

## **complaint**

Mr W complains that he visited a branch in January 2018 with a support worker and agreed a payment plan for his overdraft and current account. But Santander later told Mr W it had no record of his visit to the branch and no payment plan was agreed.

Mr W also complains that despite being aware of his mental health issues Santander's refused to correspond with him in writing.

## **background**

The background to this complaint, and my initial conclusions, were set out in my provisional decision dated 13 November 2018 – a copy of which is attached and forms part of this final decision.

In my provisional decision I explained why I thought this case should be upheld and what should happen to resolve the complaint. I invited both parties to send any additional evidence or comments they wished to make.

Mr W confirmed receipt of the provisional decision and that he had no further comments to make.

Santander responded and made the following points:

- Mr W made a payment of £100 to his credit card on 28 January 2018 but that happened before its branch was open for business.
- It remained of the view that Mr W hadn't visited its branch in January 2018 to discuss payment plans for his credit card and overdraft.
- It agreed corresponding in writing with Mr W should've been offered sooner and that it'd failed to take his communication preferences into account.
- It agreed to refund the interest and charges during the period set out in my provisional decision but felt any amendment to the credit file should include a reference to a payment arrangement being in place.
- It agreed some compensation for the service provided was fair but felt £200 was too high and that £100 was reasonable.

## **my findings**

I've carefully considered all of Santander's comments. But having done so, I'm satisfied that my provisional decision is a fair way to resolve Mr W's complaint. I'll explain why.

I take on board what Santander's told us about its systems and that there's nothing to show anyone in branch accessed Mr W's accounts in January 2018. I also note what it says about the timing of Mr W's payment to his credit card. But Mr W says he visited the branch on 27 January 2018 and he made a payment of £100 to his credit card on 28 January 2018, the following day.

I also have to take into account what Mr W says happened and the supporting information he's supplied. The supporting information is quite compelling as it comes from a third party who visited the branch with Mr W. So whilst I don't doubt that no one in branch was able to agree a plan or accessed Mr W's accounts on 27 January 2018, I still think it's more likely than not that he did make a visit and provided financial information about his circumstances which Santander failed to follow up.

However, as I explained in my provisional decision, the key issue here isn't actually whether Mr W visited the branch. It's that Santander was aware Mr W was vulnerable during this period. So when he explained he would only correspond in writing it should've done more to make reasonable adjustments for him. Santander's failure to do so led to a deadlock situation as Mr W wasn't able to discuss options to repay the debts. From what I've seen, this appears to be the main reason why no progress has been made to repay Mr W's debts.

Santander's said that if Mr W had agreed a repayment plan in January 2018 (or shortly after) an arrangement to pay would've shown on his credit file. It's also said that the information reported to the credit reference agencies would remain. I agree that information reported to the credit reference agencies should be accurate. But I can't agree that reporting a payment arrangement that didn't exist would be accurate. I understand that if Mr W is able to agree a payment arrangement with Santander that should be reflected on his credit file from that point, but I don't think reporting an arrangement that started around the time Mr W asked to correspond in writing would be fair or accurate.

Taking everything Santander's said into account, I still think the fair approach here is to remove any adverse information it's reported to the credit reference agencies from February 2018 onwards. But it's worth Mr W noting that Santander is entitled to record accurate information on his credit file moving forward. So it's important that he is able to agree a way forward with Santander. If he doesn't then his credit file may be impacted.

Santander's said it thinks £100 would be a fairer level of compensation in regards to the service Mr W received and the trouble and upset caused. But I don't agree. I think £200 fairly reflects the length of time this issue has remained unresolved and the impact of Santander's errors on Mr W.

I've carefully considered everything Santander's said in response to my provisional decision dated 13 November 2018 but haven't been persuaded to reach a different outcome. As a result, I'm upholding Mr W's complaint. To resolve the complaint Santander should:

- Refund all default charges and associated interest to Mr W's current account and credit card from 13 February 2018 (when Mr W asked to communicate in writing) to the date of settlement.
- Send Mr W an income and expenditure form along with details of any other information it requires.
- Give Mr W a reasonable amount of time to respond in writing with the information requested. Then continue to correspond with him if further information is required allowing a reasonable period to respond each time.
- Assess Mr W's circumstances to see if a payment plan can be agreed.
- Remove any adverse information recorded on Mr W's credit file as a result of this situation.
- Pay Mr W an additional £200 for the trouble and upset caused by not agreeing to communicate in writing.

As I said in my provisional decision, I need to explain to Mr W that I'm not telling Santander to agree a payment plan. Santander should assess Mr W's circumstances based on what he tells them to see what options is can offer. And it's also important to note Santander's point that communicating in writing may take longer than discussing the issues directly.

**my final decision**

For the reasons given above and set out in my provisional decision dated 13 November 2018 I uphold Mr W's complaint about Santander UK Plc. And I direct it to put things right in line with the settlement I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 12 January 2019.

