

The complaint

Mr S is unhappy that Nationwide Building Society didn't make him aware of an ISA account that offered a 4% interest rate when his existing ISA account matured.

What happened

Mr S held a fixed-term ISA with Nationwide that matured in October 2022. Nationwide sent Mr S an ISA renewal pack the month before, in September 2022, but the interest rate being offered by Nationwide in the renewal pack didn't appeal to Mr S, and so he decided to not commit to a fixed-term reinvestment and instead waited to see if an ISA with a better rate of interest became available. Mr S also went into a Nationwide branch around this time and asked what ISA products they could offer to him.

Following the maturity of Mr S's ISA, and with no instruction provided by Mr S regarding the matured funds, Nationwide transferred Mr S's money into a low-interest-bearing account. Mr S continued to monitor ISA's being offered by Nationwide and other providers, and in January 2023, he transferred his ISA to another provider. However, after transferring his ISA to a new provider, Mr S became aware that Nationwide had offered an ISA with a 4% rate of interest at the time that his ISA had matured in October 2022. Mr S wasn't happy that Nationwide hadn't told him about this 4% ISA and had instead allowed him to keep his money in their low-interest-bearing account. So, he raised a complaint.

Nationwide responded to Mr S and said that their renewal pack had explained that there are times when accounts and incentives are offered just for their members that might not be listed on their general website – which was the case regarding the 4% ISA. And Nationwide noted that their renewal pack included a telephone number and website address for Mr S to have checked whether any such offers were available at that time, had he wanted to do so.

However, Nationwide did accept that Mr S could have received a better standard of service when he visited their branch to ask about ISA products. Nationwide apologised to Mr S for this and made a payment of £75 to him as compensation for any trouble or upset he may have incurred. Mr S wasn't satisfied with Nationwide's response, so he referred his complaint to this service.

One of our investigators looked at this complaint. But they felt the response Nationwide had issued to Mr S's complaint already represented a fair outcome to what had happened. Mr S remained dissatisfied, so the matter was escalated to an ombudsman for a final 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 note that Mr S has provided some detailed submissions to this service regarding his complaint. I'd like to thank Mr S for these submissions, and I hope he doesn't consider it a discourtesy that I won't be responding in similar detail here. Instead, I've focussed on what I

consider to be the key aspects of this complaint, in line with this service's role as an informal dispute resolution service.

This means that if Mr S notes that I haven't addressed a specific point he's raised, it shouldn't be taken from this that I haven't considered that point – I can confirm that I've read and considered all the submissions provided by both Mr S and Nationwide. Rather, it should be taken that I have considered that point but that I don't feel it necessary to address it directly in this letter to arrive at what I consider to be a fair resolution to this complaint.

Mr S is unhappy because he feels that Nationwide didn't inform him about the 4% ISA that was available to him as an existing Nationwide member, but which wasn't listed on Nationwide's general website.

However, when Nationwide sent Mr S an ISA renewal pack in September 2022, they specifically explained that there might be member only incentives available to him which might not be published on their general website. And they invited Mr S to check whether this was presently the case and provided him with the appropriate web address and phone number for him to do so.

Accordingly, I'm satisfied that Nationwide did give Mr S the information necessary for him to have the opportunity to have checked whether a member-only ISA was available for him when his existing ISA matured. But Mr S doesn't appear to have either visited the website or called the number provided by Nationwide for him to have done so.

I note from his correspondence with this service that Mr S feels that Nationwide had a responsibility to inform him of all ISA products available to him on a direct contact basis. This is to say that Mr S feels that Nationwide should have included information about the 4% ISA in the mailing they sent to him.

I don't agree with Mr S in this regard because I feel that Nationwide weren't fairly required to have directly mailed him information about all available products. Rather, I feel Nationwide were fairly obliged to have made information about all their existing ISA products available for Mr S. And, given that Nationwide provided Mr S with the web address and telephone number for him to check if there were any member-only offers, and informed him that such offers might only be available to via these channels that might not be listed on their general website, I'm satisfied that Nationwide met that obligation.

Finally, Mr S is unhappy that Nationwide didn't inform him about the 4% ISA when he visited their branch. But Nationwide's notes for Mr S's visit explain that Mr S didn't take his ISA renewal paperwork with him or explain to Nationwide's staff that he held an existing ISA with them. And if that were the case, I don't feel that it was unreasonable for Nationwide's staff to have only provided Mr S with information about ISA's that were available to new-to-Nationwide customers, as they did.

Mr S disagrees with Nationwide's version of events here, and he says that he did explain to Nationwide's branch staff that he had a maturing ISA with them, such that member-only opportunities should have been disclosed to him.

In instances such as this, where the testimonies of the complainant person and the respondent business sit in contradiction with one another, I must decide which of the two versions of events I feel is most likely to have happened, on balance, and in consideration of all the information and evidence available to me.

In this instance, I find Nationwide's version of events to be more persuasive. This is because I find Nationwide's contact notes – which don't include any reference to Mr S having an

existing Nationwide ISA – to be significant. I also feel that if Mr S had told Nationwide’s staff that he had an existing Nationwide ISA that had matured, that it’s more likely than not that Nationwide’s staff would have told him about member-only options that were available for him at that time. And I feel that the fact that Nationwide didn’t tell Mr S about these alternatives was most likely because Mr S didn’t make it clear to Nationwide’s staff that he did have an existing ISA with them.

However, in their response to Mr S’s complaint, Nationwide did conclude that their branch staff could have provided better service to Mr S. Nationwide apologised to Mr S for this. And Nationwide also made a £75 payment to Mr S as compensation for any trouble and upset he may have incurred. Nationwide’s response here seems fair to me, given what I’ve discussed above, and I won’t be issuing any further instruction to Nationwide regarding this aspect of Mr S’s complaint.

All of which means that I feel that Nationwide have already fairly responded to Mr S’s complaint. And it follows from this that I won’t be upholding this complaint or instructing Nationwide to take any further action here.

Ultimately, this is because I’m satisfied that Nationwide did provide Mr S with the information and means necessary to check whether the 4% member-only ISA was available to him when his previous ISA matured. But Mr S doesn’t appear to have used with the website or the telephone number given to him by Nationwide to have done so.

I realise this won’t be the outcome Mr S was wanting. But I hope he’ll understand, given what I’ve explained, why I’ve made the final decision that I have.

My final decision

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 S to accept or reject my decision before 26 February 2024.

Paul Cooper
Ombudsman