

The complaint

Mr W, on behalf of the late Mr C's estate, complains about the service Santander UK Plc ('Santander'), gave to his late husband in October 2020. He believes the service the late Mr C received from Santander caused him to take steps that put him at risk. The estate is also unhappy Santander closed the late Mr C's account.

For ease, I'll refer to the late Mr C as Mr C throughout my decision.

What happened

The background to this complaint is well known to the parties and was set out in detail within our Investigator's view of 24 June 2022. So, I won't repeat what's happened again here in full.

In summary, Mr C complains about the service he received from Santander in October 2020. Santander received a fraud report about a credit into Mr C's account. Following this, Mr C's account was restricted and subsequently blocked when he was unable to pass security when on the phone with Santander. As a result, Santander asked Mr C to attend a branch to regain access to the account.

Mr C said he informed Santander about his terminal illness and disability within his calls with it on 8 October 2020, but it maintained he'd need to visit a branch. After arranging specialist transport, Mr C visited a Santander branch. After speaking with a branch member, he was able to withdraw the funds he requested.

Mr C complained to Santander on 10 October 2020. He raised his unhappiness about the restrictions placed on his account, that he'd been told to attend a branch during the pandemic - despite his medical condition and health, and about the costs he incurred as a result of these events. Mr C then further complained about Santander's decision to close his account.

Santander looked into Mr C's complaint and issued its final response letter on 17 October 2020. Santander said it appreciated Mr C's frustration and annoyance with the temporary block placed on his banking facilities but that the bank has legal and regulatory obligations which can require it to withhold transactions or services or block the account. It acknowledged the calls on 8 October 2020 in which Mr C attempted to access the benefits payments paid into his account, but due to failing security was referred to a bank branch. It said that while this was an error – he was incorrectly referred to branch that day; it hadn't been able to evidence that it'd been told Mr C couldn't attend due to self-isolating. All temporary restrictions on the account were lifted on 16 October 2020, once the bank's investigation into the fraud report was completed. However, Santander explained that following a further review, it'd made the decision, in accordance with the terms and conditions of the account to withdraw Mr C's banking facilities within 60 days. In recognition of the error with Mr C being referred to branch Santander paid £50 compensation for the distress and inconvenience caused.

Mr C remained unhappy and so he brought his complaint to our service. Mr C informed our service that following the branch visit, his health had worsened and whilst his complaint was with us, Mr C sadly passed away in August 2021. Mr W, on behalf of Mr C's estate, has continued to progress the complaint.

An Investigator considered Mr C's complaint and recommended it be upheld in part. She said in summary that:

- When considering the bank's actions in relation to the report of fraud and account restrictions, while she appreciated Mr C's frustrations at the time, she didn't think Santander had acted unfairly in restricting the account and investigating the report made against him.
- She considered Santander could've done more to explore whether it was necessary for Mr C to visit a bank branch. She felt the bank should've asked further questions when Mr C told it that he had a disability and terminal illness. She felt there were options for the branch visit to have been avoided but that these had not been discussed with him. So, she concluded the £70 specialist transportation cost Mr C incurred should be reimbursed.
- She considered the information provided by the estate and its position that had Mr C not been asked to visit a bank branch - he wouldn't have contracted an infection which he was unable to recover from. She recognised the estate's strength of feelings about this, but said she was unable to definitively say that the infection Mr C contracted was as a result of the branch visit.
- She considered the additional costs put forward by the estate on behalf of Mr C, but she didn't think Santander was liable for these costs.
- When looking at the account closure, she felt Santander had acted in accordance with the terms and conditions of the account. So, didn't find the bank had acted unfairly.
- She thought carefully about the service issues raised, such as, not receiving a call from the vulnerability team following the branch visit. In considering everything together, she recommended the bank pay a further £350 in addition to the £50 already paid (£400 compensation in total) in recognition of the small service issues experienced and what she considered the bigger error concerning the branch visit.

Santander agreed to our Investigator's recommendations to resolve the complaint. However, Mr W, on behalf of Mr C's estate, remained unhappy. So, the complaint has been passed to me to decide.

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'd like to start by saying that I'm sorry to hear of Mr W's late husband's passing. I recognise this has been a difficult time.

I would also like to add at this point that I'm aware I've summarised this complaint and the responses briefly, in less detail than has been provided, and in my own words. No discourtesy is intended by this. Instead, I've focused on what I think is the heart of the matter

here – which is to determine whether Santander acted fairly and reasonably in the service it provided to Mr C. If there's something I've not mentioned, it isn't because I've ignored it. I haven't. I'm satisfied I don't need to comment on every individual point or argument to be able to reach what I think is the right outcome. Our rules allow me to do this. This simply reflects the informal nature of our service as an alternative to the courts.

Having carefully considered Mr C's complaint, I uphold this complaint in part. I will now explain why.

For ease I will address each aspect in turn and in the same order as our Investigator.

Fraud report and account restriction

Santander received a report of fraud against Mr C's account. I can see information has been provided in relation to the circumstances surrounding the incoming credit into the account and what this payment related to.

