

The complaint

Mr and Mrs O complain Santander UK Plc have issued letters with contradictory information in them about their personal loan. Mr O is also unhappy with the service he received from Santander when contacting them on the phone about the letters.

What happened

Mr and Mrs O's loan with Santander defaulted in 2012 and shortly after it was passed to debt collectors to continue collecting the debt on Santander's behalf.

After receiving correspondence from Santander in late November 2024 Mr O called Santander to complain that despite the long-standing payment arrangement with the debt collector, Santander were still sending he and his wife letters about the loan.

Mr O said the letters were not needed because of the long-standing arrangement and because Mr and Mrs O engaged with the debt collectors directly. He also said Santander's letters were contradictory given on the one hand they asked Mr and Mrs O to get in touch due to missed payments on their account, but in the same letter also said that if they were in a payment arrangement they could ignore the letters. Mr O said they hadn't missed any payments given they were paying the debt collector each month.

After the call ended abruptly Mr O also raised concerns about the level of service provided to him in the call.

Santander considered Mr O's complaint and concluded that while they had done nothing wrong in sending the letters to Mr and Mrs O, the service Mr O received due to the call dropping out caused Mr O unnecessary inconvenience and so they compensated him with £50 for this.

Our Investigator reviewed Mr and Mrs O's complaint and concluded it should not be upheld as they did not find Santander had done anything wrong in sending the letters. The Investigator clarified the £50 compensation related only to the service Mr O received when he called Santander and they concluded the £50 offered by Santander in relation to the issue with the call was fair.

Mr O disagreed and said Santander were being contradictory in their communications with him and his wife. He also said Santander had ignored him on the call and failed to contact him after 30 November 2024.

The Investigator noted that Mr O had been contacted by Santander after this date. As a resolution could not be reached, the matter has come to me to decide.

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.

Above is only a summary of what's happened here, but I assure both parties I've reviewed all the available evidence and submissions, including the relevant call recording. And while I may not respond to each individual point raised by either party, this is because I have concentrated on those parts of the case I consider relevant to achieving a fair and reasonable resolution for both parties.

It may also help Mr and Mrs O to note that my role here is limited to reaching a fair and reasonable resolution for both parties, so it is not for me to fine or punish a firm, or to interfere with a firm's processes, systems or controls – those are considerations for the appropriate regulator.

At the heart of this matter is that Mr and Mrs O are unhappy they are continuing to receive correspondence from Santander about their loan and that the information in the letters is wrong and contradictory.

I note Mr and Mrs O previously raised concerns about Santander's correspondence via this service in 2019, so to be clear my considerations here are limited to the letters from November 2024 which brought about this complaint.

The letters in question are recognised in the industry as Notices of Sums in Arrears (NOSIA). I have carefully considered what Mr O has said about these letters, but I must also consider Santander's responsibility as the creditor here. The Consumer Credit Act 1974 (CCA 74) explains that where there are a certain number of arrears on a loan account, like the one that Mr and Mrs O took out, Santander – as the creditor – must issue a NOSIA, and continue to do so (in certain circumstances) at least every six months.

I recognise this may come across as confusing to Mr and Mrs O given firstly, they are aware of what they owe and engage with Santander's debt collector about their debt; secondly, that the letters talk about Mr and Mrs O getting in touch with Santander about their 'missed payments' and 'arrears', while also saying in the same letter that if a repayment arrangement is in place they don't have to get in touch, and that lastly they haven't missed their arrangement payments.

It may help Mr and Mrs O to know that the 'missed payments' and the 'arrears' referenced in these letters do not relate to missing payments towards their repayment arrangement or being in arrears in terms of their repayment arrangement that they have with the debt collector. The 'missed payments' and the 'arrears' are talking about the contractual loan payments.

As I am sure Mr and Mrs O can acknowledge, they have missed numerous loan payments that when they first took out the loan they were contractually obliged to pay. These are the 'missed payments' the letters refer to, and because Mr and Mrs O have not made these contractual payments for several years, these are what have built up the 'arrears' that the letters mention.

As our Investigator noted, Mr and Mrs O do not have to do anything on receipt of these letters given the repayment arrangement they have in place, and the letters confirm this. I can see also that the letters explain that notices will continue to be sent every six months as long as Mr and Mrs O are behind with their payments. Again – this relates to being behind with the contractual loan payments that Mr and Mrs O originally agreed to, *not* the payments to the repayment arrangement with the debt collector.

Taking everything into consideration here, I have therefore not found that Santander have done anything wrong given Santander (as the creditor) are entitled to send these letters.

I've listened to the call Mr O made to Santander to raise his concerns about the letters, and I do not doubt it was frustrating for him that the call dropped when it did. It's not clear to me exactly what happened here, but I don't think I need to know this given from what I've heard I don't think Santander were ignoring Mr O. The staff member spoke with Mr O and then placed him on hold to speak to a colleague, and it was apparent the staff member was trying to contact another department internally to help Mr O. The staff member was able to briefly connect back to Mr O although it wasn't clear that either party could now hear the other, and the call then dropped before Mr O could be put through to the relevant department.

In the circumstances I think apologising for this and offering Mr O £50 was fair in the circumstances, so I don't think Santander have to do any more here.

I realise Mr O expressed some later concerns about Santander not contacting him when they promised to do so in order to sort things out, but it's apparent there was some contact from Santander who sent their reply to Mr O's concerns. So I've not seen enough here to say Santander have treated Mr and Mrs O unfairly in this regard.

I realise Mr O found Santander unclear in terms of what their £50 offer was meant to reflect, and whilst I think Santander's wording in their letter first containing the offer was unhelpful to Mr and Mrs O, Santander did go on to clarify what they meant in their follow up correspondence - so I don't think there's anything to put right here as I think Santander took reasonable steps to clarify things for Mr and Mrs O and this doesn't change the reasoning for why they offered £50.

In summary, while I acknowledge Mr and Mrs O's frustrations with the letters they receive from Santander, I've not seen anything to persuade me Santander have done anything wrong by sending them given their responsibilities as Mr and Mrs O's creditor. I think the £50 to reflect the inconvenience of the call dropping is fair in the circumstances. And overall, I've not seen anything else to persuade me Santander have acted unfairly in some other way.

Putting things right

It's not clear to me if Santander UK Plc have already paid the £50 they agreed to pay, so if they have not already done so Santander UK Plc should pay Mr and Mrs O £50 in total.

For the avoidance of doubt, if Santander UK Plc have already paid Mr and Mrs O the £50 in total, then they do not have to pay anything more.

My final decision

For the reasons above, my final decision is that I do not uphold Mr and Mrs O's complaint about the letters they have received, and I think Santander UK Plc's offer in relation to the issue with the phone call is fair in the circumstances. If they haven't done so already, Santander UK Plc should put things right as I've described above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr O and Mrs O to accept or reject my decision before 24 July 2025.

Kristina Mathews
Ombudsman