

## **The complaint**

Mr F is unhappy that Santander allowed his account to go into an unauthorised overdraft.

## **What happened**

Mr F attempted to withdraw £60 from an automated teller machine (ATM). When it didn't dispense, he attempted £20 which was successful. When Mr F then reviewed his on-line banking statement, he could see the original £60 requested had been debited, so the additional £20 received had resulted in him going into an unauthorised overdraft. Mr F didn't think his account could go into an unauthorised overdraft so was surprised at this. Shortly after, he logged back into his online banking again and could see that the £60 had now been re-credited. Mr F said that he had to get a bus into town to use a different ATM to withdraw a further £40.

Mr F complained to Santander, saying that he was unhappy that his account had been able to go into an unauthorised overdraft and that he had to travel to a different ATM to get the additional money that was needed.

Santander didn't uphold the complaint. It said that it had authorised the £60 initial withdrawal and it must have been an issue with the ATM provider, which wasn't Santander. It also said its terms and conditions state that it may authorise a payment, depending on the circumstances, even if that meant an account would enter an unauthorised overdraft.

Mr F was unhappy with this so brought the complaint to us. He said he wanted compensation for the stress and inconvenience the situation had caused and wanted his travel costs refunded. One of our investigators looked at it but didn't think that Santander had done anything wrong. Mr F remained unhappy so asked for the complaint to be reviewed by an ombudsman, so the complaint was passed to me.

## **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, my review of the evidence has led me to the same overall conclusions as the investigator, for broadly the same reasons.

Mr F has raised a number of points and although I may not mention every point raised, I've considered everything he has said but limited my findings to the areas which impact the outcome of the case. No discourtesy is intended by this. It just reflects the informal nature of our service.

Santander have provided the audit logs, which show that it authorised the payment of £60 when requested. This means it's likely the error was with the ATM machine, rather than a banking function. This is further supported by the fact the £60 was re-credited to the account shortly afterwards. As the machine is not a Santander ATM, while I can understand the worry and frustration this must have caused, I can't hold Santander responsible.

When Mr F didn't receive the £60, he then attempted £20. This was successful but resulted in Mr F going into an unauthorised overdraft. I have reviewed the terms and conditions for Santander current account and it states:

*"An unarranged overdraft is where a transaction takes your balance below zero without an arranged overdraft in place or beyond your agreed arranged overdraft limit. These transactions are automatically treated as requests for an unarranged overdraft.*

*When you try to make a payment that would take you into an unarranged overdraft, we decide whether to allow the payment to go through based on your individual circumstances."*

I therefore don't think it was unreasonable for Santander to allow the additional £20 to be withdrawn, despite the fact it led to Mr F being in an unauthorised overdraft. I can see from the file that no fees or charges were applied to the account as a result of this.

I was pleased to see that the failed transaction reversed shortly afterwards and Mr F was able to receive the money that he required. While I understand why Mr F would be unhappy with what had happened, having reviewed all of the information, I don't think it would be reasonable to hold Santander responsible or ask it to pay any compensation or travel expenses.

### **My final decision**

I do not uphold this complaint

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 3 July 2024.

Sarah Green  
**Ombudsman**