

The complaint

Mr T complains that Santander UK Plc blocked his credit card when he was attempting to purchase some crypto currency (crypto). He said he's lost out on around £2,000 as a result.

Mr T is represented in bringing this complaint, but for ease, I'll refer to all arguments and submissions as being made by Mr T directly.

What happened

Mr T holds a credit card account with Santander.

In late 2024, Mr T used his card to attempt to purchase around £3,000 worth of crypto. But unfortunately, the payment failed. He tried a number of times with no success, so he reached out to Santander who explained that a temporary block had been applied to his account for his security.

Mr T confirmed to Santander that he was indeed trying to buy the currency. So, following a number of questions, Santander agreed to clear the block, and told him to try again in around 10 minutes, and that the payment should go through. They also suggested that Mr T try to make the transaction for a smaller amount. However, upon attempting the transaction, the payment was blocked again, resulting in further calls taking place.

Over a number of days that followed, Mr T had to make, and receive several calls in relation to this transaction, and was provided with numerous reasons for the payment being unsuccessful, including; the amount being attempted exceeding Mr T's limit; Santander having to run checks based on the type of payment being made; and that there was a £1,000 limit for crypto transactions.

Unhappy with the service received, Mr T complained. He said he had been put to significant inconvenience; and, more importantly, had lost out on over £2,000 as a result of these issues - as the value of the Crypto had increased significantly in the days that followed.

Santander responded. They initially explained that due to the nature of the transaction, they had to carry out certain checks. But they explained that any blocks on Mr T's card had now been removed. And overall, they were satisfied they had handled matters fairly.

Unhappy with Santander's response, Mr T brought his complaint to our service.

While the complaint was with us, Santander reached out again. They explained that while they stood by their initial decision to carry out thorough checks, the blocks placed on the account had not all been removed at the point they told Mr T they'd been lifted. They said they were also wrong to have stated that the payment had been blocked due to a crypto payment limit, which they said wasn't actually the case. So, they offered Mr T £150 in compensation for any inconvenience this may have caused.

An investigator considered Mr T's complaint. He accepted that there were shortcomings in Santander's service levels, and some errors in the information they had provided. But

ultimately, he was satisfied that Santander had a duty to protect customer's accounts, and he thought their offer of £150 was fair compensation in the circumstances.

But Mr T disagreed and said that the £150 offered went nowhere near far enough to compensate him in the circumstances.

So, the case has now been passed to me, an Ombudsman, 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'd like to say firstly that I understand this must have been a frustrating matter for Mr T. Having carried out his research on Crypto, and to have been ready to process this transaction, only to find out that he couldn't, must have been distressing.

In deciding this complaint, it might be useful to explain, that when customers carry out a transaction on a credit card, or debit card, banks have a duty to help protect customer's money. So, if there is any concern over a transaction, be that it's size, its level of frequency or infrequency, or potentially concerns with the payee to whom the monies are being paid, a bank may place a temporary stop on that transaction, until they can confirm its legitimacy.

In this case, I can see that when the block was initially placed on the transaction, it seems the reason for the payments being stopped, is that there were insufficient funds available within the card's available credit limit to process them. While frustrating, as the funds weren't available for this transaction, I can't say it was inherently wrong for Santander to have blocked those transactions in the circumstances. Albeit I don't think Santander made it clear that this was the issue to begin with.

When however, Mr T spoke with Santander and was told that his account had now been unblocked, and that he should wait 10 minutes and make the payment again, but for a lower amount, his payment was again blocked.

Santander have explained that this was so that they could carry out checks on the payment, in line with those checks I've set out above. While frustrating, as I've said previously, these checks are generally normal practice, and would have likely been carried out on the first attempt had the payment been made within the limit. That being said, given Mr T had confirmed the payments legitimacy during the first call, I think its possible that Monzo could have done more at that stage to allow the payment to go through, albeit I do appreciate that some of these checks are automated.

Several calls took place following Mr T attempting this transaction; and, Mr T was asked, on a number of occasions, whether he had any concerns about making the payment, or whether anyone else had requested that he make it, which Mr T answered each time. I can also see that when Mr T complained about this, he was told at one point it was to carry out further checks, and on another, that the payment was for an amount over and above Santander's 'crypto limit'.

Given Mr T confirmed the payments legitimacy initially, I think to have then been asked the same questions the number of times he was, and by different advisors, across several calls, again must have been frustrating. And to have been provided with differing reasons as to why the payment had been blocked each time, I think was poor service overall. I can also see that a block he was told had been removed at one point, hadn't been removed fully,

which presented further issues with him processing this payment. So, for these issues, I think Mr T should be compensated.

I appreciate Mr T has set out that he feels the compensation offered should be much higher, as in his opinion, the service issues experienced with Santander have resulted in him losing out on a profit of around £2,000. And I appreciate Mr T has told us that he had carried out detailed research prior to entering into this trade. But it's important to note, that this was not a financial loss as such, but failure to obtain a potential profit.

But while Mr T may well have made money off this trade, without entering into debate over the future value of crypto, there is no way of knowing for sure what the result of that trade would be. And it's possible that the value of the crypto being purchased could've equally dropped after it was bought.

So, as I don't think the financial loss here was reasonably foreseeable, I don't think it's fair to hold Santander responsible for this, given there has been no actual financial loss, rather a failure to obtain a potential profit.

I can however consider compensation for any distress or inconvenience this matter may have caused. And, when taking into account the number of calls Mr T had to make, the misinformation provided, as well as Mr T seemingly having to answer the same questions time and time again, I am satisfied that some compensation is due.

That being said, our role here is not to penalise firms, and is instead, to look purely at the impact this matter has had on a particular customer. And in these circumstances, for the issues listed, I do think Santander's offer of £150 is fair compensation for the distress this matter has caused. So, for these reasons, I won't be asking Santander to do anything more than it's offered to.

My final decision

My final decision is that I uphold Mr T's complaint, and if they haven't already, Santander UK Plc, should pay Mr T £150 compensation for any distress this matter may have caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 18 July 2025.

Brad McIlquham
Ombudsman