

complaint

Miss M complains that Santander UK Plc allowed unauthorised payments to go through to two loan brokers. As a result she went into an unauthorised overdraft. She wants compensation.

background

Miss M says that she never authorised transactions to the loan brokers. The bank paid the transactions. As a result she went into an unauthorised overdraft.

The bank said that Miss M entered into a contract with the loan brokers and under its terms and conditions fees are charged. By entering her card details Miss M agreed to pay the fee. The bank says it was able to pay the transactions and charge for the unauthorised overdraft. This was in line with its terms and conditions. But the bank recognised that it should have raised a 'chargeback' when Miss M complained. It has already refunded £125 as a gesture of goodwill and has agreed to pay a further £225 to refund charges and 10p paid to one of the loan brokers. The bank recognised that fees of £225 may have been avoided if it had raised a chargeback.

The adjudicator upheld the complaint in part and felt that the bank's offer of £225 was fair and reasonable.

Miss M disagreed and said she was not warned of any charges when she visited the loan websites. She wants more compensation.

my findings

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

The bank accepts it should have raised a chargeback when Miss M complained that she had not authorised the transactions. For this reason, it has agreed to compensate her. I agree with the adjudicator that the bank's offer to refund £225 refund in charges and 10p paid to one of the loan brokers is a fair and reasonable offer. I can't fairly require it to do anything further.

I appreciate Miss M says the credit brokers didn't make their charges clear enough. She is free to make a complaint about those businesses if she feels she's still out of pocket.

my final decision

My final decision is that Santander UK Plc should pay Miss M £225.10 compensation.

Clare Hockney
ombudsman