

## **The complaint**

Miss W, a sole trader, complains Santander UK Plc gave notice in July 2025 that it planned to migrate her account, which was free from fees, to an account which incurred a monthly fee in October 2025. Miss W says this is unfair as, when she opened the account, she was promised she would be entitled to 'free banking forever'.

I'm aware the account originally had Abbey National branding, but for simplicity I've referred to Santander only throughout this decision.

## **What happened**

Miss W told us:

- She opened her business account with Santander in 2009. She chose the account on the basis it was offering free banking forever.
- All of the advertising and documentation she has and remembers from this time confirmed the account would remain fee free for life.
- She considers that Santander's actions are dishonest. She accepts that the documentation for her account said that charges might be varied due to changes in law or regulation – but she says that if the bank knew back then that charges might be introduced in future, it should not have made a promise of free banking forever.
- She also says Santander waives the fee on its 'classic' business accounts for the first 12 months for new customers. So, as Santander continues to offer fee free accounts, she sees no reason why her account should not also be free of fees.
- Finally, she acknowledges that Santander gave her two months' notice of its intention to introduce the fees, but it was impossible for her to find a new account during that period due to extremely difficult personal circumstances.

Santander has told us:

- Whilst it accepts that the account taken out by Miss W was marketed as free banking forever, this has never been included in the terms and conditions of the account.
- 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 W'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 W's account was opened – over 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 W adequate notice of the intended change. Miss W's choices were to move to the new account with a monthly fee, close the account, or switch to a new provider which Santander said it would facilitate.

Our investigator looked into things but didn't uphold the complaint. Miss W didn't accept the investigator's 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.

There's no dispute here the marketing information for Miss W's account when it was opened set out that Santander was offering free banking forever. It's clear this was how the account was advertised and I've seen the literature from the time that supports this. I'd add that Santander isn't disputing this either. So, I accept what Miss W has said about what she was told in some of the literature linked to the account when it was opened.

The issue for me to decide here is whether I think Santander is acting unfairly in migrating Miss W to the new account now, taking into account the terms and conditions applicable to her account.

The terms and conditions applicable to the account when Miss W 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. So, for more than 15 years, Santander has 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 W has benefitted from free business banking for over 15 years. Overall, I think it's fair and reasonable that Santander are relying on the terms and conditions and making these changes.

The other relevant terms and conditions to consider are the most recent. In 2015, Santander migrated Miss W'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 applicable to Miss W’s account at the relevant time 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 that it did give Miss W the required notice.

Miss W 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 W 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 would’ve been given to Miss W when the account was opened. The tariff of charges provided to customers opening the account in 2009 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 2009, 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.

Free business banking is not currently a typical offering from any major retail bank, although it may be offered to new customers for a limited period. And in Santander’s case it’s aware that whilst some customers, like Miss W, have benefitted from fee free banking for many 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 W 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 W had. This is a decision it’s entitled to make and one which the Financial Ombudsman Service would not 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 Miss W 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’ve noted Miss W’s comment that Santander offers temporary relief from fees to new customers in some circumstances. But none of the circumstances described apply to Miss W now, so don’t impact Santander’s actions here. I haven’t seen anything to show Miss W is being treated any differently to other customers in similar circumstances and I don’t see anything unfair in her having to pay a fee in this case.

Santander has offered Miss W a reasonable alternative account, albeit with a fee. I acknowledge that this issue came at a particularly difficult time for her given her personal circumstances, but I am nevertheless satisfied that Santander gave her fair notice of the changes.

I understand Miss W feels Santander has broken its promise. But overall, I'm satisfied the bank was 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**

My final decision is that I do not uphold this complaint against Santander UK Plc.

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

Laura Colman  
**Ombudsman**