

The complaint

Mr W complains Santander UK Plc (“Santander”) blocked and closed his account without explanation. Mr W wants his account reinstated.

What happened

The details of this complaint are well known to both parties, so I won’t repeat them again here. Instead, I’ll focus on giving my reasons for my decision.

I’d also add that this decision only deals with Mr W’s complaint against Santander for blocking and closing his accounts. So, to be clear, it won’t deal with any complaints Mr W has against other financial businesses.

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’ve decided not to uphold this complaint. I’ll explain why:

- Banks in the UK, like Santander, are strictly regulated and must take certain actions in order to meet their legal and regulatory obligations. They are also required to carry out ongoing monitoring of an existing business relationship. That sometimes means banks need to restrict, or in some cases go as far as closing, customers’ accounts.

Having looked at the information, and explanation Santander has provided, I’m satisfied it acted in line with its obligations when blocking Mr W’s account whilst it carried out a review

- Santander is entitled to close an account just as a customer may close an account with it. But before Santander closes an account, it must do so in a way, which complies with the terms and conditions of the account. The terms and conditions of the account, which Santander and Mr W had to comply with, say it could close the accounts by giving him at least two months’ notice. And in certain circumstances it can close an account immediately or with less notice.

Santander closed Mr W’s accounts with 30 days’ notice whilst restricting it. So I must treat this as an immediate closure. Having carefully reviewed the information Santander has sent me I’m satisfied it has acted in line with its terms and conditions of account when closing the accounts in the way it did

- Mr W has sent information to me about an adverse CIFAs marker being applied against him by another financial business. He says Santander has most likely acted in the way it has due to this marker being applied against. Mr W say the marker has been erroneously applied – and this should be considered as part of this complaint.

I know Mr W would like a detailed explanation as to why Santander closed and

blocked his account, but it is under no obligation to do so. I would add too that our rules allow us to receive evidence in confidence. We may treat evidence from banks 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 we consider should be kept confidential

- Mr W has likely been caused some distress and inconvenience by Santander's actions. But given I don't think it acted improperly in blocking and closing his account in the way it has, I won't be asking it to compensate him. Equally, as I don't think Santander has done anything wrong, I won't be asking it to re-open Mr W's account

My final decision

For the reasons above, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 7 May 2024.

Ketan Nagla
Ombudsman