

## The complaint

Mr P complains about United National Bank Limited trading as UBL UK (“UBL”) due to the time it is taking them to transfer his funds following maturity of his cash ISA.

## What happened

Mr P is a customer of UBL and held a cash ISA product with them. The ISA matured in May 2021 and in preparation for its maturity, he gave UBL instructions for partial transfers of the funds (totalling 100%) to three alternative, third-party ISA providers. Mr P says that when he contacted UBL, he asked whether the funds would still retain their ISA status when transferred and was told they would.

Mr P says he received a call from one of the three alternative, third-party ISA providers he wished some of his matured funds to be transferred to, saying that a cheque for all of the matured funds had been received by UBL. As this was different to the instructions Mr P had given UBL, he asked for the cheque to be returned to them, so that the transfer could be completed correctly.

Mr P says that the funds hadn’t been transferred as per his instructions and so contacted UBL. A few weeks later, Mr P says the funds still hadn’t been transferred, so contacted UBL again. UBL responded that they were continuing to process the transfer but were unable to provide a likely time for completion. Mr P later referred his complaint to our service.

While the complaint had been referred to us, UBL sent Mr P a letter saying that when his funds matured, they rolled over into another ISA for five years at a rate of 1.18% per annum. They later sent Mr P their final response. UBL say they made a mistake by listing the incorrect amount on the cheque released to the third-party ISA provider. They also say they were unaware the cheque had been rejected due to a lack of correspondence from the third-party ISA provider. UBL apologised for their mistake and say they returned Mr P’s funds back into his cash ISA to avoid loss of interest and to ensure his funds continued to hold its ISA status. They also asked Mr P to contact them if he would like to proceed with making the transfers as he originally requested, without any penalty charges to him.

UBL also offered Mr P £100 as compensation as a gesture of goodwill for their error.

Our investigator found that UBL needed to do more to put things right. She said to recognise the trouble and upset caused to Mr P, UBL should pay him £200. She also asked UBL to confirm that the full funds rolled over into the ISA will be accruing interest at 1.18% per annum, up until when they are transferred out.

UBL didn’t respond and so the complaint was passed to me to decide on.

*I issued a provisional decision on 9 June 2022 where I explained why I intended to uphold Mr P’s complaint. In that decision I said:*

*“Mr P has provided correspondence he had sent to UBL about the transfers he asked them to make. He has also provided UBL’s final response. While it is disappointing UBL hasn’t*

*responded to our requests for information, I don't think it is in dispute UBL had made an error on this occasion. UBL accepted they could have done more and offered Mr P £100. Our investigator said that UBL should pay him £200.*

*While I have some sympathy in what UBL has told Mr P, I think they could have done more. The release and transfer of Mr P's funds is, understandably, important to him. Mr P contacted UBL on numerous occasions to ask for an update about his transfer, when it hadn't been executed correctly. He didn't receive a response – or when he did, it wasn't clear on when his funds were likely to be transferred. UBL might not have received correspondence from the third-party ISA provider at the time the cheque was rejected by them, but I also can't see that UBL had contacted the third-party ISA provider until many months later. I think it is reasonable to expect UBL to have investigated this further for Mr P when he was chasing for an update. Mr P had also made it clear in his correspondence to them of their mistake. As UBL didn't investigate further at the time, it has caused a significant delay to Mr P's funds being released, which resulted in some stress and anxiety to him. Mr P says waiting for his funds to be transferred has at times kept him up at night. I'm persuaded by what he has said, given the amount of money involved.*

*UBL has said in their final response that Mr P's matured funds were rolled into an ISA for five years at a rate of 1.18% per annum. They say they will transfer Mr P's funds as requested, without any penalty charges to him. I'd suggest Mr P contacts UBL to make arrangements for the transfer of his funds, should he still wish to do so."*

I set out what I intended to instruct UBL to do to put things right. And I gave both parties the opportunity to send me any further information or comments they wanted me to consider before I issued my final decision.

#### Responses to the provisional decision

UBL didn't respond to my provisional decision.

Mr P responded and set out why he believed I should direct UBL to pay more to him. He also says that if I'm unwilling to, then to request UBL to pay an additional levy to the service, to fund the good work he believes we do to help customers.

#### **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 appreciate Mr P's comments about the good work he believes we do to help customers, like him. However, it is not in my power to direct a business to pay an additional levy.

I've also considered the further comments he's made. I still think how I will instruct UBL to put things right is fair in the circumstances to both parties involved.

#### **Putting things right**

For the reasons I've explained, I think UBL needs to do more in this instance.

United National Bank Limited trading as UBL UK should pay Mr P compensation totalling £200 for the distress and inconvenience caused. Should Mr P wish to transfer his funds to another provider, the funds should include any interest accrued up until the date of transfer.

**My final decision**

My final decision is that I uphold this complaint and United National Bank Limited trading as UBL UK should put things right as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 26 July 2022.

Ronesh Amin  
**Ombudsman**