

## **The complaint**

Mr I complains Secure Trust Bank Plc made mistakes when he attempted a partial ISA transfer to them and says it hasn't compensated him properly for those mistakes.

## **What happened**

Mr I had an ISA with Secure Trust. He also had an ISA elsewhere with more than £85,000 in it with a business who I'll refer to as "O" throughout the rest of this decision.

Mr I decided to move some money invested with O into an ISA with Secure Trust and some into another business so that he was still covered by the Financial Services Compensation Scheme. He says he subsequently received a message from O saying that his ISA with them had been closed, which wasn't his intention. He says he contacted Secure Trust and discovered that it had completed a full transfer rather than a partial transfer. He complained.

Secure Trust looked into Mr I's complaint and apologised saying that it had made a mistake. Secure Trust says it contacted O and arranged for the excess funds it took to be returned to O. In addition, Secure Trust offered to pay £150 in compensation.

Mr I says there was a delay in his funds being returned – because of other mistakes Secure Trust made – and that the compensation it had offered was inadequate. He'd asked for compensation equivalent to 10% of his total balance. In other words, approximately £8,500. Mr I also said Secure Trust should be offering him interest from 15 to 31 July – not 16 to 31 July – and that it still hadn't paid this into his ISA. He complained to our service saying he wanted compensating for the time spent on his complaint – over 16 hours' worth – at his hourly rate and for the impact on his health too as well as interest from the correct date.

One of our investigators looked into Mr I's complaint and said that they didn't think Secure Trust's offer to pay interest from 16 July 2024 was unfair as that was the date when Mr I's funds were applied to his ISA rather than received. That offer was one that Mr I had rejected. Nor did they think £150 in compensation was unreasonable.

Mr I was unhappy with our investigator's recommendation saying that Secure Trust's mistakes had caused him substantial distress, upset and worry, a serious disruption to daily life over a sustained period, with a health impact felt over many months. In other words, an award of between £750 and £1,500. Mr I asked for his complaint to be referred to an ombudsman for a decision. His 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 Secure Trust received the proceeds of Mr I's ISA from O on 15 July 2024 having incorrectly requested a full rather than a partial transfer. And that these proceeds were applied to Mr I's existing ISA with Secure Trust on 16 July 2024 in line with its terms and conditions and timescales for applying incoming payments. I'm also satisfied that Mr I

complained immediately – having received a notification from O that his ISA with them had been closed. This must have been worrying for Mr I as it wasn't what he'd planned, and it must have been worrying too when he found out that the whole proceeds of his ISA had gone to Secure Trust as that meant he was over the £85,000 limit set by the Financial Services Compensation Scheme. I am, however, satisfied that Secure Trust acknowledged the same day that it had made an error and said that it would speak to O about putting it right. And that Secure Trust sent the additional amount that it shouldn't have taken back to O on 31 July 2024. No-one appears to be disputing that a further mistake was made on the form when the funds were returned meaning that they weren't reapplied until 7 August 2024.

Our investigator has already explained to Mr I that we don't award compensation based on the amount of time a complainant has spent on a complaint multiplied by their hourly rate. We based compensation on impact. That means we wouldn't award compensation based on the value of the ISA being transferred either. I say this because I can see Mr I asked for compensation equivalent to 10% of the value of his ISA. In other words, approximately £8,500 in compensation. I agree, given what I've said about how quickly Secure Trust accepted that it had made a mistake and how quickly it offered to put it right, that the compensation Secure Trust has offered for distress and inconvenience is fair

I can see that Secure Trust also offered to compensate Mr I for any interest he'd lost between 16 and 31 July 2024 – the period during which Secure Trust had approximately £20,000 of Mr I's that should have been invested elsewhere. I don't think that offer was unreasonable, nor do I think it was unfair of Secure Trust to ask for evidence that Mr I had made a loss. I can see that he's said what rates he was being paid and expected to be paid, but I agree with our investigator that he needs to evidence these rates.

In short, for the reasons I've given above, I agree that Secure Trust's offer was a fair and reasonable one. So, that's the award I'm going to make. That'll allow Mr I to make Secure Trust's offer legally binding should he decide to accept my decision.

### **My final decision**

Secure Trust Bank Plc has already made an offer to pay £150 in compensation to settle this complaint plus any potential loss of interest incurred between 16 and 31 July 2024 – on receipt of evidence of the rate of interest had the returned funds stayed with O – and I think this offer is fair in all the circumstances.

So, my decision is that Secure Trust Bank Plc should pay £150 in compensation and compensate Mr I for loss of interest provided it receives the evidence it has requested.

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

Nicolas Atkinson  
**Ombudsman**