

The complaint

Mr H complains Santander UK Plc gave misleading information when he wanted to transfer his ISA to it which has resulted in considerable inconvenience.

What happened

Mr H has an account with Santander and has done so for around 30 years. His wife has an account with Santander too.

In September 2024 Mr H applied online to transfer a cash ISA he had with a business who I'll refer to as "Y" throughout the rest of this decision to Santander. He wanted to transfer just under £6,500 from previous tax years contributions. His wife did the same.

Mr H says he discovered by accident that Santander had treated his application – and his wife's – as a new contribution when it wasn't. So he spoke to an agent at Santander about how to put things right. He says they told him that Y would have to demand the money back. Mr H says he was subsequently told that this wasn't right and that the only way to get his money back to Y would be to close his ISA and then transfer the proceeds into a new ISA with Y. Mr H was very unhappy with how Santander had treated his application – as was his wife – and the way it had handled matters. He complained saying he wanted Santander to transfer his ISA back to Y without penalty as well as compensation for wasting his time and an apology letter. He said Santander's online application process was unclear and that several members of staff had agreed with him on this point.

Santander looked into Mr H's complaint and said that it hadn't made any errors processing Mr H's application. Santander did, however, accept that it hadn't handled his complaint well and that he'd also been given inconsistent information, so it offered £100 in compensation. Mr H was happy that the compensation offered covered the issues there had been with the handling of his complaint but he still wanted a resolution in relation to his ISA issues. So, he complained to us.

One of our investigators looked into Mr H's complaint and said that Santander had followed the correct process – as far as Mr H's transfer was concerned – but had provided poor customer service when he called to find out what had gone wrong and to put matters right. However, they thought the £100 Santander had paid for the distress and inconvenience caused as a result was fair. So, they didn't recommend that this complaint be upheld.

Mr H wasn't happy with our investigator's recommendations and asked for his complaint to be referred to an ombudsman for a decision. His complaint was, as a result, passed to me.

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.

Last month I issued a provisional decision. In that decision, I said I agreed with our investigator that Santander didn't act unfairly or unreasonably in the way it treated Mr H's

transfer. I also said, however, that it thought Santander could have done a much better job of helping Mr H put matters right and that it has caused him unnecessary distress and inconvenience as a result of not doing so. I said I was, therefore, minded to award Mr H an additional £200 in compensation on top of the £100 already paid.

Both parties were invited to reply to my provisional decision. Santander accepted my provisional decision and so did Mr H except in relation to the award I was minded to make. He said that he thought an additional £250 in compensation was more appropriate. Having considered Mr H's point very carefully, I'm afraid to say that I remain of the view that an additional £200 in compensation fairly reflects the impact Santander's actions have had.

Putting things right

Given what I've just said, I remain of the view that Santander should pay an additional £200 in compensation on top of the £100 already paid.

My final decision

My final decision is that I uphold this complaint and require Santander UK Plc to pay Mr H an additional £200 in compensation on top of the £100 it already has.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 4 December 2025.

Nicolas Atkinson
Ombudsman