

The complaint

Mr B complains about the handling of his account by Santander Consumer UK Plc trading as Santander Consumer Finance (Santander) when he was in arrears.

What happened

Mr B entered a conditional sale agreement in December 2022 for a used car financed by Santander.

In early 2024 Mr B was unable to work. He made payments as and when he could toward the agreement, but it fell around two months into arrears.

Mr B was able to return to work around August 2024. He made a payment in September 2024 which was more than his normal monthly instalment to begin to clear the arrears. Mr B said he then tried to contact Santander on several occasions at the end of September and beginning of October to make a payment and to arrange a payment plan, but he was unable to speak to them.

Mr B complained to Santander in October 2024 about the inability to discuss his agreement with them. Mr B was able to discuss the agreement at the end of October 2024 and entered a payment arrangement to repay the arrears.

Santander sent Mr B their final response to his complaint in November 2024. They apologised for the time Mr B had spent on hold when calling them. They said they were experiencing higher than usual volumes of phone and web chat contact, and they were recruiting additional staff to rectify this. They offered Mr B £50 compensation to reflect the frustration caused.

Unhappy with this response, Mr B brought his complaint to this service for investigation. He said he shouldn't be negatively impacted by Santander's staffing problems, and the compensation offered didn't reflect the impact on him.

Our investigator gave their view that whilst Mr B had encountered difficulties in contacting Santander in the period he'd complained about, Santander had driven a lot of contact before this period relating to the arrears on Mr B's account. They said the arrears didn't stem solely from the period that Mr B was unable to make a payment, and so they thought the £50 already offered was fair in the circumstances.

Our investigator gave their view that Mr B had entered an arrangement with Santander to repay the arrears at the end of October 2024, but this wasn't being accurately reflected in the reports they'd made to credit reference agencies (CRA's) and so they asked Santander to correct this reporting.

Santander initially agreed to our investigators view and supplied evidence that they'd amended the reports they sent to CRA's, so Mr B's complaint with this service was closed.

Mr B has since provided evidence that this credit reports haven't been amended and don't reflect what was agreed by our investigator. Santander say they're reporting accurate information. As an agreement can't be reached, the case has been passed to me for a decision.

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.

Firstly, I'm aware that I've summarised this complaint in far less detail than the parties and I've done so using my own words. I'm not going to respond to every single point made by all the parties involved. No discourtesy is intended by this. Instead, I've focussed on what I think are the key issues here.

Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts. If there's something I've not mentioned, it isn't because I've ignored it. I haven't. I'm satisfied I don't need to comment on every individual argument to be able to reach what I think is the right outcome.

It's not in dispute that Mr B found it difficult to contact Santander in September and October 2024 to discuss making a payment and arranging to clear the arrears on his account. Santander offered Mr B £50 to reflect the distress and inconvenience caused.

I agree with our investigator that the history of Mr B's account is relevant here. Arrears were accrued prior to this difficulty to contact Santander, and based on the evidence, I'm satisfied that Santander did engage with Mr B on several occasions prior to September 2024 about these arrears.

Mr B was newly able to enter an arrangement with Santander to repay the arrears on his account, and so I appreciate that it was frustrating for him that he couldn't speak to them to do this. Mr B was able to discuss his account with Santander at the end of October 2024 and enter an arrangement to repay the arrears. So, all things considered, I'm satisfied that £50 fairly reflects the distress and inconvenience caused.

Our investigator asked Santander to ensure that Mr B's credit file accurately reflected the arrangement to repay the arrears that was entered in October 2024, and Santander agreed to do this. Mr B said they haven't done what they agreed to do.

I've seen evidence that Mr B entered a payment arrangement with Santander in October 2024. The information provided by Santander shows that this arrangement was agreed but wasn't registered on their systems correctly to begin with. It does appear to have been correctly registered in November 2024.

Santander have provided evidence of their CRA reports, and I'm not persuaded that they have accurately reported the payment arrangement entered by Mr B in October 2024. An arrangement to pay doesn't appear to have been recorded until at least February 2025.

So, I'm satisfied that Santander need to take further steps to ensure they've accurately reported the status of Mr B's account to CRA's, by reporting that the agreement had an arrangement to pay active from the end of October 2024, and for as long as that arrangement was active.

My final decision

My final decision is that I uphold this complaint, and Santander Consumer UK Plc trading as Santander Consumer Finance must:

- Amend Mr B's credit file to reflect the arrangement to pay that was entered at the end of October 2024.
- Pay Mr B £50 compensation for the distress and inconvenience caused, if it hasn't already done so.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 23 December 2025.

Zoe Merriman
Ombudsman