

The complaint

Ms D complains Santander UK Plc treated her unfairly when she needed assistance with the joint account she held with her ex-husband.

What happened

Ms D held a joint bank account with her ex-husband. This account was used to receive rental money from properties Ms D owned jointly with her ex-husband. The funds within this account were used to help pay household bills. In early 2022 Ms D explained to Santander that the account was in dispute. Ms D explained that she and her ex-husband had separated and she had left the matrimonial home. Ms D said she asked for the account to be frozen as her ex-husband was using funds which also belonged to her.

Ms D says when she attended branch to discuss her options, and she explained that she was a victim of domestic and economic abuse. Ms D says she attended branch in early 2022, and then in November 2022. During these discussions she says she was informed she could complete forms to remove her ex-husband from the account, but he would also need to complete the forms. Ms D says she was told the account could not be frozen or closed without his permission.

Following this Ms D contacted Santander by phone. During conversations in late November 2022 Ms D was provided with options regarding the account. These included closing the account or placing the account in dispute, but this would not prevent direct debits from leaving the account. Another option outlined was the removal of Ms D from the account, but this would in turn remove her access to the funds within the account.

In January 2023 Ms D says she spoke to Santander again and during this call she was informed that the account could be placed in dispute, and this would stop all payments leaving the account. Ms D says this had never been explained to her before. Ms D confirmed she wanted this marker placed on the account on 4 January 2023. However, Ms D's ex-husband closed the account on 5 January 2023.

Ms D raised concerns about the handling of the account and service she received from Santander throughout this period. To put things right Ms D has asked Santander to reimburse the funds her ex-husband removed from the account. Ms D says he was able to do this as she didn't receive accurate or consistent advice from Santander. Ms D has also asked to be compensated for the time, stress and emotional impact the complaint has had on her. Ms D also asks Santander to do more for those in a vulnerable position like her, as it failed to support her appropriately.

Santander reviewed Ms D's concerns. It found that during the branch visits and phone calls Ms D had been given the correct information. It also said the closure of the account wasn't unfair as the account could still have been closed by Ms D's ex-husband during this period. It did however acknowledge that Ms D had requested copies of phone calls which wasn't actioned and was promised calls back which didn't take place. Santander paid Ms D £100 in recognition of its service failings.

Ms D remained unhappy and referred her complaint to our service. An Investigator reviewed the complaint and in summary, found the following:

- Santander had provided a poor service when Ms D attended branch and some of the information provided wasn't accurate. Santander should increase its compensation offer of £100 to £250.
- Our service can't determine that Ms D was entitled to half the funds within the account. This is a question only the courts can determine.
- Santander has provided its internal policy for accounts in dispute, and it seems to have followed this correctly.

Ms D remained unhappy and explained the £250 compensation failed to reflect the huge amount of distress the complaint had caused. Ms D also explained Santander had no provision for vulnerable individuals and it had caused her financial loss.

As no agreement could be reached, the complaint has been referred to me – an ombudsman – for a final 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.

I'm very sorry to hear about Ms D's situation and everything she's been through. I'm not going to go into details here, but I've taken everything she's said into account and thought very carefully about whether there's anything we can do.

Clearly there has been a dispute between Ms D and her ex-husband in relation to this account. I want to make it clear that I can't address any issue that relates to the civil dispute between them. And I won't be able to make any finding that could impact Ms D's ex-husband, as he is not party to this complaint. What I will be looking at though is whether Santander has treated Ms D fairly.

Ms D and her ex-husband opened this joint account together. The terms and conditions that apply to the account state that the account can be used independently by either party. What this means is that either party can carry out actions on the account without needing the consent of the other party. And they are both jointly and severally liable for the account.

Ms D says she contacted Santander in early 2022 to explain the situation between her and her ex-husband. Ms D says she also attended branch and was told she could complete a form which would remove her ex-husband from the account. Santander hasn't been able to provide much information about what Ms D was told in branch. I've thought carefully about Ms D's comments, and even in the absence of comments from Santander staff, I am satisfied, on balance, that Ms D wasn't treated with the understanding she needed given her difficult circumstances. I think the suggestion to ask her ex-husband to complete the form, considering her comments about the vulnerable situation she was in, was inappropriate and failed to recognise the impact this would have on Ms D.

