

The complaint

Ms R complains that Bank of Scotland plc trading as Halifax delayed an outbound Individual Savings Account (ISA) transfer and provided poor customer service.

What happened

In August 2024 Ms R decided to transfer her Halifax Cash ISA to a new ISA provider (who I will call V).

Halifax received the transfer request from V on 24 August 2024, but it didn't accept it. It said that due to the amount involved, it required Ms R to provide a 'wet' signature on the transfer instruction. Halifax confirmed this to V and subsequently V submitted a new transfer request on 12 September 2024. The ISA transfer was completed on 22 September 2024.

Ms R complained to Halifax as she felt it should have contacted her directly to verify the instructions. She said that, because of the delay, she had suffered a significant financial loss. She added that she had called Halifax several times during the transfer process to find out what was happening with the transfer and was given mis-information and calls were not returned as promised.

Halifax said that its ISA team is not customer facing and only corresponds with ISA providers, so it didn't think it had done anything wrong in this respect. But it acknowledged that the service Ms R received when she called about the matter could have been better and it credited her account with £150 compensation in recognition of this.

Unhappy with the outcome, Ms R referred the complaint to this service. One of our investigators look into it but she didn't uphold the complaint. Overall, she didn't think Halifax had delayed Ms R's ISA transfer. She noted that the ISA transfer was initiated on Ms R's behalf by V, and she thought Halifax had acted correctly by contacting V when the transfer request needed a wet signature. She also thought that – given the amount involved, it was reasonable for Halifax to have extra security measures in place.

She acknowledged that Ms R had had several lengthy phone calls with Halifax and that it could have managed the calls better than it did. But she felt the compensation payment Halifax had already made was fair.

Ms R didn't agree that £150 wasn't adequate for the time she spent on the phone or the distress she experienced in the process.

As agreement wasn't reached, the complaint has 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.

Having done so, I'm sorry to disappoint Ms R because I understand she feels strongly about what happened, but I agree with the outcome reached by the investigator. So, I will not be upholding the complaint. I'll explain why.

Ms R has challenged whether a wet signature was required by Halifax to fulfil the transfer request. And she's said Halifax should have contacted her directly to confirm she had authorised the transfer as this would have saved time.

But it's not for the service to decide how a business should run its service. And while electronic transfers are increasingly common for ISAs, some providers still require a physical wet signature on some transfer instructions.

Here the transfer was initiated by V and was for a significant sum of money. So, I don't find that having additional security measures in place – requiring a wet signature as opposed to an electronic signature, was unreasonable. And as V initiated the transfer – all be it on Ms R's behalf, I don't find Halifax treated Ms R unfairly when it contacted V to get the authority it needed in the format it required.

Under HMRC guidelines a Cash ISA transfer should be completed within 15 working days. I've seen Halifax received the authority it needed – a transfer form with a wet signature on from V on 12 September 2024 and that the ISA transfer was successfully completed on 22 September 2024. This is within the HSBC guidelines.

Overall, I'm not persuaded that Halifax dealt with Ms R's transfer request unfairly, so I don't require it to refund any financial loss Ms R says she incurred.

Halifax hasn't disputed that the calls it had with Ms R could have been handled better. And it has paid her £150 compensation in recognition of distress and inconvenience caused. So, what I need to decide here is whether the compensation payment is fair – or, if Halifax should do more. To do so, I've considered what Ms R has told us and I've listened to recordings of the significant calls she had with Halifax prior to the ISA transfer being completed.

I think it would be helpful to explain that, when deciding the appropriate level of any award, we consider the impact the businesses error/poor service had on the consumer, rather than compensation based on the consumer's hourly employment rate. And it's worth bearing in mind that we're not the regulator – we're here to resolve complaints informally, and not to punish businesses or the staff involved in the complaint.

Ms R called Halifax numerous times and from what I've seen the calls made during the transfer process lasted around three hours in total. And that during these calls Ms R was put on hold for prolonged periods of time while the call handlers either read the notes from previous calls or made enquiries with the ISA team. I also accept that Ms R was given misleading information – not least, that she was told to withdraw her ISA balance in cash. And a promised call back was not received within the timescale Ms R expected. So, I can see why Ms R is unhappy and became frustrated with the service she received. Overall, I'm satisfied Ms R was caused distress and inconvenience.

But taking the above into account, alongside our guidelines for compensation, I find that £150 compensation fairly recognises the poor service Ms R experienced during the calls. So, I won't be telling Halifax to take any further action in respect of this case.

My final decision

For the reasons given above, I do not uphold this complaint in the sense that Halifax has already paid Ms R fair compensation for the poor service Halifax provided to her.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms R to accept or reject my decision before 14 May 2025.

Sandra Greene
Ombudsman