

The complaint

Mr S is unhappy with the several aspects of the service he received from Cynergy Bank Limited surrounding his ISA.

What happened

Mr S held a fixed-rate ISA with Cynergy which was scheduled to mature in April 2023. In November 2022, several months before the ISA was due to mature, Mr S spoke with Cynergy and discussed his ISA, including the maturity date and the interest rate it was benefitting from, as well as the 180-day interest penalty for early withdrawal.

Mr S spoke with Cynergy again a few days later. And it was explained to him at that time that Cynergy were offering new ISA products with better rates of interest than the fixed-rate ISA that Mr S presently held. Mr S wasn't happy that these higher-interest-paying ISAs hadn't been disclosed to him on the call two days previously, and he also wasn't happy that Cynergy's 'loyalty' ISA rates hadn't been explained to him. So, he raised a complaint.

Cynergy responded to Mr S and explained that his fixed-term ISA was already benefitting from a 'loyalty' interest rate. But they felt their advisor on the first call could have told Mr S about the alternative ISA's that were available to Mr S at that time of that call. Cynergy apologised to Mr S for his not being given that information on the first call and offered to pay £20 as compensation for any trouble or upset he may have incurred. Cynergy later increased this offer of compensation to £50. Mr S wasn't satisfied with Cynergy's response, so he referred his complaint to this service.

One of our investigators looked at this response. But they didn't feel that Cynergy had acted unfairly in how they'd managed the situation and felt that the response they'd issued to Mr S already represented a fair outcome to this complaint. 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.

When Mr S first spoke with Cynergy he explained that he wasn't sure of the terms of the ISA that he presently held. Cynergy's agent explained to Mr S that he held a fixed-rate ISA which benefited from a 1.4% interest rate, and which would mature on 13 April 2013. Mr S asked Cynergy if the ISA could be transferred and was told that any withdrawal or transferral before the maturity date would be subject to a penalty equivalent to 180-days of interest.

Mr S is unhappy that Cynergy's agent on this initial call didn't advise him that Cynergy were offering new ISAs with higher rates of interest than the 1.4% that his present ISA was benefitting from. But I don't feel that there was any fair compulsion on Cynergy's agent to have provided this information to Mr S without his specifically requesting it.

I take this position because Cynergy's agents don't provide any form of advice. Rather, their

role is to answer the questions asked of them and provide the information requested from them. And Cynergy's agent did this – they explained to Mr S that his present ISA was a fixed-rate ISA with a maturity date several months in the future and with a significant penalty for any withdrawal or transferral before that maturity date.

Accordingly, given the non-advised status of the conversation between Mr S and Cynergy, I feel that it was incumbent on Mr S to have requested information about alternative rates of interest available to him on other products, if he wanted to receive such information. And I don't feel that Cynergy's agent did anything wrong or acted unfairly by answering the questions that Mr S asked and providing the information that Mr S requested.

In their response to Mr S's complaint, Cynergy said that they felt that their agent could have volunteered information about other rates of interest available to Mr S on other products during the first call. And Cynergy apologised to Mr S for this and offered to pay some compensation to him. This seems generous to me, for the reasons explained above. However, Cynergy have confirmed that they're happy to honour this offer to Mr S, should he choose to accept it. Mr S should contact Cynergy directly if that is the case.

Mr S notes that he wasn't informed about Cynergy's 'loyalty' interest rates, which are preferential rates of interest available to account holders that have held a Cynergy product for longer than a specified term. But Mr S's fixed-term ISA was benefitting from loyalty rates when Mr S enquired about this, and so I don't feel that Cynergy need to take any corrective action in this regard. I also note that information about 'loyalty' rates is available on Cynergy's website.

Mr S is also unhappy that when he tried to arrange the transfer of his ISA to a new product with a more beneficial rate of interest, he couldn't do so. And Mr S feels that Cynergy are to blame for this, and that he lost out on potential interest as a result.

Cynergy don't agree with Mr S's contention here. They note that it was explained to Mr S by their agent how he could apply to switch his ISA online. And they also note that their agent told Mr S when their helpline would be open so that Mrs S could contact them for assistance with an ISA switch if he was having difficulty. But Cynergy have no record of any failed transfer or withdrawal attempts on their systems, and only one record of Mr S calling them to ask for help in arranging the transfer of his ISA to a new product.

Where the positions of a complainant and a respondent business sit in contradiction with each other – as is the case in this instance – I must decide which of the two version of events put forwards 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 the version of events put forwards by Cynergy to be more persuasive. This is because, if Mr S was struggling to transfer his ISA, then I would expect there to be some evidence of this, such as the failed transfer attempts showing on Cynergy's records or logs of calls that Mr S made to Cynergy asking for their help. But there is very little evidence of this.

Indeed, the only record that Cynergy have of Mr S wanting to transfer his ISA is a call at the end of November 2022, wherein Cynergy's agent did try to help Mr S transfer his ISA but couldn't identify the nature of the problem Mr S was experiencing. And I feel the fact that Cynergy's agent couldn't identify why Mr S was having a problem suggests that the problem might not have been because of any error or malfunction on Cynergy's part, but could have been some other type of issue – such as a input error or connectivity issue, for example – which I wouldn't consider holding Cynergy responsible for.

This isn't to say that Mr S didn't experience an issue when trying to switch his ISA online. But it is to say that I'm not persuaded that the issue was anything that Cynergy should fairly be held accountable for, or that Mr S attempted to contact Cynergy for assistance in resolving the issue as I would reasonably have expected him to have done.

Finally, Mr S is unhappy with how Cynergy handled his complaint, including that they didn't respond to letters that he'd sent to them. However, as per the rules by which this service must abide – which can be found in the Dispute Resolution ("DISP") section of the Financial Conduct Authority ("FCA") Handbook – this service is only able to consider complaints about specified activities, of which complaint handling isn't one. In short, this means that this service can't consider a complaint about how a business has handled a complaint. And this means that this aspect of Mr S's complaint isn't one that it's within my remit to consider.

All of which means that I don't feel that Cynergy have done anything wrong or acted unfairly here as Mr S contends. And it follows from this that I won't be upholding this complaint or instructing Cynergy to take any further or alternative action.

Ultimately, this is because I feel that the responsibility for understanding the nature of his ISA, and his options regarding it, rested with Mr S. And I don't feel that Cynergy acted unfairly regarding how they administered Mr S's ISA or regarding how they answered Mr S's questions about it. Finally, I don't feel that there is persuasive evidence to suggest that Cynergy should fairly be considered responsible for whatever issue Mr S encountered when he tried to switch her ISA on Cynergy's online platform.

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 13 February 2024.

Paul Cooper
Ombudsman