

complaint

Mrs H complains Clydesdale Bank Plc trading as Yorkshire Bank ("Clydesdale") gave poor customer service and unfairly withdrew her overdraft facility. Mrs H's husband, who I'll refer to as "Mr H" is dealing with the complaint on her behalf.

background

In 2006 Mrs H borrowed money from Clydesdale and also opened a current account with them. It was a condition of the loan for repayments to be made from a Clydesdale current account. The account had an overdraft facility. When the loan was reviewed in 2012 - along with the overdraft - the bank didn't renew the overdraft facility. Since then, even with online banking, Mrs H has had difficulty running the account as she'd like to. And with no overdraft she sometimes hasn't had enough money to cover payments so they were refused and unpaid item charges applied.

In 2014 Mrs H contacted the bank (via her husband) to complain about the overdraft being withdrawn and the fees charged since then. The bank responded on 19 September 2014 and explained why they decided not to renew the facility at the review in 2012. Clydesdale suggested two solutions for Mrs H to avoid future charges and, as a gesture of goodwill, refunded the one that had previously been applied.

After this Mrs H continued to have difficulties with the account and was charged at least once more, in April 2015. Mrs H wrote to the bank three times in April and May 2015. The bank didn't reply, so, in June 2015, Mrs H brought her complaint about the overdraft and unanswered letters to us. And Mrs H felt there wasn't a human contact for the account, but she'd like there to be one, who she could contact when similar issues came up.

Clydesdale initially agreed they'd got one of Mrs H's letters but hadn't replied. They offered to pay £100, understanding the distress and inconvenience this caused Mrs H.

Our adjudicator found she wasn't able to look into Mrs H's complaint about the removal of the overdraft as it hadn't been referred to our service within six months of the bank's final response. She thought the bank's offer for the poor service was fair but Mrs H didn't agree.

After further contact with the bank Clydesdale said it had given Mrs H details of who she could speak with about her account. But they accepted it was more than likely they'd got all Mrs H's letters in April and May 2015 and should have replied. So they increased their offer of compensation to £300 for the distress and inconvenience Mrs H had suffered as a result. The adjudicator felt this was fair and reasonable. Mrs H didn't agree and also asked for the overdraft removal to be reconsidered in the complaint. So the case has come to me for a 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 done so, I come to the same conclusion as the adjudicator and for broadly the same reasons which I'll explain below.

I can understand why Mrs H is frustrated with the situation. The difficulties she's had managing her current account have gone on for almost four years. And the current arrangement means she has difficulties predicting when the account may be overdrawn. From what I can see the difficulties are made up of a number of elements, some of which I can consider in this decision, and others I can't.

The refusal to renew the overdraft in 2012

Generally this service can't consider a complaint that's been referred more than six months after the bank sent their final response letter to the complaint. Clydesdale sent its final response about the overdraft removal on the 19 September 2014 so Mrs H had until 19 March 2015 to refer a complaint about that to us. But she didn't get in touch until 25 June 2015. So, on the face of it, it looks like her complaint was referred to us too late.

But there are exceptions to this six month limit. A bank can agree to us considering complaints after the six months but Clydesdale hasn't done so in this case. Or, we can consider it, if we think the consumer didn't refer the complaint to us within six months as a result of "exceptional circumstances".

We asked Mrs H about this in August 2015 when we first explained this rule and our view on it. Mrs H told us the complaint was different because she *now* complained she'd "*had no human contact or any contact...within Clydesdale....to discuss the way in which this account operates*". But she didn't tell us about any exceptional circumstances which caused the delay in bringing the complaint to us within the six months. So it doesn't seem that Mrs H was unable to bring the complaint within the six months, it's just she chose not to.

During our investigation, it seems, Mrs H has agreed (more than once) with our initial view that we're unable to consider the removal of the overdraft as part of the complaint because of the time limit. When she first wrote to us Mrs H said she realised "*the Ombudsman cannot rule on the overdraft*". And in a later letter she asked "*can....you deal with it as another complaint*" and went on to set out her concerns about poor customer service. After the adjudicator sent her first assessment of the case Mrs H said she understood "*especially regarding the previous complaint which I consider closed*". But in a phone call a few days later she said she'd like the overdraft point to be considered further.

And more recently Mrs H asked me to comment on whether it was fair and reasonable for the bank to remove the overdraft. I can appreciate Mrs H's strength of feeling about the removal of the overdraft. But having a change of heart and *now* wishing to peruse the overdraft complaint doesn't amount to an exceptional circumstance.

I can't look into the bank's decision to remove Mrs H's overdraft because she didn't refer that part of her complaint to us in time and there aren't any exceptional circumstances which allow me to put aside the six month time limit.

Poor customer service

Clydesdale agrees our service can consider Mrs H's concerns about the service she's received because they didn't address this in their 19 September 2014 final response letter. And they didn't reply when this was raised in April 2015.

I think there are two elements to the service problems in this case. Firstly, there's the failure to respond to letters in 2015. The bank has admitted the mistake. And they've offered £300

for the distress and inconvenience this mistake has caused Mrs H. Having considered the matter carefully, I think that's fair and reasonable compensation for this part of the complaint.

Secondly, Mrs H feels there isn't a human contact for her at the bank. On the letters I've seen there's a named contact and, often, also a phone number. It seems to me, on occasions in the past, Clydesdale have shown they've listened to Mrs H's concerns about the operation of this account without an overdraft. They've made practical suggestions about how Mrs H might wish to operate her finances to avoid an unforeseen, temporary overdraft and charges on this account. So, I don't agree there's been a lack of a human touch. The bank may not be willing to discuss the overdraft removal any further but I think that's understandable because they've already given Mrs H a final response about that matter.

I would encourage Mrs H to consider some of the suggestions put forward by the bank to avoid unpaid charges arising in the future. Overall, I think Clydesdale's apology and offer of £300 compensation is fair and reasonable, so I don't require them to do anything further.

my final decision

My final decision is that Clydesdale Bank Plc trading as Yorkshire Bank should pay Mrs H £300.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs H to accept or reject my decision before 12 February 2016.

Annabel O'Sullivan
ombudsman