

The complaint

In summary, Mr D has complained about the service and information he received from Santander UK Plc in respect of accounts he has with it.

What happened

In April 2022 Mr D contacted Santander about an account he wasn't familiar with. He phoned Santander on the number shown on his account statement. He said the call handlers he spoke to weren't familiar with the account and told him to contact another company that I will refer to as E.

Unhappy with the service he received, Mr D complained to Santander. It said that the problems he encountered with his shareholder account weren't down to any mistakes on its part. This was because E was responsible for any dividend payments and account closures. One of our investigators looked into Mr D's concerns. He asked Santander for information about Mr D's accounts. In its response Santander explained that:

- The Santander shareholder accounts (SSA) were set up to provide Santander shareholders with an account that share dividends could be paid into. This could then be used to buy more shares.
- The linked dividend reinvestment plan (DRIP) was terminated in 2015. Reinvestment of dividends would need to take place through a new dividend reinvestment plan provided by the other business. The notice of variation would also have informed that the interest rate was reducing to 0.01%. Santander went on to say that it was unfortunate Mr D had been bounced from Santander to E.
- It also said complaints about the SSA needed to be dealt with by Santander UK as the provider of the account. And the T&Cs for the product stated that the funds in the account could only be withdrawn on closure of the account. Mr D joined the new DRIP in 2015 and the last deposit into the account was in 2018

Our investigator then wrote to Mr D explaining why he didn't think Santander had done anything wrong.

In response Mr D explained why he didn't agree with the investigator's assessment. In summary he said:

- The investigator had said E was responsible for the account but referred to terms and conditions for the account which was contradictory.
- After contacting E, he had been referred back to Santander. The terms and conditions state that to close the account he should contact Santander.
- If the account wasn't administered by Santander, he asked why its phone number was on his statement.
- The account he was complaining about was set up by Santander to receive dividend payments. The account had an attractive rate of interest when it was set up. A dividend reinvestment scheme was then set up by Santander.

- The account he was complaining about had money in it and was managed and controlled by Santander.
- He was incorrectly advised to contact E. He asked why Santander would hold the T&Cs for an account that it wasn't responsible for.
- The T&Cs he had supplied refers to contacting Santander if the account was to be closed.
- The account was administered by Santander and the phone number on the statement should have had the correct number on it for the relevant team that dealt with those accounts. He remained unhappy that he had been given incorrect information when he called Santander.
- He was unhappy with how it had dealt with his complaint in that he was directed to complain E.
- He didn't think relying on a letter sent seven years ago was good customer relations. He didn't think that his initial enquiry and subsequent complaint had been handled in an acceptable way.

The case was passed to me for review. I issued a provisional decision on 9 December 2022, explaining why I was intending to uphold Mr D's complaint. I asked for any responses to my provisional decision to be provided by 23 December 2022. Santander replied and said it had nothing further to add. It was prepared to pay the compensation I proposed. No response was received from Mr D.

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 done so, I've decided to uphold Mr D's complaint. I'll explain why.

When Mr D called Santander to enquire about the account he had received a statement for, he was told that he had come through to the wrong department. That call appears to have ended prematurely, so Mr D phoned Santander again.

In the subsequent call Mr D provided details of the account and asked if it could be on his online banking. He was told someone was going to talk to the digital team. The call handler said she thought it was a shareholder account and had the details on her system. She thought it was an "investment thing" and said she would contact the digital team. She spoke to a colleague who said that Mr D would need to speak to E. This information was passed on to Mr D.

Mr D also contacted E and was told that Santander was responsible for the Santander shareholder account.

Mr D contacted Santander again. He was told that they could only be closed and couldn't be added to his online banking and that no dividend payments had been made into the accounts since 2018.

I'm satisfied that when Mr D initially spoke to one of Santander's call handlers, he made it clear what account he was enquiring about. And the details of the accounts were confirmed by the call handler. I'm also satisfied that there was confusion on the part of the call handler Mr D spoke to. I say this because it's apparent from what was said in the call, that the call handler didn't understand the accounts Mr D held or how they operated. And this resulted in

incorrect questions being asked of her colleagues and incorrect information being provided to the call handler. This resulted in Mr D incorrectly being referred to E.

In its response to the investigators request for information that I've summarised above; I'm satisfied that Santander accepts that it made a mistake as it said;

"it was unfortunate that Mr D was bounced from Santander to E."

And I'm surprised that given the information available to it, that Santander has taken the approach to Mr D's complaint that it has. And as a result of the incorrect information Santander gave to Mr D and its response to his complaint; he has been caused some inconvenience. This has resulted in him being incorrectly directed to contact E, and him then having to go back to Santander.

Mr D thinks that Santander shouldn't have put the contact phone number that it did, on the statement it sent Mr D. But I think it is a matter for Santander to decide what contact number it provides to customers such as Mr D. But Santander needs to make sure that a customer such as Mr D is provided with the correct information and directed to the right department when they contact Santander. And for the reasons I've explained, I don't think it did that in Mr D's case.

I understand that Mr D is frustrated that he can't just transfer the money held in his accounts and that this can only be done by closing the accounts. The information I've seen indicates that this is part of the T&Cs for the accounts. And given the nature of the accounts I don't think it is necessarily wrong for the account to be operated in that way. So, I don't think that Santander has done anything wrong by explaining to Mr D that this is what he needs to do in order to move the money remaining in the accounts to his current accounts.

My final decision

For the reasons I've set out above, I've decided to uphold Mr D's complaint about Santander UK Plc. And if Mr D accepts my decision, I direct it to pay him £150 for the inconvenience he has been caused by its shortcomings in this case.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 26 January 2023.

Simon Dibble
Ombudsman