

## **complaint**

Miss G has a number of complaints about the way Santander UK plc managed her mortgage account and its dealings with her.

To resolve this complaint Miss G wants Santander to pay her compensation for distress and inconvenience.

## **background**

Here's a summary of Miss G's main complaints.

Miss G contacted Santander to enquire about letting her property. She received payments towards her mortgage from the Department for Work and Pensions (DWP). Santander said she needed to gain permission from the DWP before it could grant its consent to let. Miss G feels she was forced to reveal confidential information and this caused stress and embarrassment. Miss G believes Santander breached confidentiality and disagrees that she had to disclose her intentions to let to the DWP.

Santander incorrectly suggested in a letter it sent Miss G that she was letting her property without consent.

Miss G also said Santander took overpayments on her mortgage which she didn't authorise and as a result, she ran up overdraft charges.

Our adjudicator didn't recommend upholding the complaint on the basis that Santander had already responded fairly and reasonably to the issues raised.

Miss G disagrees, so the complaint has been referred to me.

## **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 appreciate how strongly Miss G feels about what's happened. And I can see that Santander admits it didn't always get things right.

I'm sorry that Miss G feels that her points have been ignored or misunderstood by our adjudicator. I've read the adjudicator's assessment as part of my overall review. But I've looked at everything afresh before reaching an independent view myself. Having reviewed what's happened, I've come to the same conclusions as our adjudicator. Here are the reasons why I say this.

Miss G has raised a number of points in response to the adjudicator's assessment. So I'm going to concentrate in my decision on what appear to me to be the main issues Miss G has told us she's still unhappy about.

### **Overpayments and overdraft charges**

Miss G feels strongly that our adjudicator is incorrect to say that it's the customer's responsibility to notify Santander when DWP payments change. To make her point, Miss G relies on a letter she got from Santander which says:

*"We've received a letter from the Benefits Agency about direct payments to your mortgage. We've updated our records and as a result, the amount you pay may have changed..."*

Miss G says it's very clear that it's customary practice for Santander to be automatically notified by the DWP of any changes in the amount it pays towards the mortgage. I don't agree. Although it looks like this is what happened in this instance, I think Miss G has drawn inferences that mightn't always be correct.

And Santander has explained that it's up to customers to say what they want to do about their mortgage payments in this situation. That's because customers have a range of possible options and not all customers want Santander to do the same thing. For instance, some customers continue to pay the full amount each month and any money from the DWP is a bonus. Santander applies any credit on the account to reduce the balance of the loan. Some customers cancel the direct debit when they're getting DWP payments as those payments cover the full monthly repayment due. If DWP payments go down, some customers ask Santander to set up a reduced payment arrangement and pay the difference between the DWP payment and what they owe on the mortgage.

Santander says it's up to the individual - and I think that's a fair and reasonable response on this point. So I don't uphold Miss G's complaint that Santander is responsible for overpayments on her mortgage account when she didn't give Santander any instructions when the DWP changed the amount it paid her. And, as I understand Santander has refunded overpayments on Miss G's account, I feel this matter is settled.

Based on the information I've seen, I can't fairly say that it was primarily the overpayments that meant Miss G continued to be overdrawn. So it wouldn't be reasonable to ask Santander to reimburse charges Miss G incurred for this.

*disclosure to the DWP for the purpose of letting her property*

Miss G says she's extremely concerned about the adjudicator's flawed evaluation on this point. And a private landlord can't receive payments for a mortgage from the DWP whilst at the same time letting the same premises to a third party.

But Santander is very clear that its internal process requires confirmation from the DWP before the property is let. So, although I've taken into account everything Miss G says, this doesn't affect the outcome. I'm satisfied that Santander was acting in line with its internal process. And, despite what Miss G thinks about the merits of that process or whether the requirement to involve the DWP makes any sense, I can't fairly and reasonably uphold her complaint. As the adjudicator has explained already, I can't say Santander should change its policy – that would be something for the regulator to look at.

It's not in dispute that Santander made a mistake when it wrote suggesting Miss G was letting her property without consent. It has offered Miss G £60 for this error. In the absence of any information showing that Santander's action resulted in any actual financial loss to Miss G I find this amount fair.

I agree with our adjudicator, looked at overall, Santander has provided a fair and reasonable response to this complaint. And, although I appreciate Miss G's feelings about the matter, I can't fairly require the bank to take any further action in these circumstances.

**my decision**

For these reasons, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss G to accept or reject my decision before 14 July 2016.

Susan Webb  
**ombudsman**