complaint

A limited company, T, has complained about excessive charges on a loan account with the Royal Bank of Scotland Plc (RBS).

background

T took out a business loan with RBS but didn't have enough funds in its account to meet the monthly repayments and standing orders. Consequently, the account became overdrawn and T had to pay bank charges.

T thought the charges were excessive and complained about them. RBS dismissed the complaint saying it had already dealt with it two years previously, and that T could've come to us if it wasn't satisfied with the outcome. It also said the charges were fair and reasonable and applied in accordance with its terms and conditions and published tariff. It also pointed out it had already refunded some charges and fees as a goodwill gesture.

T also complained that RBS didn't tell it about its consent to a second charge on its property by an investor, but RBS said it didn't need to do this.

T was unhappy with this response and so complained to us. Our adjudicator dismissed the complaint about excessive charges because it was out of time. She also agreed that RBS had done nothing wrong when it didn't tell T about its consent to the second charge.

my findings

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

bank charges

This service doesn't have a free hand to investigate any complaint which is referred to us.

We must follow the rules which say what we can and can't look at. These say we can't consider a complaint referred to us more than six months after the date on which the financial business sent the consumer its final response letter, unless the consumer can show exceptional circumstances.

RBS's final response was in 2013, but T contacted us two years later. This was outside the six-month period, without any information showing exceptional circumstances for the delay.

For this reason, I won't be considering the complaint about bank charges.

second charge

I'm afraid I've nothing more to add to what our adjudicator has said. T agreed with the investor to register a second charge. The investor had to get consent from RBS because it holds the first charge over its property. RBS was entitled to give its consent and didn't have to tell T that it had done so.

my final decision

I don't think RBS has done anything wrong, and I'm not going to ask it to do anything else to resolve this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask T to accept or reject my decision before 18 February 2016.

Razia Karim
ombudsman