

The complaint

Ms R complains that Secure Trust Bank Plc incorrectly transferred her ISA before it matured, and this resulted in a financial loss.

What happened

I issued my provisional decision on this complaint on 16 December. This is what I said:

I've considered the relevant information about this complaint.

Based on what I've seen so far, I intend to uphold it, so there will be a different outcome to what our investigator proposed.

I'll look at any more comments and evidence that I get by 13 January 2023. But unless the information changes my mind, my final decision is likely to be along the following lines.

The complaint

Ms R complains that Secure Trust Bank Plc incorrectly transferred her ISA before it matured, and this resulted in a financial loss.

What happened

Ms R had an Individual Savings Account (ISA) with another bank and decided to transfer it to Secure Trust Bank upon its maturity.

Ms R completed Secure Trust Bank's on-line process to transfer her ISA, with the interest added to her new account. However, Secure Trust Bank transferred Ms R's funds immediately. So, the transfer completed prior to maturity and Ms R lost interest which totalled £620.

Ms R says that because of the large amount involved she checked the on-line form with her husband. And, she complained to Secure Trust Bank as she believed a system error must have changed the details upon submission. Ms R also complained about the lack of any preventative measures.

Secure Trust Bank investigated Ms R's complaint. They referred the matter to their Technical Support Team who were unable to identify any issues with the application upon submission. Their finding was that Ms R had unfortunately selected the wrong option and accepted the transfer immediately.

Ms R complained to our service. This is because her complaint wasn't upheld, and she felt Secure Trust Bank's system wasn't stable and fit for purpose. Also, she found they took a long time to investigate and respond.

Our investigator informed Ms R that although he understood it would not have been her intention to make an immediate transfer, he couldn't see any evidence that Secure Trust

Bank had made an error. Regarding preventative measures he explained that our service doesn't have the power to set rules for businesses services. Also, although Secure Trust Bank's investigation took a number of weeks, he found this was within their service standards.

As Ms R remains dissatisfied, this case has now been referred to me to look at.

What I've provisionally 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 have come to a different view to the investigator and I intend to uphold this complaint for the reasons detailed below.

Firstly, I should explain this service's role isn't to reprimand a business. Also, we can't require a business to alter its processes, procedures and systems. I say this because we aren't the regulator of the financial services industry and our role is to consider each individual case. Also, where we think a business hasn't acted fairly and reasonably in the circumstances, our role is to decide what should be done to put right any financial, or non-financial losses that a consumer has experienced.

I first looked closely at the Secure Trust Bank's confidential investigation report. However, for the following reasons, I asked our investigator to request further information.

Secure Trust Bank said Ms R selected the first option which was:

'I will accept any consequential loss of interest or charges which may be applied.'

However, this was one of two available options, the other being to 'wait until my funds are available' and a screenshot or audit trail of the options and selection wasn't included. Also, there was a screen shot of a subsequential stage in the process, which showed the 'give notice' field being set to 'no'. Secure Trust Bank say this could've only been triggered by Ms R making the wrong selection. However, the lack of data and the following narrative indicated this wasn't Ms R's transaction:

"I have attached an example of what a customer would see at application stage. If Ms R had selected the second option, which says wait until my funds are available, then she would have to enter a date, although it's not a mandatory field, but this would set the give notice field to 'Yes'."

Also, when there is a dispute, without information such as full screen shots or an audit trail, system logic and system integrity details it is difficult to take a 'yes' in the 'give notice field' as hard evidence. In addition, the following comment about whether Ms R entered a date suggests a degree of uncertainty:

"it doesn't look like the customer had given us the date"

So, Secure Trust Bank was asked to provide more evidence that Ms R ticked the wrong box. They submitted on-line journey images. However, despite Secure Trust Bank providing answers to probing questions from our investigator, I still found this inconclusive. This is because they provided some transaction screen images and not others and, the key image, which would be that of the option selection, is missing. Also, I can't see that an explanation has been provided.

Although I could see a screen shot related to Ms R's transaction with a 'no' rather than a 'yes' in the 'give notice field', considering the uncertain comment and the lack of information described above, I find it difficult to see this as hard evidence. Furthermore, the information provided hasn't enabled me to see any system safety features to check Ms R was treated fairly when she made her transaction.

So, although Secure Trust Bank sound confident that Ms R ticked the wrong box, due to the uncertainty mentioned above, I found it necessary to reach my decision on the balance of probabilities – in other words, what I consider most likely to have happened in light of the available evidence and wider circumstances.

I can't see that there is any dispute that Ms R intentionally requested to transfer her savings immediately. As Ms R describes, "no right minded person transfers an account to make another investment when they would lose more than they would gain". So, something clearly went wrong.

I looked at the probability of Ms R making an error and ticking the wrong box and I considered this to be low. This is because the wording in both option boxes is very clear. Also, I'm persuaded by Ms R's comments that she was being very careful double checking all entries. In addition, she says her husband checked with her. So, it is difficult to see how two people could have ticked a box that said, "I will accept any consequential loss of interest or charges" when they would lose £620 interest.

So, considering all of the above, on the balance of probabilities I'm not persuaded that Ms R ticked the wrong box. I think it more likely than not that there was a system problem and, based on the information provided, I don't think Secure Trust Bank have treated Ms R fairly.

So, my provisional decision is to uphold Ms R's complaint and I require Secure Trust Bank to pay Ms R £620 for the lost interest. As I can see evidence of both inconvenience and distress, Secure Trust Bank should also pay Ms R £250 compensation. In addition, as this matter caused Ms R to withdraw her money early, they should pay any penalty interest or charges she has paid.

My provisional decision

For the reasons given above, I plan to uphold this complaint.

I require Secure Trust Bank Plc to pay Ms R £620 for the lost interest. Also, £250 for the inconvenience and distress caused. In addition, as this matter caused Ms R to withdraw her money early, they should pay any penalty interest or charges she has paid.

I'll look at anything else anyone wants to give me – so long as I get it before 13 January 2023. Unless that information changes my mind, my final decision is likely to be as I've set out above.

I invited both parties to let me have any further comments or evidence before the deadline.

Secure Trust Bank said they had no further information to provide.

Ms R accepted the provisional decision and said this matter "has caused me a great deal of distress and I feel completely validated by your findings. I look forward to hearing from you in due course and the closure that this will bring."

I noticed I had incorrectly referred to Ms R as Mrs R, so I have corrected this document and

apologise to Ms R.

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.

As Secure Trust Bank haven't been able to provide any further information, when thinking about everything again, I'm still not persuaded that Ms R ticked the wrong box.

On the balance of probabilities, I think it more likely than not that there was a system problem and, based on the information provided, I don't think Secure Trust Bank have treated Ms R fairly.

Putting things right

So, my final decision is to uphold Ms R's complaint and I require Secure Trust Bank to pay Ms R £620 for the lost interest. Also, as I can see evidence of both inconvenience and distress, Secure Trust Bank should also pay Ms R £250 compensation. In addition, as this matter caused Ms R to withdraw her money early, Secure Trust Bank should pay any penalty interest or charges she has paid.

My final decision

My final decision is that I uphold this complaint and I require Secure Trust Bank Plc to pay Ms R £620 for the lost interest.

Also, I require Secure Trust Bank Plc to pay Ms R £250 for the inconvenience and distress caused.

In addition, as this matter caused Ms R to withdraw her money early, I require Secure Trust Bank Plc to pay any penalty interest or charges Ms R has paid.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms R to accept or reject my decision before 8 February 2023.

Paul Douglas
Ombudsman