

## **The complaint**

Mr D complains that Santander UK Plc allowed his account to enter an unauthorised overdraft.

## **What happened**

Mr D says Santander allowed his account to enter an unauthorised overdraft in October 2022. He says he wasn't allowed an overdraft facility and so Santander shouldn't have authorised payments which placed his account in an overdrawn position. Mr D says as a result of what took place, he wasn't able to buy a lottery ticket using his usual numbers which would have resulted in a win of over £100,000. He would like Santander to pay him that amount.

Santander says Mr D's account entered an unauthorised overdraft due to his purchases and says that can take place in line with account terms and conditions. It explained the circumstances when it may authorise payments and that there can be a time lag for payments to be claimed by retailers. Santander has apologised for any confusion caused and paid £25 compensation. It says it doesn't have a record of failed attempts to buy a lottery ticket on 18 October 2022.

Mr D brought his complaint to us, and our investigator didn't uphold it. The investigator thought Santander's account terms and conditions explained that an account may enter an unauthorised overdraft and it wasn't its fault if Mr D didn't have enough money to buy the lottery ticket. The investigator didn't think Santander should refund the payments as Mr D made them.

Mr D says he could have bought a lottery ticket on 21 October 2022 and maintains he wasn't allowed an overdraft so Santander shouldn't have allowed his account to enter one.

## **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.

Having done so I have come to the overall view that I don't uphold this complaint. I appreciate Mr D will be disappointed by my decision.

I have looked carefully at Mr D's account terms and conditions which I think he would have agreed to when the account was first opened. Those terms and conditions make clear that Santander may authorise a payment even if that means an account would enter what is called an unauthorised overdraft.

I'm satisfied that is what took place here that Mr D's spending took the account into a relatively small unauthorised overdraft. I don't think Santander made a mistake by doing so and acted fairly, which is by allowing Mr D's payments to go through. I can also see that Santander has explained that some payments may be delayed by a retailer.

I appreciate Mr D says he could have bought a lottery ticket were it not for Santander's actions. But I can't see that was the case and think it was Mr D's responsibility to manage his account and to ensure he had enough money in it to buy the ticket. I can't see how Santander's actions impacted on that and it follows that I can't fairly order it to pay compensation equivalent to what Mr D says would have been his winnings.

I'm satisfied that Santander has fairly apologised for any confusion caused and paid £25 compensation. I think that award is fair and reasonable and appreciate that is not the main part of this complaint. I can't fairly order Santander refund any payments as Mr D would like as he clearly had the benefit of them. The alternative here would have been for Santander to have refused the payment attempts which may have caused Mr D inconvenience.

Overall, I'm satisfied Santander acted in line with agreed terms and conditions and hasn't made a mistake. I can see Mr D says he is considering alternative action to recover the £100,000 but this now brings an end to what we in trying to resolve this dispute informally can do.

### **My final decision**

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 D to accept or reject my decision before 24 August 2023.

David Singh  
**Ombudsman**