

## **complaint**

Mrs W complains about Santander UK plc giving her inadequate and confusing information on arrangements to pay debts on her accounts, and about how it dealt with her complaint.

## **background**

Mrs W had a reduced payment arrangement to pay off arrears on four accounts which were being administered by Santander. In 2015 she enquired with Santander about the accounts and was told they had been sold to a business which I shall call P. Mrs W complained to Santander that that had been done without her knowledge. Santander passed her complaint to P. Later Mrs W found that in fact her debts had been sold to a different business, which I shall call Q. Santander apologised about the wrong information, and sent a cheque for £50. Later it said that it had written to inform her about the transfer to Q back in 2013, but Mrs W says she was not told.

Initially our adjudicator thought the compensation offered was fair and reasonable. But after further information from Mrs W, he recommended that she was paid an additional £200 in compensation. He said Santander had not been able to provide a copy of a letter to Mrs W informing her of the transfer to Q nor of correspondence with Q, and she had not contacted Santander until some time later. So he was persuaded that notification may not have been sent to her in 2013. Not only was Mrs W wrongly told that her accounts had been transferred to P, but Santander had sent her complaint to P and P had contacted her. So he did not think the £50 was sufficient for the considerable distress and inconvenience caused.

Santander did not agree. It said it had supplied a template of the letter which it said was sent to Mrs W in 2013. It would not regularly keep a copy of the actual letters sent. It had also provided us with information about the sale to Q but not documents which would relate to many customers. Although it did not dispute having later given incorrect information about the sale, it had already apologised for that. But it said there was no evidence of any other delays, errors or incorrect information. It thought any delay was immaterial when the sale of the accounts had taken place two years previously. It still thought the £50 paid was fair and reasonable.

## **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 think it is important to look at this situation in context. Mrs W lost her job and made arrangements with Santander in 2011 to pay her accounts off gradually with small monthly payments. She says she has stuck to those arrangements ever since. The complaint arose when in 2015 she was being pursued for payments on the accounts by several other businesses, and contacted Santander about that.

As it said, Santander did provide us with a standard template letter of the sort which it says it sent to Mrs W in 2013 to tell her about the sale to Q. And it also provided notes on one of her accounts which seem to record that such a letter was sent. So it certainly is possible that Santander did write to Mrs W back in 2013 and she has forgotten.

But she had four accounts, so she should probably have had four letters from Santander (and four letters from Q to say that the accounts had been assigned to it). That makes it

seem less likely that she could have forgotten. It makes me wonder if the correct address was being used. Also it appears that Mrs W has continued to make previously agreed payments via Santander rather than paying Q directly. And I cannot see why Mrs W would have approached Santander about her accounts in 2015, if she knew they had been transferred in 2013. Overall, on balance, I think that she was not properly notified in 2013.

Matters could probably have been resolved fairly easily in 2015, if Santander had not given Mrs W the wrong information when she contacted it. Instead P then became involved in the issue unnecessarily, generating further effort and upset for Mrs W when she was already concerned about different businesses (debt collection agencies I think) contacting her about the debts. Even if the accounts had been with P, her complaint still needed to be dealt with by Santander not passed to P, as it seems Santander did initially.

On balance then I do not think the £50 Santander paid was adequate compensation in all the circumstances. I think the total of £250 (ie an extra £200) proposed by the adjudicator would be fair and reasonable.

That said, Santander was entitled to sell the debts to Q, and it is now Q's responsibility (not Santander's) to make sure Mrs W gets any necessary account statements. And Q was entitled to appoint debt collection agents to collect the debts on its behalf. Unfortunately that means that Mrs W may need to re-negotiate about the debts. But when I understand that she is still in financial difficulties, Q (or their agents) should act positively and sympathetically when considering matters.

### **my final decision**

My decision is that I uphold the complaint. In full and final settlement I order Santander UK plc to pay Mrs W a further £200.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs W to accept or reject my decision before 10 March 2016.

Hilary Bainbridge  
**ombudsman**