

The complaint

Mr and Mrs I complain about Santander UK Plc placing restrictions on their account following an information request.

What happened

Mr I says he received a telephone call from someone purporting to be from Santander asking him for personal information. He says he was worried that the caller was not from Santander and worried about providing his personal information. Mr I says he asked the caller to e-mail him but was told that wasn't possible and was told his account would be frozen unless certain information provided. He says he wasn't told what that information was which was required and so attended his local branch. Mr I says his local branch could not get through to the relevant Santander department and says his account was subject to these checks on more than one occasion. He says he was caused distress and inconvenience and would like compensation as well as an apology.

Santander says it's entitled to request account information and did so following large payments into Mr and Mrs I's account. It says it paid £75 as a goodwill gesture.

Mr and Mrs I brought their complaint to us and our investigator didn't uphold it and thought Santander was entitled to ask where the money in the account came from. The investigator thought call wait times were outside the control of Santander and it was Mr I's choice to attend a branch.

Mr and Mrs I don't accept that view and say Santander would not tell them the information that was required. They say they can't scan and upload documents and are not confident dealing with matters on a telephone.

I asked Santander for the call recordings and for it to clarify what the £75 was for. I also asked it to explain why the letter didn't simply say what was required.

Santander has offered a further £75 goodwill gesture but says the calls are no longer available.

My provisional decision

I issued a provisional decision on this complaint and came to the provisional view that I uphold this complaint.

I said I appreciate Santander has regulatory duties to know its customers and to question the source of money paid into an account. But I also thought that fraud is a major problem for both banks and customers. And thought it was entirely reasonable for Mr I to have been caused concern when he received the first telephone call during which he was asked confidential and personal information. I said I understand why Mr I was reluctant to provide that information and thought the onus in those circumstances was on Santander to understand Mr I's concerns and satisfy him it was a genuine call. I didn't think it clear why Santander couldn't simply have explained in general terms why it was calling, namely the

deposit of a large sum of money, before then asking the security questions. I thought it likely in those circumstances that Mr I would have realised the call was genuine.

I appreciated that it's up to Santander to decide how it communicates with its customers and for example up to it to decide if an information request could be put in an e-mail. But I also appreciated Mr I's frustration in receiving a letter which did not specify what information was required and required a customer to ring a telephone number that isn't answered. I didn't think it clear why it couldn't simply tell Mr I in a letter what information was required and tell him to take it to his local branch. I also didn't think it clear what checks Santander could have carried out itself or why it had concerns, as I could see the payments into Mr I's account were from firms of solicitors.

I was satisfied that Mr I attended a branch to try and sort matters out but the branch itself couldn't speak to Santander's department, due to call wait times, dealing with the information request. I appreciated that the investigator says Santander isn't responsible for call wait times, but I disagreed and thought it ought to have known call wait times were an issue. And so, considered alternatives such as making clear in the letter what was needed and for example suggesting the information be brought to a local branch. I was sure Santander appreciated that not all customers are able to upload documents themselves and many are uncomfortable using telephone banking or worried about providing confidential information over a telephone.

I didn't think it clear why additional information requests were made by Santander and said no doubt it can clarify that before my final decision.

My provisional view was that Mr I attended a branch for a wasted visit and no doubt spent some time trying to comply with these requests which I thought could have been handled more sympathetically. I also thought he had been caused inconvenience and distress but accepted he hadn't suffered any real financial loss save for the cost of attending a branch. My provisional view was that Santander should pay Mr and Mrs I £150 compensation which I thought was fair and reasonable and fairly reflected the impact caused here.

Santander has agreed with my recommendation in the provisional decision.

Mr and Mrs I also accept my provisional view and have provided a letter providing additional information which I have read. They say a number of visits were made to a branch. That doesn't impact on my decision, but I do not doubt that they did make those visits.

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 have come to the same overall view that I reached in my provisional decision and for the same reasons.

Putting things right

Santander should pay a further £150 compensation in addition to the £75 compensation already paid making a total of £225.

My final decision

My final decision is that I uphold this complaint and order Santander UK Plc to pay Mr and Mrs I a further £150 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs I and Mr I to accept or reject my decision before 28 December 2022.

David Singh
Ombudsman