

## The complaint

Ms H is unhappy that Nationwide Building Society didn't contact her when they didn't receive ISA reinvestment instructions from her.

## What happened

Ms H has a fixed-term ISA with Nationwide which she had held for many years and reinvested several times. Ms H's ISA matured in December 2023, and the month before, in November 2023, Ms H completed a reinvestment instruction form and sent it to Nationwide in the post.

Unfortunately, Nationwide didn't receive the reinvestment instructions that Ms H had posted. Because of this, when Ms H's ISA matured in December 2023, Nationwide transferred the ISA balance to a default product, as per their terms and conditions, which didn't attract as beneficial a rate of interest as Ms H's intended reinvestment option would have.

Ms H wasn't aware that her ISA hadn't been reinvested as she intended until September 2024, when she received correspondence from Nationwide which alerted her to that fact. Ms H wasn't happy that Nationwide hadn't reached out to her sooner about their lack of received reinvestment instructions, especially given that she had reinvested her ISA with them previously on several occasions. So, she raised a complaint.

Nationwide responded to Ms H but didn't feel they'd done anything wrong in how they'd administered her account. Ms H wasn't satisfied with Nationwide's response, so she referred One of our her complaint to this service.

investigators looked at this complaint. But while they acknowledged that what had happened was unfortunate, they didn't feel that Nationwide had acted unfairly towards Ms H as she felt was the case. Ms H remained dissatisfied, 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 11 February 2025 as follows:

*I readily accept Ms H's testimony that she posted the reinvestment instructions to Nationwide in November 2023, and I also readily accept Nationwide's testimony that they never received those posted instructions.*

*There are several questions that present themselves here. For instance, in the absence of receiving Ms H's reinvestment instructions, should Nationwide have acted differently? Should they, for example, have reached out to Ms H and alerted her to the fact that her ISA hadn't been reinvested as she believed was the case sooner than they did?*

*Conversely, should Ms H have monitored her ISA account herself, so that in doing so she recognised that her reinvestment instructions hadn't been implemented by Nationwide as she was expecting. And should she then have proactively contacted Nationwide herself about the matter?*

*Upon consideration, I feel that the answer to all the above questions could be 'yes'. But, ultimately, I don't feel that Nationwide can be fairly said to have done anything wrong here.*

*This is because Nationwide didn't receive the reinvestment instructions that Ms H had posted to them. And while Nationwide potentially should have alerted Ms H to the fact that they hadn't received any reinvestment instructions from her sooner than they did, Ms H should have recognised that fact quickly herself, by monitoring her account.*

*However, it can be the case that an unfair outcome can arise which should reasonably be rectified by a business, even when that business has done nothing wrong. And I feel that this is the case in this instance.*

*I take this position because this service wouldn't hold a business accountable if a letter posted to an account holder hadn't been received by that account holder. And similarly, I don't feel that Ms H should fairly be impacted because the reinvestment instructions that she posted to Nationwide weren't received by them.*

*I'm therefore provisionally upholding this complaint and instructing Nationwide to restructure Ms H's ISA to be as it should be had the reinvestment reinstructions been received by them before the December 2023 ISA maturity date.*

*This puts Ms H in the position she would have been in had her instructions been received by Nationwide. And because this results in an outcome that I feel should reasonably have taken place, I don't feel that this instruction causes any financial detriment to Nationwide.*

*Finally, I won't be instructing Nationwide to pay any compensation to Ms H, because I don't feel that Nationwide did anything wrong. And I confirm that my provisional instructions to Nationwide are not intended to suggest that Nationwide acted unfairly towards Ms H but are provided solely in the wider interest of correcting the unfair outcome which I feel arose without any party being clearly or solely to blame.*

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Both Ms H and Nationwide responded to my provisional decision and confirmed that they were in acceptance of it, albeit with a few minor comments from Ms H that didn't detract from her acceptance of the provisional decision. And Nationwide confirmed that they would restructure Ms H's ISA as if it had been renewed to a two-year fixed rate ISA commencing 4 December 2023 with an interest rate of 5%.

As such, I see no reason not to issue a final decision here whereby I uphold this complaint in Ms H's favour on the basis described above. And I therefore confirm that my final decision is that I do uphold this complaint on that basis accordingly.

### **Putting things right**

Nationwide must restructure Ms H's ISA on the basis described above.

### **My final decision**

My final decision is that I uphold this complaint against Nationwide Building Society on the

basis explained above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms H to accept or reject my decision before 26 March 2025.

Paul Cooper  
**Ombudsman**