

HSBC and Santander to refund customers after CMA action



HSBC was found to have twice broken Part 6 of the Competition and Market Authority's (CMA) Retail Banking Market Investigation Order and is refunding £8m to 115,000 customers.

Santander broke the Order 6 times and has agreed to issue a refund but has yet to confirm the number of customers affected and how much it will refund.

Part 6 of the Order ensures customers receive text alerts before banks charge them for going into an unarranged overdraft, giving them time to take action to avoid any charges. Both banks failed to send alerts in all of the circumstances required by the CMA.

The breaches first occurred in February 2018, when Part 6 of the Order came into force.

The refunds paid by the banks cover all fees incurred by customers from going into unarranged overdrafts where they had not been warned beforehand by the required text alerts.

The CMA is also directing HSBC and Santander to undertake an independent check of their compliance with Part 6 between February 2018 and December 2019.

1. HSBC's full text [Directions, including information on how they were found to have breached Part 6.](#)
2. Santander's full text [Directions, including information on how they were found to have breached Part 6.](#)
3. The [Retail Banking Market Investigation Order](#) came into force in 2018, after the CMA's retail banking market investigation identified a number of competition problems in both the personal current account (PCA) and small and medium-sized enterprise (SME) banking markets. The order is part of a package of remedies designed to address these problems.
4. All media enquiries should be directed to the CMA press office by email on press@cma.gov.uk, or by phone on 020 3738 6460.

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