

The complaint

Mr B complains that Santander UK Plc blocked and then closed his account. He also complains about the level of service he received.

What happened

Mr B had an account with Santander. To fulfil its regulatory requirements, namely, its Know Your Customer (KYC) obligations, it requested information from Mr B about his circumstances and his account held elsewhere. Over the course of his interactions with Santander, Mr B provided some of the information he was asked for, but refused to provide statements for his other account.

Some of the calls became difficult and complaints were raised by Mr B, resulting in a total of £125 being paid to his account. Santander accepted the service should have been better, and that it hadn't always called him back when it was supposed to. However, it reiterated that statements were needed by its KYC team and that failure to provide the requested information could result in his account being restricted.

Mr B brought his complaint to our service. He explained he'd tried to call Santander lots of times and had often been left on hold. He said that when he'd spoken to people, he'd encountered difficulty in communication. He highlighted his unhappiness with the messages Santander sent him and the information he'd been given about why his statements were required.

Our service asked Santander for its file. When providing it, it offered Mr B a further £100 to make up for the service it provided, but maintained that the information it asked for, particularly Mr B's other account's statements, was legitimate and required. And, as this information hadn't been provided, restrictions had been placed on the account.

Our Investigator looked into things and said the account's terms allowed Santander to request the information it had. She also considered the service failings from Santander, but found the total amount it had offered (£225) to be fair in the circumstances. She also confirmed Santander still awaited the statements it requested and that Mr B would need to provide them to avoid his account being closed.

Mr B didn't provide the statements, and so Santander marked his account for closure. He complained to our service again, but our Investigator didn't identify a failing on Santander's part. She said Santander had told Mr B about the possibility of his account being closed when it contacted him about the outstanding KYC information. She said the closure was supported by the terms of the account and that sufficient notice had been given.

Mr B wasn't satisfied with the outcome and so the case was 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 think the total offer made by Santander is a fair way to settle the complaint. I realise this won't be the outcome Mr B wanted, and so I've set out my reasons below.

I would first like to mention that my role here is to think about the individual circumstances of this complaint and decide whether Santander did something wrong which caused Mr B to lose out. If I think it did, I can then consider what – if anything – Santander should do to set matters right. In reaching my conclusions, I've taken an independent view of the circumstances, and have considered relevant rules and regulation. But I have ultimately decided this case on what I believe to be fairest in all the circumstances of this complaint.

I realise that I've summarised this complaint in less detail than the parties, particularly Mr B, and I've done so using my own words. I've concentrated on what I consider to be the key issues. The rules that govern this service allow me to do so. But this doesn't mean that I've not considered everything that both parties have given to me. And although I've read and considered the whole file, I'll keep my comments to what I think is relevant. If I don't comment on a specific point, it's not because I haven't considered it but because I don't think I need to comment on it in order to reach the right outcome.

Santander has regulatory obligations it must adhere to which sometimes require it to review a customer's account, request further information, and restrict the account in some way while it awaits receipt of the requested information. This is what happened in Mr B's case. And I don't consider Santander's request for Mr B's other account statements to be particularly onerous or unusual.

Broadly speaking, financial businesses can decide to no longer offer customers banking facilities, but they must do so fairly, with appropriate closure notice for the circumstances, and in line with their terms and conditions. Santander's terms allowed it to close Mr B's account if information it reasonably asked for on more than one occasion wasn't provided, and so I'm satisfied it acted fairly in that regard. Further, I can see appropriate notice was given to close, and so I'm unable to say Santander got things wrong on this point. I note the account remained restricted throughout the closure notice period, but the restriction had been applied for a legitimate reason, and I wouldn't have expected Santander to remove it while the account awaited closure.

Turning to Mr B's service concerns, it's clear he didn't always receive good service from Santander. Both parties agree some of the calls were challenging, that there were errors in communication, and that Santander failed to call Mr B back when it agreed to. I've thought about the impact of the poor service and, having done so, the amount offered by Santander falls broadly within the guidelines published on our website for impact of this nature. Therefore, I agree with the Investigator's conclusion that the overall amount of £225 sufficiently compensates Mr B.

I've also thought about whether Santander's service delayed or prevented a resolution being reached, but I don't think it did. I can see from the evidence provided to me that Mr B has experienced some very difficult personal circumstances, and I'm sorry to hear this. However, my decision focuses on the impact of Santander's failings. And, given Mr B's reluctance to send Santander the statements it required, I'm unable to say the service had a material impact on his account being restricted or, ultimately, closed.

I appreciate Mr B might feel differently, but I will leave it to him to decide whether, on reflection, he now feels able to accept the sum proposed. Either way, my decision now completes our consideration of his complaint.

My final decision

My final decision is I direct Santander UK Plc to pay Mr B £100 in addition to the money already credited to him, within 28 days of his acceptance of this decision.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 14 April 2026.

James Akehurst
Ombudsman