

complaint

Mr E complains that Santander UK Plc took money from his account that had incorrectly been put into it, without giving him sufficient notice. This left him overdrawn as he had spent the money not realising that it wasn't his.

Mr E wants to be compensated for Santander's delay in telling him about the money not being his as it has left him in debt.

background

Mr E holds a current account with Santander. There is no overdraft facility on this account.

On 11 January 2019, Mr E received an alert from Santander telling him that his account was overdrawn. He says he checked his recent transactions and found that a dispute adjustment had been made on his account where £3,897.63 was taken from it. He didn't know what this transaction was for. He says that he was abroad at the time so, when he came back to the UK, he called Santander on 14 January 2019.

Santander told him that, when he had paid 50 Euros into his account at the post office on 19 December 2018, the post office had made a mistake and credited his account with 3,937.00. The post office filed a dispute against this on 19 December 2018.

Mr E says that he wasn't told about this dispute until he called Santander on 14 January 2019.

He says that he did notice a rise in his account balance but didn't check his statement to see where it was from as he was expecting some money from his family for his birthday. Because of this, Mr E says that he spent more money than he could afford and he is now left with a debt.

Mr E complained to Santander. He thinks they should've phoned or sent a text, letter or email to tell him about the dispute with the post office instead of leaving him in the dark until 11 January 2019.

Santander didn't uphold Mr E's complaint. They didn't accept that they had made an error as they had followed the right process in debiting Mr E's account.

Mr E didn't agree with this so he came to us.

Our investigator considered the complaint. He found that Santander had sent a letter to Mr E on 27 December 2018 telling him about the dispute with the post office.

He also had evidence from Santander showing that Mr E had logged into his online banking multiple times on 19 December 2018 both before and after he deposited 50 Euros into the post office account.

He thought that it was reasonable for Santander to expect Mr E to have checked the entries on his account after seeing a higher than expected balance.

But he did think that Santander should take some responsibility for not sorting out the dispute sooner than they did. He thought that Santander should refund any unauthorised

overdraft charges (including any interest on those charges) which they'd added since the post office dispute transaction happened.

Mr E didn't agree with this outcome so the complaint has now come to me.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I'm afraid that Mr E won't be happy with my decision. I don't think that Santander should compensate Mr E for the money that he has spent but I do think that they should refund him any unauthorised overdraft charges and interest caused by the transaction with the post office. I will explain why.

I completely take on board that Mr E was being careful with his money by not having an overdraft on his account and because he was in financial difficulties even before his account was overdrawn.

But, even if Mr E didn't get the letter sent by Santander on 27 December 2018, I still think that it was his responsibility to check his transactions. Especially as he had logged into his online account a number of times on 19 December 2018. I don't think that it is unreasonable for Santander, or anyone else, to expect this.

I do note that Mr E was expecting money from his family for his birthday but, again, he should've checked his account properly to see what had caused the rise in his balance.

I find that I can't hold Santander responsible for Mr E spending money that he didn't have.

But, I do think that Santander should've sorted out the dispute quicker than they did. For this, I think that they should refund Mr E any charges they have applied to his account and interest for the disputed transaction with the post office.

I also think that they need to work out a plan for Mr E to repay the money that he now owes to them.

my final decision

For the reasons given above, I require Santander UK Plc:

- to refund Mr E any unauthorised overdraft charges and interest since 19 December 2018; and
- to work out a repayment plan with Mr E for the money that he now owes to them.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr E to accept or reject my decision before 13 September 2019.

Rita Parmar
ombudsman