

The complaint

Mr M complains Santander UK plc (Santander) didn't take into account he was residing overseas when it requested information from him, before blocking his bank account.

What happened

Mr M says he received a letter in September 2022 from Santander, stating it required information from him with a response deadline date that was 10 days before he actually received the letter to his overseas address. Mr M says Santander blocked his bank account, as a result making it very difficult for him financially. Mr M says he contacted Santander on several occasions, but the calls were protracted, and he was kept on hold for unreasonable periods of time, which led to telephone costs in excess of £100.

Mr M believes Santander could have used other means to make contact with him knowing he lived overseas which would have enabled him to provide the information he required in good time. Mr M wants Santander to refund him the cost of his phone calls in addition to the £30 it has already paid him as he doesn't feel this goes far enough to cover the issues he has faced over this matter. Mr M then wants Santander to close his bank account.

Santander says it acted correctly when it wrote to Mr M in August 2022 asking for him to provide further information regarding his bank account. Santander says Mr M's bank account was blocked because he hadn't responded before the deadline it set. Santander says the block was removed once they had spoken to him in early October 2022.

Santander have apologised for the frustration Mr M experienced trying to make contact but it's their policy and obligation to safeguard its customers bank accounts and paid him £30 for any incidental costs that he had incurred.

Mr M wasn't happy with Santander's response and referred the matter to this service.

The investigator looked at all the available information but didn't uphold the complaint. The investigator felt Santander had acted fairly when it wrote to Mr M in August 2022 to meet its Know Your Customer (KYC) checks. The investigator says Santander had made attempts to contact Mr M previously and given it had no response to its letter it wasn't unreasonable for it to have placed the restriction on his bank account. The investigator didn't feel she could hold Santander responsible for the delays in the letter being received by Mr M.

Mr M didn't agree with the investigator's view and asked for the matter to be referred to an ombudsman for a final 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.

Having done so, I won't be upholding this complaint and I will explain how I have come to my decision.

I can understand it must have been frustrating for Mr M to have received a bank account information request letter from Santander, days after the deadline date contained in it.

When looking at this complaint I will consider if Santander acted unreasonably by sending this bank account KYC letter in the manner it did, and if it could have done more to have contacted Mr M about this matter, before restricting his bank account.

Mr M's complaint here centres around the fact he lives overseas, and he didn't receive the KYC letter from Santander until the end of September 2022, 10 days after his account had been blocked. Mr M believes Santander, knowing he lives in a country overseas where the post is notoriously slow, could have used other methods to contact him and he feels that he's been treated differently because he lives overseas.

Mr M says when he did try to contact Santander by phone he was subject to long call holds and being cut off and this has cost him in excess of £100 in phone call costs. Additionally, Mr M has made the point the blocking of his bank account caused him financial issues, stress and worry and he had to rely on friends to support him.

The first thing to say here is the letter Santander sent to Mr M in early August 2022 was for Mr M to provide further information so it could complete its KYC reviews. Although Mr M may not agree, this is a statutory requirement of all banks under its obligations to the Financial Conduct Authority (FCA) and not something consumers can opt in or out as he may believe. So, with that in mind I can't say Santander were being unreasonable in asking for Mr M to contact them over this matter.

While I do have some sympathy with Mr M over the time it took for the KYC letter to arrive to his overseas address and that must have been frustrating, I can't hold Santander responsible, for another country's postal systems shortcomings, which Mr M has admitted is poor. It's also fair to say it's not my role to tell Santander what method of communication it must use when requesting this type of information, only that it should allow a reasonable length of time to receive a response, before taking any further steps. Here the letter was sent on 7 August 2022 and Mr M's bank account wasn't blocked until 29 September 2022, a further two weeks beyond the response deadline date it requested – so I'm satisfied that was a reasonable time to allow for a response from Mr M.

It's also worth mentioning I have seen evidence from Santander's back-office contact notes to show it attempted to call on the registered phone numbers it held for Mr M on 16, 18 and 19 August 2022, but were unable to get through. So, taking this into account I can't see it could have done much more here and it wouldn't be reasonable of me to ask it to send its correspondence by overseas recorded mail as Mr M suggests, after all that's not part of its normal process.

I am pleased to see Santander have now closed Mr M's bank account and credited this to a bank account of his choosing, albeit taking longer than he had hoped because of an initial delay when it sent the payment by cheque which again he didn't receive. Ultimately that was part of the outcome Mr M was looking for here.

Given I can't say Santander were at fault for the KYC letter not arriving promptly for the reasons I have already stated, I am satisfied the £30 payment it has already paid is reasonable in the circumstances.

While Mr M will be disappointed with my decision, I won't be asking anymore of Santander.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 30 August 2023.

Barry White
Ombudsman