

The complaint

X has complained about how Santander UK Plc dealt with overdraft arrears on their account.

What happened

X had a current account with Santander, which had been overdrawn for some time, and without regular credits being made into the account.

Santander tried to contact X about this multiple times, and also cancelled X's direct debits and debit card. It then sent a default notice on 26 February 2025, saying the account would default if the arrears weren't paid. X has explained they didn't receive this correspondence, as they'd not given Santander their updated address. Santander has said it used the address it had on file, but had also sent the correspondence by email.

X contacted Santander on 1 April 2025. They were told to complete a budget planner and had ten days before the link to it would expire. Although X did get in touch within the ten days, the default had already been applied, on 3 April.

One of our investigators looked into what had happened, but thought Santander had behaved fairly. It had contacted X multiple times, and defaulted the account when it had been in arrears for some time.

X disagrees. In summary, they feel the default was applied unfairly, and without sufficient consideration of the serious and unforeseen difficulties they were experiencing. They don't feel they were given sufficient communication or support from Santander before the default was applied, or made fully aware of the consequences or options available.

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.

First, I'd like to extend my sincere sympathy to X. I was very sad to hear about the significant issues they've faced, and understand that things have been very difficult. I very much hope that matters are improving, and X has access to support. Should X wish, they can contact our investigator, who can signpost them to sources of support that may be helpful.

I turn now to X's complaint. I'm afraid I'm not upholding it. I know this will be very disappointing, but I'll explain why.

I can see there was significant correspondence regarding the overdraft arrears, which culminated in the default notice of 26 February 2025. I'm satisfied that Santander sent the correspondence to the correct address, and it was X's responsibility to keep this updated. I appreciate they had a lot going on in their life, but it would have been a quick process. But, in any event, Santander has confirmed it also sent the correspondence by email, as shown in its system notes. So, I don't think Santander can be held responsible for X not receiving the correspondence. And I think it's fair to say, that X would reasonably have known some

action would be required in respect of her account, and that it wouldn't be able to be in arrears indefinitely.

X did then contact Santander on 1 April. Although Santander could have been clearer that the ten days was to do with how long the link would remain 'live', I do think it was made clear overall that the account was in the process of defaulting. And the agent did not say filling in the budget planner would stop the account from defaulting, as that process had already begun when the letter of 27 February 2025 was sent.

As payment wasn't made, I think it was fair for Santander to apply the default. And, it's worth noting that this can be of benefit to the customer, as it freezes fees and charges. I'm satisfied that Santander has correctly recorded the status of X's account. I don't think it was heavy-handed in taking the action it did, given the account's history of arrears and lack of regular credits. And, it took steps to give X reasonable notice.

My final decision

For the reasons given above, it's my final decision not to uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask X to accept or reject my decision before 29 December 2025.

Elspeth Wood
Ombudsman