

## **The complaint**

Mr B complains about how Principality Building Society (PBS) processed a transfer of a cash ISA (Individual Savings account) held with another building society to them, information they gave and, their refusal to offer a compensatory gesture after he complained.

## **What happened**

In December 2023, Mr B opened a new cash ISA with PBS and completed a form with them to transfer an existing cash ISA account he held with another building society into it.

He telephoned PBS to chase up the transfer form and was told it wasn't showing as received on their systems and that he could call back again in a few days. The next day, Mr B received a letter from PBS dated prior to his phone call, it acknowledged receipt of the ISA transfer form and returned some documents and paperwork that Mr B was required to submit initially.

Mr B complained to PBS why he was told in his phone call that the form had not been received when in fact, the date on the letter showed it had. PBS explained in their complaint response their postal policy. Whilst they date stamp all incoming post on the day it arrives, it is not added onto their system until the day it is actually worked. When Mr B telephoned, his transfer form had been received but not yet added to the system; this meant that Mr B was given correct information i.e., from the information the PBS staff member accessed, the form had not been received.

PBS found the complaint in Mr B's favour as they acknowledged a flaw in their approach to incoming post, and assured Mr B they would recommend a change to senior management. However, they could not agree incorrect information had been provided. Mr B responded to PBS saying that in the circumstances, considering the stress and anxiety chasing up the ISA form had caused, and that he had brought the flaw to their attention, a compensatory gesture was appropriate. PBS disagreed so Mr B brought the complaint to our service and an investigator looked into it.

They didn't uphold the complaint citing no errors had been made, PBS's intention to take action for the flaw, and Mr B was told within a day of the phone call that his form had in fact been received. The investigator concluded by saying they wouldn't be asking PBS to do anything more. Remaining unhappy with this outcome, Mr B requested an ombudsman review his complaint.

## **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 is always regrettable when we see a relatively simple process like an ISA transfer result in a complaint that's subsequently referred to our service. I sympathise with Mr B for the frustration he experienced. It's our role to identify if a business has made a mistake and if so, look at the impact this has had on the consumer.

In terms of PBS's policy on how they annotate post that they receive, I do understand how Mr B was told that his transfer form had not been received, when in fact it had. And whilst I can see how Mr B would regard that as wrong information I don't agree as the staff member with whom he spoke gave the correct information that they had at that time. I'm happy to hear that PBS want to make a positive change to this showing good customer focus.

Within his communications with our investigator and with PBS, Mr B mentioned that he's never seen a written confirmation of what a PBS complaint handler told him, that they are unable to provide updates on the status of an ISA transfer. Mr B also questioned why he was given an update in his phone call if PBS's policy is not to give them. Addressing his first point, I do believe it's sufficient that Mr B has been sent the link to a PBS document which states *'We are unable to contact you to inform you that we received your transfer form. However, we will write to you as soon as the transfer is complete'*.

In terms of why an update was given to Mr B in his phone call then to be told that PBS do not give ISA transfer updates, I simply regard this as good customer service. It's much more preferable for a company to give a progress update when specifically asked by a customer, rather than refuse.

Finally on this point, I need to acknowledge that there was no requirement for Mr B to chase up the transfer form submission as it was within ISA transfer timescales, and that he chose to do this. Had he chosen not to, the letter would have arrived anyway, negating his desire to contact PBS.

I move now to compensation which I acknowledge Mr B has mentioned several times both to PBS and this service. We're all inconvenienced at times in our day-to-day lives – and a certain level of frustration and minor annoyance is unwelcome but to be expected. It's the impact of the errors made over and above that which we consider to determine if an award of compensation is merited, and if so, how much. Having considered no financial loss occurred, no delay was caused to the transfer, and Mr B was in a position of not knowing if his transfer form had not been received for less than 24 hours, I find that a payment in this case is not warranted.

From the lack of identifiable errors and the actions PBS took to assist Mr B, I think they acted within their duty of care to customers and treated Mr B fairly, recommending a change to the flaw and handling his complaint reasonably. And so I cannot fairly require it to take any further action towards him.

I know Mr B will be disappointed with my decision but as I stated earlier, I must base my decision on the evidence and facts presented and in particular, in the absence of anything new which may affect the decision, I cannot uphold this complaint or reasonably require PBS to do anything further.

### **My final decision**

For the reasons I have given it is my final decision that the complaint is not upheld.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 14 May 2024.

Chris Blamires  
**Ombudsman**