

## **The complaint**

Mr C complains that Santander UK Plc have failed to act on his instruction to raise a direct debit indemnity claim for payments made to his energy provider in 2020 and 2021. Mr C claims that these payments were taken despite him not getting an actual bill only estimates.

Mr C further complains that Santander failed to communicate to him the outcome of his claim.

## **What happened**

In August 2025 Mr C asked Santander to raise a direct debit indemnity claim for the payments. Santander declined Mr C's claim as he was unable to provide supporting evidence that he had advised the direct debit originator of the cancellation, or that an error had been made in claiming these payments.

The investigator considered the Direct Debit Guarantee scheme, and the requirements under that scheme and agreed that as no evidence of an error had been sent in by Mr C, Santander were not required to refund the payments.

Santander's process is to send a text message to the customer to advise them of the outcome of their claim. Mr C doesn't have a mobile phone and so he never received notification of the outcome.

Santander accepted that they should have considered an alternative method of contact on this occasion either by phone or email. In acknowledgement of this they offered Mr C £50, which he has rejected.

The investigator explained to Mr C that whilst this service does not have the power to ask Santander to change their internal processes, Santander had recognised that a different process was required when a customer doesn't have a mobile phone.

As the decision not to contact Mr C didn't change the outcome of his claim in any way the investigator decided that £50 was fair.

## **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, I uphold this complaint. I'll explain why.

For clarity I should explain that I have considered this complaint on its own merits, the outcome of any previous complaints relating to direct debit indemnity claims will not be considered as each complaint we receive has specific circumstances.

Additionally, I can only comment on the areas of this case which fall within the Financial Ombudsman Service remit.

Santander asked Mr C to provide evidence of the cancellation instruction he sent to his energy provider. Mr C hasn't been able to do this, so the claim request and payment refund was rejected.

This is because the Direct Debit Scheme says that:

*'where an error is made in the payment of your direct debit by the organisation or your bank or building society, you are entitled to a full and immediate refund of the amount paid from your bank or building society.'*

Mr C has not been able to provide Santander with any evidence that the payments were made in error, and because of how long ago these payments were taken, I don't think that Santander acted unfairly in asking Mr C to provide evidence of an error, or evidence that he cancelled the direct debit prior to these payments being taken.

This is not to say that Mr C didn't contact the originator, only that he has been unable to furnish Santander with evidence of this in support of his claim.

Mr C says he didn't receive an actual bill, only estimates of his energy usage. I don't think this on its own is enough to expect Santander to refund the payments

Mr C has said that he thinks his previous energy supplier took money without there being a liability. But it seems Mr C was using utilities from this provider, so I don't think Santander needs to refund for this reason either.

Santander have confirmed that should Mr C be able to provide supporting evidence at a later date, then they will be happy to reconsider his claim. This is fair and reasonable and I won't be asking them to do anything different.

Santander failed to communicate their decision to reject his claim to Mr C. Mr C did not hold a mobile phone so they were unable to send a text notifying him of the outcome of his claim. It seems Santander did not consider other ways i.e. email or phone in which they could do this. As a result, Mr C was unaware that his claim had been rejected until he followed it up with Santander himself.

Santander accept that they should have communicated with Mr C in a way to meet his needs and have offered compensation of £50 by way of an apology for the distress and inconvenience this caused. I believe this to be fair under the circumstances.

### **My final decision**

For the reasons I've explained above I uphold this complaint.

Santander UK Plc should pay Mr C £50.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 19 March 2026.

Petina Edwards  
**Ombudsman**