

## **Complaint**

Miss P is unhappy that Santander UK Plc (“Santander”) started charging interest on the overdraft facility she had on her graduate account without notifying her in advance of this.

## **Background**

One of our adjudicators looked into Miss P’s concerns. He didn’t think that Santander had done anything wrong or treated Miss P unfairly and so didn’t recommend the complaint be upheld. Miss P disagreed and so the complaint was passed to an ombudsman for a final decision.

## **My findings**

I’ve considered all the available evidence and arguments to decide what’s fair and reasonable in the circumstances of this complaint.

Having carefully considered everything provided, I’ve decided not to uphold Miss P’s complaint. I’ll explain why in a little more detail.

It isn’t in dispute that Miss P graduate terms were due to expire before the start of the 2020 academic year. So I’m satisfied that Santander was entitled to change the terms of Miss P’s account at this time. However, even though Santander was entitled to vary Miss P’s account terms and her overdraft interest rate, I would expect a bank doing this to provide a customer with notice of any changes in advance of them happening.

In this case, it isn’t in dispute that Santander sent the required notifications, explaining the upcoming changes, in 2020. However, these were sent to an address Miss P had left in 2018. Miss P says she notified Santander she moved. But Santander has no record of this and Miss P hasn’t been able to provide anything to support her having notified Santander of her change of address at this time or any other time prior to the notifications being sent. So I’m satisfied that Santander sent a notification to the address it held for Miss P and it therefore took reasonable steps to notify her of the upcoming changes.

I know that Miss P is unhappy these communications were sent to her by post. But while certain documents such as statement alerts can be sent by email, it is good practice for firms to send formal correspondence such as notice of a variation in the terms of an account by post. So I don’t think that it was unreasonable for Santander to have sent the letters in the post or that it acted unfairly in this regard.

Finally, I know that Miss P is unhappy that Santander hasn’t taken the same steps another bank, which she has an account with, has - in terms of extending her student/graduate terms as a result of the pandemic. But each bank will have its own policies and practices. And it wouldn’t be fair and reasonable for me to require Santander to extend Miss P’s student/graduate terms, just because another bank has. Equally, I’ve noticed that Santander did pay Miss P an amount to cover a proportion of the fees it added, even though, for the

reasons I've explained, it was entitled to add them. So I don't think it's fair to say that Santander hasn't taken any steps at all to help Miss P here.

Overall and having considered everything, while I do appreciate Miss P's strength of feeling on this matter, I don't think that Santander has treated her unfairly. And so I've not been persuaded to uphold Miss P's complaint. I realise that this will be very disappointing for Miss P. But I hope that she'll understand the reasons for my decision and at least feel that her concerns have been listened to.

### **My final decision**

For the reasons I've explained, I'm not upholding Miss P's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss P to accept or reject my decision before 11 March 2022.

Jeshen Narayanan  
**Ombudsman**