

## **complaint**

Mr O complains that Santander UK Plc completed a current account switch after he decided not to proceed. He's also unhappy he incurred account charges.

## **background**

In September 2018 Mr O completed an online switching request during which he instructed Santander to switch his current account to it from another bank, which I'll refer to as "N". He said he was sent a letter by Santander which requested his signature to authorise the switch. Mr O didn't return this letter to Santander because he decided not to proceed with his previous switching request. He thought by not returning this letter this would prevent the switch taking place. But on 28 September his account was switched to Santander.

After Mr O's account switched to Santander he incurred unpaid transaction charges due to a number of failed direct debits. He was also charged unarranged overdraft fees, which he wasn't happy about. Mr O complained to Santander about what had happened. He said he wasn't happy the account switch had taken place. And he wasn't happy about the account charges he had incurred. He thought he should've received text alerts about the status of his account. And he felt that if he had he would've avoided charges being applied.

When Santander responded to Mr O's complaint it said it had processed his account switch request in line with its switching process. It also said the correspondence Mr O had received was for his records only. And it accepted it hadn't enrolled his account for its text alert service. So it credited Mr O's account with £120 to recognise this error.

Being dissatisfied with Santander's response Mr O referred his complaint to our service. In addition to the complaint issues he had raised with Santander Mr O told us he was unhappy about the way in which Santander had dealt with his complaint.

After our investigator looked into Mr O's complaint they didn't uphold it. In summary they didn't think Santander had done anything wrong. They said Santander had undertaken the account switch request in accordance with Mr O's instructions. They also said it was entitled to apply the charges it had done and had acted in line with the account terms and conditions. They thought the goodwill payments it had offered and made were fair in the circumstances. But Mr O disagreed and asked for the matter to be referred to an ombudsman.

## **my findings**

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

Our investigator didn't uphold Mr O's complaint – either about the account switching process, the account charges he incurred or the concerns he raised about the way in which Santander handled his complaint.

Strictly speaking, we don't have the power to look at how financial businesses deal with complaint handling – as it's not a regulated activity under the legislation that governs our service. So, even if I did think Santander hadn't done things well in this regard, I wouldn't be able to uphold that element of Mr O's concerns or make an award. I can't act outside the law. So, I won't spend any time in this decision on that.

The first part of Mr O's complaint is about Santander switching his account to it from N. He said it shouldn't have completed the switch because he had changed his mind. So, I'll focus on this issue first.

The starting point here is that Santander should follow its customers' requests, unless there's good reason not to. Here, Mr O gave it online instructions to transfer his current account to it from N. It did that and I'm satisfied that it correctly processed Mr O's switching request. I'll explain why.

Santander wrote to Mr O on 10 August 2018 to confirm the details of his switch. It provided him with copies of the current account switch agreement and account closure instruction. And it told him he didn't need to do anything with these documents. Santander also explained in its correspondence that, on 28 September 2018, the switching process would be complete and his balance from N would be transferred. It told him payments could then start to debit his Santander account.

I understand Mr O thought that by not signing and returning the correspondence he had received from Santander it would prevent the switch from taking place. But it's clear to me from the correspondence Santander sent Mr O that it was providing him with information about his switch and that this documentation was simply for his records. So, the switching process wasn't dependent on Santander receiving signed correspondence from Mr O.

Santander said Mr O would've received three email updates about starting, accepting and completing the switching process. With this in mind, I think he ought to have been aware of the steps involved in this process.

Santander also said once a switch has commenced it can't be cancelled. If a customer changes their mind they need to contact their original bank to arrange for the account to be switched back to them. I haven't seen any evidence that Mr O instructed either N or Santander to stop the switching process or to switch his account back. So, I can't fairly find Santander made an error in completing his account switch.

I'll turn now to the second part of Mr O's complaint, which is about the fees he incurred.

Having considered Mr O's bank statements and I can see his opening balance on 28 September 2018 wasn't enough to cover a direct debit payment that was due to leave his account on 1 October 2018. There were a number of direct debits that weren't met due to insufficient funds and Mr O's account went into an unarranged overdraft, which caused him to incur charges. Mr O feels these account charges are unfair. He feels he should've been automatically enrolled in Santander's account alerts system. And he says this would've prevented charges as it would've alerted him if his account had insufficient funds to cover outgoings such as direct debits.

Santander said it started enrolling accounts to receive overdraft account alerts last year. It recognised it didn't enrol Mr O's account as it should have done. So, to put matters right it registered Mr O's account for alerts on 8 April 2019. I've seen evidence of this. And it's also provided our service with documentation to show it wrote to him on 25 May 2019 to apologise for its oversight. As Santander accepts it made an error in not registering Mr O's account for text alerts I'm satisfied it would be reasonable for it to refund any account charges he incurred prior to the date that he was enrolled for this service.

It's already credited Mr O's account with £120 as part of its remediation project. These credits relate to two unarranged overdraft usage fees and two unpaid transaction fees, which Santander says Mr O incurred during the period in which he wasn't enrolled. But Mr O feels he's due a refund of £169.84 because that's the total amount he thinks he's been charged in account fees. He says these charges were caused by him not receiving text alerts.

Having carefully considered Mr O's bank statements, I can see that up to 8 April 2019 he incurred £100 in unarranged overdraft fees and £20 in unpaid transaction fees. As Santander's credited his account with £120 I'm satisfied that it's refunded him the fees that he incurred during the period that he wasn't registered for the alert service.

I can see Mr O incurred charges after he was enrolled for the text alert service. But I'm not persuaded it would be fair to tell Santander to refund those charges. I say this because I've seen evidence Mr O was receiving regular text alerts notifying him about the status of his account during the period in which these charges were applied. While Santander's alert service is intended to help a customer manage their account it's the customer's responsibility to ensure their account has sufficient funds to avoid going overdrawn. As I've seen evidence that Mr O was regularly logging onto online banking I think he ought to have known the status of his account and its balance.

The terms of Mr O's account allow Santander to apply charges where a customer doesn't have sufficient funds to cover payments leaving their account and where their account goes into an unarranged overdraft. As this is what Santander did I'm satisfied it was entitled to apply the charges it did. It acted in line with the terms of Mr O's account. So, I can't fairly find it acted in error or tell it to refund him.

Since Mr O referred his complaint to our service Santander refunded him a further £50 in charges. These were charges that Mr O incurred since he's been receiving account alerts, which I wouldn't have told Santander it had to refund. Once refunded this left an outstanding debit balance on Mr O's account of £49.84, which Santander offered to waive as a goodwill gesture. Santander has also offered to pay Mr O a further £100 to bring his complaint to a close. Again, I wouldn't have told it to do this for the reasons already outlined.

Mr O doesn't think what Santander has done to resolve his complaint goes far enough. I recognise that Mr O's upset by what's happened but we aren't here to punish businesses. And for the reasons set out above, I'm satisfied that Santander acted fairly and reasonably. So I won't be asking it do anymore.

### **My final decision**

My final decision is that I don't uphold this complaint. I'll leave it to Mr O to decide whether he wishes to approach Santander UK Plc to accept the additional £149.84 it's offered to resolve this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr O to accept or reject my decision before 24 October 2019.

Julie Robertson  
**ombudsman**