

## **The complaint**

Miss J complains that Lloyds Bank PLC failed to transfer funds from her Individual Savings Account (ISA) as requested by her.

## **What happened**

Miss J had an ISA with a business that I will refer to as 'Company A'. In August 2023 she opened a two-year fixed rate ISA with Lloyds and at the same time requested a transfer of her ISA funds to the Lloyds account from the Company A account. This process was initiated with Lloyds.

Miss J contacted Lloyds on numerous occasions, including visiting a branch several times, as the transfer didn't happen. Miss J then complained to Lloyds. Miss J asked for the transfer to be completed, for interest lost to be backdated and for compensation for the inconvenience and distress she had experienced.

The ISA transfer was completed in August 2024.

Lloyds responded to Miss J's complaint in October 2024. It acknowledged that it made an error by initially processing the request automatically rather than completing a manual transfer form, as required by Company A. It said when it realised its error, it failed to send the manual transfer form to Miss J. It apologised for the poor service provided and said it understood that chasing this up caused Miss J frustration. Lloyds offered compensation of £500 by way of an apology.

Lloyds also said it calculated the loss of interest incurred between 3 August 2023 and when the funds were received by it in October 2024, and this was £2,758.23. It then calculated interest on that amount from 5 August 2024, Miss J's previous interest payment date, and 7 October 2024 and it said this came to £26.84. So a total of £2,785.07 was deposited into Miss J's ISA.

Miss J remained unhappy and so brought her complaint to this Service. Miss J said she lost time away from work due to having to travel several times to a Lloyds branch to try and sort this matter out. She said on one occasion she was recovering from being unwell. Miss J felt £500 wasn't enough compensation, considering the stress and hassle she went through. Miss J also said she wanted an apology from Lloyds.

Our Investigator looked into Miss J's complaint and said she thought Lloyds hadn't gone far enough in terms of compensating Miss J. So she thought it should pay an additional £250 compensation.

Lloyds agreed to pay the additional compensation and also pointed to the fact that an overpayment of interest, totalling £91.71, had also been made to Miss J.

Miss J didn't agree with what our Investigator said, so this came to me for a 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.

From what I can see, Lloyds has fully acknowledged that it made errors in the way it handled Miss J's ISA transfer. The transfer took over a year to complete while, if it had been processed correctly, it would have taken significantly less time. So it's clear that errors, in relation to Lloyds' failure to use a manual transfer form, were made.

The transfer has now been completed and I can see that Lloyds has also sorted out the matter of the loss of interest in the way I'd expect. So Miss J hasn't suffered any financial detriment as a result of Lloyds' errors.

This means the question I am looking at is whether the compensation that Lloyds has agreed to pay which, following our Investigator's assessment, totals £750 is fair, given the particular circumstances of this complaint.

It's clear that Miss J found this experience extremely frustrating, and I can understand why that would be the case. As I said, the transfer took significantly longer than it should have to be processed and during that time Miss J was regularly in contact with Lloyds to try and resolve this matter. There were times when Miss J made the lengthy journey from her home to a Lloyds branch or community hub to chase this matter up, and this cost her money each time in terms of travel costs. Miss J also told this Service that she was recovering from being unwell when she felt she needed to make a trip to a Lloyds branch. Miss J said she lost a day's work each time the journey had to be made.

Miss J let us know that her attempts to communicate by phone with Lloyds were frustrating and there were times when she was passed from one department to another, and times when she was put on hold for excessively long periods of time. Miss J told us that this matter caused her a great deal of stress.

I want to assure Miss J that I've taken everything she's said into consideration. I've also taken into consideration that this matter was unresolved for over a year, which is a long time for Miss J to have to endure the stress this matter clearly caused for her.

Having said all of that and while I have a great deal of sympathy for Miss J, I do think the compensation already offered by Lloyds is fair and is in line with the awards made by this Service where an individual has suffered the degree of stress and inconvenience, over a prolonged period of time, that Miss J experienced.

Miss J also told us that she would like an apology from Lloyds, which is understandable. I can see that Lloyds apologised to Miss J for the poor service it provided, and also acknowledged that this matter was entirely its fault, when it responded to Miss J's complaint in October 2024. So I don't think Lloyds needs to do any more with regard to an apology.

I know my decision will disappoint Miss J, but I am satisfied that the £750 compensation that Lloyds has already agreed to pay is fair.

## **My final decision**

It's my final decision that Lloyds Bank PLC should pay Miss J a total of £750 compensation, if it has not already done so.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss J to accept or

reject my decision before 11 April 2025.

Martina Ryan  
**Ombudsman**