

The complaint

Mr W is unhappy that Scottish Friendly Assurance Society Limited didn't apply a £50 top up bonus to a Junior ISA he opened for his son when they should have done.

What happened

Mr W opened a Junior ISA with Scottish Friendly in April 2021. There was an introductory offer which meant that a £50 top up payment should have been received into the ISA by September 2021. But the £50 top up payment wasn't received into the ISA by that time, and when Mr W chased Scottish Friendly for the top up payment, he was told that it would be received into the ISA by December 2021 – but this also didn't happen. Mr W wasn't happy about this, so he raised a complaint.

Scottish Friendly looked at Mr W's complaint. They acknowledged they hadn't made the £50 top up payment on time, and they apologised to Mr W for this and made a payment of £25 to him as compensation for the trouble and upset he may have incurred. Scottish Friendly also ensured that the £50 top up payment was made, and it was received into the Junior ISA in March 2022.

Mr W wasn't satisfied with Scottish Friendly's response, so he referred his complaint to this service. One of our investigators looked at this complaint. They felt that Mr W had incurred a degree of trouble and upset that went beyond the £25 compensation amount that Scottish Friendly had paid. So, they recommended that this complaint be upheld in Mr W's favour and that Scottish Friendly should pay a further £150 compensation to Mr W.

Scottish Friendly felt that the amount of additional compensation recommended by our investigator was too high and suggested that a further £50 compensation might be more reasonable. So, the matter was escalated 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.

I issued a provisional decision on this complaint on 30 August 2022 as follows:

Scottish Friendly acknowledge they weren't able to make the £50 top up payment to the Junior ISA in the timeframe promised by them, and they also acknowledge that they didn't make the £50 payment when Mr W contacted them about it in December 2021.

Scottish Friendly also accept that the £25 payment of compensation they made to Mr W for the delay in their making the £50 top up payment to the ISA doesn't provide a fair reflection of the trouble and upset this matter has caused.

Matters of compensation can be subjective, with an offer considered as being fair and reasonable by one person not considered as being such by someone else. However, taking all the circumstances of this complaint into account, my provisional

decision here will be that I'll be instructing Scottish Friendly to make a further compensation payment to Mr W of £75 – taking the total amount of compensation payable to £100.

This amount of total compensation feels fair to me, given what's happened. In arriving at this position I've considered the impact that this matter may have caused Mr W, including that he unsuccessfully chased Scottish Friendly for the £50 payment in December 2021, as well as that Scottish Friendly did eventually make the payment and their reasons for not doing so sooner (which essentially were that they were working through a backlog of similarly due top up payments). I've also applied these considerations to the framework by which this service awards compensation for inconvenience and distress, an outline of which can be found on this service's website.

Having taken all these points into consideration, I continue to feel that a fair and reasonable total compensation amount here would be £100. And so my provisional decision is that Scottish Friendly must make a further payment of £75 to Mr W.

In my provisional decision letter, I gave both Mr W and Scottish Friendly the opportunity to provide any comments or new information they might wish me to consider before I moved to a final decision. Scottish Friendly confirmed that they were happy to accept my provisional decision, whereas Mr W did not respond.

As such, I see no reason not to issue a final decision upholding this complaint in Mr W's favour on the basis outlined above, and I can confirm that my final decision is that I do uphold this complaint on that basis accordingly.

Putting things right

Scottish Friendly must make a further payment of £75 to Mr W.

My final decision

My final decision is that I uphold this complaint against Scottish Friendly Assurance Society Limited on the basis explained above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 1 November 2022.

Paul Cooper
Ombudsman