

The complaint

Miss C complains about a delay and service she received to an international payment she executed through TSB Bank plc. The bank has offered her compensation, but she doesn't think this goes far enough.

What happened

Following the sad passing of her mother, Miss C decided to transfer £5000 received from her late mother's estate, to her sister who lived abroad. This was an important international payment as her sister had suffered financial hardship.

This international payment was processed by TSB on 7 December 2021 and, when Miss C queried the non-receipt two weeks later, TSB identified a processing error. The error was the omission of payment information and TSB sent a tracer followed by investigation requests. Unfortunately, the payment was missing and, as this remained unresolved, Miss C complained to TSB about the delay and level of service.

The payment was finally returned in March and TSB offered an apology for the distress and inconvenience caused. Also, in response to Miss C's complaint, they offered £300 compensation for the trouble and upset caused and an additional £74.67 to cover fees and travel expenses.

As Miss C was dissatisfied with the amount of compensation, TSB agreed to review the £300 payment. TSB explained that it had correctly raised tracer and investigation requests, however it was dependent on the beneficiary bank responding. In addition, they correctly chased the beneficiary bank on multiple occasions. TSB acknowledged the failings on their part but did not offer an increase, as they considered it to be fair and reasonable and above their redress guidelines for this type of complaint.

Miss C informed TSB that she would be referring a complaint to the Financial Ombudsman Service. This was because she considered the compensation to be insufficient, mainly because of the delay in tracing a payment which took approximately thirteen weeks.

Following receipt of the complaint Miss C and TSB have helpfully provided our service with a lot of information concerning this case. An investigator assessed this case and considered the amount of compensation to be a fair outcome in the circumstances. Overall, the investigator felt TSB took responsibility for their error and found the amount of compensation reflected the trouble and upset caused.

As Miss C remains dissatisfied and believes the compensation to be both inadequate and disproportionate, this case has now been referred to me to look at.

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, for the following reasons, I share the view the investigator took that TSB has taken reasonable steps to resolve the problems Miss C faced due to the delayed transfer. I appreciate Miss C feels strongly that the compensation offered is inadequate for the distress and inconvenience caused and will be disappointed by my decision.

Miss C feels the compensation payment is inadequate because it took thirteen weeks for TSB to trace the payment. Also, that it is disproportionate to a previous compensation payment from TSB, for the same amount, for what she considers to be a lesser failing.

Whilst it is clear that the root cause of the missing payment was a TSB failing, I'm satisfied that they did make a number of efforts to trace the missing payment and, having submitted the international payment, had to rely on the beneficiary to trace it. It is difficult to know what the tracing issues were and what more TSB could have done in this situation. However, I'm satisfied that they took responsibility and have tried to put things right, apologising, refunding all fees, paying travel expenses, and making a decision to pay compensation.

Although I understand Miss C's view that a previous compensation payment illustrates the £300 is disproportionate, I'm unable to make any comparison. I say this because, my role is to review the individual facts of this case and say what I think is fair and reasonable compensation based on what happened here.

I have no doubt that this was extremely difficult for Miss C – she was worried and had to visit the branch and contact TSB a number of times to find out what was happening. However, I have thought about this and believe the compensation already offered is sufficient recognition of the distress and inconvenience caused, particularly considering TSB has also reimbursed Miss C £74.67 reflecting the costs she incurred. I therefore don't think TSB need to do anything further in this case.

My final decision

TSB Bank plc has already made an offer to pay Miss C £300 to settle the complaint and I think this offer is fair in all the circumstances.

So, my decision is that TSB Bank plc should pay Miss C £300, including any amounts it has already paid in relation to this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss C to accept or reject my decision before 17 November 2022.

Paul Douglas
Ombudsman