

Santander hit with fine over 'serious and persistent' money laundering failures

S

[SANTANDER](#) was today whacked with a £108 million fine for what the [Citywatchdog](#) called “serious and persistent” money laundering failures.

While that is not the biggest fine for money-laundering dished out in recent years, it is a serious embarrassment to a bank trying to present an image as a wholesome, friendly high street bank.

It has been using TV Celebrities [Ant McPartlin](#) and [Declan Donnelly](#) in a “Bank of Antandec” campaign that it has claimed gave it high scores for “brand love”.

The Financial Conduct Authority says that between December 2012 and October 2017 Santander failed to manage its own systems, impacting 560,000 business customers.

Mark Steward, Executive Director of Enforcement and Market Oversight at the FCA, said:

Read More

- [Unleash the banks, says Hunt, as bank of Ant n Dec fined £108m](#)
- [Santander fined £107.8m by finance watchdog over money laundering failings](#)
- [FTSE 100 Live: Berkeley reveals mini-Budget sales slide, Santander fined £107.7m](#)
- SPONSORED

[The versatile Galaxy Tab S8 series has raised the game](#)

for tablets

“Santander’s poor management of their anti-money laundering systems and their inadequate attempts to address the problems created a prolonged and severe risk of money laundering and financial crime.

“As part of our commitment to prevent and reduce financial crime, we continue to take action against firms which fail to operate proper anti-money laundering controls.”

In one case, a new customer opened an account as a small translations business with expected monthly deposits of £5,000. Within six months it was receiving millions in deposits, and swiftly transferring the money to separate accounts.

Santander UK chief executive officer Mike Regnier, a recent arrival from Yorkshire Building Society, claims the bank takes its responsibilities regarding financial crime “extremely seriously.”

Regnier says Santander has made changes since the problems were identified.

“We are very sorry for the historical anti-money laundering (AML) related controls issues in our Business Banking division between 2012-17 highlighted in the FCA’s findings,” he said.

“While we took action to address our AML issues once they were identified, we accept that our AML framework at the time should have been stronger.

“We have since made significant changes to address this by overhauling our financial crime technology, systems and processes.

“Today over 4,400 staff are focused on preventing financial

crime and we continue to invest to meet our responsibilities and keep our customers and communities safe.”

Last December the FCA hit HSBC with a £64 million fine over money-laundering failures.

NatWest got a £264 million fine at around the same time for extraordinary antics that saw a Bradford jeweller deposit black bin liners full of cash into accounts at 50 different branches with little oversight.

The jeweller had been marked as “high risk” in 2011. A court heard that the cash smelt “musty” as if it had been “stored under the floorboards”.

In 2012, HSBC was fined \$1.9 billion for aiding money laundering by Mexican cocaine gangs. The bank apologised. No bankers were jailed.

Santander is owned by Spanish multinational Banco Santander, based in Madrid.