

The complaint

Mrs V complains that an international transfer she made from her Santander UK Plc ("Santander") account failed to reach the destination beneficiary bank account and hasn't been returned to her. Mrs V would like Santander to return the funds to her.

What happened

On 15 March 2023 Mrs V made an online international transfer of £10,000 to her brothers account held at B (the final destination and beneficiary bank). Santander's internal records confirm Mrs V made the payment online and show that details imputed for the final destination of the transfer was the SWIFT code of the intermediary or corresponding bank (who I will refer to as X) acting for B with the account details of her brothers account held at B.

Confirmation of the electronic funds transfer was sent to Mrs V on the same day. On it it shows the destination account number ending in 1008 and X as the destination bank – rather than B where Mrs V's brothers account was held.

On 30 March Mrs V phoned Santander regarding the payment as it hadn't reached her brother's bank account and so she wished to cancel the payment. Mrs V was told by the advisor she spoke to that the money is with the receiving bank, but it can't apply the funds because the account number is incorrect and that there is a request for the correct beneficiary account number. Mrs V provides the same account number and the advisor confirms this has been sent.

Following this Santander received a message from its intermediary or corresponding bank (who I will refer to as C) forwarded from X saying it is unable to apply the funds with the amendment as the beneficiary's account is still incorrect. X asks to please provide it with the correct beneficiary's information for its execution and if it doesn't receive this by 10 April it will refund.

A further message was received from Santander around 13 April from X – again forwarded by C – confirming that X considers the transfer as null and void and that C is authorised to debit its account for £9981.96 (less its charges of £18.04) to return the funds as the beneficiary's account number is still incorrect.

Santander responds to C on 28 April saying it does not have Relationship Management Application with X so it can't deduct funds from its account and that it is C who can deduct the funds and send to it and to please return the funds at the earliest.

Santander says it has sent and continues to send messages to C chasing the return of the funds but to date they haven't been located or returned.

Mrs V says she called numerous times regarding the transfer and return of the funds and was told on 12 April a payment recall had been raised and that the money should be back within 7-10 days.

As this didn't happen and Mrs V complained to Santander and asked that her funds be returned to her account. Santander said it was attempting to assist Mrs V with the return of the funds and had sent a number of requests to C in this respect but that the refund needs to be initiated by C and it is C that is causing the delay. Santander apologised for the service Mrs V had received and credited her account with £50 as a gesture of goodwill.

Mrs V wrote again to Santander and explained she had rung its general helpline and was told her funds appeared to be stuck at C and they had no idea why it won't return the money. Mrs V asked if Santander could ask C the reason why they are holding her money and what help Santander can offer to get her money back.

Santander responded on 26 June saying that she had been provided with the correct information and that it had attempted to claim the money back but as of yet it hadn't been returned. It says it is in contact with the bank holding the funds, but it is up to it to send the money back and that it can't reverse the payment and that it isn't able to do anymore.

Mrs V was unhappy with this and brought her complaint to this service.

One of our investigators looked into Mrs V's concerns and reached the conclusion that Santander hadn't made an error when sending the payment as it had used the details provided by Mrs V and the transfer couldn't be completed successfully. And that Santander had sent numerous requests for the funds to be returned.

Mrs V was dissatisfied with this, she doesn't believe Santander has done enough to assist her in getting her money back and has asked for an ombudsman's decision.

Following this our service contacted both Santander and C in an attempt to assist Mrs V further. C responded saying it had been chasing the beneficiary bank – X - for the funds to be returned and will continue to do so but to date it hadn't received a response.

And Santander have provided a copy of a SWIFT message received from C around the end of November 2023 explaining that the account which X gave debit authority from is purged and that C had requested an alternative account to debit and return the funds.

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've outlined above what I consider to be the relevant facts based on all the evidence I've received from both Mrs V and Santander and believe to be an accurate reflection of what has happened.

My role is to look at the problems Mrs V has experienced and see if Santander has done anything wrong or treated her unfairly. If it has, I would seek – if possible - to put Mrs V back in the position she would've been in if the mistakes hadn't happened. And I may award compensation that I think is fair and reasonable.

And after seeking further information and carefully considering everything – and I know this will come as a disappointment – I've decided not to uphold Mrs V's complaint.

Firstly, I'm satisfied from the evidence that the international payment Mrs V wished to make to her brother was made online by Mrs V with no assistance from Santander.

Secondly, it is clear to me that the reason payment wasn't received into the account her brother had provided the details for was because although Mrs V inputted the correct account number, the wrong SWIFT code was inputted. The SWIFT code Mrs V inputted was for the beneficiary bank's intermediary or corresponding bank – X - and so when the funds arrived, X was unable to credit them to the account number provided as the account was held with a different bank – B. It is easy to see how this mistake happened as the SWIFT code's for both banks were almost identical with only one letter out of the six being different.

So I can't say that the reason the payment didn't arrive at the correct destination was due to any error on Santander's part or that it did anything wrong.

Nor do I think I can reasonably say on the information it had that Santander should've done more when it asked Mrs V to reconfirm the account number when the funds didn't initially arrive. Santander were merely following a request to have Mrs V confirm the details of the account she wished to make the payment to which it did.

Mrs V doesn't believe Santander has done enough to assist her in the return of the funds. But although I agree the communication between Santander and its intermediary could've been better and there has been some confusion over where the money is, I don't think there is anything much more that either Santander or C could do without the co-operation of X.

Usually, as I understand it in situations such as these where an international money transfer fails the money - albeit timescales will differ on when – will revert back to the remitter of the funds.

Unfortunately, in this case even though X said that it would refund the money and provided C with authority to debit its account – despite C trying to do this, the account in question it seems had been purged.

Santander's terms and conditions say that in situations like Mrs V's where the wrong details have been provided that it will *"try to recover the payment for you. If we can't, you can try to recover the payment yourself. If you ask us to, we'll ask the receiving bank for details about the payment and share these with you."*

As far as I can tell Santander has complied with this and done all it can do under the authority it has. So this being the case I don't think it has made an error or treated Mrs V unfairly and so it follows I don't uphold this complaint.

My final decision

For the reasons I've explained I think Santander UK Plc has done enough to support Mrs V in the return of her funds and I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs V to accept or reject my decision before 26 February 2024.

Caroline Davies
Ombudsman