

The complaint

Ms W is unhappy with Santander UK Plc. Ms W made attempts at international money transfers and these failed costing her large sums of money. Ms W was also upset by the poor customer service.

What happened

She said she had lost two separate amounts over the attempted transfers of \$4,014.94 and \$1,947. Ms W said the customer service from Santander was “appalling.” Ms W wants Santander to refund her these and pay her compensation for her time, distress, and inconvenience.

Santander said the transfer was sent to it by a foreign bank ‘S’ under a money order which hadn’t been amended since the name on Ms W’s account had returned to being in her sole name. Santander said this was why the transfer had been declined. Santander accepted the account name should have changed over five years ago but Ms W had conducted successful transfers continuously with two names still on the account.

As agreement couldn’t be reached Ms W brought her complaint to this service.

Our investigator upheld the complaint. She said Ms W contacted Santander and S many times during the process to work out what the problem was and get the transfer put right. Our investigator said on several occasions she felt Santander could and should have taken different action. She noted for previous payments Santander had manually applied transfers to her account. None of these were stopped before. She said Santander should have contacted Ms W if she needed to make a change to her account arrangements and these issues could have been avoided. Our investigator noted Santander made no attempt to speak to Ms W when the problem arose. She said it was likely to be costly for Ms W and didn’t feel this was fair. She said this was compounded by then telling Ms W to make a second attempt without making any changes. As the second payment had been discussed in advance she felt there was even less reason for the transfer not to complete.

To rectify the problem our investigator said Santander should pay the lost \$4,019.94 lost on the exchange rate for the first transfer attempt. There was no loss on attempt two but Santander should pay the loss for the third transfer attempt that cost Ms W \$1,947. In view of all the problems, time and distress and inconvenience she said Santander should also offer £350 compensation for the distress and inconvenience caused.

Santander came back and accepted if Ms W can provide evidence of the first transfer loss it would pay the \$4,019.94. It also agreed to pay the £350 compensation. But it said it wouldn’t pay the \$1,947 as Ms W knows about exchange rates and could have waited for the rate to improve before going ahead again with the transfer.

Ms W didn’t accept this. She said she had been clear all along that the transfer needed to be made urgently due to time sensitive issues with an estate after a death in the family and the implications with HMRC. Ms W also noted that she didn’t have “*an exchange rate crystal ball*” to predict the next time rates would move in her favour.

Ms W asked for her complaint to be passed 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.

I appreciate that Santander did try to come up with a resolution after the view from our investigator.

But I do accept what Ms W said in response to the offer. So, I have asked our investigator to provide Santander with the proof of loss Ms W passed to this service. This gives evidence of the difference between the money she transferred from S and what she received back when the payment wasn't accepted by Santander. It also shows how much she lost on the third transfer too.

When the problem originally arose Santander didn't get into the details about the money being returned instead it just advised Ms W to send the payment again. It said it would note this second attempt on her file to help with the payment going through. But nothing helpful happened. Again, the payment didn't complete, and the funds were returned to S. This problem went on from December 2024 throughout January and into February 2025. It does make sense that Ms W felt the customer service from Santander wasn't up to standard based on the time and effort it took her to get it put right. After knowing there was a problem it doesn't appear Santander attempted to get to the bottom of it. Instead, and despite Ms W having already lost significant funds it suggested she just try again. The only positive here was that Ms W didn't lose a large amount of money with the second attempt, but that's due to the exchange rate rather than any efforts by Santander.

Ms W said she made 23 calls in total to try and resolve the problems and 14 of these were to Santander. Each call was at least 30 minutes, many were over an hour and there was call waiting time to add to this too.

When Santander did eventually explain the reason for the problem to Ms W she found it hard to accept. As she put it *"there had never been a problem over the past five years of my numerous (successful, uneventful, unchallenged) transfers using the same (automated) S standing instructions, the last of which had been only 2 weeks before."* Again, I see Ms W's point.

Ms W said when she was raising these issues with Santander before it found the problem nobody was able to track the activity, monitor it, escalate it. And she said this was compounded by asking her to follow the same process again. When this second attempt failed she felt misled despite her efforts on the phone to resolve the issues. And Ms W noted that her name was on both accounts, so she didn't accept why this much used transfer arrangement should suddenly create such a problem for Santander.

It was only on 3 February 2025 Santander was able to confirm the original December payment had been stopped due to the account still noting her ex-partners name along with hers. As the second attempt failed due to this reason to Santander asked Ms W to contact S and remove her ex-partners name from the account. It said once this was done she should make a third attempt to transfer the money. Ms W did this and the money eventually arrived in her Santander account 10 February 2025.

Santander said that its system is automated, it isn't the process to speak to a customer if a payment is returned. It noted this service doesn't have the scope to hold a bank's policy

against it. And that too is fair comment. But it maintained this point despite accepting when Ms W had been using this process previously Santander had needed to manually intervene to ensure transfer payments had gone through. So, at this point the automation has been set aside and Santander know there's a problem. But it took no action to resolve the matter. Even though it knew Ms W used the process regularly over a five year period. I think once the automation has fallen away its hard for Santander to claim manually fixing the transfers and just doing that each and every time until it goes wrong is truly it's process. It clearly needed to be actioned to avoid the ongoing difficulties and Santander didn't take any action. This left Ms W completely unaware of the issue and ended up costing her a large sum of money. I don't think that's fair or reasonable. In truth I think Santander also came to that realisation when it made its offer.

In relation to the first attempted transfer I think it would be fair and reasonable based on the evidence and as accepted by Santander that it pays Ms W's loss due to exchange rate variations of \$4,019.94.

It's accepted that any loss on transaction two was minimal but having to have a third attempt did again cost Ms W significant funds. She highlighted the exchange rate variation cost her \$1,947 more than the previous payment. I don't accept Santander's point that she should have waited for the rate to improve. It had taken months to make the payment happen and I accept Ms W's point that she couldn't know which way rates were going to move and when. She should never have needed to make a third transfer and so I think the fair and reasonable outcome here would be for Santander to settle this loss.

Ms W has pointed out she has been suffering a recent health crisis. She felt the £350 compensation for her distress and inconvenience was too low. She pointed out her hourly costs were far higher than this and referred again to the number of calls and time she spent putting matters right and she wanted interest too. The customer service from Santander isn't what Ms W should have been able to expect. Santander has agreed to pay the £350 put forward by our investigator and although I understand the points Ms W has made I think that's a fair and reasonable outcome based on the facts of the complaint.

Putting things right

- Pay \$4,019.94 for the first transfer loss.
- Pay \$1,947 for the third transfer loss.
- Pay £350 compensation for the distress and inconvenience caused.

My final decision

I uphold this complaint.

I require Santander UK Plc too:

- Pay \$4,019.94 for the first transfer loss.
- Pay \$1,947 for the third transfer loss.
- Pay £350 compensation for the distress and inconvenience caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms W to accept or reject my decision before 29 August 2025.

John Quinlan

Ombudsman