Marco Manente  
Ombudsman

**copy provisional decision 13 November 2018**

**complaint**

*Mr W complains that he visited a branch in January 2018 with a support worker and agreed a payment plan for his overdraft and current account. But Santander later told Mr W it had no record of his visit to the branch and no payment plan was agreed.*

*Mr W also complains that despite being aware of his mental health issues Santander's refused to correspond with him in writing.*

**Background**

*Mr W has a credit card and overdraft with Santander. He's told us that in January 2018 he visited a branch with a support worker and information about his finances to discuss payment plans. As a result, Mr W says he agreed to pay £100 to the credit card and £95 to the overdraft a month.*

*Santander doesn't have a record of Mr W's visit or the payment plans he says were agreed. But it offered to discuss options with Mr W if he called.*

*Mr W complained that the payment plans weren't being honoured. In February 2018 Mr W explained he wasn't able to discuss matters over the phone due to his mental health issues and asked to correspond in writing. Santander responded and said no payment plan existed. It also offered to make Mr W an appointment to visit a branch which would call its collections team to discuss options on his behalf but didn't agree to communicate in writing. Santander paid £30 into Mr W's account to cover the costs of visiting its branch.*

*The complaint was referred to this service and an adjudicator looked at what'd happened. They didn't agree Santander had made an error. As Mr W didn't accept the adjudicator's view the complaint's been passed to me to make a decision.*

**my provisional findings**

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

*From what I've seen I think there are two key issues here. The first is whether Mr W agreed a payment plan in branch when he visited in January 2018. The second is whether Santander treated Mr W positively and sympathetically in relation to financial difficulties he's experienced and taken his mental health issues into account. I'll deal with each in turn.*

*Mr W says he agreed a payment plan on 27 January 2018 when in branch with a support worker. And the person Mr W visited with has confirmed his version of events to the adjudicator. I accept that there's no record of his visit but I'm satisfied Mr W did go to the branch as he's said.*

*However, Santander has told us that it's not possible for its branches to agree payment plans with customers who are experiencing financial difficulties – there's a specialist team that deals with that. Santander's also given us evidence to show that Mr W's current account and credit card weren't accessed on its systems on the day he says he visited. Given that Santander's confirmed no one in branch looked at Mr W's accounts when he visited and it couldn't set up a payment plan I'm not persuaded one was formally agreed.*

*Where information is inconsistent or incomplete I'll assess what's happened based on the balance of probabilities. That is, what I consider most likely to have happened in light of all the available evidence. Taking this into account, I think it's likely that Mr W did discuss options with the branch in a general way and that it took the income and expenditure information he had with the intention of forwarding it on. It's not clear why Santander didn't take further action following Mr W's branch visit.*

*For me the key issues of the complaint relate to what happened next. Mr W quickly raised a complaint about what'd happened in branch. During his emails with Santander he explained that due to his mental health issues he wasn't comfortable discussing his circumstances over the phone and wanted to communicate in writing. And while I can see Santander did make an adjustment and offered to arrange a meeting in branch so one of its staff members could call on Mr W's behalf, that doesn't feel fair. I note that after specifically asking to correspond in writing, Santander's responses failed to offer Mr W that option.*

*From what I've seen, Santander's decision not to communicate in writing is what's held up discussing a payment plan with Mr W. The adjudicator recently reminded Santander that the rules say it should communicate with its customers via their preferred method of communication. And Santander has since confirmed it is able to deal with Mr W in writing and can send him an income and expenditure form to complete.*

*Santander's explained that it doesn't generally offer this option because it can delay agreeing a payment plan. But given that Mr W won't communicate over the phone or in person I think Santander's failure to offer this option caused the delay here.*

*Santander should treat customers in financial difficulties positively and sympathetically and it should also take into account any mental health issues they have. I can see that Santander's notes going back to 2016 record Mr W as being vulnerable. So I think there was an even greater onus on it to try and work with him to address his financial difficulties in line with his preferred method of communication.*

*As Santander was in a position to communicate in writing I think it's unfairly delayed giving Mr W that option. That's impacted Mr W's ability to discuss his financial difficulties and potentially agree a payment plan. From what Mr W's said, I'm satisfied he's willing to work with Santander if it communicates in writing. So, for the reasons given above, I'm minded to uphold Mr W's complaint.*

*To resolve the complaint Santander should:*

- *Refund all default charges and associated interest to Mr W's current account and credit card from 13 February 2018 (when Mr W asked to communicate in writing) to the date of settlement.*
- *Send Mr W an income and expenditure form along with details of any other information it requires.*
- *Give Mr W a reasonable amount of time to respond in writing with the information requested. Then continue to correspond with him if further information is required allowing a reasonable period to respond each time.*
- *Assess Mr W's circumstances to see if a payment plan can be agreed.*
- *Remove any adverse information recorded on Mr W's credit file from February 2018 to the date it completes its assessment of Mr W's circumstances.*
- *Pay Mr W an additional £200 for the trouble and upset caused by not agreeing to communicate in writing.*

*I need to explain to Mr W that I'm not telling Santander to agree a payment plan. I intend to tell Santander to assess Mr W's circumstances based on what he tells them to see what options it can offer. And it's also important to note Santander's point that communicating in writing may take longer than discussing the issues directly.*

#### ***my provisional decision***

*My provisional decision is that I intend upholding this complaint in line with the settlement set out above.*

*Mr W and Santander UK Plc have until 13 December 2018 to send me anything further they'd like me to consider before I make a final decision.*

*Marco Manente  
Ombudsman*