

## **The complaint**

Mr S complains that LCC Trans-Sending Limited trading as Small World Financial Services ("SWFS") sent a payment he instructed to the wrong account.

## **What happened**

The background to this complaint is well known to both parties, so I won't repeat everything here. In brief summary, on 5 May 2023 Mr S went into an SWFS branch to transfer funds to a relative abroad. Mr S subsequently complained to SWFS that it had sent the payment to the wrong account and his relative, S, hadn't received the funds. SWFS and Mr S were unable to reach agreement about things, so Mr S referred his complaint about SWFS to us. Our Investigator couldn't resolve the matter informally, so the case has been passed to me for a 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.

I've decided to not uphold this complaint. I'll explain why.

Mr S has said that, to instruct the payment in branch, he showed the SWFS agent a photo on his phone of where he wanted the money sent. He has sent us a copy of the photo, which he says he showed the SWFS agent, which shows account details for the intended beneficiary, who I'll call S, with a bank I'll call U. Mr S has also sent us a copy of a WhatsApp message he appears to have received from S on 23 March 2023 (almost a month and a half before this disputed transfer) appearing to show the same account details (for S with U). But the payment wasn't then sent there. Instead, which I note from the payment receipt, which Mr S signed, SWFS sent the payment to an account, still apparently for S, but with a different bank M (not U). Mr S says he didn't notice this on the payment receipt on the day because he is illiterate, and that it was only when S didn't receive the funds that he realised SWFS had sent them to the wrong account.

There are essentially two competing arguments about how this most likely happened. On the one hand, Mr S has said that at the time of the payment, the SWFS agent saw pre-existing account details for S held on Mr S's profile. He says the SWFS agent admitted at the time that he was very busy and overwhelmed; and the SWFS agent therefore must have made a mistake, incorrectly sending the payment to the pre-existing details for S held on Mr S's profile, without first checking they matched the details Mr S had shown him on his phone. Mr S says only an SWFS agent would have been able to add these pre-existing account details apparently for S to his profile. He says he would never have authorised this because they were the wrong account details, unconnected to S. But he says he did authorise a cash pick-up for S in 2021 (which wouldn't have required account details). And he thinks, based on what SWFS said when he contacted them about the error on 15 May 2023, that these details may have been erroneously or fraudulently added to his profile in 2021 by an SWFS agent.

SWFS, on the other hand, has said that it sent the payment to the account Mr S instructed. It has said that whilst a profile was set up for Mr S in 2021 for a cash pick-up, its systems show that no account details were added until Mr S attended branch on 5 May 2023, at which point it noted the account details Mr S provided for the payment – which were for S at M – which is where it sent the payment.

I've thought about this carefully, and where I can't be sure about something, I need to make my decision based on the balance of probabilities – in other words, based on what I think most likely happened, taking into account all the available information. And here I am more persuaded by SWFS's technical evidence than what Mr S has said. The technical evidence I've seen indicates account details for S at M were added to the system on 5 May 2023 when Mr S instructed the payment. I also note that Mr S, himself, has said he provided the agent with the same bank details on 23 March 2023 as he did on 5 May 2023 (which he says were for S at U). But if that was the case, it's difficult to understand why Mr S's payment on 23 March 2023 (which Mr S has said was made through RIA) was sent to S at U, but the 5 May 2023 payment wasn't (unless Mr S did, in actual fact, perhaps mistakenly provide SWFS with the account details for S at M on 5 May 2023). I haven't seen anything that persuades me SWFS, on 5 May 2023, made an error. SWFS wouldn't reasonably have been able to know whether the account with M was one held by S, given the way in which payments sent abroad like this one are processed. And whilst I accept it's *possible* SWFS did make an error on 5 May 2023, I think it's more likely, in all the circumstances of this case, that Mr S provided SWFS with the account details for S at M, such that SWFS didn't do anything wrong in sending them there.

I appreciate the money doesn't appear to have been recovered. And I'm sorry if this means Mr S has lost money. But for the reasons I've explained, I don't think SWFS did anything wrong in sending the funds to this account. I've also not seen anything that makes me think SWFS's acts or omissions were the cause of the money not being recoverable.

### **My final decision**

For the reasons explained, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 27 March 2024.

Neil Bridge  
**Ombudsman**