

complaint

Mr R and Mrs S complain that Santander UK plc gave them wrong information about direct debit payments due to go out of their account. Because of this they incurred charges and their credit file was affected. They'd like compensation.

background

Mr R says Mrs S went to her local branch to pay some money in to cover her outgoings. She says she asked if any direct debit payments were due to go out and was told there weren't any. But then her account became overdrawn and she incurred bank charges. Mr R says Santander refunded the charges and made a payment of £50 as a gesture of goodwill but then more charges were applied to the account.

Santander says when Mrs S asked about direct debits there were none due immediately. But two unpaid direct debits from the previous month and a cash withdrawal by Mrs S after she spoke to the bank did result in bank charges which Santander agreed to refund. It accepts when it refunded the charges it missed pending charges. It has now refunded these so that the account is now back in credit. And it has removed all adverse information from Mr R's and Mrs S's credit files.

Our adjudicator found that as Santander had refunded all of the charges Mr R and Mrs S hadn't had any financial loss. She found the £100 compensation the bank had offered was reasonable for the inconvenience caused.

Mr R doesn't accept this. He doesn't think £100 is enough as he says the information on his credit file has stopped him getting a mortgage and a loan.

my findings

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

I realise Mr R and Mrs S will be disappointed but I've reached the same conclusions as our adjudicator and for much the same reasons.

There's no dispute that Santander missed the fact there were pending charges when it agreed to refund its charges. It's now refunded all of these charges and sent a cheque for £100 as compensation. I think this is reasonable as it had agreed to waive all charges but failed to do so which did cause Mr R and Mrs S some stress and inconvenience.

Mr R says adverse information on his credit file has prevented him getting a mortgage and loan at a favourable rate. When Mr R and Mrs S first complained they said they were concerned the poor credit rating would stop them buying a property. But they didn't give any information to show they were buying a property or that they'd made a mortgage application. I've seen the bank's notes of the phone calls Mr R and Mrs S made and there's no reference to concerns about a mortgage application. I've also checked the credit files they provided and I can't find anything to suggest searches were done because Mr R and Mrs S had applied to borrow money.

Mr R has now sent details to show he was in contact with an accountant in November 2014 about a commercial mortgage. The accountant says he advised Mr R he couldn't process his

application due to a poor credit rating. He suggested that Mr R contact him again when his credit rating improved but I haven't seen any evidence that Mr R has done this. Lenders look at a range of factors when considering loan applications, not just a credit file. And as there's no evidence an application for borrowing was actually made, I don't think I can fairly require Santander to compensate Mr R and Mrs S for this.

my final decision

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

Under the rules of the Financial Ombudsman Service, I am required to ask Mr R and Mrs S to accept or reject my decision before 30 July 2015.

Bridget Makins
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