

## **The complaint**

Miss B complains that Santander UK PLC, through its private banking service, failed to advise her of a change in interest rate on her savings account.

## **What happened**

Miss B used Santander's private banking service and had a savings account through that service. She says that historically she would contact her private banker to relay any changes to her about her account, including interest rates. She believed that she had no access to her account except through her private banker. Although she later understood that that had changed and that she would have been able to manage her account online, she asserts that she was never told that. In May 2023, she received a notification that her account was due to mature in July 2023 which prompted her to contact her private banker to ask about the interest rate. She discovered that the rate had increased from 0.9% to 2.25% on 18 April so felt that she should be paid the interest she should have earned on her savings account from that date until 15 May when she found out about it.

Miss B made a complaint to Santander. It said that there was no requirement for its private bankers to make personal contact to advise about changes in interest rates or maturity of investments. But it said that at any time a customer may either reach out to their private banker or Santander directly, to determine the status of their accounts, and if there are any other products which may be more suitable for their needs. It also said that information about interest rates was available online and that it was customers' responsibility to service their own accounts. Santander further said that her private banker had been attempting to contact her. But Miss B said that her private banker had said that was not the case.

On referral to the Financial Ombudsman Service, our Investigator said that whilst she appreciated that it was unreasonable for Miss B to expect her private banker to contact her every time the rates changed, she did think that Santander should've made it clearer to her of the other means she could've viewed or become aware of any changes or current rates herself. So she said that Santander should pay the difference in the interest rate she could have earned in the period 18 April to 15 May 2023.

I issued a provisional decision. I concluded that Miss B considered the interest rates on her account from time to time and contacted her private banker to ask about them. Accepting that it was not for the banker to advise of every change in interest rates, it appeared to me that he responded to her queries about interest rates.

Miss B did not agree with my provisional findings. I shall set out her responses below.

Santander accepted my provisional findings.

## **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 set out below my provisional findings in italics:

*The issue in this case lies in what Miss B expected her private banker to tell her about. I note and accept that under the private banking service it wouldn't be reasonable to expect the private bankers to advise every client when an interest rate is about to change.*

*I have considered whether Miss B's private banker should have told her that she would be able to look up the interest rates online. He says he did and that Miss B was made aware on a few occasions that it was not down to the bank to keep her informed of any new savings rates that come out. He said that Miss B was made aware when there were changes to her existing products in line with all other clients. Although Santander admitted there are no details of any particular conversations when he did this. There is though a key facts document issued in respect of Miss B's particular product that does advise that the account can be managed online. Although Miss B asserts she did not receive this, I think it would be normal practice to send out such documents with a new product.*

*Miss B has provided us with a few screenshots when she messaged her private banker. What those tell me is that she contacted her private banker from time to time about interest rates and he replied. She contacted him in May 2023 because she had received notification that her account was due to mature in July 2023 and asked him then about interest rates. At that stage he said that "we have just received an e-mail this morning confirming that we have a new E saver. On balances of up to £250,000 we can offer a rate of 2.75% gross."*

*My conclusion is that Miss B considered the interest rates on her account from time to time and contacted her private banker to ask about them. Accepting that it was not for the banker to advise of every change in interest rates, it does appear to me that he responded to her queries about interest rates. So whether she could look those up online doesn't seem to me to be relevant, as she was asking for, and getting this information directly from her private banker. And it would appear that the banker was only aware of this particular change in interest rates at the time that he advised Miss B of the same.*

*With regard to Santander's assertion that her private banker had been attempting to contact Miss B, I think this refers to the fact that he had been attempting to contact her, but a few weeks prior to the complaint. I accept this wasn't made clear to Miss B but I don't intend to require Santander to take any action in respect of it.*

Miss B responded to my provisional findings as follows:

- Previously when she hadn't been informed of rate changes she'd made a complaint, this was on more than one occasion. She showed us a letter to evidence this.
- Historically Santander Private Banking savings rates changes were only made available by contacting private banking, or her personal allocated private banker making her aware of the changes.
- Whenever she queried why the information about interest rates was not made more accessible, she was informed that it was the responsibility of her private banker to let her know, and that she needed to speak to him.
- Her private banker did not inform her of the changes to private banking savings rates and the ability to find out the rates online. She was only told about this when she made her complaint in May 2023.
- On 23 June in a conversation with her private banker, on his mobile phone, he informed her that the procedure for informing private banking clients changed and he

believed that he was responsible for communicating those changes to her.

- All communication with her private banker was reactive, not proactive. She never had any expectations of how frequently her banker should contact her, only that she was kept up to date with any rate changes in a way that she had been consistently informed by Santander Private Banking.
- She does not consider the interest rates on her bank accounts from 'time to time' as per my summary, her savings and investments are an important and critical part of her income. And she constantly monitors interest rate changes, and considers herself to be highly proactive in order to maximise any changes in interest rates.
- The letter sent by Santander advising that her private banker had tried to contact her is incorrect, which her banker confirmed. It concerns her that a financial institution should make false statements.

I should emphasise that I am here considering Miss B's complaint that she was not advised of a particular change in the interest rate on her savings account. I note the letter that was written to her by Santander in response to a previous complaint. However that was a different complaint about her private banker not returning a call.

Essentially Miss B says that she expected her private banker to tell her of any changes in the interest rates. She also says that the banker told her it was his responsibility to do so. I'm aware that this contradicts what Santander and the private banker says about the matter. My view is, having considered the evidence and Miss B's response to my provisional findings, that while she might have expected to be told about any change in interest rates during the lifetime of the product, this wasn't part of the terms of private banking.

I think the evidence is that as Miss B was highly proactive when considering the interest rates on her savings, she contacted her private banker (as she had previously done) to ask about the current interest rate on her particular savings account. The said banker responded to her query about the interest rates.

I can't say whether her private banker specifically informed her that she could look at the interest rates online. But, as I've said in my provisional findings, I don't think that evidence shows that the private banker said it was his responsibility to keep her informed of changes in interest rates.

As regards Miss B being told that her private banker had tried to contact her, I accept this was a misunderstanding on Santander's adviser's part. I don't think this requires any further action from Santander.

In conclusion, I remain persuaded by my provisional findings. Those findings are now final and form part of this final decision.

### **My final decision**

I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 31 January 2024.

Ray Lawley  
**Ombudsman**