

The complaint

Mr H complains that Nationwide Building Society (Nationwide) failed to make an ISA transfer for him. As a result he says he lost out on interest and potentially a members share dividend. He would like Nationwide to cover his losses.

What happened

The details of this complaint are well known to both parties so I won't repeat them again here, instead I will focus on giving the reasons for my 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.

Having done so, I have reached the following conclusions:-

- There has clearly been a lot of confusion between what Mr H was told in branch, the letters he received and the involvement of Nationwide and another ISA provider. The main issue here is whether Nationwide told Mr H the ISA transfer hadn't taken place and, if it didn't, if it should have done so .
- I have seen two letters Nationwide sent about the ISA transfer one dated 14 April, 2023 the second dated 17 April 2023. The first acknowledges the transfer request, the second explains the process for the ISA transfer and states Nationwide would contact Mr H when the transfer had been completed. It also states it would contact Mr H if there were any issues. Neither letter confirm the account had been opened and the transfer made.
- Mr H now accepts that Nationwide did contact him. It sent a text message on 17 April 2023 on receipt of his transfer application. The message advised the ISA transfer request had been rejected by the provider as the sort code/ account details were incorrect and the account couldn't be located. So I am clear the initial transfer application failed due to incorrect information being provided, and that Nationwide advised of this.
- The text also explained the steps to take to progress the transfer which were to get correct details from the provider then make a new application to Nationwide. So I am persuaded that Nationwide advised a new application needed to be completed.
- Mr H says he didn't make a new application as staff in branch told him he didn't need to do anything else when he advised he had spoken to his current ISA provider, and the issue had been resolved. Nationwide has however evidenced Mr H started, but didn't complete, an application form on 18 April 2023 which was cancelled due to inactivity on 20 April 2023. So, I think it's more likely than not, that Mr H did start a fresh transfer application. There was no further correspondence from Nationwide. I wouldn't have expected there to be so given no further transfer application was submitted.

- Nationwide said Mr H could have seen via online banking that the account hadn't been opened. That may be the case but not everyone is comfortable using online banking. From what Mr H has told us he only uses it in a limited way. However I am surprised Mr H didn't realise the transfer hadn't been made. Nationwide's letter dated 17 April 2023 stated he would get formal notification when the account was opened. When he didn't receive such notification he might reasonably have realised there was an issue.
- Nationwide accepts it should have been able to give Mr H relevant information about his account in branch when he told Nationwide his ISA provider had told him the issue was resolved. I have considered this very carefully but I don't think this sufficient for me to ask Nationwide to recompense Mr H for the interest he says he lost. I think there was sufficient other information available to Mr H to know an account hadn't been opened
- Nationwide did however offer Mr H a total of £90 compensation for the poor service in branch and to cover travel costs and phone calls. I think this is reasonable.

My final decision

My final decision is that Nationwide has made a fair offer.

In full and final settlement Nationwide Building Society should pay Mr H £90 compensation for distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 22 November 2024.

Bridget Makins
Ombudsman