

The complaint

Mr B complains that Santander UK Plc blocked and then closed his bank account without telling him why.

What happened

Mr B had a bank account with Santander. In or around November 2023 the bank contacted him to say that it wanted to discuss his account. Initially, Mr B did not respond, as he was very busy and had no reason to think that there was any problem with the account.

As Mr B had not answered its queries, Santander blocked his account. And when it did contact him, it was not happy with the information he provided about certain transactions on the account.

At the end of January 2024 Santander told Mr B that he would not be able to continue to use the account and that it would be closed – once the overdrawn balance had been cleared. It did not explain why it was taking that action.

Mr B complained about the blocks which had been placed on his account. This was before the account had been closed. Santander said that it had not made an error, but that it would not be able to provide an explanation for its actions.

Mr B referred the matter to this service, where one of our investigators considered what had happened – both when Santander blocked the account and when it was later closed.

The investigator did not recommend that the complaint be upheld. Mr B did not accept the investigator's assessment and asked that an ombudsman review the case.

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, however, I've reached the same overall conclusions as the investigator did, and for similar reasons.

Banks are generally entitled to review the way in which accounts are operated and to seek further information about individual transactions. They are also subject to various laws and regulations, and in some cases might therefore be under a duty to make further enquiries. Where a review is carried out, it is often appropriate to suspend or restrict the account operation in the meantime. In this case, I am satisfied that Santander was within its rights to review Mr B's account and to restrict its operation while it did so.

Further, it is generally for banks to decide whether to provide, or to continue to provide, account services to any particular customer. They can exercise their commercial discretion in such matters and, as long as that discretion is exercised legitimately, this service won't usually intervene. I have considered that issue here, and am satisfied that Santander's decision to block and then to close Mr B's account was a legitimate one. Santander did not

have to tell Mr B exactly why it had decided to close his accounts. I am satisfied too that Santander gave Mr B appropriate notice of its intention to close the account in the circumstances.

My final decision

For these reasons, my final decision is that I do not uphold Mr B's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 5 August 2024.

Mike Ingram
Ombudsman