

The complaint

Ms N trading as S complains about the way that Santander UK Plc handled an international money transfer from her business account.

What happened

In October 2023, Ms N asked Santander to transfer money to a beneficiary's account overseas. Santander transferred the money but the receiving bank held the funds due to the payment not referring to the beneficiary's full trading name. Santander sent the beneficiary's bank a SWIFT message which included the full trading name and the beneficiary received the money a few weeks later.

Ms N says Santander's payment system did not allow her to input the beneficiary's name in full, which in turn caused the delay. Ms N says Santander is aware of the issue and should know how important it is to be able to input the full trading name for a beneficiary – particularly given the strict requirements of the foreign country involved in the transfer.

Santander did not agree that it had made a mistake. Santander said it would not know the beneficiary's name as it does not have access to see the account details. And there would have been no way to check as there is no confirmation of payee system for international transfers.

Our investigator upheld Ms N's complaint and asked Santander to pay £300 compensation. He said Santander had not commented on the length of time the payment took to process and he didn't have information about how it came to light that the full name of the beneficiary account was the reason behind the delay. Because of this, our investigator said he based his findings on what was most likely to have happened and was persuaded by Ms N's recollection of events.

Santander came back to say that our investigator had not asked for specific further information so it only provided its business file. Santander said it had correctly processed the payment. Santander said it raised a request to find out why there was a delay. After Ms N explained why the funds had not credited the beneficiary's account, Santander sent a SWIFT amendment message at the end of October 2023. On 20 November 2023, Santander received confirmation that the funds had credited the beneficiary's bank account.

Santander said that timescales for SWIFT messages can vary and it can't guarantee how long it will take for a payment to credit the destination account. Any delays caused by the beneficiary's bank not responding to Santander's SWIFT messages was outside its' control.

Our investigator went back to Santander to say that the main reason he upheld the complaint was because Santander's system limited the number of characters Ms N could enter. This in turn meant there was a delay crediting money to the beneficiary's account. Our investigator invited Santander's comments on this point. Our investigator said he'd not seen anything to suggest that Santander caused any delays once Ms N asked it to send the full name of the beneficiary account.

Santander responded to a chaser email from our investigator to say it had not received his original email so our investigator forwarded his email. Our investigator then told Santander that an ombudsman would consider Ms N's complaint. If Santander wanted to say anything further, it should do so by 21 February 2023. As nothing further was received from Santander, the complaint has come to me to decide.

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.

As our investigator has already explained, it is not for the Financial Ombudsman Service to tell Santander how to run its business – that's the role of the regulator – the Financial Conduct Authority. However, I can look at whether Santander's processes unfairly impacted Ms N.

Like our investigator, I don't have evidence from Santander that goes against Ms N's testimony that she could not provide the beneficiary's full name when making the transfer due to the limit on characters. Ms N says that Santander was aware of the issue – again, I don't have evidence to contradict this.

Given the strict requirements of the country involved in the transfer, it seems that the delay receiving the money was caused by the beneficiary's name not being set out in full. As this was something that Santander had control over – I consider it fair to uphold Ms N's complaint.

Ms N says that she had to contact Santander several times because of the delays and that she received confusing text messages implying the transfer had been successful. Ms N is self-employed and can ill afford delays which might impact her cash flow. Ms N says she experienced production delays due to the late arrival of the money with the beneficiary and I don't have reason to doubt what Ms N says.

In cases where I find the business has made a mistake, I can award compensation. I think the investigator's suggestion of £300 compensation is fair. It reflects the inconvenience to Ms N when she had to spend more time trying to sort out the payment than she should have. As well as the inconvenience caused by the delays in production and disruption to Ms N's cashflow. Our approach to awards such as these can be found on our website.

Putting things right

Santander UK Plc should pay Ms N £300.

My final decision

My final decision is that I uphold this complaint. In full and final settlement, I require Santander UK Plc to put things right as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms N to accept or reject my decision before 2 April 2024..

Gemma Bowen
Ombudsman