

The complaint

Mr E complains about the service he received from Santander UK Plc (“Santander”) when making an international transfer. In particular, Mr E is unhappy he opened an account on the basis he would not incur a charge on international transfers and was given incorrect information regarding this.

What happened

On 16 December 2024 Mr E opened an Edge Account (changing from his 123 account) online on the basis that international transfers would not incur a charge and Mr E needed to make payments abroad.

The terms and conditions of Santander’s Edge Account states that:

“You can make CHAPS, international payments and foreign currency payments for free from this account. We won’t charge you the usual £25 fee.”

Mr E needed to make an international payment and visited a branch of Santander and questioned staff about making the payment and the costs involved. The staff were unsure about the costs involved and asked Mr E to call a specialist team.

So on 3 January 2025 Mr E spoke to a Santander advisor about the transfer he wished to make and queried the fees involved in this transaction. Mr E was advised that as long as the transfer was done in Euros or US Dollars no fees would apply and that no fees on the Edge Account related to payments when using his card abroad.

Mr E enquired about what his options were for making a payment and asked if he could get the USD in cash and complete the transaction over the counter and the advisor confirmed he could and no fee would be charged to Mr E or the recipient. The advisor confirmed that a £25 fee would apply to payments made in Pounds and to avoid the fee he needed to complete the transaction over the branch counter in certain currencies.

On this basis Mr E changed his plans and exchanged £180 into US Dollars and visited a branch on 13 January to make the payment over the counter in cash but found this wasn’t possible, but instead he was able to complete the transaction at the counter directly from his account on without suffering a fee.

Mr E contacted Santander on 20 January and raised a complaint regarding the misinformation he’d been given but due to an error on Santander’s part this was not logged.

And unfortunately, due to the account details being incorrect - a mistake on Santander’s part - the funds from Mr E’s payment were returned to his account on 27 January 2025 minus £56.93 charged by an intermediary bank.

Mr E called Santander about all this on 13 February. Santander’s adviser confirmed the payment was made on 13 January and that there was a back-office request logged on 20 January about the payment which should have been raised as a complaint and apologised

for the error. They confirmed a notification and correspondence in writing to Mr E confirming the funds were back in his account had been sent. But due to work commitments Mr E said he'd failed to review the notification and see the funds had been returned.

The advisor said the funds had been returned due to the account number being incorrect and explained that the fees the intermediary had charged were outside of Santander's control. Mr E was not happy about the fees applied and time spent getting US Dollars and wanted the calls listened to and service he'd received investigated.

After checking the details he had with the recipient of the payment were correct, Mr E was able to successfully complete the payment in branch.

Santander accepted Mr E had been given misinformation causing him confusion and that the return of the payment was due to its error. Santander apologised for this and reimbursed the fees that were charged by the intermediary banks amounting to £56.93 and paid an additional £43.07 in compensation for the distress and inconvenience caused.

Mr E was dissatisfied with this and so brought his complaint to this service following which Santander offered a further £50 compensation.

Mr E remained dissatisfied with this as he doesn't believe Santander have taken into consideration the time spent on the matter. Mr E says the delay in the payment being made resulted in him losing out on the recipient's representation in a legal matter and is unhappy he now holds \$200USD in cash which is no longer needed.

One of our investigators looked into Mr E's concerns and thought that Santander had acted in line with the terms of its Edge account as no fees were charged by it. And as they hadn't seen any evidence that Mr E lost out on legal representation as a result of the missed payment they thought what Santander had already done in terms of the reimbursement of fees charged (56.93), compensation paid (£43.07) and the further compensation on offer (£50) was a fair to resolve the issues Mr E had raised.

Although initially accepting this Mr E changed his mind and has asked for an ombudsman's decision. He doesn't believe the compensation is enough and believes the delay to his payment impacted his ability to gain legal representation which has led to further ramifications in terms of the building structure he was hoping to shore up.

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.

My role is to look at problems that Mr E has experienced and see if Santander has done anything wrong or treated him unfairly. If it has, I'd seek to put Mr E back in the position he would've been in if the mistakes hadn't happened. And I may award compensation that I think is fair and reasonable.

In this case it's not in dispute that something went wrong at Santander's end in both the provision of information regarding fees for international payments and in the processing of Mr E's payment. And nor is it in dispute that Santander failed to initially log Mr E's complaint and that he had to chase Santander for an answer.

So what I need to decide is whether Santander's apology, reimbursement of intermediary charges and compensation on offer is a fair and reasonable way to settle Mr E's complaint. And I think it is.

Mr E doesn't think that the compensation on offer reflects the impact the delayed payment has had overall. Mr E says he has lost legal representation due to the delay. But I haven't seen any evidence the loss of representation was due to this. Indeed, the evidence I've seen suggests it was months later in May that the decision was made not to represent Mr E. I've seen no evidence why this decision was made, and as it could've been for any number of reasons, I can't say the loss of representation was a direct result of Santander's mistake.

Mr E is also unhappy that he now holds \$200USD which isn't needed. But Mr E still has the benefit of the money and hasn't made a financial loss by exchanging it back into Pounds.

And so although I accept Mr E has been inconvenienced by Santander's errors, as Mr E has already been reimbursed for the fees suffered (£56.93) and hasn't made a financial loss, I'm not persuaded that the impact this had on him warrants an uplift on the total compensation of £100 (£43.07 already paid) or will make a material difference to the overall outcome. Things don't always go smoothly, mistakes happen and as stated above our role isn't to punish or penalise the businesses we cover.

And so on this basis I think what Santander have already offered to settle Mr E's complaint is fair and I'm not going to ask Santander do anything more.

My final decision

For the reasons I've explained, I think the £50 further compensation Santander UK Plc has offered Mr E is a fair way to settle his complaint and I direct it pay Mr E this now.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr E to accept or reject my decision before 2 January 2026.

Caroline Davies
Ombudsman