

## **complaint**

Mr L complains that Santander UK Plc continued to apply direct debits to his account after these had been cancelled.

## **background**

Santander has now approached this complaint on the basis that Mr L asked that all his direct debits from his account be cancelled in December 2015. He intended that these be paid from another bank from a set date. But direct debits were applied to his account after this. Several of these payments were returned as there were insufficient funds. Additional fees were applied to Mr L's account. Santander accepts that when he initially raised this complaint in April 2016, and it issued a final response, it was not dealt with properly. In July 2016 it agreed that it had made a mistake and offered Mr L a refund of the majority of his bank charges (£384) and compensation of £100.

The adjudicator identified a further £68 of bank charges, applied after Mr L had asked that his payments be cancelled, that should be refunded. He also thought that the compensation of £100 was insufficient and should be increased to £250. Santander agreed to pay this. He noted in particular that Santander had not been empathetic when Mr L called first in April 2016. Mr L had made further calls and had been told that the responsibility for what happened was that of the bank to which the payments should have been transferred. Santander had since said that this was not correct.

The adjudicator made clear that he could only look at the complaint that had been referred to Santander and not at subsequent events. It seemed that a new payment had been originated again for one of the businesses on 30 July 2016. This was based on a new direct debit mandate.

Mr L was not satisfied with the compensation suggested. He did not think that this reflected the distress and inconvenience he had been caused. He said that he had made his instructions clear to Santander and that it had not followed them. There have been further attempts to take direct debit payments from his account in September and October 2016 resulting in bank charges.

## **my findings**

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

It's not clear to me why all these direct debit payments were not cancelled until April 2016. I can see that many of the payments made before then were returned unpaid. But I also noted that some were not. I asked Mr L about these, identifying two specific payments, to see whether he'd intended to make payments to these businesses or whether he was disputing them. He replied and said that his intention was always to pay the money.

Mr L's main issue is that the money had been debited from the wrong account. He is clearly unhappy that payments were attempted that would have taken his balance over the agreed overdraft limit, at the charges that resulted, and at the way in which he was dealt with when he raised the issues.

I'm satisfied that the mandates were all cancelled by Santander. It has accepted responsibility for what happened until its further final response on 18 July 2016. I note that Mr L and the adjudicator discussed a direct debit payment set up after that date and it was identified that this was a new mandate. I can't look at that here or what Mr L says has subsequently happened as it is not part of the complaint Mr L made to Santander. It arises from a different issue and not a failure to cancel the mandates in the first place. What I can say though is that direct debit payments are covered by an industry guarantee. If Mr L neither set up this new payment nor agreed to make any further payments to this business then he should ask that they be refunded. If that is the case I'm afraid he will need to ask Santander to help him with this in the first instance – in line with what the adjudicator has said to him.

I agree all the related bank charges applied to his account as part of this complaint should be refunded and that the adjudicator has correctly calculated the additional amount. I also agree that Mr L should be paid compensation for the distress and inconvenience caused. I know he will be disappointed when I say that I think that the total amount of £250 now offered is reasonable.

### **my final decision**

My decision is that I uphold this complaint and I order Santander UK Plc to:

- 1) Refund additional bank charges of £68.
- 2) Pay, not credit, Mr L with a further £150.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 3 March 2017.

Michael Crewe  
**ombudsman**