

complaint

Mr B complains that Santander UK plc, then trading as Abbey National, gave him incorrect information about an indemnity under the direct debit guarantee in 2007.

background

A mortgage payment was collected by direct debit a month early from Mr B's Santander account by his mortgage provider in 2007. He has recently discovered that he could have claimed a repayment under the direct debit guarantee but says that he was not told about this at the time. He complained to Santander but was not satisfied with its response so complained to this service.

The adjudicator did not recommend that this complaint should be upheld. He concluded that a claim made in 2007 would have been rejected because the mortgage provider did not allow repayment of overpayments and that there was no maladministration by Santander. He concluded that a claim could not be made now because Mr B's Santander account had been closed. He recommended that the early payment claim and resultant over payment would be better raised with the mortgage provider.

Mr B says that he has suffered a financial loss because of Santander's negligence in failing to retrieve the over payment through the direct debit guarantee.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

Mr B says that the mortgage provider has admitted that it took the payment early and that it was used to reduce his mortgage. As the payment was used to reduce his mortgage, I am not persuaded that Mr B has suffered a financial loss, although I understand that he had to borrow money from family and friends. He did not make a claim to Santander under the direct debit guarantee in 2007 and Santander says that the first contact it has had from Mr B regarding this direct debit was in February 2013.

I am not persuaded that there is enough evidence to show that Santander gave incorrect information to Mr B in 2007 and I do not consider that it would be fair or reasonable for me to require Santander to refund the amount of the overpayment to Mr B. I consider it to be the actions of the mortgage provider, and not the actions of Santander, that have caused difficulties for Mr B.

my final decision

For these reasons, my decision is that I do not uphold Mr B's complaint.

Jarrold Hastings
ombudsman