

The complaint

Mr B complains that Santander UK Plc applied blocks to his account without warning which took four weeks to be removed.

What happened

Mr B says that Santander placed blocks on his account without warning and this left him out of pocket. This is because he says he had to visit the branch 20 times, and each time he needed to use a taxi as a result of his medical issues, which cost £75 each time. He says he was given contradicting information about how to remove the block which meant it took a month for it to be removed.

Santander issued a number of final response letters about different parts of his complaint. In summary, these said that the block had been placed correctly and that Mr B needed to visit a branch to have an in-depth conversation about his account activity for it to be removed. They did agree that there had been issues with Mr B being given incorrect information as well as delays and for all of these issues he had been awarded with a total of £175 compensation.

Mr B referred the complaint to our service and our Investigator looked into it. Having reviewed everything, they felt that the block had been applied correctly and that it was a reasonable course of action that Mr B was asked to visit a branch to go through all of the transactions on the account line by line. Overall, they did not agree that Santander had acted unreasonably and they felt the £175 that had already been paid for the service issues Mr B experienced was fair in the circumstances.

Mr B did not agree with the outcome. He felt that Santander had discriminated against him due to his mental health issues. And he pointed to a final response letter in which Santander apologised for adding the block to his account.

As an informal agreement could not be reached, the complaint has been passed to me for a 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 think Santander should have done more to assist Mr B in unblocking the account sooner, but I don't think they were wholly responsible for the delays. Because of this, I don't recommend an increase in the compensation already awarded to Mr B.

While I appreciate it was inconvenient for Mr B, I think that Santander acted reasonably and in his best interests when they applied the block to his basic account. I can see that the day before the block was applied, Mr B had telephoned Santander with concerns that people known to him had taken his top-up card and used it without his authority. As a result, he had asked for his top-up card to be blocked as a precaution.

When Mr B spoke with the fraud team the following day there was an international purchase made using his top-up card that was likely made prior to the block being applied. During the conversation, more transactions on Mr B's basic account were discussed and Mr B did not recognise some transfers and withdrawals on his statements. Because of this, the fraud team made the decision to block the account and asked Mr B to attend a branch to go through his transactions individually so they could properly investigate what had happened on his account.

I'm satisfied this was done with Mr B's financial safety in mind and that Santander was acting reasonably when they applied the block. I can see this was done to try and protect Mr B's account from potential financial harm and their request for him to go to a branch to discuss the transactions was therefore a reasonable one. Because of this, I can't agree that they made an error when they applied the block. I appreciate that Santander apologised in a letter that it had placed the blocks but as explained above I don't think they placed it in error.

During the same conversation in which the block was placed on Mr S' account, the fraud team applied an alert to his profile that asked the branch staff to call the fraud team the next time he was in branch. However, when Mr B attended a branch the following day, he said that he was told he would need to call the fraud team himself if there was a block on the account. And the fact he withdrew cash in branch, but the block was not lifted supports Mr B's testimony.

Considering this, I think there was a disconnect between the fraud team and the branch staff and this resulted in the block not being lifted from his account. What followed was a series of missed opportunities for a conversation to be had in branch and more notes being added to Mr B's customer profile that were missed by the branch staff. This ultimately resulted in additional trips to the branch and a number of unnecessary phone calls to arrange ATM withdrawals and transfers.

However, I also think that, after a point, Mr B had clearly been told on more than one occasion that he would need to visit a branch and call fraud from there. I can see on 12 October 2022, Mr B had a telephone call with Santander where the call handler clearly set out what he needed to do for the block to be lifted. And this was the second time Mr B had been given clear instructions on how to lift the block. With this in mind, I don't think Santander are solely responsible for the block taking such a long time to be lifted.

I can also see from looking at the statements that Mr B was able to withdraw cash from his account on the same day funds went into it. Meaning he was never delayed in getting access to his own funds. I appreciate Mr B has said that he visited the branch 20 times at a cost of £75 in taxi costs per visit. But there were only three withdrawals in branch following on from the day after the block was applied, and Mr B said in a separate phone call with the branch that it cost around £25 in taxis per visit. With this in mind, it's difficult to rely on Mr B's testimony setting out the additional costs he incurred.

With all of this in mind, I think the £175 already awarded to Mr B for the issues he faced when his account was blocked as a whole is broadly in line with what I would have recommended in the circumstances. I think this fairly acknowledges the distress and inconvenience Mr B faced over the month that his account was blocked.

I appreciate that Mr B feels he has been discriminated against due to his mental health issues and I can understand his strength of feeling. Having listened to the phone calls carefully and reviewed the contact notes, I've seen nothing to suggest Mr B was treated differently from any other consumer in the same circumstances. I think it would be reasonable for Santander to apply the same block to any other customer account where there was as much uncertainty about the transactions on it. And I think the issues Mr B faced

were due to miscommunications within Santander and not as a result of him being treated differently due to his mental health issues.

On balance, while I do think Santander could have done more in the circumstances, I also don't think they were wholly responsible for the block not being removed sooner. Having carefully considered everything, I think the £175 already offered and paid is fair in the circumstances and I don't recommend an increase of this.

My final decision

I do not recommend an increase in the compensation of £175 already paid to Mr B by Santander UK Plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 7 September 2023.

Rebecca Norris
Ombudsman