

## **complaint**

Mrs G is unhappy about the overdraft charges that Santander UK Plc applied to her account over a number of years. She wants a proportion of the charges refunding.

## **background**

Mrs G opened a bank account with Santander in 2009 and since November 2011 she had an agreed overdraft limit of £500. Arranged and unarranged overdraft charges were applied from November 2011 to June 2012. From July 2012 until November 2013 only arranged overdraft charges were applied because the account remained overdrawn but within the £500 arranged overdraft limit.

In November 2017 Mrs G complained to Santander that overdraft charges had been applied to her account since 2009. While she said she accepted some responsibility for not monitoring her account she wanted Santander to refund a proportion of the charges and fees applied because she felt they weren't fair and reasonable.

Santander didn't respond to this complaint until February 2018, which was prompted by Mrs G chasing its response. It offered Mrs G £30 as an apology for overlooking her complaint and this was paid to Mrs G's current account. But it didn't uphold Mrs G's complaint because it said the charges and fees were in line with the terms of conditions of her bank account and they were applied fairly. It did offer her a £60 refund of charges as a gesture of goodwill.

Mrs G didn't agree and brought her complaint to us. Our adjudicator looked at the evidence about the charges since 2009 and asked the bank whether it agreed for us to review all charges dating back to that period because some were applied too long ago for us to consider. The bank said it didn't agree to us reviewing charges before November 2011 because any charges prior to this date were time barred. In view of this, we decided to review charges from November 2011 onwards only and Mrs G agreed with that decision.

On investigating those charges, our adjudicator didn't think Santander had done anything wrong. They said that Santander was entitled to apply the charges it had done and that it had acted in line with the account terms and conditions. But Mrs G disagreed and asked for the matter to be referred to an ombudsman.

## **my findings**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. Having done so, I've reached the same conclusion as our adjudicator for broadly the same reasons. I understand that Mrs G will be disappointed with my conclusions so I'll explain why I don't uphold this complaint.

Mrs G accepts the interest and fees that were charged where the account exceeded the £500 authorised overdraft limit. But she says she doesn't think it's fair to charge her where her account didn't exceed that limit. So I'll focus on the arranged overdraft fees that were charged.

An overdraft is money that's borrowed from the bank. So, it's reasonable and usual for the bank to charge a fee where a facility like this is used. I realise that Mrs G thinks that the charges here were too high. But I've seen the terms and conditions for the account and they clearly outline the fees Santander can charge for the use of an overdraft facility. Having seen the status of the account, I can see it remained overdrawn until November 2013.

So, the bank was entitled to apply the daily arranged overdraft fee for those months where Mrs G was using this facility. There's no evidence that the charges were applied outside of the account's terms and conditions. They were applied correctly and in accordance with the information Santander provided Mrs G about these.

Mrs G says that Santander didn't send her statements or documentation indicating the level or amount of charges it was going to apply to her account. She said if it had, she'd have transferred money from another account to clear the balance. But she also said that the statements were available online. So, Mrs G could have seen them via internet banking.

She said she received annual summary letters showing the overdraft fees and accepts she received notice of the charges being made; at which point she transferred money into her overdrawn account. It's Mrs G's responsibility to monitor and manage her account and I think Mrs G should've noticed that overdraft fees were being charged over such a long time. She was using the account regularly so I think it's reasonable for her to have been aware of the status of her account.

Mrs G thinks that the bank should have told her about transferring money from another of her accounts to the overdrawn account. But it isn't the bank's responsibility to tell a customer how to manage their account in these circumstances.

Santander has already credited Mrs G's account with £30. It also offered her a £60 refund for the highest unarranged overdraft fee as a gesture of goodwill. Mrs G said this should this wasn't correct because the highest charge was £69.50, but that included £9.50 of arranged overdraft charges. So, the £60 offered by Santander was correctly calculated and is fair. If Mrs G would now like to accept this then she should contact Santander directly.

For the reasons set out above, I'm satisfied that Santander acted fairly and reasonably and it wouldn't be fair to ask it to do anymore. I think the compensation it offered is a reasonable amount to resolve this complaint.

### **my final decision**

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs G to accept or reject my decision before 9 December 2018.

Julie Robertson  
**ombudsman**