

complaint

Mrs G complains that Santander UK Plc is holding her responsible for the overdraft on her bank account. Mrs G says that the overdraft exists because she was a victim of fraudulent activity and she should not be liable.

background

In June 2014 Mrs G was the unfortunate victim of fraudulent activity. A fraudster persuaded her to withdraw £7,000 in foreign currency from her account and hand it over in order to assist an ongoing police investigation. Mrs G completed the transaction in a money transfer bureau.

Later that day Mrs G had second thoughts about the authenticity of the person who had contacted her and went into her local Santander branch. Santander arranged to move the rest of her savings into another account so that they were safe from any additional fraudulent activity. It also told her that the £7,000 transaction hadn't been fully processed and that it would arrange to cancel the transaction.

Three days later the £7,000 withdrawal was debited to Mrs G's account which left her account overdrawn by nearly £6,000. Mrs G complained to Santander.

Santander said that it had incorrectly advised Mrs G that the fraudulent transaction could be cancelled. And it offered £280 to her as a *"goodwill payment"*. It also agreed to cancel fees and charges in connection with the unauthorised overdraft. But it said that Mrs G was responsible for the overdraft on her account and that she needed to bring the account up to date.

Our adjudicator didn't think that this complaint should be upheld. She was satisfied that Mrs G had approved the withdrawal of £7,000 from her account and was therefore responsible for the account being overdrawn. She acknowledged that Santander had provided incorrect information about being able to cancel the transaction, but recognised that had it provided Mrs G with correct information, it wouldn't have changed the situation; the £7,000 would still have been debited to her account. Mrs G asked for her complaint to be reviewed by an ombudsman.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint. Having done so, I've reached the same conclusions as the adjudicator, and for much the same reasons.

I'm satisfied that Mrs G is the unfortunate victim of a fraud. But this doesn't mean that Santander is automatically responsible for putting things right. In this case, Mrs G made the withdrawal herself. And although Santander initially told her that it could stop and cancel the transaction, this wasn't correct. But had it correctly told Mrs G that it was unable to cancel the transaction, the outcome would have been the same; Mrs G's account would have been debited with £7,000.

I appreciate why Mrs G is so unhappy about what happened. It doesn't seem fair that she should lose the money to someone who isn't entitled to it. But Santander couldn't have

cancelled the transaction once Mrs G had made a genuine withdrawal from her own account.

Santander has waived interest and charges relating to the fact that the account was overdrawn, and I'm satisfied that this is fair and reasonable. I'm also satisfied that the "*goodwill payment*" of £280 that it gave Mrs G is fair because it recognises the fact that it gave Mrs G false hope that it could cancel the payment even though it couldn't.

I realise that Mrs G is likely to be disappointed by my decision. But I don't think Santander has made a mistake, so I don't think it would be fair for me to require it to reimburse the money.

my final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Mrs G to accept or reject my decision before 11 June 2015.

Andrew Macnamara
ombudsman