

The complaint

Mr K is unhappy with the service he received when he applied for a new account with Santander UK Plc.

What happened

On 5 December 2024 Mr K opened a new savings account and paid in a four-figure amount in total. Santander's system flagged up an alert on the account the next day, which prevented Mr K being able to open Santander's mobile banking app. When he contacted Santander, he was told he needed to go into a branch with proof of identification (ID) – which he did on 7 December.

Mr K was unhappy that Santander had blocked his new savings account without explaining why and without notifying him so he complained. Santander said temporary restrictions were put in place due to an internal check being required. And after he attended a Santander branch with photographic identification and proof of account ownership, his ID documents were reviewed and on 9 December 2024 all restrictions were removed. Santander said it appreciated this caused Mr K distress and inconvenience but confirmed that the correct process had been followed.

When he brought his complaint to us, our investigator thought Santander had acted reasonably. Mr K disagreed with the investigator, saying that Santander hadn't notified him about the restrictions and he was unhappy that no-one in the team that was responsible for lifting the restrictions was working over the weekend.

This didn't change the investigator's view. Mr K 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. 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 K'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 K suffering financial loss or some other detriment. So this is the focus of my decision.

I understand Mr K's concern about the account restriction, especially as he wasn't alerted by Santander when the restriction was applied. But unless it needs customer input, it isn't

Santander's policy to contact customers when it restricts activity and carries out investigations on their accounts. How businesses choose to operate and their internal processes come under the oversight of the regulator - the Financial Conduct Authority (FCA). So it's not up to me to tell Santander how it should have dealt with Mr K's application for a new account. But I've thought carefully about whether Santander acted fairly and reasonably here – and I think it did.

Banks that operate in the UK (including Santander) are required to carry out specific checks to meet their legal and regulatory obligations. And that sometimes results in banks deciding to restrict customer accounts – as here. Santander has provided me with confidential information I'm not able to disclose – but it shows why it reviewed Mr K's account. Having considered this, I'm satisfied the bank acted in line with its regulatory obligations. So I can't say that Santander did anything wrong when it applied restrictions to Mr K's mobile banking. Santander told us that Mr K still had access to online banking.

Santander has supplied with me information from its system records showing that after Mr K twice tried unsuccessfully to access his mobile banking on Friday 6 December 2024, he called about the difficulty he was having and was asked to take ID to a branch for checking. I appreciate that Mr K feels that banking hours are too restrictive. It's unfortunate that Santander couldn't offer its full banking service when he attended at a branch – but as it was a Saturday and outside usual banking hours, I don't think that was unreasonable. In the event, his ID was reviewed and the restrictions lifted on the Monday – which was the next normal working day. I don't think Santander could reasonably be expected to have done this any sooner in the circumstances.

Mr K mentioned being worried about the possibility that what happened could've impacted on his credit score – but I haven't been provided with anything to suggest that happened and we don't consider hypothetical scenarios.

To sum up:

- I consider that it was reasonable for Santander to apply restrictions until it was able to be satisfied that Mr K met all its requirements and had passed all the necessary checks to be able to open his new savings account and Santander was clear about the information it needed from him.
- It's up to Santander to decide how it meets its regulatory obligations, so I can't say that it acted unfairly or unreasonably when it asked Mr K for information to meet these obligations.
- I think Santander completed its checks within a reasonable timeframe.

I recognise that Mr K found what happened frustrating. But I haven't found that Santander did something wrong or acted in a way that wasn't fair and reasonable. 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 K to accept or reject my decision before 28 August 2025.

Susan Webb
Ombudsman