

The complaint

Mr L complained about the service provided by Santander UK Plc when it stopped a payment he wanted to make and blocked his account until he completed further security checks.

What happened

On 30 January 2025, when Mr L attempted a payment, Santander's system flagged up an alert and applied restrictions to his account. Mr L was trying to send money from his Santander account to his account held with a currency exchange service I'll call T. Mr L was unhappy that Santander blocked his account until 2 February 2025, which left him without access to funds just as he was about to go on holiday.

Santander said it never intended to cause customers unnecessary distress but confirmed that the correct security process had been followed.

When Mr L brought his complaint to us, our investigator didn't think that Santander had done anything wrong and didn't recommend any further action. Mr L disagreed with the investigator, mainly saying that things could've been resolved during the first call with Santander on 31 January when he'd asked for the transaction to be cancelled completely so he could start again or use another bank.

Further correspondence followed but when the investigator said this didn't make any overall difference to her initial view, Mr L asked for an ombudsman to carry out an independent review of his complaint. So it comes 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've approached this complaint in a way that reflects the informal complaint handling service we provide. My role is to consider the evidence presented by the parties and reach an independent, fair and reasonable decision based on the facts of the case and the evidence provided by both sides. In doing so, I may not address every single detail that's been mentioned and I've summarised what happened only briefly and often in my own words. 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.

In order to uphold Mr L's complaint I would have to find that Santander made an error or acted in a way that wasn't fair and reasonable and this led to Mr L suffering financial loss or some other detriment. So this is the focus of my decision.

Banks that operate in the UK (including Santander) are required to carry out specific checks to meet their legal and regulatory obligations and they have an obligation to take steps to keep customers' accounts safe and prevent fraudulent transactions. Sometimes this can mean the bank identifies and blocks legitimate payments that a customer wants to make.

Understandably, this can cause distress and inconvenience to a customer – but it doesn't necessarily mean the bank has acted incorrectly or unfairly. Checks undertaken as part of Santander's security process are designed in the interests of its customers to help keep their money safe and prevent fraudulent activity on their accounts. Here, Santander's security system flagged the transfer Mr L attempted to make to T for further checking. So I can't say that Santander did anything wrong when it applied restrictions to his account to protect his money until these checks were completed.

Mr L feels things could've been resolved during the first call he had with Santander. I've listened carefully to that call recording and I can appreciate why Santander was concerned about the transfer Mr L had attempted. He told Santander he'd noticed a new account number and sort code on T's app which he'd used to try and send the payment. Santander said it was concerned that his account details didn't match ones he'd used previously to make successful payments and it couldn't find an account with T in Mr L's name using the details he'd provided. Mr L mentioned at one point that he may have made a mistake and mixed-up account details. So I think it was reasonable for the call handler to suggest to Mr L that he make further enquiries direct with T about this and to arrange a call back time so they could speak again later that day.

In the event, Santander attempted to call Mr L three times during the agreed time slot and left a voice mail message - but was unable to speak direct to him. So I don't feel it would be fair to hold Santander responsible for missing an opportunity to resolve this issue on 31 January 2025.

On 2 February 2025, Mr L phoned Santander again and spoke to a different call handler. Following further discussion, ultimately Santander removed the account restrictions during that call. But much of the conversation (which lasted around half an hour or so) covered the same ground as the first call. This call handler also encouraged Mr L to speak further to T if he wanted to go ahead with the declined transfer, to ensure that his money was traceable and the payment identified as his – or otherwise, use the same details that he'd used successfully on previous occasions when he'd transferred money to T. Given that two different agents at Santander had expressed similar concerns about the way Mr L had attempted the transfer, I consider that it was reasonable that Santander didn't unblock Mr L's account until it was satisfied that he understood the risks underlying the transaction and he said he would do things a different way.

During both calls, Mr L had asked Santander to 'cancel' the payment and restore his account access so he could send the money a different way. But 'cancelling' the declined payment wasn't a resolution to being locked out of his account. Santander explained that the payment had already been declined and hadn't left his account (so it didn't need to be 'cancelled') and its security system had applied account restrictions which meant Mr L wasn't able to complete any bank-to-bank transfers from his Santander account until he'd satisfactorily completed security checks.

After the first call, it was agreed that Mr L would follow up the suggestions Santander had made about him pursuing enquiries directly with T and also that Mr L would check that he'd done everything right so they could discuss things further later that day. Mr L repeated his request to 'cancel' the transaction to T when he rang Santander and spoke to the second call handler who assured him that the payment hadn't left his account and then unblocked the account at the end of the call, removing the restrictions that were in place and enabling Mr L to regain access to his account.

I recognise that Mr L found what happened frustrating. But in order to uphold this complaint I would need to be able to fairly say that Santander did something wrong or acted in a way that wasn't fair and reasonable – and I haven't seen enough here to do so. I am satisfied that Santander unblocked the account at the first reasonable opportunity and dealt fairly and reasonably with Mr L overall. It follows that I won't be asking Santander to do anything more.

My final decision

For the reasons I've explained, my final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 13 August 2025.

Susan Webb
Ombudsman