

## The complaint

Mr E complains that HSBC UK Bank Plc is responsible for an international payment he made going missing. He says HSBC sent the payment to the wrong correspondent bank and hasn't done enough to help trace it.

## What happened

In February 2021, Mr E attempted to transfer around £4,000 to an account overseas but the recipient didn't receive it. Mr E asked HSBC for a copy of the SWIFT message to help him trace the payment, but this wasn't provided straight away. Once he'd received this information, he concluded that the correspondent bank details were incorrect, so he asked HSBC to withdraw the payment. Around six weeks later, he complained to HSBC that he still hadn't received the money back into his account.

HSBC apologised for not providing Mr E with a SWIFT copy of the payment when he first asked for it and paid him £75 for the inconvenience this had caused. But it said it wasn't aware of any issues regarding the details of the payment. It said that the funds had been sent across as Mr E had requested via online banking. It had requested a recall of the payment and had chased this, but it was reliant on the other bank responding. It couldn't return the funds to Mr E's account until it had received them back.

I issued a provisional decision on 12 January 2022 where I explained why I intended to uphold Mr E's complaint in part. In that decision I said:

*"I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint."*

*Based on what I've seen so far, I intend to uphold Mr E's complaint in part. I'll explain why.*

*Mr E says he requested the payment be returned to him because he discovered HSBC had used the incorrect correspondent bank details. From what I've been told, Mr E transferred the payment online. HSBC has provided a screenshot to show it was sent to the bank Mr E says he intended it to go to. HSBC has also sent us a copy of the email it sent to Mr E on 15 February 2021. This includes the SWIFT code for the bank Mr E says he intended the payment to be sent to. Mr E has provided a copy of an email from the aforementioned overseas bank which says: "we did not receive the amount because the sender sent with incorrect details as highlighted on the previous email". While three SWIFT codes are highlighted on an email, it's unclear why the bank thought the details were incorrect. So, based on what I've seen, I'm not persuaded that HSBC made an error when sending the payment.*

*HSBC says the payment was sent via an intermediary (correspondent) bank. This isn't unusual when payments are transferred overseas as banks can't have a direct business relationship with all of the other banks in the world.*

*HSBC says it sent SWIFT messages to try to recall the payment and chased it up several times. It's provided screenshots of the messages it sent but these appear to have been sent to another area of HSBC. I queried this with HSBC and was told that this was a different*

entity of HSBC, so no payment details had been shared, instead the original payment had been searched and updated in the case.

*I also noticed that following the initial message of 17 February 2021 requesting the recall, the other entity of HSBC had asked for further information to help trace the payment. This was requested on 2 March 2021, but it didn't look like the required information had been provided, although further chasers were sent. After I queried this with HSBC, I was told that there was a delay in sending the recall request. It was received on 17 February but wasn't processed until 2 March. HSBC said it had been contacting the receiving bank asking for a recall of funds, yet no response had been received from them. I was provided with a screenshot of a SWIFT message to, what I've since been told is the intermediary bank, but it didn't show the date it had been sent.*

*When I asked further questions, HSBC provided another screenshot which appears to be from the intermediary bank referring to a message received on 6 December 2021. This says: "We have contacted the beneficiary bank to return the funds and we will advise upon receipt of the information requested."*

*The information HSBC has provided so far, doesn't clearly show that it had requested a return of funds prior to December 2021. The only information I've seen to show that messages were sent outside of HSBC were provided following my requests for further information. While, it's possible HSBC did do everything it could to try to recall the payment, I haven't seen sufficient evidence to demonstrate this.*

*In any event, HSBC has acknowledged there was a delay in sending the cancellation request across (from 17 February to 2 March 2021). I also don't think HSBC has communicated with Mr E as clearly as it should have done. Mr E sent a number of emails to HSBC asking for help to get the matter resolved. On 18 March 2021, Mr E sent an email asking who HSBC was chasing, saying he believed the payment was sent to the wrong correspondent bank. On 23 March he forwarded the email from the bank of the intended recipient saying that it hadn't received the payment because the details were incorrect. It doesn't look like HSBC answered Mr E's question. On 22 April 2021, HSBC said it was getting no response from the receiving bank in respect of returning the funds and suggested Mr E contact them directly as it might assist with the return of the funds. But it still doesn't appear to have told Mr E where the payments were sent or who it had been chasing.*

*It's difficult to know what might have happened if HSBC had communicated more clearly with Mr E, or had possibly done more to trace the funds. But I don't think HSBC is responsible for the payment going missing, so I don't intend to tell it to compensate Mr E for any financial loss. However, I think HSBC has caused Mr E unnecessary frustration and inconvenience by not communicating as clearly as it should have done. So, based on what I've seen so far, I intend to direct HSBC to pay Mr E £200 to compensate him for the trouble and upset he's experienced. This is in addition to the £75 it's already paid him."*

*I set out what I intended to direct HSBC to do to put things right. And I gave both parties the opportunity to send me any further information or comments they wanted me to consider before I issued my final decision.*

## **Responses**

HSBC said it was happy to accept the proposed additional £200 compensation. Mr E didn't respond with any further comments or information.

### **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.

As neither party has disagreed with the conclusions I reached in my provisional decision, I see no reason to change them.

### **Putting things right**

HSBC should pay Mr E £200 for trouble and upset.

### **My final decision**

For the reasons I've explained, I uphold Mr E's complaint and direct HSBC UK Bank Plc to put things right by doing as I've said above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr E to accept or reject my decision before 11 March 2022.

Anne Muscroft  
**Ombudsman**