

Complaint

Mr H has complained about the overdraft charges Santander UK Plc (“Santander”) applied to his current account. He’s also said he was erroneously sent text messages about his balance.

Background

Mr H’s complaint was looked at by one of our adjudicators. She didn’t think that Santander had done anything wrong or treated Mr H unfairly and so didn’t uphold the complaint. Mr H disagreed with the adjudicator and asked for an ombudsman’s 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’m not upholding Mr H’s complaint. I’ll explain why in a little more detail.

Before I go any further, I want to be clear in saying that I haven’t considered whether the various amounts Santander charged 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. So while Mr H might have wished to be charged less to use his overdraft when he did (I’m not aware of any account which would have limited his arranged overdraft charges to £5 a month irrespective of his overdrawn balance), I can’t say this is something Santander ought to have offered him.

That said, Santander won’t have acted fairly and reasonably towards Mr H if it applied these interest, fees and charges to Mr H’s account in circumstances where it was aware, or it ought fairly and reasonably to have been aware Mr H was experiencing financial difficulty. So I’ve considered whether there were periods where Santander continued charging Mr H even though it ought to have known he was in financial difficulty or it ought to have realised this was the case.

I’ve looked through Mr H’s account transactions throughout the period concerned. And I can’t see that Santander ought to have been aware that Mr H might have been struggling during the period we’ve looked at. Mr H did use his overdraft and he might argue that this in itself was indicative Santander ought to have acted on the charges. But while I’m not seeking to make retrospective value judgements over Mr H expenditure, nonetheless there are significant amounts of non-committed, non-contractual and discretionary transactions account going from the account.

I accept neither of these things in themselves (or taken together) mean that Mr H wasn’t experiencing financial difficulty. But there isn’t anything in these transactions in themselves which ought to have alerted Santander to potential financial difficulty and which meant that it would have been fair and reasonable to step in here.

So, in these circumstances and in the absence of being told anything by Mr H, I don't think that it was unreasonable for Santander to have proceeded adding the charges that it did. And I don't think Santander charged Mr H in circumstances where it ought to have realised that it was unfair to do so. As this is the case, I don't think that Santander acted unfairly.

I've also thought about what Mr H has said about the text messages he was sent in error. I can appreciate why it must have been frustrating to receive text messages with an incorrect balance. But while this is the case, bearing in mind his account usage, I don't think that Mr H lost out because of this or that these text messages would have caused him to pay overdraft charges he wouldn't otherwise have paid irrespective of the text messages. So I'm not upholding this part of the complaint either.

Overall and having considered everything, I'm not upholding Mr H's complaint. I appreciate that this will be very disappointing for Mr H – especially as it has taken sometime for his complaint to reach this stage. But I hope he'll understand the reasons for my decision and that he'll at least feel his concerns have been listened to.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 21 February 2022.

Jeshen Narayanan
Ombudsman