

The complaint

Mr M complains that Idealing.com Limited ('Idealing') took too long to transfer his ISA to another provider, and how it communicated with him during the transfer.

What happened

Mr M held a Stocks and Shares ISA with Idealing. On 25 September 2023, he requested his new provider, who I'll refer to as 'A', to arrange the transfer of his ISA from Idealing to A.

A wrote to Idealing on 28 September 2023 at its previous address to request the transfer. As A hadn't received a response, it wrote to Idealing on 30 October 2023 to chase the transfer request, and also asked Mr M to try contacting Idealing himself.

The initial transfer request letter from A was received by Idealing on 31 October 2023. On the same day, Idealing sent Mr M a withdrawal form to complete so it could action the transfer. Mr M completed and signed this form on 6 November 2023 which Idealing received on 10 November 2023.

Following receipt of the form, Idealing sent a cheque to A on 16 November 2023 to transfer the cash balance of Mr M's ISA, which Mr M said he wasn't able to access in his new ISA until 28 November 2023.

Mr M, unhappy with the time taken and what he felt was poor communication from Idealing, raised a complaint. In summary he said:

- Idealing delayed the transfer because its address on TISA was incorrect.
- The delay was unreasonable because guidelines required the transfer to be completed by 6 November 2023 at the latest.
- These delays caused him financial loss through lost interest and inconvenience by having to chase and communicate with the parties involved.
- He said it wasn't fair for Idealing to charge for the transfer or its fee to issue a cheque where the transfer was delayed.

As Mr M didn't receive a response to his complaint, he referred it to our service. One of our Investigators considered the complaint and while he didn't agree the delay was unreasonable, he felt Idealing should've done more when communicating with Mr M and updated TISA. He recommended Idealing pay Mr M £100 to reflect the inconvenience caused.

Although Mr M's concerns remained, he agreed to accept our Investigator's findings. Idealing didn't agree and as an agreement couldn't be reached, the complaint has been passed to me to decide.

I was thinking of reaching a different outcome than the Investigator that the complaint shouldn't be upheld. So, I issued a provisional decision to allow the parties to provide any further evidence or information for my consideration before I issue my final decision.

In my provisional decision I said:

“When carrying out an ISA transfer, I would expect Idealing to handle it in a reasonable time. While there is no specific regulation around how long a transfer should take, HMRC’s guidance says a stocks and shares ISA should transfer within 30 calendar days. The time it takes varies on several factors and while the evidence shows Mr M’s transfer took longer than this, that doesn’t necessarily mean Idealing has treated him unfairly.

For it to have done so, I would need to be persuaded that Idealing caused unreasonable delays when it handled Mr M’s ISA transfer. In my opinion, the evidence shows Idealing handled Mr M’s transfer in a fair and reasonable manner. I would like to assure Mr M I understand his strength of feeling about why he feels Idealing unfairly delayed his transfer and so, I’ll explain why I won’t be upholding his complaint.

A sent the transfer request to Idealing’s previous address – ‘Finsbury House’ – which it moved from in 2022. Mr M says A told him that address was used because the TISA database listed Finsbury House as the address to use for Idealing, and that this database was a reliable source for that information. Mr M says his new provider was unknowingly writing to Idealing’s previous address and this caused the transfer to take longer than it should’ve, and Idealing is responsible for that because it hadn’t updated its address with TISA.

I’ve considered Mr M’s point around TISA carefully, but unlike our Investigator, I’m not persuaded Idealing have any obligation to update TISA with its address. I say this because Idealing isn’t a member of TISA, and to this day isn’t listed under TISA’s published list of members. Given Idealing isn’t a member of TISA, which is a voluntary scheme, I don’t find it reasonable to place an obligation on Idealing to update its address records with a third party it has no relationship with.

In any event, Idealing has evidenced when A sent Mr M’s transfer request, it had a postal redirection in place for its previous Finsbury House address to its office at New Broad Street. The evidence shows the transfer request was sent to the previous Finsbury House address and was dated 28 September 2023, but not stamped as received by Idealing until 31 October 2023. Given the time between those dates and the active redirection in place, I think it’s likely the delay was because of delays in the postal service, which would be outside of Idealing’s control. It follows then while it’s unfortunate it took as long as it did for Idealing to receive Mr M’s transfer request, I can’t fairly say Idealing is responsible for that part of the delay in transferring Mr M’s ISA. I say this because it had put a fair and reasonable measure in place to ensure Mr M’s transfer request would be directed should the previous address be used, which was safely received at Idealing’s new address.

