

The complaint

Mrs D complains that Skipton Building Society didn't make the terms and conditions of her Lifetime ISA (LISA) clear enough to her.

What happened

Mrs D opened a LISA online in October 2020. She explains she spoke to members of staff at Skipton about her account after that. But she says it was never made clear that she would be subject to a 25% 'government withdrawal charge' unless she took a mortgage when she bought a property.

Skipton said that when an account is opened its savings and product terms and conditions are supplied. And that it recommended that these were read and understood as it intended to rely on them. Here the information about the LISA stated that a property must be bought with a mortgage. And this was an account regulated by the government and Skipton had to adhere to the rules of the account. It didn't agree that it had misled Mrs D. It also said that it wouldn't expect its staff to mention this condition during calls with Mrs D unless this was queried, or those terms of the account were being discussed.

Our investigator didn't recommend that the complaint be upheld. She said that Mrs D would have confirmed she had read understood and accepted the terms and conditions of the account before it could be opened. These included '*qualifying criteria for house purchase*' with the relevant one here that:

- *"The property must be purchased in the UK, with a mortgage, but not a Buy to Let mortgage unless you, or your spouse or civil partner are a UK Crown employee serving overseas and intend to use the property as your main residence in the future."*

And she couldn't see that this would have been generally discussed with Mrs D in later calls.

Mrs D also said that Skipton hadn't made the information accessible to her. Our investigator said that Skipton wouldn't have known about any specific reasonable adjustments as Mrs D hadn't mentioned this. And if Mrs D wanted to complain more generally about the accessibility of information when dealing with Skipton then this would be a new complaint she'd need to raise with it first.

Mrs D didn't agree and wanted an ombudsman to review her complaint. She said it ought to be unnecessary for her to ask for support for her communication needs. And the outline of documents should be simple. As a result, it should be completely unnecessary to have a phone call, email or webchat to get information. She accepted Skipton had abided by the terms and conditions, but it hadn't made it easy for her to make an informed decision. And it shouldn't hide behind the terms and conditions. Mrs D said that the information was made clearer on the government's website.

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'm sorry to hear that Mrs D says she didn't understand all the terms of the LISA. And specifically, that if she doesn't buy a property in future with a mortgage then there would be a government withdrawal charge applied to her account. I need to decide whether Skipton is at fault here.

I don't have information other than that Mrs D relied on what was made available to her online when she opened the account. And Skipton didn't make any recommendation about the account to her. I've looked at the terms and conditions that were provided. I think the relevant part our investigator has referred to here was reasonably set out. And taking into account the nature of the product. I appreciate Mrs D says she would have liked the information to be clearer or had help in understanding this. But as she didn't bring this to Skipton's attention I don't think it acted unreasonably. I think it could fairly rely on her confirmation of agreement when she opened the account. I also don't think Skipton ought necessarily to have mentioned this issue during the subsequent calls with Mrs D.

Our investigator has set out the scope of this complaint. I'm afraid that I don't have a reasonable basis to find Skipton has made a mistake or acted unfairly. And so, I won't be asking it to do anything further. I appreciate Mrs D will be disappointed with my assessment given what is at stake for her.

My final decision

My decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs D to accept or reject my decision before 13 January 2025.

Michael Crewe
Ombudsman