

## **complaint**

Mr K complains that the fees charged by Santander UK Plc are increasing his financial difficulties and that the bank has not helped him to manage this. He wants the bank to waive charges so he can reduce his borrowing.

## **background**

Mr K first complained formally to the bank about his charges in January 2012. The bank said the charges had been taken correctly but agreed to refund £215 as a one-off gesture of goodwill. When Mr K complained again about the charges the bank refused to refund them on the basis they had been correctly applied. The bank has occasionally refunded individual fees in response to a request from Mr K. The bank has agreed to suspend all charges while this complaint is being considered. Mr K says that the charges are making it impossible for him to reduce his borrowing.

The adjudicator did not recommend that the complaint should be upheld. She concluded that the charges had been applied correctly and that the bank had responded positively and sympathetically to Mr K's situation. Mr K said that the bank's behaviour was completely unreasonable and designed to increase his charges.

## **my findings**

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

I recognise that Mr K wants to reduce his debt to the bank. I also understand his frustration that the money he pays into the account is taken by charges and does not reduce the principal. But as set out by the adjudicator the Supreme Court ruling of 2009 says bank charges cannot be challenged only on the basis that they are too high or unfair. This is true even if the customer is in financial difficulty. I find that the charges have all been taken correctly and in line with the terms and conditions of the account. The bank has not made an error and I cannot require the bank to refund them.

Santander is expected to respond both positively and sympathetically to customers in financial difficulty. But this does not mean that it is required to refund charges that have been applied correctly. I consider that by agreeing the refunds already made and suspending charges from September 2012 the bank has responded reasonably and fairly to Mr K's situation and his complaint. I encourage Mr K to contact the bank to arrange an acceptable repayment programme for the overdraft. I would expect the bank to continue to respond positively and sympathetically.

## **my final decision**

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

John Thornton  
**ombudsman**