

## The complaint

Mr B complains about Santander UK Plc's poor service when he enquired about his Individual Savings Account (ISA) and the transfer process.

## What happened

Mr B opened a new Fixed Rate Santander ISA account on 19 October 2022 with £27,000. He wanted to know about ISA transfers-in from ISA accounts held with other UK financial institutions and was directed to Santander's online messaging service. However he found it difficult to make the system understand his questions despite rephrasing them several times and was told someone at Santander would contact him, but this didn't happen.

Mr B was told that once Santander received the completed ISA application it would get in touch with his existing provider, so he should allow up to 15 days for a cash ISA transfer. It said that to transfer his Santander ISA to another provider, he would need to contact his new ISA provider. Mr B found this and further transfer information to be unclear, but the system couldn't find a colleague to transfer him to. Mr B opted to leave a message for an adviser.

Mr B thought the messaging system was frustrating and time wasting and no better than the email system. He asked about eligibility for Santander's £50 e-voucher and entered a long exchange which was uninformative, and he put his question in a message. Mr B said he received no contact from Santander from his questions from 19 October 2022, and he raised a complaint on 7 November 2022 and was told that no further ISA transfers-in to his account were possible as the transfer period had expired, even though he had an outstanding query.

Mr B called Santander on 7 November 2022 to complain its poor service and lack of contact, and he was put on hold for an hour. Santander said its investigation and response could take 8-10 weeks. Mr B said he called Santander again on 23 January 2023 having not had a response and was sent a complaint notice, but said that Santander had not abided with its own complaint processes on timescales, investigation and response. Mr B said as it had been over 12 weeks since he raised his complaint without response he asked Santander if he could refer his complaint to our service. He said there was no response from Santander.

Santander sent Mr B its final response to his complaint on 9 February 2023 and apologised for its service failings that meant it hadn't completed the ISA transfer before the cut off and for its delayed response to the complaint. Santander said it had also failed to log Mr B's complaint or followed up on this, and the staff involved had been given feedback. Santander paid Mr B £300 compensation as well as the interest its delay had cost Mr B of £142.

Mr B had already referred his complaint to us and wanted us to investigate. He feels the lost interest and £600 compensation for distress and inconvenience would be more appropriate.

Our investigator didn't recommend the complaint be upheld as he felt the compensation paid by Santander was fair. He said Santander should've responded to Mr B's queries about his ISA transfer sooner and if it had, his transfer would have been before the deadline. He said all agreed that errors were made, but Santander's payment of lost interest had returned Mr B to the financial position he would've been in if the transfer had succeeded. He said there was no wider impact and £300 was a fair recognition of the inconvenience he had been caused.

Mr B disagreed with the investigator and requested an ombudsman review his complaint. He said he should have accepted Santander's 'higher offer' that it had also made. In his view

the investigator had callously stated there was no wider impact, whereas his further ill-health caused by unnecessary stress, distress, delay and inconvenience counted for nothing.

### **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.

I hope that Mr B won't consider it a discourtesy that I haven't addressed in this decision every point that he has made, though I have considered them. I have concentrated on what I consider to be the heart of his complaint, namely the poor service he received from Santander regarding its ISA transfer process.

Mr B wants to know why there was no response from Santander to his initial enquiries from 19 October 2022 or his complaint on 7 November 2022, within the timescale. He wants to know why the Cash ISA Transfer Form he was sent had no return address or instructions and why his Fixed Rate ISA was closed for transfers-in whilst a query was outstanding. And why he had to wait so long on hold to speak to a member of Santander's staff. He wants to know why Santander had not followed its own Customer Complaints Policy.

I was sorry to learn that what should have been a straightforward ISA transfer process has turned into a prolonged and drawn-out experience. Mr B didn't get the information he needed from Santander's online messaging system. And was advised to log into his online banking account when he had already done so and was referred to its website and to check the terms and conditions for its ISAs. He was sent forms without a return address and his complaint wasn't logged. The main issue arising from these failures was that Mr B couldn't complete his ISA transfer before the deadline.

The answer to Mr B's questions about what happened is that he received poor service and a number of errors from Santander's handling of his account and its communications. Santander should've responded to Mr B's queries about his ISA transfer sooner and if it had, he would've transferred his funds into the account before the deadline.

I'm pleased that Santander apologised to Mr B for its failure to deliver acceptable customer service. And acknowledged that this meant he had been unable to complete his ISA transfer before the cut-off date. My role is to determine whether the redress paid by Santander is fair and reasonable in all the circumstances of the complaint. Santander has paid Mr B £142 for his lost interest and from what I've seen this puts Mr B back in the position he would have occupied if the deadline for transfers hadn't passed.

Santander has also paid Mr B £300 compensation for his trouble and upset. Mr B said that Santander was willing to offer more compensation. I can see that Santander asked Mr B if he had a suitable sum in mind, but not that it offered a higher amount. In its communications with us Santander has said that it considers the compensation paid to Mr B to be fair.

I have thought about whether this sum is fair and reasonable compensation for all of the issues Mr B has faced and I'm sorry to learn that he has suffered continuing ill health. Having considered the events and communications Mr B has described I can see that he has been disadvantaged and frustrated by a catalogue of errors. Beyond the loss of interest already remediated, I can't see a further financial impact to Mr B.

Calculating compensation in such situations isn't an exact science. Overall, taking into account the problems that occurred in this case, the impact on Mr B and the levels of compensation awarded by this service in complaints with similar circumstances, I think the compensation Santander has paid does fairly reflect the distress and inconvenience Mr B

has suffered as a consequence of Santander's poor service. To emphasise the point concerning consistency, this award is consistent with others we have made in very similar circumstances to Mr B's.

I realise that Mr B will be disappointed by this outcome though I hope he appreciates the reasons why it had to be this way. By rejecting this decision all options remain open to him in the pursuit of his complaint.

### **My final decision**

For the reasons I have given it is my final decision that the complaint is not upheld.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 12 August 2024.

Andrew Fraser  
**Ombudsman**