

complaint

Miss A complains that Santander UK Plc debited her account with £2,700 against a cheque she had written for only £27. She wants the bank to pay compensation for the distress and inconvenience caused.

background

When the recipient of the cheque paid it into her account the bank (not Santander) mistakenly keyed it into the system as £2,700. This amount was debited to Miss A's account and caused it to become overdrawn. She became aware of this as a card payment was declined. Miss A contacted Santander on the day the cheque was debited and it credited £2,700 to her account the same day. No bank charges were incurred.

The adjudicator recommended the complaint should be upheld. He concluded Santander had not had the authority to debit Miss A's account. He recommended it re-work her account to ensure she had not incurred any bank charges, send her a written apology and pay her £50 for distress and inconvenience.

Santander did not accept the adjudicator's findings. It said the payment had been processed at the higher amount. It had corrected the error promptly when informed and had already apologised. Miss A had not incurred any charges. Given it promptly refunded the account it did not consider it should also pay compensation for distress and inconvenience.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

The numbers on the cheque could have been misread but the words on the cheque were clear as to the amount to be paid. But I conclude that if Santander had looked at Miss A's cheque before debiting her account this error would not have happened. Santander did not have any authority to debit her account with £2,700. I recognise that the bank responded promptly when the error was identified. I am satisfied, having listened to recordings of Miss A's phone calls with the bank, that it provided a good service.

But the error caused a card payment to be rejected and in her circumstances this mistake caused Miss A distress and inconvenience. The misleading comments in the bank's final response were also not helpful in clarifying the situation.

I consider that compensation of £50 is fair and reasonable.

my final decision

My final decision is that I uphold this complaint and I order Santander UK Plc to pay Miss A £50 in full and final settlement.

John Thornton
ombudsman

