

The complaint

A company which I will refer to as 'D' says that Santander UK Plc did not adequately help them when an international payment they made wasn't received by the payee.

What happened

Briefly, in August 2022, D made an international payment of about \$15,000 to their supplier, from their account with Santander. The supplier contacted D few days later not having received the payment. It then came to light that an incorrect account number was entered by D when making the payment (essentially a digit was missed out). D contacted Santander and that same day Santander sent a message via SWIFT to the intermediary bank instructing them to correct the account number and ensure that the funds credited the recipient's account.

As the money wasn't yet credited to the supplier, Santander sent a further message on 6 September 2022 to the intermediary bank advising them again of the correct account details. However, the supplier still didn't receive the payment. Instead, on 12 September, the intermediary bank messaged Santander that the recipient's bank had returned the payment. The intermediary bank said that it would await further instructions from Santander.

Santander sent another SWIFT message on 13 September, again confirming the correct account details and asked for the funds to be paid into that account. Despite this, on 21 September 2022, the funds were returned to Santander by the intermediary bank.

Santander resubmitted the payment on 23 September 2022 quoting the correct account details. The bank sent a chaser on 29 September to the intermediary bank. The intermediary bank twice advised Santander that they had sent a message to the recipient bank to credit the amount to the relevant account. However, on 3 November, the intermediary bank advised Santander that the funds were returned, and on 4 November D's account was credited with the amount.

In all this it is not clear why the recipient bank did not accept the payment and credit the supplier's account – other than initially when the account number wasn't entered correctly.

D considers that Santander didn't do enough to help the funds credited to the supplier. D's director says this caused considerable inconvenience as the company's staff had to spend a lot of time sorting this issue out.

One of our investigators reviewed the complaint and concluded that the complaint could not be upheld. In short, they said that Santander did all it could and there is no evidence to show that the reason the payment failed to reach the supplier was due to any error or omission by Santander.

D did not agree. In particular they were unhappy about the length of time this matter took. They said that this caused a considerable amount of inconvenience and put a huge strain on D's relationship with their supplier. Separately, D's director said that another international

payment D made in July 2023, to a different supplier, went missing and all of this has been very stressful.

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.

In essence, D made a payment in mid-August. It just didn't go through to the payee and was eventually returned in early November 2022. Even allowing for the initial error made by D, I appreciate that this was a long period of time, and it is clear to see that this caused considerable inconvenience and stress.

However, what I am determining here is whether the funds could not be paid to the supplier due to an error or omission by Santander or whether Santander caused avoidable delays in trying to resolve this issue. Taking into account what had happened, I am not able to conclude that the problem was caused by Santander. I also consider that the bank did all it reasonably could to help D. The problem appears have occurred at the recipient bank's end, over which Santander had no control. So, I can't fairly uphold the complaint against Santander.

I am sorry to hear that D had a problem with another international payment recently. I can see that the investigator correctly advised D to take it up with Santander in the first instance. I hope that issue has since been resolved. If not, D could get in touch with the investigator.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask D to accept or reject my decision before 17 November 2023.

Raj Varadarajan
Ombudsman