

complaint

Mr K complains that Santander Cards UK Limited wrongly registered a default on his credit card account. Mr K said that Santander should refund him the charges that it had applied to the account since it last sent him a statement.

background

Mr K says he stopped paying off the balance on his credit card account because he wasn't being sent statements. He says that Santander Cards had the wrong address for him when he called them. He also says that he was not given any warning that a default would be registered on his account. And Mr K has provided this service with a bank statement from a current account that he says shows he had the money available to pay off the balance on credit card account.

The adjudicator did not recommend that it refunded any of the interest and charges incurred prior to the default as she considered that they had been fairly applied when Mr K stopped paying off the balance on his card. She also considered that Santander Card's offer of £100 to compensate Mr K for its poor customer service was fair and reasonable.

The adjudicator found that Santander Cards had not given Mr K notice of the default. She was of the opinion that Santander Cards should remove the registration of the default.

In response Santander Cards disagreed and said it had provided evidence that it had sent a default notice to Mr K at the correct address.

my provisional findings

- I found on the balance of probabilities that Santander Cards did send Mr K a default notice. I concluded it highly likely that Santander sent him a letter warning him his account would default and giving him a notice period of 14 days.
- I agreed with the adjudicator that it would have been best practice for Santander to have given Mr K 28 days notice of the default but decided that was not the central issue.
- I found Santander Cards had shown that it had the right address for Mr K at the time the default letters were sent out.
- I appreciated that Mr K said that he was unaware that his card account was in arrears because it had stopped sending him statements. And I acknowledged that he said he did have the funds available to clear the balance on his account.
- But I found that Mr K had a responsibility to monitor his account and could have requested a balance when he called Santander Cards to check it had the correct address details.
- I concluded that in any event the removal of the default registration would not in itself have been likely to assist Mr K. This is because if he was unable to clear his debt the default would simply be registered and then take longer to clear from his credit history.

- My provisional decision was that Santander Cards UK Limited should pay Mr K the £100 it had previously offered him.

In response Mr K disagreed with my provisional decision.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint. Where the evidence is incomplete, inconclusive, or contradictory (as some of it is here) I reach my decision on the balance of probabilities – that is what I consider is most likely to have happened, given the evidence that is available and the wider circumstances.

I find that Santander provided Mr K with poor customer service when it made a number of mistakes with where it sent his letters and statements. But I find - on balance- that Santander then corrected the address information it had for Mr K. And I conclude - on balance - that Santander did enough to contact Mr K and inform him that a default would be registered on his account.

my final decision

Santander Cards UK Limited should pay Mr K the £100 it has previously offered him for the distress and inconvenience it caused him.

Sarah Brooks
ombudsman