

complaint

Ms G complains that Santander UK Plc incorrectly applied charges to her current account and has not assisted with her financial difficulties.

our initial conclusions

The adjudicator said the overdraft charges had been correctly applied by the bank when the account exceeded the agreed limit. She considered the bank had responded positively by agreeing a repayment plan and suspending charges and interest. She also considered Santander was entitled to apply further charges when Ms G broke the repayment plan. It was also entitled to pass the account to a debt collection agency for recovery.

Ms G is still unhappy. She says she visited her branch to close the account but was unable to because the staff member had to leave. She feels Santander did not properly deal with this or her subsequent phone calls and continued to apply charges.

my final decision

To decide what is fair and reasonable in this complaint, I have considered everything that Ms G and Santander have provided. Having done so, I find that I have come to the same conclusions as the adjudicator did, for much the same reasons.

As the charges on Ms G's account have been applied in line with the terms and conditions, I cannot properly require the bank to refund them on these grounds.

I am satisfied Santander has been positive and sympathetic by agreeing a repayment plan and suspending interest and charges. I am also satisfied that the offer to refund £235 of charges is fair and reasonable.

My decision is that Santander UK Plc should refund £235 of charges.

Under the rules of the Financial Ombudsman Service, I am required to ask Ms G either to accept or reject my decision before 19 December 2013.

Andrew McQueen

ombudsman at the Financial Ombudsman Service

The ombudsman may complete this section where appropriate – adding comments or further explanations of particular relevance to the case.

ombudsman notes

The Supreme Court ruling on current account charges said that bank charges cannot be challenged because they are unfair or too high. This means banks and building societies do not have to refund any charges that are properly applied in line with the terms and conditions of an account even in cases of financial difficulty.

Following the refund of charges, the remaining balance is £335 for which a repayment plan should be agreed.

what is a final decision?

- A final decision by an ombudsman is our last word on a complaint. We send the final decision at the same time to both sides – the consumer and the financial business.
- Our complaints process involves various stages. It gives both parties to the complaint the opportunity to tell us their side of the story, provide further information, and disagree with our earlier findings – before the ombudsman reviews the case and makes a final decision.
- A final decision is the end of our complaints process. This means the ombudsman will not be able to deal with any further correspondence about the merits of the complaint.

what happens next?

- A final decision only becomes legally binding on the financial business if the consumer accepts it. To do this, the consumer should sign and date the acceptance card we send with the final decision – and return it to us before the date set out in the decision.
- If the consumer accepts a final decision before the date set out in the decision we will tell the financial business – it will then have to comply promptly with any instructions set out by the ombudsman in the decision.
- If the consumer does not accept a final decision before the date set out in the decision, neither side will be legally bound by it.