

## **The complaint**

Mr O complains that London Mutual Credit Union Limited (“LMCU”) made an error when transferring money from his account to a third party.

## **What happened**

Mr O requested LMCU transfer £100 from his account to a friend. Several interactions took place between Mr O and LMCU, and there was some confusion about the transfer. A number of mistakes were made, and ultimately, Mr O’s transfer didn’t go through until the next day. This meant his friend didn’t get the money when it was needed, so Mr O complained.

He said LMCU had failed to carry out his request on time which meant he couldn’t help his friend when she needed him to. He also said that he was promised a call back to explain why this happened, but instead of calling, LMCU sent him a text message. He’s also unhappy with the call wait times he experienced, and he said LMCU acted unprofessionally.

LMCU admitted it made errors with the transfer and apologised for not calling Mr O back when it had agreed to. It also said it was sorry for the call wait times he’d experienced. But it explained that due to the COVID-19 situation, it was experiencing a larger volume of calls than usual, and was directing customers to make contact by other means.

Unhappy with LMCU’s response, Mr O brought his complaint to our service.

An investigator considered Mr O’s complaint and agreed LMCU had made mistakes. And he recommended it pay Mr O £75 for the inconvenience it had caused in addition to its apology.

LMCU didn’t confirm whether it accepted or rejected the investigator’s findings. But Mr O felt more compensation was due. So the case has come to me, as an ombudsman 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.

Having reviewed the file, I can see that errors were made on LMCU’s part, and I can see LMCU has accepted responsibility for this. The transfer went through a day later than it should have, and I think this would have had an impact on Mr O. So I’ve gone on to look at whether I think any compensation is due to Mr O as a result.

Mr O said he needed to transfer money to a friend, who was alone with a young child and needed to pay for electricity on her meter. I understand not receiving this money would’ve been stressful for Mr O’s friend, but I can only consider any distress LMCU caused Mr O, and not that of a third party. That being said, I think LMCU’s mistake would’ve also been

stressful for Mr O. He'd promised to help his friend, and the money didn't reach her when it needed to. So for this, I think compensation is due.

When Mr O called LMCU to enquire about the transfer, he said he made three call attempts and was kept on hold for almost an hour on each occasion. LMCU's call records show Mr O called three times, and I can see that the wait times were longer than ideal. I appreciate this must have been frustrating.

But many businesses at this time were experiencing higher than normal demand during the Covid-19 pandemic. And this, understandably, has had an impact on the service they've been able to provide. In light of this, I don't think it was unreasonable Mr O had to wait as long as he did, as I don't think a lengthy wait was unusual given the circumstances. So while frustrating, I'm not upholding this part of Mr O's complaint.

Mr O also said LMCU acted unprofessionally in the way it dealt with him. But having reviewed the file and listened to the calls between Mr O and LMCU, I haven't seen any evidence to suggest this was the case. I appreciate errors were made by LMCU which I've considered, but overall, I think LMCU acted professionally in the way it dealt with Mr O.

LMCU agreed an advisor would call Mr O back, but it only sent him a text message. Again, I can appreciate this would have annoyed Mr O, given the issues he'd faced so far. But LMCU has accepted responsibility for this, and provided Mr O with an explanation. So again, I'll only be considering the impact this failing had on Mr O, when looking at the total amount of compensation I think he is due.

I'm satisfied LMCU caused Mr O distress by failing to execute his transfer correctly. And I've already explained why I can't consider the distress LMCU's actions caused his friend. But Mr O promised to help a friend, and couldn't, due to LMCU's error – and I think this would have been distressing for him. I think LMCU added to that stress by not calling him back when it agreed to. So, in the circumstances, I think LMCU should compensate Mr O £75 for the distress and inconvenience it caused him.

### **My final decision**

My final decision is that I uphold Mr O's complaint, and London Mutual Credit Union Limited should pay Mr O £75 for this distress and inconvenience it caused him.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr O to accept or reject my decision before 6 January 2021.

Brad McIlquham  
**Ombudsman**