

## **complaint**

Mr G complains that Santander UK Plc hasn't helped him during his financial difficulties.

## **background**

Mr G became unfit to work and fell into financial difficulties. He contacted Santander about this but felt they were unsympathetic and showed a lack of care in helping him to avoid further debt and he was kept on hold too long.

Santander said it had listened and cared about Mr G's problems, and it said it waived some charges on his account. Santander said the arrears on Mr G's personal loan account are around £2,000 and represent about a year's instalments. It said Mr G is only able to make token payments and his affordability doesn't justify setting up a formal payment arrangement. Santander said its debt collection process has been on hold during the complaint process with the interest and fees suspended.

Santander said it placed 'operational blocks' on Mr G's account and it is handled by its Collections and Recoveries Department to limit further debt build-up. It said his account could only have avoided a default if Mr G had been able to maintain the agreed monthly payments. It apologised for advising him otherwise, and paid him £75 compensation.

The investigator didn't recommend that the complaint be upheld. She said Santander recognised Mr G's difficulties, and over the years had suspended interest and charges on various occasions.

Mr G disagreed with the investigator. He said he didn't want his account to go into default and he wanted an ombudsman to review his complaint.

## **my findings**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. Mr G also has a complaint concerning his credit card account, and this has been considered separately.

Mr G said he was kept on hold too long during his calls to Santander and they were inconsiderate. I sympathise, but haven't seen evidence to show that delays were excessive or that Santander's representatives were inconsiderate towards him.

Mr G has been unable to work and consequently he's experienced financial difficulties. He's on an informal paydown arrangement at present where he makes a token contribution to the arrears.

I can well understand why Mr G would want to avoid receiving a default notice for the arrears on his account. However, banks are required to notify accurate information about non-compliance with loan instalments or excess overdraft debts. Defaults are recorded when loan repayments are not maintained, even generally where a replacement time to pay arrangement is agreed for arrears. I'm pleased Santander apologised to Mr G for mis-advising him about the default and I think its compensation is fair for this.

In putting a default on Mr G's account Santander followed its normal process and acted in accordance with the terms and conditions of Mr G's account. I think Santander withheld the

default longer than we would normally expect to see and I think in suspending recovery interest and charges it has treated him fairly in his financial difficulties. From what I have seen, Santander has provided Mr G with a level of support that we would expect to see in his circumstances.

I can see that Mr G has maintained good contact with Santander to keep it informed of his situation. I hope he can emerge from his difficulties in the near future.

**my final decision**

For the reasons I have given it is my final decision that the complaint is not upheld.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 15 May 2019.

Andrew Fraser  
**ombudsman**