

The complaint

Mrs R says Santander UK Plc acted unfairly when it refused to follow her payment instructions.

What happened

The detailed background of this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here.

Mrs R was a long standing customer of Santander. Mrs R says that she regularly sends money to her grandson's account to help with his living expenses. She's explained that her grandson has health conditions and relies on her support.

On 5 September 2022, Mrs R tried to send a faster payment to her grandson's account. But when Mrs R checked if the payment had been made, she found that Santander had stopped the payment. Mrs R contacted Santander and was told that the payment had been referred for further checks and following this that bank had made decision not to send the payment. But declined to explain further.

Mrs R complained. She said she regularly makes the same payment to her grandson and couldn't understand why the payment wasn't completed. Santander sent Mrs R a final response letter but didn't uphold her complaint. Santander reiterated that the payment had been correctly declined after it had been flagged by its fraud detection system and then sent for further banking checks.

Unhappy with this response, Mrs R brought her complaint to our service where one of our investigators looked into it. The investigator didn't uphold Mrs R's complaint and said that Santander hadn't done anything wrong when it declined to send Mrs R's payment. Mrs R disagreed. She said she'd been making the payments regularly and wants Santander to explain why it wasn't happy to send the money to her grandson's account. She explained that she'd been very upset by the bank's actions as her grandson has mental health issues and relies on her for financial support.

As no agreement could be reached the matter 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.

I would add too that our rules allow us to receive evidence in confidence. We may treat evidence from banks as confidential for a number of reasons – for example, if it contains security information, or commercially sensitive information. Some of the information Santander has provided is information that we considered should be kept confidential. This

means I haven't been able to share a lot of detail with Mrs R, but I'd like to reassure her that I have considered everything.

I understand why Mrs R is upset about the way it handled her payment instruction – she has explained that the payment she wanted to make was very important and that her grandson relied on her for help because of his health conditions. She also said that she regularly made the same payment without any problems. So, she can't see any reason why Santander wouldn't allow the payment she wanted to make as it had done so many times previously.

I've looked at Santander's account terms and conditions. They set out when Santander can delay or refuse to act on a payment instruction. The terms state that Santander will always follow an instruction unless one of a number of reasons apply and that they have a right to decline a faster payment instruction if they deem it necessary to conduct further checks. The terms also say customers can contact Santander for an explanation as to why a payment was declined. But also state that Santander won't disclose the reason if there's a legal or security concern that prevents it from doing so.

The payment Mrs R wanted to make and was flagged by Santander's fraud detection system for further checks. Having looked at all the evidence, including the information Santander has provided about the payment and its checks, I don't think it was unreasonable for Santander to have had concerns about the payment. As a result of those checks Santander declined Mrs R's payment instruction. Based on the evidence, I don't think I can reasonably conclude Santander were at fault for doing so. And I'm satisfied that they did so in line with the terms and conditions of Mrs R's account.

Mrs R has said that she made similar payments to her grandson without any problems. But the fact that none of her previous transactions hadn't been picked up by Santander's security systems doesn't mean it was wrong to highlight the September 2022 payment. It's for Santander to decide what factors their system should look at when reviewing transactions. And I've not seen anything to suggest it was used unfairly or incorrectly here. So, I can't say Santander did anything wrong or treated Mrs R unfairly when it declined to process her payment instruction in September 2022.

My final decision

For the reasons I've explained my final decision is that I do not uphold this complaint

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs R to accept or reject my decision before 6 December 2023.

Sharon Kerrison
Ombudsman