

## **The complaint**

Mr T, representing business S, complains Bank of Ireland (UK) Plc (BOI) misadvised him and provided a banker's draft for £40,000 to fund two Individual Savings Accounts (ISA) with a third party, when it should have issued two drafts for £20,000 each.

## **What happened**

Mr T, one of the owners of S, explained he visited a branch of BOI with the other director of S, to open two ISA accounts, and transfer £20,000 into each one from their business account.

Mr T explained after discussing this with BOI, he decided to open ISAs with a third party business instead. Mr T explained he therefore left the branch after BOI told him he couldn't withdraw the £40,000 cash as it was over the daily limit.

Mr T said he then visited the third party bank to open the ISAs, the third party then told Mr T BOI could have offered banker's drafts instead. Mr T explained he therefore called BOI who confirmed it could provide banker's drafts.

Mr T said he then revisited the branch of BOI and explained the situation to an adviser. Mr T said the adviser understood he wanted the funds to open two separate ISAs in different names. Mr T explained the other director who he wanted to open the second ISA for was still with him during this visit.

Mr T explained BOI agreed to provide banker's drafts, but Mr T didn't fill in the form himself, this was completed by the adviser, but he accepted he signed for the draft after the adviser presented it to him.

Mr T explained he visited the third-party business the next day to pay the drafts into the two ISAs. Mr T said it was only when he opened the envelope to pay the drafts in he realised he only had one draft for a total of £40,000 not the two for £20,000, as he had requested.

Mr T explained he therefore visited BOI a third time to raise a complaint. Mr T said the adviser who wrote the draft was present and admitted in front of the branch manager Mr T had requested two bankers drafts and couldn't explain why he had only provided one draft for £40,000.

Mr T explained he missed the ISA deadline because of this error, and he would therefore like compensation for the financial loss and inconvenience.

BOI wrote a final response letter to Mr T. It apologised for not responding to Mr T's complaint within five working days as it should have, but didn't accept it had done anything wrong. It said Mr T had requested a banker's draft for £40,000 which it had provided.

BOI said it wouldn't have known the third-party businesses terms and conditions and was satisfied it had done what Mr T had asked it to.

BOI also explained Mr T first visited the branch on 4 April 2025, the day before the end of the tax year and requested to open an ISA. BOI said Mr T first asked to withdraw £40,000 in cash, which it said it couldn't do due to its daily cash withdrawal limit. BOI said Mr T therefore left the branch.

BOI said Mr T returned to the branch later and asked for a banker's draft for £40,000, it has provided a copy of the signed mandate dated 4 April 2025, showing Mr T signed and agreed to this.

Our investigator thought it was likely Mr T would have missed the deadline for an ISA transfer for the previous tax year. They explained ISA rules allow up to 15 days for funds to credit and ISA, so it was unlikely Mr T would have been open these ISAs in time.

However, they were persuaded the evidence suggested it was likely BOI knew the reasons Mr T requested banker's draft(s), and as ISAs can only be opened for a maximum of £20,000 in any tax year, should have realised Mr T would need two drafts and advised him accordingly. Whilst they didn't uphold the financial loss, they recognised that this had caused some inconvenience and recommended compensation of £100 for this.

BOI responded rejecting our investigator's recommendation maintaining Mr T didn't request two banker's drafts, only one. It said the evidence of the signed mandate supported this. They reiterated it wasn't reasonable for them to know about the requirements of a third party when paying in funds for ISAs.

BOI agreed with our investigator that it was likely Mr T would have missed the deadline regardless of whether it had issued two drafts at the time, or not.

As BOI have rejected our investigator's recommendation, this complaint has been passed to me to make a final 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.

I appreciate how strongly Mr T feels about his complaint. Although I may not mention every point raised, I have considered everything but limited my findings to the areas which impact the outcome of the case. No discourtesy is intended by this, it just reflects the informal nature of our service.

Where evidence is incomplete, inconclusive or contradictory, I have to make decisions on the balance of probabilities – that is, what I consider is more likely than not to have happened in light of the available evidence and the wider surrounding circumstances.

The evidence shows Mr T initially visited the branch with the other director wanting to open two ISA accounts and transfer funds from his business account to fund these, which he wasn't able to do. He then revisited the branch later that day, after making enquiries about how he could withdraw funds from his BOI account, and signed for a banker's draft for £40,000. I do not believe any of this is in dispute by either party.

What is in dispute is the conversations and information passed between the parties. This includes whether BOI should have advised Mr T he could have a banker's draft on his first visit, having not been able to provide cash. And whether BOI reasonably ought to have realised Mr T needed two bankers drafts to fund the two ISAs he intended to open with the third party.

I'm persuaded from the evidence there was some discussion during the first visit about how Mr T could withdraw funds, as both parties agree Mr T was told there was a cash withdrawal limit. It would seem likely BOI didn't mention Mr T could arrange banker's draft(s) during this conversation as he said he only became aware of this option when he visited the third party bank he chose to take the ISAs out with.

This would also appear to be consistent with the reason for his second visit, which was to organise banker's draft(s). What happened during this discussion is not clear, as both parties dispute what happened.

Whilst it is often difficult to establish precisely what was said between customers and advisers in branch, we know Mr T visited the branch with the intention of organising the withdrawal of funds to fund two ISAs for £20,000 each.

I therefore think, taking this all into account, it is reasonable to find BOI should have explored this request more carefully. Mr T has said he doesn't know about banking procedures and relied on the expertise of advisers in branch to assist him. I have some sympathy with this view, it's clear he didn't know about bankers drafts until that day, and I am therefore mindful of the requirements for consumer understanding under the Consumer Duty here when considering this complaint.

Having considered this carefully, I don't think it would have been unreasonable, and arguably good practise in line with industry standards, to have made some enquires regarding what the funds were for, explained how banker's drafts worked, and therefore possibly gained an understanding of what Mr T's needs were and advised him accordingly. I also mindful Mr T had only visited the branch shortly before as explained above.

I somewhat don't agree with BOI suggestion that it shouldn't be expected to know other businesses procedures with regards to ISAs in these specific circumstances. All businesses which offer ISAs are subject to the same ISA limits, which are well known and are strict and set by government. I'm also aware Mr T said he visited the branch with the second director.

Both of these reasons persuade me it was reasonable to expect an adviser in branch to recognise there could have potentially been an issue with writing a banker's draft for £40,000, to pay into two separate accounts.

However, I also fully accept Mr T could have taken action earlier to mitigate the impact he has claimed by organising or enquiring about ISA products earlier in the tax year. I agree it was unlikely the ISAs would have been set up in time for the previous tax year. I therefore think this limits the award for the inconvenience I can make in these circumstances, and means I can't fairly award for the financial loss Mr T has claimed.

I am therefore persuaded, on balance, it is likely BOI could have provided better service and sought to establish more accurately how Mr T needed the banker's drafts written during the second visit to the branch, which would have mitigated the inconvenience experienced.

Having considered this carefully, I broadly agree with the award our investigator recommended with I think is fair and reasonable in the circumstances and is inline with what our service would expect in the circumstances.

### **My final decision**

For the reasons I have given, my final decision is I require Bank of Ireland (UK) Plc trading as Bank of Ireland (UK) to pay S £100 for the inconvenience it caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask S to accept or reject my decision before 22 October 2025.

Gareth Jones  
**Ombudsman**