

## **The complaint**

Mrs M complains that Santander UK Plc declined to issue her a new debit card and then closed her account. They passed the debts to external debt collectors. She thinks this was discriminatory. She'd like to be compensated.

## **What happened**

Mrs M held accounts with Santander. In 2023 she was sent to prison. In 2024 she contacted them to request a new debit card to her home address. But Santander declined to issue a new debit card. She complained about this decision but was told that once released she could go to branch to request a new one. But they offered £30 for giving her the wrong information about the debit card.

However, Santander later took the decision to close all her accounts. She also said her loan account was sent to debt collectors.

Unhappy with what had happened Mrs M complained to our service. She felt Santander had been unreasonable in how they'd handled her account. She didn't see it was right they were contacting her about the outstanding debt while she was in prison. She asked for the remaining debts to be written off, and to be compensated.

One of our investigators looked into what happened, but he didn't think Santander needed to do anything further. He said Santander had a right to choose who they provide accounts to, and in this case he was satisfied they had closed Mrs M's accounts in line with their terms. He said that he didn't feel it was unreasonable for Santander to have passed any remaining debts to a debt collector.

Mrs M disagreed, saying Santander had acted unlawfully in chasing debt while she was imprisoned. She said another bank had written off her remaining debt. She didn't feel it was fair to rely on secret information provided by Santander. But the investigator didn't agree with these points.

As no agreement could be reached the complaint has been passed 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.

Having done so, I'm not persuaded Santander need to do anything further. I appreciate this will be disappointing to Mrs M. I can see how distressing she's found this situation. But I don't see Santander have been unfair or unreasonable here.

Mrs M has raised questions of whether Santander's actions are lawful. I should explain matter of law are decided by courts – our service is a quick and informal alternative to the court service. We don't have the remit to decide on whether actions are lawful. Instead we

consider what is fair and reasonable, taking into account relevant legislation, regulations, codes of conduct, and what I consider to have been good practice at the time.

I should also explain the rules of our service allow us to treat certain evidence as confidential – for example if it involves information about third parties or is commercially sensitive. Some of the information Santander have shared us in relation to the closure of her accounts, I'm satisfied should remain confidential. I appreciate this will be disappointing to her, but I won't be detailing Santander's reasoning for this in full.

The initial complaint here begins with Santander declining to send Mrs M a new debit card despite initially agreeing to. Santander have explained they have a policy of not sending these when someone is in prison. Broadly, it's up to Santander whether they choose to issue a debit card on an account or not. And here they've explained they've decided not to. It seems Mrs M was originally misadvised on this point, but I can see Santander have now clarified this point for her.

In any event Santander later took the decision to close her account. Like all banks in the UK Santander can choose who they provide accounts to, and on what terms. Our service wouldn't generally interfere if they've decided to end a banking relationship – instead we'd generally look to see the account was closed reasonably, and in line with the terms govern the account.

Here Santander closed Mrs M's account without any notice given, and the terms say this can only be done in limited circumstances. Santander have explained their reason for this to our service, and while I'm not going to detail this in full, I'm satisfied it was in line with the circumstances listed in the terms. I understand why Mrs M would be upset, but I can't say Santander have done anything wrong by this.

In terms of the outstanding debts, Mrs M has sent us information about an outstanding credit card debt – although this seems to have been called in prior to any problems with her debit card, or the current account being closed. A personal loan has also been called in. But it seems likely Mrs M wasn't going to be able to continue making the contractual repayments towards the lending. So, in the circumstances it's not unreasonable for the debts to be called in. I understand there are also debts for her limited company – but as the limited company is a separate legal entity to Mrs M personally, I have not considered them in this decision.

Santander have passed the personal debts to be managed by external debt collection agencies – which is not an uncommon banking practice for outstanding debts. I don't see this was unreasonable.

I'm also not persuaded Santander have discriminated against Mrs M – she hasn't identified any specific protected characteristic under the Equality Act 2010 but has mentioned that she is in prison. And in any event the issue of discrimination and whether the Equality Act has been breached is reserved for courts. Broadly though, I'm not aware of any requirement for Santander to cease pursuing debts for someone in prison. They should treat her with forbearance and due consideration, but ultimately it wouldn't be reasonable to direct Santander to write off the remaining debts.

Santander have offered Mrs M £30 for service issues. I'll leave it up to her whether she wishes to accept this or not. But having reviewed everything, I'm not persuaded Santander need to do anything further.

### **My final decision**

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M to accept or reject my decision before 12 February 2026.

Thom Bennett  
**Ombudsman**