

## **complaint**

Mr R complains on behalf of M, a limited company, that Santander UK Plc has closed its account, because of debts which Mr R says are made up of bank charges.

## **background**

Mr R has an account for his company, M. He described the extremely difficult personal and family circumstances which he has faced recently. He said that he told Santander about these problems when they started early last year.

Mr R said that he pays a lot of bank charges on M's account, and because of those charges, the account had run up a debt which meant that Santander decided to close it. He said that Santander has now told him that it wrote to him repeatedly about the account closure, but he said that he had told Santander that there was postal fraud in his area. And he said that public authorities had sent agents to his address after not receiving any replies to their letters. He thought that Santander could've done the same.

Santander said that between June 2017 and January 2018, there had been 17 times when it had tried to contact Mr R by letter. It hadn't received any response. And it had tried to ring him when it was about to default his account. But it hadn't managed to get in touch. So it had now closed his account.

Santander said that it had never been told about any exceptional circumstances that might affect Mr R. It didn't think that it had done anything wrong.

Our investigator didn't uphold this complaint. She said that, although Mr R might not have received them, Santander had sent him a number of letters which set out what was happening on his account. And our investigator said that Mr R's account was overdrawn due to transactions on the account, not as a result of charges applied by Santander.

Our investigator said that she could appreciate that Mr R was facing personal and financial hardship, but there was no record that Mr R had ever told Santander that. And he did seem to have spoken to Santander a number of times to update his contact details. Our investigator said that Santander can only offer help if it knows about the problems. As Mr R hadn't got in touch in response to Santander's letters saying it was going to default the account, our investigator didn't think that Santander did anything wrong when it defaulted M's account, and passed the debt to a debt management company.

Mr R didn't agree with that. He said that the bank never tried to come to his trading address to have personal contact, considering that its letters weren't being responded to. And he said that he didn't think that we had taken into account that some charges were for unpaid transactions which led to further overdraft charges. And he said that he did get in touch with Santander, both by phone and in the branch. Mr R said he wanted an ombudsman to consider this complaint.

Our investigator said that we wouldn't expect the bank to visit Mr R, and it had applied charges in line with the terms and conditions of the account. She also said that Santander had no record of Mr R contacting it to say he was having financial problems. So she didn't think Santander had done anything wrong.

This case was then passed to me for a final decision.

## **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've reached the same overall conclusion on this case as our investigator, and for broadly the same reasons.

Mr R says that most of the debt on this account is because of fees that M was charged by Santander. But I've looked at the recent transactions for his account, and, like our investigator, I think that this account went into debt because of payments made by Mr R, not charges applied by Santander.

Mr R said that he told Santander about his financial and personal difficulties. But Santander doesn't have any records of Mr R telling it about these problems. I would expect Santander to have those records, if it had been told this. I don't think that I can reach a decision on the basis that Mr R did tell Santander about those problems, without any record that he did.

Mr R said that if Santander couldn't reach him by post, then it should've sent someone to his trading address. He said that some public authorities had done this, when he wasn't getting post. But I wouldn't normally expect Santander to send a personal representative to M's registered address. In this case, I can see that Santander didn't just write to Mr R. It also tried to contact Mr R by phone, without success. I don't think that Santander needed to do more than that.

In summary, I think that the recent problems with debt on this account seem to have started with transactions made by Mr R. I think that Santander sent Mr R all of the information I would expect it to send, to warn him that this account would be closed and defaulted. And it made reasonable efforts to make sure that he was aware that this was going to happen.

I realise that Mr R has faced very serious personal and family difficulties recently, and I entirely understand why this would've impacted on his business. But I just don't think that Santander knew about that. So I don't think that Santander has done anything wrong.

I know that Mr R will be disappointed, but I don't think that the complaint he brings on behalf of M should be upheld.

## **my final decision**

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask M to accept or reject my decision before 20 October 2018.

Esther Absalom-Gough  
**ombudsman**