

The complaint

Miss H has complained that money, which was accidentally paid into a Junior ISA (“JISA”), has not be returned to her.

To resolve the complaint, Miss H would like the money removed from the JISA, so that it can be credited back to her.

What happened

On 6 August 2025, Miss H went to transfer £1,077 into a current account to cover payments for her monthly bills. But by mistake, Miss H transferred the money into a JISA instead. This resulted in the money being paid into an account that it could not be withdrawn from, which in turn, caused Miss H to then be unable to pay her bills.

Miss H contacted Santander immediately upon realising what she’d done, to get the transfer reversed. Santander raised a payment recall and Miss H was told to attend branch. Miss H attended branch on the following day but was told they can’t do anything. Miss H was promised a call back within 2 days, but she didn’t hear back. Miss H then chased Santander for an answer for around three weeks, and was eventually told to call HMRC. During this time, Miss H received a text message from Santander on 20 August 2025 which said that the request was complete. This led Miss H to think the transfer reversal had been successful. Miss H subsequently discovered that it in fact had not been successful.

After Miss H raised her complaint, Santander issued its final response to the complaint on 2 September 2025 and partially upheld it.

In summary, Santander said that it was unable to reverse a payment made into a JISA where it has made no error. Santander did however apologise for the service that Miss H received; acknowledged that Miss H was given wrong information; accepted that no ownership was taken by its staff members; and noted that Miss H had chased Santander for an outcome for around three weeks and was given false hope that the money could be returned. As a result, Santander paid Miss H £150 for the distress and inconvenience caused to her by its handling of this matter.

After Miss H referred her complaint to this service, one of our investigators assessed the complaint and she upheld it. In summary, the investigator said that Santander should pay Miss H a further £250 for the distress and inconvenience caused. They also said that Santander should pay Miss H £1,077.

Santander accepted the increased amount of compensation for the distress and inconvenience that the investigator awarded. But it didn’t agree that Miss H should be credited the £1,077 as well. So the matter was referred for an ombudsman’s decision.

I then issued a provisional decision on 13 February 2026, explaining why I was minded to uphold the complaint. I have included an extract of my provisional decision below and it forms a part of this decision.

“What I’ve provisionally 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 reviewed everything, I’m currently minded to uphold this complaint for broadly the same reasons that the investigator gave. I will explain why.

Santander has agreed with the investigator’s recommendation to pay Miss H a further £250 for the distress and inconvenience caused to Miss H by this matter. So, I see no reason to address that aspect of the redress here, although I do think it’s a reasonable amount of compensation given what happened. Because of this, I have focused on the remaining aspect of redress that the investigator recommended to put things right.

It’s not in doubt that Miss H didn’t intend to transfer the £1,077 into a JISA and she’d intended to transfer the money into a current account to cover her bill payments. And, as money can only be withdrawn from a JISA once a child reaches 18, this has meant that Miss H has been deprived of having access to that money. It’s clear that this has caused Miss H to experience financial difficulties, particularly in terms of paying her bills.

While Miss H clearly made an oversight here, Santander also has a responsibility to ensure that she, as a customer, was presented with clear information to enable her to understand what she was doing and to have mitigated the likelihood of such an oversight being made. So I’ve considered the information that Santander would have provided Miss H before she made the payment in question here.

During our investigation of the complaint, Santander said that its systems are set up so that, when paying money into a JISA, the person is presented with a warning, explaining that the money can’t be withdrawn until the child turns 18.

In my view, providing such a warning is very important in these circumstances. Because, depending on the age of the child, accidentally paying money into a JISA could mean that money is inaccessible for many years. The consequences of what is, quite a simple error, are very serious here. So it would seem proportionate to provide such a warning to help mitigate against the risk of Miss H finding herself in the position she is now in.

Santander has provided evidence to show that, if making an internal transfer through its online banking platform, a warning sign is presented. This makes it clear that money paid into a JISA can’t be withdrawn until the child is 18. And Santander says that Miss H should’ve been presented with such a warning when she made the transfer.

