

## **The complaint**

Mr H is unhappy with the service he received from Santander UK Plc surrounding transactions that were declined when he tried to make them.

## **What happened**

Mr H contacted Santander because he was unhappy that payments that he was trying to make to a well-known merchant were all being declined. Mr H wasn't happy with the standard of service he received when communicating with Santander, including regarding the information he was given and that a call back he was promised didn't take place. So, he raised a complaint.

Santander responded to Mr H and explained that a stop had been placed on all transactions to this merchant following a call that Mr H made to Santander a few months prior. On that prior call, Mr H had wanted to cancel a recurring subscription payment he had with the merchant. And Santander accepted that it hadn't been clearly explained to Mr H at that time that all future payments to the merchant (including non-subscription, i.e. individual purchase payments) would be stopped.

Additionally, Santander agreed that Mr H hadn't received an acceptable standard of service when bringing his concerns about the declining payments to them, including that Mr H hadn't received a call back when he should have done. Santander apologised to Mr H for any trouble or upset he may have incurred because of what happened and offered to pay £100 to him as compensation for this Mr H wasn't satisfied with Santander's response, so he referred his complaint to this service.

One of our investigators looked at this complaint. But they felt Santander's explanation, apology, and offer of £100 compensation already represented a fair outcome to what had happened. Mr H didn't agree, and so the matter was escalated to an ombudsman for a final decision.

## **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.

Mr H has said that he's dissatisfied with how Santander have handled the complaint that he brought to them about what happened. However, the rules by which this service must abide, which can be found in the Dispute Resolution ("DISP") section of the Financial Conduct Authority ("FCA") Handbook, include that this service is only permitted to consider points of complaint about specified financial matters.

Importantly, how a business handles a complaint isn't one of the specified financial matters that this service is permitted to consider, as per the DISP rules. This means that this service can't consider a complaint about how a business has handled a complaint. And that remains the case even when the complaint is itself about a matter that this service is permitted to consider, as is the case here.

Mr H feels that Santander's processes that surround stopped payments are flawed. This includes that Santander sometimes wait for affected customers to reach out and contact them, rather than Santander proactively reaching out to affected customers. And Mr H would like this service to instruct Santander to change the way it operates in this regard.

I can appreciate Mr H's strength of feeling in this regard. But it must be noted that this service isn't a regulatory body, and this means that this service has neither the remit nor the authority to instruct a business to change how it operates as Mr H would like. Rather, this service is an informal dispute resolution service, with a remit that extends to, and no further than, the person who brings their complaint to this service, and which is focussed on fairness of outcome from an impartial perspective.

What I can consider here is whether I feel that Santander have treated Mr H fairly about the issue about which Mr H raised his complaint. That is, regarding the stopping of Mr H's payments to the merchant and the service Mr H received from Santander surrounding this.

To that end, I've listened to the call that took place when Mr H wanted to stop his subscription payments to the merchant and when a block was placed on all future payments to be made to the merchant. Having done so, I agree with Santander that it wasn't made clear to Mr H at that time that all future payments to the merchant would be blocked. And I feel that if that had been made clear to Mr H that he would have understood why the payments he later tried to make didn't go through such that the inconvenience and frustration that Mr H has experienced here would most likely have been avoided.

Additionally, I also agree with Santander that they didn't provide a reasonable standard of service to Mr H when he called them about why his payments weren't being made. This includes that it wasn't initially recognised by Santander's agents that there was a block on the specific merchant such that Mr H was given incorrect information about why the payments were declining. And because Mr H didn't receive a call back from Santander when one was promised to him.

As such, I'm satisfied that Santander, in their response to Mr H's complaint, have identified the mistakes they made and the poor service they provided that gave Mr H cause to complain. And so, I've gone on to review whether I feel that Santander's apology to Mr H and offer of £100 compensation to him do provide a fair resolution to this complaint.

When considering this point, I've taken into account the impact of these events on Mr H, including the frustration the declining payments and incorrect information Mr H received may have caused, as well as the inconvenience he's experienced through having to contact Santander about this matter. And I've also considered the general framework this service uses when assessing compensation amounts, details of which are available on this service's website.

Having done so, while I appreciate that Mr H will most likely disagree, I feel that the apology and offer of £100 compensation already made by Santander does represent a fair outcome to what's happened here. And I can confirm to Mr H that the £100 compensation amount is commensurate with what I might have instructed Santander to pay to Mr H, had they not already offered to do so.

Finally, Mr H is unhappy that when the payments to the merchant were declined, Santander didn't contact him about this. However, Mr H made this complaint in reference to payments being stopped by Santander for potential fraud concerns. But as is now understood, that isn't what happened here. Rather, the payments were stopped because there was a block on the merchant in question on Mr H's account, that Mr H had previously unknowingly agreed to and authorised. And, in such circumstances, I wouldn't expect a business to contact a

customer to confirm that a payment to a voluntarily blocked merchant had been stopped.

It therefore follows that while I will be upholding this complaint in Mr H's favour, I'll be doing so only to instruct Santander to pay the £100 compensation to Mr H that they've already agreed to pay. And I won't be issuing any further or alternative instructions to Santander beyond this. I hope that Mr H will understand, given what I've explained, why I've made the final decision that I have.

### **Putting things right**

Santander must pay £100 to Mr H.

### **My final decision**

My final decision is that I uphold this complaint against Santander UK Plc on the basis explained above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 12 November 2024.

Paul Cooper  
**Ombudsman**