

## **complaint**

Ms C complains that Santander UK Plc didn't process two foreign cheques correctly and this has caused her a loss of over £500.

## **background**

Ms C's sisters gave her two cheques. They were from the same foreign bank and from the same local branch for the same amount of money. She took them into Santander to deposit them on the same day. But her sisters' accounts were debited on different days. And one had a shared charge option and the other a beneficiary charge option. Both were deducted from the total amounts paid to Ms C. She tried to sort this out with Santander but it told her she had to contact the foreign bank. It didn't return her phone calls and it has put her and her sisters to a lot of inconvenience.

Santander said it had no control over the exchange rate or the charges from the sending bank. It accepted it'd failed to call her back twice and paid her £50 for the inconvenience caused.

Our investigator didn't recommend the complaint should be upheld. She said that as both cheques weren't sent by the same account holder they would've been processed separately. So she thought that Santander didn't have any control over when the payments reached Ms C's account.

Ms C wasn't happy with this. She said the manager of the bank that issued the cheques had confirmed Santander had presented them at separate times. And she didn't think the issue of the differing charges had been addressed. The £50 compensation related to two phone calls the bank didn't return. She has made three further calls that have been ignored.

## **my findings**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Banks don't immediately exchange cheques from foreign currency to sterling but send the cheque to the bank it's drawn on. The overseas bank then sends the value of the cheque to the UK bank. Only when Santander received the money back in the UK could it credit it to Ms C's account.

The exchange rate Santander used depended on the rate on the day the payment was received and credited into Ms C's account. The time taken to receive payment can be long because it can be affected by various delays due to post and delivery. But the point Ms C makes is that she deposited two cheques of the same amount, drawn on the same foreign bank, into her account on the same day. So she can't understand why she received the funds from one on 12 September 2017 and the other on 28 September 2017 with a difference of over £500.

I asked Santander for some more information and I can now see from its records that it started the process for both cheques on the same day. It initially sent the cheques to a third party bank for collection but that bank returned one of the cheques because it identified an issue with how it was completed. That is something that was outside Santander's control.

And in any event we can't interfere with the way that a bank processes a cheque where there a potential problem.

So this caused a delay in the process and was the reason why the funds from the two cheques were paid into her account at different times. And the exchange rate had changed in that time. Santander's records show that it tried to minimise the delay. And so for those reasons I can't fairly find it's to blame for the difference in exchange rates.

Santander said it wasn't responsible for the fees for clearing the two cheques. Those are charged by the issuing bank when it authenticates the cheques and transfers the funds. But it could see that the fees for the second cheque were less because it had to be processed a different way. If the third party bank hadn't returned the cheque the charges would've been more. I know Ms C won't agree with me but looking at all the information I have I accept Santander isn't responsible for setting the fees for clearing the two cheques. So I can't find it's at fault for setting the charges.

Ms C is annoyed she's made several phone calls to Santander which it's ignored. I can see from Santander's records that on 18 October 2017 an adviser promised to call her back and twice tried to do so. That advisor left a note on the system that if Ms C called back again she should be referred to this Service as there was nothing further the bank could do. It then sent Ms C its final response letter with her referral rights. It doesn't have any record of Ms C phoning it again. But looking at all the evidence it seems to me that Santander hasn't been ignoring her but has had difficulties in getting hold of her. I can see how frustrating that must have been to Ms C but I can't find the bank is to blame. Santander has acknowledged it hasn't returned two of her calls. It can't trace any more. In those circumstances I can't fairly ask it to do any more.

### **my final decision**

My decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms C to accept or reject my decision before 9 April 2018.

Linda Freestone  
**ombudsman**