

complaint

Mr C complains about Santander UK Plc's plan to introduce new charges to the company's business current account which has a 'free banking forever' tariff. He wants the bank to continue to provide a service on the previous basis or pay compensation for the additional costs in the new proposal – plus pay the company compensation for the time he has spent dealing with this issue.

background

K has a business current account with Santander which provides free banking for specified standard services within certain limits. In July 2012 the bank told the company that it was changing the charging structure and it would now have to pay a set monthly fee. In response to Mr C's complaint the bank said that the terms and conditions allowed it to make these changes if it gave 60 days notice. A few months later, following feedback from a number of customers, the bank decided to withdraw the proposed change and continue to offer the 'free banking' tariff. The bank offered K £50 compensation for the inconvenience caused by this proposed change.

The adjudicator recommended that the complaint should be upheld in part. She concluded that as the new charge had been withdrawn the company was in the same position as before the complaint. She considered that the bank's offer of £50 compensation for the inconvenience caused was fair and reasonable. Mr C said this figure did not reflect his time and costs.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

As Santander has agreed not to implement the proposed change I find that the company's charges have not been affected and that there is no requirement for me to comment further on that aspect of the complaint. But I do recognise that the bank's proposal to implement this change, and the length of time before it withdrew the proposal, will have caused Mr C and the company a degree of distress and inconvenience for which compensation is appropriate. It is not the role of this service to penalise Santander, only to ensure that a customer is compensated fairly. I consider that compensation of £100 is fair and reasonable in the circumstances.

my final decision

My final decision is that I uphold this complaint in part and I order Santander UK Plc to pay K a total of £100 in full and final settlement.

John Thornton
ombudsman