accept Mrs H's deposit, saying that it would have taken Mrs H over her ISA limit for the year. Trading 212 says the deposit was held rather than invested as a result.

Mrs H says she asked Trading 212 to return her deposit immediately, and that she did so on 25 July 2024. That was a Thursday. Trading 212 says Mrs H's deposit was returned on 29 July 2024. That was a Monday. Trading 212 accepts that there was a slight delay in returning Mrs H's deposit – it says this would typically take two to three days – and says it offered Mrs H £30 in compensation as a goodwill gesture. In other words, half of the £60 in compensation Mrs H was asking for at that time.

Mrs H was unhappy with Trading 212's response and with the way it handled her complaint – in particular Trading 212 sending standard responses to her emails and insisting that she complained from the email address it had on its records. She complained to our service asking for £250 in compensation to reflect the additional distress and inconvenience caused.

One of our investigators looked into Mrs H's complaint and said that they didn't think the time it had taken Trading 212 to return Mrs H's funds was unreasonable and that they hadn't seen evidence of any investment loss. They also said it wasn't unreasonable of Trading 212 – given its data protection obligations – to ask Mrs H to email them from the email address registered to her account. So, they didn't recommend that Trading 212 needed to do more.

Mrs H wasn't happy with our investigator's recommendation, saying that the delay had deprived her of the ability to act within a favourable investment window, causing frustration and financial detriment. She asked for her complaint to be referred to an ombudsman for a decision. Mrs H's complaint was, as a result, passed to me.

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'm satisfied that Trading 212 couldn't accept the £1,000 that Mrs H attempted to deposit into her cash ISA. I can see that she had, however, successfully transferred £15,000 in a few days earlier. It wasn't able to do so because the deposit would have taken Mrs H over her ISA limit. I'm satisfied that Trading 212 received the £1,000 on 22 July 2024 – two days after Mrs H instructed the payment – and notified Mrs H that day that it wouldn't be able to accept the deposit as it would take her over her ISA limit.

I'm satisfied that Mrs H contacted Trading 212 on 25 July 2024 asking it to return her deposit immediately. And I can understand why Mrs H feels a "straightforward case" involving the return of a deposit should be dealt with very quickly. But I agree with Trading 212 that there was only a "slight delay" in returning the deposit – it was returned on 29 July 2024 – given that this can take up to three days according to its terms and conditions. Mrs H accepts that there was a weekend in between. In any event, I agree with our investigator that the goodwill gesture that Trading 212 offered for any delay on its part was fair and reasonable.

I can understand why Mrs H was frustrated that Trading 212's responses to her emails included responses to standard queries, and that Trading 212 said she had to complain using the email address registered to her account. I don't, however, agree that either of these things are unreasonable, particularly in light of Trading 212's data protection obligations. So, I don't agree that these "errors" should lead to compensation as I don't agree they are "errors" in the first place.

In short, I agree that Trading 212's response to this complaint was fair. So, I'm not going to ask it to do more.

My final decision

My final decision is that I'm not upholding this complaint and I'm not going to ask Trading 212 UK Limited to do more.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs H to accept or reject my decision before 3 March 2025.

Nicolas Atkinson
Ombudsman