

The complaint

Mrs M complains how Castle Trust Capital PLC trading as Castle Trust Bank (CTB) processed an ISA transfer she requested. As a result, Mrs M has suffered inconvenience and stress, and has lost interest.

What happened

The circumstances that led to the complaint are well known by both parties, so I won't repeat them in detail, and will aim to summarise the key points. The complaint regards two ISAs but for ease of reading, and acknowledging the same argument applies to both, I will refer to the 12 month ISA.

Mrs M opened a fixed term ISA account with CTB on 12 May 2025 then soon after requested CTB transfer into it, an existing ISA held with another provider which had a maturity date of 31 May 2025. Subsequently, the funds from the other provider were credited to Mrs M's new ISA with CTB on 5 June 2025.

Mrs M discovered that the start date of the fixed term began on the account opening date despite the account being funded 24 days later on 5 June. And CTB's policy was to only pay interest from the day the funds arrived. Therefore, for the 12-month fixed ISA, this would mature around 12 May 2026 meaning she would miss out on interest for 24 days of the 365, over £200. Mrs M complained to CTB saying that the start date of the account should also be 5 June, commenting that other providers work this way.

CTB investigated the complaint, explained their policy and did not uphold the matter. CTB said that their documentation including terms and conditions, and the summary box for the account, detail that interest begins when funds are received, but the maturity date is linked to the account opening date, not the date of funding.

Mrs M responded to CTB saying their information was not sufficiently clear, and in circumstances of an ISA transfer from elsewhere, rather than funding the account from savings, CTB's policy was unfair. CTB did reply but remaining unhappy with CTB's further response, Mrs M brought her complaint to our service.

Our investigator looked into the complaint and didn't think CTB was at fault and wouldn't be asking them to take any further action. Our investigator said CTB clearly stated their requirements, and it was reasonable to assume that Mrs M was aware of these details prior to funding the account.

Mrs M disagreed with the investigator's outcome therefore Mrs M requested an ombudsman review her complaint.

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 considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. I have looked at the information CTB has supplied to see if it has acted within its terms and conditions and to see if it has treated Mrs M fairly.

I'm aware I have only summarised the circumstances of Mrs M's complaint above. So, I'd like to reassure her that I have read and considered everything she has told us in full. And I hope the fact that I do not respond in a similar detail here will not be taken as a discourtesy.

I would like to thank Mrs M for the significant amount of further information that she has provided, before and after our investigator's view. And I can appreciate Mrs M's strength of feeling in this complaint that CTB should take action by agreeing a 5 June 2025 account commencement date, or address what she regards as an interest deficit of over £200.

It is the case that terms and conditions form the basis of a financial contract, and our service cannot influence them as we are complaint handlers, not the regulator. CTB, like many other companies rely on their terms and conditions as a very important and fundamental agreement to inform customers of the rules of the service they provide, the boundaries, and to set expectations.

In particular, as our investigator stated, all the information about CTB's policies around ISAs, and ISA transfers was available to Mrs M before she committed to the product, especially in view of Mrs M opening the ISA online.

I do want to acknowledge evidence of Mrs M querying and challenging CTB's policies around ISA transfers, and making the point that anyone opening an ISA with CTB via an ISA transfer could never achieve a full year's worth of interest (for a 12 month ISA). However, what I haven't seen is anything to support that Mrs M raised these queries before she proceeded with the opening of the account and ISA transfer from the other provider. What I do regard as reasonable in a competitive financial services marketplace is for any customer to research a potential product prior to going ahead with it, especially if planning to deposit significant funds. In this way, the customer can enter into that product with certainty about how it works, or decline to proceed, and go elsewhere.

Regarding Mrs M's concerns about CTB's lack of clarity and transparency within their documentation and website, I've looked over in detail the key documents of CTB including the welcome email, the Fixed Rate e-Cash ISA Key Facts Document and FSCS Information Sheet, and the Savings Terms and Conditions, and I cannot agree with this concern.

Finally, I wanted to address Mrs M's point that in her experience, other providers do not operate this way with ISAs. Whilst this may be the case, regrettably I am unable to comment on the processes of other firms.

In conclusion, I do sympathise greatly with Mrs M's position and while she is likely to be unhappy with my decision, for the reasons I have given above, it would not be fair to ask CTB to do anything further.

My final decision

For the reasons I have given it is my final decision that the complaint is not upheld.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M to accept or reject my decision before 11 December 2025.

Chris Blamires

Ombudsman