

The complaint

Company H complains that Santander UK Plc demanded it provide a significant amount of information relating to the business activities and threatened to close the account if the information wasn't provided.

What happened

In 2023, Santander asked Company H to provide information about its activities in order that Santander could fulfil its regulatory requirements. In October 2023 Santander confirmed to Company H that it had received sufficient information to satisfy its regulatory obligations. Three-months later Santander requested further specific information from Company H. This information wasn't provided and the accounts in the name of Company H were subsequently closed.

Company H complained that it was unfair that Santander continued to ask so many questions of Company H and that it was imposing deadlines that were unreasonable for it to provide the information requested. Company H said that Santander hadn't made it clear what information and documents it needed to provide, but Santander didn't uphold the complaint.

Company H brought the complaint to the Financial Ombudsman Service and one of our Investigators looked into things. The Investigator thought Santander hadn't done anything significantly wrong. Company H asked that an Ombudsman decides the complaint.

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.

The crux of this complaint is that Company H believes Santander acted unfairly in requesting further information regarding the activities of Company H and its holdings. And that Santander imposed unreasonable deadlines for the information to be provided. There are other matters that may have upset the directors of Company H, but these relate to the impact on personal bank accounts with Santander. I cannot consider these matters in my decision regarding Company H but note that Santander's final response to the complaint explained only the accounts for Company H were affected.

There's no dispute Company H provided information to Santander about its activities in 2023 and that Santander confirmed its request had been fulfilled. However, in early 2024, as part of a review of Company H's accounts, Santander spoke with a director from Company H and requested further information about the activities of the company. The director provided details over the telephone and Santander asked that Company H upload specific documents to its on-line business hub. During this call – on 18 January – Company H was told that the information was required by 1 February, and that Santander could take steps to close the business account if the information wasn't provided. In this call Santander confirmed this would only impact the business account and no other accounts were affected. Santander explained the information could be presented at a local branch if preferred. Santander sent

Company H email confirmation that contained a link to the on-line business hub.

On 31 January, Santander called Company H to ask why the documents hadn't yet been uploaded. Company H said it was expecting a letter advising what specific documents Santander required. Company H confirmed it had received an email from Santander on 18 January with the link to the on-line hub but couldn't recall seeing details of the documents Santander required. During this call Santander again explained how Company H could access details of the documents required and how they could be uploaded. Santander also agreed a 14-day extension to the deadline for Company H to provide the information.

When Company H didn't upload or present the documents required, Santander provided Company H with 60-days' notice that it would be closing the accounts it held.

The Financial Conduct Authority ('FCA') provides Santander and other financial institutions with guidance about how they may fulfil their "*Know Your Customer*" obligations. But it's for Santander to decide what it needs to do to satisfy the obligations it has, and I can't tell Santander what it needs to do to meet these obligations. However, I can consider whether the way in which Santander requested the information and the actions it took were fair and reasonable in the circumstances of this complaint.

Although Company H says Santander previously accepted information it had provided, it's for Santander to decide if it requires further information. Having decided further information was required from Company H, Santander took reasonable steps to explain what was required and what may happen if the information wasn't provided. Santander said the information required could be uploaded to its on-line hub – and sent a link for Company H to use – or it could be taken to a local branch. When Company H hadn't provided the information Santander called a director and explained how the information could be provided. Santander agreed to a short extension period.

At this point Company H complained to Santander. In its response to Company H, dated 2 February, Santander explained why it needed the information. In its second response, dated 20 February, Santander said that because it had still not received the information it had requested, it had issued a 60-day notice of account closure letter to Company H. Santander also said, "*In order to prevent the account being closed I would suggest at your earliest convenience that you contact us on ... to discuss documentation that we still require to be sent.*" And, in its final response to the complaint dated 4 March, Santander confirmed that as the information hadn't been received it would close the account of Company H in line with the notice period it had previously provided. Santander again confirmed that only the accounts for Company H were affected.

I'm persuaded Santander provided Company H with opportunities to provide the information it required, and also provided an alternative to up-loading the documents to its on-line hub. Santander also agreed a 14-day extension period for the information to be provided and included a further opportunity for Company H to provide the information in its complaint response dated 20 February. I understand the director of Company H will be disappointed as he felt 'bullied' by Santander, but I'm satisfied Santander acted fairly in the circumstances and that it gave Company H a reasonable period of time to supply the information required.

My final decision

For the reasons detailed above, I've decided Santander UK Plc hasn't done anything significantly wrong.

Under the rules of the Financial Ombudsman Service, I'm required to ask H to accept or reject my decision before 1 August 2024.

Paul Lawton
Ombudsman