

The logo for TISA (Tax Incentivised Savings Account) features the letters 'TISA' in a white, sans-serif font. The letters are positioned over a dark green rectangular background that has a lighter green, curved shape on its right side, resembling a stylized leaf or a drop.

leading on tax incentivised savings

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BBA



The voice of banking
& financial services

Cash ISA Transfers

Improving Consumer Outcomes

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Cash ISA Transfers *where have we come from?*

- **High transfer volumes experienced during 2008 ISA season**
- **Industry Cash ISA Transfer Guidelines - August 2008**
- **Set a benchmark timeline for transfers of 23 working days**
- **Interest payable by new provider on a '5 + 2 day' basis**
- **Own initiative moves to adopt electronic payments**

Cash ISA Transfers

where are we currently?

Voluntary Industry Commitments

- **Reduce Cash ISA Transfer timeline to 15 working days from end 2010**
- **Interest paid no later than 2 days after funds received from end 2010**
- **Agreement reached with FSA on industry MI reporting from Q1 2011**
- **Feasibility study to consider a move to electronic transfers underway**
- **Published consumer friendly guide in June**

Transferring Your Cash ISA (effective until 31 December 2010)

Outlines a typical Cash ISA transfer process, which may vary between ISA providers¹

DAY 1

DAY 24³



You

DAY 1

Request your new provider to switch your ISA and complete an ISA Transfer Authority form and if necessary a new ISA application form

DAY 2-3

You may be asked to provide further information to the new provider to complete the transfer application

DAY 24³
Process complete



New Provider

DAY 1-4

Your new provider will send the transfer application paperwork for processing

DAY 5-9

Your new provider will process the application and send the checked Transfer Authority form to the old provider

DAY 10+

Your new provider will chase the old provider if they have not received a timely response

DAY 21-24

Your new provider will credit funds to your ISA account.



Old Provider

DAY 7-20²

Your old provider will process the transfer application and send the transfer funds to the new provider. They may ask you for further information to assist this process

DAY 10+

Your old provider will contact you if it recognises a delay to the transfer is expected to occur with an explanation and a likely timescale for resolution

Please note:

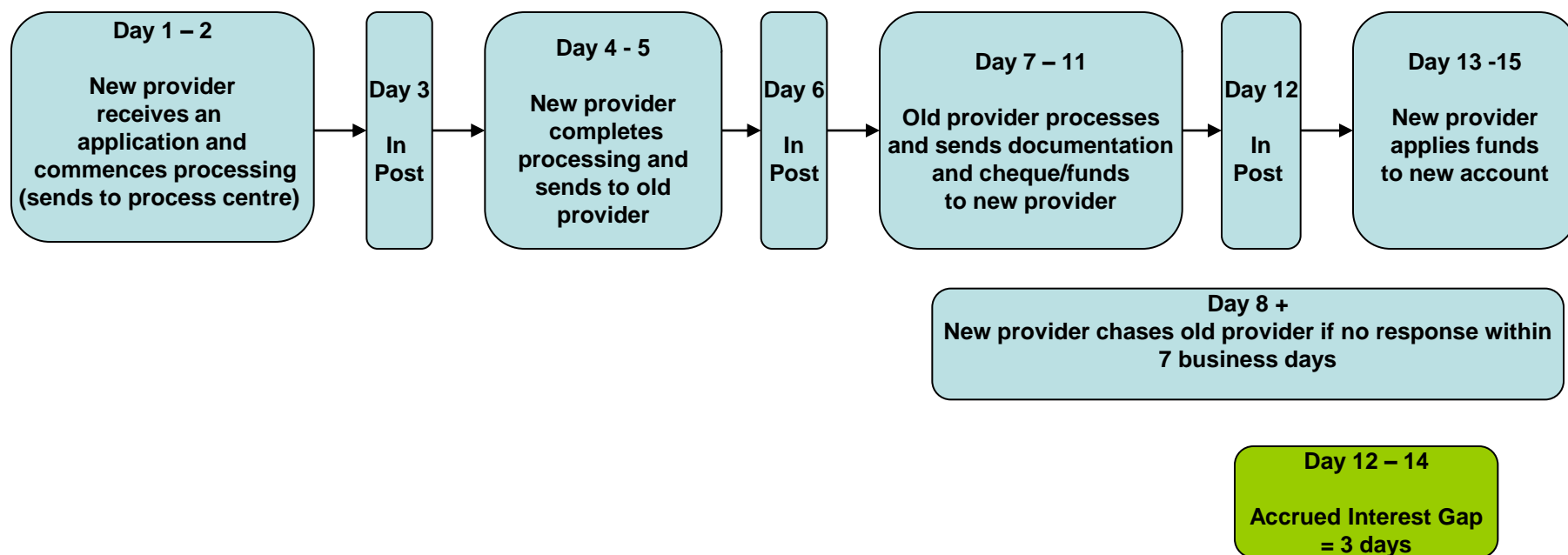
¹Timings are indicative of a typical ISA transfer process and may vary between providers. You are advised to check specific procedures with your provider. Timings shown refer to working days, not elapsed days.

