DRN-5760841

The complaint

Mr R complains about the service he received from Skipton Building Society.

What happened

Mr R held a Fixed Rate Individual Savings Account (ISA) with Skipton which was due to mature in April 2025. Mr R initially asked to reinvest the funds in a new ISA with the interest earned added to the balance. But Mr R subsequently contacted Skipton as he wanted to withdraw the interest which had been accrued to his nominated bank account instead.
In summary, Mr R was unhappy because:

- The interest payment was not credited to his ISA when it should have been.
- He had to contact Skipton to resolve the matter, and there was a further delay in the interest being paid.
- As he did not have telephone banking he was left confused about how the payment to his nominated bank account could be made.
- He was given incorrect information during his contact with Skipton.

Skipton hasn't disputed the above, but it said the matter had since been resolved and Mr R had accepted a £125 compensation payment it had offered to recognise the impact the matter had had on him.

But when Mr R referred his complaint to this service, he said he had felt pressured into accepting the £125. While he acknowledged that the issue with the interest payment had been put right, he felt a higher amount of compensation would more fairly recognise the impact of what had happened had had on him.

One of our investigators looked into what had happened and he didn't think the compensation offered by Skipton was fair. He set out the guidance on our website relating to the type of compensation awards this service makes. And he said Mr R had experienced repeated small errors which took several weeks to resolve, and he recommended that Skipton should pay Mr R £250 (in total).

Mr R accepted the investigator's findings, but Skipton didn't. It said that its compensation payment it had offered fell within the same bracket as the amount recommended by the investigator. It asked for further rationale for the increased amount being suggested.

The investigator considered Skipton's' response, but he didn't to change the outcome he had reached. He said that:

- Skipton has not disputed its IT issues resulted in Mr R not receiving his interest payment when he should have.
- Mr R experienced a delay causing further distress and inconvenience whilst the IT issues were resolved.
- Mr R is vulnerable due to medical problems which Skipton was aware of, and this

added to the impact on him.

- It took several weeks for the matter to be resolved.

Skipton acknowledged that compensation was warranted but it maintained that its offer was within the correct guidance.

As agreement wasn't reached, the complaint has 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.

Having done so, I've reached the same overall conclusion as the investigator. I understand that Skipton feels strongly that its original compensation offer was fair, so I'll explain why.

I don't need to make a finding on the issues which led to this complaint, Skipton has not disputed the problems Mr R experienced. What is in dispute is the level of compensation that is due to fairly recognise the impact this matter had on Mr R.

I've thought about this carefully. In doing so, I've taken into account Mr R's vulnerabilities - something Skipton was aware of, along with the information provided by Mr R and Skipton and the level of awards this service makes.

Skipton has pointed out that £125 falls within the same awards bracket as the £250 the investigator recommended. But I don't find that means an award at the lower end of the bracket is fair. The impact of a mistake on one person can be different to the impact of a similar mistake on another person.

Here it's not in dispute that Mr R encountered a number of errors which included IT issues which caused the interest payment to be delayed, providing incorrect information which caused confusion about how the payment could be made to Mr R's nominated bank account and the entire process took longer than it should have.

I appreciate that Skipton has said that on occasion Mr R didn't allow its staff the opportunity to help him. But overall, I'm persuaded that the issues Mr R experienced caused Mr R upset, frustration and extra effort to sort out over several weeks. And the impact here was greater due to his vulnerabilities.

Overall, I find a compensation payment of £250 (in total) is fair and reasonable given all the circumstances of this complaint.

My final decision

For the reasons given above, I uphold this complaint.

Skipton Building Society should now pay Mr R £250 (total). Skipton can deduct £125 if this has already been paid).

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 1 October 2025.

Sandra Greene
Ombudsman