

The complaint

Mr D is unhappy that Coventry Building Society hasn't honoured its agreement to allow him to open a Triple Access Saver Account (TASA) - an internet-based account – and then operate it by phone. He wants Coventry Building to provide a specific application form with amended terms and conditions to accurately reflect the way his account will be operated which will allow him to comply with Coventry's rules.

What happened

In October 2023 Mr D spoke with Coventry about alternative accounts that would pay him a higher rate of interest. Mr D discovered there were two accounts paying a higher rate of interest but were only available to online customers. Mr D felt this was unfair as it was excluding him from applying for those accounts. Mr D complained to Coventry.

Coventry said that Mr D shouldn't have been told about the TASA because he wasn't able to apply for it. That's because Mr D has no access to the internet and has no wish to use online services. It said the higher interest payable on the TASA was because the running costs of the account were lower as it wasn't supported by staff on the phone or in branches. But, as a concession, and in contravention of the normal terms and conditions, Coventry said Mr D could open a TASA and operate it by phone. Following further correspondence, Coventry paid £200 of compensation to Mr D's account as an apology for the misinformation and the way his complaint had been handled.

In order to set up the TASA, Coventry agreed to again break with procedure by sending a paper application form for completion. Normally all applications were online. But Mr D wasn't happy with the application form he was sent because the terms and conditions of the account hadn't been amended to reflect the way his account would be operated. Neither had Coventry put in writing that it'd agreed to amend the terms and conditions. So, Mr D refused to sign the application form because he wasn't comfortable signing an agreement that he knew didn't accurately reflect what the position was.

Coventry wouldn't agree to change the application form or send anything in writing to say the terms and conditions Mr D objected to weren't applicable to him. So, the application didn't proceed. Mr D remained unhappy as he said Coventry was now denying him the opportunity to open the account it'd agreed to open. So, he referred his complaint to this service where one of our investigators considered the merits.

Our investigator didn't feel Coventry should have to do anything further. They said Coventry had made a business decision to make the TASA available as an online only account and so it wouldn't have been actively marketed to Mr D as he didn't use online facilities, neither did he have any wish to do so. They said Coventry had made an exception by allowing Mr D to operate the TASA by phone but couldn't make it amend the account terms and conditions as he wanted. They felt Mr D's special circumstances would've been recorded on his file and that would be sufficient.

Mr D disagreed and spoke with our investigator. His main point of contention was that he was unable to put his signature to a legal document agreeing to run an account in the way

the application form asked him to do when he knew that to be incorrect. So, he says he couldn't open the account. He believes Coventry was going back on its agreement to allow him to open the account. As there was no agreement between the investigator and Mr D, he asked for his complaint to be reviewed by an ombudsman. It's therefore been passed to me to decide.

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 understand that Mr D feels very strongly about this issue. But, having looked at all the information, I'm not upholding this complaint.

I need to make it clear that this service exists to resolve disputes between complainants and respondent firms. We are not the regulator and so don't have the authority to tell a respondent firm to change its policies or practices. But, if we find the business has made a mistake, we look to put the customer in the position they would've been in had the mistake not happened.

My starting point here is what mistake, if any, did Coventry make. And I believe the mistake was Mr D being told about an account that he wasn't eligible to apply for. Coventry can determine what rates it sets on its accounts and who those accounts are available to. I can't tell Coventry to make an online only account available to a consumer who doesn't want to use online services, nor can I tell it to amend terms and conditions applicable to a certain account. That would be interfering with business decisions which this service doesn't have the power to do.

When Mr D raised the initial complaint with Coventry about being denied access to the online TASA, Coventry had two options open to it. The first would be to apologise for the fact that Mr D had been told about an account he couldn't take up and offer compensation for the misinformation.

The second would be to acknowledge that Mr D had been given the wrong information and make an exception to allow him to apply for the TASA and operate it by phone.

Coventry chose option two and opted to allow Mr D to apply for the TASA using a postal application form and then operating it by phone. Coventry sent the application which Mr D didn't feel able to sign. Principally because of two clauses in the Specific Terms for Triple Access Saver (Online)

1.3 You may only operate this account online (except if you wish to make deposits in accordance with conditions 4.1(a) and (b)).

1.5 You must provide us with a valid e-mail address for each account holder.

Mr D wasn't prepared to sign the application form when he knew he wouldn't be operating the account online and couldn't provide an email address. He wanted the terms and conditions amending or a letter confirming those terms didn't apply to his account.

Coventry said the agreement Mr D had reached with it would be on file. But Mr D wasn't satisfied with that – he insisted on either the application form being amended or a letter stating that those two terms were not applicable to his account. Mr D refers to Coventry's letter dated 24 November 2023 containing:

Whilst it was agreed by a manager to allow you to open an online account, it has been offered outside of our normal process. If you do open an online based account and manage it over the phone, the advisor(s) may discuss the correct channel you should be using.

which Mr D believes already implies there will be difficulties in the future.

And this is the impasse. Because Mr D won't (or as he says can't) sign the application form, and Coventry won't amend the application form or send a letter spelling out the concessions it's made, he can't open an account and therefore can't have access to the improved rate.

So, he says Coventry has gone back on its word. He wants this service to tell Coventry to send amended terms and conditions and compensate him for the loss of interest over a period.

I accept that Mr D had grave reservations about signing the application form. But he was told by Coventry that his agreement was on file. It seems to me that even if the application form had been amended or a letter sent with the concessions detailed, an advisor in the future may still question why the account was being operated by phone. Because it wouldn't be immediately apparent to any advisor in the future that a different application form had been signed or terms varied by letter. So, I don't think the comment in the 24 November 2023 letter makes a significant difference.

It was therefore for Mr D to decide whether he signed the form or not. He decided he couldn't and so the account opening didn't go ahead. As I said at the outset, I can't make Coventry offer Mr D the TASA. Because it's not an account he's eligible for and I can't make it issue amended terms and conditions. That would be stepping outside of my authority.

Having decided that I can't make Coventry open a TASA for Mr D, what now remains is for me to decide the level of compensation which should be payable to Mr D.

I don't intend to make any award for loss of interest. Because Mr D wasn't entitled to the TASA or the rate that went with it. So, I'm looking at distress and inconvenience.

Coventry has paid Mr D £275 for the initial mis-advice and the way his complaints have been handled. I think that sum is reasonable. Mr D asked Coventry for £400 compensation, but I don't think that's warranted. Coventry gave incorrect information about accounts on one occasion and then tried to facilitate the opening of that account which Mr D rejected because of his inability/unwillingness to sign the application form. I think its offer for the poor complaint handling is fair and in line with what I'd have awarded if the resolution hadn't already been paid.

For the reasons given above, I accept there have been failings in the way the complaint was handled, and the initial misinformation and subsequent contacts could've been better. But I believe the compensation already paid amounting to £275 is sufficient and I won't be asking Coventry to do anything further.

My final decision

For the reasons given above, my final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 10 September 2025.

Stephen Farmer
Ombudsman