

The complaint

Mr D complains that Santander UK plc (Santander) failed to set up payments into a Help to Buy ISA (HTBI). He would like the money that should have been put into a HTBI to be put into one with any interest that would have accrued.

What happened

The details of this complaint are well known to both parties so I won't repeat them again here. Instead I will focus on giving the reasons for my 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.

Having done so I have reached the following conclusion:-

- Mr D has told us he wanted to set up a savings account and a HTBI account to help with a future house purchase. It seems in a branch visit both accounts were opened with a regular £200 a month payment being set up for the savings account. Santander accepts it made a mistake in that Mr D wanted to make monthly payments of £200 into both accounts..
- Santander regularly sent Mr D various statements for all his accounts. I have seen these statements which show a regular £200 payment from Mr D's current account specifying this is into his savings account. The statements include yearly ones for the HTBI showing no payments after the initial deposit payment and yearly account summary statements showing funds in each of these three accounts – the current account, savings account and HTBI. From this information it's clear that no regular payments were made into the HTBI. Mr D says he didn't see these statements as he didn't use online facilities and so only became aware of the issue in 2020. If Mr D thought he was making £200 payments each month into each account I am surprised he didn't realise from his current account balance that he wasn't making both payments. And if he didn't access online facilities he could have asked for statements to be posted to him. I do think there is some onus on consumers to keep track of accounts.
- I think Santander has made a fair point that Mr D could have realised sooner that there was a problem. Had he done so within a few months of setting up the accounts it might have been possible to transfer the funds into the HTBI. But due to tax rules it's now too late to do this , so it isn't an option to put the money saved into the HTBI as Mr D would like
- Whilst I think Mr D should have noticed the issue sooner, the initial mistake was Santander's and I don't think the £25 gesture of goodwill payment Santander has made is sufficient for the distress and inconvenience to Mr D. I think an additional payment of £175 is appropriate. I am pleased to say that Santander has agreed to

this. Mr D has been given an opportunity to also comment on this but hasn't done so

My final decision

My final decision is that I uphold this complaint.

In full and final settlement Santander UK plc should pay Mr D an additional £175 compensation for the distress and inconvenience of not setting up his payments correctly.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 28 December 2022.

Bridget Makins
Ombudsman