

The complaint

Mr M has complained that Northern Bank Limited trading as Danske Bank wrongly issued his ex-partner with a card to his bank account when it had no authority to do so.

What happened

Mr M noticed some transactions on his bank account between 1 August 2022 and 15 August 2022 which he was certain he hadn't made so he raised the issue with Northern Bank. It transpired that these transactions were made by his ex-partner on her card to his account. Mr M then said he never gave any authority for anyone including his ex-partner to be given access to his bank account with a card. Northern Bank then discovered it had issued a card to Mr M's then partner in 2013. This was without Mr M's authority or knowledge. There were previous transactions which Northern Bank identified when his ex-partner used the card in 2013 and 2014 too.

Northern Bank issued a refund to Mr K of all the identified transactions made by his ex-partner. Subsequently after Mr M brought his complaint to us, Northern Bank then raised its compensation from £100 to £250.

Mr M remained dissatisfied, but the investigator didn't think Northern Bank had to do anything more. Mr M disagreed so his complaint was been passed to me to decide.

I issued a provisional decision on 27 June and I said the following:

'This is a very unusual case. Normally no bank would issue a card on someone else's account without their express authority regardless of any relationship. It's a gross contravention of the rules concerning a customer and their bank along with no doubt issues concerning the contravention of the data protection rules. Data protection however is not in the remit of this service, so I am not able to make any finding on that aspect.

Northern Bank has admitted its error which I consider is appropriate and it has sought to refund all the transactions made from the date it can work out it issued this card to Mr M's ex-partner, namely 2013, to date.

Due to the fact that these issues go back as far as 2013 that could have raised jurisdiction issues for the ability of this service to deal with the entirety of Mr M's complaint since we're only permitted to investigate matters which happened in the previous six years or if later within three of the consumer being aware of the issue. And as Northern Bank ignored any such jurisdiction issues in providing the refund to Mr M from transactions done as far back as 2013, we asked it for their consent to ignore the jurisdiction issues. I'm grateful that such consent was forthcoming.

When I asked Northern Bank why they didn't add interest to the sums refunded to his account it said that because his account was a current account and therefore not an interest-bearing account. However, this ignores the fact that Mr M was without these

funds himself from the time of any of the transactions to the date of Northern Bank's refund. This is of course due to the fact that Northern Bank wrongly issued a card on Mr M's account to his ex-partner. Therefore, I consider it's only fair and reasonable that Mr M is entitled to interest on each transaction from the date it was made to the date of the refund. As Northern Bank is aware this service awards 8% simple interest on such issues. I consider it's irrelevant what type of account Mr M had, because he nonetheless was wrongly deprived of the funds at the time each transaction was made.

Mr M was extremely distraught that a card had been given to his ex-partner and from 2013. He explained that previously he has some monetary issues with a previous partner which was very distressing for him and since that time no one other than him was permitted access to his account. When he realised the matter went all the back to 2013 this upset him further. I do understand and appreciate this. And as I said at the beginning this is a very unusual case and I do understand and appreciate Mr M's distress. However, he only discovered this from August 2022 onwards. He wasn't aware of it from 2013 to date. Northern Bank sought to refund Mr M as quickly as it could too and indeed ensure the card given to his ex-partner erroneously was swiftly cancelled.

Therefore, I consider the sum now offered to Mr M by Northern Bank of £250 compensation to be reasonable and it's in line with our approach to compensation for refunded disputed transactions like this. Any compensation which I can award is compensation for the distress Mr M suffered, it's not to punish Northern Bank or indeed to fine them. It's simply to acknowledge the distress of Mr M finding out a card had erroneously been given to his ex-partner which she used.

Mr M also said that Northern Bank should apologise to him. I actually agree with this given the very unusual circumstances of this complaint. Therefore, I consider Northern Bank should write to Mr M apologising for its gross error in giving his ex-partner a card on his account with any authority from Mr M and for the shock and upset this caused him.'

Mr M accepted my provisional decision but still felt Northern Bank had got off lightly given its gross mistake. Northern Bank didn't respond within the time limit.

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.

Having done so again having noted Mr M's acceptance and no further response from Northern Bank, I see no reason to depart from the reasoning and outcome I've outlined in my provisional decision as above.

My final decision

So, for these reasons it's my final decision that I uphold this complaint in part.

I now require Northern Bank Limited trading as Danske Bank to do the following:

- Add 8% simple interest from the date each transaction was made to the date of the refund to Mr M. If income tax is to be deducted from the interest, appropriate documentation should be provided to Mr M for HMRC purposes.

- If it hasn't already done so, pay Mr M the sum of £250 compensation.
- Write a letter of apology to Mr M.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 10 August 2023.

Rona Doyle
Ombudsman