From the time Idealing received the transfer request, I’m satisfied the transfer progressed in a reasonable time. On the same day it received the request, Idealing sent him its withdrawal form to complete. This required Mr M to confirm his transfer instructions and to sign a declaration to authorise the transfer and to agree to the charges involved. While Mr M says he didn’t expect to need to complete any other forms, I’m satisfied Idealing was entitled to require Mr M to complete this form to ensure it understood Mr M’s instructions, that the request was coming from him, and he agreed with the charges to transfer his ISA. And so, Idealing asking for this form to be completed, in my opinion, hasn’t caused an unreasonable delay in the transfer.

Mr M completed the form which Idealing has evidenced was received on 10 November 2023. Over the next six days, Idealing processed the transfer and issued a cheque to A to complete the transfer of Mr M's cash. Given Idealing completed its role in the transfer within 30 days of receiving the request and as I've not seen evidence of any unreasonable delay within that period, I'm satisfied it handled Mr M's ISA transfer in a reasonable time.

I understand Mr M says he wasn't able to see the cash in his new ISA until 28 November 2023. While that may be the case, Idealing has provided records showing the cheque was sent by recorded delivery on 16 November 2023. While Mr M was unhappy with the time it took for the cash to transfer, what happens to the cheque once issued is outside of Idealing's control, as other parties are involved in the sending and cashing of it. I'm satisfied then that Idealing can't fairly be responsible for the time it took for the cheque to be sent and cleared.

It follows then that while it's unfortunate the transfer took longer than Mr M expected it to, I'm not persuaded Idealing unfairly delayed his ISA transfer. For this reason, I won't be directing Idealing to compensate Mr M for the loss he says he's incurred. I'm also not persuaded Idealing needs to refund the withdrawal and cheque issue fee where it has carried out the transfer in a fair and reasonable manner. Mr M had also agreed to the applicable charges when he signed Idealing's withdrawal form, which were clearly disclosed on the website Idealing referred him to.

When Mr M communicated with Idealing he felt it didn't reply to his emails in a reasonable time, which he says inconvenienced him as he had to take time to chase responses. Idealing's website at the time said, 'We aim to respond within 24 hours, during 'business hours'. While Idealing's website says this, I think the word 'aim' is important here as Idealing is telling its customers it expects to respond in that time but isn't assuring that it will. Generally, in communicating fairly with Mr M I would expect Idealing to respond to Mr M's communications in a reasonable time.

I've reviewed the emails between Mr M and Idealing when considering whether it communicated with Mr M in a fair and reasonable manner. And on most occasions I think it has. While there are several instances of Idealing taking longer than its website said it would, in most instances Idealing responded to Mr M within three working days. Which in my opinion is a reasonable period for it to reply. When Idealing replied on those occasions, the information it provided Mr M was useful and clearly explained the progress of his transfer.

One occasion where Idealing could've communicated better with Mr M was when he sent an email to Idealing on 6 November 2023 to say he'd received Idealing's withdrawal form and wanted to check the address to use in the section about A. I've not seen Idealing responded to this email. Mr M returned the form by post the next day using an address for A which appears to have been sufficient to complete the transfer. Mr M emailed Idealing again on 9 November 2023 to check if the form had been received. These emails went unanswered until 14 November 2023 when Idealing confirmed the form was received and the transfer would be processed that week.

Idealing has evidenced this form was received on 10 November 2023 by post. When Idealing replied to Mr M's email, it did so within two full working days of receiving the form. While Idealing ought to have responded to Mr M's emails sooner than it did, I'm persuaded the delay has avoided a worse situation. I say this because given Mr M's already heightened concerns about the time taken to transfer his ISA, an update from Idealing saying it hadn't received the form yet while it was still in transit, would've

likely have caused him more worry and frustration than Idealing's delayed reply to his email. I've also not seen Idealing has impacted Mr M by it not responding to his query about the address to use. I say this because he sent it the next day, which is sooner than Idealing had to fairly respond, as well as the transfer being unaffected by the address he put on the form.

It follows then while Idealing's communications with Mr M could've been better, I've not seen it needs to compensate him as in my opinion overall it has communicated with him in a fair and reasonable manner."

Idealing didn't respond.

