

The complaint

Mrs H complaint is about the service provided by The Co-operative Bank Plc when dealing with her international transfer.

The details of this complaint are well known to both parties, so I won't repeat them again here. Instead I'll focus on giving my reasons for my decision.

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 agree with the conclusions reached by the investigator for these reasons:

- When a mistake is made, we require the business to put the consumer back in the position they would have been had the mistake not been made. In this case this has now happened. The Coop refunded Mrs H the amount lost due to the exchange differences arising from the failed first transaction on 31 December 2021 and Mrs H has confirmed that the transaction has now been completed. I also note that Mrs H wasn't charged for the transaction to reflect the inconvenience of having to go through this twice.
- As well as putting the customer back in the same position, we also consider the distress and inconvenience the mistake caused and where appropriate we award compensation. In this case I agree that Mrs H has experienced stress and upset due to the failure of the initial transaction and that compensation should be paid.
- The outstanding issue relates to the amount of compensation. I appreciate the comments that Mrs H has made and why she doesn't feel £400 is enough, but in this case, I agree with our investigator's recommendation. I say this because our role isn't to penalise the business but to compensate where mistakes have caused upset and distress. In this case the payment Mrs H was transferring was her pension lump sum and so when the money wasn't transferred correctly, I can understand this would have caused her a lot of distress. Mrs H has provided evidence of the stress the issue caused, and I can appreciate that for three weeks she was unaware of where her money was. However, the Coop did acknowledge its error in and refunded her the money lost due to the exchange costs on 31 December 2021. It also offered compensation. Therefore, while I appreciate that Mrs H was very upset by the issue with her transfer, I also acknowledge that her funds were returned within the month and her loss refunded around three months later. Taking all the evidence into account I think that compensation of £400 is reasonable.

I understand that Mrs H may not be happy with this outcome and I am very sorry to hear of the upset and embarrassment she was caused by the issue with her transfer. But taking everything into account I think compensation of £400 is fair and reasonable.

Putting things right

Our investigator recommended that the Coop contact Mrs H to make the second payment and that no charges be applied for this. I understand this has happened.

Additional to this, the Coop should pay Mrs H £400 compensate her for the distress their error with the initial payment caused.

My final decision

My final decision is that I uphold this complaint. The Co-operative Bank Plc should take the actions set out above in resolution of this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs H to accept or reject my decision before 21 November 2022.

Jane Archer
Ombudsman