

The complaint

X is unhappy that Santander UK Plc made the decision to no longer provide banking services to them and closed their account. X is also unhappy that Santander won't release money to them that was present in their account at the time of the account closure.

What happened

To briefly summarise: In August 2022, X discovered that Santander had closed their account and were no longer willing to provide banking services to them. This meant that X couldn't access the money that had been present in the account.

X received a letter from Santander which explained they would need visit a Santander branch with evidence to verify they were entitled to the money that had been present in the account at the time of closure. This included a reimbursement from an airline company for tickets purchased on a credit card X held with a third-party credit provider.

X visited a Santander branch and showed branch staff an email from the airline provider which they felt confirmed that they were entitled to the reimbursed funds. But Santander required X to send that email to their head office to authorise X's entitlement to the funds. X wasn't willing to do this, and so raised a complaint.

Santander responded to X and confirmed their right to choose to not offer banking services to them and reiterated that X would need to allow the email from the airline to be reviewed by their head office to allow a decision to be made on whether they were entitled to the reimbursed money. X wasn't satisfied with Santander's response, so they referred their complaint to this service.

One of our investigators looked at this complaint. But they didn't feel that Santander had acted unfairly in how they'd managed the situation and so didn't uphold the complaint. X remained dissatisfied, so the matter was escalated to an ombudsman for a final decision.

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.

In much the same way as an account holder can choose to close any accounts they might hold with a bank, so a bank is entitled to decide whether it's willing to offer, or continue to offer, services to any new applicant or existing account holder.

In this instance, Santander made the decision to no longer offer banking service to X, and it closed X's account with immediate effect. This is a commercial decision that Santander are entitled to make. And I'm satisfied that the terms of X's Santander account included that Santander could close the account with immediate effect in certain circumstances.

Santander aren't obliged to explain to X exactly why they chose to close their account. But Santander have provided a detailed explanation of why they made the decision to this

service. And, having reviewed the information provided by Santander, I'm satisfied that it was reasonable for Santander to choose to no longer offer banking services to X and that Santander acted within their terms when closing X's account with immediate effect.

X is unhappy that Santander won't release money that was paid into their account by an airline as a reimbursement of a ticket that X bought using a third-party (i.e., non-Santander) credit account.

But Santander haven't said that they're unwilling to reimburse this money to X. Instead, they've explained to X that their branch staff aren't authorised to decide whether the email from the airline does reasonably entitle X to the reimbursed money. And they've asked X to forward the email to the relevant team at their head office, who are authorised to make such a decision.

Santander's position here seems reasonable to me, especially in consideration of the reasons that Santander have provided to this service as to why they're no longer willing to provide banking services to X.

Additionally, I feel that X could and reasonably should have mitigated against the ongoing nature of this complaint by simply forwarding the email in question to Santander as requested. And I'm also satisfied that it's fair and reasonable for Santander to continue to require X to send the email to their head office before they will consider allowing him access to the money that was reimbursed into his Santander account from the airline.

All of which means that I don't feel that Santander have acted unfairly or done anything wrong here. And it follows from this that I won't be upholding this complaint or instructing Santander to take any action. I trust that X will understand, given what I've explained, why I've made the final decision that I have.

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 X to accept or reject my decision before 17 October 2023.

Paul Cooper
Ombudsman