

complaint

Mr B complains that Santander UK Plc made a mistake when it allowed payments to leave his account under a continuous payment authority ("CPA").

our initial conclusions

Our adjudicator did not recommend that the complaint should be upheld.

Santander accepted this recommendation. Mr B did not and he asked that an ombudsman review his complaint.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint. Where there is a dispute about what happened, I have based my decision on the balance of probabilities - in other words, on what I consider is most likely to have happened in the light of the evidence.

the bank did not make a mistake when it processed the payments

Mr B says that Santander should not have allowed the payments to leave his account. He says he did not give his permission for Santander to process the payments. In any event, he says he did not have sufficient money in his account to make the payments. He complains that if he had tried to withdraw cash in these circumstances, he would have been refused so on this basis, Santander should simply have taken a unilateral decision to reject the requests for payment.

Further, Mr B subsequently added that he had asked Santander to cancel the CPA so the payments should not have been taken for this reason as well.

I realise that Mr B is very upset with Santander for processing the payments. But the difficulty is that Mr B has also told us that he did initially authorise the CPA so it appears that bank was merely following his instructions at the time when it processed the payments. And, although he tells us he called Santander to cancel the CPA, he also tells us that he did not do this until after the payments had been taken.

The bank's records show the payments were taken in early April and May 2013 but he tells us he did not call the bank until sometime between 18th and 20th May 2013. That is after the payments had been taken. The bank disputes that it ever received this call and Mr B has not been able to provide information to demonstrate that he did make the call.

I cannot fairly agree that Santander should reasonably have refused the payments because Mr B had insufficient funds in his account. Rather I consider it was his responsibility to ensure he had enough money in his account to cover his outgoings. If he did not he should have alerted both Santander and the third party who was asking for the payments under the CPA.

For these reasons in the circumstances I cannot fairly say that Santander was wrong to process the payments.

Mr B is not entitled to a refund of the charges and interest

Santander's records show that Mr B's account exceeded his authorised overdraft in April and May 2013 as a result of the payments. Mr B incurred charges and interest was applied as a result and he wants these charges and interest to be refunded. But I am satisfied that the charges and interest were applied in line with the relevant account terms and conditions. Further, I am satisfied that Mr B would have agreed to these terms and conditions when he opened the account. It follows I have no proper basis to ask Santander to refund the charges and interest to Mr B.

it is not appropriate to make an award for distress and inconvenience

Mr B appears to be dissatisfied with the level of customer service he received from Santander. Santander has apologised for this. But, looking at the communications between the parties, it seems that prior to the events he complained about it had provided information to Mr B about how he could manage his finances to avoid charges. It also explained why it had processed the payments. What it did not appear to do, though, is to tell Mr B that it could cancel the CPA but Mr B appears to have been aware of this anyway. I consider that Santander did provide adequate customer service in the circumstances. It follows that I conclude that it is not appropriate to make an award for distress and inconvenience in this case.

my final decision

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

Joyce Gordon
ombudsman