

## **The complaint**

Mr G complains about actions taken by Santander UK Plc ('Santander') and the service it provided after blocking his account.

## **What happened**

In January 2024, Santander restricted Mr G's account when its anti-fraud systems flagged up a four-figure payment he wanted to make for further checks before it would agree to pay it.

Mr G told Santander that he believed the blocked payment, along with other payments he'd made from his account that Santander highlighted as suspicious, were all genuine transactions which he was happy to authorise.

Mr G attempted to persuade Santander that he wasn't the victim of scam investments. When Mr G complained about the restrictions on his account, Santander told Mr G he could continue to withdraw up to £150 cash in branch but that the account restrictions would remain in place whilst there was an ongoing scam investigation.

In August 2024, Santander removed the restrictions on his account.

Our investigator thought that whilst Santander had acted appropriately and in line with its responsibilities to prevent fraud, the account shouldn't have been blocked for so long. She suggested that Santander pay Mr G £350 compensation to reflect the significant distress and inconvenience he'd been caused as a result of having to attend the branch for such a long period to make cash withdrawals, especially whilst having multiple health issues. Santander accepted the investigator's recommendation, but Mr G felt that more compensation should be paid to reflect the distress and inconvenience he'd been caused.

The complaint came 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.

I can understand why what's happened has been upsetting and frustrating for Mr G. But having thought about everything, I've independently reached the same overall conclusions as our investigator. I'll explain my reasons.

I've approached this complaint in a way that reflects the informal complaint handling service we provide. I may not address everything that Mr G has mentioned and I've summarised what happened only briefly. But it doesn't mean I haven't considered the evidence and what's been said here – it just means I haven't needed to specifically refer to everything in order to reach a decision in this case.

I appreciate that Mr G feels strongly that Santander had no good reason to refuse to process his payment request, especially after he'd provided Santander with paperwork that he felt demonstrated he was investing in legitimate investment opportunities. But Santander can't simply rely on Mr G approving proposed payments. Santander has legal and regulatory obligations which mean that Santander has to have processes in place to help ensure it takes reasonable steps to keep customers' money safe. So I can't fairly say that Santander made any error here when its internal systems flagged the proposed transfer for security checks.

Nonetheless, Santander still needed to act in a fair and reasonable way towards Mr G and I've thought carefully about this. When Santander restricted his debit card, taking out cash in branch was the only way Mr G could access money in his Santander account. Mr G's health conditions made it hard for him to get to a branch. He told us that round trips to the main city centre Santander branch took him around four hours and, as he can't use public transport, on occasion he needed to rely on a taxi which cost £34. The daily withdrawal limit changed from time to time which added to Mr G's frustration about the situation generally. Meanwhile, Mr G continued to engage with Santander regarding the information he'd supplied, and he felt increasingly frustrated that Santander didn't consider this adequate to address its concerns.

Santander had good reasons to be satisfied that Mr G's declined payment wouldn't be going into a genuine investment (and that he'd made other payments to suspected scam investment opportunities). So it's fair to say that there was a clear onus on Santander to take effective steps to protect Mr G's money in this situation – even though this inevitably caused significant distress and inconvenience to Mr G. But given Mr G's circumstances, I'd expect Santander to deal with its enquiries efficiently, and like our investigator, I agree that Santander could have provided a better service in this regard. In particular, it seems branch staff sent some information Mr G had provided to the wrong team, which was unhelpful.

Santander said it told Mr G in March 2024 that its security teams could allow for restrictions to be removed temporarily for a transfer of funds to another account or cash withdrawals from a cash machine (also referred to as an Automated Teller Machine or 'ATM') as well as branch withdrawals. And Santander provided a free phone contact number Mr G could call when he was ready to have funds transferred. I haven't seen that the daily withdrawal limits caused any particular problem for Mr G – he seems to have been able to access his money as and when he wanted to in order to meet expenses and daily living costs. And the £150 limit wasn't strictly observed – he was able to withdraw more than this.

But overall, I consider that it was unreasonable for Santander to have blocked Mr G's account after 25 January until 22 August, when all restrictions were removed. I think the matter could have been handled more effectively by Santander and resolved quicker – which Santander now agrees. So as Santander has upheld this part of Mr G's complaint, I've thought about the question of fair redress.

The £350 payment Santander has agreed to pay seems fair to me in all the circumstances. I haven't seen enough to make me think it would be fair to require Santander to do more here. I am satisfied this amount matches the level of award I would make in these circumstances had it not already been proposed. I consider it's a fair and reasonable amount overall to cover any wasted costs Mr G incurred attending a Santander branch (bearing in mind that Santander had legitimately blocked his account, so for much of the time, getting to a branch or going to a cash machine were things he'd need to do anyway).

And whilst I don't underestimate how difficult this whole experience must have been for Mr G, and I do sympathise, I think some of the frustration he's felt about what happened comes from disagreeing with Santander about whether he's been scammed. I don't need to express a view on that – my focus is on deciding if Santander has done enough to put things right after acknowledging that it could have provided a better service here. And for all the reasons I've explained more fully above, I consider that £350 is in line with the amount this service would award in similar cases, and it is fair compensation for Mr G in his particular situation.

In coming to my decision, I've taken into account that Mr G felt that Santander didn't listen to what he had to say. And he objected to Santander making him feel pressured into admitting he was being scammed – he told us he only agreed to this because it was clear he wouldn't regain access to his account otherwise. But this doesn't affect my overall view. Santander had an obligation to protect the money in Mr G's account and I've seen enough to be satisfied that its concerns were reasonable in the circumstances. Santander had shared its investment scam education notes with Mr G. I think it was reasonable that Santander expected Mr G to be able to recognise that the investments he was involved in had hallmarks of this type of scam. This was one of the key ways that Santander could help Mr G to protect the money in his account. I'm sorry that Mr G was upset by Santander's insistence in this regard, but I hope it's clear from what I've said why this isn't a reason for me to award more compensation.

I have set out below the steps I require Santander to take.

**Putting things right**

Santander should pay Mr G £350 compensation.

**My final decision**

My final decision is that I uphold this complaint in part and direct Santander UK Plc to take the steps set out to put things right for Mr G.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 3 June 2025.

Susan Webb  
**Ombudsman**