

complaint

Ms P complains that Santander UK plc told her the wrong information about her current account.

background

At the end of 2016, Ms P went to a branch of Santander and asked about the active standing orders and direct debits that were set up on her current account. She was told there was only one active direct debit. But then in January 2017, a different direct debit of £92 went out of her account that she didn't expect. This caused her to go overdrawn and incur charges.

And when Ms P asked the branch to order new security details so she could set up internet banking for her account, she found out the following day that this hadn't been done and so there was a delay in her getting them.

Ms P complained about the service she'd received and asked for the charges she'd incurred by through the payment of the direct debit to be refunded.

Santander spoke with the advisor at the branch and they didn't recall discussing any information about online banking with Ms P. And there was no 'footprint' to indicate this on Ms P's account records. It said that new security details had been requested for her the following day which would allow her access to online, mobile and telephone banking.

In relation to the direct debit, Santander said the one in question had been marked as expired in February or March 2016 as part of a review of unused or no longer required direct debits on customers' accounts. But this same company had sent it the details of a new direct debit with a different reference number and it was this that was taken out at the end of January 2017. Santander said that company had refunded the payment to Ms P's account in March 2017, and it waived the £29 of charges that would've applied for this taking Ms P overdrawn. Santander said there was only one active direct debit remaining on Ms P's account.

Ms P felt that what Santander was saying wasn't right in that certain direct debits had been cancelled when she'd been given a printout showing they hadn't. She thought it couldn't provide information to back up what it was saying and wouldn't go back to the branch staff about the conversation about ordering the security details for internet banking. She thought Santander shouldn't have paid out the particular direct debit without questioning this.

Our adjudicator thought the information Santander had given about Ms P's direct debits was confusing. Ms P had been given a print-out in the branch showing the active direct debits on her account and this was different to the information Santander had put in its final response letter. Because of this Santander offered to pay Ms P £50.

The branch didn't recall discussing ordering the security details for Ms P to set up internet banking during her visit. But these were requested for her the following day when she spoke to Santander's customer services department so the adjudicator thought the inconvenience this caused to Ms P was limited.

The adjudicator said that a direct debit was an arrangement between a company and a consumer. Santander received an instruction from the particular company to set up a new direct debit in January 2017. So the adjudicator didn't think Santander had done anything wrong in this.

Ms P didn't accept the adjudicator's findings. If she hadn't asked for a print-out of the active direct debits she had, she wouldn't have known the details in the final response letter weren't the same. She had a conversation with a branch advisor about ordering the security details for internet banking but feels it is her word against theirs about this. She feels she's spent a lot of time dealing with this matter and waiting for a response, and doesn't think the compensation offered is enough.

my findings

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

Although I appreciate how the different aspects of Ms P's overall complaint are linked, I think it's made up of three main points.

the direct debit that caused Ms P to go overdrawn

I've looked at the information Santander has given us about the direct debits on Ms P's account alongside the print-out she was given and her recollections about what she was told about them. When she visited the branch in November or December 2016, Santander has said the particular direct debit would've been showing as 'expired' – so was no longer active.

A direct debit is an instruction given by an account holder to a bank to allow a beneficiary (the originator) to withdraw money from that account. So it was for this company to apply (using Ms P's authorised instruction) to 'take' the money from her account rather than for Santander to 'send' it, like a standing order.

Santander received a new direct debit instruction from this same company with a different reference number on 20 January 2017. And it was under this instruction that the payment was taken by that company at the end of that month.

So I don't think it was the case that Ms P was given the wrong information back in November or December 2016, when at that time the active direct debit to that company hadn't been set up.

I can see that the company refunded the payment back to Ms P and Santander waived the related charges. So I don't think Ms P has lost out financially because of what happened with this direct debit.

The differences with the active direct debit information from the final response letter and the print-out Ms P was given

There has been some confusion about when Santander would've marked a direct debit as expired and how this affected Ms P's direct debits. This could've been explained more clearly, particularly as Ms P was questioning those that could still be active on her account. I know that Ms P feels that what Santander put in its letter was different to that on her print-out but she wouldn't have known otherwise.

I've looked at the direct debit list for her account from November 2017. This shows one active direct debit, with the remaining having either expired or been cancelled. And I can see that the particular direct debit January was cancelled the day after the print-out was produced.

I can appreciate that this confusing and conflicting information has caused Ms P concern and made her question what she was being told. Santander has offered to pay Ms P £50 to recognise this and I think that's fair in these particular circumstances.

The security details for internet banking not being ordered

The advisor Ms P spoke to at the branch doesn't recall her asking about this. And Ms P didn't realise the details hadn't been ordered until the following day when she spoke to Santander's customer services.

I can understand that this will have been frustrating for Ms P. But they were ordered for her during that phone call and I understand they were sent out within Santander's normal timescales for this. So I don't think it needs to do anything more to resolve this part of her complaint.

Overall, I think Santander's offer of £50 recognises the confusion and inconvenience Ms P was caused with the differing active direct debit information. She's received a refund of the money that went out through the direct debit; Santander has waived the associated charges for going overdrawn; and has sent her the requested security details to set up internet banking. I think this represents a fair resolution to her complaint.

my final decision

My decision is that I uphold this complaint in part. I require Santander UK plc to pay Ms P £50 for the confusion caused about her active and expired direct debits.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms P to accept or reject my decision before 30 May 2018.

Cathy Bovan
ombudsman