

## **complaint**

Mrs O complains that Santander UK Plc has unfairly applied charges to her current account and says she wasn't told about them. She wants Santander to refund all the charges made.

## **background**

Since January 2014 Santander's applied several charges to Mrs O's current account. These include charges for going over her agreed overdraft limit and for returned direct debit payments.

Mrs O says the charges are unfair and she wasn't told about them.

Santander has refunded a total of just under £300 of the fees charged. It says it did this to help Mrs O run her account within her agreed overdraft limit. And from September 2014 it stopped any more interest and charges being applied to the account.

But says it won't refund all of the charges Mrs O incurred. It also says it told her about the charges and the changes it made to them on more than one occasion.

Our adjudicator didn't uphold the complaint. She said a Supreme Court ruling in 2009 means current account charges can't generally be challenged on the grounds they're unfair or too high. She thought Santander was entitled to make the charges and that it had told her about them. She also thought it'd acted fairly by refunding some of the charges when it became clear Mrs O was finding it difficult to run her account within its overdraft limit.

Because Mrs O disagrees with the adjudicator the complaint has been passed to me to decide.

## **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 there's a dispute about what happened, I've based my decision on what I think's most likely to have happened in light of the evidence.

I'm sorry to disappoint Mrs O, but I've reached the same conclusion as the adjudicator for the same reasons.

As the adjudicator explained, a Supreme Court ruling in 2009 means we can't require a bank to refund charges purely on the basis they're unfair. A bank is entitled to apply charges in line with the terms and conditions of the account.

And in this case I've seen nothing to suggest that the fees and charges were applied other than in accordance with the terms and conditions. It's clear from looking at Mrs O's bank statements that she exceeded her agreed overdraft limit on several occasions. And it was entitled to charge her for that. So I can't ask Santander to refund them.

But Mrs O says she wasn't told about the charges. I disagree. Other than a letter Santander says it sent out in 2012 telling Mrs O about changes to its charges, I can see her bank statements told her what charges she'd incurred and when they'd be applied to her account.

I'm also mindful Santander wrote to her in March 2014 about bank charges including how she could avoid them. And this was some time before a significant number of the charges were made. So I can't say Santander failed to tell Mrs O about the bank charges.

Because it's clear Mrs O was finding it difficult to run her account within its agreed limits, Santander should've treated her fairly – acting positively and sympathetically to her situation. And I think it did.

Santander wasn't obliged to refund the charges Mrs O incurred. But in refunding nearly £300 of them, I can see it did this in an attempt to keep her within her agreed overdraft limit and to break the cycle of charges. It also stopped any interest or charges being applied in September 2014. So I can't say Santander treated Mrs O unfairly.

Overall I'm satisfied Santander hasn't acted unfairly towards Mrs O. So I can't ask it to refund any more of the charges.

### **my final decision**

For the reasons above, I don't uphold Mrs O's complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Mrs O to accept or reject my decision before 15 June 2015.

Paul Featherstone  
**ombudsman**