

complaint

Mr K complains Santander UK Plc ("Santander") has incorrectly marked his credit file as having missed payments on his overdraft.

background

Mr K had a current account with Santander since 2011 with an arranged overdraft of £1600. From 26 February 2019 until 13 May 2019 (when the account was funded with £250) the account exceeded the overdraft limit. Mr K brought his complaint to us as he was unhappy with Santander's response when he complained that his credit file showed he was two months late in payments. He said he couldn't understand this as there was no requirement to make any payments under the overdraft.

Santander didn't uphold his concerns that adverse information was recorded on his credit file. They said as a responsible lender they had to record the information about his account with credit reference agencies ("CRA's") and the information was correct.

Our investigator didn't uphold this complaint. In both the views he issued he found the information Santander recorded to be correct. And in the second, notwithstanding the screen shot which Mr K had sent him after the first view, he remained of the view the bank had done nothing wrong in its reporting to the CRA's.

Mr K didn't agree. He thought the view was predictable and the investigator had gone out of his way to rule in favour of Santander despite the evidence being quite clear. He thought the investigator had previously confirmed by email, when pushed, that the information published by the CRA was not correct but despite this the final view was that the information was indeed correct. Mr K asked for an ombudsman to review his case.

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 appreciate that Mr K feels our adjudicator hasn't been balanced in his investigation and has shown bias towards Santander. I've looked at everything afresh before reaching an independent view. But I'm not persuaded this is a complaint I can fairly and reasonably uphold. I'll explain why.

I'm considering a complaint here about Santander and the information they've provided.

No one disputes this *overdraft balance had been greater than the overdraft limit for two to three months* from 26 February 2019 until 13 May 2019. In his second view the investigator has included an extract from the glossary of the particular CRA from which Mr K obtained his full credit file. That glossary lists examples of when lenders may use their status codes on *current accounts overdrafts*. Code 2 - used for Mr K's account - lists *"agreed repayments are two to three months behind, your overdraft balance has been greater than your overdraft limit for two to three months, cheques, direct debits and standing orders may have been bounced for a third month to keep the account in order."* So I'm satisfied Santander has done nothing wrong in reporting this information to the CRA.

I appreciate Mr K's complaint turns on a simple point. He agrees he'd exceeded the overdraft limit but thinks Santander should show this on his credit file in the same way other accounts – credit and charge cards – have done on his credit file, rather than choosing to

mark his file as missing payments when none are required under the overdraft. But I don't agree with Mr K's analogy. The reporting of the status on his Santander Current account doesn't work as in quite the same way as reporting for credit card accounts. And that's not something which Santander have any control over. They've reported the factual situation in relation to Mr K's current account and unauthorised overdraft to the CRA in the parameters available to them.

Mr K's sent us a screenshot from his online account with this CRA taken on 13 September 2019. He says it's clear evidence Santander have reported the wrong information to the CRA. But I'm not persuaded that's the case as the screenshot isn't of the credit report itself. There's a separate tab showing the credit report. This screenshot is from the "*Understand your Score*" section of Mr K's account. It gives details of the influencers on the overall credit score both positive and negative and this entry for the Santander account is one of the negative ones. And, it seems to me, to be this particular CRA's own analysis of the situation, not something which Santander has any control over.

Given how strongly Mr K feels about this he may want to pursue the matter further through other routes - I can see from the complaint form he's considering legal proceedings. Or he may wish to make further enquiries with the CRA concerned directly, as the investigator has suggested. But my decision brings to an end what we – in trying to resolve his dispute with Santander informally – can do for him. I'm sorry if this disappoints Mr K.

my final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 10 January 2020.

Annabel O'Sullivan
ombudsman