

The complaint

Mrs W complains that Barclays Bank UK PLC failed to complete an international transfer of money from her account and failed to recall the funds.

What happened

Mrs W attended her local branch of Barclays on 6 December 2022 with her son. She wanted to transfer £1,300 to her son's business account where he lived abroad. She has told us that her son required the payments to be made in USD (US dollars). However the transfer was made in local currency and, because her son's bank (the beneficiary bank) could not receive payments of that currency type, it didn't reach his business account.

Mrs W then made around 11 calls to Barclays over the period 20 December 2022 to 21 February 2023. In those calls she was continually trying to find out what had happened to her money. Barclays confirmed that the transfer had gone through and it appeared to have been received by the correspondent (intermediary) bank in the country where her son lived. Barclays then made a number of attempts to recall the funds but was unsuccessful. It suggested that her son try to find out what happened to the funds from the beneficiary bank. But it appears that this was also unsuccessful. The beneficiary bank said it wasn't possible to trace payments received in the local currency as it worked in USDs.

Mrs W felt that Barclays had made an error, because she had handed to the bank adviser in the branch her son's mobile phone which contained the full details of the address, sort and account codes and international codes and specified it was to be paid in USD. She complained that she had had to spend a lot of time in telephone calls to Barclays and often had been put on hold or had to wait in a call queue for long periods.

Barclays pointed out to Mrs W that she had signed and initialled the form setting out her transfer instructions which would have been gone through by its adviser. It pointed out that the details she had given it specified that the account was a local currency account and that was why the payment was made in the local currency. So although it had made a number of attempts to recall the funds, it did not agree that it had made an error.

On referral to the Financial Ombudsman Service, our Investigator said that Barclays could have kept Mrs W better informed and could have explained the process of sending an international payment better. She proposed that Barclays pay Mrs W £150 for her distress and inconvenience. However she thought that Barclays had done all it could to chase up the transfer and to attempt to recall funds and did not think it had made an error in respect of complying with Mrs W 's instructions.

Barclays said it had nothing further to add.

Mrs W did not agree and the matter has been passed to me for further consideration.

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.

transfer of funds

Mrs W attended the branch of Barclays with her son in December 2022. I understand that he provided the account details on his mobile phone for his mother to pass to the adviser. He also said he made it clear to the adviser that the payment would be made in USD. Unfortunately we do not have a statement directly from the adviser who I understand no longer works for Barclays. However the transfer instructions on Mrs W's son's mobile phone which I understand was provided to the adviser was headed "wiring transfer instructions in USD" but it also set out that the receiving account was a local currency account.

I've also seen the document headed "Customer Confirmation". At the top of that document the following information is set out:

Amounts to be sent: 1,300.00 [local currency]

Currency to be sent in: [local currency].

Mrs W signed her initials next to that, and also next to her details, the beneficiary details and the charges. She says that the document was faint and in the small space and the light in the bank and the rush of people in the queue behind her she was in a rush to get the transfer done. She says the adviser was also in a rush and didn't listen to what she said. She further points out that she could not be expected to know the international code for the local currency in question.

I wouldn't expect most people to know the international code for this particular currency. But the customer confirmation document I've referred to set out the name of the currency in full. I recognise that Mrs W is elderly, although she didn't highlight any difficulty she, as an older person might have, to the adviser. Nevertheless I would have expected the adviser to go through the main points of the transfer with her. But as I've said we do not have a statement directly from the adviser in question. Although we do have a statement from another adviser who says that she knows that the adviser in question did go through the form in detail with Mrs W. And we know Mrs W signed against key parts of the form, which indicates her attention was likely drawn specifically to those parts.

I note that Mrs W was with her son, who was receiving the transfer and who had as I've said provided the transfer details. I don't think it would be unreasonable to have expected him to go through the details of the transfer document his mother was being asked to sign. I understand that she had previously had a problem with a transfer to the same account which "bounced back" (albeit for different reasons).

So I don't think that Barclays made an error in carrying out Mrs W's instructions.

But if it could be said that it made an error I have to decide whether it would have been reasonably foreseeable that there would be problems in receiving the money in local currency rather than USD. All I can say is that the account into which the money was to be paid appeared to be a local currency account so in that event I don't think it's likely that Barclays could reasonably have foreseen that there would be problems in sending payments in the local currency.

I still would have expected Barclays to take reasonable steps to trace Mrs W's payment and, where possible, recover the funds for her. I see that Barclays chased up the correspondent bank and made four separate requests to get the payment recalled. Unfortunately it was not successful. The correspondent bank was not directly related to Barclays, rather it is related

to the receiving bank. So whilst I would have expected the correspondent bank to take steps to trace the payment, I can't say that Barclays was responsible for any failure on the part of the correspondent bank. And it does appear that according to Mrs W's son's enquiries, that bank has so far been unable to trace the payment. Unfortunately the correspondent and beneficiary banks don't come under the Financial Ombudsman Service's jurisdiction.

customer service

As I've set out above, Mrs W had to spend a lot of time on the phone to Barclays over the period 20 December 2022 to 21 February 2023. Apart from last two calls, when she registered her complaint and then had the outcome of that complaint explained to her, the calls were mainly about trying to find out what happened to her money. And I can understand that it would have been very frustrating for her to have to explain her case to different advisers on each occasion. The advisers were polite and respectful and did their best to try and help her, but she was left with having to call back each time without any indication off what Barclays was doing or any time frame. I think Barclays could have kept her up to date particularly as I've noted that it did take substantial steps to try and trace and then recall her money. I note that on several occasions she also had to wait a long time to be put through. Whilst I understand that Barclays wasn't responsible for how long customers reasonably had to wait in its call queues, I do think that if she had been kept better informed Mrs W might not have had to spend so long on the phone chasing matters up.

I note also that Mrs W tried to get the case dealt with in her local branch and was encouraged to believe the branch would be able to sort it out for her, but the visits were fruitless. Whilst I have no details of what happened on these visits, I don't doubt that the branch advisers tried to help Mrs W. Nevertheless she still had to spend a lot of time with them, with no result.

For the reasons I've set out, I do think that the £150 proposed by our Investigator is a fair and reasonable payment to make for Mrs W's distress and inconvenience in the course of those telephone calls/visits.

overall

Regrettably, and recognising that Mrs W will be disappointed, I can't find that Barclays made any error in making the transfer of funds on her instructions. Nor can I find that it would have been reasonably foreseeable that its not carrying out the transfer in USD would have resulted in the problems that she had. If her son has not been able to get the payment traced at his end I can only suggest that he persist. I know (from listening to the calls in this case) that banks in the region where he lives can be very slow.

I recognised that to a certain extent Barclays didn't communicate with Mrs W effectively and it is for that fair reason I propose to require it to pay the £150 pounds compensation proposed by our Investigator. I note that Barclays has no objection to do this.

Putting things right

Barclays should pay Mrs W £150 compensation.

My final decision

I uphold the complaint in part and require Barclays Bank UK PLC to provide the remedy set out under "Putting things right" above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs W to accept or

reject my decision before 8 November 2023.

Ray Lawley
Ombudsman