

complaint

Mr and Mrs T complaint that Santander UK Plc wrongly re-registered a default on their credit files.

background

Santander has agreed it made a mistake when it re-registered a default on Mr and Mrs T's credit files in 2010. The default had originally been registered in April 2009 and had the mistake not been made, it would have been removed from their credit file in April 2015.

In 2016, Mr and Mrs T received a refusal when they applied to upgrade their accounts with a third party bank. They complained about the re-registered default to Santander. The bank has now removed the default and offered £250 total compensation for this mistake (and an additional £50 because it made a mistake with a cheque it sent).

The adjudicator didn't recommend the complaint should be upheld. He said Mr and Mrs T had not been affected by the mistake until they applied for the third party account in April 2016 and £250 was fair compensation for the upset and inconvenience caused at that time.

Mr and Mrs T do not agree. They say they had tried to resolve the issue in 2011, 2013 and 2015. They say the result has been to delay rebuilding their lives for 16 months.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

It is agreed that Santander made a mistake and the bank has also agreed that this default is likely to be the reason why Mr and Mrs T's application to open an account with a third party bank was refused.

I am satisfied the bank has now taken the necessary steps to update Mr and Mrs T's credit files and to remove the later registration of this default.

I appreciate that Mr and Mrs T say they have made efforts over the years to remedy this situation, but I also note that in their initial complaint to this service they said they "thought nothing more of the situation" until their application to upgrade their accounts was refused in 2016. I am therefore not satisfied that this mistake caused them any distress or worry before the inconvenience and upset caused by the refusal to upgrade their accounts in 2016.

This service is not the bank's regulator, I cannot punish the bank. I know it will disappoint Mr and Mrs T but I do not consider it reasonable to ask the bank to pay more compensation than the £250 it has offered. I am satisfied the sum it has offered is fair, when taken together with the other steps Santander took to put things right.

my final decision

My final decision is that Santander UK Plc should pay Mr and Mrs T £250 compensation for the incorrectly registered default, (in addition to the £50 compensation for the incorrectly issued cheque) as it has offered to do.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs T to accept or reject my decision before 18 November 2016.

Charlotte Holland
ombudsman