

The complaint

Mr B complains that Santander blocked his bank account causing him stress and financial losses. He says it then didn't provide the service it should have when he was trying to resolve the issue.

What happened

Mr B says his transactions were stopped from his account and while he visited the branch with his identification documents on several occasions the issue wasn't resolved. He says that a staff member was rude to him and took a biased approach by not dealing with his issue and he feels if Santander had taken an interest in him this situation wouldn't have arisen.

Mr B says this issue has meant he hasn't been able to pay for the basics he needs such as food and medicines as well as not be able to pay his priority bills. He says he also needed to travel back from overseas to deal with the issue and he wants the cost of his flight refunded.

Santander issued a final response letter dated 30 March 2023. It noted Mr B's complaint that a number of faster payments were declined. It said that the transaction on 21 March 2023 alerted its security system for further checks. It confirmed that Mr B spoke with its security team and that he attended a branch on 24 and 25 March to try to resolve the issue. It said that an alert was left on Mr B's account on 29 March to confirm the activity was genuine and all temporary restrictions were removed. It appreciated the inconvenience caused by the delay in updating Mr B's account and paid him £250 as an apology.

Mr B didn't consider the compensation paid sufficient and referred his complaint to this service.

Our investigator didn't uphold this complaint. He said that Santander were entitled to block Mr B's account while it carried out its fraud checks. He noted it had acknowledged the length of time the block was on the account, and he thought the compensation paid for this was reasonable.

Mr B didn't accept our investigator's view. He said that the distress he had been caused and harassment suffered had been ignored and that the £250 paid by Santander wasn't enough given the mental agony he had suffered. He said the staff member at the branch didn't care about his issue. He says several blocks were applied to his account for the same reasons and he shouldn't have had to visit the branch on several occasions for the same checks. He said the issue had adversely affected his health and that while he had made the staff aware of his medical condition he was made to wait for long periods and wasn't treated sympathetically or as a priority.

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.

I can understand why Mr B is upset by the experience he had in March 2023 while trying to make some high value transactions. The account notes show that Mr B's transactions were flagged for security checks, and he was required to contact Santander by phone and also referred to branch to provide copies of his identification documents to confirm the transactions were genuine. While I understand this will have caused Mr B some inconvenience, Santander is required to have security systems in place for the protection of its customers. The account terms and conditions explain Santander can refuse to make a payment if they reasonably suspect it relates to fraud or any other criminal act and in this case, I find it acted in line with its processes by applying the temporary blocks to the transactions until Mr B had confirmed these as genuine.

I have looked through the actions taken once the transactions were confirmed as genuine and can see that the block applied on 21 March 2023 remained until 29 March 2023. During this time Mr B had made two visits to the branch to try to resolve the issue. He provided his identification documents and has said that the staff member he dealt with was rude and he felt he was being ignored while the staff member dealt with other customers ahead of him.

Santander has accepted that there was a delay in the block being removed from Mr B's account and explained the block should have been lifted on 24 March, but this didn't happen until 29 March. Given this, and also taking Mr B's testimony of the service he received in branch into account, I agree that Santander didn't provide the service it should have at this time.

Santander acknowledged the inconvenience caused by the delay in the block being lifted and paid Mr B £250 because of this. I understand that Mr B doesn't think this payment is enough and has explained the stress he was caused and the wider impact this has had.

When considering what is a reasonable amount of compensation, I take into account any financial loss that has been suffered as a result of any mistakes made by the bank and also the distress and inconvenience that the customer has been caused. In this case Mr B's transaction was blocked on 21 March and the block wasn't removed until 29 March. Mr B initially said that the block on his account meant he wasn't able to pay for essentials such as food and medicines and he couldn't pay his priority bills. However, Santander has confirmed that the block didn't prevent Mr B making card transactions or affect his direct debits and I can see from his account that he was able to make payments during this period.

Mr B has also said that he needed to return from overseas in May 2023 to sort out the issues on his account. However, I do not find I have enough evidence to say this cost should be refunded. Looking at Mr B's account, he was able to make transactions and transfers on his account after the block was lifted on 29 March and while he was overseas.

I have noted Mr B's comment about the distress and inconvenience he was caused. I can see he needed to make two visits to a branch in regard to this transaction and I am sorry to hear of the service he received at the time. However, taking everything into account and noting that the block was removed on 29 March at which point Mr B was able to make a large transfer, I find that the compensation paid by Santander in this case is reasonable.

My final decision

My final decision is that Santander UK Plc isn't required to do anything further in resolution of this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 28 December 2023.

Jane Archer
Ombudsman