

complaint

Ms W is unhappy that Santander UK Plc is asking her to repay an outstanding amount on her bank account.

background

Ms W decided to switch her current account with Santander to another bank. Santander completed the account switch in September 2017.

Ms W says she then received two phone calls towards the end of 2017, the first of which didn't go any further as she hadn't previously passed their security procedures. When Santander rang the second time, they told Ms W she owed approximately £500 because her account was overdrawn.

Ms W complained to Santander as she felt they'd not completed the account switch correctly. Santander said in response that as there was an outstanding debit balance on the account, this wasn't transferred as part of the account switch. So they said to Ms W the outstanding amount under the overdraft was owed by her.

Ms W didn't agree so she referred her complaint to our service. Our investigator felt that Santander hadn't done anything wrong. Ms W didn't agree and said that Santander hadn't contacted her about an outstanding amount until three months after the account switch. Ms W also says she wasn't told that she owed any money to them when she went into one of Santander's branches, or by anyone at Santander at any point. So she feels this was poor service. And she's not happy that Santander charged her a lot of fees which increased the balance owed.

As Ms W wasn't happy with our investigator's view, she asked for an ombudsman's decision. So Ms W's complaint has been passed to me to review.

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 can see that Ms W has been incredibly frustrated by what's happened and I'm sorry that that's been the case. I realise it's very likely I'm going to disappoint Ms W, which I regret, but I'm not upholding her complaint. Please let me explain why.

I've reviewed what's happened taking into account the points Ms W made to Santander when she complained to them, which is that she feels Santander didn't complete the account switch correctly. I mention this because I can see Ms W told our investigator she wasn't happy with the Santander account itself or that Santander added a lot of fees which increased the amount they say she owes.

Santander will need to be given the chance to investigate these particular points and give its answer to Ms W before we can give our opinion. So I'll leave that for Ms W to decide whether she wants raise this with Santander. If she does, she can let me know in her response to my decision if she so chooses. We may then set up a new complaint for Ms W if appropriate.

I've considered whether Santander completed the account switch correctly. I asked Santander to send me their records showing the history of the switch. Their records show they received notification of the switch from her proposed new bank on 12 September 2017, accepted the switch the following day, and completed this fully on 20 September 2017. I've seen no particular evidence to doubt the accuracy of this. So I'm satisfied Santander completed the switch in a reasonable timeframe.

I know Ms W isn't happy that Santander subsequently asked her to repay what they believe is an outstanding amount owed by her on her bank account. I've looked at the account statements before the account switch was completed and can see the account was overdrawn from at least June 2017 onwards. I can also see that the account remained overdrawn at the end of each month from that point.

So I can't see how Ms W feels she didn't owe Santander any money. I realise Ms W accepts Santander wouldn't have transferred an outstanding debt to her new bank, simply because no bank would've likely accepted a debt such as this for a new customer. And it's of course possible that Santander didn't tell her that she owed them any money when she'd decided to switch her account from them. If Ms W wasn't told this, then I agree it might've been a good idea for Santander to have done so. But crucially I haven't seen sufficient evidence that Ms W was told she didn't need to pay Santander anything.

I note that Ms W says she didn't receive any statements from Santander showing that her account was overdrawn. But I'd be surprised if Ms W hadn't been aware of her account balance whilst she was still using the account. As I've mentioned, statements were being sent to Ms W from at least June 2017 onwards which showed the account was overdrawn at the end of each month. I think it likely Ms W would've known that her account was still overdrawn at the time of the account switch. If Ms W wasn't sure about this, she could've checked with Santander.

Santander has told us that Ms W's account balance hasn't changed since the account switch was completed, and that it currently stands at £545.31. I'm satisfied that's the case so I don't think Ms W has incurred any more charges since that point. Ms W and Santander will now need to agree how this gets repaid.

For the reasons I've given above, I don't agree it's fair and reasonable to ask Santander to not ask Ms W to repay the outstanding balance it's seeking to claim from her.

my final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms W to accept or reject my decision before 4 August 2018.

Dan Picken
ombudsman