

## **The complaint**

Mrs C complains that Santander UK Plc ("Santander") overdraft charges were unfair and causing her financial difficulty.

## **What happened**

Mrs C complained to Santander that its overdraft charges were unfair and causing her financial difficulty. Santander referred Mrs C to its financial support team and offered Mrs C £75 compensation for poor service to which she declined.

One of our adjudicators looked into Mrs C's concerns and reached the conclusion Santander hadn't done anything wrong or treated Mrs C unfairly and so didn't recommend the complaint be upheld. Mrs C 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 Mrs C's complaint. I'll explain why in a little more detail.

I've seen that Mrs C has in some of her correspondence referred to the proportionality of the charges applied to her account. But 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. That said, while I'm not looking at Santander's various charging structures or processes per se, it won't have acted fairly and reasonably towards Mrs C if it applied any interest, fees and charges to Mrs C's account in circumstances where it was aware, or it ought fairly and reasonably to have been aware Mrs C was experiencing financial difficulty.

So I've considered whether there were instances where Santander didn't treat Mrs C fairly and reasonably. I don't think that Santander did treat Mrs C unfairly or unreasonably here though. I say this because having looked at Mrs C's statements I can't see anything to suggest that Santander ought to have realised she might have been experiencing financial difficulty prior to it being notified of this.

Mrs C may argue her regular use of her overdraft was in itself an indication that she was struggling. But while I'm not seeking to make retrospective value judgements over Mrs C expenditure, nonetheless there are significant amounts of non-committed, non-contractual and discretionary transactions.

There were regular and sometimes large cash transfers into the account and Mrs C was able to bring the overdraft down and sometimes pay it off before once again going on to use her overdraft to make debit card transactions, further money transfers and cash withdrawals. I accept this doesn't necessarily mean that Mrs C wasn't experiencing financial difficulty. But there isn't anything in these transactions in themselves which ought to have alerted Santander to any potential financial difficulty. And although there were periods of time where Mrs C didn't see a credit balance Mrs C never exceeded her limit and by her own admission her credit score has never been affected by her overdraft use.

So, in these circumstances I don't think that it was unreasonable for Santander to proceed with adding the interest, fees and charges it did in light of how Mrs C's account was being used.

So taking everything into consideration I don't think Santander treated Mrs C unfairly or unreasonably which means that I'm not upholding this complaint.

I appreciate that this will be very disappointing for Mrs C – 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 Mrs C's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs C to accept or reject my decision before 20 October 2022.

Caroline Davies  
**Ombudsman**