

## **The complaint**

Mr F is unhappy that The Co-operative Bank Plc (“Co-op”) won’t allow him to keep £500 they transferred to him in error.

## **What happened**

Mr F had an old Co-op account which had a balance of £2.81. Mr F spoke with Co-op and asked to close the account and for the £2.81 to be transferred to an account he holds with another bank. But Co-op made a mistake when they made the transfer, and incorrectly took into account the £500 overdraft facility that Mr F had on their account. This meant that Co-op transferred £502.81 to Mr F in error.

Co-op contacted Mr F about their mistake and confirmed that they wanted the incorrectly transferred £500 back and that Mr F’s Co-op account would remain open with an overdrawn balance until it was. Mr F wasn’t happy about this and felt that Co-op should waive the £500 as it had been their error in transferring the money to him. So, he raised a complaint.

Co-op responded to Mr F and explained that they weren’t prepared to write off the £500 as Mr F would like. But Co-op did apologise for any upset or inconvenience Mr F may have incurred because of their mistake and credited £75 to his Co-op account by way of compensation. Mr F remained dissatisfied, so he referred his complaint to this service.

## **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 won’t be upholding this complaint. It’s clear that Mr F has received money from Co-op that he wasn’t entitled to receive, and that this has been clearly explained to him. Accordingly, I’m satisfied that it’s fair that Mr F should pay this money back to Co-op.

I also don’t accept Mr F’s suggestion that Co-op should be instructed to write off the £500 they transferred to him in error on the basis that the error was Co-op’s. And I feel confident that if the roles were reversed, and had Mr F, for instance, overpaid a loan to Co-op by £500, that he’d want that £500 back and wouldn’t simply write it off because the error was his.

Co-op have accepted that Mr F shouldn’t be charged any interest on the money that was transferred to him in error. This feels fair to me at this present time. But, if Mr F makes no effort to engage with Co-op and arrange the repayment of his overdrawn account balance within them within the next 60 days, then I feel that it would be fair for Co-op to reassess whether interest should fairly be applied to Mr F’s account balance here, or whether some form of collections and recoveries activity should fairly take place.

Ultimately, Mr F has received £500 that isn’t his and that he has no right to keep. I can therefore only encourage Mr F to contact Co-op as soon as possible and arrange the repayment of the money that he owes to them.

I realise this won't be the outcome Mr F was wanting, but I trust he'll understand, given what I've explained, why I've made the final decision that I have.

### **My final decision**

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 10 April 2024.

Paul Cooper  
**Ombudsman**