

The complaint

Ms T complains that Santander UK Plc won't allow a third party to exchange old £20 notes on her behalf.

What happened

Ms T had a current account with Santander for some years. Health issues meant Ms T was unable to leave her home and had a live-in carer.

Ms T contacted Santander and said she had around £6,000 in old £20 notes stored in a safe deposit box. Ms T wanted her carer to visit her local Santander branch and exchange the old notes for new ones. Santander turned down Ms T's request and so she complained to it.

Santander responded and said it initially told Ms T it couldn't accommodate her request because it had a policy of not allowing third party deposits and withdrawals. However, it said it would make an exception and allow Ms T's carer to deposit funds into her account, although the carer would not be able to make an over the counter withdrawal from Ms T's account without being registered on Ms T's account as having power of attorney or through a third party mandate.

Ms T was unhappy and so brought the complaint to this Service. She felt that Santander hadn't considered her disability and hadn't made reasonable adjustments. She said she didn't want to add her carer to her account, as she wanted the exchange of notes to be a one-off transaction.

When this Service contacted Santander, it said a transaction like the one suggested by Ms T would require the funds to be credited to Ms T's account and then debited from it, as this shows a record of what has happened not only for audit purposes but also as part of anti-money laundering and fraud prevention. Santander suggested that Ms T could deposit and then transfer the funds to an account owned by her carer.

Our Investigator upheld Ms T's complaint and thought the options offered by Santander were not appropriate. He recommended that Ms T's carer should be allowed to visit in branch with identification for both he and Ms T. A member of staff could then contact Ms T by phone to confirm the transaction and her identification. Staff could then do an exchange of the old notes for the new, through Ms T's account. Our Investigator also suggested that Santander pay £50 to Ms T for the distress and inconvenience this matter had caused.

Santander didn't agree with what our Investigator recommended. It said it is for Santander, and not this Service, to consider whether there are valid money laundering concerns in relation to any consumer. There was then a good deal of communication between our Investigator and Santander in relation to the provenance of Ms T's cash, as well as concerns about her vulnerabilities. Ultimately, Santander said that while Ms T's carer could deposit the money into her account, it was not willing to facilitate a third party withdrawal. It suggested a carer's account.

Ms T asked that Santander pay for her carer to visit the Bank of England by taxi so that he could exchange the notes there. She also suggested that Santander could collect the money from her, deposit it into her account, have a member of staff withdraw it and deliver it back to her at home.

As Santander didn't agree with what our Investigator said, this came to me for a decision.

I issued a provisional decision on 29 December 2023 and said I wasn't intending to uphold Ms T's complaint as I thought Santander had offered options that allowed both it and Ms T to balance security and accessibility. I gave both parties the opportunity to respond.

Santander responded and had nothing further to add.

Ms T responded and said she did not accept the provisional findings. Ms T provided information which she said demonstrated the provenance of the notes she wanted to exchange, as well as a suggestion about how this matter might be resolved. I want to assure Ms T that I have considered all submissions made by her.

I am now in a position to issue 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 first of all want to address an issue raised by Ms T when she responded to my provisional decision. Ms T suggested that she could, albeit with some difficulty and with the assistance of her carer, make a prearranged trip to her local Santander branch in order to deposit all of the money and potentially withdraw some of it. But at this stage I am not going to assess the viability of this particular suggestion made by Ms T.

I say this because the crux of Ms T's complaint, when it was first brought to this Service, was about whether her carer – so an individual who does not jointly hold an account with Ms T and doesn't have specific permissions to act on Ms T's behalf – should be allowed to deposit cash into and withdraw cash from Ms T's account.

The suggestion being made by Ms T now is about whether Santander might accommodate Ms T, rather than her carer, depositing and immediately withdrawing some of the cash. At this stage Santander has not had the opportunity to look at whether it can accommodate this request from Ms T, and it needs to have the chance to do that before this Service will get involved. So, if Ms T wants to pursue this, then she would need to contact Santander directly and make the request. If she is then unhappy with how Santander deal with her request, a complaint could be made to Santander in the usual way, and if that complaint remains unresolved then Ms T can bring this matter as a new complaint to this Service.

