

The complaint

Mr H complains about charges applied to his account by Santander UK Plc. Mr H says the charges were incurred due to problems with Santander's ATM when trying to deposit cash.

What happened

In June 2019 Mr H complained to Santander about charges it had applied to his account. Mr H felt these were unfair as he'd previously asked Santander not to allow payments to debit his account if he didn't have enough money to cover them. Mr H said Santander should've offered him an overdraft. Mr H also explained he has difficulties getting around and relies on others to deposit money into his account, often via the ATM. Mr H said problems with the ATM at his local Santander branch prevented this on multiple occasions.

Santander issued its final response on 7 June 2019 but didn't uphold Mr H's complaint. Santander said the charges had been correctly applied and there were no ongoing faults with its ATM machine. Mr H disputed Santander's response and, on review, it agreed there were issues with the ATM. Santander offered Mr H £40 compensation for giving him incorrect information in its original response to his complaint.

Mr H remained unhappy and referred the complaint to this service. Our investigator said Santander had dealt with Mr H's complaint fairly so didn't ask it to do anything else. Mr H asked to appeal so the matter has been passed to me to make a decision.

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.

Banks are allowed to charge customers if their account isn't used within the agreed limits. Mr H didn't have an arranged overdraft facility on his account and there have been occasions when insufficient funds have caused him to enter into an unarranged overdraft.

The terms and conditions of Mr H's account say that Santander can charge Mr H for an unarranged overdraft. I've looked at Mr H's account statements and I'm satisfied the charges have been applied in line with the terms and conditions. As the charges have been correctly applied, I've considered whether they're fair in the circumstances Mr H has raised.

Santander has explained that although it refunded charges in the past as a gesture of goodwill, it also provided Mr H with information about how to manage his account to avoid future charges. Mr H says he asked Santander not to allow payments to debit his account if he had insufficient funds. But Santander isn't able to do this for Mr H. There are various ways for customers to monitor their account balance and Santander has advised Mr H to get in touch if he needs assistance with this.

Mr H has said Santander should've offered him an overdraft. But Santander doesn't give advice to customers about whether to take an overdraft, so I don't think it did anything wrong by not contacting Mr H to offer him one. The terms and conditions of Mr H's account explain

that customers can contact Santander to request an arranged overdraft, but these are approved at Santander's discretion. If Mr H wants to explore this option he'll need to contact Santander and apply.

Mr H says the technical problems Santander has had with its ATM prevented cash deposits being made on various occasions. I've looked back at Mr H's account history from 2018 onwards. I can only find a very limited number of occasions where cash was paid in via the ATM at the branch Mr H has mentioned. Having looked at Mr H's account history, I haven't found evidence to support he relies on cash deposits made via an ATM to manage his account.

I appreciate Mr H is unhappy he was initially told there was no fault with the ATM and that information turned out to be wrong. Santander acknowledged that information it received from the branch was incorrect and apologised for that. Santander confirmed there has been some intermittent issues with the ATM in question.

I do understand Mr H's frustration at initially being given incorrect information. But I'm satisfied Santander made a genuine mistake. I'm not persuaded it intentionally misled Mr H.

The terms of Mr H's account say if Santander isn't able to provide a service due to causes beyond its control it won't be responsible for any losses incurred by customers. There is no provision under the terms for Santander to refund Mr H's overdraft fees because of a problem with its ATM.

Santander offered Mr H £40 and apologised for giving him incorrect information. I'm satisfied that's fair in all the circumstances.

I'm sorry to disappoint Mr H but the information I've seen shows the charges were correctly applied and I think Santander has dealt with his complaint fairly. So I'm not asking it to take any further action.

My final decision

My decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 30 May 2020.

Marco Manente
Ombudsman