

## **Complaint**

Mr B says that Santander UK Plc (trading as “Santander”) unfairly added overdraft charges to his overdraft.

## **Background**

One of our adjudicators looked into Mr B’s concerns. He didn’t think that Santander had done anything wrong or treated Mr B unfairly and so didn’t recommend the complaint be upheld. Mr B disagreed and so the complaint was passed to an ombudsman for a final decision.

## **My findings**

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

Having carefully considered everything provided, I’ve decided not to uphold Mr B’s complaint. I’ll explain why I’ve done so in a little more detail.

Mr B says Santander charged him too much. He’s not been specific over why he thinks this is the case. But before I go any further, I want to be clear in saying that I haven’t considered whether the various amounts Santander charged Mr B over the years were fair and reasonable, or proportionate in comparison to the costs of the service provided. Ultimately how much a bank charges for services is a commercial decision. And it isn’t something for me to get involved with.

That said, while I’m not looking at Santander’s charging structure per se, it won’t have acted fairly and reasonably towards Mr B if it applied these interest, fees and charges to her account in circumstances where it was aware, or it ought fairly and reasonably to have been aware Mr B was experiencing financial difficulty. So I’ve considered whether there were instances where Santander didn’t treat Mr B fairly and reasonably.

In other words, I’ve considered whether there were periods where Santander continued charging Mr B even though it knew he was in financial difficulty or it ought to have realised this. Having thought about everything, I don’t think that Santander treated Mr B unfairly or unreasonably here though.

I’ve looked through Mr B’s statements throughout the period concerned I can’t see that Santander ought to have steps to remove the facility from Mr B and default the account. Mr B may argue his use of his overdraft was in itself an indication that he was struggling. But the account regularly received funds and for the vast majority of the time it had a credit balance, which meant that it wasn’t unreasonable for Santander to conclude there was a reasonable prospect of the overdraft sustainably being repaid.

And while I’m not seeking to make retrospective value judgements over Mr B expenditure, nonetheless there are significant amounts of non-committed, non-contractual and

discretionary transactions being made from the account. So I can't reasonably say that it was the overdraft charges that were responsible for Mr B's overdraft balance here.

I accept that all of these things in themselves (or even taken together) don't mean that Mr B wasn't experiencing financial difficulty. But there isn't anything in Mr B's transactions in themselves which ought to have prompted Santander to have realised this. So, in these circumstances, I don't think that it was unreasonable for Santander to proceed with the interest, fees and charges it added. And I don't think Santander unfairly charged Mr B in circumstances where it ought to have realised that he may have been experiencing financial difficulty.

I understand that Mr B's financial circumstances have taken a turn for the worse more recently and I'm sorry to hear about this. However, he's asked us to consider whether the historic charges on his account were applied unfairly. Having considered everything, I don't think that they were and so I've not been persuaded to uphold Mr B's complaint. I realise that this will be very disappointing for Mr B – especially in mind he's current situation. But I hope that he'll understand the reasons for my decision and at least feel that his concerns have been listened to.

### **My final decision**

For the reasons I've explained, I'm not upholding Mr B's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 16 November 2021.

Jeshen Narayanan  
**Ombudsman**