

The complaint

Mrs A's complaint is about HSBC UK Bank Plc's failure to transfer the balance of an existing ISA with it into a new one that she had opened.

What happened

On 8 July 2025 Mrs A applied for a new ISA with HSBC via mobile banking app. She also completed forms to transfer two existing ISAs she had with HSBC into the new one. Mrs A gave HSBC two account numbers to transfer – one was an existing ISA, but the other was a normal savings account and could not be transferred into the ISA.

The following day HSBC asked Mrs A to call it. Mrs A did so, but she was given incorrect information about the problem. She was told that the second ISA account was inactive and that it needed to be reactivated, which it would be following the call, and the transfer would proceed.

Mrs A called HSBC again on 14 July 2025 as the transfer had not completed. She was told the correct reason for the original failure and that she would need to complete a new transfer request with the correct account details on it. When Mrs A asked how she would do this, she was told to do the same as she had previously, either online or with a physical form. Mrs A said that she didn't think there was the functionality to do it again and HSBC confirmed that she would need to do it online. Mrs A said she didn't think it would work and that she would probably close the ISA, then she ended the call.

Mrs A told us that as there was no functionality on the mobile app to request a transfer, she transferred the balance of the old ISA to the new one using the options available to her. She called a couple of days later and she was incorrectly told that the transfer of funds had been registered as for the previous tax year. When she discovered this was not the case, Mrs A complained and explained that she wanted HSBC to amend its system to show the previous ISA allowance had been transferred to the new one alongside the funds.

HSBC responded to the complaint on 18 and 30 July 2025. It said that because Mrs A had simply transferred the balance of an existing account into the new ISA, it voided the ISA terms, and the transferred money would count towards the contribution limit for the present year. It disagreed that Mrs A had been told by its staff to move the money herself and did so despite the warning message that was displayed before she completed the transaction. However, because Mrs A had been given incorrect information in telephone calls of 9 July and 16 July 2025 HSBC offered her £250 compensation for any upset or inconvenience she'd been caused.

Mrs A wasn't satisfied with the response she received and asked us to consider the complaint. One of our Investigators considered the complaint, but she didn't recommend the complaint be upheld. Mrs A didn't accept the Investigator's conclusions and asked for the complaint to be passed to an Ombudsman. She said that she considered that HSBC had failed in its Consumer Duty toward her as it had provided incorrect information in two of the telephone calls, which delayed her being able to remedy the situation. In addition, she said that she was not provided with the support she needed in the conversation of 14 July 2025.

The Investigator considered what Mrs A had said, but it didn't change her conclusions. As such, the complaint has been passed to me.

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.

The Consumer Duty is a new standard for firms which was introduced by the regulator, the Financial Conduct Authority. It sets a higher standard for firms in terms of how they are interacting with their customers, and it applies to events from 31 July 2023. The Duty does not replace or substitute other applicable rules, guidance or law and doesn't ask firms to act in a way that's incompatible with any legal or regulatory requirements. As I am required to do, I have had the Consumer Duty in mind when considering Mrs A's complaint, along with relevant law and regulations, regulators' rules, guidance and standards, codes of practice and (where appropriate) what I consider to have been good industry practice at the relevant time.

It is not disputed that HSBC provided Mrs A with incorrect information in two of the conversations she had with it. Mrs A has said this means that HSBC didn't fulfil its Consumer Duty toward her. While HSBC did provide incorrect information, Mrs A became aware of the right information within a matter of days on each occasion and I am not persuaded that she suffered any financial loss because of it. That said, HSBC has rightly paid Mrs A compensation for the inconvenience and any upset its mistakes caused her. I have considered the amount it has paid - £250 – and I am satisfied that it is fair and proportionate in the circumstances.

I have listened to the second telephone call, in which Mrs A was given the correct information about what had gone wrong – she had mistakenly put the wrong account number on the transfer form. HSBC explained that she needed to complete a new transfer form, and she could do so in the same way she had the first time, just using the correct account number. It confirmed with her that she understood what she needed to do, and Mrs A confirmed she did. However, she said she didn't think it would be possible. HSBC reiterated that she just needed to complete the form as she had previously. I am satisfied that HSBC did what it should have in this call. While Mrs A has said that she doesn't think it provided the support she needed, I am not persuaded that is the case.

It is clear that Mrs A then didn't follow the instructions she'd been given, as she didn't complete a form to arrange the transfer. Rather she made a cash transfer into the ISA as she had when she'd contributed to her existing ISAs. I note that Mrs A has said that she wasn't given the option on the mobile app to complete a transfer form. However, HSBC has provided evidence that there was that option. Furthermore, had Mrs A been unable to locate the form when she logged onto the mobile app or onto online banking, she could have asked HSBC for help locating the form.

Overall, while it is clear that mistakes were made by HSBC, I don't consider that they led to Mrs A failing to transfer her existing ISA correctly and the previous ISA allowances not being added to the new ISA.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Mrs A to accept or reject my decision before 5 January 2026.

Derry Baxter
Ombudsman