

## **The complaint**

Mr and Mrs Y complain that Santander UK Plc (“Santander”) continued to apply charges to their account when Mr Y was the subject of an Individual Voluntary Arrangement (“IVA”).

## **What happened**

Mr and Mrs Y held a joint account with an arranged overdraft with Santander. In November 2017 Mr Y entered into an IVA. As the account was a joint account the debt was split and Mrs Y became responsible for half the outstanding overdraft balance.

Mr and Mrs Y complained to Santander that charges were still being applied to the account despite Mr Y being subject to an IVA. Santander say that as only one of the joint parties was the subject of the IVA the account continued to operate as normal and therefore the charges applied were correct and in-line with the terms and conditions of the account.

Santander has confirmed that the account is in credit by £8.27 and should Mr and Mrs Y wish to close the account they need to inform it where to pay the remaining funds.

Mr and Mrs Y were dis-satisfied with this and brought their complaint to this service. One of our adjudicators looked into Mr and Mrs Y’s concerns and reached the conclusion that Santander hadn’t done anything wrong.

Mr and Mrs Y disagreed and has asked for an ombudsman’s decision.

## **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.

Having considered everything provided, I’ve decided to not uphold Mr and Mrs Y’s complaint.

My role is to look at the problems Mr and Mrs Y has experienced and see if Santander has done anything wrong. If it has, I would seek – if possible - to put Mr and Mrs Y back in the position they would’ve been in if the mistakes hadn’t happened. And I may award modest compensation that I think is fair and reasonable.

And in this case I can’t say that Santander has done anything wrong. Both sides agree that the account was held jointly. This means they are both equally responsible for the management of the account and liable for any outstanding debt. This is outlined in the general terms and conditions of the account.

As Mr Y entered into an IVA the outstanding overdraft debt became the responsibility of Mrs Y.

Mr and Mrs Y are unhappy that charges continued to be applied to their account for the use of the overdraft facility. But as both parties weren’t subject to the IVA the account continued

to run as normal – indeed I can see the account was still being used and transactions were still occurring on the account up until early 2020.

So if the account and the overdraft facility was still being used by Mr and Mrs Y providing Santander has only applied charges in-line with the terms and conditions of the account I can't say it did anything wrong.

So it follows that I do not uphold Mr and Mrs Y's complaint.

I understand Mr and Mrs Y wish to close their account with Santander. Santander have told us that there is a credit balance on the account and that if Mr and Mrs Y wish to close the account it will need the details of another account to transfer the funds to. Mr and Mrs Y should get in touch with Santander to provide the required details.

### **My final decision**

For the reasons I've explained I've decided not to uphold Mr and Mrs Y's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs Y and Mr Y to accept or reject my decision before 26 August 2022.

Caroline Davies  
**Ombudsman**