

## **complaint**

Mr R complains Santander UK Plc mis-managed the transfer of his bank account to another bank.

## **background**

In June 2018 Mr R instructed Santander to transfer his current account to another bank using the switching service. The transfer would include all Direct Debits and standing orders set up on his account. Mr R says during the switching service another provider was unable to take a payment. He says another transaction was paid out which left him overdrawn on his account.

He says that the list of Direct Debits being transferred with the account showed duplicate Direct Debits. He also isn't happy with the customer service he received when he complained to Santander.

Santander says the account became overdrawn because they were not made aware of these payments in order to retain funds for them. Mr R made a payment which didn't clear straight away so they couldn't have known about this. They also say they provide a list of all Direct Debits showing on Mr R's account to the new bank. This list will show whether the Direct Debit is live and the new bank will be able to see this.

The investigator at this service didn't think Santander had done anything wrong. Mr R doesn't agree and feels he has suffered distress and inconvenience as a result of the complaint. This has come to me for a decision.

## **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 won't be upholding this complaint. I will explain further.

### *direct debits*

The list of Direct Debits Mr R has is a history of all the Direct Debits that have been created. Santander has explained when a customer makes changes to a Direct Debit a new instruction is created and the old one remains on the account but becomes inactive. The list shows which Direct Debits are active and which are not and unless Mr R was to delete the inactive Direct Debits himself the complete list will be visible to him.

Santander has clarified this to Mr R and explained that no duplicates have been sent to the new bank so I can't see that he has suffered any detriment in this respect. I am satisfied that Santander hasn't done anything wrong in relation to this point.

### *overdrawn account*

Mr R had expected that no further payments would be authorised from his account once he had requested the switching service. The issue in particular was a payment made on 15 June 2018 and whether this was made via contactless payment method or via a mobile payment and digital wallet service for a third party provider.

For the purpose of clarity I will explain the difference between a contactless card payment and contactless digital wallet service for a third party provider. Whilst they both use similar technology, the way they process payments is different. Like a standard card payment, making a payment

through a digital wallet requires immediate authorisation from your bank. In other words, Santander will be aware of the transaction immediately. A contactless card payment which has a limit of £30 does not require authorisation from your bank so the amount is only taken from your account once a merchant requests payments for all consumers that have used contactless.

Merchants will all do this at different times and if the merchant hasn't informed the bank of the transaction then the bank would have no reason to retain any additional funds. I understand Mr R believed the payment was made via the digital wallet service but the evidence shows it was made via contactless method. This means Santander couldn't have known about the payment until it was requested by the merchant. This didn't happen until the day after the account transfer was made which resulted in the account becoming overdrawn. It is also important to note that Santander didn't apply any overdraft fees to the account following this. As Santander couldn't have known about the payment, I'm satisfied they haven't done anything wrong here.

#### *failed payment*

Mr R is unhappy that a Direct Debit payment to a third party was not made, resulting in a late payment fee being charged. Santander has been unable to establish which Direct Debit payment Mr R is referring to. Further evidence has been requested from Mr R but this has not been provided so I am unable to consider this any further.

#### *customer service*

I have listened to the call recordings between Santander and Mr R. There are numerous phone calls made between 15 and 19 June 2018 and it is clear Mr R was frustrated with the situation particularly as not much progress is made during these calls. Whilst I acknowledge errors were made in the initial call by Santander, I think they have tried to resolve this complaint in a fair and reasonable way. I feel both parties contributed to the situation so I don't feel compensation is reasonable.

#### **my final decision**

I will not be upholding this complaint against Santander UK Plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 8 November 2018.

Naima Abdul-Rasool  
**Ombudsman**