²You have the right to stipulate a longer timescale for your ISA transfer - you may want to do this in order to take account of any applicable notice period, to avoid interest penalties etc.

³The industry is taking steps to shorten the Cash ISA transfer process so that it completes on Day 16 from 1 January 2011 onwards.

Cash ISA Transfers

Industry Guidelines transfer timeline from end 2010



Cash ISA Transfers

supporting delivery

Industry MI reporting to FSA

- **High Level transfer performance MI agreed**
- **KPIs against the 15 day end to end timeline and 5 day turnaround from old provider**
- **‘Reasons for Delay’ analysis**
- **Anonymised MI on top 20 providers by volume**

Summary Cross Industry Cash ISA Transfer MI report to FSA

Number of Providers included in submission

90

Date of submission

dd/mm/yyyy

Reporting Month

mmm

Transfers In

Transfer In cases completed within 15 working days

Volume

14,500

Transfer In cases completed in over 15 working days

1,500

Reasons for Transfer In Delays

%

Most frequent

Old Provider Error

65

2nd most frequent

New Provider Error

21

3rd most frequent

Customer Error

14

Transfers out

Transfer Out cases completed within 5 working days

Volume

12,500

Transfer Out cases completed in over 5 working days

1,500

Reasons for Transfer Out Delays

%

Most frequent

New Provider Error

65

2nd most frequent

Old Provider Error

21

3rd most frequent

Customer Error

14

Date of submission

dd/mm/yyyy

Reporting Month

mmm

Transfers In

	Transfers in < 15 days	Transfers in 15 days	>	Reason 1	%	Reason 2	%	Reason 3	%
Provider A	1,500	100		Old Provider	62	Customer	18	New Provider	20
Provider B	1,400	80		Old Provider	75	Old Provider	15	New Provider	10
Provider C	1,200	70		Old Provider	80	Old Provider	12	New Provider	8
Provider D	1,000	65		Old Provider	76	Old Provider	13	New Provider	11
Provider E	950	60		Old Provider	65	Old Provider	61	New Provider	20
Provider F	800	57		Old Provider	65	New Provider	19	Customer	16
Provider G	750	55		Old Provider	67	New Provider	23	Customer	10
Provider H	700	52		Customer	78	Old Provider	12	New Provider	10
Provider I	560	51		Customer	70	New Provider	20	Old Provider	10
Provider J	540	50		New Provider	66	Old Provider	33	Customer	1
Provider K	490	46		New Provider	40	Old Provider	35	Customer	25
Provider L	485	130		New Provider	90	Old Provider	15	Customer	5
Provider M	467	68		New Provider	74	Old Provider	16	Customer	10
Provider N	367	2		Customer	35	Old Provider	34	New Provider	33
Provider O	356	122		Customer	50	Old Provider	40	New Provider	10
Provider P	298	14		Old Provider	87	New Provider	12	Customer	1
Provider Q	250	54		Old Provider	49	New Provider	29	Customer	22
Provider R	246	42		New Provider	76	Customer	15	Old Provider	9
Provider S	240	12		New Provider	91	Customer	6	Old Provider	3
Provider T	235	16		Old Provider	89	New Provider	6	Customer	5
Total	<u>12,834</u>	<u>1,146</u>							

Cash ISA Transfers *supporting delivery*

- All postal correspondence to go **First Class**
- **Daily** not batch processing
- Sharpen points of contact between providers
- Improved use of TISA Databases by providers
- BBA/BSA/TISA to develop and promulgate industry best practice on operational efficiencies to underpin delivery against the 15 day timeline

Cash ISA Transfers *where are we heading?*

Feasibility study to consider a move to electronic transfers

- **Accelerating information transfer between providers**
- **Payment systems developments**
- **TISA's work on electronic stock re-registration**
- **Beneficial outcomes for consumers**

Cash ISA Transfers

key challenges and next steps

- **Implementation of operational changes by firms ahead of end 2010**
- **OFT challenge on accrued interest and potential customer complaints**
- **Building a consensus on the move to electronic transfers**
- **BBA forward work**
- **Publish revised industry guidelines and consumer friendly guide**



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Questions?

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