

The complaint

Mr P complains about incorrect advice he was given by Leeds Building Society (Leeds) in relation to the opening of a cash ISA. He feels Leeds have treated him unfairly and have been discriminatory.

What happened

In late December 2021, Mr P called Leeds to ask about opening a cash ISA for the tax year 2021-2022. Mr P was advised to go into branch as they couldn't process his request over the phone. Following this advice, he travelled with his wife to his closest branch, which was nearly 15 miles away, where he was told he couldn't open another cash ISA. This is because he already had this type of account, and therefore he couldn't open another cash ISA as it's limited to one per customer.

Mr P complained to Leeds about being given misleading information and questioned why he was not allowed another cash ISA account. Leeds responded to Mr P's complaint and apologised that they didn't tell Mr P that he couldn't open another account of this type, and that he was made to travel to a branch when he didn't have to. They said they would provide feedback to the relevant staff members to prevent this from happening again.

Leeds offered Mr P £60 compensation for the trouble and upset caused, and inconvenience of travelling to a branch unnecessarily. Mr P didn't think £60 was a fair offer of compensation for what had happened, and he felt £100 was more in line with what he was expecting. Leeds weren't willing to increase the compensation offered, so Mr P contacted our service for help.

One of our investigators considered Mr P's complaint. He felt the compensation of £100 that Mr P was asking for was fair and reasonable in the circumstances considering the contradictory advice Mr P was given, and the unnecessary trip he made to the branch as a result.

Leeds rejected the investigator's findings and asked for a final decision. They said they understood that the incorrect information inconvenienced Mr P, but they say based on prior knowledge of our service's financial compensation limits, £60 was more than sufficient considering other compensation offers made by this service. So, the case has been passed to me to consider.

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's findings for broadly the same reasons. I'll explain why.

Incorrect information

It's not in dispute that Leeds provided incorrect information to Mr P over the phone when he called to open another cash ISA in 2021. Leeds ought to have been aware that Mr P wasn't eligible to open another cash ISA, and so shouldn't have told Mr P to go into branch to do this. Mr P acted on the advice given and travelled 15 miles to his nearest branch unnecessarily.

Leeds have accepted that this was a failing on their part and have apologised for this. In recognition for the error made, they say they have provided feedback to the adviser and compensated Mr P £60 for the inconvenience he experienced. I think this is a fair level of compensation to recognise the inconvenience Mr P experienced by travelling to branch unnecessarily and for Leeds providing Mr P with incorrect information. So, I won't be asking Leeds to do anything further regarding this point.

Mr P feels he was treated unfairly

Mr P has said Leeds have treated him and behaved in a discriminatory way. When we asked Mr P more about this, he said he felt Leeds had treated him unfairly due to his age and race. I'd like to explain that it's not my role to decide if the Equality Act 2010 has been breached as that's for a court to decide. Our role is to decide what's fair and reasonable in all the circumstances. To be able to decide that we have to take a number of things into account including relevant law.

So, although it's for the Courts to say whether Leeds have breached the Equality Act 2010, we're required to take the Equality Act 2010 into account. Having done so, I'm not persuaded that Mr P's was treated unfairly in Leeds refusing to allow Mr P to open another ISA or for the service error it made. I say this because, the terms and condition of the account state under the eligibility section say:

- This account is limited to one per customer
- You may only subscribe to one Cash ISA in a single tax year...

Leeds have admitted that they incorrectly opened more than one cash ISA for Mr P in 2017. Mr P would've had to confirm he'd read the terms and conditions for the cash ISA account before proceeding to open each of the accounts, and I think the terms and conditions, specifically in regard to eligibility, are clear. Therefore, Mr P would've been aware of the eligibility criteria.

So, I'm satisfied Leeds's decision to refuse Mr P's application to open a further cash ISA was in line with the terms and conditions of the account, and Leeds were acting in accordance with those.

Overall service

I've considered the overall service Mr P has received from Leeds, and it's clear there have been service failings.

As Mr P would've been aware of the eligibility criteria, he ought to have known he couldn't open a further cash ISA. So, I do feel he could've mitigated his own losses and not travelled to a branch if he had taken this into account.

However, Leeds have also made service errors by allowing Mr P to breach the eligibility criteria. And while Leeds have given a reason as to why this was allowed to happen (due to a systems error) Mr P wouldn't have known this. Considering this, I can see why Mr P would've been confused, as in some instances he was allowed to breach the eligibility criteria. But in 2021 he wasn't, which made him feel he was being treated unfairly.

This was then compounded by the fact Leeds provided further incorrect information by advising Mr P to go to a branch, which was of inconvenience to Mr P. So, overall, I don't think the service Leeds has provided has been satisfactory. And while they've already offered Mr P £60, for the reasons I've explained above, I feel the degree of upset, inconvenience and confusion caused to Mr P warrants more compensation. And so I agree with the investigator's assessment and that Leeds should pay Mr P £100 to put this right.

I appreciate Leeds say they've reviewed previous compensation levels awarded by our service on previous cases. But each case is looked at on individual circumstances, including how any errors or service failings have impacted the individual customer.

My final decision

For the reasons set out above, I'm upholding Mr P's complaint. I require Leeds Building Society to pay Dr P £100 compensation for the trouble, upset and inconvenience caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 15 September 2022.

Helen Giles
Ombudsman