

The complaint

Mrs B complains that Santander UK Plc incorrectly recorded transfers between her bank accounts.

What happened

Santander holds a Power of Attorney (POA) appointing Mrs B's daughter (Mrs H) as one of her attorney's. When Mrs H arranged for payments to be made between Mrs B's accounts the bank statements recorded these as transfers to Mrs H.

Mrs H complained to Santander that this was misleading and could have resulted in a misunderstanding about where the funds had been sent. Santander didn't uphold the complaint and said it had a requirement to record who had made the transfer and where it had been made to. Mrs H wasn't happy with Santander's final response and brought the complaint to the Financial Ombudsman Service where one of our Investigators looked into things.

The Investigator thought that when Mrs H transferred funds between Mrs B's accounts the statements should have made it clear that the transfers were instructed by Mrs H - not that transfers were made to Mrs H. The Investigator thought Santander should amend the statements to make this clear. Santander said it didn't agree with the Investigator and considered Mrs H as the primary account holder. The Investigator reviewed further comments and evidence from Santander and Mrs H and thought Santander should make the necessary amendments to Mrs B's historic, current, and future statements, to accurately reflect who was the beneficiary of the inter-account transfers between Mrs B's accounts.

Santander accepted that it could change the narrative on Mrs B's bank statements to reflect the transfers had been made between her accounts. Santander said it would write to Mrs H to confirm this, but when the letter didn't arrive, Mrs H asked that an Ombudsman decides the complaint.

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.

Santander doesn't dispute transfers Mrs H made from Mrs B's account were recorded as transfers to Mrs H, so I don't have to make a decision in this regard. However, I can decide whether Santander took reasonable steps to resolve Mrs B's complaint and put Mrs B into the position she would've been in if the transfers had been correctly recorded.

Santander says it has to take into account regulations and guidance published by the Financial Conduct Authority (FCA) when recording financial transactions. Regardless of this, I'm persuaded that it's the inconsistency in Santander's recording of the transfers on Mrs B's bank statements that is at the crux of this complaint. Santander initially said it couldn't change the narrative on Mrs B's accounts because of the FCA regulations - but later accepted it could. Santander wrote to Mrs H to explain it will amend the statements to record

the transfers as if they were made to Mrs B's accounts by Mrs B, but that it may take time to do so. Santander offered Mrs H £100 to recognise the upset this matter has caused her.

Mrs H told our Investigator that she didn't receive the letter Santander sent her. Of course, I can't say whether Mrs H received the letter from Santander, but Santander has provided a copy the letter it sent Mrs H on 6 June, so I think it was more likely than not sent. This letter explained Santander acknowledged the names showing on the account transfers could be *misleading* and cause confusion and that it was in the process of amending the records to reflect the transfers were made between Mrs B's accounts. Our Investigator provided a copy of this letter to Mrs H.

Mrs H says Santander's letter dated 6 June said the names showing on the statements were '*misleading*' and believes Santander needs to accept the narrative on the statements were incorrect. In response, Santander issued a further letter to Mrs H on 9 July accepting the names showing on the account transfers are *incorrect* and could cause confusion.

Although I'm satisfied Santander didn't fully address the concerns Mrs H raised on Mrs B's behalf, I'm persuaded the letter Santander issued to Mrs H on 9 July apologises for the *incorrect* information it had recorded on the statements. However, as Santander still hasn't corrected the narrative on the bank statements about the transfers, I will be asking it to complete this to resolve the complaint.

Santander offered to pay Mrs H £100 to reflect the upset the matter had caused her. Mrs H didn't accept this offer. However, although Mrs H is authorised in law to represent Mrs B, she's not an eligible complainant in her own right, so I can't award compensation for any impact caused to Mrs H. Of course, Mrs H can contact Santander to see if this offer is still available, but I can't tell Santander it must pay this or any other amount to Mrs H. And, as I've not seen any evidence suggesting Mrs B was inconvenienced or caused upset by the service Santander provided, I think it would be unfair and unreasonable for me to tell Santander to pay Mrs B any compensation in this regard.

Mrs H has only recently commented that she has waited for the complaint to be resolved before taking advantage of the higher interest rates available from other banks. This isn't a complaint that Mrs H has raised with Santander, so whilst I cannot consider this in my decision, Mrs H can raise this as a separate complaint with Santander if she wishes to.

My final decision

Santander UK Plc has already apologised and confirmed the narratives for the transfers were incorrect. So, I've decided Santander UK Plc should now amend Mrs B's bank statements to reflect Mrs B was the beneficiary of any inter-account transfers made by Mrs H as Mrs B's Power of Attorney and do the same for any similar future transfers Mrs H instructs between Mrs B's accounts. I've decided this would be a fair and reasonable remedy in the circumstances of this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B to accept or reject my decision before 12 August 2024.

Paul Lawton
Ombudsman