

The complaint

Mr and Mrs O complain about how Santander UK Plc carried out its Know Your Customer (KYC) and Know Your Business (KYB) checks.

What happened

Mr and Mrs O hold a joint current account with Santander, and Mr O also has a sole business account. Between December 2024 and January 2025, Santander undertook KYC and KYB checks. Mr and Mrs O felt the process was handled unreasonably, causing them distress, anxiety, and disruption to their personal lives and Mr O's business.

When they complained, Santander acknowledged the process had been stressful and inconvenient but said it had followed the correct procedures.

Our investigator concluded that Santander had not acted unfairly or unreasonably and did not recommend further action. Mr and Mrs O disagreed and asked for an ombudsman review. So their complaint has come 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.

After completing my independent review, I agree with the investigator's conclusion. I'll explain why.

I've focused on what I think are the key issues here. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts.

Mr O felt Santander's contact was excessive and inappropriate, particularly during a holiday period. He was frustrated that Santander would not accept the documents he believed were sufficient and upset when he thought he was given conflicting information about what was required.

I understand how stressful this was for Mr and Mrs O and I'm sorry the process left them feeling this way. However, Santander must comply with legal and regulatory obligations, including verifying customer identities, keeping information up to date, monitoring transactions, and assessing account risks. These requirements apply to all customers, regardless of how long they have banked with Santander. The account terms allow Santander to review accounts, request information and block accounts while checks are completed.

I would expect Santander to treat Mr and Mrs O fairly and reasonably and I am satisfied that it did. As far as I can tell, Santander was able to complete most of the checks but there were some gaps in the information it needed to see regarding Mr O's business account.

Santander requested information about Mr O's income, including his tax return. There was some confusion about this requirement. However, whilst I can understand why Mr O may have thought otherwise, Santander did not indicate that information from his accountant would suffice or that the self-assessment tax return was unnecessary.

And this misunderstanding was clarified on the next call, when Santander explained what was needed and how Mr O could access the information himself.

Santander also asked for:

- A VAT return to evidence payments to HMRC
- A rental agreement to match rent payments shown on bank statements

While Mr O may have felt other documents should have been enough, I consider these requests reasonable keeping in mind that Santander needed to meet its responsibilities set out by the regulator – the Financial Conduct Authority (FCA).

Santander completed its KYC and KYB checks promptly once it had everything it had asked to see and Mr and Mrs O's accounts weren't impacted by the review process for any longer than reasonably necessary.

To sum up, I am satisfied that Santander applied its KYC and KYB processes fairly, communicated reasonably and acted in line with its regulatory obligations.

In his response to the investigator, Mr O mentioned being unhappy that Santander had also contacted another person for account information even though they had no legal link to the account. But this wasn't part of the original complaint. If Mr and Mrs O feel they have further cause for complaint that goes beyond the scope of the complaint they originally brought to us, then they should first tell Santander what those concerns are, so it has an opportunity to respond. If they still feel unhappy after that, they may be able to bring a new complaint to this service.

I appreciate this is not the outcome Mr and Mrs O were hoping for, but I hope this explanation helps them understand why I will not be asking Santander to take further action.

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 O and Mrs O to accept or reject my decision before 17 February 2026.

Susan Webb
Ombudsman