Mr M replied disagreeing with the outcome I reached. In response to my provisional decision, he said:

- Reiterating his previous comments, that his transfer took longer than the expected timescales and that this was due to Idealing not updating TISA's address records for it.
- Idealing knew this address wasn't correct and the fact it still hasn't updated TISA's records is irresponsible.
- Idealing likely financially benefitted from his transfer delay as it would've held cash in an interest bearing account.
- It was unreasonable for me to say the transfer timescales started when Idealing received the form, which was more than 30 days from when Mr M initially set up the transfer request. Which he states again was caused by Idealing not updating its address entry with TISA.
- The way he was treated by another firm following a previous ISA transfer was in contrast to how Idealing has treated him here. He said that firm apologised and paid him compensation for the delay.
- It was unreasonable for me to depart from the Investigator's findings to compensate Mr M for how it communicated and its failure to update TISA.
- I hadn't considered Idealing failed to comply with its requirements to issue a final response within eight weeks of Mr M's complaint.

I've reconsidered my findings in light of these comments.

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've carefully reviewed Mr M's response in full, of which the above is only a summary. While I understand his position, I've not seen to depart from the outcome I reached in my provisional decision.

Fundamentally I remain persuaded from the evidence available that while Mr M's ISA transfer was delayed, it wasn't because of any action, or inaction, I can reasonably attribute to Idealing. As the transfer, once it was received, was completed in the timescales HMRC

suggest and there's no evidence of a delay, I don't consider Idealing unreasonably delayed Mr M's transfer.

Key to Mr M's concerns remains that Idealing didn't update the address details TISA had for it. He's also argued that even so it would be good practice for Idealing to have updated it's address with TISA given its presence in the industry and Idealing's knowledge, at least from his complaint, that TISA is reporting an old address. I don't dispute what Mr M says that Idealing's address was incorrect on TISA, but as I mentioned in my provisional decision, Idealing isn't obligated to, and I've not seen any evidence of information that suggests otherwise. I've also not seen that I should consider it best practice that Idealing would need to engage with a third party it is not a member of to update details which by not being a member, were likely updated from a source other than Idealing itself. It's not in my opinion reasonable for me to say Idealing ought to have taken such action where it isn't a member and has no dealings with TISA.

In my provisional decision I explained in any event Idealing had evidenced it had a postal redirection in place. And that while Mr M's transfer request was sent to Idealing's previous address, it did safely arrive at Idealing's new office through this redirection. I remain of the opinion that this is persuasive evidence the redirection was both in effect and working. It's unfortunate that Mr M's form took longer than expected to move through the postal system. But I can't fairly attribute that to Idealing's redirection where such a measure is a common and reasonable way of managing changing addresses, as well as the involvement of third parties Idealing has no control of in the postal system. I've haven't seen anything else to persuade me otherwise, or that the redirection wasn't a fair and reasonable measure to manage its change of address.

Mr M says Idealing financially benefited from the delay. But as I've explained I'm not persuaded Idealing caused any unreasonable delay for the reasons already given. And so, I can't say Idealing has benefitted from a delay where there hasn't been one. It hadn't received instructions until 31 October 2023, due to factors outside of its reasonable control, and so any holdings and balance would've been left untouched until at least the complete instructions were received on 11 November 2023. After which the transfer took place in a reasonable period, all of which I've explained in my provisional decision as extracted above.

Mr M mentions a previous situation involving a different transfer and another firm where he had been compensated for delays in transferring an ISA. While that may be the case, I am only able to look at the circumstances before me in this complaint. How another firm in a different matter dealt with Mr M's previous complaint is irrelevant to his transfer from Idealing. While I understand the point Mr M makes, I don't find that has a relevant bearing on the complaint before me.

Turning to how Idealing communicated with Mr M, I've not seen anything to cause me to depart from what I said in my provisional decision. As I said in that as extracted above, Idealing communicated reasonably with Mr M on most occasions. And where I identified it could've done better, by not responding until the form was received it likely – albeit incidentally – prevented a worse impact on Mr M for the reasons explained in my provisional decision. It follows then I've not seen then there is any such impact that warrants an award of compensation.

Lastly Mr M comments that Idealing failed to comply with its requirements to send a final response regarding his complaint within the eight week period the rules allow. While that was the case, that doesn't require an award to be made against it. Under the rules Mr M is able to refer his complaint to our service after those eight weeks should a final response not be issued, which he did. I can't say then he's incurred any loss, distress or inconvenience that warrants an award against Idealing.

My final decision

For the reasons given above, my final decision is that I don't uphold Mr M's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 4 March 2025.

Ken Roberts
Ombudsman