

The complaint

Mrs E complains that Santander UK Plc blocked her account which prevented direct debit payments being taken.

What happened

Mrs E says Santander blocked her account in June 2022 which in turn meant direct debit payments were not taken. She says that led to late payment markers being applied to her credit file. Mrs E says she was caused distress and inconvenience as a result of what took place and would like appropriate compensation as well as her credit file updated to remove the adverse information.

Santander says it made a mistake by applying the wrong type of account block. It has apologised and says the block was removed after about a month. It also says it has provided a letter to confirm it was responsible for the mistake, which could be provided to the direct debit recipients. Santander says it has paid Mrs E £200 compensation which it says she accepted. It says it will pay any costs incurred by Mrs E as a result of the mistake if she provides evidence.

Mrs E brought her complaint to us, and our investigator thought Santander had acted fairly by apologised and paying an appropriate compensation amount.

Mrs E doesn't accept that view and says she has paid late payments fees.

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 Santander has dealt fairly with this complaint by paying an appropriate compensation amount and by apologising.

There is no dispute here that Santander made a mistake by blocking Mrs E's account which meant her scheduled direct debit payments were not made. I can see the problem took just over a month to sort out. I have no doubt Mrs E was caused inconvenience and frustration and would have spent some time trying to resolve matters. I also accept Mrs E would have needed to make manual payments which would have also caused inconvenience.

I'm satisfied that Santander has fairly apologised for what took place and fairly wrote a letter which Mrs E could have presented to those affected by the mistake to confirm it was not her fault for the failed direct debit payments. I'm also satisfied Santander paid what I think is a fair and reasonable compensation amount of £200. I think that award fairly reflects the level of Santander's mistake and its impact on Mrs E. I appreciate Mrs E says she suffered a financial loss, but I have not seen any evidence of such a loss. I have also not seen Mrs E's credit file and so can't fairly conclude that there was any adverse information recorded on it as a result of what took place.

I can see Mrs E accepted Santander's compensation offer and don't think it clear what Mrs E says Santander should do in addition to paying compensation, providing the letter and in apologising.

Overall, I'm satisfied Santander has acted fairly after accepting its mistake. I can see it's fairly offered to pay any expenses Mrs E has incurred as a result of what took place. No doubt Mrs E will provide evidence to Santander of any expenses or costs she wishes to claim.

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 Mrs E to accept or reject my decision before 22 September 2023.

David Singh
Ombudsman