So, looking at the current complaint, when Ms T first contacted this Service, she made reference to the Equality Act 2010 and said she doesn't think Santander has given proper consideration to her circumstances and her need for reasonable adjustments. It is for the courts, and not this Service, to decide whether a business has in some way breached the Equality Act 2010. But, given Ms T's personal circumstances and health issues, I've taken the Act into consideration when I've looked at how Santander dealt with her request.

I understand that Ms T's circumstances mean she is reliant on a live-in carer. In a situation like this, where a consumer is vulnerable, I would expect Santander to look at whether there are reasonable adjustments it can make to accommodate the consumer's needs.

In this case Ms T wanted her carer to be allowed to deposit, perhaps in several tranches, the £6,000 in old £20 notes and withdraw at least £1,000 each time in new £20 notes. Santander initially told Ms T that her carer could not deposit the old £20 notes into her bank account, and said it was following protocol laid down by the regulator by not allowing this to happen. But it has since said it will make an exception and Ms T's carer will be allowed to make a single deposit into Ms T's account of all of the £20 notes held by Ms T.

I think this was a necessary and reasonable adjustment, given that it seems Ms T had no other options for depositing the money, as she said that she is not able to visit the branch.

When Ms T originally brought her complaint to this Service she said she would like to be able to have her carer exchange at least some of the money for her on the day it's deposited. I can see that Santander has said that, as things stand, Ms T's carer cannot be allowed to make over the counter withdrawals from her account. But it has put several different options to Ms T for how her carer might withdraw the money on her behalf. Ms T has declined these as unsuitable.

I think it's important to say at this point that although our Investigator did what he could to try and assess the suitability of each of the options put to Ms T, I don't intend to do that, as it's not for this Service to try and pick the best option for Ms T. As I said, my role is to see whether Santander acted fairly when it refused to allow Ms T's carer to do a straight swap of the £20 notes, and whether it did enough to make reasonable adjustments and to ensure that a consumer in Ms T's position has access to her money. And I'm satisfied Santander has done enough here - I'll explain why I say this.

I've looked first of all at Santander's refusal to allow Ms T's carer to make over the counter withdrawals – it won't accept her authorisation for this transaction by phone or in writing. Santander told this Service that it needs to be allowed to carry out whatever security checks it thinks are necessary on money going into customers' accounts. So if a straight exchange is carried out, Santander will not have had the opportunity to do this.

I know that Ms T has indicated that any money in her possession is from a legitimate source, with an audit trail. And, following my provisional decision, Ms T provided more information about the provenance of the £20 notes in her possession. But while I appreciate the efforts made by Ms T to provide this information, the fact remains that it is outside this Services' remit to decide whether someone should or shouldn't undergo these checks by the bank in question, when this Service doesn't have the facilities or access to all the necessary information to carry out those checks. Santander has to be allowed the opportunity to carry out whatever security checks it might reasonably feel are necessary. I won't interfere with that.

I've considered what other options are available to a vulnerable consumer like Ms T, so that she has access to her money. Santander has said there are a number of other options for Ms T's carer to withdraw money from her account – Power of Attorney, a third party mandate and a carer's account. Ms T has said she doesn't want her carer to have the sort of access to her account that the first two options would afford him, which is understandable. This leaves the option of the carer's account. An account of this kind would allow Ms T's carer to deposit the £6,000 into Ms T's account, for Ms T to transfer it to the carer's account in smaller amounts and for the carer to withdraw the money, subject to the daily account limit.

I know that Ms T has said she wants her carer to withdraw the money in larger amounts, and so this doesn't allow her to make the exchange in the way she would prefer. But this particular account is set up for vulnerable consumers in Ms T's position, who need the support offered by a carer but who also want to limit the carer's access to their money. So

while this option doesn't offer Ms T the exact solution she hoped for, I'm satisfied it offers a reasonable alternative that allows her access to her money and a way for her carer to access cash, without having access to her own account. I'm satisfied it allows both Ms T and Santander to balance security and accessibility.

I know my decision will disappoint Ms T, but I am not asking Santander to take any further action here.

My final decision

I am not asking Santander UK PLC to take any further action.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms T to accept or reject my decision before 20 March 2024.

Martina Ryan
Ombudsman