

complaint

Mr A complains that Santander UK Plc (Santander) applied unfair and unreasonable charges on his 123 current account when he went into an unarranged overdraft. He's also unhappy with the security procedures Santander employed when he rang and requested a funds transfer.

background

In April 2017 Santander applied a charge of £95 to Mr A's 123 account as he had gone into an unarranged overdraft between the 5 and 27 March 2017. Mr A felt this was unreasonable and unfair as other banks he had been with had charged a maximum of £25. He also thought Santander had been irresponsible as they had not contacted him to make him aware that he had gone into overdraft or that they would charge him.

Santander say the terms and conditions (T&C's) of Mr A's 123 account are that an overdraft of £12 or less will not incur any charges but beyond that a charge of £6 per day will be made, subject to a maximum monthly cap. Santander doesn't think they have done anything wrong because they charged Mr A in accordance with the agreed T&C's. They also say that they did offer a warning text and email notification service which was explained when Mr A opened his account, but he did not ask for it.

Mr A was also concerned that when he contacted Santander by telephone and asked to make a funds transfer he was not asked for any security information.

Our investigator looked into the matter and she thought Santander had applied the charges in line with the account terms and conditions. She also said that when Mr A had called Santander to do a funds transfer he had in fact been taken through security at the beginning of the call. So when he was passed from one advisor to another he was not taken through the security procedures again as there was no need to do so as his identity had been verified at the beginning of the call. So our investigator didn't uphold Mr A's complaint.

Mr A disagreed, so the complaint has been passed to me to issue a final decision. He did however say that he didn't want to take the issue of the overdraft charges any further but he did want the telephone recording regarding the security questions listening to again.

my findings

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

I am sorry to hear that Mr A incurred charges to his account and that he was unhappy with the security procedures. But based on what I have seen from both parties I agree with the investigator that the complaint shouldn't be upheld, for much the same reasons.

It seems that Mr A does not want to proceed with his complaint about the overdraft charges anyway but in case I am wrong about that I will deal with it.

We don't normally look at the fairness of the level of fees charged by banks. This is because the Supreme Court has said that the amount of any fees can't be challenged simply because a customer thinks they are too high. But we can look at whether the charges have been applied in line with the T&C's of the account. So I've looked carefully at Mr A's bank

statements – which confirm he went into unauthorised overdraft, and I've looked at the 123 account terms and conditions. And I'm satisfied the charges have been applied correctly.

Santander says it offers customers a text and email warning facility and it seems that Mr A was made aware of this but didn't ask for it. Although Santander did have his details and it was possible for them to have contacted him about his account, I don't think it was obliged to do so. I can see that Mr A's statement covering the period 25 February to 24 March 2017 confirmed that Mr A's account had gone overdrawn and advance notice was given for the charges that were due to be applied on 15 April 2017. So overall I think Santander did enough to tell Mr A about the status of his account. And I also think Mr A has a responsibility to look after his account himself. I am satisfied therefore that Santander has not done anything wrong.

I have also considered Mr A's complaint about the security questions. And I've listened to the recording of the call Santander has provided. And I'm satisfied Mr A was taken through the security questions by the advisor at the beginning of the call. I accept that Mr A might have been asked different security questions when he called on another occasion. But Santander says they vary the questions it puts to their customers to increase security, which I think is reasonable. And I don't think it's necessary for Santander to take their customers through security each time they are passed to a different advisor during the same call, as the customer's identity has already been established, and to do so would not add any further measure of security.

I understand that Mr A will be very disappointed by my decision and I also understand how seriously and important security is to him. But I am not going to ask the bank to do anything for the reasons I've given.

my final decision

For the reasons given above, I do not uphold this complaint

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 2 October 2017.

Jonathan Willis
ombudsman