DRN-5657484

The complaint

Mr H is unhappy with Santander UK Plc. He said that Santander told him it could move his stocks and shares ISA account over from another financial services provider (H). Mr H completed the forms only to then be told by Santander it wasn't possible to move the funds.

Mr H initially said he wanted his funds still to be moved, and Santander to apologise.

What happened

Mr H signed the forms that Santander asked him to so that the money could be moved from H to Santander.

Mr H opened an ISA with Santander at the same time so the money could be transferred into it. The transfer request was then declined by H. It said the request had been made from an account where there was no money held. It turned out this was incorrect information and by the time it was corrected Mr H had gone abroad on holiday.

During these discussions Mr H was also provided with incorrect information by Santander who told him H would need to send in a request form to Santander. It apologised for the errors and service and paid £75 into Mr H's bank account.

Mr H remained unhappy and brought his complaint to this service.

Our investigator didn't uphold the complaint. He said Santander requested a cash ISA transfer rather than a stocks and shares ISA transfer. He noted Santander said Mr H didn't stipulate if the request was to transfer a cash or a stocks and shares ISA. Santander said if Mr H had asked for a stocks and shares ISA transfer that's what it would have completed and requested. Our investigator noted when Santander realised shortly afterwards it had got this wrong it followed up with correct information and gave Mr H the correct forms to complete and return to arrange the transfer. These forms were never returned.

Our investigator agreed that during a call Santander hadn't provided the level of service Mr H should have been able to expect. But concluded that the £75 offered as compensation for the service was fair and reasonable. He said as a gesture of goodwill Santander should provide the same level of interest Mr H was expecting to get at that time when he originally went to open the ISA account.

Mr H didn't accept this and asked for his complaint to be passed 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.

Mr H said he was clear that he wanted to open a cash ISA with H when he started the process originally. He said once he realised that H had put it in a stocks and shares ISA he contacted it. H told him it couldn't move it and only he could move it via another provider. Mr H said this was why he spoke to Santander about it at length. He said Santander completed the forms and he just signed them.

Mr H said he then got a letter from Santander saying he had filled in the wrong forms. In the end Mr H decided not to go ahead with Santander and placed his funds with a different financial services provider (P).

Santander accepted the service levels hadn't been up to standard. It agreed Mr H had been given some contradictory information.

It said the initial transfer request was rejected by H due to the format it was made in. It then compounded previous errors by suggesting H would need to send the forms into Santander. It later said the adviser misunderstood the direction of the ISA transfer thinking it was leaving Santander and going to H.

Due to the issues, it offered £75 compensation.

Mr H had opened a 2 year fixed rate ISA with Santander and wanted to use it to transfer his money from H. But as we know that didn't go ahead due to errors in the process. And it's clear that Santander started the process to move a cash ISA rather than a stocks and shares ISA. Once this became clear did Santander send the corrected form to Mr H for completion.

It's difficult to be certain what happened in the discussion between the parties.

But what is clear is that Mr H got so fed up he decided not to proceed with Santander and opened a new account with P instead. So, I won't be asking Santander to start the ISA process again to put this right.

The accounts of Mr H and the branch adviser entirely contradict. But I do think Santander suggesting Mr H didn't stipulate what type of ISA he was transferring feels like a weak argument. I'd have thought if there was any doubt in the mind of the branch adviser then questions would be asked by that adviser to clear up any doubt. Instead, it seems most likely that because Mr H had opened a cash ISA with Santander certain assumptions were made about what type of account it was transferring in.

It appears Mr H was moving to Santander due to the error made by H in setting up a stocks and shares ISA in the first place. So, I think on the balance of probabilities Mr H's version of events seem to me to be more plausible. And Mr H accepts he did get the updated form, but he had got a bit frustrated by the whole process and gave up on the transfer to Santander.

Santander did put its records straight, sent Mr H the right forms, apologised and paid him the £75 compensation. Based on this I think Santander has acted fairly and reasonably to compensate Mr H for the mistakes it made. I don't think it needs to do anything further the £75 is reasonable.

My final decision

I don't uphold this complaint.

I make no further award against Santander UK Plc.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr H to accept or reject my decision before 26 September 2025.

John Quinlan
Ombudsman