

## **complaint**

Mr S complains that Santander UK Plc has not treated him fairly, in that it charged excessive unarranged overdraft fees on his account without giving him enough notice. He would like Santander to refund the amount charged.

## **background**

Mr S holds a current account with Santander. He is registered for online banking for this account, but does not receive paper statements. During 2015, the account went into unarranged overdraft eight times, and incurred charges on each occasion. Santander set out the charges in the monthly online statements for the account, and applied them 22 days later. However, Mr S has said that he did not use the online banking facility to check his account. He considers this was not enough notice, and that the amount of the charges is excessive.

Our adjudicator considered that the bank had treated Mr S fairly, in that the charges are set out in the terms and conditions, and that Mr S was told of them in his monthly online statements. Because of the Supreme Court's ruling on bank charges, he was not able to consider whether the amount of the fees was fair, just whether they had been charged in line with the terms and conditions. As Santander had refunded £167 in charges, he did not consider it needed to take further action. Mr S does 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.

Mr S has raised several issues in his complaint regarding the fees applied to his account. The first of these which I'll address concerns whether the amount charged is excessive. Several years ago, the Supreme Court made a ruling about bank fees. This Service is required to take relevant law into account, and this ruling effectively means that I'm not able to consider whether the amount of the fee is unfair. However, I can look at whether the fee was charged in line with the account terms and conditions.

Looking at the terms and conditions of the account, these do make it clear that if the account goes into unarranged overdraft (ie, because the bank has honoured a debit card payment), then a fee will be applied. I therefore consider that Santander had told Mr S that fees would be charged if the account went into unarranged overdraft.

The terms and conditions further state that the bank will advise of any such charges on the monthly statement, and take the money from the account 22 days later. Mr S did not receive paper statements for this account but was aware he was registered for online banking. Although he acknowledges he did not check his online statements. The online statements do set out when the account had a debit balance, and refer to the fees to be applied. I therefore consider that Santander did give Mr S enough notice of when it intended to apply the charges, and that it acted in line with the account terms and conditions.

Mr S has also queried the circumstances in which the fees were applied, referring to the 'Fairer Fees' policy which stipulates that fees will not be applied for unarranged overdrafts under £12. However, the bank has provided evidence that Mr S' account did go into unarranged overdraft beyond this level on the occasions where the fees were charged.

Based on the above, I don't consider that Santander has treated Mr S unfairly. I also note that it has refunded £167 of fees applied to this account. I consider this to have been fair and reasonable in the circumstances.

**my final decision**

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 1 April 2016.

Catherine Wolthuizen  
**ombudsman**