

## **The complaint**

Mr W complains that Santander UK Plc (“Santander”) closed the wrong account when he requested it close down his ISA resulting in significant distress and inconvenience.

## **What happened**

On 20 February 2025 Mr W called Santander to request the closure of his help to buy ISA and the funds transferred to his saver account as he was nearing completion of the purchase of a property. Santander’s representative confirmed this would be done within two working days and closing statements would be sent by post in 7 to 10 days.

Mr W found he was unable to make a payment from his current account and called Santander on 22 February to report a potential payment block and as it was found his current account had been closed in error – rather than the ISA as requested - and that the pending closure was what was blocking the transactions. This was of great concern to Mr W as he needed his ISA funds to complete his house purchase and his direct debits – including a finance agreement – came out of his current account and so he was worried that any missed payments would negatively impact his credit score and mortgage and so a complaint was raised for Mr W.

After being put on hold and transferred to various representatives Mr W’s ISA was correctly closed and the funds transferred to his savings account. Mr W was advised he could get closing statements for this by visiting a branch but despite being put through to further representatives and being put on hold again, no one was able to help him with the pending closure of his current account and he was advised that he’d get a call back in 48 hours.

Mr W was extremely panicked and upset and so called Santander back and was assured his case was being looked at by its back office and that either a manager or a back-office staff member would call him back Monday morning.

Mr W says he spent his Sunday trying to revert his direct debits to prevent any missed payments and worrying about the ones he couldn’t re-direct. And that on the Monday morning 24 February when he didn’t receive a call back, he had to request an extension on his lunch hour at work to call Santander for an update.

Santander confirmed the account was still active, but that Mr W’s debit card had been cancelled due to the pending closure and so a new debit card was ordered. A representative of Santander’s called Mr W back to discuss his complaint and concerns about what had happened and offered to credit his account with £250 for the distress and inconvenience suffered.

Unfortunately, Mr W later discovered his account had been closed and all his funds transferred to his saver account. Mr W called Santander on 26 February and its representative confirmed the account had been closed in error but reopened it on the call and advised Mr W to get in touch with the merchants of his direct debits to reinstate them and a further debit card was ordered.

Santander called Mr W back and apologised for its errors and confirmed what actions it had taken to resolve the situation and Santander agreed with Mr W to credit a further £250 taking the total compensation to £500 to Mr W's account to resolve his complaint. The representative confirmed that they would give him a call back and confirm the details of the newly issued debit card and pin ordered for him. Mr W confirmed he could use his credit card in the interim to access funds and Mr W was advised to come back if there were any further issues.

Following this Mr W visited a branch of Santander and was helped by a staff member who Mr W says was very apologetic and assisted with his direct debits providing communications to merchants regarding Santander's error and printed Mr W's closing statements for his help to buy ISA.

Mr W remained dissatisfied with what Santander had done to resolve his complaint and so brought his complaint to this service.

One of our investigators looked into Mr W's concerns and reached the conclusion that the total compensation of £500 paid by Santander was a reasonable way to resolve Mr W's complaint in its entirety as Santander had rectified all the mistakes within a reasonable period.

Mr W disagreed he says he went through a three-and-a-half-week ordeal as the debit card issued to him did not work when he attempted to use it and he had to call and chase Santander up on this until a new card eventually arrived. He doesn't think that £500 compensation is fair for the distress and inconvenience and the impact Santander's multiple mistakes had on him. Furthermore, Mr W is concerned about what could've happened had he not seen that his transactions were blocked in the first place has asked for an ombudsman's 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.

It might help if I explain here, my role is to look at problems that Mr W has experienced and see if Santander has made a mistake or treated him unfairly. If it has, I'd seek to put - if possible - Mr W back in the position he would've been in if the mistakes hadn't happened. And I may award compensation that I think is fair and reasonable.

Santander have already accepted it made multiple errors when Mr W instructed it to close his ISA but instead closed his current account, so I don't need to make a finding here. What I need to consider rather is whether what Santander has done to put things right for Mr W is enough. And having considered everything I'm in agreement with our investigator and I think it is.

There is no question that Mr W was both distressed and inconvenienced by Santander's mistakes and the service he received around this, especially as he is in the process of buying a house – undoubtedly a very stressful and significant life event. I accept Santander made multiple errors and as a result Mr W had to contact and chase Santander to have these corrected.

But each time Santander was notified about an error it acknowledged its mistakes and I think it rectified these fairly quickly within a reasonable amount of time - of around 4 working days - until his ISA was closed, funds transferred to his savings account as originally requested and his current account reopened and a new debit card issued. And as there is no evidence

on Mr W's statements or otherwise that he has been left in financial difficulty or incurred a financial loss because of the situation, I consider Mr W to be in the place that he would be in if the mistakes haven't happened.

Santander has paid compensation of £500 in recognition of the distress and inconvenience suffered during this period and provided correctional communications to Mr W that he can show to relevant parties to evidence its error to help prevent any ongoing issues that might arise due to this, which I think is fair and in-line with what I'd expect in this situation. And although Mr W may have had some further issues regarding his debit card after he brought his complaint to this service, my understanding is that this is now working and so I'm not persuaded an uplift on the compensation already paid is warranted or would make a material difference to the outcome.

I accept that if it wasn't for Mr W's prompt actions in contacting Santander about its errors his situation could've been different, and it might have impacted him worse than it did. And I appreciate Mr W is concerned about what else may go wrong in the future.

But it is not our role to punish or penalise the businesses we cover that is the role of the regulator – in this case the FCA. And when assessing what if any compensation is due we look at what did happen and the impact caused and not what might or might not have happened.

And so on this basis and because Santander has corrected its mistakes and Mr W hasn't suffered any financial loss, I think the compensation of £500 already paid to Mr W is fair for the impact of Santander's mistakes regarding the closure of the wrong account had on him and so I'm not going to ask Santander to do anything more.

### **My final decision**

For the reasons I've explained, I've decided that what Santander UK Plc has already done to settle Mr W's complaint is fair and I'm not going to ask it do anything more.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 24 July 2025.

Caroline Davies  
**Ombudsman**