

## **complaint**

Mr M complains that Santander UK plc has given incorrect information about his account to the Credit Reference Agencies following a dispute over an outstanding account balance.

## **background**

Mr M switched his account from Santander in April 2017. He initially complained about charges that were added to the account which resulted in the account being overdrawn by £496.30. Mr M then made an offer to settle matters with Santander. He sent it a cheque for £400 but said it must not be cashed unless certain conditions were agreed. These conditions included removal of adverse information on his credit file and stated the cheque must be returned if the conditions couldn't be agreed.

Mr M says Santander cashed the cheque but didn't agree to the conditions. He also says the information on his credit file is wrong. He says he didn't miss any payments on the account and this was a dispute over an outstanding balance. Mr M says there was confusion about what took place and it took some time to get a clear picture, which he says is Santander's fault. He also says money was sent from his new account to clear the outstanding balance but was returned.

Santander says Mr M switched his account in April 2017 but the account was overdrawn. It says it wrote to Mr M in July 2017 following his complaint about the charges and also sent him statements showing him the outstanding balance. Santander says it's not obliged to accept a customer's terms but agreed to remove the balance of £96.30 as a gesture of goodwill. It also says it's accurately reported the position of Mr M's account to the Credit Reference Agencies (CRA's).

Mr M complained to us but our adjudicator didn't uphold his complaint. She thought the charges were applied in line with the terms and conditions of the account. She also thought the payment Mr M said had been sent to Santander was in fact to an account with a different bank. The adjudicator didn't think Santander was obliged to accept Mr M's terms and conditions about the cashing of the cheque and also thought if the cheque hadn't been cashed then the account may have defaulted. She thought overall Santander had accurately reported the position of the account to the CRA's.

Mr M doesn't accept that view and would like his credit file amended as its affecting his credit applications.

## **my findings**

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've come to the same overall conclusions as the adjudicator for the same reasons. I realise Mr M will be disappointed by my decision.

I've looked through Santander's records and can see Mr M's account switch was completed within a few days but there was an overdraft balance of just under £500. I'm satisfied it was

Mr M's responsibility to settle that balance and can see that the terms and conditions of Mr M's account and the switch process both make that clear. I appreciate Mr M says there was a dispute about the balance but I think he knew about the balance as he complained to Santander about it. I can also see that Santander wrote to him about this balance and sent him statements.

So I don't think Santander in those circumstances made a mistake in reporting the position of the account to the CRA's. I'm satisfied the information was accurate and the credit file was a true reflection of what happened. I don't think the position was unclear as Mr M says or that it took some time to find out what had happened.

I also don't think Santander made a mistake by cashing the cheque and not accepting Mr M's terms. I don't think it's obliged to accept a customer's terms in these circumstances. I've set out why I think Mr M was responsible for the balance and I also agree with the adjudicator that if the cheque hadn't been cashed – then there was a risk there may have been a default recorded on Mr M's credit file. I think Santander acted fairly by writing off the outstanding balance as a gesture of goodwill.

I've checked Santander's records as well as those of Mr M's new bank. Having done so I've not found any evidence that Mr M had made a previous payment to clear the balance owed to Santander. I think that the payment Mr M refers to was made to a different bank.

Overall I don't think Santander has made a mistake or badly handled the account switch process and I'm satisfied it accurately reported to the CRA's a true reflection of what took place.

### **my final decision**

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 26 April 2018.

David Singh  
**ombudsman**