

The complaint

Miss B has complained about the delays she experienced with Nationwide Building Society ('NBS') when transferring into her new ISA account. Miss B is also unhappy with the attitude of one of NBS' managers.

To put the matter right Miss B would like interest on the cash during the delays plus compensation for the delays themselves and an apology for the way she was spoken to by a manager at NBS' head office.

What happened

On 31 August 2023 Miss B went to a NBS branch to set up an ISA and to request a transfer of £20,000 from her 'flex' account to her new ISA account. She also wanted to transfer approximately £15,000 from another product provider – who I shall refer to as 'PP' in my decision – into her new ISA with NBS. Miss B experienced delays with the transfer and also says a manager was rude to her.

On 21 September Miss B raised a complaint with NBS who replied on 16 October 2023. It said;

- The transfer had taken slightly longer than its stated 30-day industry guidelines as it had to chase PP who had confirmed it had a backlog and a delay in processing NBS' transfer request. This was out of NBS' control, but the account was now running, and interest had accrued from 31 August 2023.
- There was no evidence that the manager Miss B had spoken with on 20 September had been rude towards her.
- It didn't uphold her complaint.

Dissatisfied with the outcome, Miss B brought her complaint to this service. Our investigator who considered the complaint didn't think NBS needed to do anything further;

- He provided a timeline of the events.
- When Miss B contacted NBS by phone on 7 September after she couldn't see the £20,000 on her account, she had been reassured that the transfer had been completed but she couldn't see it on her ISA account online app because of the delays from PP. NBS had provided evidence to show two deposits had been made totalling £24,485.10 and interest had been accruing from 31 August. He couldn't see that Miss B had suffered any loss suffered because of the NBS transfers into her ISA account.
- He outlined the timings for ISA transfers and that NBS had been in touch with PP, had sent a chaser and had a diary note to chase again.
- He had listened to the call Miss B had with the manager and concluded that the manager had acted professionally but didn't get the opportunity to address the complaint before the call was ended.

- He sympathised that Miss B couldn't see her £20,000 in her ISA account but she had been reassured several times that the money was attracting interest. It had also been explained that the ISA wasn't showing on her internet account because of the transfer awaited from PP. He didn't uphold the complaint.

Miss B wasn't happy with the outcome. As the complaint remains unresolved, it has been passed to me to decide.

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.

After doing so I've reached the same conclusion as the investigator and broadly for the same reasons. I'll explain why.

Timeline of events

- 31 August 2023 – Miss B completed the ISA paperwork in branch.
- 1 September 2023 – NBS sent the transfer request to PP.
- 4 September 2023 – £20,000 was transferred from Miss B's NBS flex account but this wasn't visible to Miss B on her online 'dashboard'.
- 7 September 2023 – During a call with NBS Miss B was advised that the £20,000 had been transferred on 4 September – even though Miss B couldn't see it – and that interest would be backdated to the date the account was opened.
- 15 September 2023 – NBS sent a chaser to PP.
- 20 September 2023 – Miss B was called back by NBS and was advised that completion for the transfer process was estimated to be 3 October. Miss B wasn't happy with the outcome of the discussion and asked to speak with a manager who she feels was rude to her.
- 20 September 2023 – Miss B called NBS. She was advised that NBS had sent a second reminder to PP on 15 September and a further reminder was diarised for 21 September.
- 21 September 2023 – NBS chased PP. PP was experiencing a backlog of applications.
- 2 October 2023 – The funds were transferred to NBS by PP.
- 4 October 2023 – A further £4,485.10 was credited to the account.
- 5 October 2023 – ISA transfer from PP was completed.

As background, HMRC guidelines for cash ISA transfers are 15 working days for transfers between cash ISAs and 30 calendars for other types of transfer. But these are only guidelines and I'm satisfied that in this case external issues caused delays.

Internal transfer of £20,000

Miss B completed her ISA transfer application form on 31 August 2023. She has said that NBS' literature referred to that ISA transfers should only take 15 days. Miss B kept checking her online account but could see the transfer hadn't completed and understandably she was concerned about the whereabouts of her funds.

I do sympathise with Miss B's position. She completed her ISA transfer form, had seen that £20,000 had been taken from her flex account but wasn't able to view her ISA account. The calls I've listened to suggest this was because the transfer from PP was outstanding and the whole of the transfer needed to be completed before it was viewable online by Miss B. NBS hasn't given a reason for this, and I can't see that being able to view an ISA account online where an internal cash had been transferred would be contingent on the completion of the whole of the transfer request from an external product provider.

But that being said, it is not for this service to tell a firm how it should manage its own service – that is a business decision for the firm to make. While I fully appreciate the frustration Miss B experienced it's clear from the calls Miss B had with NBS that she was reassured on several occasions that her funds were safe and were attracting interest. They were pending the completion of the total transfer request before they were viewable by Miss B.

While no doubt this was worrying and caused Miss B inconvenience, I can't see that she has lost out financially. NBS confirmed throughout that any interest payable would be from 31 August 2023 – whether the £20,000 was visible to Miss B or otherwise. And while I appreciate that Miss B was upset because of the lack of visibility, she was reassured that her funds were safe and would attract interest so I can't agree that NBS has done anything wrong here, so I won't be asking NBS to do anything more and I don't uphold this part of Miss B's complaint.

Transfer from PP

When Miss B contacted PP, she was told it hadn't received the ISA transfer request form from NBS. But NBS has provided evidence to show the request was sent to PP on 1 September despite Miss B being told by PP it hadn't received anything. And NBS further chased on 15 and 21 September 2023.

I can understand Miss B's frustration throughout the transfer process. She had to make several calls and was being told conflicting information by the parties and didn't know whether the transfer request form had been sent to PP. But I can't see that NBS has done anything wrong. It sent the transfer request to PP as it should have done and chased PP when nothing was received, and it later became clear that PP was experiencing a backlog. But I can't find NBS responsible for that – it was dependent on PP. I can only consider how NBS dealt with Miss B and based on the evidence provided.

And from what I have seen, I can't see that NBS has treated Miss B unfairly or that it was NBS that caused the delays.

Miss B's conversation with the NBS manager

Miss B has said she received very good service from her NBS branch but that when she spoke with the head office customer service team on 20 September, she said she received poor customer service and felt the manager was rude to her. Miss B ended that call and has complained about the poor service.

I've listened to that call. Miss B was called back further to an earlier call, and it was confirmed that the ISA transfer should be completed on 3 October. Miss B wasn't happy because of the time it had taken and was passed through to a manager. It's clear by this time Miss B was extremely frustrated and she didn't think she was being told the truth about the transfer timings. She told the manager that she didn't think the forms had been sent to PP either electronically or manually as PP had said they hadn't been received and Miss B said she '100% believed them' and concluded that 'nothing had been done'.

Miss B's frustration during that call is clear. She didn't think she was being listened to so ended the call.

Upon my review of the call, I do think the manager was trying to help but I don't think she was given the opportunity to properly address it before Miss B ended the call. The manager explained that she had no reason to lie and reiterated the timing of the transfer request. I can't agree the manager said anything untoward during that call and I don't agree that the manager was being rude to Miss B or was unprofessional, so I don't uphold this part of her complaint.

Taking all of the above into account, it follows that I don't uphold Miss B's complaint. I appreciate that Miss B will be disappointed with the outcome – it's clear she feels strongly about her complaint – but I hope I have been able to explain how I have reached the decision that I have.

My final decision

For the reasons given, I don't uphold Miss B's complaint about Nationwide Building Society.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 14 June 2024.

Catherine Langley
Ombudsman