

complaint

Mr I complains about the way charges have been applied to his business account by Santander UK Plc.

background

The investigator did not recommend that the complaint be upheld. He said that charges had been applied in line with the terms and conditions of the account. There was a paid item fee of £30 applied when a payment was made that took the account balance into overdraft. It was reasonable for Santander to expect Mr I to manage his account and not make payments when there were insufficient funds. It had looked at whether a specific charge had been the result of a retailer making errors in applying payments. But it had concluded that this was not the case. It had made refunds of some charges in the past as a gesture of goodwill.

Mr I did not agree. He sent in detailed submissions. In summary he did not think that the charges were fairly applied. He had difficulty obtaining up to date balance information. He was in dispute with some retailers about the terms of service provided. He was not able to make legitimate payments as a result of these charges which had a compounding effect.

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 understand that for some time Mr I had a business account with Santander free of charges. It said that it no longer offered this to him after June 2015. That was a commercial decision which I cannot reasonably interfere with. And this service cannot consider a complaint about charges being too high or unfair following a ruling of the Supreme Court about bank charges in 2009. I can see in the final response it told him about a different account it can offer which may mean lower charges.

I agree it is reasonable for Santander to expect him to manage his account and keep track of the payments he's made. If he doesn't maintain the balance in credit then charges either for paying each item or returning items have applied. I'm satisfied that Santander has made those charges in line with its published tariff. And the information I've seen is that it has notified Mr I of charges in advance.

Santander has agreed as a gesture of goodwill to refund some charges in the past when Mr I's account balance has only been slightly in debit or where he's shown a retailer has made a mistake and overcharged him. It did not have to do that and I can't say it should make further refunds in similar circumstances in future. I'm not persuaded it should do anymore now.

The substantial evidence Mr I has provided, beyond that relating specifically to Santander, does indicate that he is in financial difficulty. As he has no ongoing borrowing with Santander that's not something Santander can assist him with. And so he would need to contact the other businesses involved to discuss repayment terms. I understand he has already been accessing some help from a free agency.

my final decision

My decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr I to accept or reject my decision before 9 February 2018.

Michael Crewe
ombudsman