

## **complaint**

Mr M complains that Santander wrongly took a direct debit payment from his account after he had instructed the bank to cancel it. This took him over his overdraft limit, causing him to incur a default fee.

## **our initial conclusions**

The adjudicator recommended that the complaint should be upheld. She took account of system records showing that Mr M had tried to cancel the direct debit payment for his car insurance policy, and she considered that Santander had not acted reasonably in failing to carry out his instructions. Santander has acknowledged it made an error and has offered to refund the payment and charges applied to the account, make a £50 goodwill payment and has said no adverse credit information has been recorded on Mr M's file. Mr M does not agree, saying the £50 goodwill payment is not enough compensation for the distress and inconvenience he has suffered.

## **my final decision**

To decide what is fair and reasonable in this complaint, I have considered everything that Mr M and Santander have provided.

Santander has acknowledged it made an error in not following Mr M's instructions to cancel the direct debit. However, I note that Mr M says he was warned when he went into the branch to give these instructions that one further payment might be taken. He has also said that as the additional payment did prolong the insurance, he kept the policy for a further two months, as he was considering buying a new car.

For these reasons, I consider that the level of distress and inconvenience was not so great as to warrant a higher award of compensation. Santander has offered to refund the default fee and additional charges and to pay Mr M £50 compensation for the distress and inconvenience he has suffered. I consider this to be fair and reasonable in the circumstances.

**My final decision is Santander UK plc should pay Mr M £224.51.**

**Under the rules of the Financial Ombudsman Service, I am required to ask Mr M either to accept or reject my decision, before 14 May 2013.**

*Catherine Wolthuizen  
ombudsman at the Financial Ombudsman Service*

The ombudsman may complete this section where appropriate – adding comments or further explanations of particular relevance to the case.

## **ombudsman notes**

### **what is a final decision?**

- A final decision by an ombudsman is our last word on a complaint. We send the final decision at the same time to both sides – the consumer and the financial business.
- Our complaints process involves various stages. It gives both parties to the complaint the opportunity to tell us their side of the story, provide further information, and disagree with our earlier findings – before the ombudsman reviews the case and makes a final decision.
- A final decision is the end of our complaints process. This means the ombudsman will not be able to deal with any further correspondence about the merits of the complaint.

### **what happens next?**

- A final decision only becomes legally binding on the financial business if the consumer accepts it. To do this, the consumer should sign and date the acceptance card we send with the final decision – and return it to us before the date set out in the decision.
- If the consumer accepts a final decision before the date set out in the decision we will tell the financial business – it will then have to comply promptly with any instructions set out by the ombudsman in the decision.
- If the consumer does not accept a final decision before the date set out in the decision, neither side will be legally bound by it.