

### **The complaint**

Mr K complains that Santander UK Plc discriminated against him when they held up an international payment into his account.

### **What happened**

In July 2022 Mr K was sent €5,000 from Cyprus to his Santander account. Santander didn't credit the amount to his account right away, and instead asked for further information from the sending bank. The funds were later released to Mr K's account.

When Mr K spoke to his Cypriot bank, he says he was told Santander had said they were holding the funds to investigate a connection to a terrorist organisation. He complained to Santander about this, and that Santander staff had been rude and racist towards him.

Santander investigated these concerns. They said they hadn't accused Mr K of being a terrorist and didn't agree they had acted in a discriminatory way towards him. They apologised for any inconvenience caused by the additional checks on the payment, but this was required by their legal and regulatory obligations. But they did pay Mr K £30 to cover any overdraft charges while his payment was being checked.

Unhappy with this Mr K referred his complaint to our service, also saying that Santander had failed to send him a call recording he'd requested. One of our investigators looked into what happened but didn't think Santander need to do anything further. They felt Santander were reasonable in carrying out additional checks on the payment, and this was in line with the terms of his account. They couldn't see Santander had caused any undue delays. They also weren't persuaded Santander had been discriminatory to him, or that he'd been treated differently from anyone else in the same circumstances. Lastly, they were satisfied Santander had sent Mr K the call recording he'd requested.

Mr K disagreed with this outcome. As no agreement could be reached 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.

In doing so I've taken in to account the relevant legislation around discrimination in the UK – the Equality Act 2010. But this act makes it clear that whether the act has been breached can only be decided by a court. My role is to take this into account, along with the relevant regulations covering bank accounts and payment services, as well as what I consider to be good industry practice, when deciding whether Santander have treated Mr K fairly and reasonably.

The investigator was right to point out that Santander have legal and regulatory obligations to meet when providing accounts and payment services to their consumers. This includes an obligation to review payments. This can mean on occasion they are required to suspend or

block certain payments, while they carry out a review. There is provision for this in the terms of Mr K's account.

In this case, I'm satisfied that it was reasonable for Santander to block the payment. I appreciate Mr K will have found this frustrating, as he would like his money as soon as possible. But as Santander were meeting their legal and regulatory obligations, they've not done anything wrong by doing so.

To complete the review it's not unreasonable for Santander to ask for further information. I can see that they were prompt in requesting further information from the sending bank. They also attempted to get the relevant information from Mr K. And once they received the information, they requested the funds were released in a reasonable timeframe. Overall, I'm satisfied there hasn't been any unreasonable delays in the review. Santander have paid Mr K £30 to cover any overdraft fees, which is more than fair.

I've reviewed the message Santander sent to the sending bank, and I can't see that there are any references to suspicions of terrorism. I've not seen anything to suggest this was the reason for Santander delaying the payment. The message to the sending bank is a request for further information about the sender, but there is no accusation that Mr K is involved in anything illegal. The information asked for is not unreasonable or out of the ordinary for a financial transaction. If the Cypriot bank has said otherwise, I can't say this is the result of anything Santander have done.

Mr K feels very strongly that Santander have discriminated against him. But having reviewed the reasons for Santander's review, I don't see that this came about because of his race or nationality. He's been treated the same as I would expect anyone else to be in a similar situation.

Having reviewed the available call recordings, I don't hear that Santander have accused Mr K of being involved in any illegal activity, such as terrorism. I can hear Mr K is very frustrated, but Santander handle the situation professionally.

There are differing recollections of the discussion in branch, and I understand Mr K was very upset at the time. It's unlikely I can say for certain what was discussed, or whether Mr K was told his accounts could be closed. But I'm not persuaded it's likely he was accused of illegal activity – this wasn't something Santander thought at the time. I can't see that any references to terrorism came from Santander. So, I'm not persuaded Santander have treated him unfairly here. As such I'm not asking them to do anything further to resolve the complaint.

Lastly, I'm satisfied from the evidence provided that Santander did send Mr K the call recording he requested. It seems the delivery was attempted several times when Mr K wasn't available.

## **My final decision**

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 5 October 2023.

Thom Bennett  
**Ombudsman**