

## **complaint**

Mr A complains that Santander UK Plc failed to update all its records with his new address. This resulted in him exceeding his overdraft limit and the bank placing an adverse notice on his credit file.

## **background**

Prior to 2010 Mr A asked Santander to note his new address on several occasions and it failed to do so. He made a complaint to the bank in 2010 and received an apology and compensation. He also received an assurance that his records had been updated. In 2011 he discovered that the bank had not updated its records for his current account. Because of this error Mr A didn't receive a letter sent in May 2011 telling him that as no deposits had been made for over a year his overdraft facility was being removed. The bank then placed an adverse notice on his credit file.

In the summer of 2011 both the bank and Mr A tried to contact each other on several occasions, but with limited success. However in July 2011 they did speak and the bank offered to remove the adverse notice. It also offered Mr A £115 compensation. In turn Mr A agreed to call back to arrange to repay the overdraft. Subsequently Mr A and the bank were unable to agree an acceptable arrangement to clear the debt. As no money was coming in to the account the bank sent Mr A a default notice in September warning him the account would be closed. It closed the account some six weeks later and suspended further interest and charges on it. An adverse notice was put on his credit file. In due course Mr A began making monthly payments and cleared the debt by April 2013.

The adjudicator did not recommend that the complaint be upheld. She concluded that the October adverse notice was due to the fact that Mr A had not cleared his overdraft or agreed an arrangement that was acceptable to the bank. It was not due to the bank failing to update its records. The bank had dealt with the original adverse notice by having it removed and had offered compensation. Mr A did not agree and felt that his credit file should be cleared.

## **my findings**

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

I understand Mr A's frustration at Santander's repeated failure to update his address details. In response to his initial complaint it told him his records had been updated and paid him compensation for any distress and inconvenience he has suffered. Later he found that his current account records had not been amended and an adverse notice had been placed on his credit file. The bank apologised again and offered him more compensation and removed the adverse notice.

Shortly afterwards it asked Mr A to repay his overdraft or come to an arrangement that would clear the outstanding amount over three months. The bank was entitled to do this. However, Mr A was in financial difficulties and could not make an offer that was acceptable to the bank. A lump sum Mr A was expecting did not turn up and he offered a minimal monthly payment, which would have taken several years to clear his debt.

The overdraft had been in existence for some time and Mr A had not acted to reduce it. I understand the bank's repeated failure to update its records did not help matters. However,

I do not consider the adverse notice placed on his credit file in October was caused by the bank not updating its address records. I find it was Mr A's inability to repay his debt that led to the account being closed and the adverse notice being issued. In the circumstances, I don't find the fair outcome is for me to require the bank to amend his credit file.

**my final decision**

My final decision is that I do not uphold this complaint. I leave it to Mr A to decide if he wishes to accept Santander UK Plc's offer of £115.

Ivor Graham  
**ombudsman**