

The complaint

Ms A complains about Santander UK Plc's decision to close her accounts and hold on to the money which she says she's entitled to.

Ms A says she would like Santander to remove any adverse information linked to her name and accounts, and she'd like them to re-open her accounts.

What happened

Ms A held several accounts with Santander – some in her personal name, others in a company name. Santander have concerns about the credits which were received into Ms A's accounts – and for them to release the money to her, they need to be satisfied Ms A is entitled to it.

Ms A has told our service about the complex history of her partner's accounts due to suspicions of money laundering. She's also confirmed that all charges against her partner were dropped. This is somewhat relevant to Ms A's complaint due to the link between her business accounts and her partner.

In 2019, Santander requested certain information from Ms A relating to her accounts. I've seen that Santander sent an email to solicitors who are representing Ms A in March 2019 with a list of the outstanding information they require. Santander didn't receive the relevant information from Ms A or her solicitors.

Santander made the decision to close Ms A's accounts in May 2019. They provided Ms A with a 60-day notice to close letter which included details of the accounts left in balance, and those which had a balance owing to Santander. They also let Ms A know that if the debt wasn't repaid within the time frame they gave, they could pass the account to their collections team and report the debt to the Credit Reference Agencies.

The investigator didn't uphold Ms A's complaint. She said that as Santander hadn't received the information to be satisfied of Ms A's entitlement to the money, she thought it was fair that they're holding on to it. She also thought reporting the debt to the Credit Reference Agencies was a true reflection of Ms A's account at the time of reporting, and therefore didn't think they needed to remove the adverse information.

Ms A disagreed. Since the investigator's opinion, Ms A sent some further information to be considered. The investigator forwarded this to Santander, however Santander's decision remains unchanged.

As an agreement couldn't be reached, the complaint has been passed to me to review.

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.

Having done so, I agree with the investigator for broadly the same reasons.

I trust Ms A won't take it as a courtesy that I've condensed her complaint in the way that I have. Ours is an informal dispute resolution service, and I've concentrated on what I consider to be the crux of the complaint. Although I've read and considered the whole file, I'll keep my comments to what I think is relevant. If I don't comment on any specific point, it's not because I've not considered it but because I don't think I need to comment on it to reach the right outcome.

Santander are strictly regulated and must take certain actions in order to meet their legal and regulatory obligations. They're also required to carry out ongoing monitoring of new and existing customer and business relationships.

Having looked at what's happened, I'm satisfied Santander was complying with their legal and regulatory obligations in asking for evidence that the money in question did belong to Ms A.

Banks sometimes choose to end their relationship with customers. This can be due to a number of reasons, and a bank isn't obliged to give a reason to the customer. Just the same as if Ms A on behalf of herself, or her company, decided to stop banking with Santander – she wouldn't have to give a reason why. Having said that, Ms A is aware that Santander have asked for specific information showing her entitlement to the money credited into her account in 2014. And as they haven't received a satisfactory response to their queries, they've exercised their commercial discretion to no longer allow Ms A banking facilities.

Banks are only allowed to close accounts if it's in line with the terms and conditions. I'm pleased to see Santander gave Ms A sufficient notice when deciding to close her accounts – 60 days. As that is in line with their terms and conditions. This service won't generally intervene in a bank's commercial discretion. Santander exercised their right to no longer offer Ms A banking facilities and gave her sufficient notice. I haven't seen anything to suggest they made an unfair decision, and therefore can't fairly ask them to do anything differently.

I'm aware Ms A had accounts which were using an overdraft when Santander made the decision to close them. I'm not aware of the current status of these accounts and whether or not they have been passed on to collection agents as Santander's notice to close letter confirmed. If Ms A hasn't made any attempt or agreed a suitable repayment plan with Santander, then I find it acceptable if these accounts have been passed on to a collection's agency. I also agree it's fair they report any non-repayment to the credit reference agencies to show the true status of the account. Because of that, I won't be asking Santander to remove any adverse payment information they have rightfully recorded.

I appreciate Ms A thinks Santander are holding money which belongs to her. Santander have asked for sufficient evidence to show Ms A's entitlement to the money. To date, they haven't received that evidence. I appreciate Ms A thinks what she has supplied is enough and Santander should release the money. However, there are still a number of queries outstanding where Ms A hasn't been able to provide sufficient supporting evidence. I appreciate Ms A's strong feeling about this complaint – and she feels the money is being withheld from her unfairly. I've also noted that Ms A says she is missing some items from when the Police searched her home in relation to her partner's arrest. Ms A says because of these missing items, it's difficult for her to give Santander the information they're asking for. But I can't fairly hold Santander responsible for that. Ultimately, Santander have taken the appropriate actions based on the current information they have for Ms A's accounts.

Based on the actions Santander have taken and the advice they have received from external agencies, I agree it's not appropriate for them to release the money to Ms A. I'm pleased Santander have allowed Ms A to get back in touch with them at any time with further

information which they've confirmed they will review. I know how disappointing my decision will be for Ms A but in the circumstances, I can't fairly uphold her complaint. And it follows, that I won't be asking Santander to do anything differently.

My final decision

For the reasons I've explained above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms A to accept or reject my decision before 16 February 2021.

Hayley West
Ombudsman