

## **The complaint**

Mr S complains about the way in which Yorkshire Building Society handled and dealt with his request to transfer in a Help to Buy ISA.

## **What happened**

On 29 September 2023 Mr S opened a Help to Buy ISA in a Yorkshire Building Society (YBS) branch. He already had an existing Help to Buy ISA with another bank, which I'll refer to as "H". And he asked the staff member at the branch to transfer his existing ISA to YBS.

Mr S completed paperwork to authorise the transfer of his ISA while he was in the branch. He said he was informed the transfer would be completed within a maximum of 15 working days.

Mr S states because the transfer became protracted he experienced delays in the transfer process. He said the funds from H weren't transferred to YBS until 36 working days from the date he requested the transfer take place.

Mr S complained to YBS about what had happened. He stated the delay in his funds being transferred had caused him distress, inconvenience and financial loss because he'd lost the interest his funds would have accrued at YBS had they been transferred sooner.

Mr S also complained that a lack of communication on the status of his transfer meant that he had no understanding of what was happening, which he felt prejudiced his ability to make informed decisions about his available options. He also stated that the staff member agreed to post him a passbook but this hadn't happened.

On 11 December 2023, YBS responded to Mr S' complaint. It accepted that there had been delays in the funds being transferred from H. But it disputed that this was due to an error in the account opening process. It stated that it had provided Mr S with a passbook at the appropriate time and rejected this part of his complaint. But it upheld his complaint about the lack of updates and accepted that this was poor service.

To resolve Mr S' complaint, YBS backdated the interest on his ISA funds from the eighth working day after he requested his transfer until the date it received his funds. And it paid him £75 to recognise the trouble and upset he'd been caused by the lack of communication.

Being dissatisfied with YBS' response to his complaint Mr S referred it to our service. Our investigator weighed up the information provided by Mr S and YBS but they didn't recommend upholding this complaint. Overall, they thought YBS had dealt with Mr S' complaint fairly. But he disagreed. So, I've been asked to decide on how this complaint should be resolved.

## **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'm sorry to hear about the difficulties Mr S experienced here. I can see how strongly he feels about his complaint and I appreciate the reason why he's brought it to our service.

I've read and considered all the information provided by Mr S and YBS, but I'll concentrate my decision on what I think is relevant to decide the complaint. If I don't comment on any specific point it's not because I've failed to take it on board and think about it, but because I don't think I need to comment on it in order to reach what I think is the right outcome.

My role is to assess whether I think YBS made a mistake, or treated Mr S unfairly, such that it needs to now put things right. And, having thought carefully about everything he and YBS have said, I've reached the same conclusions as our investigator. I appreciate Mr S will be disappointed by this outcome. But I hope he can understand the reasons behind my decision.

The first part of Mr S' complaint is about the timescale in which his Help to Buy ISA funds were received by YBS. So, I'll focus on that issue first.

YBS has confirmed that Mr S attended a branch on 29 September 2023 to open a Help to Buy ISA and request a transfer in of funds from the same type of ISA product that was held at H. I've seen the transfer authority paperwork completed by Mr S to show this is the date the transfer request was made.

Mr S' transfer request was sent to H on 9 October 2023. This was the sixth working day after the transfer request was made. While I'm persuaded the transfer request could have been sent to H sooner I can see that YBS did make efforts to chase the progress of the transfer request once the 15 working day timeframe had elapsed.

I've seen evidence that shows YBS chased H regarding the status of the transfer authority request on 26 October 2023 and again on 7, 9 and 20 November 2023. I'm persuaded that YBS acted proactively in chasing the progress of the transfer request.

I've seen evidence showing H sent YBS a cheque for the funds Mr S had held with it on 20 November 2023. This is date stamped as having been received in the post by YBS on 22 November 2023.

As the transferred funds credited Mr S' YBS account on 23 November 2023, I'm satisfied that YBS promptly dealt with the correspondence and cheque it had received from H. I say this because the funds credited Mr S' account without delay once received by YBS.

