

The complaint

Mr C is unhappy with Forester Life Ltd trading as Foresters Financial. Mr C's Child Trust Fund (CTF) had matured as he had passed his 18th birthday. Mr C wanted to move his money elsewhere. But several attempts had to be made with various different banking arrangements tried before the money was eventually sent successfully. The amount Mr C received was significantly less than the amount he had in the CTF. Mr C wants Forester to pay him the difference along with interest on top for the period of the delay.

What happened

Mr C first asked for his money from the CTF to be transferred in August 2023. The money didn't end up where Mr C wanted it until March 2024. By the time the money did make it to Mr C the amount was lower than the CTF by £1,364.69. Mr C said this was down to Forester and asked it to pay him this amount. Forester said it wasn't anything to do with it. Forester said the amount was lower due to the foreign exchange charges. Forester said it wasn't responsible for these. It said in the previous failed attempts to send the money to Mr C despite it not being responsible it had refunded these charges twice to a total value of £1,473.02. It said it wasn't willing to fund these for a third time and said it had reminded Mr C of this in advance.

As agreement couldn't be reached Mr C brought his complaint to this service.

Our investigator didn't uphold the complaint. He noted the first payment attempt was beset with issues due to the currencies involved and Mr C's bank "P" couldn't accept the particular currency. Our investigator said there were issues around the language barriers with some documents provided by Mr C. After discussion with Mr C a further attempt was made to send the money in US Dollars (USD). The payment was returned to Foresters and it noted there was an issue with the account number provided by Mr C. It turned out this number was wrong. Our investigator said it was more than reasonable that Foresters still agreed to send the full amount value despite the two sets of charges that had been applied to the amount in the attempts to transfer it. Mr C opened an account with bank "R" to try and resolve the matter. Attempts were made to send the money to R but when Mr C checked why the money hadn't turned up he found out R didn't accept international transfers. When R returned the funds to Foresters a further round of charges and foreign exchange costs had been applied by R.

Mr C had provided a further different banks details – bank "S" by this point. But our investigator thought it was fair that Foresters didn't send money to S until the funds had been returned by R. Our investigator said Foresters wouldn't have known how much the amount would be until it had returned from R. He accepted there were some further issues here with different languages in view of the details provided by S. After these matters had been resolved Foresters sent the money to S and it was in the account on 4 March 2024. Our investigator said Foresters agreed to send the full CTF amount to R after charges and costs had occurred with P. He said Foresters didn't need to do this. And so, he said it followed that it didn't need to do it again for the final payment. He said it wasn't Foresters fault. He also said it didn't need to pay interest as Forester wasn't responsible for the amount of time it took to complete the transfer. He didn't think Forester had made any errors.

Mr C didn't accept this and asked for his complaint to be passed 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.

Mr C wants Forester to pay back the difference between what was in his CTF account and the amount that transferred into his account with S. Mr C said the difference was £1,364.69.

Mr C said in view of the delays he expected Forester to compensate him for the interest he had lost at a fair rate for six and a half months. Mr C suggested 4% interest.

Mr C had £14,173.67 in his account when the CTF concluded. And he applied to withdraw it in August 2023.

Mr C provided Forester details to transfer to, but this account couldn't accept foreign currency. After a failed attempt Mr C updated the bank account number Forester tried to send the money again but again it didn't go through.

Mr C said he had provided photos from his bank books with his account details in.

Mr C said initially he was told after a transfer had failed that £594.88 had disappeared in fees. Mr C said he wasn't responsible for the failed bank transfer. He said such charges for a failed bank transfer wasn't reasonable.

Mr C said Foresters eventually agreed to send the amount in full to a different bank account. He said Foresters said it would do this as a gesture of goodwill. He said this wasn't a gesture of goodwill, he said sending him his full account balance was the minimum of its responsibilities.

Mr C said months and months were wasted with Foresters not checking where his funds were, not responding to emails quickly, and not making sure the transfer was completed.

Mr C said Foresters refused to send funds again to the same account or to send it to his Father's UK bank account. Mr C said this meant he was forced to open a new account with bank R. He said Foresters tried to send the money to R on 20 December 2023. After weeks of waiting the money hadn't arrived with R. Mr C raised this again with Foresters and it said he should check with R. When he did R said it didn't accept foreign transfers and it had sent the money back to Foresters. Mr C said Foresters tried to send it again to R despite him telling it R wouldn't accept it. Mr C said he had no way of knowing in advance that R wouldn't accept it.

Mr C said further delays occurred and eventually Foresters said the funds had returned to it 23 February 2024.

By now Mr C had opened an account with bank S and he provided details of this to Foresters. Foresters sent the money to S. And Mr C received £12,808.98 on 4 March 2024. He said Foresters claimed R had only returned this amount.

