

## **The complaint**

Mr and Mrs K complain that Santander UK Plc (Santander) unfairly closed their account which caused them inconvenience as well as certain costs.

## **What happened**

The background to this complaint is not in dispute so, I'll only set it out briefly.

- Mr and Mrs K had a current account (the Account) and a credit card account with Santander.
- On 7 June 2024, using Santander's live chat platform, Mrs K asked the bank to transfer funds from the credit card to the Account so that the credit card account could be closed.
- But in error, on 10 June 2024, Santander closed the Account. A few days later, on 13 June the Account was reinstated.
- Santander acknowledged their error and offered Mr and Mrs K £200 by way of compensation. But Mr and Mrs K didn't think the bank's offer went far enough. In particular, because they felt the bank's offer failed to properly account for the inconvenience and extra costs, they incurred due to the error.
- Santander didn't agree. And since the complaint couldn't be resolved, Mr and Mrs K referred it to this service to look into.

One of our investigators looked into the complaint. But she felt that Santander's response to it – including their offer of £200 compensation - represented a fair and reasonable outcome. And not least because she didn't think Mr and Mrs K provided enough evidence of the additional costs, they alleged they also incurred.

Mr and Mrs K didn't agree with the investigator's conclusion and asked for their case to be reviewed by an ombudsman. They said – in summary that:

- The closure of the Account led to direct debits being unpaid.
- Their telephone costs increased by an extra £40 approximately. Especially, because of the number of phone calls that they had to make to the bank in their attempt to put things right.
- They had to take half a day's holiday from work to attend a bank branch on 10 June 2024 to try and resolve matters.

## **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's conclusions and for broadly the same reasons. I'll explain why.

Everyone agrees that Santander made a mistake; the bank accepts that on 10 June 2024, it wrongly closed the Account. That means there is no need for me to decide whether the bank made an error.

So, all I need to do is decide in light of the bank's offer of £200 is what, if anything further Santander need to do to put their error right.

I've considered carefully Mr and Mrs K's testimony regarding the reasons they don't think the £200 Santander have offered is enough.

I'm satisfied Mr and Mrs K experienced some inconvenience arising from these events – especially their inability to operate the Account for three days. I appreciate those three days would have been difficult for Mr and Mrs K. And I'll come to the question of compensation for this in more detail below. But first I'll deal with Mr and Mrs K's submission that they incurred extra costs and expenses as a consequence of the closure of the Account.

#### *failed direct debit payments*

I've noted Mr and Mrs K's testimony that whilst some direct debit payments were not paid from the Account, the affected companies gave notice they would try again to collect the payments the following month – in other words July 2024. That meant collecting two payments in that month. I accept their submission that they found the notifications distressing. But since they have not argued or provided evidence that they incurred late payment fees, it follows there are no associated costs for which an award of compensation would be aimed at addressing.

#### *extra telephone costs*

For the reasons I've already noted, Mr and Mrs K have said that arising solely from the closure of the Account they incurred additional phone charges of approximately £40. But here too I've seen no supporting evidence – such as an itemised bill – in support of these extra costs. And I'm afraid without such clear evidence of such extra costs, I can't reasonably make an award for them.

#### *time off work*

Mr and Mrs K haven't told us they incurred any costs, for the half day they've told us they had to take to deal with these events. And in any case, it's not clear to me that taking time off work was necessary in the circumstances of this case. Rather it seems to me Mr and Mrs K chose to take time off work. More to the point they have not argued they lost wages as a result. So, here too I can't reasonably make an award for this.

#### *compensation for inconvenience*

I turn to this finally.

Determining an appropriate award for distress and inconvenience can be difficult. But the extent of the impact of a financial business' error is the critical consideration when determining the level of any award.

With that in mind I've thought about the general framework which this service considers when arriving at compensation for inconvenience – further details of which can be found on this service's website. In addition, I've applied my own judgement. Put together, I'm satisfied

that £200 represents fair and reasonable compensation for the inconvenience caused to Mr and Mrs K. Although I recognise this will come as disappointing news to Mr and Mrs K, I haven't been persuaded to increase the award further.

### **My final decision**

My final decision is I do not uphold this complaint in the sense that I'm satisfied £200 fairly reflects the impact of the issues raised in this case and is a fair way to resolve it. I'll leave it to Mr and Mrs K to liaise directly with Santander UK Plc if on reflection they are prepared to accept the bank's offer

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K and Mrs K to accept or reject my decision before 7 April 2025.

Asher Gordon  
**Ombudsman**