

The complaint

Mrs W and Mr T complain that Santander UK Plc closed their joint bank account without providing an explanation. They are also unhappy with the level of service and communication provided by Santander.

What happened

The detailed background of this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here.

Mrs W and Mr T had a joint account with Santander.

In March 2023, Mrs W told Santander that she and Mr T had moved overseas to work. Following this Santander asked Mrs W for some information about how she and Mr T used their account and where they lived.

Mrs W explained that she and Mr T owned a property in the UK which they rented. Mrs W said that she and Mr T paid bills relating to this property via their Santander account. She also told Santander that both she and Mr T made monthly pension contributions via the account. She said that they intended to return to the UK at some point in the future but didn't know when this might be. And gave Santander their address overseas.

In April 2023, Santander decided to close Mrs W's and Mr T's account. Santander sent them a letter to their UK address to let them know it would be closing their account in two months.

In May 2023, Mrs W was visiting the UK and retrieved the letter from her UK address. Mrs W was upset to get the letter, and find out that Santander were closing her account, especially as she felt she had given Santander all the information it needed when it reviewed the account – including her overseas address. So, Mrs W visited a branch and complained.

In response, Santander asked Mrs W to upload some information via an internet link about her and Mr T's pension payments. Mrs W provided the information and Santander confirmed it had received the documents and said its complaint team would be in touch.

On 19 May 2023, Santander emailed Mrs W to confirm it had received her complaint and were looking into things. On 29 May 2023, Santander wrote to Mrs W to apologise for how long it was taking to look into her complaint and said it would be in touch within twenty days.

On 20 June 2023, Santander closed Mrs W and Mr T's account. Over the next few weeks Mrs W emailed Santander to try and find out what was happening and why the account had been closed despite her submitting all the information the bank wanted and her complaint still being outstanding. But Santander didn't reply.

Mrs W brought her complaint to this service where one of our investigators looked into what had happened. The investigator said Santander had closed the account in line with the terms and conditions. However, she said that Santander hadn't updated its records and sent the

closure letter to the wrong address. She also thought Santander's communication had been poor. So, she said Santander should pay Mrs W and Mr T £150 compensation for the trouble and upset they'd been caused.

Santander agreed. Mrs W said she wasn't interested in compensation. She wants to know why Santander decided to close the account, an apology and the account reopened.

As no agreement could be reached the matter has come 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've decided to partly uphold this complaint. I'll explain why.

I appreciate Mrs W was disappointed by the investigator's opinion and I can see that she has provided a detailed response to what she said about her complaint. I'd like to reassure Mrs W that I've considered the whole file and what's she's said. But I'll concentrate my comments on what I think is relevant. If I don't mention any specific point, it's not because I failed to take it on board and think about it, but because I don't think I need to comment on it to reach what I think is a fair and reasonable outcome. No discourtesy is intended by me in taking this approach.

Santander has extensive legal and regulatory responsibilities they must meet when providing account services to its customers. They can broadly be summarised as a responsibility to protect persons from financial harm, and to prevent and detect financial crime. To fulfil these obligations, Santander are required to carry out ongoing monitoring of existing business relationships. That sometimes means that they will ask a customer for information about how they are operating their accounts, their source of wealth and for personal information. Santander has explained and provided supporting evidence about why it reviewed Mrs W's and Mr T's account. And why it asked Mrs W to provide it with information. Having looked at the evidence I'm satisfied that Santander has done so in line with its legal and regulatory obligations. So, I can't say it's done anything wrong when it did so.

I'll next deal with Santander's decision to close Mrs W's and Mr T's account. Sometimes following a review, a bank will decide to close an account. And that's what happened here. Santander is entitled to close an account with Mrs W and Mr T just as they are entitled to close their account with Santander. It's generally for banks and financial businesses to decide whether or not they want to provide, or to continue to provide, banking facilities to any particular customer. Unless there's a very good reason to do so, this service won't usually say that a bank must keep a customer or require it to compensate a customer who has had their account closed.

As long as they reach their decisions fairly, it doesn't breach law or regulations and is in keeping with the terms and conditions of the account, then this service won't usually intervene. But before Santander closes an account, they must do so in way which is fair and complies with the terms and conditions of the account. I've looked at the terms and conditions and they state that Santander could close Mrs W and Mr T's account by giving at least two months' notice. And in certain circumstances it could close the account immediately.

I've first considered whether the bank's reasons for closing the account was fair. This can be due to a number of reasons and a bank isn't obliged to give a reason to the customer.

Santander has provided some further details of its decision making process, I'm sorry but I can't share this information with Mrs W and Mr T due to its commercial sensitivity. But I've seen nothing to suggest Santander's decision around closing their account was unfair.

Santander closed the account with notice in June 2023 and provided Mrs W and Mr T with the full notice period. However, despite providing the full notice period Santander sent the closure notice to Mrs W's and Mr T's UK address instead of their overseas address, which Mrs W gave to bank in March 2023, well before Santander had decided to close the account. This meant there was a delay of around a month before Mrs W and Mr T found out that their account was going to be closed. And therefore, they had less time to rearrange their finances, which caused Mrs W and Mr T inconvenience. Once Mrs W discovered the account was going to be closed, she also sent a number of emails to Santander chasing them for a response to her appeal not to close the account and her complaint. But Santander didn't respond.

Santander accepts it made a mistake and sent the closure notice to the wrong address. And it agrees that it should have provided Mrs W with better service. Having looked at all the evidence, I'm satisfied that Santander would still have closed the account – even if things had gone as they should have done. So, I'm sorry to disappoint Mrs W but I won't be asking Santander to reopen the account.

I've considered how Santander actions impacted Mrs W and Mr T. I've no doubt finding out that their account was going to be closed was a shock to them. I can see Mrs W spent time contacting Santander trying to find out why the account was going to be closed and appealing the decision. And she had to send several emails chasing Santander for a response. Santander didn't respond which I've no doubt Mrs W found frustrating. And because the closure letter was sent to the wrong address, Mrs W and Mr T had less time to make alternative arrangements for their financial commitments in the UK. So, I can appreciate this would've been inconvenient and upsetting for them. And it's only right that Santander recognises this.

Based on the circumstances and evidence, I'm satisfied that the £150 compensation recommended by the investigator is a fair amount of compensation and proportionate to the trouble and upset Mrs W and Mr T were caused in the overall circumstances of this complaint. So, whilst I appreciate Mrs W's comments regarding compensation, and that she wants the account reopened, I won't be asking Santander to do anything more to put things right.

In reaching this conclusion, I've noted that Mrs W appears to have had access to at least one other bank account in the UK, so I think the impact of the closure letter being sent to the wrong address would have been reduced. I've also kept in mind that Mrs W and Mr T would always have had to spend time sorting things out even if things happened as they should have – in particular, that Santander would still have closed Mrs W's and Mr T's account.

My final decision

For the reasons I've explained, my final decision is that I partly uphold this complaint.

To put things right Santander UK Plc should pay Mrs W and Mr T £150 compensation for the trouble and upset this matter has caused them.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T and Mrs W to

accept or reject my decision before 17 May 2024.

Sharon Kerrison
Ombudsman