

## **complaint**

Miss T complains Santander UK Plc has treated her unfairly while she's been unwell. The bank's approach has impacted on her health.

## **background**

Miss T had an arrangement to pay Santander £1 each month towards her loan and credit card accounts. It'd been in place for a number of years. Miss S has a debilitating health condition and suffers from depression. She'd asked to be treated as a vulnerable customer but Santander didn't do so until December 2018. And when she called the bank she was cut off.

Miss T said she received a letter in November 2018 to say her accounts had been passed to debt collection agencies. She then received a letter demanding she repay £15000 within seven days. She found it very upsetting. Miss T finds it difficult to communicate with the bank or discuss her debts with the debt agencies. She feels harassed and says it affects her health. So she wants Santander to take her circumstances into account.

Santander said it'd recalled Miss T's debts from the external debt agencies because of her health issues. So she wouldn't be contacted by them again. And Miss T could talk to the bank's collections vulnerability team if she wanted to discuss her credit card or loan. Santander apologised for the delay investigating and responding to Miss T. And it offered a total of £75 compensation. The bank said it wouldn't charge any additional fees or interest. But it couldn't write off the outstanding balances.

Miss T wasn't satisfied with Santander's response. So she contacted our service and our investigator looked into the matter. She appreciated how difficult it must've been for Miss T. But she didn't think Santander had acted unfairly by taking steps to communicate with Miss T about repaying the outstanding balances. And she thought the bank had acted fairly since it became aware of her medical and financial situation from 2013 onwards.

Miss T didn't agree. So she's asked for an ombudsman's 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.

I'm sorry to hear about the difficulties Miss T has been experiencing. It's clear her medical condition has a large impact on her life. Miss T has highlighted other complaints dealt with by our service which she feels are similar to her own. But I have to consider each case on its own merits.

So I've looked carefully at everything Miss T and Santander have said to see if Santander has done anything wrong. And if so what it needs to do to put things right.

Miss T has explained she began to get into financial difficulty a number of years ago. And default notices were issued in 2014. Miss T says she wasn't aware of the defaults. But I can see Santander wrote to Miss T at her registered address to explain what was happening at the time. I realise Miss T is concerned they will affect her credit rating. But Santander has a responsibility to report how an account is being managed to the credit reference agencies.

It's not unusual for a bank to pass defaulted accounts to a debt management agency to administer on their behalf. I realise Miss T didn't want her personal details passing to a third party. And I do think the debt agencies could've perhaps communicated with Miss T in a way that minimised the stress caused. But Santander acted within the terms and conditions of the account. And I can see it's now taken the debts back from the agencies.

When Santander became aware of Miss T financial difficulties and health condition I would expect it to respond positively and sympathetically. I'd expect the bank to consider freezing any further interest or charges on the debt. And it might discuss an affordable repayment plan as a way forward.

Santander does have an obligation to let Miss T know the status of her accounts on a regular basis. But in the circumstances I would expect Santander to try and contact Miss T in a sensitive and appropriate manner.

Santander agreed to accept a payment of £1 per month instead of the contractual monthly payments that were due. And when the bank received information about Miss T's medical condition in 2016 it agreed to maintain the £1 payments. Santander has also frozen any further interest and charges on Miss T's accounts.

I know Miss T feels Santander harassed her about her debts even though it was aware of her medical condition. She's received letters, calls and texts from debt collection agencies on Santander's behalf. And despite asking not to be contacted Miss T says she's recently received another call from the bank which she found difficult to deal with.

Santander hasn't been able to find a record of the call. And I can see our investigator has contacted Santander to make sure they speak to Miss T's adviser at the Citizens Advice Bureau rather than contact her directly. Santander has confirmed it has the contact details on its system and they've been passed to the relevant teams. So I hope this will minimise the impact on Miss T from now on.

I do sympathise with the situation Miss T finds herself in. And I appreciate how difficult it has been for her to deal with the impact of her debts while in poor health. But based on what I've seen I can't really say Santander has acted unfairly or unreasonably towards Miss T.

The bank accepted a token monthly payment when it became apparent Miss T would no longer be able to make her contractual payments towards her loan or credit card account. And it suspended all interest and charges on both accounts. I do accept the involvement of third party debt agencies added to Miss T's stress. So I'm pleased to see Santander has taken the debts back in house. And it has the details of Miss T's adviser at the Citizens Advice Bureau so it can discuss how best to move forward.

I realise Miss T will be disappointed with this outcome. But I can't really say Santander has treated miss T unfairly. It's put in place appropriate measures that take into account Miss T's circumstances. And it's offered £25 and £50 compensation for slow responses to Miss T's communications. So I won't be asking the bank to do anything more.

### **my final decision**

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss T to accept or reject my decision before 10 November 2019.

Andrew Mason  
**ombudsman**