

The complaint

Mrs G complains Santander UK plc (Santander) failed to complete the transfer of her ISA from another provider.

What happened

Mrs G says in November 2022 she visited a local branch of Santander to help with a transfer of her Individual Savings Account (ISA) held with another provider. Mrs G says she was later advised by Santander the transfer had failed because of a mismatch of information. Mrs G says she took time to visit and telephone both Santander and the other provider to try to sort this out. Mrs G says she then completed the application again over the telephone with an advisor from Santander who informed her the interest would be back dated from the date of her initial application.

Mrs G says she did everything she could, but the ISA transfer wasn't completed, and Santander have now told her it can't pay her backdated interest and only offered her £200 by way of compensation which she doesn't feel goes far enough.

Santander says it hasn't made any mistakes on the ISA transfer request and this needed to be taken up with the other provider. Santander says it shouldn't have suggested interest could be back dated and have apologised and offered Mrs G £200 by way of apology for this. Santander says it was Mrs G's responsibility to ensure all of the information on the ISA transfer was completed correctly.

Mrs G wasn't happy with Santander's response and referred the matter to this service.

The investigator looked at all the available information and upheld Mrs G's complaint. The investigator felt it was Santander's fault that the initial ISA transfer request wasn't completed correctly as the details were input by one of its branch staff and a fresh form should have been sent to ensure the correct details were provided.

The investigator says because Santander offered to backdate the interest of around £450 it should honour that along with the £200 of compensation for the poor customer service.

Santander didn't agree with the investigator's view and asked for the matter to be referred 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.

Having done so, I will also be upholding this complaint and I will explain how I have come to my decision.

I can understand it would have been upsetting for Mrs G to have believed her new ISA had been opened by Santander only to find out the application form hadn't been completed correctly. When looking at this complaint I will consider if Santander were responsible for the

reason why Mrs G's application to transfer her ISA from another provider was rejected.

Mrs G's complaint centres around the fact she visited a branch of Santander for help in completing the transfer of her ISA with another provider, as she wasn't confident in completing the application online. Mrs G says she sat alongside a member of staff at the branch who helped her complete the application, but this was rejected by the other provider as it wasn't completed correctly, resulting in her losing interest on her savings. Mrs G says initially Santander agreed it would back date the interest she'd lost, which it calculated to be around £450, but then reneged on this only offering her £200 for the issues she faced.

Santander says its records show it was Mrs G who had completed the application online and it wasn't an error on its part. Santander acknowledged its member of staff shouldn't have told Mrs G it would back date interest to the time when she completed the ISA account opening and offered to pay her £200 for this and the poor customer journey she'd experienced.

The first thing to say here is the key point to this matter lies with whether or not Santander as experts in financial matters, helped Mrs G in the completion of the ISA transfer from the other provider, given Mrs G has stated she was uncertain how to do this online.

From the information I have seen, while Santander may not agree, I am satisfied on balance it would appear Santander did help Mrs G with the completion of the ISA transfer when she visited the branch in November 2022. The reason I say this is Santander have recently confirmed Mrs G did visit the branch that day to conduct an ISA account opening. It's also worth mentioning that Santander have informed this service Mrs G while registered for online banking, has never used it.

So, it's reasonable to say here that Mrs G's version of events, that she visited the branch in order to get help in completing the ISA application and transfer from another provider seems to be the case here. Given the fact Mrs G also hasn't ever made use of online banking before or since, seems to strongly suggest she wasn't confident enough to do so and sought help from a member of Santander's staff to complete this with her. It would seem very unlikely in all probability that Mrs G walked into the branch and then decided to complete the ISA on her own.

So, on balance, this leads me to conclude Mrs G did ask for help to complete the application and transfer forms as she claims here. With that in mind given Santander are the experts in this area and were asked for its help in the ISA transfer, I would have expected it to have made sure the application and transfer were completed properly before these were sent to the other provider.

With that in mind I am satisfied Santander should not only pay Mrs G the £200 it has offered for the poor customer journey, but it should also in addition make good the amount of interest by way of an additional compensation payment, taking into account what she would have earned if the application had gone through smoothly. I understand Santander has calculated this to be £450, therefore a total compensation of £650 is fair and reasonable here.

While Santander will be disappointed with my decision, I am satisfied this is a fair outcome.

Putting things right

I instruct Santander UK plc to pay Mrs G a total of £650 by way of compensation.

My final decision

My final decision is that I uphold this complaint.

I instruct Santander UK plc to pay Mrs G a total of £650 by way of compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs G to accept or reject my decision before 9 September 2024.

Barry White
Ombudsman