

The complaint

Mr Y complains Santander UK Plc unfairly closed his account and took too long to refund a payment he had made when the account was open.

What happened

Mr Y held a current account with Santander. He raised several claims on the account in relation to payments he made.

Santander decided to review his account and prevented Mr Y from using it in late September 2023. They gave him 30 days' notice that his account would close, and the account closed in October 2023. Mr Y also raised a chargeback claim for a substantial payment he made for goods he says he didn't receive.

Mr Y complained to Santander both about the closure of his account and them not refunding his payment. Santander responded and said they closed his account correctly and his claim was still progressing. Mr Y brought his complaint to our service.

Since this time Santander confirmed Mr Y's claim was successful and they transferred his refund to another account he held in January 2024, but Mr Y says this took too long. He says he should be compensated for the damage and hassle he was caused during a cost-of-living crisis and the Christmas period.

Our investigator decided not to uphold Mr Y's complaint. They said:

- Mr Y raised a chargeback claim with Santander for the payment in question in September 2023. He says he paid for an item but only received an empty box in the post. Santander were able to review his claim, they had contacted the merchant and then they made payment to him. While this took longer than he liked they had followed their process.
- Santander were able to review their customer relationship with Mr Y, and they could close his account. They didn't need to tell him their reasons for closing the account.

Mr Y disagreed with the outcome and asked for a final decision from an ombudsman. His complaint has been passed to me to make 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.

I've decided not to uphold Mr Y's complaint.

Santander can review accounts – indeed this is part of all banks' legal and regulatory obligations when providing accounts to customers. Reviews can happen at any time, and

either be periodic, or event driven.

Mr Y may want to know exactly what triggered their review and decision to close his account, but Santander are not currently obliged to reveal this. I have however considered their reason(s) which I have accepted in confidence, which I am able to do under the Dispute Resolution Rules which in part govern the rules and powers of the Financial Ombudsman Service. In summary, I find their reason(s) for reviewing, blocking and closing Mr Y's account understandable, and I'm satisfied they complied with their terms and conditions and wider obligations.

Mr Y is unhappy about how long it took to receive a refund from Santander for the chargeback claim he made. But I'm satisfied based on all the information and evidence I have seen that Santander considered his claim fairly. They explained they raised a chargeback through the relevant card scheme and contacted the merchant in question as part of their review before sending the funds to an account Mr Y holds elsewhere in early January 2024.

I don't find Santander were liable to refund Mr Y outside of raising a chargeback claim, and I don't find awarding him compensation for not receiving the refund earlier would be fair or reasonable after considering all the information available to me, including Santander's reason(s) for closing his account.

My final decision

My final decision is I do not uphold Mr Y's complaint for the reasons I have given above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr Y to accept or reject my decision before 26 August 2024.

Liam King
Ombudsman