

The complaint

Ms H complains that Santander UK Plc has put restrictions on her account and that it refused to remove the restrictions.

What happened

In December 2024 Ms H reported that she was the victim of a scam, involving cryptocurrency. Santander denied liability for the monies lost, but as it had serious concerns that Ms H was continuing to be scammed, it put restrictions on her account. This meant that Ms H was able to use her card for payments and make cash withdrawals (although I understand these were later limited). She wasn't able to do transfers online, to do these she had to contact Santander.

The restrictions have remained on the account up until very recently. Since January 2025 Ms H has been in contact with Santander on numerous occasions, over 150 calls were logged up until the beginning of July.

Santander has advised that it still has very real concerns that Ms H is being scammed. Its investigation has taken a long time, in part because Ms H has declined to cooperate and she is still being approached, it believes, by scammers. However, it has recognised that Ms H wants to close her account and switch it to another bank and it's happy for her to do that. I understand that the restrictions have prevented that but Santander has recently confirmed that they have been removed to enable the switch to take place.

Ms H doesn't accept that Santander is entitled to block her account for so long. She's told us that this has caused real difficulties with her finances. In particular she says she's been unable to help her daughter who is disabled.

On referral to the Financial Ombudsman Service, our Investigator didn't think the complaint should be upheld. Whilst recognising Ms H's distress, he felt that Santander had acted proportionately at all times.

Ms H disagreed and the matter has been passed to me for review.

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.

First of all, I should reiterate this decision concerns the restrictions which were put on Ms H's account and Santander's handling of that investigation. Any issues concerning the original scam will be dealt with in a separate complaint.

I can understand Ms H has concerns that she has been restricted in her use of her account. But there is a big problem with customers being approached by scammers, particularly impersonating banks or other financial institutions. So, there are strict rules in place to protect customers from being scammed. In this case it has meant that Santander had to

restrict Ms H's account if it felt that she was still vulnerable to being scammed, or it could be liable for any monies lost. In its final response letter in April 2025, Santander did confirm that it had very real concerns about this.

Santander has a specialist security team. They are required to assess the risk of the customer being scammed. There are a number of factors involved in assessing this risk although for security reasons it wouldn't be appropriate to list them. But there are particular concerns in Ms H's case:

- Ms H has previously been targeted, apparently successfully, by scammers.
- She asked for substantial upfront fees being requested by a "Barrister" but declined to give their name or explain why.
- She made numerous cash withdrawals from ATMs and refused to explain why when she can still use her debit card in shops.
- She has continued to want to proceed with a cryptocurrency investment, such as bitcoin
- At times, she refused to answer questions about particular transactions and refused to consent to Santander speaking to other financial institutions about her account movements.
- She was unwilling to co-operate with a request to have a detailed conversation with Santander's security team about the account activity. And she requested to have certain investigators removed from the investigation.
- She made card payment transfers to a new account with an online bank.
- She requested Santander to transfer £1,000 from her daughter's account to her, using a Power of Attorney.
- She received text messages about a cash withdrawal which she didn't recognise. In this case, asking our Investigator if it was a scam.

Whilst I understand that Ms H wanted to keep her finances private, I have to say that on the face of it these issues highlighted in my above bullet points will have raised reasonable concerns for Santander to keep the restrictions on her account in place. As I've said, it is for Santander to assess the risk.

Overall, I think that despite the account having been restricted for so long, Santander has acted proportionately. Ms H has had full use of her debit card so that she could carry out normal shopping. And I've seen no evidence that she has been blocked from making legitimate payments.

Ms H has recently been in contact with us concerning her being unable to switch accounts. I can't deal with that here because it is a new complaint which Santander would have to investigate. However, I have noted that, within the past few days, Santander has told us that it has removed the restrictions on Ms H's account to enable the switch to go through. Although it has reiterated that it still considers Ms H to be at a continued risk of being scammed. I would suggest that, if she still wishes to change her bank, she now attempts to make this switch again.

Overall, I think that Santander has acted reasonably and proportionately in assessing that Ms H is at a continuing risk of being a victim of scammers.

My final decision

I don't uphold the complaint

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms H to accept or reject my decision before 16 September 2025.

Ray Lawley
Ombudsman