

The complaint

Mr and Mrs T are unhappy with Santander UK Plc. Mr and Mrs T had a payment to his credit card blocked from his Santander bank account while they were abroad.

For the purposes of this complaint, I'll refer to Mr T for ease because he's dealt with the complaint issues throughout.

What happened

Mr T found Santander had blocked the payment to his credit card. Mr T was worried because he was abroad and said he couldn't use his credit card as a guarantee for his hotel stay without the payment being made. Mr T said there was no good reason to block a payment he was making in his own name. He said there was no way this could be fraud and he had made payments to this card previously while he was in the same country. He was unhappy that he had to make a telephone call to Santander.

Mr T didn't accept this and brought his complaint to this service.

Our investigator didn't uphold the complaint. He said Santander had a duty of care to protect its customers and itself. He noted this was an automated process and Mr T did get a notification from Santander about this account activity. As it was a high value sum from overseas Santander was entitled to review the payment in line with the account terms. Our investigator said Santander had acted reasonably.

Mr T didn't accept this and asked for his complaint to be passed to an ombudsman for a final 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.

Mr T found the whole situation embarrassing. He wanted to use his credit card to guarantee his hotel stay – he needed this payment to go through so he could do that.

He wasn't happy about having to ring up Santander to confirm it was a valid transaction and to unblock his mobile banking. Mr T said the phone call was expensive and the time difference meant it was also inconvenient.

Mr T didn't like Santander then having to call him back. Mr T said the whole situation and his discussions with Santander were unsatisfactory. He felt the Santander telephone staff member was unhelpful and dismissive.

Mr T didn't understand the logic and said as the payment was being made to an account in his own name it should have been obvious to Santander that this wasn't fraud. Mr T reiterated the account being paid was a long standing arrangement that hadn't previously been a problem. He said Santander could have recalled it later if there had been a problem.

Mr T wanted Santander to justify the reasoning for the block and he wanted £150 compensation for his lost time and costs.

Santander said it hadn't made any mistakes.

It said it runs an automated security system to highlight unusual or suspect transactions. If it is concerned a transaction might not be genuine Santander can decline or temporarily block the payment. Santander said this is to protect the account until it can confirm the transaction is genuine.

Santander said as this was a faster payment for £4,000 it was considered high risk and so it was highlighted for an additional review. But it confirmed once the checks had been carried out the block was cleared. This was completed within the faster payment timescale.

Santander said it wasn't its intention to cause customers unnecessary distress and apologised for any inconvenience caused.

I think Santander has explained why the payment was temporarily blocked. And it pointed out the block was cleared within the faster payment timescale. I think it acted reasonably to ensure Mr T was aware and to allow the opportunity to remove the temporary block.

I accept Santander has a duty of care to customers and to safeguard their money. It also has a duty to protect itself. So, I don't think the temporary block on this payment was unfair or unreasonable.

I do agree that this was inconvenient for Mr T based on where he was and the different time zone. But that doesn't mean Santander did anything wrong. I think it acted within the terms and conditions of the bank account.

I do understand Mr T's point about being taken through the fraud conversations during the calls he had with Santander. But I also understand why Santander need to follow these procedures to ensure it is doing everything it can to protect customers from fraud. I didn't think the telephone staff member did anything wrong or was dismissive. I think the calls were handled professionally.

My final decision

I don't uphold this complaint.

I make no award against Santander UK Plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T and Mrs T to accept or reject my decision before 10 January 2025.

John Quinlan
Ombudsman