

The complaint

Mrs V is unhappy that Tesco Personal Finance PLC (trading as Tesco Bank) unreasonably delayed her cash ISA transfer.

What happened

The circumstances that led to this complaint are well known to both parties, so I won't repeat them in detail here. But, in summary:

- Mrs V gave instruction for her cash ISA to be transferred from Tesco Bank to another bank. The process was completed within the 15 working day timeframe that's been set for cash ISA transfers. But Tesco accepts it could have been completed sooner but for mistakes it made when checking and verifying Mrs V's details after receiving the transfer request.
- Tesco offered £100 compensation to recognise both the inconvenience Mrs V was caused having to call both banks to sort things out and the interest she'd lost out on.
- Our investigator thought Tesco had taken appropriate steps to put things right, but Mrs V disagreed. She thinks Tesco ought to have taken better care given the ongoing concerns she'd raised about the mistakes it has made over the years relating to her surname.

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.

Having done so I agree with the investigator that, while it caused unnecessary delays, the bank has already done enough to put things right.

I've previously considered another complaint from Mrs V about the problems she's had because Tesco Bank's operating systems were unable to record her full surname. And those issues are also what caused the delay with this ISA transfer. I appreciate Mrs V spent a considerable amount of time on the phone trying to sort things out and that the problems with the ISA transfer have added to the frustration she's been caused over the years.

But I don't agree with Mrs V's suggestion that Tesco Bank acted inappropriately by moving the money from her maturing ISA into an easy access ISA. This was done in accordance with the process set out in the letter Tesco Bank sent Mrs V prior to maturity. Tesco Bank also explained what Mrs V needed to do if she wanted her money to go into a different account. It also seems clear that Mrs V was planning on transferring her money to a different provider as her instruction to do so was presented the day after her existing ISA matured.

I've carefully considered what compensation Mrs V thinks she should be paid. This includes that Mrs V initially told us she might lose out on receiving a £50 voucher from the new ISA provider, due to Tesco Bank's delays. But the evidence she subsequently provided indicates the £50 voucher was made available. So there's no additional financial loss there for me to

consider. There's also no evidence to support her assertion that she paid £50 in phone call charges.

Mrs V also says the lost interest amounts to £100. But I think Nationwide has fairly assessed any loss of interest Mrs V may have suffered.

Overall, I think a total award of £100 represents fair and reasonable compensation in all the circumstances of this particular complaint. It's my understanding that the compensation has not yet been paid to Mrs V because she has now closed all of her accounts with Tesco Bank.

Finally, I note Mrs V has complained that she asked Tesco Bank, in January 2023, about the early exit penalties relating to her ISA. She says Tesco Bank mis-advised her in this respect. But she hasn't complained to Tesco about that matter and given them a chance to investigate and, if appropriate, to put things right. So I can't consider that matter as part of this complaint.

My final decision

My final decision is that Tesco Personal Finance PLC (trading as Tesco Bank) should pay £100 compensation to Mrs V if it has not already done so. It should do so within 28 days of the date on which we tell it that Mrs V accepts my final decision.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs V to accept or reject my decision before 3 November 2023.

Ruth Hersey
Ombudsman