

The complaint

Ms P complains that Secure Trust Bank Plc has incorrectly paid interest on her Individual Savings Account (ISA) to her, instead of adding it to the capital.

What happened

Ms P says she opened the two-year Secure Trust ISA account in January 2024 and was expecting the interest to be compound interest (added to the capital). She says the interest after year one was instead sent to her bank account which is not what she asked for or wanted. Ms P says the money has now lost its ISA status and says Secure Trust has not provided any evidence that she requested interest be paid in this way.

Secure Trust says Ms P applied for the account in December 2023 online and she selected the “pay away” option for interest as opposed to the “compound” option. It says that would have led to its systems asking Ms P for details of her nominated account for the interest to be paid into which she did. Secure Trust says it hasn’t made a mistake and can only provide its system details rather than the original application.

Ms P brought her complaint to us and our investigator didn’t uphold it. The investigator thought Ms P applied online for the account and thought it more likely she selected the interest option. The investigator thought in those circumstances Secure Trust didn’t make a mistake.

Ms P does not accept that view and says she did not select the “pay away” option and had no idea what that meant.

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 come to the overall view that I don’t uphold this complaint.

I am satisfied that Ms P applied for the account online and that she was responsible for the information provided as well as ensuring it was accurate. I have looked at Secure Trust’s records and think on balance that Ms P must have selected the “pay away” option for interest rather than the “compound” option. I say that as by selecting “pay away” that led to a request for the nominated bank details to pay the interest into whereas the “compound” option did not request bank details. I can see Ms P completed the nominated bank details section which on balance persuades me that she selected the “pay away” option. I appreciate that Ms P’s intention was to select the “compound” option but that is not something I can fairly hold Secure Trust responsible for.

As I am satisfied that Secure Trust followed Ms P’s instructions, I don’t think it made a mistake by paying the interest after one year into Ms P’s nominated account. I don’t think it ought to have told Ms P in advance what it intended to do, as it acted in line with instructions. And I am satisfied that the payment reference was clear. I can’t see how Secure

Trust would have known that Ms P had selected the wrong option.

I can also see from the welcome letter from Secure Trust that it makes clear reference to the two interest options and has reference to a nominated account if the “pay away” option was selected. I think that provides additional information about the likelihood Ms P had selected “pay away” as she ought to have known she had provided details of her nominated account to pay the interest into when she read that letter. If she had selected “compound” then there would be no necessity to provide a nominated account details for interest to be paid into. And I would have expected Ms P to have noticed that at that stage which would have allowed the mistake to be rectified.

I appreciate Ms P would have liked to have seen the actual application form but I am satisfied that Secure Trust’s records simply mirror the inputted application made by Ms P. I have made clear that I think Ms P must have selected the option online to trigger the account details request. So, I don’t think the application is needed and I can’t see any evidence that suggests Secure Trust’s records are not an accurate reflection of Ms P’s application.

My final decision

My final decision is that I don’t uphold this complaint.

Under the rules of the Financial Ombudsman Service, I’m required to ask Ms P to accept or reject my decision before 29 July 2025.

David Singh
Ombudsman