However, Miss H made the transfer via Santander’s banking app, rather than its online platform. And Miss H has provided a video showing her paying 1p into the same JISA and still no such warning was presented, before Miss H went ahead with the transfer.

Santander says that HMRC doesn’t actually require such a warning, so says it didn’t make an error. But in considering what’s fair and reasonable in the circumstances of the individual case here, I’m satisfied that the lack of such a warning resulted in an unfair outcome for Miss H. Santander clearly treats transfers like this made through its banking app as a valid way of making such an instruction – but doesn’t provide the

same amount of information or warning as it does when a customer uses its online platform. Indeed, Santander seems to have initially believed that she had been provided with such a message. In my view, there is a foreseeable harm to this and it's something that led to a poor outcome for Miss H. I'm persuaded that had she seen such a warning, she would have acted differently here.

Overall, I think Santander reasonably ought to have provided a warning, given the consequences of transferring money into a JISA. And clearly, Santander thought the same, given that it does provide a warning for online banking customers. Had such a warning been provided, then I don't think that Miss H would be in the position that she now finds herself in. As such, I think it is fair and reasonable in the circumstances of this complaint that Santander needs to take steps to put things right for Miss H.

Putting matters right

I'm mindful that putting things right here isn't as straightforward as Santander giving Miss H back the £1,077 she transferred into the JISA. This is because the rules around making withdrawals or reversals of a subscription into a JISA are strict. These state that a subscription can only be reversed unless a child is terminally ill or the JISA is being closed (which don't apply here). There is then further guidance around requests to reverse subscriptions where a customer or bank makes an error in transferring it to a different account.

Santander's interpretation of the rules is that where these don't specifically provide for the circumstances here, that it has no ability to reverse this subscription, which is a point I've considered. It says it hasn't made an 'error' in how its dealt with the subscription and so there is no basis on which to make an exception to the rules around withdrawals and reversals from a JISA. However, my role is to consider all the circumstances of a complaint and while I have considered Santander's points around the rules here – I'm not bound by them in reaching a decision on what's fair and reasonable in the individual circumstances here.

Santander has also quoted other ombudsman's decisions to reinforce its position. I've considered these but would remind Santander that each case is looked at individually and on its own merits. Here this case turns on the point that if Santander gave Miss H a warning around the consequences of her actions that she wouldn't have then deposited and 'locked away' these funds in the JISA. It doesn't then seem fair that Miss H has to wait a number of years to be able to access that money which she has explained she needs. That strikes me as a disproportionate and poor outcome for her, especially when Santander thought it had provided Miss H with such a warning.

So to put things right, I currently think that Santander should pay Miss H £1,077 and the above mentioned £250 for the distress and inconvenience caused.

I realise that Santander may then wish to attempt to reverse the subscription to cover its losses here. This would ensure that Miss H doesn't receive this amount twice. It is a matter for Santander to decide how it will deal with this situation to comply with this decision. I realise that HMRC is under no obligation to accept this decision as a reason to reverse the subscription – but in my view, that isn't a reason for Santander to withhold money from Miss H that she should fairly have access to. I would welcome Santander's comments on what it can do to facilitate such a resolution for Miss H in response to this provisional decision – recognising that this will doubtlessly

fall outside of its usual processes. But sometimes that's what needs to happen to reach a fair resolution in the individual circumstances of a complaint."

After I issued my provisional decision, Miss H accepted the findings in my provisional decision, but Santander didn't.

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.

As neither party has provided any new information in response to my provisional decision, I see little reason to reach a different outcome with this complaint.

Putting things right

Therefore, to put things right I require Santander to pay Miss H £1,077 and the above mentioned £250 for the distress and inconvenience caused.

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My final decision

Because of the reasons given above and in my final decision, I uphold this complaint and require Santander UK Plc to do what I have outlined above, to put matters right, in full and final settlement of this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss H to accept or reject my decision before 27 March 2026.

Thomas White
Ombudsman