

The complaint

Mr M complains about the service he received from Cynergy Bank Plc (“Cynergy”) when transferring his ISA to it. In particular, Mr M is unhappy that Cynergy failed to query why the amount of funds received didn’t match the amount requested which he believes contributed to the delay in the full transfer of his ISA resulting in lost interest.

What happened

Mr M wished to transfer his ISA to Cynergy and completed an ISA Transfer request application.

In-line with Mr M’s instructions through an automated process Cynergy requested £58,000 (made up of £20,000 current year subscription limit and £38,000 from previous years) from Mr M’s existing ISA provider (“X”).

For reasons that are unclear X changed the total amount requested and only transferred £38,000 of Mr M funds to Cynergy who deposited them into two separate fixed term ISA accounts one holding £20,000 (representing the current year ISA subscription), and the other £18,000 (representing previous years).

On discovering that not all his funds from his ISA had been transferred as expected Mr M contacted Cynergy to query this and was incorrectly told that he had only applied for £38,000. Mr M was also unhappy that his funds couldn’t be amalgamated into one account and were deposited into two separate ISA accounts and so Mr M raised a complaint.

Cynergy didn’t agree it had made an error when requesting Mr M’s funds from X and that it had correctly requested £58,000 as per Mr M’s instructions. Cynergy acknowledged that Mr M had requested his funds to be placed into one deal but explained that as per its terms and conditions it wasn’t able to create a single fixed term ISA that contained both previous and current year ISA funding. But Cynergy agreed there had been some customer service issues and so offered Mr M £30 compensation for distress and inconvenience which Mr M accepted.

Mr M remained dissatisfied with the outcome and so brought his complaint to this service. Mr M believes that Cynergy should have queried X regarding the discrepancy in the funds received.

One of our investigators looked into Mr M’s concerns but didn’t think Cynergy had made an error in the transfer of his ISA as Cynergy had requested the correct amount from X and they wouldn’t expect it to query the amount received as it would be unaware of the balance of Mr M’s ISA with X. Furthermore, they didn’t think Cynergy made a mistake in splitting the funds over two accounts as it wasn’t possible to place different years funding them into one ISA account.

They agreed the service Mr M received could’ve been better as it had provided him with incorrect information but thought the £30 Cynergy had already compensated him was fair and didn’t think Cynergy had to do anything more.

Mr M remained dissatisfied. He is unhappy about the time it took to get a final response from Cynergy and says Cynergy's failure to query the amount of funds received from his ISA resulted in a delay in the full transfer of his funds and lost interest.

And so Mr M 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.

It might help if I explain my role rather is to look at problems that Mr M has experienced and see if Cynergy has done anything wrong or treated him unfairly. If it has, I'd seek to put Mr M back in the position he would've been in if the mistakes hadn't happened. And I may award compensation that I think is fair and reasonable.

In this case it's not in dispute that something went wrong in the transfer of Mr M's ISA to Cynergy. What is in dispute is whether Cynergy should accept any responsibility for this. And having considered everything I'm in agreement with our investigator and don't think there is anything much more of use I can add.

Cynergy's records show as per Mr M's instructions it correctly requested £20,000 for the current year's ISA subscription and a specified transfer of £38,000 from previous years. But despite X receiving this request the total transfer amount it recorded as requested and sent was changed to £38,000. It's not clear to me why this happened but I'm satisfied from what I've seen that the error wasn't a result of Cynergy requesting an incorrect amount.

I appreciate Mr M feels strongly that Cynergy should've queried why it didn't receive the full £58,000 requested, but Cynergy weren't privy to the amount of money Mr M held with X and so I don't think it would be fair to hold it responsible for not querying something that may or may not have been a mistake, or that Cynergy should be penalised for someone else's error of which it had no control over.

I also appreciate that Mr M would've preferred to have all his funds deposited into one account. But Cynergy have provided what I think is a reasonable explanation of why this isn't possible and as this is in-line with its terms and conditions I can't say Cynergy have done anything wrong in splitting Mr M's funds the way it did.

But that isn't to say Cynergy has done everything right. Cynergy have accepted it gave Mr M incorrect information regarding the amount he'd requested on his application to transfer from his ISA with X and that its customer service could've been better. So what I need to decide is whether Cynergy's apology and compensatory payment of £30 is a fair and reasonable way to settle Mr M's complaint. And I think it is.

Although I accept Mr M has been inconvenienced by Cynergy's error, I don't agree that he lost out on interest as a direct result of this and I'm not persuaded that the small error Cynergy made warrants an uplift on the compensation already provided. Things don't always go smoothly, mistakes happen and it isn't our role isn't to punish or penalise the businesses we cover.

I appreciate Mr M's frustration at the time it took to get a response from Cynergy to his complaint, but its final response was within the eight-week timeframe it has to respond and as complaint handling isn't a regulated activity, this isn't something I can look at.

And so on this basis I think what Cynergy have already done to settle Mr M's complaint is

fair and I'm not going to ask Cynergy do anything more.

My final decision

For the reasons I've explained, I think what Cynergy Bank Plc has already done to settle Mr M's complaint is fair and I'm not going to ask it do anything more.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 23 December 2025.

Caroline Davies
Ombudsman