

The complaint

Miss T complains that Santander UK Plc ("Santander") failed to send her a new debit card when her old card expired. Miss T is also unhappy she was charged for going into overdraft.

What happened

Miss T complained to Santander that it failed to send her a new debit card. Santander investigated and initially found that the new debit card wasn't sent as there was a do not renew block on Miss T's card because it hadn't been used in the last 12 months – it awarded Miss T £35 compensation. Subsequently Santander found that it had made an administrative error and Miss T had been using the card. It then arranged to have a new card sent out to her and awarded her a further £120 in compensation.

Miss T then complained to Santander about the charges it applied to her account when unpaid standing order charges caused her to go into unarranged overdraft. Santander says all charges were notified to Miss T in advance and applied correctly in line with the terms and conditions of her account.

One of our adjudicators looked into Miss T's concerns and reached the conclusion that Santander had done enough to settle her complaint and didn't recommend the complaint be upheld. Miss T disagreed and so the complaint was passed to an ombudsman for a final 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.

Having considered everything provided, I've decided not to uphold Miss T's complaint. I'll explain why in a little more detail.

It might help for me to start by explaining that where a business accepts (or we decide) it did something wrong, we'd expect the business to put the consumer in the position they would be in if that wrong hadn't taken place. And in an ideal world, we'd tell a business to put a consumer in the position they'd now be in if they hadn't been given the credit they shouldn't have. This service doesn't supervise, regulate or discipline the businesses we cover. And my role isn't to punish or penalise businesses for their performance or behaviour – that's the role of the regulator, in this case the Financial Conduct Authority.

Taking Miss T's first complaint point - she is unhappy with the service she received from Santander when it failed to send her a new debit card. I can see that Santander has agreed it made a mistake and has put it right by sending Miss T a new debit card and compensated Miss T £35 and £120 for the inconvenience. This is in line with what I would expect Santander to do so I won't be asking Santander to do anything more here.

Miss T's second complaint is about the level of charges applied to her account when she went into unarranged overdraft. I can see that all charges were notified to Miss T prior to

being applied and that they were correctly applied in line with the terms and conditions of the account. So I can't say that Santander has done anything wrong here. I haven't considered whether the amount Santander charged was 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 various charging structures per se, it won't have acted fairly and reasonably towards Miss T if it applied any interest, fees and charges to Miss T's account in circumstances where it was aware, or it ought fairly and reasonably to have been aware Miss T was experiencing financial difficulty. From what I've seen about the way Miss T was managing her account I can't see anything to suggest that Santander ought to have realised she might have been experiencing financial difficulty before she got in touch with it.

So, in these circumstances I don't think that it was unreasonable for Santander to proceed with adding the interest, fees and charges in line with the terms and conditions of the account.

Miss T has informed us that one of the payments that triggered the overdraft charges was a loan from another bank and that the bank had admitted mismanagement of its loans. As this mistake was made by a different bank Miss T will have to raise her complaint about this payment with that bank.

So I don't think Santander treated Miss T unfairly or unreasonably which means that I'm not upholding this complaint. I appreciate that this will be very disappointing for Miss T – especially as she's been waiting some time for this answer. But I hope she'll understand the reasons for my decision and that she'll at least feel her concerns have been listened to.

My final decision

For the reasons I've explained, I'm not upholding Miss T's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss T to accept or reject my decision before 27 December 2021.

Caroline Davies
Ombudsman