

## **The complaint**

Mr J complains that Santander UK Plc restricted access to his savings accounts and closed them without notice. He'd like compensation for the impact.

## **What happened**

Mr J had three savings account with Santander including a Help to buy ISA.

On 6 September 2023 Mr J identified that he couldn't see his accounts via online banking. He visited his local Santander branch but they confirmed that his accounts were restricted.

Mr J complained to Santander about his lack of access – and made several phone calls to the bank to see if there was anything he could do to unlock them.

On 26 September 2023 Santander made a request to Mr J for documents, which Mr J argues he provided. And he believes if Santander had asked when he visited the branch on 6 September 2023 his account would have been unblocked much sooner.

One of our Investigators looked into Mr J's complaint but didn't uphold it. They thought that Santander acted fairly in restricting and closing Mr J's accounts and closing them without notice.

Mr J initially agreed with our Investigator's reasoning, saying he accepted Santander's reasons for restricting and closing his accounts. But he queried whether Santander had acted fairly in failing to pay his £3,000 Help to Buy ISA bonus which he missed out on due to the account closure.

Mr J asked whether Santander would be prepared to issue a statement showing the funds that could be claimed by him via his Solicitor. But Santander advised they weren't prepared to do this, and they were complying with the terms and conditions of the ISA.

Our Investigator shared this with Mr J and he asked for an Ombudsman to review his complaint. So the case has been passed 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.

Although Mr S initially indicated he accepted the reasoning for his accounts being restricted and closed I've considered these points.

Santander made its submission in confidence. Our rules permit this; it's then for me to decide whether it's fair to rely on evidence that only one party has seen. It's not a one-sided rule; either party to a complaint can submit evidence in confidence if they wish to, and we'll then decide if it's fair to rely on it.

Here, the information (and its source) is sensitive and on balance I don't believe it should be disclosed. But it's also clearly material to the issue of whether Santander has treated Mr J fairly. So I'm persuaded I should take it into account when deciding the outcome of the complaint.

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 relationships. That sometimes means they need to restrict customers' accounts – either in full or partially while they carry out their review. Having looked at what's happened I appreciate why Mr J may have found this inconvenient, but Santander must ensure they keep their due diligence checks updated at all times.

At times, following a review, 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 Mr J decided to stop banking with Santander, it wouldn't have to explain why. I appreciate Mr J feels very strongly about Santander closing his Help to Buy ISA and therefore him missing out on the 25% government bonus, totalling £3,000, but based on what Santander has shared with me I'm satisfied their actions were appropriate in the circumstances.

I say this as I've considered the terms and conditions of Mr S's help to buy ISA. The relevant section, Section 2D clause 12.5 states:

*"If we believe that there are exceptional circumstances that require us to urgently close your ISA, we may do so without prior notice as stated in Condition 12.1 in Section 2D. We will not be responsible to you for any loss, liability or damage that you suffer as a result of closing the ISA. We will give you all relevant information and certificates that relate to tax that you need under the ISA Regulations."*

I understand this will disappoint Mr J but for the reasons I've outlined above I won't be asking Santander to do anything further here.

### **My final decision**

My final decision is I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 18 April 2024.

Jeff Burch  
**Ombudsman**