

## **complaint**

Ms V is unhappy about the sale of her '123' packaged bank account. She says that Santander UK plc ('the bank') failed to tell her there would be a change in the date she received her statement, as a result of which she incurred overdraft charges.

## **background**

Our adjudicator rejected this complaint. She thought the bank had acted fairly by offering Ms V a refund of some of her charges, as there wasn't enough evidence to show that the new terms and conditions weren't disclosed to her at the point of upgrade. Overall, the adjudicator felt that Ms V would always have upgraded from her free account because, although the new one had a monthly fee of £2, it provided cash-back benefits on direct-debit payments.

Ms V has asked that an ombudsman review her case. She still feels that the bank didn't treat her fairly and doesn't think her points were answered by the adjudicator with evidence. She wants the bank to act honourably and refund all charges, not just a 'token of apology'.

## **my findings**

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

It's inherently unlikely that the bank didn't provide Ms V with information about the 123 account. It had an interest in persuading her to upgrade from a free account to one with a monthly fee (albeit a relatively low one). On balance, it's more likely than not that, when Ms V upgraded in November 2012, the bank highlighted the account's main features and benefits, as they were key selling points.

But even if the bank did fail to provide any or adequate information at the point of upgrade, the fact remains that Ms V ought reasonably to have known her statement date had changed from the outset. After all, she was sent a statement every month. And she would have received such a statement (on the new date) for nearly two years before she complained to the bank about the change having caused her to incur overdraft charges.

The account fee is low and the other debits and credits are, by comparison, much higher. So, I find it hard to accept that the fee itself would have caused Ms V to have gone overdrawn (despite her financial hardship). And by the time overdraft charges were incurred or spiralled out of control, she must reasonably have realised when her statements were due and when the £2 fee was going to be deducted. Ultimately, I think it was Ms V's responsibility to ensure that she didn't overspend before payday and/or had an arranged overdraft facility that met her needs and resources.

The 123 account was a relatively straightforward packaged bank account with limited benefits. And it's clear there were months when the cash-back benefit exceeded the monthly fee. In the circumstances, it's hard to conclude that the account was mis-sold or unsuitable for Ms V when she upgraded. Or, indeed, that it was the cause of financial loss. I think she was probably attracted to the cash-back feature – and had the opportunity of planning her spending based on the respective dates of statement and income from when she first started receiving *123 Current Account* statements (with the account fee listed) in or around

December 2012. I'm satisfied the bank's offer—including the £15 goodwill gesture which Ms V declined—was fair and reasonable.

Ms V had previously enjoyed free banking, so she must have realised that was an option. And when she phoned the bank to complain about the account in August 2014, she ended up taking out another packaged account with a more costly monthly fee (but preferable overdraft rates arguably more suited to her circumstances at that time). This implies that she is, in principle, willing to pay for her banking if the benefits are attractive to her. I've seen no persuasive evidence that Ms V would have acted differently—either at the point of upgrade or in her spending patterns—even if it were certain that the bank had clearly highlighted every cost and benefit. I don't think it would be fair or reasonable for the bank to refund any more fees or charges.

### **my final decision**

For the reasons set out above, I'm unable to uphold this complaint against Santander UK plc. I am sorry to disappoint Ms V.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms V to accept or reject my decision before 28 September 2015.

Mark Sceeny  
**ombudsman**