

## **The complaint**

Mrs B and Mr B are unhappy with the service they received from Nationwide Building Society surrounding a request they made to Nationwide to recover money they'd sent by mistake to an unintended Nationwide account holder.

## **What happened**

Mrs B and Mr B wanted to send money from an account they held with another bank ("the sending bank") to an account held with Nationwide. Unfortunately, Mrs B and Mr B made a mistake when inputting the transfer details. Specifically, Mrs B and Mr B used an incorrect account number. And this resulted in Mrs B and Mr B's money been sent to an unintended Nationwide account holder.

Mrs B and Mr B notified Nationwide as to their mistake the following day and asked Nationwide to recover the incorrectly sent money for them. In response, Nationwide referred Mrs B and Mr B to the sending bank, explaining that a request for recovery of funds needed to come from the sending bank.

Mrs B and Mr B approaching the sending bank as directed by Nationwide, and the sending bank submitted a request for recovery of Mrs B and Mr B's money to Nationwide. But Mrs B and Mr B weren't happy with the length of time the recovery of their money was taking or the service they'd received while in a Nationwide branch, and they also weren't happy that Nationwide promised the return of their money on a specific day which then never occurred. Or that they misled them about how much would be recovered. So, they raised a complaint.

Nationwide responded to Mrs B and Mr B and apologised if their staff had given them false expectations regarding the return of their money and for the time taken to complete the recovery attempt after being contacted by the sending bank. And Nationwide offered to pay £175 to Mrs B and Mr B as compensation for any trouble or upset they may have incurred because of what happened.

However, Nationwide didn't feel that Mrs B and Mr B had received poor service while in branch as they claimed and didn't uphold that aspect of their complaint. Mrs B and Mr B weren't satisfied with Nationwide's response, so they referred their complaint to this service.

One of our investigators looked at this complaint. But they felt the response Nationwide had issued to Mrs B and Mr B's complaint already represented a fair resolution to what had taken place and so didn't suggest that Nationwide should take any further action. Mrs B and Mr B remained dissatisfied, so the matter was escalated 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.

When a mistake is made by the holders of an account when instructing a transfer, as Mrs B and Mr B unfortunately did in this instance, there is a set process to be followed wherein the

mistake should be reported to the sending bank which should then contact the receiving bank – in this instance Nationwide – and ask that the receiving bank attempt to recover the mistakenly sent money.

However, it's important to recognise that in such circumstances, the receiving bank – Nationwide – don't have the right to simply take the money from the account to which it was mistakenly sent. Rather, they must contact the account holder who received the money mistakenly and ask that they return it.

If the unintended recipient refuses to return the money, for whatever reason, the receiving bank still don't have the right to take the money from the account and return it to the sending bank. But in this scenario, the receiving bank would be expected to provide the name and address of the unintended recipient to the sending bank, who can then pass this information on to their account holder so that civil proceedings may be commenced.

I explain the above to highlight that, in this instance, Mrs B and Mr B weren't guaranteed the return of the money that they'd mistakenly sent to the wrong person. Rather, Nationwide's attempt to recover the money for Mrs B and Mr B, after being asked to do so by the sending bank, was undertaken by them on a best-efforts basis.

However, while the process to attempt to recover mistakenly sent money can take some time, Nationwide have accepted that they did delay parts of that process, which lengthened the overall time that the recovery attempt took.

But I don't feel that it would be fair to hold Nationwide solely account for the delays that occurred here. This is because it seems that the sending bank may itself not have responded in a timely manner to some of Nationwide's correspondence regarding the recovery attempt. And because the person who incorrectly received the money may also have contributed to the overall delay by not responding as would have been hoped to Nationwide's attempts to engage with them.

Nationwide have apologised to Mrs B and Mr B for the delays that they were responsible for. They've also apologised for providing false expectation to Mrs B and Mr B regarding how much of their money could be recovered and when it would be returned to them. And Nationwide have offered to pay £175 to Mrs B and Mr B as compensation for any worry or inconvenience they may have experienced as a result.

Matters of compensation can be subjective. But the £175 that Nationwide have offered to pay to Mrs B and Mr B regarding these aspects of their complaint feels fair to me, and I can confirm that it's commensurate with what I might have instructed Nationwide to have paid, had they not already offered to do so.

In taking this position I've considered the impact of the events on Mrs B and Mr B, as well as that I only consider it reasonable to hold Nationwide responsible for a portion of the overall delay that Mrs B and Mr B experienced. Additionally, I've considered the general framework this service uses when assessing compensation amounts, details of which are on this service's website. And, having done so, I feel that £175 is a fair compensation amount.

Mrs B and Mr B have also explained that they're unhappy that a member of Nationwide's branch staff told them that the incorrect account number that they mistakenly sent the money to was not an active account number held by another Nationwide customer. Nationwide dispute Mrs B and Mr B's version of events in this instance, and they've provided a statement from the branch staff member in question who explains that they would have told Mrs B and Mr B that they could neither confirm nor deny whether Mrs B and Mr B's money had been received by another account holder.

In circumstances such as this, where the testimonies of the complainant and the respondent don't agree with one another, I must decide which of the two versions of events is more likely to have happened, on balance, and in consideration of the information available to me.

In this instance, I feel it's most likely that Nationwide's branch staff did try to explain to Mrs B and Mr B that they couldn't confirm or deny whether their money had been received by another account holder. This is because a response of the type Nationwide's branch staff describes is standard industry wide, given that Mrs B and Mr B had no right to the confirmation of the account number as being an active one at that time, regardless of the fact that they mistakenly sent money to it.

Indeed, the issues surrounding information security is one of the reasons that there is a clearly defined process in situations such as this wherein the sending bank must contact the receiving bank and request that an attempt to recover the incorrectly sent money take place. And I don't accept Mrs B and Mr B's assertion that their money reasonably could have been recovered sooner if Nationwide had acted outside of that process – because I wouldn't expect Nationwide to have acted outside of that set process.

Finally, I note that Mrs B and Mr B have raised some additional points of complaint after referring their complaint to this service. But this service can only consider points of complaint that have already been raised with the business being complained about, so that the business has had the opportunity to investigate and formally respond to those points.

As such, I can only refer Mrs B and Mr B to Nationwide to raise those new points of complaint with them in the first instance. This will give Nationwide the opportunity to consider and respond to those new points of complaint, after which time Mrs B and Mr B may have the right to refer those points of complaint to this service, should they still wish to do so.

All of which means that while I will be upholding this complaint in Mrs B and Mr B's favour, I'll only be doing so to instruct Nationwide to pay the £175 compensation to Mrs B and Mr B that they've already offered to pay. And I won't be issuing any further or alternative instructions to Nationwide beyond this.

I realise this won't be the outcome Mrs B and Mr B were wanting. But I hope that they'll understand, given what I've explained, why I've made the final decision that I have.

### **Putting things right**

Nationwide must pay £175 to Mrs B and Mr B.

### **My final decision**

My final decision is that I uphold this complaint against Nationwide Building Society on the basis explained above. ,

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B and Mr B to accept or reject my decision before 23 August 2024.

Paul Cooper  
**Ombudsman**