

## **The complaint**

Mr S is unhappy with conduct of Santander UK Plc surrounding a direct debit he didn't have sufficient funds present in his current account to pay.

## **What happened**

Mr S had a direct debit set up with Santander to make monthly payments to his Santander credit account. In January 2025, Mr S failed to ensure that the required funds were present in his bank account for the direct debit payment to be taken, and because he was on a cruise, and at sea, he didn't receive any notification that the payment hadn't been successful.

The following day, when Mr S was onshore, he did receive a notification from his current account provider, whom I'll refer to as 'X', that the direct debit payment to Santander hadn't been made. Mr S transferred money into his X account so that the required funds would be available when Santander reattempted the payment. But Santander didn't reattempt the payment, and Mr S later found that Santander had charged a late payment fee to his account. Mr S wasn't happy about this, so he raised a complaint.

Santander responded to Mr S but didn't feel they'd done anything wrong. However, Santander reimbursed the £12 late payment fee to Mr S as a gesture of goodwill. Mr S wasn't satisfied with Santander's response and felt that they were in breach of several regulatory principles. Mr S therefore referred his complaint to this service.

One of our investigators looked at this complaint. But they didn't feel that Santander had acted unfairly towards Mr S and so didn't uphold the complaint. Mr S remained dissatisfied, 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.

In his recent correspondence with this service, Mr S has clarified that his complaint is that he feels that Santander's processes are not consumer friendly and may lead to unfair outcomes for other consumers. Mr S would therefore like this service to instruct Santander to change the way it operates in this regard.

But this service isn't a regulatory body, and so I have neither the remit nor the authority to instruct Santander to change its processes. Instead, this service is an informal dispute resolution service with a remit focussed on the outcome for the complainant. This means that I don't have the remit to consider the implications of what's happened for consumers in general. I can only consider the outcome here for Mr S. Similarly, while I have taken the law and regulation into account when conducting my review, my decision has been based on whether I feel that a fair outcome has occurred, as per the remit of this service.

If Mr S feels that Santander haven't acted in accordance with regulation, I can only refer him to the relevant regulatory body, which in my understanding would be the Financial Conduct

Authority ("FCA").

Mr S feels that Santander have failed in their responsibilities to him by not sending a notification that the direct debit hadn't been successful. It's unclear whether Santander did or did not send notification to Mr S. But ultimately, given the remit of this service, I don't feel that it matters. This is because Mr S couldn't receive notifications on the day the payment failed because he was at sea. And it's also because Mr S did receive a notification from X the following day, when he could receive notifications.

As explained above, this service's remit is outcome focussed. Whether Santander sent a notification to Mr S or not, Mr S did receive a notification about the missed payment at the earliest time that he could have done – from X. As such, I'm satisfied that if it were the case that Santander didn't send a notification to Mr S, there was no detriment to Mr S as a result, because the outcome would have been same either way – Mr S would always have received the notification that his direct debit payment had been missed from X, such that any potential failure of Santander to send a notification had no impact.

Mr S is also unhappy that Santander chose to reapply for the direct debit on the same day that it initially failed. But when a direct debit fails, it is reattempted by the sending bank – in this instance X – in accordance with the terms and conditions of that sending bank. This means that the choice to reattempt the direct debit on the same day that the payment initially failed was made by X. As such, if Mr S is unhappy about with how X reattempted the direct debit payment, I can only refer him to X.

Ultimately, the direct debit payment wasn't successful because Mr S didn't ensure that there was sufficient money in his X account to make the payment. Mr S received notice of the failed payment at the earliest opportunity from X, who later reattempted the payment in line with their policies. Additionally, Santander have reimbursed the late payment fee that was correctly charged as a gesture of goodwill and have confirmed that no adverse reporting has been made to Mr S's credit file regarding the payment. I'm therefore satisfied that Mr S hasn't incurred any detrimental outcome here.

All of which means that I don't feel that Santander have acted unfairly towards Mr S, and it follows from this that I won't be upholding this complaint or instructing Santander to take any further or alternative action.

### **My final decision**

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 12 August 2025.

Paul Cooper  
**Ombudsman**