

complaint

Mrs F complains that Santander UK Plc has registered adverse information on her credit file about her current account overdraft with it. She says that credit file information relates to charges that the bank should not have applied to the account.

our initial conclusions

The adjudicator did not recommend the complaint should be upheld. He was satisfied that Mrs F had exceeded her overdraft limit on her account and had incurred charges. The bank had refunded some charges as a goodwill gesture but the credit record was accurate. Mrs F did not accept the adjudicator's view. She said that if Santander had not applied the disputed charges in 2008 the account default would not have been recorded on her credit file.

my final decision

To decide what is fair and reasonable in this complaint, I have considered everything that Mrs F and Santander have provided. For the type of account Mrs F held, she needed to pay in a minimum amount each month. But Mrs F had not done this from January 2008. In August 2008 the account exceeded the overdraft limit. The bank applied underfunding fees from February 2008 and overdraft fees from August. In June Mrs F started paying in a regular £30 per month to her overdraft, she says under a payment agreement. The bank says it has no record of an agreement.

Mrs F wants the credit file to be changed to remove the defaults in relation to the 2008 credit charges, as a result of the payment arrangement in 2008. I am not satisfied that there was an agreement in 2008. But even so, the bank applied charges before that because of the underfunding and the account balance going over the agreed overdraft. So, the bank was entitled to apply the charges and to correctly record the overdrawn position on the credit file. It is not fair and reasonable for me to order the bank to amend Mrs F's credit record in these circumstances.

My decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Mrs F either to accept or reject my decision before 2 May 2014.

Amanda Maycock
ombudsman at the Financial Ombudsman Service

The ombudsman may complete this section where appropriate – adding comments or further explanations of particular relevance to the case.

ombudsman notes

I had to decide whether Mrs F had reached a repayment agreement with the bank. 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 light of the available evidence and the wider circumstances. I decided that it was more likely than not that there had been no agreement, as the bank did not have a record. I considered the bank would probably have held a record, and it was unlikely the bank had lost it.

what is a final decision?

- A final decision by an ombudsman is our last word on a complaint. We send the final decision at the same time to both sides – the consumer and the financial business.
- Our complaints process involves various stages. It gives both parties to the complaint the opportunity to tell us their side of the story, provide further information, and disagree with our earlier findings – before the ombudsman reviews the case and makes a final decision.
- A final decision is the end of our complaints process. This means the ombudsman will not be able to deal with any further correspondence about the merits of the complaint.

what happens next?

- A final decision only becomes legally binding on the financial business if the consumer accepts it. To do this, the consumer should sign and date the acceptance card we send with the final decision – and return it to us before the date set out in the decision.
- If the consumer accepts a final decision before the date set out in the decision we will tell the financial business – it will then have to comply promptly with any instructions set out by the ombudsman in the decision.
- If the consumer does not accept a final decision before the date set out in the decision, neither side will be legally bound by it.