

The complaint

Mrs M complains that she mistakenly sent maturity instructions online to change two ISA accounts she held into regular savings accounts resulting in her losing the ISA tax free status and that Skipton Building Society ("Skipton") won't rectify the error and restore the tax free status of her funds by placing them back into ISA accounts.

What happened

Mrs M held two Easy Access ISA accounts with Skipton that matured at different times. Skipton emailed Mrs M notifying her that the accounts were due to mature, that they were ISA products and provided information on how to make sure they stay tax free as well as confirming that if Mrs M chose to do nothing that her money would be transfer into a fixed rate cash ISA.

In February and May 2023 Mrs M mistakenly submitted maturity instructions online to change these accounts to savings accounts (Easy Access Saver's).

Skipton confirmed by email as per Mrs M's request that the ISA accounts had been changed to Easy Access Saver accounts and attaching the terms and conditions of the accounts. Skipton also confirmed Mrs M had until 6 March and 5 June 2023 to amend her maturity instructions in case of an error.

It was only when Mrs M was asked to pay tax on the funds held in these accounts around two years later that she discovered they were no longer ISA accounts and that the interest earned was therefore taxable.

Mrs M complained that her accounts had lost their ISA status and asked Skipton to rectify the situation and to place her funds back into an ISA. Skipton didn't uphold Mrs M's complaint. It says because Mrs M selected both of the products online and it supplied her with the terms and conditions which confirm the accounts weren't ISAs it can't be held liable for the loss of ISA status on Mrs M's funds.

Mrs M was dissatisfied with this and so brought her complaint to this service. Mrs M accepts it was her mistake but says that because the account name and numbers remained the same, she presumed she still held ISAs and that the terms and conditions hadn't changed and so didn't review the emails Skipton sent. Furthermore, when she logs into her accounts online one of the products states that it is an ISA product.

To resolve the complaint Mrs M doesn't want compensation but wants Skipton to reinstate the ISA status for her accounts.

Skipton maintains that as it hadn't made an error that it is not liable for the loss of Mrs M's ISA status. It has explained that the description that one of Mrs M's products online is an ISA product is there as a result of Mrs M giving it this "friendly" name at some point after opening the ISA which was presumably to help her identify the product from others.

One of our investigators looked into Mrs M's concerns but didn't think there had been a failing on Skipton's behalf as the accounts were managed online by Mrs M without Skipton's

involvement and after selecting products that weren't described as ISAs and providing her maturity instructions Skipton confirmed what product she had opted for as well as giving her the opportunity to amend her instructions and didn't think there was anything reasonably more Skipton could do. As it wasn't Skipton who made an error, they didn't think it fair to ask Skipton to revert Mrs M's accounts back to ISAs.

Mrs M remained unhappy with this and says as because both products held the same name and account numbers she didn't realise they weren't ISA's and had no reason to scrutinise what she had done. She doesn't understand why Skipton refuses to restore the ISA status as she believes it makes no financial difference to it.

Mrs M has asked for an ombudsman's decision on the matter.

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 might help if I explain here my role is to look at the problems Mrs M has experienced and see if Skipton has done anything wrong or treated her unfairly. If it has, I would seek – if possible - to put Mrs M back in the position she would've been in if the mistakes hadn't happened. And I may award compensation that I think is fair and reasonable.

Having considered all the evidence, I'm in agreement with our investigator and I don't think there is anything much more of use I can add.

Though I don't doubt Mrs M genuinely believed she'd submitted maturity instructions to reinvest in products held within an ISA wrapper in February and May 2023, I don't think this mistaken belief was due to any wrongdoing on Skipton's part. I say this as I haven't seen any evidence that Skipton described the accounts Mrs M selected on maturity of her ISAs as anything other than savings accounts.

Although Skipton can't provide the exact screenshots of the customer journey Mrs M went through, it has provided screenshots of its test customer journey when opening accounts which I've no reason to believe isn't similar if not the same to what Mrs M saw.

I can see that Mrs M would've been given the option to select an ISA account from some of the accounts Skipton felt would be appropriate for her, but was also able to click on the link to see Skipton's full range of accounts - including non-ISAs – and is given information on the interest rate and a link to view the terms and conditions. I can see that all ISA products available under the full range held ISA within their name. And nowhere does it list or describe the products Mrs M selected as being an ISA, held in an ISA or attribute the product as having any ISA benefits.

It seems that the only reason Mrs M believed this to be the case was due to a most unfortunate incorrect presumption on her behalf - perhaps due to a lack of understanding in the terminology of an ISA. And so I don't think it's reasonable or fair to say Skipton did something wrong or didn't make it clear the accounts selected weren't ISAs when it didn't describe the products as such and provided all the important information to Mrs M at the time and following the submission of her maturity instructions.

Mrs M has acknowledged that she didn't read the terms and conditions or follow up emails as she presumed that the products were the same. But as the products were selected and maturity instructions submitted without any input from Skipton and providing Skipton made all the information available at the time of investment – which it did - ultimately, it is the

customers responsibility to ensure that they understand the products they are investing in. And so I don't think it would be fair to say Skipton were at fault for this.

I accept that Mrs M was genuinely confused as the accounts she selected held the same name and online one of the accounts was described as an ISA. But this is not due to any misleading description on Skipton's part but rather, Mrs M herself amending the "Friendly Name" of one of her accounts to an "ISA". The products themselves are described as "Ea Saver" with the previous product held being a "Eisa". So I can't say Skipton's description of the products were unclear.

Finally, I appreciate that Mrs M has been informed that her accounts can be amended back into ISAs but as the error was not due to a mistake made on Skipton's part, I don't think it would be fair to ask it to take responsibility to rectify the matter.

And so it follows – and I know this will come as a disappointment - that because Skipton hasn't made a mistake or done anything wrong, I don't think there is anything more Skipton needs to do and I do not uphold Mrs M's complaint.

My final decision

For the reasons I've explained I've decided not to uphold Mrs M's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M to accept or reject my decision before 20 November 2025.

Caroline Davies
Ombudsman