

complaint

Mr D complains that instead of closing his account as he requested, Santander UK Plc kept it open and applied several bank charges to it.

background

Mr D paid the balance on his account and asked Santander to close it. But direct debits were taken from it and Santander applied a number of charges.

Santander said Mr D had only cancelled one of his direct debits. And it took a monthly account fee which was due. When Mr D didn't clear that balance the bank applied further charges in line with its terms and conditions.

Our investigator didn't recommend his complaint should be upheld. She could see that when Mr D asked Santander to close his account, the monthly account fee had just been applied. Santander sent him a secure message explaining he needed to clear the balance and to contact the business again to request closure. She also explained that the Supreme Court had ruled bank charges couldn't be challenged on the basis they were unfair. Santander has confirmed it's now closed the account.

Mr D raised a number of issues in his response to the investigator's opinion. He wanted to know the case name, he believed he'd cleared the balance so he didn't think there was anything else to do, Santander had misled him because it didn't tell him it'd added another monthly fee and implied he still had funds in his account, and it hadn't made it clear that the charge was for the previous month's usage. He said the amount of charges was a large sum of money for him due to his personal circumstances.

my findings

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

I'm very sorry to hear about Mr D's financial and personal circumstances and I can understand why he was upset about these charges. But I agree with the adjudicator that they can't be challenged on the basis they're unfair. The case name is *The Office of Fair Trading v Abbey National plc & Others* and the decision was issued by the Supreme Court on the 25 November 2009.

Even though they can't be challenged on that basis, the bank has to apply those charges in line with its terms and conditions. I've seen the key facts document, and the terms and conditions that Santander would've made available to Mr D when he opened his account. The key facts document makes it clear that the monthly fee is for the previous month and says that if there are insufficient funds in the account this fee will still be charged and overdraft charges will apply. And so I'm satisfied that Santander has applied its charges properly.

In the message Mr D sent Santander he said he wanted to close his account and he asked for advice. I can see the response does talk about the transfers of any money to another account but it also says that once the balance is nil Mr D should respond to the email and request closure. So it's telling him he needed to take further action before his account could be closed. In those circumstances I'm satisfied Santander hasn't misled Mr D.

I know Mr D will be disappointed with my decision but for the reasons I've given I don't think Santander has done anything wrong and so I can't fairly ask it to refund those charges.

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 D to accept or reject my decision before 13 February 2017.

Linda Freestone
ombudsman