When a bank receives a notification of concern about an account or funds received into the account, it has a duty to take appropriate action, for instance, it may take steps to restrict and/or block an account whilst it investigates the information received. This can involve contacting the customer to ask questions to assist with this.

Whilst I can appreciate Mr C's dissatisfaction with Santander's actions and the restrictions placed on his account, from the information I've seen and considered, I can't safely say Santander has acted unfairly or unreasonably here. Santander has a legal and regulatory duty to take necessary steps and investigate when it receives a notification of fraud on an account. And while I note Mr C was also unhappy because he says he wasn't made aware by Santander that his account would be restricted, I'm afraid this is not something Santander is required to do prior to any steps it decides to take.

A letter was sent to Mr C following the restrictions placed on the account on 5 October 2020, which advised him that Santander had temporarily blocked his account until it could speak with him. This appears to have overlapped with his contact with Santander the same day, where he contacted the bank by phone after he had difficulty when trying to make a payment.

So, while I can understand Mr C's personal frustrations and unhappiness at the time that his account was restricted, I don't find Santander has acted wrongly following the report of fraud received, for the reasons I've said above.

Account block and visit to branch

Mr C had two telephone calls with Santander on 8 October 2020. In the first call, Mr C was told by the bank's agent that he'd not passed security. He was told he'd need to call the bank back with additional information to pass security or he'd need to attend a branch with identification (ID). Mr C expressed his unhappiness with this and told the agent he had a disability and terminal illness. He also commented about the cost of medical transportation in order to get to a branch. The next steps were reiterated by the agent to Mr C and the call ended.

Mr C then made a further call that day. Following this second call, his account was blocked, due to failing to pass security and, he was told that he'd need to go to a Santander branch with ID. Mr C told the bank's agent that he had a disability and terminal illness. Again, he raised dissatisfaction about being told to go to a branch. He explained that he'd require

medical transportation in order to get to a branch and that he didn't have access to his funds in order to arrange this.

Mr C visited a Santander branch later that day. In his contact with our service prior to him sadly passing, he told us that the branch staff acknowledged he was unwell at the time of his visit. Mr C was able to withdraw funds when visiting the branch.

Mr C became unwell following the visit to the branch on 8 October 2020. I can see from the information provided that Mr C contracted an infection, which alongside his terminal illness impacted his health further.

I've thought carefully about everything I've seen and been told. Having done so, I agree with the position set out by our Investigator within her assessment.

Before I explain further below, I do think it's important to keep in mind what I've said above. I don't find Santander made an error in restricting the account after receiving a report of fraud. And I'm also not persuaded the bank acted unfairly in blocking the account and asking Mr C to provide ID after he was unable to pass security.

But when thinking about the bank's instructions to Mr C in telling him he'd need to visit a branch, given the information he'd shared with the bank within the calls on 8 October 2020, I'm persuaded better customer service could've been provided. I think the bank could've asked Mr C further questions after he'd shared with its agents that he had a disability and a terminal illness. I think this ought to have fairly and reasonably prompted the bank's agents to thoughtfully ask questions so that it could have better understood the impact and the effects of his medical condition on him which would've enabled the bank to determine whether all the available options had been considered – in particular whether a visit to a branch was required in the specific circumstances here. The information I've seen suggests there were other options that could've been explored by the bank. I also note that the contact between Mr C and the bank took place during the global pandemic, at the time where critically ill people were recommended to isolate.

Having listened to the calls on 8 October 2020, I do acknowledge Mr C didn't specifically say he was isolating, but I'm persuaded that the information he did share, ought reasonably to have prompted the bank's agents to make further enquiries – specifically within the second call.

Inevitably it's very difficult to know exactly what would have happened at the time. From what I've seen, it does appear Mr C had a desire to access his funds that day and so there is a possibility that he may not have been happy with other options had Santander suggested any – especially if these didn't enable him access to his funds as quickly as he wanted. This said, while I don't know for certain how Mr C would've responded, I think it is more likely than not he'd at the very least have thought about other available options had Santander provided these, especially if the suggestions didn't require him to attend a branch.

In light of this, had Mr C not attended a Santander branch, he wouldn't have incurred the £70 cost for medical transportation to get him there. I agree with our Investigator's recommendation that Santander should reimburse this cost. Santander has agreed to reimburse the £70 - so I make no further recommendation in relation to this point.

The events following the branch visit

Mr C explained that following the branch visit in October 2020, he caught infections which greatly affected his health, which alongside his terminal illness, caused his health to worsen further.

In proceeding with the complaint, Mr W, on behalf of the estate, has explained that he considers Santander's reaction and investigation into the fraud report to be inappropriate. He feels this exposed Mr C to unnecessary risk both financial and physically.

Mr W feels strongly that the branch visit, whether from the transportation or branch contact with staff and the public, was the only possible source for the infection Mr C caught, which he says was a significant factor contributing to his death.

