

The complaint

Ms T complains that when she transferred £1000 from her account with Partners Credit Union Limited (PCU), a sum of £2000 was debited from her account.

What happened

Ms T held an account with PCU. In September 2021 she requested a transfer of £1000 to her current account. She's unhappy because the sum of £2000 was debited from her account even though she only transferred and received £1000.

Ms T complained to PCU. It said the balance on Ms T's account had been displayed incorrectly as £4491.28 rather than £3491.28 due to a system error. It said that it had checked all transactions since 1998 and that the current balance was correct. PCU apologised for the error and paid compensation of £25.

Ms T remained unhappy and complained to this service.

Our investigator upheld the complaint. She didn't think it was fair that Ms T had her balance reduced without notice in September 2021 because of an error which had occurred some years previously. She said PCU should credit Ms T's account with £1000.

PCU didn't agree. It said Ms T's balance had been displayed incorrectly from 2020 onwards and that prior to this the balance had been displayed correctly on the online banking platform.

What I've decided – and why

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I've looked at the screenshot of the account dated 9 October 1998. This shows a balance of £4491.28.

PCU says that the screenshot shows the balance being transferred from manual records to computerised records. It says it isn't able to provide details of Ms T's balance prior to 1998 because no computerised records are available. PCU says that when the incubator hub was introduced in 2020, the 1998 balance was displayed incorrectly on Ms T's account, with the error only becoming apparent at a later date, at which point it was corrected by debiting £1000. PCU hasn't provided incubator statements prior to the correction.

I've taken all of the available information into account. I've also considered PCU's explanation of how the running balance error occurred. This is based on what the developers of the system have told PCU.

Having done so, I'm not persuaded by the explanation for the balance discrepancy. Based on what I've seen, Ms T's balance was reduced by an additional £1000. I haven't seen enough information from PCU to persuade me that the account balance displayed was incorrect due to a system error.

Taking everything into account, I don't think PCU has acted fairly.

Putting things right

To put things right PCU should credit Ms T's account with £1000.

My final decision

My final decision is that I uphold the complaint. Partners Credit Union Limited must credit Ms T's account with £1000.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms T to accept or reject my decision before 4 February 2023.

Emma Davy
Ombudsman