

The complaint

Mr and Mrs R have complained that Santander UK Plc ("Santander") emailed them 'out of the blue' asking that they provide personal information and said that if they didn't respond in time, their account may be restricted.

What happened

On 19 March 2024 Santander emailed Mr and Mrs R to explain that, to meet its regulatory and legal obligations, it needed to check that the information it held about Mr and Mrs R was up to date. The email asked Mr and Mrs R to get in contact, and explained that Mr and Mrs R had 21 days to do so. It also explained that if they didn't get in contact in time, it could lead to their account being restricted.

Mr R tried calling Santander a number of times, but was unable to get through. Mr R did eventually speak with Santander, but felt uncomfortable at times disclosing personal information, as he said he wasn't sure who he was speaking with.

Due to ill health Mr R wanted more time to provide the requested information, but he says Santander refused to provide him with more time.

Unhappy with how the information request was being handled, Mr and Mrs R complained to Santander.

Santander responded and upheld their complaint and sent Mr and Mrs R a cheque for £250, as compensation for how matters were handled. As Mr and Mrs R remained unhappy with Santander's response to their complaint, they referred their complaint to this service.

One of our investigators assessed the complaint and they concluded that the £250 that Santander had already agreed to pay to Mr and Mrs R was reasonable compensation in the circumstances. So they didn't think any further compensation was warranted.

As Mr and Mrs R disagreed with the investigator's assessment, the matter was referred for an ombudsman's 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.

Having considered everything, I uphold this complaint for broadly the same reasons that the investigator gave. I will explain why.

I appreciate that receiving the request for personal information from Santander may've come as a surprise to Mr and Mrs R. However, the information Santander was asking Mr and Mrs R to provide (for example, asking about source of funds and source of wealth) is standard information that banks, and other financial businesses are now required to have, in order to adhere to the Know Your Customer (KYC) requirements. I'm also satisfied that the information being requested was done so in accordance with the account terms and

conditions. So, whilst I accept this may've caused Mr and Mrs R inconvenience or alarm, I can't say Santander treated them unfairly when it asked that they provide the said information.

Mr and Mrs R are unhappy that the emails sent explained that their account could be restricted if they didn't comply with the information request in time. They said the emails were threatening. Having reviewed a copy of the emails that were sent, I can't say that they were unreasonable or were inappropriately worded. On the contrary, I think it was important that Santander made it crystal clear what could happen if they didn't respond.

I say this because, restricting a person's access to their bank account can have big impacts on that individual's ability to go about their day to day life. And explaining that a restriction may be placed on an account if the account holder doesn't provide the necessary information, I think, gives fair notice to the consumer what could happen if they don't respond. Afterall, if Santander had not explained this and Mr and Mrs R happened to dismiss the email or didn't respond in time - leading to their account being restricted without warning - then I'm sure they would've been very unhappy that their account had been restricted without warning.

I note that Mr and Mrs R were particularly concerned when Santander called them and asked for personal information. Mr and Mrs R were concerned whether they were actually speaking with Santander or not and so were reluctant to disclose personal information. In the circumstances, and given the amount of scams in operation at present, I can fully understand why Mr and Mrs R may've been hesitant to disclose personal information during inbound calls - especially if the telephone number that was calling them was withheld. And although Mr and Mrs R were of course free to call Santander back, I understand that they had trouble getting through to the right department when they tried doing so.

As well as saying that they had difficulties in contacting Santander, Mr and Mrs R also say that no extension to the time limit in which to respond by was given. From everything I have seen, it's clear that Mr and Mrs R were distressed by Santander's request for personal information and this was further exacerbated by their circumstances at the time, as I understand they were suffering from poor health at the time, due to Mr R recently being in an accident.

In its response to the complaint, Santander did acknowledge the points raised by Mr and Mrs R and that they were suffering from poor health and that they felt distressed by what had happened. As a result, Santander agreed to pay Mr and Mrs R £250 compensation for the distress and inconvenience caused to them by this matter.

There still seems to be some uncertainty over whether Santander did actually give Mr and Mrs R more time to provide the requested information. For example, in its response to the complaint Santander said it had given an extension, but Mr R says he was unaware an extension had been given. But I don't think I need to make a finding on this. Because even if Santander hadn't given Mr and Mrs R an extension to provide the requested information, I still think what Santander offered to put things right for Mr and Mrs R was a reasonable amount of redress for the distress caused. Overall, I think it fairly reflects the impact this matter had on Mr and Mrs R. Therefore, I don't think that Santander needs to do anything more in relation to this complaint, beyond paying Mr and Mrs R the £250 compensation that it had offered them.

Finally, I understand that Mr and Mrs R would like this service to comment on what policies and procedures Santander has in place for vulnerable consumers, as I understand that Santander said to Mr and Mrs R that it didn't have any policies in place. However, whilst I find it surprising that Santander has said this, at the same time, as this service is not the regulator, it is beyond the remit of this service to instruct businesses on what procedures and policies it should have in place, or to tell financial businesses how they should run their operations.

What this service is required to do however, is consider individual complaints. And where we deem that a financial business has acted incorrectly, unfairly or unreasonably towards the complainant(s), we tell the financial business what it should do to put things right. And for the reasons outlined above, I'm satisfied that what Santander offered Mr and Mrs R to put things right, was fair and reasonable in the individual circumstances of this complaint.

Putting things right

So, to put things right, I require Santander to pay (if it has not done so already) Mr and Mrs R £250 for the distress and inconvenience caused to them by this matter.

I note that Santander has already issued a cheque to Mr and Mrs R. Should Mr and Mrs R wish to accept this decision, but they have difficulties cashing the cheque that has already been sent to them, Santander may need to reissue payment to Mr and Mrs R.

My final decision

Because of the reasons given above, I uphold this complaint and require Santander UK Plc to do what I have outlined above to put matters right, in full and final settlement of this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs R and Mr R to accept or reject my decision before 20 February 2025.

Thomas White
Ombudsman