

## **The complaint**

Mrs P complains Nationwide Building Society (Nationwide) failed to deal with her Individual Savings Account transfer request correctly.

## **What happened**

Mrs P says she applied to open a new Individual Savings Account (ISA) with a new provider offering a better interest rate, but on receipt of that providers transfer instructions, Nationwide failed to send the full amount requested. Mrs P says the transfer instructions given to Nationwide, by her new provider, clearly stated that all the current year's subscriptions were to be sent along with a partial transfer of £60,000 of previous years' subscriptions, making a total of £80,000 to be transferred.

Mrs P says a member of Nationwide's staff admitted over the telephone, it had made a mistake. Mrs P says despite her providing evidence to show it had made an error, Nationwide said it had done nothing wrong apart from the time it took to action the ISA transfer of this and other transfers and only offered her £75 by way of an apology. Mrs P says Nationwide have continually issued false statements about this matter and this has resulted in her spending a considerable amount of unnecessary time dealing with the matter. Mrs P says Nationwide should reimburse her with the lost interest on the amount it failed to send her new ISA provider, plus compensation for the time she has spent dealing with this matter.

Nationwide says it correctly carried out the ISA transfer instructions it received from Mrs P's new provider as they had been asked to transfer a total of £60,000. Nationwide says the compensation payment of £75 was for the delay in sending the ISA transfers Mrs P had requested.

Mrs P wasn't happy with Nationwide's response and referred the matter to this service.

The investigator looked at all the available information but didn't uphold the complaint. The investigator felt Nationwide had acted correctly based on the transfer instructions the new ISA provider had given to them and the wording "partial transfer" had caused some confusion here. The investigator felt the new provider should have stated that £80,000 was to be transferred. The investigator says Nationwide increased its total compensation offer to £160, to take into account a date error on its final response letter and for Mrs P's travelling costs, which the investigator felt was fair.

Mrs P didn't agree with the investigator's view and provided further clarification and information from her new ISA provider for the investigator to consider.

On receipt of this further information the investigator shared this with Nationwide who then accepted it had sent the wrong amount to Mrs P's new ISA provider. As a result, and after recalculating the interest owed following further communication with Mrs P, Nationwide agreed to pay her a sum of £479.85 representing the interest Mrs P would have earned if the full amount had been sent as requested and an additional £275 by way of compensation.

The investigator revised her view to say she now upheld Mrs P's initial complaint but felt despite Mrs P's opinion that the compensation offered to her wasn't sufficient, she felt it was.

Mrs P didn't agree with the compensation offered and asked for the matter to be referred 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.

Having done so, I also uphold the initial complaint surrounding the ISA transfer and like the investigator I am satisfied the compensation offered by Nationwide is sufficient, and I will explain how I have come to my decision.

I can understand it would have been upsetting and frustrating for Mrs P to see that Nationwide failed to correctly carry out her ISA transfer instructions and then, despite her providing initial evidence surrounding the transfer instruction, for it to still deny any wrongdoing.

The first thing to say here is Nationwide, after Mrs P provided further clarification and documentation from her new ISA provider, accepted it had made a mistake. Nationwide agreed it should have transferred £80,000 and not £60,000 to Mrs P's new ISA provider and have agreed to pay her the interest she would have earned on her new ISA, had they sent the full amount requested. The interest calculation, after further negotiation, was agreed at a sum of £479.85. In addition, Nationwide have now agreed to pay Mrs P an additional £275 by way of compensation for the distress this has caused.

I understand that Mrs P doesn't feel the compensation goes far enough to cover her time and inconvenience over this matter. As the main part of the complaint regarding the ISA transfer has now been agreed by both parties, I won't be making any further comments on this, as it has been well documented previously, other than to say perhaps Nationwide could have got to that outcome sooner than it did. So here I will focus my decision on whether the compensation offered by Nationwide is fair.

Mrs P strongly feels that Nationwide have provided false statements over the course of her complaint and have attempted to hide from the fact it made a mistake to avoid paying her what was due. Mrs P has informed this service she intended to add to her compensation claim each time she had to correspond with Nationwide directly, or via this service.

While I can understand Mrs P's frustration over this matter, I can't say there is any evidence to suggest Nationwide knew all along it had made a mistake and tried to deliberately mislead her to avoid paying what she was entitled to. It's fair to say from time to time businesses will make mistakes and even when presented with what appears to be evidence to the contrary, it can still get things wrong. I am satisfied in all likelihood, that is what happened here, rather than Nationwide deliberately refusing to pay the monies owed to her, as a result of its mistake.

Nationwide have offered to pay Mrs P £275 in addition to the compensation of £160 it has already paid her, totalling £435. While Ms P may not agree, it's not my role to penalise businesses when mistakes are made but to ensure the consumer is put back into a financial position they would have been in, prior to any such mistakes – additionally to ensure an appropriate award for any inconvenience caused is offered, and I'm satisfied Nationwide has here. I wouldn't support further compensation for any time Mrs P has spent dealing with the complaint and further information provided to support that – after all this is part and parcel of

dealing with the complaint presented to this service.

While Mrs P will be disappointed with my decision I feel the redress offered by Nationwide is sufficient here.

Mrs P should contact Nationwide directly or via the investigator to direct where the interest and compensation payment should be paid, should she wish to accept it.

### **Putting things right**

I instruct Nationwide Building Society to pay Mrs P £479.85 representing the interest Mrs P would have earned had the ISA transfer been correctly made. In addition, it should pay Mrs P a further £275 by way of compensation for the trouble and upset caused.

### **My final decision**

My final decision is that I uphold this complaint.

I instruct Nationwide Building Society to pay Mrs P £479.85 representing the interest Mrs P would have earned had the ISA transfer been correctly made. In addition, it should pay Mrs P a further £275 by way of compensation for the trouble and upset caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs P to accept or reject my decision before 18 May 2022.

Barry White  
**Ombudsman**