

## **complaint**

Mrs K complains Santander UK Plc registered a default against her in connection with a joint account she had with her ex-husband.

## **background**

Mrs K opened a joint account with her ex-husband in 2014. Mrs K says she was pressured into become a joint account holder and that she hasn't regularly used the account.

In March 2016 Mrs K and her ex-husband separated. Mrs K continued to receive monthly bank statements and was contacted by Santander about the overdraft on the account.

Mrs K called Santander on 15 May 2017 to ask how to be removed from the account. Santander said she'd need to visit a branch with her ex-husband to do that. Mrs K called Santander again on 18 May 2017. During the call, Santander said Mrs K was jointly responsible for the overdraft balance even though she may not have spent the money. The call handler said Mrs K could repay the outstanding balance and upcoming charges and they would arrange to remove the overdraft facility. Santander explained that the issue could impact Mrs K's credit file. Mrs K wasn't willing to repay the outstanding balance.

The balance wasn't repaid and the account was defaulted in September 2017. Mrs K paid off the £540 default balance in October 2017, after the debt was passed to a third party to collect. After Mrs K paid off the balance there was a delay in the funds being forwarded to Santander.

Mrs K complained and Santander agreed to pay her £100. It said the decision to default the account and register that information with the credit reference agencies was correct. But it accepted the third party it had instructed to collect the debt had made some mistakes because it had only chased Mrs K for repayment. Santander agreed Mrs K's payment to clear the balance hadn't been forwarded to it quickly enough.

Mrs K asked our service to look at her complaint and it was passed to an investigator. The investigator thought Santander's decision to register a default against Mrs K was fair as she was jointly responsible for the overdraft balance. But they thought Santander should increase its offer to £150 because of the way the third party had recovered the outstanding balance. Santander didn't agree and asked for the complaint to be appealed so it's been passed to me to make a 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.

The focus of Mrs K's complaint is that she's unhappy with the information Santander's registered with the credit reference agencies and she's upset at paying back money she didn't spend. I can understand why Mrs K is upset. I don't doubt what she says about not regularly using the account and can see that she spoke with Santander several times in the run up to its decision to default. But I need to be fair to both parties and whilst I understand Mrs K's frustration, I haven't found that Santander's made a mistake or treated her unfairly.

Mrs K says that she was pressured into being a joint account holder. But the account was opened as part of a switch process. And I haven't seen anything that would've shown Santander that Mrs K wasn't willing to proceed. If she didn't want to be a party to the account she could've asked Santander how to be removed from it at any point. I appreciate that's the topic of this complaint and that to be removed from the account she would've had to have visited a branch with her ex-husband. But I haven't seen anything to show she told Santander about her misgivings before she contacted it in 2017.

As all parties are aware, the overdraft debt was in joint names. That means whilst one account holder may be responsible for the spending, both account holders are liable for the debt. I appreciate this feels unfair but it's the nature of joint overdrafts and in line with the account terms. I'm sorry to disappoint Mrs K but I'm satisfied Santander was allowed to ask her to repay the outstanding balance.

I've listened to the calls Mrs K made to Santander on 15 May 2017, 18 May 2017 and 8 June 2017. In all the calls, Mrs K was told that she was liable for the overdraft balance and that the debt could impact her credit file. In particular, the call handler on 18 May 2017 explained very clearly that Mrs K had the option to repay the outstanding balance and upcoming charges at that point. She could then remove the overdraft from the account. Mrs K said that she wasn't willing to clear the debt at that point because she thought the other account holder should. Whilst I appreciate why Mrs K wasn't willing to pay, I'm satisfied Santander warned her that the issue could impact her credit.

Taking everything I've seen into account, I think Santander's decision to default the debt in September 2017 was reasonable so I'm not telling it to amend Mrs K's credit file.

Santander instructed a third party to recover the debt and it made some mistakes. It only appears to have chased Mrs K for repayment and took too long to forward the payment she made on to Santander. The investigator said Santander's offer of £100 wasn't enough and asked it to increase the settlement to £150.

I've thought about the impact of these issues on Mrs K. I can understand, given the situation, why she's upset that only she was asked to pay the outstanding debt. And it's clear that Mrs K wanted to resolve the situation as quickly as possible when she made a payment to the third party so its delay in forwarding that money to Santander was frustrating. The third party was instructed by Santander. So I'm satisfied Santander's responsible for errors made on its behalf by the third party. I agree with the investigator that the £150 figure more fairly reflects the impact of the errors on Mrs K. As a result, I'm upholding Mrs K's complaint in part and telling Santander to pay her £150.

### **my final decision**

My decision is that I uphold this complaint and direct Santander UK Plc to pay Mrs K £150.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs K to accept or reject my decision before 30 June 2019.

Marco Manente  
**ombudsman**