

complaint

Mr N complains that Santander UK plc didn't freeze his current account when he asked them to. This led to him going overdrawn and incurring fees.

background

Mr N arranged for his wife to manage his current account with Santander while he was in prison. Sadly they separated during this time and Mr N wrote to Santander to ask that his account be frozen until he would be able to actively manage it himself.

But this didn't happen. And when he was released, he found that his account had been taken overdrawn and that he'd incurred a number of fees and charges as a result. Santander had recorded a default against his credit file.

After looking into the matter, Santander wasn't able to trace a letter from Mr N about freezing his account. But it agreed to waive some of the charges he'd incurred. It initially said it would refund £190 of these, and then a further £190. This left an outstanding balance for Mr N to pay but it said these were spending on the account rather than charges.

But it said the default of the account had been correctly applied so it wouldn't be removed.

Our adjudicator thought Santander had acted fairly. She said it had an obligation to report accurate information to credit reference agencies and Mr N's account hadn't been managed in line with the terms of the account. She said Santander had acknowledged Mr N's situation and agreed to refund the charges applied to the account leaving the balance of spending to be cleared through the recovery agent.

Mr N said that he was willing to pay back all the spending on the account, but asked for the default to be removed. He said what happened had been out of his control and the default was affecting his ability to get credit elsewhere.

my findings

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

I do appreciate the difficulty of Mr N's situation and how the registering of the default has had consequences for him. But I don't think Santander should be required to remove it if he repays the outstanding balance on his account when it is a true reflection of how his account has been managed.

Although Mr N was in a situation that meant he couldn't actively manage the running of his account, there was spending on it that took him overdrawn.

Unfortunately, Santander has no record of receiving his request to freeze the account when he and his wife separated. So I don't think it was wrong to allow the outgoing payments on the account to go through.

In the circumstances, Santander has agreed to refund the charges that were applied to the account. This leaves a balance outstanding of the spending on the account and I think that's a fair resolution to this complaint.

my final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr N to accept or reject my decision before 5 December 2016.

Cathy Bovan
ombudsman