

The complaint

The estate of Mrs F complains that Jarvis Investment Management Limited wouldn't complete an "in specie" stocks and shares ISA transfer.

The complaint is brought on the estate's behalf by the sole executor who is also Mrs F's husband. I will refer to him as "Mr F".

What happened

Our investigator has already set out in some detail what happened here, so I will only briefly summarise the background to this complaint.

Mrs F had a stocks and shares ISA account with Jarvis. She passed away in August 2023.

Mr F asked Jarvis to transfer her shares and cash to his ISA account with a different provider. Jarvis said it could only complete an "in specie" transfer if Mr F opened an ISA with it. If Mr F wanted the ISA transferred to his account with another provider, Jarvis said it could only transfer cash. It told him he would incur transaction, withdrawal, and closure fees on the cash transfer.

When Mr F complained, Jarvis said it would waive its withdrawal and closure fees of £78.

In November 2024, Mr F gave instructions to sell the shares held in the ISA, but Mr F says he experienced further problems. His ISA provider said it couldn't accept a direct transfer of cash from Jarvis; but in order to pay the cash to Mr F, Jarvis required a signed instruction and a voided cheque to confirm his bank details. Although Mr F says he sent this to Jarvis in early January 2025, Jarvis didn't receive it.

Our investigator didn't recommend that the complaint should be upheld. She concluded Jarvis had acted in line with HMRC guidance and that it reasonably couldn't release the money to Mr F until it had received his written instruction.

Mr F didn't agree with our investigator's conclusion. He said, in summary, that:

- Jarvis should have shown more compassion and understanding for his situation.
- It told him it had to follow the guidelines. But they are only guidelines which aren't set in stone. Jarvis should have considered the situation and agreed that matters could be dealt with differently.
- He felt he'd been bullied into accepting what Jarvis wanted to do when he gave instructions to sell the shares.

He told us that he'd re-sent the written instructions and a voided cheque to Jarvis and was waiting for the money to be sent to his bank account. He also said he was considering referring his situation to the Financial Conduct Authority ("FCA"), which was who he'd initially thought this service was..

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.

Firstly, it looks like there has been some confusion about our role, and that of the FCA. I'll briefly explain how we differ.

The FCA is the industry regulator. It is responsible for the regulation and prudential supervision of firms. It does this by, amongst other things, making new rules, guidance and standards; detecting where firms have not complied with these rules and putting in place remedies, including fines and punishments; and authorising or registering firms and individuals.

Our role is to resolve individual disputes and reach outcomes which we think are fair and reasonable in the particular circumstances of each. Individuals can report concerns, such as scams or misleading adverts, to the FCA but, as Mr F is seeking a remedy for his particular circumstances, he has brought his complaint to the correct body.

I appreciate Mr F feels strongly that Jarvis didn't need to rigidly follow HMRC's guidelines. I agree with the principle of what he says. Whilst businesses will, in the main, follow guidelines and internal policies and procedures, I wouldn't expect them to do so if the result would be unfair or unreasonable in the individual circumstances of a particular case. This is provided, of course, that any diversion from the normal way of working remains in compliance with laws and regulations.

The management of ISAs is subject to The Individual Savings Account Regulations 1998. HMRC publishes "ISA managers' guidance", to aide firms to ensure compliance with the regulations, and it is this guidance that Jarvis, and our investigator, quoted. But the guidance which is relevant to what happened here is lifted directly from the regulations. I'll reference these in case Mr F wants to check:

The regulations permit an additional permitted subscription if "*an account investor dies on or after 3rd December 2014 leaving a surviving spouse or civil partner.*" (5DDA (2) (a)).

There are various further regulations relating to this type of additional permitted subscription. This includes that "*in a case where the subscription is being made with an account manager other than the deceased's account manager.....that the subscription is being made by a payment of cash.*" (5DFA (1) (c) and (4) (a))

As the ISA manager, I find Jarvis was right to tell Mr F that his options were to either open an account with it if he wanted the shares transferred to him; or to give instructions to sell the shares and transfer the cash if he wanted to add the subscription to his ISA with a third-party manager. If it had arranged an "in specie" transfer to Mr F's ISA held with another manager, it would have been in breach of the ISA regulations, and HMRC guidance. This could have led to the ISA being voided, and interest and penalties for both Jarvis and for Mr F.

ISA managers tend to work to the HMRC guidance, as this is more user-friendly than the regulations, and I wouldn't necessarily expect Jarvis staff to have quoted directly from the regulations when Mr F complained. But I hope my explanation helps Mr F understand why Jarvis had to act as it did.

Turning to the transfer of the cash, I find it was reasonable for Jarvis to require written instructions and proof of bank details to ensure it was crediting the ISA proceeds to the correct individual and the correct bank account. I note that, when Mr F's written instructions

were't received by it, and after the complaint was referred to us, it did offer to accept the instructions by email. I find that, in offering to divert from its usual procedures, it treated Mr F fairly although, unfortunately, Mr F didn't have access to email so had to re-send his instructions by post.

I am not unsympathetic to Mr F's circumstances. I understand the requirements – to convert the ISA to cash and to provide written instructions – felt unnecessary to him and caused frustration at an already incredibly upsetting time. And I also appreciate it has taken many months to resolve this. But I've not seen evidence that Jarvis didn't treat him with understanding and compassion for his circumstances, other than insisting rules had to be followed, which was correct.

I appreciate the outcome is not the one Mr F was hoping for. But I hope this decision, which is the end of our process, will allow him to draw a line under this matter.

My final decision

For the reasons I've explained, my final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask the estate of Mrs F to accept or reject my decision before 20 October 2025.

Elizabeth Dawes
Ombudsman