The next key point of contact for Ms D were her phone calls with a Santander representative. I have listened to these calls, and I think the call handler dealt with Ms D in a sympathetic and helpful manner. During this call Ms D was given options about how to move forward with the account. This included removing herself from the account, which would in turn remove her access to funds in the account. Ms D could've also placed the account in dispute, which would allow direct debits to continue but would restrict either joint account holder accessing

funds, unless both account holders consented. Ms D explained that both options presented challenges, and the call handler acknowledges this.

This call is followed up with another call from the same call handler the next day. The call handler had discussed matters with a member of the specialist support team and Ms D's options were reiterated. At this stage Ms D doesn't make a firm decision about how to proceed and explains she will discuss matters with her solicitor. At this point the account remains open and both Ms D and her ex-husband are able to use the funds within the account.

Ms D had another phone call with Santander on 4 January 2023. Santander hasn't been able to provide a copy of this call which is unfortunate. Ms D says she was informed she could place a dispute marker on the account, and this would stop all payments leaving the account, not just direct debits. Ms D says this would've been the ideal option for her from the outset and she expressed concerns and not being given this option earlier.

I've considered what Ms D was told during this call alongside Santander's internal policy on supporting customers who are experiencing domestic and economic abuse. Looking at this placing the account in dispute means that no new mandates can be set up on the account, and any existing mandates (including direct debits) would continue unless both parties asked for them to be cancelled. Essentially placing the account in dispute meant that any changes would need to be agreed by both account holders.

Santander says it takes up to two days for the changes to an account to take effect. Ms D's ex-husband closed the account the next day, before the changes to the account could take effect. I appreciate Ms D's upset and frustration over this. However, closure of the account was an option outlined to Ms D during her calls in November 2022 and she made it clear this wasn't something she felt able to do. I understand Ms D's reasons for this. However, as Ms D's ex-husband was an account holder, he could've made the decision to close the account at any time. Based on what I have seen I can't say Santander acted unreasonably in its handling of the account given the instructions it received from the account holders.

Compensation

The Investigator recommended Santander increase its compensation offer to Ms D to £250. This is to recognise the poor service Ms D says she received in branch and the inconsistent information. Ms D explains this amount fails to recognise the emotional impact Santander's actions had on her.

I don't underestimate the difficulties Ms D experienced during this time and the impact the divorce has had on her. In my decision I have focused on whether Santander's actions exacerbated the situation. As noted above, there were instances where Santander should've provided a better service and been clearer with Ms D. But I can also see that steps were taken to try and assist Ms D, especially in November 2022.

Reaching an award for distress and inconvenience is seldom straightforward. The issues involved are subjective by their very nature and the impact on the consumer can be difficult to determine. Our awards are not intended to be punitive for businesses and their fundamental aim is to recognise the impact on a consumer where there have been shortcomings.

I realise Ms D feels her situation would have been very different had Santander provided a better service. It's difficult for me to be sure what difference this would have made. Ultimately Ms D had understandable reasons for keeping the account open and not placing it in dispute immediately. In November 2022 she explained she would consider her options and be in

touch with Santander. So having considered the events, I think the compensation offer of £250 is fair.

A key issue Ms D has raised is that Santander doesn't offer tailored support for those in vulnerable positions, as she was. Ms D would like Santander to take learnings from her experience to ensure other individuals aren't treated like she was.

The financial services industry regulator – The Financial Conduct Authority (FCA) has issued guidance for businesses like Santander about how they should be supporting vulnerable consumer. A vulnerable consumer is someone who, due to their personal circumstances, is especially susceptible to harm, particularly when a firm is not acting with appropriate levels of care. The FCA expects and therefore we expect firms to provide their customers with a level of care that is appropriate given the characteristics of the individual customer.

Santander therefore is already under a regulatory duty to have in place support for vulnerable customers. The policy it shared with our service about joint accounts and individuals who are subject to domestic and/or economic abuse is an example of its attempts to ensure it is supporting vulnerable consumers appropriately. It isn't the role of this service to tell Santander how it should implement regulatory guidance what provisions it should have in place. It is for the FCA to ensure its guidance and regulations are effectively implemented, so it wouldn't be appropriate for me to direct Santander to review its wider approach to supporting vulnerable customers.

I'm sorry this isn't the outcome Ms D hoped for. While the compensation I will be awarding isn't what she was looking for, I do hope my final decision provides some clarity around why I won't be asking Santander to increase this.

Putting things right

In full and final settlement Santander UK Plc should:

- Pay Ms D an additional £150 compensation for the poor service it provided. This is in addition to the £100 Santander has already offered.

My final decision

My final decision is that I uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms D to accept or reject my decision before 14 November 2024.

Chandni Green
Ombudsman