

The complaint

Mr T is unhappy that Santander UK Plc allowed unauthorised payments to be taken from his account.

As Mr T is under 18 years old, the complaint is brought on his behalf by his father, Mr T2.

What happened

In January 2023 Mr T2 reported to Santander that there were payments from his account that he didn't recognise. He later added to this that there had also been unrecognised payments from his son's account which he held for him in trust (totalling £270). Santander accepted that these were unauthorised payments and refunded them all.

Mr T2 complained to our service and ultimately his complaint was resolved with Santander paying him £250 compensation. Mr T2 has brought this further complaint on behalf of his son, as he thinks he should receive the same compensation.

Santander declined to provide further redress and one of our Investigators didn't recommend that they needed to do more. Mr T2 disagreed and asked for an Ombudsman to review the complaint.

What I've decided – and why

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

Santander accept that they are responsible for an error which enabled the unauthorised transactions on Mr T's account. So I won't discuss that in further detail. Here, I'm satisfied that Santander promptly refunded the financial loss arising from the unauthorised payments. So all that remains to be decided is whether compensation is due as Mr T2 would like.

The rules which govern our service mean I can only consider a complaint brought by or on behalf of an 'eligible complainant'. In the circumstances of this complaint, Mr T is the eligible complainant. So any award for distress or inconvenience could only be made to him and must fairly reflect the impact upon him.

Mr T was born in 2017 and at the time of the events that took place he was five years old. Firstly, if Mr T became aware of these events it would only have been because of Mr T2 sharing this with him. And even then, I'm not persuaded a child of that age would have sufficient understanding to have been caused material distress or inconvenience such that a compensation award would be appropriate.

So whilst I can understand why Mr T2 thinks his son should also be compensated, I'm not persuaded there is a reasonable basis for doing so as I'm not persuaded Santander's error had such an impact on Mr T that this would be a fair and reasonable outcome.

My final decision

For the reasons outlined above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 28 December 2023.

Richard Annandale
Ombudsman