Mr C said Foresters couldn't provide him with any details of the fees as it claimed it wasn't responsible for the loss. Mr C was upset by this as he said it was around 10% of the money his parents and grandparents had saved for him over the 18 years.

Mr C said his family live abroad and make international transfers every month and never have any issues and the funds always arrive within a few minutes.

He concluded that it wasn't reasonable for Foresters to have charged him £1,364.69 for a bank transfer it failed to make.

Forester said when Mr C started the process to arrange the transfer the online portal stated any charges or exchange rates might affect the proceeds received in the bank account. It said Mr C accepted this.

Foresters agreed the settled amount of the CTF was £14,173.67. But said over the two attempts it tried to send the money P charged £1473.02 in fees. And Foresters had replaced all of this money as a gesture of goodwill as it said it wasn't at fault for any of the difficulties transferring the money or the delays that followed.

Foresters said it reminded Mr C again at this point that it wouldn't be covering any foreign exchange charges if the transactions proved unsuccessful.

Mr C did open a new account with R. Foresters again sent the full amount for transfer to R as requested by Mr C.

Foresters said on 8 January 2024 it found out the transfer wasn't acceptable, and Mr C told Foresters R doesn't accept international payments. It said it wasn't responsible for this.

Foresters said Mr C should contact R about the charges applied by it when the transfer didn't go through.

It said the funds came back to it 23 February 2024. But the amount returned by R was £12,808.98.

Foresters said Mr C didn't provide an English translation of his foreign bank statement despite its request for one. It said it went outside its own normal procedures and translated Mr C's foreign bank statement on his behalf. Foresters said this enabled it to verify Mr C's bank account details and send the funds 28 February 2024 in the preferred foreign currency to S.

Foresters said the delays occurred because it wasn't provided with viable bank account details to send the money to. It said it acted throughout based on information and details provided by Mr C. It said it submitted the payment correctly every time and it was Mr C's chosen bank that rejected the funds resulting in the transaction failures and the foreign exchange charges. It confirmed it wasn't responsible for international exchange rates affecting the fund value.

Foresters said it felt it had acted more than reasonably in making the gesture of goodwill as there was no wrongdoing on its part.

Foresters said it did sympathise with Mr C's difficulties but said it had been proactive in trying to settle the payment.

I can understand Mr C's frustration at the loss of funds and the delays he has encountered in getting the money into an account and currency he wants.

But based on the evidence provided I can't see that Foresters did anything wrong. It's pointed out the reasons at each stage why the payments didn't go through and how it has

dealt with its own process correctly. Each of the problems appear to have occurred when the money has been passed on to the different banks Mr C asked Foresters to send it to. I don't think it would be fair or reasonable for me to find against Foresters for the actions of other banks it can't control.

The Forester portal details accepted by Mr C showed Foresters wouldn't be responsible for any variation in amount due to charges and foreign exchange rate changes.

The first bank Mr C wanted to use (P) had issues with the currency to start with and even after the currency was changed it still didn't complete due to problems with the account numbers.

I don't think it was Foresters responsibility to know the limitations of the banks Mr C wanted to use. Foresters did as it was asked and attempted to make transfers to the banks chosen by Mr C.

I accept what Foresters said about it acting more than reasonably when it agreed to still pay the full amount and cover the charges applied of £1,473.02 to the account from the early attempted transfers. I think the goodwill gesture here was fair and reasonable. I don't think it needs to do anymore.

I see there was an attempt to ask Foresters to pay the money into the UK account of Mr C's Father, but I accept what Foresters said about such accounts only can be paid into the account holders name. I can see how that might have worked better for Mr C, but I think Foresters must act within specific guidelines for certain accounts.

Mr C said Foresters tried to send the money again to R even after he told it R didn't accept international transfers. But I haven't seen any evidence of this. Foresters said it didn't get the money it sent in December back from R until 23 February 2024 and that it acted on transferring the money to S straight after this. I think that was reasonable. And at least the payment did conclude when it was sent to S.

I did think that it was helpful of Foresters to arrange translation outside its usual systems and processes. I thought that was reasonable of them to do considering any mistake would have left it open to an error.

There's no doubt resolving the problem has taken a lot of Mr C's time. But I think the same applies to Forester and the effort it has put in too. But I think it acted on every instruction it got from Mr C. It did appear the delays were in getting confirmation from the new banks that it couldn't accept the transfer and in getting the money returned. I can't hold Foresters responsible for that, it chased the other banks to try and resolve the issues throughout. It follows that I don't think Foresters needs to pay for any loss of interest in the circumstances.

My final decision

I don't uphold this complaint.

I make no award against Forester Life Ltd trading as Foresters Financial.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 1 January 2025.

John Quinlan
Ombudsman

