

## **Complaint**

Mr C complains that Santander UK Plc (Santander) failed to make him aware that he wasn't earning interest on his Santander current account.

## **Background**

In 2016, Mr C opened a Santander 123 account. As part of the account terms, he could earn interest on his credit balance. In March 2019, he complained to Santander after realising he wasn't earning credit interest on his account balance.

Santander responded to the complaint. It said that Mr C didn't receive interest in some months because he hadn't met the criteria required as part of the account terms but did pay him £50 as a goodwill gesture.

Mr C didn't accept Santander's response. He acknowledged that he didn't always meet the criteria needed to earn interest on the account but felt that Santander should have done more to make him aware of this. In particular, he said they should have text or emailed him about not meeting the criteria. Mr C also explained that he was paying £5 a month for the account and understood that he was paying this fee so that Santander could help him maintain the account.

Our investigator looked into the complaint. She thought that Santander had acted in line with the terms and conditions of the account and dealt with the complaint fairly. Mr C disagreed with the investigator's opinion, so the complaint has been passed to me to make a final decision.

## **My Findings**

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

As explained above, Mr C recognises that he didn't always meet the criteria needed to earn interest on the account but feels that Santander should have done more to make him aware of this. So, I've looked into how Santander made Mr C aware of the eligibility criteria he needed to meet on the account.

Santander have provided us with a copy of the terms and conditions that apply to the account. In this document it explains that you must pay at least £500 into your account every month and have at least two active direct debits in order to be eligible for cashback and interest on the account. I'm satisfied that the terms and conditions are clear enough for Mr C to understand what was required of him.

I've also reviewed Mr C's bank statements. There is a summary at the top of each statement which sets out if Mr C had earned any interest or cashback in any given month. This is highlighted in a red box on each statement. These statements would have helped Mr C to see that there were a number of months where he had failed to earn any interest.

In addition to this, each statement also had the following message, "To receive cashback and interest you must pay in at least £500 a month and have a minimum of two active Direct Debits". This acted as a monthly reminder of the criteria that Mr C needed to meet in order to earn interest on the account. There are some months where Mr C didn't have two active

direct debits and didn't pay £500 into the account so he wasn't eligible to receive interest. But I think Santander have given enough information to show Mr C that he wasn't earning interest on his account.

Mr C sent in three pages from Santander's website. He explained that these pages confirmed that the account offered a facility of text and email alerts and that he didn't receive any highlighting the fact he wasn't meeting the criteria on the account. I've had a look at the pages Mr C has sent us.

Although the website refers to the account including text and email alerts it doesn't say that this facility will be used to highlight when the criteria on the account isn't being met. Santander have confirmed that alerts are usually sent to make customers aware of when they are likely to incur charges, for example to stop a customer incurring overdraft fees. The website pages don't refer to texts or emails being sent when the account criteria isn't being met. I also haven't seen anything else to suggest Santander told Mr C it would do this. So, I don't think it wouldn't be fair to say that Santander have done something wrong by not sending alerts.

Mr C has also explained that he paid Santander a £5 fee to maintain the account and that this was another reason for them to make him aware that the account criteria wasn't being met. There is nothing in the terms and conditions of the account which suggests that Santander will manage his account on his behalf. So, I don't think it would be fair to assume this was the purpose of this fee.

I note Santander have paid Mr C £50 compensation despite not meeting the criteria on the account. I don't think it needs to pay him anything further.

I appreciate that Mr C will be disappointed with this outcome but for the reasons set out above, I don't uphold this complaint. Overall, I'm satisfied that Santander acted fairly in the way it has applied interest to Mr C's account.

### **My final decision**

For the reasons I've given above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 10 February 2020.

Daniel Little  
**Ombudsman**