I can see that YBS has applied interest to Mr S' funds from 20 November because this was the date his money left H. This shows that YBS has taken steps to ensure that Mr S doesn't forego interest that could have been earned on his money in the period between his money leaving the other bank and being received by YBS. I'm satisfied it's acted fairly and reasonably in taking such action.

I understand that another step that YBS has taken in efforts to resolve this complaint is that it's credited Mr S' ISA account with interest that has been backdated to 11 October 2023. This was the eighth working day after Mr S asked YBS to transfer in his ISA from the other bank. However, the transfer process can usually take up to 15 working days to complete.

I'm satisfied that backdating the interest to the eighth working day is fair and reasonable. And, even if YBS had sent Mr S' transfer authority to H sooner, he hasn't suffered financial detriment given the way in which interest has been applied. I should also point out that Mr S'

funds would have been accruing interest while they remained at H. So, bearing this overlap in mind, I'm satisfied Mr S hasn't suffered a financial loss as a result of the delay in his ISA funds being received by YBS. It follows that I won't be making an award for financial loss.

I'll turn now to the second part of Mr S' complaint, which is about the lack of communication he said he received from YBS during the period the transfer was delayed.

I've seen evidence that satisfies me that YBS sent a text message to Mr S on 10 October 2023 explaining that, while most transfers take 7 to 15 working days, some can take longer. The text message went on to explain that in the event of a delay Mr S would be provided with updates.

As I've already explained Mr S' transfer wasn't completed until 23 November 2023. This was substantially outside the 7 to 15 working day period. So, based on the text message Mr S was sent, YBS ought to have provided him with updates about the progress of his transfer.

The records YBS have shared with our service show that, on 25 October, it was aware there was a delay in it receiving the funds Mr S wanted to transfer it. So, I'm persuaded it could have updated Mr S that there was a delay at that time.

I've already referred to the steps taken by YBS to chase H regarding the status of the transfer request. At these times I'm persuaded that YBS could have updated Mr S on the status of his transfer.

Mr S has informed our service that he didn't receive any updates from YBS regarding the delay. I can see that this isn't disputed by YBS. It's accepted its service here fell short of what it strives to offer customers in similar circumstances. I can see that Mr S has been paid £75 by YBS to acknowledge the shortfall in service.

Mr S has said the lack of communication prevented him from making informed decisions about his money and hindered his ability to pursue financial objectives in a timely manner. However, I don't agree because Mr S' financial objective here was to transfer in funds from his Help to Buy ISA with H to the same product he'd opened with YBS. There's no evidence the funds were required for a house purchase or that the delay he experienced impacted on a property conveyance. And, while he's told our investigator the funds were earmarked for living expenses, he hasn't provided evidence of this. So I'm persuaded the ISA funds weren't earmarked for anything other than the ISA transfer Mr S requested YBS complete.

In the overall circumstances, I'm satisfied that the £75 already paid to Mr S is a fair and reasonable outcome for the poor communication he experienced. I haven't seen enough evidence to persuade me that a higher award is warranted here.

The final part of Mr S' complaint relates to a branch staff member agreeing to post out a passbook and that not happening.

On this issue, I've can see that this concern was raised with YBS by Mr S on 22 October 2023. At that time his funds held at H hadn't been received by YBS, which likely explains why the passbook hadn't been posted out by this date.

I've seen evidence demonstrating that a passbook was provided to Mr S once the ISA transfer request process had been completed. It not be unusual for a passbook to be provided until the ISA transfer process has been completed. So I'm satisfied YBS hasn't made an error here. It follows that I'm not upholding this part of Mr S' complaint.

I understand Mr S feels very strongly about the issues raised in his complaint and I'm not seeking to downplay the difficulties or frustrations he had here – far from it. But for the reasons already outlined, I think YBS has taken fair and reasonable steps to resolve Mr S' complaint within a reasonable time frame. As I'm satisfied it has acted in line with its responsibilities under the Consumer Duty, it need take no further action.

I realise Mr S will be disappointed with this decision. But it brings to an end what we, in trying to resolve his dispute with YBS, can do for him.

### **My final decision**

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 10 September 2024.

Julie Mitchell  
**Ombudsman**