

The complaint

Mr B complains HSBC UK Bank plc (HSBC) failed to return an international payment he had sent, in a timely manner.

What happened

Mr B says in mid-February 2023 he sent an overseas payment from his UK HSBC bank account to his bank in New Zealand as he had done before without issue. Mr B says the payment didn't arrive in his overseas bank account and he had to chase HSBC many times before the funds were eventually refunded in early April 2023.

Mr B says the matter has caused him considerable stress and worry and although the payment has been refunded to him, HSBC's offer of redress doesn't go far enough as he has also experienced similar issues with another more recent overseas payment.

HSBC says it apologised for the time it took to refund the returned payment to Mr B's bank account. HSBC says the initial payment Mr B made in February 2023 of NZ\$ 92,574.85 was rejected by the receiving bank as an incorrect account number had been quoted and this wasn't a bank error. HSBC says despite this it accepted it had taken too long to return the funds back into Mr B's bank account and agreed to cover the exchange loss of circa £2,600 and rounded this sum up to £3,000 for the issues Mr B faced.

Mr B wasn't happy with HSBC's response and referred the matter to this service.

The investigator looked at all the available information but didn't uphold the complaint. The investigator says while HSBC could have offered Mr B better service during this time, it offered a fair resolution to his complaint. The investigator felt given HSBC had not only covered the exchange loss Mr B had incurred, of just over £2,600, it rounded this sum up to a figure of £3,000 and that was fair of them.

The investigator pointed out this service couldn't consider any issues regarding the further payment Mr B had made in May 2023, as HSBC hadn't been given the opportunity to consider this complaint and that would need to be raised with them by Mr B first.

Mr B didn't agree with the investigator's view and asked for the matter to be referred to an ombudsman for a final 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 won't be upholding this complaint and I will explain how I have come to my decision.

I can understand it would have been worrying for Mr B having sent a large payment to his bank overseas for that not to arrive and to have to wait several weeks for its return. When looking at this complaint I will consider if HSBC were responsible for the delay in returning

the monies and if it has fairly dealt with Mr B's complaint.

The first thing to say is, as made clear by the investigator, I will only be looking at the issues Mr B faced when he sent an overseas payment for NZ\$92,574.85 in February 2023 and not any subsequent payments he sent, as this issue hasn't been raised with HSBC to consider, and it would require a new complaint to be raised by him.

From the information I have seen the reason the payment didn't arrive to Mr B's overseas bank account, was due to an incorrect account number being used, and so the receiving bank returned the payment back to HSBC. So, it's fair to say the initial error here wasn't of HSBC's making. That said it does seem HSBC took longer than perhaps it should have to refund the returned payment back to Mr B's bank account and it could have provided a better overall service to Mr B while it was tracing the payments whereabouts.

So, without trying to minimise the frustration and worry this matter would have undoubtedly caused Mr B here, I am satisfied HSBC acted fairly to resolve his complaint. I say this because it has apologised for the time it took to refund the payment to his bank account and despite the fact the initial error wasn't of its making, it agreed to cover the exchange loss of £2,676.25. In addition to this HSBC rounded the sum up to £3,000, allowing for a compensation payment of just over £300 for the trouble and upset caused by the delay in recrediting Mr B's bank account.

While Mr B may not agree, it's not my role to penalise or fine businesses when delays like this occur and I have to consider the fact the initial reason for the overseas payment being rejected wasn't of HSBC's making here. With that in mind I am satisfied HSBC acted reasonably when it agreed to refund the exchange loss and pay Mr B an additional £323.75 for the inconvenience caused.

While Mr B will be disappointed with my decision, I won't be asking anymore of HSBC here.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 5 March 2024.

Barry White
Ombudsman