

## **The complaint**

Ms I complains that Shawbrook Bank Limited poorly handled her ISA transfer.

## **What happened**

Around October, Ms I initiated an ISA transfer from a third-party bank (who I'll call "M") to her Shawbrook account. The transfer initially failed and Shawbrook said this was because Ms I's account with M could not be found.

Although the issue was resolved within a day and Ms I's transfer eventually went through, she complained about the way Shawbrook handled things. Ms I says Shawbrook didn't contact her with enough urgency when the transfer failed, instead it sent a secure message to her online account. Ms I says she had no knowledge of this message until she logged into her account. Ms I adds that Shawbrook's message caused her panic as she was concerned that her life's savings had been lost.

Ms I raised a separate complaint against M, who says Shawbrook didn't put the transfer request through correctly, causing it to fail the first time. M points to its records on the ISA transfers database known as TISA and says Shawbrook could've processed the transfer correctly, had it considered this information properly.

Shawbrook says it relied on the information Ms I provided, so it thinks it isn't liable for the failed transfer. Shawbrook points out that, once it had the correct information, it was able to start the transfer process the next day and complete it within the relevant deadline.

Unsatisfied with Shawbrook's response, Ms I asked this service to review her complaint. She wants compensation for the stress and inconvenience she experienced. Our investigator concluded that Shawbrook handled things poorly and asked it to pay Ms I £100 compensation. The bank didn't agree – it says it didn't need to take steps to ensure the transfer went through correctly the first time and says Ms I was responsible for ensuring the information she provided was accurate.

Because Shawbrook doesn't agree, the complaint has been passed to me to decide.

## **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 agree that the fairest way to resolve this complaint is for Shawbrook to pay Ms I £100 compensation – I'll explain why.

Shawbrook says the transfer request was processed electronically with no manual intervention and this relied solely on the information Ms I provided. There's nothing I've seen that suggests anything other than Ms I completed the transfer request as accurately as she could, based on the information she held about her other account. Shawbrook says it wouldn't have done anything other than act on her request based on the information

provided.

But Shawbrook seems to be taking the stance that it is absolved of all responsibility because it relied on the information Ms I provided. I don't accept this as reasonable. Shawbrook is the bank here and its role is to service and support the needs of Ms I. I accept that the bank doesn't need to manually review each transfer request as this wouldn't be practical, but in my opinion, it needed to act on its own knowledge and expertise here.

M told this service that Shawbrook could've relied on TISA, which M says includes information on its heritage accounts – explaining how to direct transfer requests to M. M also says that, had Shawbrook done so, then the error wouldn't have occurred, and Ms I's account would've been located the first time.

Shawbrook itself recently told this service that it “often re-uploads or corrects ISA transfers that have the incorrect details, failed bank checks or failed internally”. The bank also pointed out that transfers with M are the majority of transfers that the bank re-uploads and that it recently re-trained its staff with specific focus on transfers relating to M.

This tells me that Shawbrook is well-versed on the intricacies around ISA transfers from M and understands that customers may be unaware on what details are required. So, although I accept that Shawbrook doesn't necessarily need to manually check each transfer – where it does have prior knowledge of particular issues with transfers from specific firms, it should be proactive in ensuring these transfers do not fail due to issues the bank could've prevented. So I think Shawbrook acted unfairly by failing to do so.

I note that Shawbrook recently sent copies of information from the TISA database – but the bank hasn't explained how it used this at the time (if at all) and whether this information is relevant to when the transfer was carried out. So I haven't been able to give this much weight at this time. Moreover, this doesn't nullify what I've said above – that Shawbrook should've relied on its knowledge and expertise regarding M to do more in this instance.

Given the transfer was correctly put through again within the next day and completed within the expected 15-day period, Ms I doesn't seem to have experienced a financial loss – so Shawbrook doesn't need to reimburse her for anything. But Ms I did experience some distress and inconvenience. She says she was left in a panic, because Shawbrook's message about her account with M not being found made her think her savings had been lost. Ms I also says she spent time on the phone so this issue could be resolved. So I'll be instructing Shawbrook to pay her compensation to put things right.

Ms I is unhappy that Shawbrook didn't call her when the transfer failed and thinks sending a secure message to her online account was insufficient. However, Shawbrook's terms explain that most communications will be via secure message, so I don't find it unfair that the bank updated Ms I in this way.

Shawbrook's terms also point out that an email notification will be sent every time Ms I is sent a secure message. Ms I says she never received an email about this particular message. She's shown that she received other emails from the bank around the time, but not this one. Shawbrook's internal records indicate that an email was sent at the time, so I think it's likely that the bank did send it.

Regardless, it seems Ms I managed to review the secure message shortly after it arrived in her online account and I can see she first called Shawbrook about this issue a few hours after its message was sent. So I'm satisfied the bank did enough to inform her that the transfer had failed.

In summary, I'm satisfied Ms I provided accurate information, based on what she knew at the time, to enable the transfer. Shawbrook doesn't seem to have relied on the TISA database properly, nor did it draw on its knowledge and expertise about M to ensure the transfer went through successfully the first time. Ms I didn't experience a loss, but I think Shawbrook should compensate her for the distress and inconvenience it caused.

### **Putting things right**

Shawbrook caused distress and inconvenience to Ms I. To put things right, it should pay her £100 compensation.

### **My final decision**

For the reasons above, I'm upholding this complaint. Shawbrook Bank Limited should settle this complaint by paying Ms I £100 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms I to accept or reject my decision before 4 August 2023.

Abdul Ali  
**Ombudsman**