

## **The complaint**

Mr K is unhappy that Santander UK Plc blocked online access to his bank account and caused him inconvenience.

## **What happened**

On 9 November 2023 Santander blocked online payments on Mr K's bank account after he had tried to transfer £5,000 to an account in his name with another financial institution. It wanted to make additional security checks in case it was a fraudulent transaction.

Santander called Mr K who was working abroad at the time. It said Mr K refused to give it sufficient information about the transaction to enable it to remove the block on the account.

Mr K complained to Santander about the treatment he'd received. It said the security checks were made with his best interests in mind. It asked him to contact the security team and provide the necessary information.

Mr K said he hadn't been able to resolve the matter despite calling the bank many times. In the end he visited a branch in the UK. The account was eventually unblocked on 5 January 2024.

Mr K referred his complaint to this service. Our Investigator upheld it. He didn't think Santander had been sufficiently proactive or recognised the impact on Mr K of having his account blocked while he was working abroad. He recommended that Santander should pay Mr K compensation of £350 for the trouble and upset it had caused him.

As Santander didn't agree, the matter has been referred to me.

## **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 have considered this from both sides as I appreciate a bank needs to have good fraud prevention measures in place to keep their customers' accounts safe and prevent them from being victims of fraud but also that such measures shouldn't cause customers unnecessary inconvenience. Sometimes a bank may identify and block legitimate payments due to security concerns. This can cause trouble and upset to a customer – but it doesn't necessarily mean the bank has acted incorrectly.

In this case I see that Santander wanted more information about the proposed transaction. That in itself was not unreasonable. Mr K told it the money was going to be used to make an investment in a company. In particular Santander wanted to know whether he had opened the receiving bank account, whether anyone else was named on it and would have access to the funds. It also wanted to know how he'd heard about the investment and whether he'd invested in the company previously.

I can see from Santander's file that in a call on 9 November 2023 Mr K told it he had wanted to transfer the funds to another bank account in his name in order to buy shares in his employer company. Santander said its security team would review that information.

There were several more calls over the next eight weeks as Mr K tried to get a decision from the fraud team and his account unblocked.

Mr K visited a branch in person on 18 December 2023. He told branch staff the transfer was to his own account and the name of the company he was planning to invest in which is a well-known foreign company. He said he'd invested in the same company previously and hadn't been put under any pressure to make the payment.

When listening to a recording of the various calls, I could sense the frustration Mr K felt, especially as he no longer wanted to make the investment anyway. He was told the information was being reviewed by the fraud team but there didn't seem to be any sense of urgency on the part of the bank to reach a decision on the case even though it knew Mr K was abroad, it was very expensive for him to keep phoning it and access to online banking was important to him. When the account was eventually unblocked on 5 January 2024 it had no more information than on 18 December.

While the account was blocked, it's not clear what, if any action Santander was taking. Instead, it seems to have taken the view that Mr K was withholding information and left it at that. It's likely that it already knew from existing information on the account who Mr K's employer was but Santander doesn't seem to have considered this.

Certainly, Mr K could have volunteered more information initially but having missed the investment opportunity, he seems to have thought it was irrelevant and that he wasn't obliged to provide any more information. It would have been helpful if Santander had been more proactive and explained to Mr K what and why it needed to know instead of leaving the account blocked for an unnecessarily long period of time. I don't think it communicated effectively with Mr K.

### **Putting things right**

It's very difficult to put a monetary value on inconvenience of this sort. In reaching my decision I've borne in mind the fact that being abroad without access to online banking made the situation more stressful for Mr K, he incurred the expense of telephone calls which didn't resolve his problem and the matter dragged on longer than it should have done. In the circumstances I agree with our Investigator that the sum of £350 is appropriate compensation for the trouble and upset Mr K suffered.

### **My final decision**

For the reasons given above, I uphold this complaint and require Santander UK Plc to pay Mr K £350 for the trouble and upset it caused him.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 11 June 2024.

Elizabeth Grant  
**Ombudsman**