

complaint

Mr W says Santander UK Plc has continued to contact him about a debt that was included in his bankruptcy. He asks for £2,500 for the trouble and upset this has caused over seven years.

background

Mr W filed for bankruptcy in April 2009. One of the debts included was a loan from Santander. He was discharged from the bankruptcy in September 2009. But the bank wrote to him twice a year about the loan debt. Mr W complained to the bank about this in November 2011, and then opened a complaint with this service, but didn't progress it.

In November 2015 Mr W got back in touch with Santander as he was still receiving transactions summary statements and Notice of Sums in Arrears every six months. It agreed to stop them, but then sent them again in May 2016. After Mr W then brought his complaint to this service, the bank offered to pay £250 compensation. It has stopped all further letters and agreed to write to Mr W confirming there was no debt owing.

Our adjudicator recommended Mr W accept this settlement offer. She said:

- Santander should've stopped sending the statements and notices once the bankruptcy was discharged;
- it seems that Mr W didn't progress the complaint in November 2011 as his insolvency practitioner told him the bank couldn't pursue him for the debt and the statements showed interest wasn't being applied; and
- Santander had failed to stop the statements and notices in November 2015 despite telling Mr W it would.

For this she felt the settlement offer of £250, plus a letter to confirm there was nothing owing, was fair and reasonable. She explained she'd thought about the worry and stress the letters would've caused. But equally the bank hadn't been actively pursuing Mr W for the debt - and it seems Mr W was aware it couldn't. She also noted Mr W hadn't come back us for three years whilst this was ongoing.

Mr W disagreed, saying he would only accept £2,500 as he'd had seven years' torment. So the complaint was passed to me.

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 know Mr W feels very strongly about this but I haven't found any reason to change the proposed outcome.

It's not in dispute that the bank should've stopped the statements and notices. So what I need to decide is what the fair level of compensation is. And I've reached the same conclusion as the adjudicator. I'll explain why.

I can see it must've been distressing for Mr W, and he'd already been through the difficult experience of bankruptcy. But apart from the letters every six months the bank wasn't

contacting Mr W about the loan debt. It wasn't actively asking for repayment. I also think the three year pause in his effort to resolve this, and get the letters stopped, has to be considered.

So, overall, I think £250 is the right level of compensation.

my final decision

My decision is Santander UK Plc must send a letter confirming there is no debt owing (and no further notices or statements will be sent), and pay Mr W £250 in full and final settlement of this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 26 August 2016.

Rebecca Connelley
ombudsman