

## **The complaint**

Miss T complains that Santander UK Plc (Santander) closed her accounts. She says this caused her stress and frustration and that she would have liked for the accounts to have stayed open.

## **What happened**

Miss T had several accounts with Santander for a number of years. In November 2022 she received a letter from Santander letting her know that her personal (savings and current) and joint accounts as well as her credit card account would be closed. No reasons were provided. She was given 60 days' notice to make alternative banking arrangements and was told the accounts would close in January 2023.

Miss T complained to Santander about the closures. She said that the way everything was handled by Santander caused her stress and frustration and that despite spending hours on the phone trying to get more information she was advised there was nothing else Santander could do and to simply open a new bank account with another bank. She felt all her concerns were dismissed and that she was being fobbed off.

Miss T said she believed Santander either made an error or a misjudgement or used out-of-date information about her partner from many years before. She added that this meant it was acting in breach of the Rehabilitation of Offenders Act 1974 ("the Act") and also that it was discriminating against her. She said she would have wanted for the accounts to have stayed open but has since been able to open an account with another bank.

Santander considered the complaint, but it didn't uphold it. It said its decision to withdraw banking facilities wasn't due to a mistake on its part. It added that it was acting in line with its terms and conditions and that it did not need to provide further information to Miss T.

Miss T then brought her complaint to us. She said she became worried when she received Santander's letters and thought it was all a scam. She said she was also worried about not being able to open a bank account with another bank and the impact this could have on her daily life including her ability to pay her bills. She said Santander only tried to call her once, a call she missed, and then said the complaint was closed.

Miss T said she felt like she was being treated like a criminal by Santander in light of the fact that it wasn't able to share its reasons why her account was closed. She said she had done her own online research and saw that this could be for reasons including unlawful activities or fraud which are categories she doesn't fall under. She added that if Santander was relying on out-of-date information about her partner, this shouldn't be impacting her personal account. She feels this is discrimination as someone else's information was being used against her.

One of our investigators reviewed the complaint but she didn't think it should be upheld. She thought Santander was acting within its terms and conditions which allow it to close an account at any time without giving a reason by giving its customer two months' notice. Our investigator also said she didn't think Santander had discriminated against Miss T and that

based on what she had seen, Santander's decision to close the account wouldn't impact Miss T's ability to open another account.

Miss T didn't agree and asked for an ombudsman's decision. She said she couldn't understand why Santander couldn't provide her with its reason for closing her accounts especially if there was nothing serious enough to stop her from opening another account. She said if the accounts were closed due to information Santander has about her partner, she didn't see why this would impact her personal account even if she was financially connected to him. She thought Santander's treatment of her was unfair and discriminatory as it was making a judgement on her actions due to information about another person.

The matter was then passed to me to decide.

### **What I've decided – and why**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I appreciate Miss T is very frustrated and disappointed by Santander's actions. My role here is to decide whether Santander has acted in line with its terms and conditions and treated Miss T in a way which was fair and reasonable. I think it did and I'll provide my reasons below.

Miss T has brought her complaint to us together with her partner because other joint accounts were impacted. In this decision I am only considering her complaint about her personal and credit card accounts.

It might be helpful if I start off by explaining that our service doesn't punish or fine businesses, and it's also not our place to say that a procedure the business follows is incorrect. Only the industry regulator, the Financial Conduct Authority (FCA), can do this. Businesses have legal and regulatory obligations they have to meet, and they have processes in place in order to meet these obligations. They can broadly be summarised as a responsibility to protect persons from financial harm, and to prevent and detect financial crime. To comply with its obligations Santander may need to review an account and/or restrict its customers' access to accounts and funds held within them. So, our role in cases like this one, is to look at whether the business has followed its own internal procedures correctly, while also meeting its legal and regulatory obligations. And whether in doing so it has treated its customers fairly. This is what I will go on to consider in this decision.

A bank is also generally entitled to close an account providing it's in line with the terms and conditions of the account. In this instance the terms of Miss T's accounts say that in certain instances Santander can close accounts with immediate effect or by providing 60 days' notice, which is what it did here. And it doesn't have to provide a reason for doing so.

I understand Miss T wants Santander to explain the reason it decided to close her accounts. But Santander doesn't have to disclose to its customers what triggers a review of their accounts. And it's under no obligation to tell Miss T the reasons behind the account closure as much as she'd like to know, just as Miss T wouldn't have had to give Santander a reason if she'd decided to leave it. So, I can't say it's done anything wrong by not giving Miss T this information. And it wouldn't be appropriate for me to require it to do so.

Santander has provided evidence, which I have considered but can't share with Miss T, which shows to me that its decision to close the accounts was fair and reasonable and also nothing other than a legitimate exercise of its commercial discretion. I wouldn't look to interfere with that. Our rules allow us to receive evidence in confidence. We may treat

evidence from businesses as confidential for a number of reasons - for example if it contains security information, or commercially sensitive information. Some of the information Santander has provided is information that we considered should be kept confidential so, as I said, I won't be sharing a lot of detail with Miss T but I'd like to reassure her that I've considered everything.

Miss T said she was concerned that Santander's decision was made in error or based on out-of-date information in relation to her partner. She said if that is the case Santander may be breaching the Act.

It is not part of my role to decide whether Santander is in breach of the Act. That would be a matter for the courts. What I will say is, as I said above, I think Santander's actions were in line with its terms and conditions and its decision to close the account was fair and reasonable.

I appreciate Miss T is frustrated about the fact that she believes it was someone else's actions that may have led to the closure of her account and finds this discriminatory. It's not for our service to consider if Santander's actions breached the Equality Act 2010, that is for a court to decide. However, it is our role to consider if Santander has treated Miss T fairly and reasonably. While I accept that Miss T hasn't referred to the Equality Act 2010, she has mentioned discrimination.

I appreciate it is very frustrating not knowing the exact reason for the closure but, from what I have seen, I don't think Santander has treated Miss T in any way that was different or less favourable to another customer in a similar position. Nor do I think Santander has acted unfairly or unreasonably. I hope that it helps Miss T to know that someone impartial and independent has looked into her concerns.

Miss T is concerned about the potential impact the closures may have on her. I appreciate this must be distressing for her, but I should clarify that I can only award compensation for something that has already happened (and its future impact) or will happen. But not for something that may or may not happen in the future. Like our investigator I haven't seen any evidence that Santander's actions might prevent her from opening another account and she has in fact told us that she has managed to open another account. So, I'm not awarding compensation for this.

### **My final decision**

For the reasons above, I've decided not to uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss T to accept or reject my decision before 8 February 2024.

Anastasia Serdari  
**Ombudsman**