

## The complaint

Mr T has complained that Santander UK Plc gave notice in July 2025 that it planned to migrate his business account, which is free from fees, to an account which incurs a monthly fee in October 2025.

Mr T says this is unfair as, when he opened the account, Santander promised he would be provided with “*free banking forever*”.

## What happened

Mr T complained to Santander and it told him that if he did not want to transition to the new account, he could close the account. Mr T therefore referred his complaint to the Financial Ombudsman Service.

Mr T has told us:

- He chose this account, transferring from another bank, on the basis of its promotional offer of free banking forever.
- He believes Santander’s decision to apply a fee now is a breach of the terms and conditions and Santander should keep this promise.

Santander has told us:

- Mr T’s account was opened in 2010. None of the terms and conditions applicable to his account have ever included a contractual commitment to free banking forever. And none of the literature linked to the account later than 2010 referenced free banking forever.
- Over the years, it has needed to review the products it is able to offer its customers and, as part of simplifying the accounts available, it has migrated certain accounts to new products. In 2015, Mr T’s account was migrated to an ‘everyday account’ which has no promise of fee free banking. More recently, it needed to migrate some customers to a new account, and this is also an account with no promise of fee free banking.
- Banking services have changed in the years since Mr T’s account was opened and there have been changes in the relevant law and regulations. This has resulted in a need to change the way it operates business accounts, which justifies a fee being charged.
- To ensure it’s providing a fair and consistent service to all its customers, it is simplifying its business account range by consolidating existing business accounts to the ‘classic’ account which comes with a fee of £9.99 per month. Many of those customers migrating to the classic account have – unlike Mr T - not benefitted from fee free banking for several years, and most of the products it’s migrating have a monthly fee of more than £9.99 per month.
- It’s satisfied the implementation of a monthly fee is supported by the terms and conditions and it has given Mr T adequate notice of the intended change. Mr T’s choices are to move to the new account with a monthly fee, close the account, or switch to a new provider which it has said it will help facilitate.

Our investigator looked into the matter but didn't uphold the complaint. Mr T didn't accept the Investigator's findings so the complaint has been passed to me for a decision.

Mr T has said while there have been changes to banking regulations, other banks offer free business banking still. Mr T has also provided AI analysis of the phrase "*free banking forever*" and around the issue of a bank offering free banking and then withdrawing it, which he says supports this was mis-selling issue and would also amount to misleading advertising.

### **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.

Mr T has provided copies of marketing information that state the account provided by Santander offers free banking forever. Some of this appears to date from before Mr T's account was opened. Santander has said none of the documentation or marketing information contained a reference to fee free banking after 2010. But I am going to proceed on the basis that Mr T received such marketing and did choose this account based on that promise.

Mr T has benefitted from the free business banking provided by the account for around 15 years - from the time the account opened in 2010 until October 2025. So, the requirement now to pay a monthly fee is a change to the way Mr T is used to using its account.

The issue for me to decide here is whether I think Santander has acting unfairly in migrating Mr T to the new account now, taking into account the terms and conditions applicable to Mr T's account. The terms and conditions applicable to the account when Mr T opened it in 2010 said:

*"5.1.1 We may change these Conditions (which includes adding or removing conditions) by notifying you of the change..."*

I've also reviewed all the subsequent versions of the applicable terms and conditions available throughout the years, from the time the account was opened until the most recent version. I can see they all contain the same, or similar, wording that allowed changes to be made. So, for the entire time Mr T's account has been open, Santander has been clear in the applicable terms and conditions that changes can be made to the account, and none provided a guarantee of free banking forever.

The other relevant terms and conditions to consider, as Santander's making these changes now are the most recent. In 2015, Santander migrated Mr T's account to a Santander branded 'Everyday Current Account' and Santander's general terms and conditions applied from this point. They contained a similar term as set out above

Each edition of the terms and conditions also provide a list of changes Santander might make, which include taking into account changes in costs and regulation; general banking practice and prudent running of the business.

The terms and conditions were updated in April 2025, and the above did not change and also said:

*“This agreement may last for a long time, so we’re likely to need to make changes to it from time to time. We might change these terms or your account’s specific conditions. This includes interest rates or fees (such as adding or removing fees)...”*

Given all this, I’m satisfied the terms and conditions currently applicable to Mr T’s account allow Santander to make changes to it subject to giving sufficient notice of this to its customers.

While I accept that Mr T acted on the promise of free banking forever from Santander, it’s the terms and conditions that set out Santander’s contractual obligations, not the marketing and other literature.

I’d add that much of the marketing that references free banking forever, also explains this is subject to relevant changes to the law, regulation or the imposition of any tax in connections with bank charges. And there have been significant changes to banking regulation over the years, for example, the obligations on banks to better protect its customers from various risks including anti-money laundering, countering the financing of terrorism, and preventing fraud and scams, significantly increasing the costs of offering an account to both personal and business customers.

When considering a complaint I’m required to take into account not just the terms and conditions but what I consider to be good industry practice.

While as Mr T has said, some banks still offer free business banking, it is not currently a typical offering from any major retail bank. The fact some other banks have decided they can offer free business banking does not mean that Santander is obliged to do so. Each bank will make its own decisions about such matters.

And in Santander’s case it’s aware that whilst some customers, like Mr T, have benefitted from fee free banking for many years, others have been paying significantly more. Santander has said it’s taking this step, in part, to ensure all its customers are being treated fairly. Taking everything into account, I haven’t found it’s acting unfairly or unreasonably in asking Mr T to pay a fee in this case.

In addition, as a commercial business Santander is entitled make decisions about products that are no longer commercially viable, including withdrawing them completely. In this case, it explained it has decided that it will no longer offer the type of account Mr T currently has. This is a decision it’s entitled to make and one which this Service wouldn’t typically interfere with. So, even if there had been a contractual obligation to always provide the account with no fees attached, I wouldn’t have concluded it would be fair that Santander should be obligated to provide this product to Mr T indefinitely where it has decided it is uneconomic to do so. I would also note that each edition of the terms and conditions allow Santander to close the account as long as sufficient notice is given.

Mr T has said this amounts to misleading advertising and mis-selling. He has provided AI research to support this.

Even if I accepted he was misled 15 years ago, the remedy would be to put Mr T in the position he would have been in had he known the promise would last 15 years, rather than “forever”. It seems to me that even if Mr T had known the free banking would end 15 years after opening the account, his position would still be the same now. I say this because Mr T’s options at the time would have been to still take the Santander account, or find an alternative account that would provide free banking forever and I have seen no evidence that it would have been likely that Mr T would have found another account in 2010 that would still be offering free banking now.

In any case, even if Mr T could have found such an alternative account, I do not agree that this is a case of mis-selling or misleading advertising. This is because there was no misrepresentation or mis-selling when Mr T opened the account; he got what he expected: a business account that did not charge fees for everyday banking. The issue is that Santander has decided it can no longer offer that account with free business banking. As set out above, I think it is entitled to make that decision.

Santander has offered Mr T a reasonable alternative account, albeit with a fee, and it has given Mr T enough notice of the changes so he can find alternative options should he wish to. I understand Mr T feels Santander has broken its promise. But overall, I'm satisfied it's entitled to change the terms and conditions applicable to the account – including in relation to the cost of the account, as long as sufficient notice has been provided, as it has in this case.

### **My final decision**

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 9 January 2026.

Harriet McCarthy  
**Ombudsman**