

The complaint

Mr M complains that Santander UK Plc unfairly applied account blocks.

What happened

Mr M has explained that he resides abroad. In November 2022 Santander wrote to the address registered to Mr M's account in the UK and advised it needed information and documents to complete a review. Santander requested documents to help verify Mr M's income and personal details.

Santander's contact notes show it held two telephone numbers for Mr M. One was a UK number, the other was a foreign number. Santander's records show it called both numbers on 2 November 2022, 3 November 2022 and 7 November 2022 but was unable to speak with Mr M.

On 1 December 2022 Santander applied a block that meant Mr M was unable to use his account for spending as it hadn't received the required information. On 7 December 2022 Mr M called Santander and was given details of the information required. Santander asked Mr M to send proof of his identity and address, proof of savings and proof of his pension income.

On 12 December 2022 Santander received documents from Mr M but they didn't meet the requirements to complete its review. Santander's records show it called Mr M's UK and foreign numbers on 15 December 2022 but received no answer. Mr M called on 16 December 2022 and was given the details concerning the outstanding documents. Santander temporarily removed the account block for a 14 day period to allow Mr M time to provide the outstanding information.

As the required documents weren't received within 14 days, Santander reapplied the account block during January 2023. Around a week later, Mr M called Santander back after finding account access had been blocked again. Santander subsequently looked at the information available and completed its review. The account block was removed and access restored to Mr M.

Mr M has explained he was living abroad at the time and needed to pay for urgent medical care. Mr M's told us that the account blocks and lack of access to his funds meant he wasn't able to pay for important life saving treatment following an accident.

Mr M complained to Santander and it issued a final response. Santander said the account blocks had been correctly applied following requests for information to complete a customer review and didn't uphold Mr M's complaint.

An investigator at this service reviewed Mr M's case and upheld it in part. They noted Mr M hadn't updated his address so Santander was writing to him in the UK. The investigator said records indicated Santander had used Mr M's UK mobile number to try and call him despite having a phone number recorded for him in the country he was residing. The investigator ask Santander to pay Mr M £150 for the distress and inconvenience caused and it agreed.

Mr M asked to appeal and said Santander's decision to carry out a review of his account and apply blocks was unreasonable given his account use remained the same for a period of several years. Mr M also explained that Santander's actions caused serious problems due to his health and vulnerable position at the time account blocks were applied. As Mr M asked to appeal, his complaint has been passed to me to make 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.

I'm aware I've summarised the events surrounding this complaint in less detail than the parties involved. No discourtesy is intended by my approach which reflects the informal nature of this service. I want to assure all parties I've read and considered everything on file. I'm satisfied I don't need to comment on every point raised to fairly reach my decision. And if I don't comment on something, it's not because I haven't considered it. It's because I've focused on what I think are the key issues. My approach is in line with the rules we operate under. I want to assure Mr M in particular that I've reviewed all the correspondence he's sent us and full details setting out the basis and background of his complaint.

Santander has explained it was completing a Know Your Customer (KYC) review when it contacted Mr M and asked him to supply documents. Mr M's told us he doesn't think the process was required as his account use hadn't changed in several years. But businesses have to ensure up to date records are maintained and regularly carry out reviews of this nature for that purpose. So whilst I understand Mr M's circumstances hadn't changed, I'm satisfied Santander had a legitimate reason to contact him and request information and documents.

I've reviewed Santander's records and can see Mr M's address is noted as being in the UK. Mr M's confirmed the address recorded belongs to a family member and that he resides abroad. In my view, the fact Santander didn't have an up to date address for Mr M has impacted matters. Had the address been updated to reflect Mr M's residence, it's more likely he would've received Santander's letters asking for documents to complete its review.

Our investigator said Santander had called Mr M's UK mobile number but hadn't contacted him using the number on file for the country he resides in. But the contact records I've seen show that when Santander attempted to call Mr M before applying the account blocks, it used both his UK and foreign numbers. The contact notes indicate Santander attempted to contact Mr M using both numbers on three occasions in November 2022. The contact notes say that when Santander called the foreign number it holds for Mr M there was no answer and no option to leave a message. And further attempts to call Mr M in December 2022 were also made to the foreign number Santander recorded.

I don't doubt that Mr M was concerned to find his account had been blocked in December 2022 and that the situation was concerning. But when Mr M spoke with Santander on 7 December 2022 it sent him an email confirming how to submit the required documents. But when they were received a few days later, some of the documents couldn't be used and further information was required. On 16 December 2022 Mr M spoke with Santander again and the outstanding information was confirmed. The block was temporarily removed for a 14 day period to allow Mr M to submit the remaining information.

As the outstanding information wasn't received by Santander within 14 days the block was reapplied in January 2023. I don't doubt this caused Mr M further upset and concern. But as the required information hadn't been supplied, I'm satisfied Santander acted reasonably and

in line with what it had told Mr M in December 2022 when the block was reapplied. Once the required information was supplied, the KYC review process was completed and block removed. I appreciate this caused inconvenience to Mr M at a particularly difficult time. But I'm satisfied Santander acted reasonably in the way account blocks were applied and haven't been persuaded it treated Mr M unfairly.

Mr M has given us lots of very personal information about serious health issues he was experiencing at the time and how the account blocks impacted him. I can see Mr M has been through a particularly difficult period and that his health was poor. But there's nothing on the contact notes with Santander that shows Mr M made his vulnerable situation known to the agents he spoke with. So it doesn't appear to me that Santander was aware of how difficult Mr M's circumstances were at the time the account blocks were put in place.

In response to the investigator, Mr M explained that a family member residing in the UK had attempted to resolve the situation with Santander on his behalf. But there's no authority on file that says Santander can discuss Mr M's account or circumstances with a third party – even a family member. So even if the third party had contacted Santander on Mr M's behalf, I'm satisfied it wouldn't have been able to discuss the status of Mr M's accounts or its KYC review and subsequent blocks with them.

Our investigator asked Santander to pay Mr M £150 in respect of the distress and inconvenience caused. As I've said above, I'm satisfied the evidence on file shows Santander called both the UK and foreign numbers it holds for Mr M when trying to contact him before the blocks were applied. But Santander could arguably have done more and attempted to call Mr M back when its initial calls went unanswered. So whilst I'm satisfied Santander did use the numbers on file, I think a payment of £150 fairly reflects the level of distress and inconvenience caused to Mr M. I'm very sorry to disappoint Mr M but I haven't been persuaded to increase the award or tell Santander to take any other action.

My final decision

My decision is that I uphold Mr M's complaint and direct Santander UK Plc to pay him £150.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 26 July 2023.

Marco Manente
Ombudsman