

The complaint

Mr E complains that Santander UK Plc (Santander) closed his account without providing a proper explanation. He says this caused him unnecessary stress and worry.

What happened

Mr E had an account with Santander. Mr E has explained that he uses his account to receive gambling winnings and his father's pension payments.

In September and November 2024, Mr E received four payments into his account totalling around £80,000. Following this Santander decided to review Mr E's account to comply with its legal and regulatory obligations. As part of its review Santander asked Mr E to explain his entitlement to the money that had been paid into his account and to provide evidence to support his explanation. Whilst it completed its review and waited for Mr E to respond, Santander blocked Mr E's account.

Mr E told Santander that the money paid into his account were from gambling winnings, a loan and his dad's pension. He sent Santander his loan agreement, a casino invoice and letter from a casino verifying his winnings. Santander reviewed everything and decided to close all his accounts. And gave him 30 days' notice to make alternative banking arrangements. Santander blocked Mr E's account during the notice period. Santander released Mr E's balance back to him in November 2024.

Mr E complained to Santander and said he wants to know why Santander closed his account. He said he'd opened lots of accounts which meant he had several credit searches. But he can explain all the activity on his account and isn't doing anything wrong. So, he said Santander have treated him unfairly when it closed his account.

In response, Santander said that it had reviewed and closed Mr E's account to comply with its legal and regulatory obligations. And wasn't willing to provide a further explanation.

Mr E remained unhappy and asked us to investigate his complaint. He wants Santander to provide a proper explanation about why it closed his account. Mr E said Santander's actions made him feel stressed and anxious. He said it's not right that the bank can behave like a dictator. And having multiple credit searches isn't a reason to close his account. He said he'd opened lots of gambling accounts, so the searches were part and parcel of that process. And shouldn't be held against him.

After looking at all the information the investigator said that Santander hadn't treated Mr E unfairly when it had closed his account. Based on the information Santander had shared with us in confidence they didn't recommend Santander should do anything further to resolve Mr E's complaint.

Mr E disagreed. He wants to know why Santander closed his account and feels very let down that the bank haven't explained why it no longer wants him as a customer.

Mr E asked for an ombudsman to review things. So 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 would add too that our rules allow us to receive evidence in confidence. We may treat evidence from financial businesses as confidential for a number of reasons – for example, if it contains information about other customers, security information or commercially sensitive information. 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 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 E fairly. So, I'm persuaded I should take it into account when deciding the outcome of the complaint.

I'm very aware that I've summarised the events in this complaint in far less detail than the parties and I've done so using my own words. No discourtesy is intended by me in taking this approach. Instead, I've focused on what I think are the key issues here. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts. If there's something I've not mentioned, it isn't because I've ignored it. I'm satisfied I don't need to comment on every individual argument to be able to reach what I think is the right outcome. But I have read all Mr E's submissions.

I want to make it clear that I understand why what happened concerned Mr E. I've no doubt it would've come as quite a shock to him, and he would've been very worried to find out that his funds had been blocked. But as the investigator has already explained, Santander has extensive legal and regulatory responsibilities they must meet when providing account services to customers. They can broadly be summarised as a responsibility to protect persons from financial harm, and to prevent and detect financial crime. Sometimes that means Santander need to review accounts and ask a customer to provide information about how they are using their accounts and their entitlement to the funds in them – which is what happened here.

I've considered the basis for Santander's review and having done so I find this was legitimate and in line with its legal and regulatory obligations. I've also kept in mind that Mr E was allowing someone else to use his account, which is a breach of the account terms and conditions and had received two large payments, which from looking at Mr E's usual account activity was unusual. So, I'm satisfied Santander acted fairly by reviewing Mr E's account.

The result of the review was that Santander decided they didn't want to provide financial facilities to Mr E anymore. Santander wrote to Mr E in November 2024 to tell him that it had decided to close his account in 30 days. However, during the notice period Santander blocked Mr E's account, so I consider it was closed immediately.

It's generally for banks and financial businesses to decide whether or not they want to provide, or to continue to provide, account facilities to any particular customer. Unless there's a very good reason to do so, this service won't usually say that a bank or financial business must keep customer or require it to compensate a customer who has had their account closed.

As long as banks and financial businesses 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. They shouldn't decline to continue to provide account

services without proper reason, for instance of unfair bias or unlawful discrimination. And they must treat new and existing customers fairly.

Santander have relied on the terms and conditions when closing Mr E's accounts. I've reviewed the terms, and they explain that Santander can close an account for any reason by giving 60 days' notice. And in certain circumstances they can close an account immediately.

For Santander to act fairly here they needed to meet the criteria to apply their terms for immediate closure – and having looked at these terms and all the evidence that Santander has provided, including the information Santander has provided to this service in confidence, I'm satisfied that Santander did. And that it was entitled to close Mr E's account as it's already done. So, it would not be appropriate for me to ask Santander to pay Mr E compensation since I don't find Santander acted inappropriately when it closed his account. And I won't be asking Santander to reopen Mr E's account.

I've next gone on to consider whether Santander's reason for closing the account was fair. In doing so, I appreciate that Santander are entitled to set their own policies and part of that will form their risk criteria. It is not in my remit to say what policies or risk appetite Santander should have in place. I can however, while considering the circumstances of individual complaints, decide whether I think customers have been treated fairly.

Santander has provided some further details of its decision-making process, which led to the closure of Mr E's account. I'm sorry but I can't share this information with Mr E due to its commercial sensitivity. But I've seen nothing to suggest Santander's decision around closing Mr E's account was unfair. On balance when considering Santander's wider regulatory responsibilities and all the information available to me, I find Santander had a legitimate basis for closing Mr E's account. So, I can't conclude Santander treated Mr E unfairly when it closed his account.

I understand of course why Mr E wants to know the exact reasons behind Santander's decision to close his accounts. It can't be pleasant being told you are no longer wanted as a customer – especially after being a customer for long time. But Santander doesn't disclose to its customers what triggers a review of their accounts. And it's under no obligation to tell Mr E the reasons behind the account closure, as much as he'd like to know. So, I can't say it's done anything wrong by not giving Mr E this information. And it wouldn't be appropriate for me to require it to do so now.

Mr E says Santander closing his account has caused him significant problems. I do appreciate this matter would've caused some difficulty. But having looked at what's happened in this particular case I can see no basis on which I might make an award against Santander given that I don't think it failed to properly follow its own procedures when it closed Mr E's account.

In summary, I recognise how strongly Mr E feels about his complaint, so I realise he will be disappointed by my decision. But overall, based on the evidence I've seen I won't be telling Santander to do anything more to resolve Mr E's complaint.

My final decision

For the reasons I've explained, my final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr E to accept or reject my decision before 8 January 2026.

Sharon Kerrison
Ombudsman