

## **complaint**

Mr H complains that Santander UK Plc behaved irresponsibly in giving him an overdraft facility when he could not pay it off. Mr H wants Santander to write off the debt and close his account.

## **background**

In November 2012 Santander offered Mr H an overdraft facility. He used the overdraft but has been unable to pay off the debt or to pay the overdraft charges and interest. Mr H says Santander knew he had mental health issues and should have known that he had a poor credit rating. He thinks that, if Santander had taken these into account, it would not have given him an overdraft facility.

The adjudicator did not recommend the complaint was upheld. She concluded that the bank had not made an error. After her conclusion was reached and learning of Mr H's mental health issues, Santander offered to refund all overdraft fees from September 2012 to August 2013 (when charges were suspended). Mr H says that Santander acted in breach of the Lending Code.

## **my findings**

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint. Where the evidence is incomplete, inconclusive or contradictory (as some of it is here), I reach my decision on the balance of probabilities – in other words, what I consider is most likely to have happened in the light of the available evidence and the wider circumstances.

Santander says that it was not aware of Mr H's mental health issues at the time the overdraft facility was arranged. Whilst Mr H says that he had told Santander about them, the document he has produced is addressed to another bank, not Santander. Taking all the evidence into account, I am unable to find Santander was aware of Mr H's mental health issues or that it should have taken them into account when considering whether to give him an overdraft facility.

Santander said that it complied with the Lending Code when it offered Mr H an overdraft facility. It has described the steps taken before giving Mr H an overdraft facility. It said it considered Mr H's account history and its internal scoring system (his account had been in credit at that time) but told the adjudicator that a credit reference check was not usually necessary and only occurred if an application was referred to an underwriter. When asked whether it had complied with the Lending Code, the bank said that the behavioural scoring system used by the bank included credit reference agency information.

On this evidence, I find that the bank's internal scoring system included credit reference material and Mr H's existing financial commitments. I am unable to make a finding that the bank acted unreasonably in granting Mr H an overdraft facility.

I consider Santander's offer to refund all overdraft fees from September 2012 to August 2013 (when charges were suspended) is a reasonable one. I have considered whether, in addition, Santander should (as Mr H requests) write off Mr H's overdraft debt. But I find that Mr H has had the use of that money and it would not therefore be reasonable to expect Santander to write off the debt.

I urge Mr H to make contact with Santander to discuss his current financial position, and I remind Santander of its ongoing responsibility to respond sympathetically and positively to a consumer in financial difficulty.

**my final decision**

I consider Santander UK Plc has made a fair and reasonable offer to resolve this complaint. Santander UK Plc should refund to Mr H's current account, all overdraft charges and associated interest that it applied from September 2012 to August 2013, as it has offered to do.

Angela Black  
**ombudsman**