

The complaint

Mr B complains Santander UK Plc is forcing him to change to a different type of account.

What happened

Mr B has been a customer of Santander for over 30 years. Santander has told us that he's had a 123 Lite Account since June 2018.

In June 2025 Santander wrote to Mr B to let him know that it would be converting his 123 Lite Account into an Everyday Account from 21 August 2025. Santander said that it was doing this because it no longer offers the 123 Lite Account to customers. Mr B complained to Santander saying that this would mean he'd no longer receive cashback. He said that the only other Santander account that offered cashback had a much higher monthly fee. He said that he relies on the cashback.

Santander looked into Mr B's complaint and said that it understood the news was disappointing, but it had taken the decision to simplify its product range.

Mr B was very unhappy with Santander's response saying, among other things, that it knew he was disabled and relied on the cashback from his account. He was also unhappy that if he moved to another bank he'd have a hard credit search done and that this would appear on his credit file making it harder for him to borrow. He complained to our service.

One of our investigators looked into Mr B's complaint but didn't uphold it. Mr B was very unhappy with our investigator saying that they hadn't considered the whole picture. He asked for his complaint to be referred to an ombudsman. His complaint was, as a result, passed to me.

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 can see that Mr B has had his 123 Lite Account for over seven years and that he had a 123 Account before then for five years. I accept that he values his 123 Lite Account and, in particular, the fact that he gets cashback and only pays a small monthly fee. I can, therefore, completely understand why he's unhappy that Santander wrote to him to say it was going to be converting his account into a different type of account. It is, however, true that Santander:

- a) hasn't been offering its 123 Lite Account to new customers for a couple of years now;
- b) has closed its 123 Lite Account to existing customers; and
- c) is moving its customers over to the Everyday account.

I accept that this account isn't as beneficial for Mr C, but I can't say that Santander has acted unfairly in coming to the decision to move its customers over – that's a legitimate commercial decision for Santander to make.

Having considered the terms and conditions of Mr B's 123 Lite Account, I'm satisfied that Santander had to give Mr B two months' notice of its intention to convert his account in these circumstances. I'm satisfied that Santander did this. I accept that Mr B has disabilities and vulnerabilities – and I've already mentioned one of the reasons why he values the 123 Lite Account – which make change harder for him but I can't say that Santander ought to have given him more notice.

I can see our investigator sent Mr B a couple of links to help him identify an alternative account that might offer him cashback. I can see too that he's worried about a hard credit check being done on him. Not all banks insist on this – particularly if the customer isn't applying for credit – and a single hard credit check will only have a small temporary impact on someone's credit score. I don't think I can helpfully add much more.

My final decision

My final decision is that Santander UK Plc hasn't acted unfairly.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 5 December 2025.

Nicolas Atkinson
Ombudsman