

The complaint

Mr F complains that Santander UK Plc (Santander) blocked his debit card.

What happened

On 28 January 2023, Mr F tried to make two payments for £2,000 and £1,000. The payment for £2,000 was stopped and his card suspended.

Mr F complained – he said he was in an airport at the time, and because of the block on his card, he had to spend a night on the airport floor – as he couldn't book accommodation, nor could he buy any food. He says he should be compensated for what happened.

Santander said the payment was stopped due to security concerns – to protect customers from fraud. And in some cases, they may restrict the use of the card until they can verify it is a genuine transaction. In this case, it wasn't felt appropriate to call Mr F – as the phone had been used as part of the verification process. Therefore, they couldn't call him on the same phone. They considered the declined transaction was a prompt for Mr F to call Santander. They didn't uphold Mr F's complaint.

Mr F brought his complaint to us. Our investigator said Santander acted reasonably. The blocked transaction was for a bitcoin investment – and Santander's systems flagged them as subject to a possible fraud, and Mr F's card was then blocked. He said it was reasonable for Santander not to call Mr F on the same phone as that which had been used to validate the payments – as further contact could lead to further compromising of a customer's security.

Mr F didn't agree and asked that an ombudsman look at his complaint – and so it has come to me to make 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.

The cause of the block on Mr F's card was that he attempted to make two payments for £2,000 and £1,000 in favour of a bitcoin firm. Mr F's phone had been used as part of the authorisation process for the payments. The payment for £2,000 was stopped and Mr F's card was suspended.

Mr F has argued that Santander should've called him when they decided to block his card – and he could then have been taken through checks to validate the card and the payments.

I hear what he says – and we asked Santander more questions about this. They've confirmed that where a phone has been used to validate a payment – then they won't call that phone. This is because (put simply) – if the phone had been stolen or was under the control of a fraudster or scammer, then it could be used to get through Santander's further security checks (e.g. by responding to a one-time passcode on the phone, or a text authorisation). And in the case of the payments to the bitcoin firm (for £1,000 and £2,000),

the payments had been authorised through the phone.

It's also reasonable to say that fraud is significant for all firms – and payments to a bitcoin investment are common indicators of fraud. So – I can see why Santander did what they did. And so – I don't consider they made an error here.

Mr F says he had to then spend a night on the floor of an airport, without food – as he couldn't use his card. We asked him for some more information about what happened, and why the impact on him was what it was – but unfortunately, he didn't respond. But in this case, as I think Santander acted reasonably, the lack of this information doesn't affect my final decision.

I was sorry to learn of the impact on Mr F and the inconvenience it caused him. I can see and appreciate that Mr F feels strongly about his complaint and has argued strongly in support of it. He will therefore be disappointed by my decision, but I'm not going to ask Santander to do anything here.

My final decision

I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 2 January 2024.

Martin Lord
Ombudsman