

## **The complaint**

Mr J complains Santander UK plc (Santander) made errors when he attempted to open a savings bond account.

## **What happened**

Mr J says he applied for a savings bond with Santander in late November 2023, but the solicitor's cheque he deposited for £100,000 was rejected due to an issue with the signature on the cheque. Mr J says he then visited the branch on 2 December 2023 and deposited a new cheque from his solicitor, but nothing happened with this cheque until it was returned to him in late December 2023.

Mr J says Santander's actions have meant he has lost out on interest during this time and additionally it failed to open the initial bond and he has lost out on that preferential interest rate. Mr J says this matter has meant he lost out on interest, which he estimates to be £500.

Mr J wants Santander to cover the losses he has incurred.

Santander says it hasn't made any errors here as the original cheque deposited was returned unpaid due to an issue with the signature on the solicitor's cheque that Mr J deposited. Santander says it has explained to Mr J it has no record of the second cheque being deposited at the branch and if he had come in he would have been told a new bond would need to be opened at a lower interest rate.

Mr J wasn't happy with Santander's response and referred the matter to this service.

The investigator looked at all the available information but didn't uphold the complaint. The investigator explained as he wasn't party to the branch visit Mr J claims he made in early December 2023, he could only base his view on the evidence available and what is likely to have happened. The investigator says Santander have explained it has no evidence of Mr J visiting the branch in early December 2023 and he would have needed to have been identified if he visited the branch then, but Santander's back-office records have no recording of that, unlike the first time he visited the branch.

The investigator says Santander's process would have been if the first cheque was returned unpaid it couldn't accept another cheque at a later stage.

The investigator says Santander provided a statement saying its branch manager spoke to Mr J in early January 2024 and explained that a new bond would need to be opened at a new interest rate and he decided not to proceed with the application. The investigator says Santander have confirmed this was the first occasion Mr J contacted them since his original bond application was rejected and it has no records of any other branch visit.

The investigator says based on the evidence available to him he couldn't say Santander had made any errors here.

Mr J didn't agree with the investigator's view and asked for the matter to be referred to an

ombudsman for a final 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.

Having done so, I won't be upholding this complaint and I will explain how I have come to my decision.

I can understand it would have been frustrating and upsetting for Mr J to have missed out on the opportunity to invest into a bond with an attractive interest rate because of an issue with the solicitor's cheque he deposited. Additionally, to then to discover a second cheque he'd deposited for the bond had been left with no action being taken for almost one month - meaning he'd lost out on interest for that period of time.

When looking at this complaint I will consider if Santander were at fault for why Mr J's bond application was rejected and why the second cheque was returned to him after almost a month after it was deposited.

Mr J and Santander have provided this service with comprehensive details of the course of events here and while that has proved helpful, I won't be commenting on every point made as I don't feel it's necessary in order to come to a full and impartial decision here. That's not to say I haven't considered everything that's been said – I have. But it's just that I don't need to comment on each individual point here in order to reach a decision on what's fair and reasonable.

The details of this complaint are well known to both parties, so I won't repeat everything that's already been said earlier here. That said, Mr J's complaint centres around the fact following an initial deposit for a bond being rejected for a technical signature issue, a second cheque for the bond was also rejected and took almost a month to be returned to him resulting in a loss of interest.

The first thing to say here is, I am satisfied the initial bond application made in late November 2023 was correctly rejected by Santander as the solicitor's cheque to open the bond had been returned unpaid by its bank, due to a signature error and both parties seem to accept that point. The issue here is Mr J says he visited Santander's branch to deposit a second cheque in early December 2023, but nothing was done with that cheque for almost a month until it was returned to him in late December 2023, stating he needed to visit the branch to open a new bond. Mr J says the delays have cost him close to £500 in lost interest for that period of time.

It's also fair to say Santander and Mr J have conflicting views of the series of events surrounding the deposit of the second cheque, in early December 2023. Mr J says he visited the branch, and a member of staff took the cheque away and told him nothing else was required and wasn't able to provide him with a receipt to avoid duplication. Santander says there's no record of Mr J visiting the branch in early December 2023 to deposit the second cheque and in any event if he had visited the branch he would have been told by that experienced member of staff, a new bond application would need to be completed and no such record of this exists, nor any visit by Mr J on that date.

I have seen official back-office records provided by Santander which shows the interactions with Mr J and while it shows the initial visit in late November 2023 to open the bond and a cancelled appointment for early January 2024, there's no other record of Mr J contacting them by phone or in person. No CCTV footage is available going back that far either, which

isn't altogether surprising given the time that has passed.

We have also been provided with branch testimony saying the member of staff Mr J refers to, is an experienced banker and he confirmed no such meeting was held, which correlates to its own back-office records. Additionally, Santander have stated the member of staff Mr J says he spoke to at that time, would have explained that given the original bond was cancelled when the cheque bounced, a new bond application would be needed and that would be at the prevailing rate at that time. We have also been provided with evidence to show the original bond was only available until 1 December 2023 and I am satisfied after that date a new bond application would be needed.

What I can say is that a second cheque was received by Santander's Customer Operations Team on 6 December 2023 and returned in the post to Mr J on 19 December 2023.

So, taking this all into account, I can't say with any certainty what actually happened here other than without disputing Mr J's version of events, it's difficult to understand why an experienced employee of Santander would take a cheque from him for a substantial sum to be placed into an expired bond, without some form of acknowledgement or further application being completed.

It's also worth mentioning if a customer was to deposit a cheque with Santander or any bank for that matter, I would expect to see some form of evidence of a visit recorded by them, either by chip and pin identification, some form of customer notes explaining the purpose of the visit or an appointment in the diary from the member of staff. But here from the back-office records I have requested and investigated, there's nothing to show that, although a similar visit was recorded in back-office notes in November 2023 which suggests such visits of this nature are usually recorded in that manner.

So, what I'm saying here is there's not sufficient evidence to say on balance Mr J definitely visited the branch that day, even though I know he feels strongly about this. It's also worth saying while the cheque was received by Santander's operation centre in the post I can't say with any certainty it wasn't sent by external post method, rather than Santander's internal post. I would add it seems unlikely in all probability, a cheque would have been sent internally by Santander's staff without any accompanying application, which the staff member would have known was required for any new bond deposit.

So, with that in mind without disputing what Mr J believes happened here, it would be unfair of me to tell Santander it must cover the lost interest of almost £500 based on what I have been presented with here as evidence.

As far as the time it took Santander to return the cheque to Mr J, from the information I have seen the cheque was received in the post by them on 6 December 2023 and returned in a letter dated 19 December 2023. It's reasonable to say that when the cheque arrived Santander would have needed to investigate why it had received it without any accompanying bond application having been made, and it's likely that may have taken some time to look into.

While I appreciate Mr J says he never received the cheque back until late December 2023 I can't hold Santander responsible for the time it took to arrive, although given this was over the Christmas period it could explain any postal delays.

While Mr J will be disappointed with my decision, I won't be asking anymore of Santander.

**My final decision**

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 J to accept or reject my decision before 29 October 2024.

Barry White  
**Ombudsman**