

The complaint

Mr C has complained that Santander UK Plc reduced his overdraft without telling him, which led to financial issues.

What happened

Mr C had an overdraft with Santander, which it reduced.

Our investigator looked into things, and noted that Santander's terms and conditions allow for overdrafts to be removed or reduced, and full or partial repayment required – including without notice.

However, our investigator could see that Santander had sent Mr C a letter, dated 18 July 2025, to the address held on file (and also the address provided by Mr C to our service). This explained that the overdraft would be reduced on 1 September 2025. So, she was satisfied that Mr C had reasonably been notified of the change.

Mr C disagreed. He feels that he's been financially punished, and that Santander relied on inaccurate information from a third party when making its decision to reduce the overdraft. And when his case was passed to an underwriter for review, the same incorrect information was provided, which is unfair and a misuse of his financial data.

The complaint's now been passed to me.

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.

Having done so, I'm not upholding it. I know Mr C feels strongly about this, but I'll explain why.

Santander can reduce or remove an overdraft at any time, without providing reasons. This is because an overdraft is repayable on demand. Here, I can see that Santander told Mr C by letter that it would be doing so, and I think it was reasonable for it to send this notification to the address he's provided.

It is typical when a lending review is undertaken, that an underwriter will have access to financial information – otherwise the review would be meaningless. So, I see nothing untoward about this. But if Mr C feels his data rights have been breached, he may want to raise this with the Information Commissioner's Office.

I know that Mr C believes there is an incorrect record on his credit file, put there by a third party. This isn't something for Santander to investigate, as it is not its responsibility. Mr C will need to raise it with the entity that recorded it. So, while I understand his frustration, I don't think Santander has done anything wrong.

I note that it may be possible for Mr C to apply for an increase in his overdraft, in the future.

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 Mr C to accept or reject my decision before 18 May 2026.

Elsbeth Wood
Ombudsman