

The complaint

Mr R is unhappy about the service he has received from FCE Bank Plc trading as Ford Money ("FM") when setting up an ISA account with it and transferring his ISAs from another provider. In particular, he is unhappy that FM continued to send transfer requests with the wrong national insurance (NI) number after Mr R had corrected it leading to further delays in the transfer and lost interest.

What happened

Mr R wished to transfer his ISA's held with another provider "X" to FM's Saver Account ISA (ISA 1) and Flexclusive ISA (ISA 2). On 13 September 2023 Mr R set up an ISA account with FM but due to IT issues at FM's end Mr R says he had to repeat the application process multiple times.

X confirmed it received Mr R's ISA 2 transfer request on 13 September, but it declined the request on 14 September as the NI number it held for Mr R didn't match that as listed on the transfer request and advised Mr R of this. Mr R maintains that he entered the correct NI number when completing the ISA application and it was FM's software errors that caused the problem.

Mr R called FM on 16 September and confirmed what his NI number should be and advised FM that he'd had issues setting up his account with it. FM's call handler apologised for this and advised it had a few issues with its system. They confirmed they would update Mr R's NI number (which FM systems record was done the same day), confirmed two of the recent transfer requests would be abandoned and would send the transfer requests again and advised on processing times.

X received four further transfer requests from FM for both ISAs on 18 September two of which also held incorrect NI numbers and were again rejected. The two remaining transfer requests for ISA 1 and ISA 2 held the correct NI number and ISA 1 was successfully completed on 20 September (with interest applied by FM from this date) and ISA 2 for reasons that are unclear was declined due to an error on X's part.

A further transfer request was received by X for ISA 2 on 20 September which was successful and processed the following day and completed on 22 September and interest was applied from this date by FM.

In March 2024 Mr R attempted to send a payment to his ISA account but due to Mr R using an incorrect reference number the payment was rejected at which point Mr R raised a complaint about all of this with FM.

Mr R says that he entered the correct NI number when completing the ISA application. He says FM's software errors led to him having to try numerous times over three hours before his application was finally processed and that FM's system processed his inputs incorrectly which resulted in problems in transferring his ISA's due to the NI number mismatch. Mr R complained that he had to spend a considerable amount of time on the phone to try and identify what the issue was and that FM failed to properly investigate.

Finally, regarding the rejected payment in March 2024 Mr R complained that he was assured by FM that despite using his account set up reference number – rather than his account number – he had nothing to worry about and his funds would be credited the same day but this didn't happen. FM rejected the transfer and failed to return the funds until five days later causing a loss of interest.

FM says Mr R confirmed in his call with it the correct payment reference – either of the above - but that on the payment itself this was not the reference he used and so the payment was rejected and the funds returned in-line with the timescales as advised to Mr R in its call with it.

FM did not uphold Mr R's complaint regarding the transfer of his ISAs as the problem arose due to a mismatch of NI numbers and not an error on its behalf but accepted its service couldn't been better when Mr R logged his complaint and paid Mr R £15 to compensate for this.

Mr R was dissatisfied with this, he says despite saying it would "kill" the incorrect transfer requests it didn't do so adding to the delays and so brought his complaint to this service. One of our investigators looked into Mr R's concerns and found that the payment reference Mr R had put on the transfer was incorrect and so FM hadn't made an error or did anything wrong here.

They agreed that there had been a service failing due to the system issues FM was experiencing when Mr R set up his ISA account and that Mr R had been inconvenienced. But they thought £100 compensation was an appropriate and fair resolution for the impact this had had.

They didn't think any backdated interest was due however as FM had correctly updated its systems on 16 September with Mr R's correct NI number and HMRC allow 15 working days for cash ISA transfers such as these to complete and as the application was made on 13 September and the transfer completed on 22 September the timescales had been met.

FM says it wasn't its error that led to Mr R's NI number being incorrectly entered and that as soon as the NI number was corrected Mr R's transfers were processed correctly within the expected 15 days. FM felt the £100 compensation recommended was an overpayment for the actual distress and inconvenience caused by a two-hour system issue though it acknowledged it did have some system issues.

