

The complaint

Mrs H and Mr H complain that a payment sent via Santander UK Plc didn't reach the recipient credit card account.

What happened

The details of this complaint are well known to both parties, so I won't repeat them again here. The facts are not in dispute, so I'll focus on giving the reasons for my 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 agree with the investigator for the following reasons:

- Mrs H and Mr H reported that their payment never reached the intended recipient credit card account.
- Santander provided internal records indicating the initial payment was made on 23 February 2024 but was returned to Bank S on 26 February 2024. According to Bank S, the payment was resubmitted on 29 February 2024. However, this payment does not appear to have reached the recipient credit card account.
- Due to the non-receipt of the payment, Mrs H and Mr H were compelled to make another payment to the recipient credit card account on 1 March 2024. While Santander claims that the payment on 29 February 2024 was made at the request of Mrs H and Mr H, I am not convinced. If Mrs H and Mr H had indeed requested this payment, it is unlikely they would have made a duplicate payment the following day for the same amount.
- Mrs H and Mr H have provided a statement from the recipient credit card account confirming the payment was not received. While Santander has supplied internal records showing the payment was sent, I cannot conclusively determine that it reached the recipient credit card account. Based on the evidence, I am persuaded that the payment never reached its intended destination.
- Santander suggested that Mrs H and Mr H contact their credit card provider to trace the payment. However, I disagree with this suggestion. I am not persuaded that the responsibility to trace and locate the payment should rest with Mrs H and Mr H. This payment appears to have been processed as part of a reversal or return process, and I am satisfied it was not initiated by them.
- Santander agreed to pay £75 as compensation for the distress and inconvenience caused but declined the investigator's recommendation to refund the £250. Santander argued that issuing the refund would result in Mrs H and Mr H benefitting from both the refund and the funds credited to the recipient credit card account.

- As stated earlier, I am satisfied that the funds are not in the recipient credit card account. Therefore, I uphold this complaint and recommend that Santander compensates Mrs H and Mr H in accordance with my recommendation outlined below.

Putting things right

To put things right Santander should pay Mrs H and Mr H:

- £250 to cover the missing payment,
- 8% simple interest from the date of the payment (29 February 2024) to the date of settlement,
- £75 compensation for the delays and inconvenience caused.

My final decision

For the reasons mentioned above I uphold Mrs H and Mr H's complaint about Santander UK Plc.

Santander UK Plc should put things right as I've suggested above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs H and Mr H to accept or reject my decision before 21 January 2025.

Jag Dhuphar
Ombudsman