

The complaint

Mr P has complained that Santander UK Plc (“Santander”) wrongly allowed his ex-partner to withdraw money from a joint savings account.

What happened

Mr P had a joint savings account with his ex-partner. He contacted Santander as he was having a dispute with his ex-partner and he wanted to change the signature mandate for the account from either to sign to both to sign.

Whilst Santander was processing this request Mr P’s ex-partner transferred around £75,000 from the joint savings account to a joint current account and then on to an account just held by Mr P’s ex-partner.

Mr P complained to Santander regarding this and requested a refund of the money transferred out of the savings account. Santander said that it had followed its own procedures and declined Mr P’s request.

One of our investigators looked into this matter already and they concluded that Santander should have done more to prevent that money being transferred out of the joint savings account such as blocking internet banking. They said that they could not ask Santander to refund the transfer as he was unsure who was entitled to the funds and this would need to be sorted out between Mr P and his ex-partner but they thought that Santander should pay £200 compensation for the distress caused by this matter.

Santander agreed with this but Mr P did not. So this case has been passed to me to issue a decision.

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.

It seems clear to me that Santander was on notice of the dispute between Mr P and his ex-partner. That means it should’ve taken care to make sure that one party could not withdraw any funds from the account. But Santander didn’t do this.

So while Santander has made a mistake here, this doesn’t necessarily mean that it’d be right for this service to recommend that Mr P should get the money that Mr P’s ex-partner withdrew back.

We’re a dispute resolution service and my role here is limited to considering the circumstances of this individual complaint – from Mr P. But this was an account that was held jointly and we don’t have the other account holders’ consent to consider the complaint. In the circumstances I don’t think it’s very likely she’d consent to us looking at this matter.

So by saying that Mr P should get this money back, I'd in effect be deciding that he's entitled to it over his ex-partner. But I don't know that. And this would be commenting on something that, in my view, is better addressed by a court. This wouldn't be appropriate in my view.

But, Santander should acknowledge the impact this mistake has had on Mr P. I think this will have clearly been upsetting and worrying for him. That's especially true where Mr P was proactive and tried to stop an issue like this happening. So Santander should compensate him for that. It's agreed to pay £200, and I think that's a fair amount in the circumstances.

I realise this won't go as far as Mr P thinks it should and that he'll likely be disappointed by this as an outcome. But I hope he understands why I can't ask Santander to do any more than it's already offered here.

My final decision

My final decision is that Santander UK Plc should pay Mr P £200 to resolve his complaint, if it hasn't done so already.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 17 August 2023.

Charlie Newton
Ombudsman