

The complaint

Miss G complains Santander UK Plc gave notice in July 2025 that it planned to migrate her account, which she uses for the purposes of her business and which is free from fees, to an account which incurs a monthly fee in October 2025. Miss G says this is unfair as, when she opened the account, Santander promised she would be entitled to 'free banking forever'.

Miss G has told us:

- Santander promise the account would be fee free forever, and going back on this promise now was treating her unfairly.
- The implications of the account migration in 2015 weren't clearly explained at the time and it's unfair that Santander is trying to rely on 'small print' now to make such a significant changes to the account.
- This change will come with an unexpected cost to Miss G's business or will cause her the inconvenience of having to move the account elsewhere. She's also suffered the inconvenience of the time she's already spent discussing the situation with Santander.

Santander has told us:

- Miss G's account was opened in 2010. None of the literature linked to the account later than 2010 referenced free banking forever, but it accepts that up until 2010 accounts were marketed as free banking forever. Outside of marketing and other literature, none of the terms and conditions applicable to the account, at any time, have ever included a commitment to free banking forever.
- Over the years, Santander 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, Miss G'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.
- Santander is satisfied banking services have changed in the years since Miss G's account was opened – more than 15 years ago - and there have been changes in the relevant law and regulation. 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, Santander 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 not benefitted from fee free banking for the past 15 plus 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 Miss G adequate notice of the intended change. Miss G's choices are to move to the new account with a monthly fee, close the account, or switch to a new provider which Santander said it will facilitate.

Our investigator looked into things but didn't uphold the complaint. Miss G didn't accept their findings so the complaint has been passed to me for a 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.

Santander has confirmed that from 2010 it was no longer referencing free banking forever in its literature. But Miss G opened the account in 2010, and she's said the account was marketed with free banking forever when she opened it, so I accept this is something she was told when the account was open. And even if this hadn't been the case, it's not in dispute that the account hasn't occurred any fees in the more than 15 years since it was opened until October 2025. So it's clear that the introduction of fees was a change to the way Miss G was used to using the account.

The issue for me to decide here is whether I think Santander is acting unfairly in migrating Miss G to the new account in October 2025 and applying a fee, taking into account the terms and conditions applicable to her account.

The terms and conditions applicable to the account when Miss G opened it say:

“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 including migrating the account. So, for more than 15 years, Santander had been clear in the applicable terms and conditions - changes can be made to the account, and none provided a guarantee of free banking forever. Despite this, Miss G benefitted from free business banking for over 15 years.

The other relevant terms and conditions to consider as it's making the October 2025 changes now are the most recent. In 2015, Santander migrated Miss G's account to a Santander branded 'Everyday Current Account' and Santander's general terms and conditions applied from this point. They set out that:

“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)...”

The terms and conditions also provide a list of changes Santander might make, which include taking into account changes in costs and regulation. The terms and conditions were updated in April 2025, and the above did not change.

So I'm satisfied the terms and conditions currently applicable to Miss G's account allowed Santander to make changes to it subject to giving sufficient notice of this to its customers. The terms and conditions set out that Santander should give 60 days' notice of this change, and I can see it gave Miss G slightly more than this, so it provided the notice required.

Miss G feels strongly that literature outside of the terms and conditions formed part of Santander's obligation to her. And I have considered this point, and the literature, carefully. But the terms and conditions are what outline the contractual obligations between Santander and its customer. Even if the other literature did form part of the contractual agreement Miss G had with Santander, it would still be able to change this agreement under the terms and conditions outlined above.

I'm also satisfied this change is supported by the literature I've seen that does contain a promise of fee free banking. For example, the tariff of charges provided to customers opening the account in 2003 is titled 'free banking forever', but the literature goes on to explain 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 since 2003, 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. By 2009, the same documents didn't contain any reference to fee free banking forever at all.

Free business banking is not currently a typical offering from any major retail bank. And in Santander's case it's aware that whilst some customers, like Miss G, have benefitted from fee free banking for more than 15 years, others have been paying significantly more. Santander has said it's taking this step to ensure all its customers are being treated fairly, and I haven't found its acting unfairly in asking Miss G to pay a fee in this case.

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 the decision it will no longer offer the account Miss G 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 likely have concluded it would be fair that Santander should be obligated to provide this product to Miss G indefinitely if it believed it was uneconomic to do so.

I would also note the terms and conditions allow Santander to close the account as long as sufficient notice is given.

I understand Miss G has said she believes it's unfair that Santander has relied on the 2015 terms and conditions. She's said Santander has relied on small print and has treated her unfairly according to the various legislation and principles she's referenced. And I have considered these, but I don't agree.

As I've set out above, the ability to make changes to the account has been set out in all of the terms and conditions applicable to the account since it was opened, and none have ever offered any guarantee of free banking forever. In my experience, it's not unusual for any bank to include the ability to make changes to accounts within its terms and conditions. When the time came to make the planned changes, more than 15 years after the account was opened, Santander provided clear notice of what the changes would be and gave notice of these changes so Miss G could make a decision about whether she wanted to carry on using her account.

Santander has offered Miss G a reasonable alternative account, albeit with a fee, and it has given Miss G enough notice of the changes so she can find alternative options should it wish to. I understand Miss G 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 Miss G to accept or reject my decision before 12 February 2026.

Faye Brownhill
Ombudsman