

The complaint

Mr G complains that Saveable Limited trading as Plum ("Plum") misinformed him about the rate of interest payable on his ISA and continue to display the incorrect rate of interest in its app. This has resulted in ongoing confusion and concern and significant inconvenience trying to clarify the rate of interest he's being paid by Plum.

What happened

Mr G opened a variable rate ISA in May 2024. Mr G received an email in November advising the rate of interest being paid was 4.68% but as the rate displayed in the Plum app was 4.67% Mr G contacted Plum for clarification via its online chat. Plum advised Mr G that the rate was 4.67% - comprised of Base rate – 3.79% and a bonus rate of 0.87%.

Mr G was unhappy with this so raised a complaint on 18 November. Plum requested a screen shot of the rate Mr G could see in the app to confirm it was different to the advertised rate which Mr G supplied. On 21 November Plum via a chat message explained to Mr G there was a visual bug that affected the rate he could see in its app and confirmed that the rate paid was 4.68% including the bonus rate of 0.88%.

Mr G was unhappy with this and concerned that he couldn't rely on what he'd been told about the interest rate and so requested information about how to transfer his ISA from Plum to another provider. But as Mr G had held the ISA less than 12 months he discovered if he moved his ISA he would forfeit the bonus interest rate.

Plum acknowledged that the information provided by some of its agents had been incorrect and offered Mr G £50 as a gesture of goodwill to put things right. Mr G remained unhappy and raised further concerns about how the interest rate was calculated as it still appeared incorrectly in its app. Plum advised on 4 December the rate was 4.68% based on rounding and compounding and suggested the rate should now be displaying correctly in the app as the issue had been resolved by the technical department.

Mr G was dissatisfied with this and so brought his complaint to this service. Mr G says the rate continued to display as 4.67%.

Plum advised Mr G in January 2025 that there was a visual bug that was causing the issue and it was affecting all users. Mr G received a further email on 6 February advising that the interest rate was decreasing by 0.25% with effect from 7 February. The app showed the new rate as 4.42% and when checking this Plum's agent incorrectly advised that the rate paid was 4.68% - rather than 4.43% - and although already acknowledging there were issues with its app that Mr G could check the latest rate in the app.

Plum explained and provided evidence that the rate was 4.425% but that the app can only display two decimal places and so the rate has been rounded down to avoid overstating rates in the app but confirmed that the gross rate has been unaffected and usual rounding up principles applied and that Mr G was correctly receiving a rate of 4.43% as advertised. Plum say that a fix is underway but are unable to confirm when. Plum acknowledges this has

been poorly communicated and so offered a further £150 compensation taking the total to £200 to settle Mr G's complaint.

Mr G remains dissatisfied with this and wants Plum to compensate him £750 for the distress and inconvenience caused in having to waste his time chasing Plum for clarification on its interest rates and re-install Plum's app numerous times.

One of our investigators looked into Mr G's concerns and thought that the amount of £200 compensation offered for the distress and inconvenience caused to Mr G was fair and in-line with our approach to awards of this kind. They acknowledged that there had been an error on Plum's part regarding the interest rate displayed in the app, but the rate payable is as advertised, and so Mr G hadn't lost out financially based on the interest received.

Mr G disagreed, he says Plum continues to display its rate incorrectly in the app and that the consistent inaccuracy of information told to him has left him in a state of uncertainty and distress and that Plum has never confirmed the interest rate is now 4.43% and so he thought he was earning 4.68% in interest. Mr G wants more compensation than that on offer and for Plum to fix the problem and 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.

I hope that Mr G won't take it as a discourtesy that I've condensed 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 G's complaint is that Plum's app is incorrectly displaying the interest rate payable on his ISA and provided inaccurate information regarding this resulting in him losing confidence in managing his finances.

It might be helpful for me to say here that as we are not the regulator, I cannot make Plum change its IT systems or processes – such as how it displays information on interest rates payable in its app or communications surrounding this. These are commercial decisions and not something for me to get involved with. Nor is it my role to punish or penalise Plum for the mistakes it makes – that is the role of the regulator in this case the Financial Conduct Authority.

My role rather is to see whether Plum have made a mistake or treated Mr G unfairly and if it has decide what Plum needs to do to put that right.

In this case there is no dispute that Plum's app is at times incorrectly displaying the rate of interest payable by 0.01%. And nor is it in dispute that at times Plum's agents have incorrectly advised Mr G that the rate displayed is correct/incorrect and that Mr G has been put to some inconvenience trying to rectify the matter and clarify what the actual interest rate is.

Plum have accepted that Mr G was given incorrect information and explained that the issue is regarding the interest rate displayed in its app is due to its app not being able to display more than two decimal places. Plum is trying to fix the problem but while it does that to ensure its rate isn't overstated it has rounded down the rate in its app and have confirmed that Mr G is receiving the correct rate as is advertised and that and the usual rounding up principles have applied.

Although this is obviously not ideal, I think this is a practical and reasonable approach for Plum to take while it tries to resolve the issues it is having with its app and I can't see what else it can do. I appreciate Mr G's frustration with this as he just wants the issue fixed and isn't able to currently rely on the interest rate displayed on Plum's app. But sometimes things don't go smoothly and technical errors occur – as in this case – but that doesn't mean it automatically follows that Plum has treated Mr G unfairly.

I accept Mr G was given incorrect information by Plum on more than one occasion by Plums agent's and been put to some inconvenience – at least initially when investigating the issue by sending in screen shots of what was displayed on the app and being asked to reinstall the app as a possible fix. But I wouldn't expect Plum to know what the issue is straight away and so I don't think it was unreasonable for it to ask Mr G to send in evidence relating to the problem and to try some potential fixes to the problem before escalating the issue further.

I also accept that Plum's agent provided Mr G with the wrong outdated interest rate and directed him back to its app which had known issues. But Mr G was sent an email informing him of the 0.25% rate reduction and Mr G was already aware there is a problem within the app and could've looked up the interest rate on Plum's website or I think without too much trouble would be able to work out for himself what a 0.25% reduction would be. And as Mr G has been paid the correct amount of interest, I can't say that he has suffered any financial loss due to incorrect advice given or the technical issues Plum is having so I think the offer of £200 compensation is fair. This in-line with what we'd usually recommend in situations like this and I'm not persuaded any uplift on this is warranted or would make a significant change to the overall outcome.

And so it follows that I think £200 compensation offered by Plum for the distress and inconvenience caused to Mr G in this matter is fair and I'm not going to ask Plum to do anything more.

My final decision

For the reasons I've explained I've decided that the £200 compensation Saveable Limited has offered to settle Mr G's complaint is fair and if it hasn't done so already I direct it to pay Mr G this compensation now.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 6 May 2025.

Caroline Davies
Ombudsman