

The complaint

Miss M complains that Santander UK Plc shared her personal information with a third-party when they incorrectly merged her account details with another customer.

What happened

Miss M holds a number of bank accounts with Santander. In March 2025, Miss M received a notification to state that there had been a change to her credit file.

Upon checking her credit file with a third-party credit search provider, Miss M discovered that Santander had updated her home address to an address she'd never lived at and had no knowledge of. Unhappy with this, Miss M complained.

Santander admitted there had been an error on their part. They said they had accidentally merged Miss M's profile with a customer with similar details. They apologised and explained that they would rectify the issue and ensure Miss M's credit file was updated accordingly. They also offered Miss M £250 in compensation.

Unhappy with Santander's response, Miss M brought her complaint to our service.

An investigator considered Miss M's complaint. Prior to issuing his assessment, he asked Santander if they wanted to reconsider their compensation offer. Santander agreed to increase the compensation to £400, but upon review of the complaint, the investigator felt Santander needed to do more. He said that while they had done enough to rectify the issue on Miss M's credit file, he thought the delays Miss M experienced in Santander actioning this, and the subsequent distress this matter would've caused, warranted a further compensation increase. So, he recommended Santander pay Miss M £500 for the distress this caused.

Santander accepted the investigator's findings, but Miss M didn't. She said Santander had failed to explain what information of hers had been divulged to the third-party; and she felt the £500 offered, didn't go far enough to compensate her for the distress the matter had caused her.

So, as both parties are still in disagreement, the case has been passed 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.

It's not in dispute that an error was made on Santander's part. Miss M has claimed this to be the case, and Santander have accepted the error was theirs. So, I don't need to decide whether or not Santander were at fault for the issues Miss M experienced, as this has not been contested.

So, the next thing for me to consider, is whether or not Santander have done enough to put things right for Miss M.

Miss M has explained that this matter had caused her considerable distress, and she was worried that her information had potentially fallen into the wrong hands. She said Santander had been unclear on exactly what information of hers may have been shared with a third-party. She was also concerned, that this error may have resulted in some recent fraudulent activity that had taken place on an account she held with another bank.

Firstly, I'd like to say that I'm sorry Miss M has had to go through this. To have received a notification that your home address had been updated on your credit file, knowing that the information being reported is incorrect, must have been alarming. And I understand why, initially, Miss M may have had concerns as to whether her personal information may have fallen into the wrong hands.

Having looked at the what actually happened, it seems that when Miss M's profile was incorrectly merged with the third-parties, Miss M's account details were updated to reflect that she was living at the third-parties address, which of course was incorrect. However, whilst alarming, in doing so, it appears that it was the third-party's information that was shared with Miss M. And there isn't any evidence that would suggest, conversely, that Miss M's details had been shared with the third-party.

I say this because, where Miss M's address had been updated, this was presumably because Santander believed, for a short while, that Miss M was living at the address registered for the third-party. And I see no reason why, at the same time, they would then update the third-party's details, given that it was Santander's understanding at the time, that Miss M and the third-party were effectively the same customer.

I can certainly understand Miss M's concern, and not being aware exactly what may have been shared would have caused her to worry. So, I reached out to Santander, to understand what, if any, of Miss M's personal details had been shared.

Santander have confirmed that Miss M's details, in this case, had been merged with a dormant profile. So, while they understood the concerns Miss M had raised, they said there would have been no information sent to this third-party for any reason, for a number of years. So, even if Miss M's personal details had in any way moved onto the third-party's account – which it doesn't seem they had – Santander were satisfied that none of Miss M's details would have in any way been shared, given there had been no communications with the other customer for a considerable period of time.

I think Santander's explanation here seems reasonable, and I've seen nothing to suggest - that despite Santander's error - that any of Miss M's personal information had been shared.

Miss M has argued that more recently, a third-party had been able to access a bank account she held with another bank and pay a large bill using her funds, and she feels that this may have been as a result of the issues she experienced with Santander.

I'm very sorry to hear that Miss M has had to deal with this issue, at the same time as dealing with credit file issues experienced as a result of Santander's error. And I appreciate why, given Miss M's concerns, she might believe these two matters are connected. But, while I understand Miss M's worries, there's nothing I've seen that leads me to believe that Santander's error may have played a part in a third-party's subsequent attempt to access funds from a separate account of hers.

When assessing this complaint's merits, I need to look at; what happened and what Santander did to put things right; what material loss Miss M may have experienced, if any; and consider the level of distress this matter may have caused. In this case there was an error by Santander that caused Miss M's profile to merge with that of a dormant account profile. Santander have now rectified this issue, and I'm satisfied they are now reporting the correct information to credit reference agencies.

From the evidence provided, while distressing, I've not been presented with any information to show that there has been any material loss to Miss M. By that, I mean that I can't see that she has lost out in any way financially as a result of Santander's error. So, while distressing, there is no actual sum Miss M is due to be reimbursed from Santander, as a result of the mistake they made.

That being said, I am satisfied that this matter would have been distressing for Miss M. And I think in trying to resolve this matter and having the uncertainty of the potential impact this may have had on her, would likely have been distressing, so for that reason, I am satisfied some compensation is due.

But following the investigator's opinion, Santander have now agreed to compensate Miss M £500 for the distress this matter caused her, and I think this is a significant sum, and is potentially more than I might be inclined toward in similar cases.

So, while I appreciate this may come as a disappointment to Miss M, I'm satisfied that the compensation Santander have agreed to pay, along with the actions they have taken to rectify Miss M's credit file, is more than adequate in the circumstances, and therefore, I won't be instructing Santander to do anything further.

My final decision

My final decision is that I uphold Miss M's complaint. If they haven't already, Santander UK Plc, should ensure that any records of the third-party's details are removed from Miss M's record, and that this is updated with credit reference agencies. And they should pay Miss M £500 compensation for any distress this matter may have caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss M to accept or reject my decision before 31 October 2025.

Brad McIlquham
Ombudsman