

## **complaint**

Mrs G complains that between 2008 and 2011 Santander UK Plc applied excessive charges to her current account at a time when she was struggling financially. She would like Santander to pay her £2,169.54.

## **background**

Mrs G had an account with Santander between 2008 and 2011, when she was living alone on a low income. She first complained to Santander about the charges it had applied to her current account in July 2011. The bank refunded charges totalling £80. In December 2012 she complained again about a further charge of £100 which had been applied to the account. The bank refunded the £100 and paid Mrs G £45 in acknowledgement of an error.

The account was closed in December 2012. Mrs G made a further complaint to the bank in March 2014.

The adjudicator didn't uphold the complaint. He said that the bank had been entitled to apply the charges under its terms and conditions. He said that as the account had been closed in 2012 there was no scope for the bank to respond to any financial difficulty Mrs G is currently suffering.

Mrs G doesn't agree. She disputes the accuracy of the information that Santander has provided about the way it treated her.

## **my findings**

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

In its response to Mrs G's original complaint on 9 September 2011, the bank explained that in a judgment delivered in 2009, the Supreme Court had upheld the way in which banks calculated the charges they applied to overdrawn accounts. It also advised Mrs G that if she still had concerns she could bring her complaint to this service. She didn't do so at that time.

Santander accepts that once Mrs G alerted it to the fact that her problems were compounded by the fact that the charges were being applied a few days before her salary was paid into her account, it would have been helpful to reschedule any charges so they were added after her salary had gone into the account. But it says that by September 2011 money was being credited to the account on the 25<sup>th</sup> of each month while charges weren't added until the 27<sup>th</sup>. Mrs G doesn't accept this as accurate. But looking at her bank statements for 2011, they show that by 2011 her salary was being credited to her account by the 25<sup>th</sup> of each month at the latest. So although this may have been a problem when Mrs G worked for a previous employer who didn't pay her until the end of the month, by the time the issue was brought to Santander's attention, this was no longer the situation.

Overall Mrs G's bank statements indicate that although her income was modest and the account occasionally overdrawn, she was largely managing her finances well and living within her means. If anything the situation had improved by the time she contacted the bank in August 2011.

After the bank had responded to that complaint, I would have expected that if she was continuing to suffer financial hardship, she would have pursued the matter further in 2011, including bringing her complaint to this service.

Between September 2011 and December 2012, when Mrs G closed her account, charges were rarely applied. When Mrs G complained about the £100 which was applied to her account in December 2012, the charge was refunded with an additional £45 for distress and inconvenience.

Taking all this into account, I am satisfied that the charges that were applied were not excessive and were in line with those set out in the terms and conditions for Mrs G's account. There is no evidence of ongoing financial hardship. Mrs G's income was limited but she was usually able to keep the account in credit. Since she has closed her Santander account the bank has no ongoing obligation to accommodate the financial hardship that she says she is now suffering as a result of being on maternity leave and so having a much reduced income.

Mrs G feels very strongly that charges were being applied at a time when she was trying to balance her budget on a low income when she was first living independently. I accept that this was a challenging time for her, as it is for other young people in a similar situation; but I can find no error in the way that Santander applied overdraft charges to her current account.

### **my final decision**

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

Melanie McDonald  
**ombudsman**