

## **The complaint**

Mr and Mrs S are unhappy with the way that Santander UK Plc handled an international payment.

## **What happened**

Mr and Mrs S have a bank account with Santander. They wanted to transfer money abroad. They visited a Santander branch where they were told that the intended recipient's account was in a country it didn't transfer funds to. However Mr and Mrs S found they were able to make the transfer using online banking and were charged a £25 fee.

The intended recipient's bank didn't accept the transfer. It didn't give a reason. The funds were returned to Mr and Mrs S's bank account and they lost £86.97 on the foreign currency conversion.

Mr and Mrs S complained to Santander about the inconsistency between what they were told in the branch and the information given online. They say there was no warning online that they were trying to send funds to a high-risk country or that they might be charged something in addition to the £25 fee.

Santander said it wasn't its fault the transfer had been unsuccessful and they should contact the intended recipient to find out why the payment had been rejected. Santander agreed to refund the £25 fee.

Mr and Mrs S referred their complaint to this service. Santander offered to refund the difference in the currency conversion. Our Investigator didn't uphold the complaint. He didn't think it was Santander's fault that the payment had been unsuccessful. He also thought Santander had treated them fairly by refunding the £25 transfer fee and offering to refund the money they'd lost on the foreign currency conversion.

As Mr and Mrs S didn't agree with our Investigator's view, the matter has been referred to me.

## **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.

Mr and Mrs S feel strongly that their time was wasted by Santander not giving them more information about the risks of transferring money overseas. I can see that some information is contained in the account terms and conditions which say:

*"You can make foreign currency and international payments in lots of currencies and to most places, but not every currency or place is covered. Ask us if you want to know which payments we can do."*

International payments can fail for a number of different reasons, which are often beyond the

control of the sending bank. Santander set out in the terms and conditions what happens if an international payment is returned. It stated:

*“We’ll pay the amount we receive into your account. This may be less than the amount you originally sent because:*

- If it’s an international payment, any other banks who have helped to return the money back to us may take their charges from the amount of the payment.*
- If it’s a foreign currency payment, we’ll convert the payment into pounds sterling using our exchange rate on the day we receive it. The exchange rate may have changed from when we sent the payment.”*

The information they received from branch staff about sending payments to that particular country was not consistent with the fact that they were able to make the payment using online banking. Santander has explained that although the country in question was on the list of places it didn’t usually send money to, it would try to process a payment there if requested by a customer. I don’t think Santander was at fault for trying to carry out Mr and Mrs S’s instructions. It wasn’t to know that the receiving bank wouldn’t accept the payment.

But I’m not persuaded that Santander did enough to make it clear to Mr and Mrs S that there was a higher than usual risk of their international payment not being successful. That in turn meant if the payment were to be returned, there was a risk that they might get back less than they originally sent because of the currency conversion. In the light of this I think in order to treat Mr and Mrs S fairly, Santander’s refund of the £25 charge and offer to compensate them for the £86.97 which they lost due to currency conversion was fair.

Although it was no doubt inconvenient for Mr and Mrs S that they spent a lot of time trying to make a payment which never reached the intended recipient, I think it’s likely that even if Santander had explained the risk of the payment being returned, they would have probably gone ahead anyway as they tried to make the payment online despite what they were told in the branch.

Although I appreciate that this will be a disappointment to Mr and Mrs S, I think Santander has already offered enough to resolve their complaint.

### **My final decision**

For the reasons given above, I uphold this complaint and require Santander UK Plc to pay Mr and Mrs S £86.97 (if it has not already done so) to compensate them for the loss on the foreign currency conversion.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr S and Mrs S to accept or reject my decision before 6 February 2025.

Elizabeth Grant  
**Ombudsman**