It follows that Mr W maintains that had Mr C not been asked to attend a branch, he wouldn't have contracted an infection which he was unable to recover from.

I've carefully considered all the information that's been provided to me by all parties. In doing so, I recognise the very sad circumstances and the difficult time for all involved due to Mr C's passing.

Our service has been provided with Mr C's medical history, which I've carefully reviewed. I've also noted Mr W's comments that Mr C was adhering to self-isolating guidance at the time for those with critical illnesses. He's said Mr C's only contact was with him and that this was kept to a minimum. I am aware third parties did attend the home, such as health professionals and a cleaner but Mr W told us they were never in the same room as Mr C.

Whilst I know this will disappoint Mr W, I'm afraid I am unable to safely conclude that Santander's actions of asking Mr C to attend a branch was the cause of the infection. I've reached this finding as I don't think it was a reasonably foreseeable risk to Santander that in asking him to attend a branch, he might contract an infection, and that this could then have worsened his medical condition which would then contribute to his death.

I have to bear in mind that whilst Mr W maintains the infection wouldn't and couldn't have occurred had it not been for the branch visit, when taking everything into account – the medical information given to us, alongside everything we've been told - I can't safely conclude that this was the case. In the absence of more conclusive evidence, I'm unable to definitely say that the visit to the branch was so clearly linked to the infection Mr C caught.

I appreciate Mr W will not agree with this view and it is not my intention to cause further upset. It is simply the case that I cannot say with any degree of certainty that the infection Mr C caught was as a result of the branch visit on the 8 October 2020 and as a result of Santander's instructions.

Other costs incurred

Mr C and then later his estate outlined costs incurred as a result of what's happened here. These are costs in addition to the medical transportation to attend the branch on 8 October 2020.

In summary, the additional costs Mr C feels he incurred as a result of Santander's actions in restricting and then blocking his account include, funds paid to a third party who assisted in getting groceries and depositing funds into another bank account, the cost of transport to obtain a Covid test, costs incurred to collect a prescription and, costs relating to getting to a post office and for postage when making his complaint.

I've thought carefully about the breakdown of costs provided but I'm afraid I don't find Santander liable for these. I will not comment on each of these specifically but summarise my findings overall. I've explained above why I don't find the bank did anything wrong in restricting the account. Because of this, I'm satisfied Santander isn't liable for the costs paid to the third party. And as I am unable to safely conclude that Mr C's visit to the branch was so closely linked to the infection he contracted and that then led to his passing, I can't ask Santander to reimburse the costs relating to attending hospital, a Covid test or the cost to collect a prescription.

Lastly, when a customer looks to make a complaint there will be costs incurred as a result of this – such as postage costs (dependant on the communication method used to raise a complaint). This is not a cost I would expect a bank to reimburse. I'm also mindful there are other methods in which to make a complaint, for example by telephone or email.

Overall, having carefully considered all the additional costs outlined by Mr C and his estate, I'm afraid I don't find Santander liable to refund these costs. Above, I've set out why I think Santander should reimburse the cost for the medical transportation due to him visiting a branch on 8 October 2020 so I will not repeat this again here. But for the reasons I've explained, I can't fairly ask Santander to refund any of the other additional costs requested.

Account closure

Santander has provided a copy of the terms and conditions for the account. I can see this says the bank can close the account giving the customer at least two months' notice.

Within Santander's final response letter of 17 October 2020, I can see it explained that following a further review, it had made the decision to withdraw Mr C's banking facilities within 60 days. In this letter Santander said it has acted in accordance with the terms and conditions of the account facility and that the decision to withdraw the banking facilities will stand.

Given what's been said above, I'm unable to find Santander has done anything wrong in giving Mr C notice of his account closure. I'm satisfied Santander has complied with its obligations under the terms and conditions of the agreement.

Customer service

Mr C raised further concerns about the service he received from Santander. In particular, that he was forced to leave the branch after his visit with a large amount of money on his person and that he didn't receive a call back as advised in branch.

In thinking about these issues, I have considered them together as part of the overall customer service Mr C received from Santander. Having done so, I'm satisfied the recommendation that Santander pay a further £350 compensation, bringing the compensation to £400 in total (£50 already paid by Santander) is fair and reasonable in the circumstances of this case.

Summary

I'd like to assure Mr W that I recognise his strength of feeling about what has happened, as the late Mr C's husband and estate. I understand Mr W feels the bank can't be allowed to behave in a way that exposes the health of vulnerable customers to greater risk without being held accountable. While I know this will be disappointing to Mr W, I hope he can understand why I've reached the findings I have, for the reasons I've explained.

My final decision

My final decision is that I uphold this complaint in part. Santander UK Plc should:

- Pay an additional £350 compensation (£400 in total including the £50 already paid by Santander).
- Reimburse the £70 cost for the medical transportation Mr C incurred to attend the branch.

Under the rules of the Financial Ombudsman Service, I'm required to ask the estate of Mr C to accept or reject my decision before 15 December 2022.

Staci Rowland
Ombudsman