

complaint

Miss C complains about the amount of fees and charges applied to her account by Santander UK plc.

background

Miss C says she recently asked Santander for her account statements from 2009 in connection with an unrelated matter. She says she was shocked to see the amount she'd paid Santander in charges and fees and they would've caused her significant financial hardship over many years. Miss C would like them all refunded by Santander and for it to pay her interest on the amount.

Santander says some of the charges go back over six years and says Miss C has brought her complaint too late in respect of those. It says it's acted in line with the terms and conditions of Miss C's account and hasn't made a mistake by charging her for unarranged overdraft fees and by applying other charges. Santander has said it's not been aware of Miss C's financial difficulties but has refunded fees in 2018 as a gesture of goodwill. It says Miss C has another Santander account which is well managed and has also sent her notification of any charges in advance.

Miss C brought her complaint to us but our investigator didn't uphold it. He thought we could only consider the last six years worth of charges and thought Miss C would've been aware of them at the time as she was sent regular account statements. He also thought the charges and fees were applied to Miss C's account in line with the account terms and conditions and couldn't be challenged following the Supreme Court case that they were unfair because they were too high. The investigator thought Santander had acted fairly since becoming aware of Miss C's difficulties by refunding charges.

Miss C doesn't accept that view and says she only recently became aware a complaint could be made about these matters. But she accepts only the last six years worth of fees and charges can be looked at. She says the charges were disproportionate and gives examples of small payments that have resulted in large charges.

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've come to the same overall conclusions as the investigator for the same reasons. I realise Miss C will be disappointed by my decision.

I've looked at the terms and conditions of Miss C's account which I'm satisfied she would've agreed to when the account was opened. Having done so I'm satisfied that Santander make clear that charges and fees will be incurred in certain situations -such as entering an overdraft. So I don't think Santander has made a mistake or acted unfairly by making those charges in this case. I also don't think that following the Supreme Court case that those charges or fees can be challenged on the grounds they are too high and so unfair.

I appreciate that Miss C says the charges were disproportionate but for the reasons I've explained I think they were correctly applied and can't be challenged on that ground.

Bank and building societies should treat cases of financial hardship positively and sympathetically. I appreciate Miss C says she's been in such difficulties for some time. But I'm satisfied Miss C hadn't made Santander aware of those difficulties until 2018 and I don't think it could've reasonably been aware of those difficulties. I say that as I can see that Miss C also has another Santander account which appears well run and Miss C herself wasn't aware of the level of charges until recently. I can also see that for some significant periods Miss C's account wasn't overdrawn and had a significant balance. I'm satisfied that Santander since becoming aware of Miss C's position has tried to assist her by fairly refunding charges.

I appreciate Miss C says she accepts the investigator's decision that we can only look at the charges for the six years prior to her bringing this complaint. So in those circumstances I will not deal with that area of her complaint but make it clear that I also agree with the investigator's conclusions on that point.

Overall I'm satisfied Santander hasn't made a mistake or acted unfairly. So I can't fairly order it to refund the account charges and pay interest on them as Miss C would like.

my final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss C to accept or reject my decision before 12 October 2018.

David Singh
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