

## **complaint**

Mr L complains that he was caused loss and difficulty by a technical error which affected a pre-paid card issued by Skrill Limited.

## **background**

Mr L had a pre-paid card account with Skrill. A technical error in Skrill's systems meant that some transactions which Mr L had made from the money in his account were not automatically deducted from the available balance.

This resulted in Mr L having a negative balance on the card of €42.26, once the transactions were all applied. Mr L says he was then caused embarrassment when he tried to use his card to pay a hotel bill and it did not work because the transactions had used up the balance. Mr L would like Skrill to write off his debt and pay him €1,000 compensation.

Skrill accepts that there was a technical error but is not willing to meet Mr L's claim. It has offered to write off the debt, conditional on Mr L's account then being closed.

As things were not settled, Mr L brought his complaint to this service where an adjudicator investigated it. From the evidence, the adjudicator did not consider that Skrill was required to offer more to Mr L and so did not recommend that the complaint should succeed.

Mr L did not agree and said, in summary:

- The adjudicator seems to be saying that Skrill can do anything it likes, and he must carry the cost.
- He had to pay the hotelier €400 not to go to the police, when his card was set to minus and he could not pay his bill.

## **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 is not in dispute that Mr L's account was affected by a technical error. Mr L says he was surprised to see that there appeared to be €190 available on the card for him to spend, when he had thought there was only €2.90. But he says he was waiting for a payment of €190 and so did not find it strange and did not make any enquiry.

Mr L says that he was on a trip and tried to use his card to pay his hotel bill but – as the account had by then been adjusted to take off his previous spending – the payment was rejected. He says he had to borrow money from his travelling companion and was also obliged to pay the hotelier €400 to stop him going to the police. Mr L says that this settlement was undocumented and that he will not provide any further information about it because he is bound by a confidentiality clause.

Even if I accept that it was reasonable for Mr L to assume that the unexpectedly high balance showing on his card was correct, the difficulty I have is that I cannot see that the error here justifies compensation at the level Mr L has claimed.

I have not found his account of a confidential settlement with a hotelier convincing and do not, in any event, consider that this type of loss would be reasonably foreseeable in the circumstances.

Skrill has agreed to write off the debt, and I find that this is a fair and proportionate settlement in this case. Skrill is not contractually obliged to keep the account open and I would not require it to do so.

**my final decision**

My final decision is that I do not uphold this complaint, because Skrill had already offered a fair settlement before Mr L came to us.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 9 November 2015.

Jane Hingston  
**ombudsman**