

complaint

Miss F complains that Santander UK Plc did not switch a direct debit to her new account, which meant she incurred unauthorised overdraft charges on her previous bank account. She wants reimbursement of all the charges and compensation for distress and inconvenience.

our initial conclusions

The adjudicator recommended that the complaint should be upheld in part. She concluded that Santander had made an error and its response had been poor. But she considered that the refunds already made and the compensation now offered was fair and reasonable. Miss F did not agree.

my final decision

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

The direct debit Santander did not switch was taken from Miss F's old bank account in February and March 2011. This caused the account to exceed the agreed £100 overdraft limit with that bank. Charges to the end of September 2011 were around £400 but the majority were charged from July to September. Santander agreed to refund £18 of the other bank's overdraft fees, £32 for phone calls and £150 of its own charges as a gesture of goodwill. Following discussion with this service the bank also agreed to pay Miss F £150 compensation for distress and inconvenience. I recognise that if the direct debit had been transferred, Miss F would not have exceeded her overdraft limit on the other bank account. But I conclude she was aware of the direct debit problem in April 2011 and could have avoided most of the charges by monitoring the balance of her account. I do not consider that I can fairly require the bank to refund any more of the charges. I find that the bank's service and its handling of the complaint were poor. But I consider that the compensation now offered is fair and reasonable.

My final decision is that I uphold this complaint in part and I order Santander UK Plc to pay Miss F £150 compensation in full and final settlement.

Under the rules of the Financial Ombudsman Service, I am required to ask Miss F either to accept or reject my decision before 25 June 2013.

John Thornton

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.