

complaint

Mrs K complains that the fees Bank of Scotland plc (BOS) charged since she opened her account are unfair and have contributed to her financial difficulties.

background

Mrs B opened a bank account with BOS. The account came with a planned overdraft of £100 free for the first three months, following which Mrs B would incur a charge for the days she went into planned overdraft and further charges applied for the days she exceeded this.

Following the initial free overdraft period Mrs B went into *unplanned* overdraft on two occasions and BOS charged £115 for this in line with the terms and conditions of the account. Mrs B contacted BOS about this and explained she was in difficult financial circumstances and wasn't able to manage the charges on her account.

In response to this BOS agreed to refund £90 of charges and applied a control facility to her account (a service which helps reduce unplanned overdraft fees) free for six months. Usually the control facility would incur a monthly £10 fee.

BOS wrote to Mrs B a month before the control facility free period was due to come to an end informing her that fees would be applied following this. And because Mrs B didn't cancel the control facility BOS started charging her the £10 monthly fee.

Following this Mrs B again went into both planned and unplanned overdraft but because she had the control facility on her account BOS charged her a reduced fee for the unplanned overdraft. Over three months she was charged around £41 in overdraft fees on top of the monthly £10 control fee.

Mrs B complained to BOS that its overdraft charges were unfair, leaving her in financial hardship and requested it refund all charges ever applied to her account.

BOS confirmed that all fees charged were in line with the terms and conditions of the account and declined to refund any further charges, but provided the contact details of its money management team to assist Mrs B if she was struggling financially.

Our adjudicator investigated Mrs B's complaint but didn't think BOS had charged anything that it wasn't entitled to and thought BOS had already done enough previously when it refunded charges and provided its control facility free for a period of time.

Mrs B disagrees. So her complaint has come to me to consider.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. And from what I've seen I think BOS has treated Mrs B fairly and taken appropriate actions for someone in her circumstances.

BOS is required to treat Mrs B's financial difficulties positively and sympathetically. When Mrs B first contacted it about the financial difficulties she was having BOS refunded the majority of overdraft fees applied to her account and provided its control facility free for six months. I consider this a reasonable period of time (given the relatively low overdraft limit) to allow her some breathing space until her financial circumstances improve and to get the management of her account in order.

When Mrs B again complained to BOS it declined to give Mrs B another refund but offered assistance in the form of its money management team. Mrs B might well have wanted BOS to again refund its charges but while BOS is required to treat Mrs B's situation positively and sympathetically, that doesn't mean it has to take any particular course of action.

One of the features of Mrs B's account with BOS was the use of an overdraft facility for a fee. The fees are outlined in BOS's terms and conditions. When Mrs B initially used the overdraft facility I think she would've understood there would be charge, though she may not have understood *exactly* what it would work out to be.

But after her initial complaint to BOS and the actions it took in response, I think she had a responsibility to make sure she understood these charges going forward and I think BOS gave her enough time to get out of overdraft and manage her account without using the overdraft facility.

So I don't see why BOS should have to refund charges for a service Mrs B chose to use knowing there would be a charge. I consider BOS has treated Mrs B fairly and her financial situation both positively and sympathetically and I'm not going to ask it to do anything more.

my final decision

My final decision is I do not uphold Mrs B's complaint against Bank of Scotland plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B to accept or reject my decision before 19 October 2017.

Caroline Davies
ombudsman