

## **complaint**

Mr B complained about the charges on his account with Santander UK Plc.

## **background**

In autumn 2015, Mr B complained to Santander. He said he hadn't had a letter to tell him the overdraft charges policy was changing in summer 2014. The changes were that Santander stopped a monthly cap of £20 on charges, and instead charged £1 a day for overdrafts. Mr B wanted all charges refunded. He said it was possible his post could have been stolen.

Santander investigated, and raised it with Royal Mail too. Royal Mail said that post had been delivered. Santander advised Mr B to contact the police if he thought his post was being taken by a third party once it had reached his home. It said it could stop sending mail to his account if that was what was happening. Santander noted that Mr B had been keeping within his overdraft limit, and said it couldn't refund any charges as they were correct. But it gave Mr B the benefit of the doubt about not receiving notification and gave him £50 compensation as a gesture of goodwill.

Mr B wasn't satisfied and complained to this service. He said he wanted all the charges back, which he thought was about £300 to £350, plus 8% statutory interest. He said he'd been ill in summer 2014 so hadn't been in the right state of mind to be opening post.

The adjudicator said she was sorry to hear Mr B had been ill. But she couldn't see any reason why the mail wouldn't have arrived. The bank had the right address, and the Royal Mail investigation had found nothing wrong. She pointed out that in 2009 the Supreme Court had ruled that the amount of charges can't be challenged on the grounds they are too high. She noted that the extra which Mr B had paid under the new system, compared with the old system, was £66. And Santander had given him £50 as a gesture of goodwill, which she thought was generous when the bank hadn't made a mistake.

Mr B wasn't satisfied. He said Santander had been charging him for years. He said Santander admitted it didn't write to him which was why it gave him £50.

## **my findings**

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

Santander and the Royal Mail both investigated whether Mr B's post was arriving. Santander said it sent the letter about the new overdraft arrangements, and it had the right address for Mr B. I accept that it's more likely than not that Santander did send Mr B a letter, as it did to all affected customers, and that it went to the right address. I'm sorry to hear that Mr B was ill at that time. But even if he didn't feel up to dealing with the letter then, his statements after that showed the new arrangements, and new amounts debited too. And it was about a year before Mr B got in touch with Santander, during which time Mr B was using his account and having the benefit of the money.

Mr B thinks that because Santander gave him £50 as a gesture of goodwill, this means the bank accepts it made a mistake. But that isn't what goodwill means.

I've also looked at how much extra Mr B paid under the new charges. There's a lot of difference between the £300 to £350 Mr B says, and the £66 Santander says. I think the reason for the different figures may be that Mr B is talking about how much he thinks he may have paid in total charges over the whole lifetime of his account. But Santander is talking about how much extra Mr B paid under the new charges, compared with what he would have paid under the old charges – just from when it changed in summer 2014.

It's correct that, after the Supreme Court ruling, the amount of charges can't be challenged – only whether they've been worked out accurately. I have looked at the statements and I can't see that Santander made any mistakes in working out how much it charged Mr B.

So I accept that Santander notified Mr B about the new charges, and that the new charges were on his account for quite a while before he raised it. The charges were due because Mr B used his overdraft. I find that Santander has been generous to pay Mr B £50 as a gesture of goodwill, and I don't require it to do more.

### **my final decision**

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 29 April 2016.

Belinda Knight  
**ombudsman**