

The complaint

Mr F complains that Santander UK Plc (Santander) closed his accounts.

What happened

Mr F had two accounts with Santander - an everyday saver and a current account. On 8 July 2022, Santander wrote to Mr F asking him to complete some Know Your Customer (KYC) checks. On 8 November 2022, Santander wrote to Mr F to say the checks hadn't been completed and sent him two cheques for £325.64 (current account) and £15,853.78 (everyday saver) and closed his accounts.

Santander sent letters to Mr F on 8 August 2022, 7 September 2022, and 7 October 2022.

Santander sent a SMS text on 23 August 2022.

The cheques weren't presented for payment and replacements were sent in February 2022.

Mr F complained. He said he'd received one of the letters and visited a branch of Santander on 20 September 2022, when he explained to a member of staff that he couldn't complete the KYC forms as he was moving house, so he wasn't sure which address to quote. He says she told him that would be OK. So - he was surprised that the accounts were then closed. He only learnt that when he visited a branch of Santander on 1 December 2022 – he hadn't received the letter dated 7 November 2022, or any of the letters since the first one (8 July 2022). He said his post was being redirected and so he hadn't received all his post.

Mr F says he was in the process of moving and so to be left without any money at that time was critical and caused him a lot of stress and anxiety. He had to release funds from his other accounts. He asked that his accounts be re-opened.

Santander said they carried out such checks in line with regulatory requirements. They'd not received the information back, and so that led to a decision to close Mr F's accounts. There had been a small error in the address they held on file for Mr F, but he'd confirmed he had received the initial request letter. Santander said his accounts couldn't be re-opened.

Mr F brought his complaint to us. Our investigator didn't uphold it. She said she couldn't hold Santander responsible if post hadn't been delivered, and Mr F had received the first information request. Santander had to complete KYC checks as part of their regulatory obligations, and their terms and conditions say that can close accounts in certain circumstances - so Santander had followed those terms in closing Mr F's accounts. She said Santander had set out what they needed to complete the checks.

Our investigator said that when Mr F had a conversation with a member of staff (he says on 20 September 2022), that could not be deemed as providing all the information – he needed to do that by responding to Santander's written request and completing the forms.

Mr F disagreed. He said the CCTV of his branch visit should be reviewed. He asked that an ombudsman look at his complaint – and so it has come to me to do that.

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.

Santander wanted to update their records as regards Mr F. This is common practice in the banking industry and is a regulatory requirement - for 'Know Your Customer' purposes. So - Santander were entitled to ask Mr F to do that.

The crux of Mr F's complaint is that he didn't get any of Santander's letters after the first one on 8 July 2022 – so I looked particularly at the communications sent by Santander.

Santander have shown us the evidence that letters were sent to Mr F on 8 August 2022, 7 September 2022, and 7 October 2022. These letters said:

Letters dated 8 August 2022 and 7 September 2022: *"We recently wrote to you to let you know that we need some additional information and documents from you. It's important that we receive these so that we can meet UK legal and regulatory obligations...You have (15 days) from the date of this letter to return the required information. If we don't receive this information before this date we may need to restrict access to your account(s). This will mean that you won't be able to withdraw money or make regular or one-off payments from your account (this could include card payments, standing orders and Direct Debits)."*

Letter dated 7 October 2022: *"We've tried to contact you several times in the last 90 days to request some additional information and documents from you, so that we can meet UK legal and regulatory obligations. Unfortunately, as we haven't heard from you, we've reluctantly had to restrict access to your account. This means you won't be able to withdraw money or make regular or one-off payments from your account. This will include card payments, standing orders and Direct Debits."*

If we still haven't received the information by 7 November 2022 we'll have to close your account...in line with the Terms and Conditions on the account."

Santander have also evidenced that they sent a SMS/ text to Mr F on 23 August 2022 about the need to complete the information request.

Mr F says he didn't get any of the chaser letters or the text message. He says he was in the process of moving house – and had a 'redirect' on his address. Our service takes the approach that we can only expect firms to write to customers at the address they hold in their records - which I can see Santander did. I accept that the address in Santander's records had one letter missing – but the post code was complete and Mr F confirmed he received the first letter. So I think Santander acted reasonably in writing to the address they had on file – and they also sent a text to Mr F. I can't say whether there was an error made by the provider of the post redirect service – and even if there was, I can't in all fairness, hold Santander responsible for that.

Mr F argues that he visited the branch on 20 September 2022, advised the cashier he was about to change address, and was told he didn't need to complete the information request. It's not in dispute he did visit the branch on that day - as he paid in £5,000. There are no other notes on his records of anything else that took place – e.g. a discussion about the information request. He's asked that we look at the CCTV of his visit – I've considered this. But if we looked at the CCTV, it wouldn't show if any information was input into his records,

or what the conversation may have been. So – I don't consider the CCTV as material in the context of this complaint.

So – I consider that Santander did all they could in contacting Mr F. And, when they didn't get a response, they decided to close his account. I looked at Santander's terms and conditions, and these say they have the right to do so – they say:

"You or we may close your account at any time by giving the other notice without giving any reason....If we decide to do this we'll give you at least two months' notice (30 days in the case of Non-payment Accounts). If there is any money in the account we may transfer that money to another account you hold with us or send it to you at the last address we hold for you." I can see that Santander gave Mr F 30 days' notice of closure (the everyday saver account was a 'non-payment account') - so I'm satisfied they acted in line with the terms and conditions.

Mr F has argued strongly in support of his complaint, which I appreciate and have reviewed fully. He will therefore be disappointed by my decision, which is that I am not upholding his complaint and Santander don't have to do anything here.

My final decision

I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 3 January 2024.

Martin Lord
Ombudsman