

### **The complaint**

Mr C is unhappy with AJ Bell Securities Limited.

Mr C said AJ Bell failed to complete his Lifetime ISA (LISA) transfer on 1 March 2024. He said interest wasn't paid for 8 days during March 2024. Mr C said AJ Bell didn't pay the £1,000 lifetime ISA bonus for the 2023 to 2024 tax year.

Mr C said AJ Bell failed to respond to his complaints raised from the start of March 2024 through to November 2024.

### **What happened**

AJ Bell said Mr C opened the account on 1 March 2024 and requested AJ Bell to accept a transfer in from another financial services provider "N".

It said Mr C asked for updates on 5 March and it responded on 6 March confirming it was awaiting the cash from N. It said it notified Mr C he could contact N in a bid to speed up the process.

AJ Bell confirmed it received a cheque from N on 21 March 2024 and these funds were applied to Mr C's account the same day. It said the transfer couldn't be completed as a Transfer History Form (THF) from N was still required. N responded to say the THF had been sent with the cheque, but AJ Bell said it hadn't received it. N confirmed it would send another within five working days.

AJ Bell confirmed despite repeated requests it didn't get the required THF from N until 3 September 2024. It then said it encountered a system error and transfer completed on 20 September 2024. It said at this point it could start claiming the bonus from HMRC for the previous tax year. AJ Bell said this was entirely separate from the standard process and so normal timescales didn't apply. It agreed if the details had come with the cheque in the previous tax year the normal process would have applied.

It noted Mr C's point about not getting paid interest for a period and said for this type of account it didn't start paying interest until 1 July 2024. It sent Mr C a statement showing the government bonuses were paid on 3 June 2024 and 28 November 2024.

It accepted there was a gap in interest being paid from 3 September 2024 until 20 September 2024. It also said this delayed claiming for the government bonus. In view of the issues AJ Bell offered an ex-gratia payment of £150 for any distress and inconvenience caused.

Mr C remained unhappy and brought his complaint to this service.

Our investigator didn't uphold the complaint. He accepted the only delay AJ Bell was responsible for was the 3 September to 20 September period. He accepted without the THF it couldn't complete the ISA transfer. In terms of the £1,000 government payments he said AJ Bell had complied with guidelines where it could and wasn't responsible for the delays

from N. Our investigator felt the offer of £150 for the issues it was involved in was reasonable. AJ Bell had dealt with the complaint fairly.

Mr C didn't agree and asked for his complaint to be passed to an ombudsman for 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.

This is an informal service so I'm not going to comment on everything included within this complaint. Instead, I'm going to stick to what I think are the central points that apply here. But I can confirm all evidence has been considered.

Mr C said the usual 15 days transfer guidelines hadn't been followed by AJ Bell. He noted other transfers into the account from other financial institutions had gone through within the required timescales.

AJ Bell has shown this service clear evidence from its website that interest wasn't being paid on these specific types of account prior to 1 July 2024. I note it produced this information for Mr C too.

He said he made multiple requests to AJ Bell for an update on what was happening with his £1,000 government bonus and didn't get a satisfactory response. He also referred to the interest he had lost and poor communication and complaint handling.

There's no doubt Mr C wanted to go ahead with the transfer on 1 March 2024. But also, that based on the outstanding information from N, AJ Bell wasn't in a position to complete it until 20 September 2024. It's clear and accepted by AJ Bell that it should have completed this on 3 September 2024 when it did receive the information to complete the transfer. AJ Bell said it provided the option for N to provide the THF electronically, but N kept trying to send it by post and AJ Bell didn't receive it before 3 September 2024.

I can understand Mr C's frustration with the process. But I can't hold AJ Bell responsible for the delay from another financial services provider not passing the THF to it in a reasonable timescale. That isn't AJ Bell's fault, and I can't expect it to pay interest on amounts it was unable to due to the information not being provided to it.

It does accept the delay when it ran into systems issues in September which did add a couple of weeks to the transfer completion.

I understand that Mr C feels the £1,000 Lifetime ISA bonus delay and non payment has caused losses but I can see these were paid on 3 June 2024, 28 November 2024, and 26 June 2025.

Mr C was asking AJ Bell to pay the missing government bonus from early April 2024, and I can understand why. But although I understand it, I can see why AJ Bell was unable to do it due to the outstanding information required. AJ Bell did keep requesting the details from N and once it did receive these after an issue was resolved it did complete the transfer. I can only hold it responsible for that short delay.

It's clear that with the other transfers in from different financial providers there were no such issues. But AJ Bell has referred to the numerous dates and attempts it made to get the THF information in the right format from N.

AJ Bell said it can take up to eight weeks for government bonuses to be received and credited to an account. It said it was “*satisfied that this timescale was adhered to in reference to your government bonus for the 2024/25 tax-year.*” I don’t think that is in dispute.

I accept AJ Bell’s point that as it wasn’t making the 2023/24 claim within that tax year, so it wasn’t following a normal approach or usual timescale. It said if the THF had arrived with the original cheque it is likely the transfer would have completed in the correct tax year.

I think AJ Bell was right to make an offer of compensation. It’s communication and customer service with Mr C should have been better and it accepted it had a system problem which added a further couple of weeks to the delay in setting up the ISA. I think the £150 was a fair and reasonable offer in the circumstances of this complaint for the errors and delays.

### **My final decision**

I don’t uphold this complaint.

I make no further award against AJ Bell Securities Limited.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr C to accept or reject my decision before 27 January 2026.

John Quinlan  
**Ombudsman**