Mr R also disagreed, he says FM have misrepresented withdrawing the transfers after the NI number was corrected and believes if it wasn't for his intervention and considerable time spent on this with both businesses the ISAs wouldn't have completed within the 15 work day window. He believes he should be paid interest from 13 September and wants to be compensated £250 for each of the errors FM has made being:

1. The errors in the initial set up of his ISA accounts due to FM's IT malfunction;
2. The delays experienced in the ISA transfers due to repeatedly providing an incorrect NI number; and
3. The failure of FM to investigate the issues he's had or his complaint properly.

Mr R has asked for an ombudsman's 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.

In the background I've given a detailed account of what happened and what I believe are the material facts that led to Mr R bringing his complaint. I hope that Mr R won't take it as a discourtesy that I've detailed his complaint in the way that I have. Ours is an informal dispute resolution service, and I've concentrated on what I consider to be the crux of the complaint. Our rules allow me to do that. And the crux of Mr R's complaint is regarding the service he received from FM when opening and transferring his ISAs to it. In particular he doesn't believe FM properly investigated the problems it had on setting up his ISA account which resulted in further errors and delays when transferring his ISAs from X.

It might be helpful for me to say here that as we are not the regulator, I cannot make FM change its IT systems or processes – such as how it investigates and fixes and responds to issues within its systems. These are commercial decisions and not something for me to get involved with. And as complaint handling isn't a regulated activity nor can I investigate or compensate Mr R for how FM have handled his complaint.

My role rather is to look at problems that a consumer has experienced and see if the business has done anything wrong or treated them unfairly. If it has, we seek to put the consumer back in the position they would've been in if the mistakes hadn't happened. And we may award compensation that we think is fair and reasonable.

In this case I'm in agreement with our investigator and don't think there is anything much more of use that I can add.

Firstly, having reviewed all the evidence and information available I can't say FM did anything wrong when it rejected Mr R's payment of £30,000 in March 2024 as the payment was rejected because the payment reference as input by Mr R was incorrect and different from the one Mr R confirmed on the phone with it, so it was rejected and the funds returned in-line with FM's processes as advised to Mr R.

And again, I can't say FM did anything wrong when an incorrect NI was recorded on Mr R's application which led to his ISA transfers being rejected. The NI number shown on Mr R's ISA application with FM was incorrect and different to the one X held. I understand Mr R believes it this was due to the technical issues FM was having at the time. But I think as the NI number was inputted by Mr R its more likely the error was on his part by inputting an

incorrect number and so I can't say the failed initial transfer on 13 September 2023 was due to an error on FM's part.

Mr R says that because FM continued to send transfers with the incorrect NI number after his call with it on 16 September the transfers were further delayed.

I can't say for sure what actually happened on 18 September – whether FM did cancel the transfers with the incorrect NI numbers or not - but I don't think this matters to the overall outcome. I say this as although two transfers X says it received on 18 September did hold incorrect NI numbers, equally there were two more holding the correct NI numbers one of which was successful and the other wasn't. And X have agreed this was due to an error on its part, rather than anything FM did wrong.

In any case on discovering the issue with the NI number FM corrected this and promptly sent off further transfers for both ISA's which were processed within the 15 working day timescale of the original transfer – as per HMRC guidelines – and interest was applied to the balance of Mr R's funds as soon as they were received by FM which I think is fair and in-line with what I'd expect.

Mr R believes that without his intervention the transfers wouldn't have completed in this 15-day timescale. But it's not possible to say for sure what might or might not have happened and I can't compensate for things that didn't happen, all I can consider is the actual impact on Mr R financially or otherwise.

FM have accepted that it was experiencing technical issues at the time Mr R opened his ISA account which may have caused problems for customers who were opening accounts on the web. Mr R says he had to fill in multiple applications and spent three hours doing this which I appreciate would be both inconvenient and frustrating, especially considering the urgency of the matter given his ISA's with X were soon to be closed. So I'm in agreement with our investigator that £100 compensation would be a fair way to settle this complaint for the impact suffered.

And so it follows I uphold Mr R's complaint in part for the problems he experienced when opening his ISA and for that FM should compensate Mr R £100. But I don't agree that Mr R has lost out on any interest as a result of errors made by FM and so I won't be awarding any compensatory interest payment.

My final decision

For the reasons I've explained I've decided to uphold Mr R's complaint and direct FCE Bank Plc to pay compensation of £100.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 7 February 2025.

Caroline Davies
Ombudsman