

The complaint

Mrs P complains Santander UK Plc caused delays to a payment being made to a payee in Belarus whose account was held with a Russian bank. She says she experienced financial losses, stress, and inconvenience in trying to resolve the matter. She wants Santander to reimburse her losses and pay her compensation.

What happened

Mrs P wanted to make an international payment to purchase a puppy from abroad. She gave her payment instruction on 26 November 2021, fully expecting the payment to credit the payee's bank shortly afterwards. The payment didn't go through when she expected.

Santander delayed processing the payment because they wanted further information about the purpose of the payment and supporting evidence, which Mrs P duly provided. From this point on there were numerous emails and calls between Mrs P and Santander. Mrs P wanted to ensure the payment would credit the payee's bank in time for the delivery of her puppy, which is understandable. Mrs P feels she was lied to and misinformed about the status of the payment and would have acted differently had things been clearer.

The payment didn't reach the payee's bank in time for delivery of the puppy. Mrs P arranged an overdraft increase with Santander so she could pay the courier in cash. She also requested a recall of her payment, the time of which she disputes because she says she asked to recall the payment earlier.

As this was an international payment, a correspondent bank in Spain was involved, so the payment was not simply a matter of Santander sending it directly to the payee's bank. This kind of arrangement is common when international payments are made, as banks don't always have direct banking relationships with one another.

Eventually the payee confirmed to Mrs P that they received her payment. Meanwhile Santander had been chasing the recall of the payment, and eventually it was returned to Mrs P on 6 January 2022. Due to the exchange rate being different at that time she received a lesser sum in pounds than she had sent.

Santander agreed to refund the international payment fee, pay a small sum to cover overdraft charges incurred by having the money out of her account for a long time, and a small sum in compensation as a gesture of goodwill.

Our investigator considered Mrs P's complaint and concluded:

- Santander sent the payment to the correspondent bank on 6 December 2021. This was after completing their checks, which were important as international sanctions existed at that time in relation to Belarus where the payee lived, and Russia.
- Santander recalled the payment at Mrs P's request, and they were not responsible for the delays caused by the correspondent bank carrying out its own checks or the

payee's bank taking time to return the payment. Their terms and conditions also said they weren't liable for delays to international payments when they were caused by these kinds of checks.

Mrs P was unhappy with the outcome. She insists she asked her payment to be recalled earlier than it was over the telephone several times, and in particular in an email she sent on 3 December 2021. She asked for a final decision from an ombudsman, so her complaint has been passed 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 decided not to uphold Mrs P's complaint. I'll explain why.

Mrs P says she was misinformed multiple times about the status and whereabouts of her payment, and she was told different things at different times by various Santander call handlers. As a result, she doubts the chronology of events and believes she could have taken action to prevent the losses she went on to experience, primarily by stopping the payment being sent by Santander.

I acknowledge it's possible Mrs P was given incorrect information at times. But looking at Santander's internal and external emails and system records for the payment and its recall, I'm satisfied:

- Santander received the payment instruction from Mrs P on 26 November 2021
- The payment went through internal checks for regulatory and legal compliance and was sent to the correspondent bank abroad on 6 December 2021.
- The request for a payment recall was made on 10 December 2021 and Santander chased the payment several times.
- The payee's bank eventually returned the payment on 6 January 2022, which was a lesser sum due to changes in the exchange rate.

My focus then is on deciding whether Santander should have done things differently, and whether that would have prevented the loss Mrs P experienced.

I understand Mrs P says she requested Santander to recall her payment if it hadn't reached the payee's bank by 6 December 2021. She said this in an email on 3 December 2021. She also received an email from Santander saying the payment had been approved and should reach the payee's bank on 6 December 2021. But I can also see she entered into email dialogue on and after 6 December with Santander and the recall request was put through when she communicated that she had decided to make an alternative arrangement.

I appreciate Mrs P's point, but the evidence leans towards her being prepared to wait longer for the payment to hit the payee's account than 6 December 2021. I say this because there was still time for the payment to go through before the puppy was delivered, and because she was told the payment had already been sent to the correspondent bank, even if this message became blurred later on. I do believe she would have wanted to cancel the payment had she known it wouldn't credit the payee's bank by 10 December 2021, but neither Mrs P nor Santander would have known it wouldn't at that time. So, I don't find

Santander should have recalled the payment on 6 December 2021 based on what Mrs P had previously requested.

Mrs P says she requested a payment recall multiple times on the phone. But based on her own detailed timeline, she says she made phone calls to Santander on 3 December 2021 and from 6 December 2021 onwards, by which time the payment had been sent. She hasn't said she called Santander on 4 or 5 December 2021 asking to recall the payment. But, even if she made recall requests on or after 6 December 2021 (once the payment had been sent) and before 10 December 2021, I cannot reliably conclude she would have received the payment back sooner and or that her losses would have been less than they were. The control of the payment had already passed to the correspondent bank.

Based on the timeline Mrs P presented, Santander's complaint handler told her the payment was still with their security team on 8 December 2021, which if true must have been confusing. It's possible she was told this or it could have just been a misunderstanding. But Santander's records show the complaint handler was told by email that the payment was sent to the correspondent bank on 6 December 2021, so it couldn't be cancelled or automatically refunded, and any recall request would be on a best endeavours basis. So, whether or not there was miscommunication by the complaint handler, Mrs P would still have been unable to get her payment back immediately.

Mrs P referred to Santander's published timeframes for international payments. But Santander has important legal and regulatory obligations it must meet when providing accounts to customers, which includes ensuring no UK or other international sanctions might be breached. Those obligations are overriding in terms of otherwise meeting general timeframes for payments to process. And this is the same for every bank. This does mean that sometimes legitimate payments are justifiably delayed.

Santander will monitor accounts and carry out specific or occasional checks to comply with its responsibilities. Here, Santander wanted further information about the payment Mrs P instructed them to make, along with supporting evidence which she provided promptly. Having reviewed Santander's actions, I'm satisfied their hold on the payment to carry out checks was legitimate and reasonable. I also find they processed the payment in a reasonable time following receipt of the information Mrs P provided.

I'm satisfied once the payment left Santander on 6 December 2021 they were no longer responsible for subsequent delays caused by the correspondent bank. Nor were they responsible for the length of time it took for the payment to be returned to Mrs P's Santander account. Based on Santander's records of communication, I see they actively pursued the payment recall once the request was put through. So, I find they were doing what they could to get the payment back.

After careful consideration I am not directing Santander to reimburse Mrs P for the financial loss she experienced due to the exchange rate changing, the cost to her in making phone calls and taking time off work to try to resolve the situation, or the consequential losses she experienced by not having the level of funds in her account that she planned at a time when they were really needed. She has my sympathy that she experienced these losses, and it can't have been easy for her, but I am not holding Santander's liable.

My final decision

I have decided not to uphold Mrs P's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs P to accept or reject my decision before 28 April 2023.

Liam King
Ombudsman

