

complaint

Mr T complains about the charges applied to his account. He asks that Santander UK Plc refunds the charges with interest, corrects his credit records and pays compensation.

background

Mr T's previous bank was taken over by Santander in 2010. Mr T says he did not know he no longer had an overdraft facility. When his account was overdrawn Santander applied an unauthorised overdraft charge. It applied other charges, such as for unpaid direct debits. Mr T says the account was about £340 overdrawn due to charges.

Mr T says he had financial difficulties from early 2014. His account is closed and with Santander's collections team.

Mr T had to make several requests before Santander sent him a list of charges applied over the last five years. He says he is not responsible for any charges applied after he asked for the list of charges. When he read the list of charges he noticed a lot of unnecessary charges from 2009 onwards.

The adjudicator did not recommend that the complaint should be upheld. She said:

- Santander is entitled to apply charges in accordance with the terms and conditions.
- When Mr T said he was in financial difficulties, Santander refunded charges of £266.
- Santander paid £60 compensation for not providing a list of charges requested by Mr T. It offered a further £75, which Mr T declined.
- Mr T could have avoided a default on the account by accepting the compensation offered by Santander.
- Santander corrected its errors, apologised and offered compensation. It did not need to do more.

Mr T did not agree.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. Where the evidence is incomplete, inconclusive or contradictory, I reach my decision on the balance of probabilities – in other words, what I consider is most likely to have happened in light of the available evidence and the wider circumstances.

Santander is entitled under the terms and conditions of Mr T's account to apply charges in certain circumstances. This includes if the account is overdrawn without an agreed overdraft or if Mr T tries to make payments when there isn't enough money in the account. I don't think Santander made an error when it applied the charges.

Santander is entitled to make a commercial decision whether to offer an overdraft to Mr T. He hasn't had an agreed overdraft for some years. I don't think Santander misled Mr T about this. For instance, the mini statements sent to us by Mr T say he did not have an authorised overdraft.

Santander made errors when Mr T asked for a list of charges. It sent copy statements. It then sent an incomplete list of charges. I think Mr T is entitled to compensation for the upset this caused. I think the £60 paid by Santander plus the £75 it has offered is fair and reasonable in the circumstances.

I don't think it's reasonable to ask Santander to refund charges applied after Mr T requested the list of charges. The charges were not applied due to problems with sending the list.

In June 2015 Santander refunded £266 of charges to help with Mr T's financial hardship. It also said it would not apply further charges. I think this was reasonable.

Mr T's account was about £74 overdrawn in August 2015. Santander wrote to Mr T saying it would report the default on his account if he did not repay the overdraft within 28 days. Santander has to report accurate information to the credit reference agencies. I don't think it acted unreasonably when it reported information about Mr T's account to the credit reference agencies.

my final decision

My decision is that I do not uphold this complaint as I find the steps taken and compensation paid by Santander UK Plc is fair and reasonable in the circumstances.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 29 December 2015.

Ruth Stevenson
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