

The complaint

Ms C and Mr W complain about the way Santander UK Plc mishandled a request to transfer funds from their current account.

What happened

In May 2023 Ms C and Mr W tried to transfer £20,000 from their Santander current account to an ISA account with a third party provider. The transfer was blocked and Santander asked them to get in touch. When they did, they were told the transaction had been blocked as a security measure to protect their account. They were told it could now go ahead.

The next day, Ms C and Mr W noticed that two transfers of £20,000 had been made, not just the one they'd authorised. Ms C and Mr W weren't happy and complained to Santander.

Santander said the second payment had been made due to an error by one of its advisers. It said that it had seen that Ms C and Mrs W had been able to transfer the duplicate funds back into their Santander account. It apologised for the level of customer service received. And it gave them £200 as a gesture of goodwill for the inconvenience caused.

Ms C and Mr W didn't agree this resolved their complaint and so brought the matter to us. After investigating, our investigator concluded that Santander didn't need to do anything more because she thought £200 was fair for the inconvenience and impact caused by Santander's mistake.

Ms C and Mr W didn't agree and so their complaint has been passed to me to make a final decision. They didn't think our investigator had taken account of the magnitude of the error or the fact they had to get the funds returned, not Santander. They didn't think Santander had acted promptly and didn't understand why an authorised transaction had been blocked in the first place.

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.

Having done so, I too have decided that Santander do not need to do anything more. Let me explain why.

Ms C and Mr W think it was disproportionate to stop the initial transfer of £20,000. But Santander explained why the transaction was blocked and the measures it takes to protect its customer's accounts. And, although those measures might sometimes be inconvenient, as it says, I don't think it's unreasonable for banks to sometimes suspend or block transactions without first getting confirmation they've been properly authorised.

Santander accepts it made an error in duplicating the transfer of funds. There's no argument here that it was a mistake by one of its advisers that led to the duplicate transfer. That was a big mistake to make. But when I look at what needs to be done to put things right, I look at

the impact of the error, rather than the magnitude of the mistake itself.

In this case, Ms C and Mr W have said they spent about two hours of their time on this matter and that it caused them significant stress and worry. More so because Santander didn't help during the first 48 hours and they feel aggrieved that it was them, rather than Santander, that had to take action to get the funds returned.

I acknowledge that the duplicated funds were returned due to the efforts of Ms C and Mr W. But, nonetheless, the funds were returned within a few days. That was before Santander had investigated what had happened and found that the duplicate transaction had been caused by an error made by one of its advisers. Ms C and Mr W think Santander should have acted more promptly and while I can see that would have helped reduce their stress and worry, I think it's fair to allow Santander a bit of time to investigate. And I note that Santander provided a response to their complaint within a week, which is a reasonable timescale.

In its complaint response, Santander explained why it had taken action to stop the initial transfer. It accepted that its adviser had made an error and apologised for that. And it paid Ms C and Mr W £200 for the inconvenience caused. On balance, I think that amount is reasonable in all the circumstances. It's right that Santander provide some level of compensation for the impact caused by its error, and I think £200 is a fair amount to recognise the wasted time, the frustration and the worry Ms C and Mr W have described.

I acknowledge Ms C and Mr W's strength of feeling on the matter. And the significant distress and inconvenience caused. But, having carefully considered all the information available to me, I don't think it would be fair to ask Santander to do anything more.

My final decision

Santander UK Plc has already paid Mr W £200 to settle the complaint and I think this offer is fair in all the circumstances. So, I do not think it needs to do anything more.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms C and Mr W to accept or reject my decision before 15 November 2023.

Richard Walker
Ombudsman