

The complaint

Mrs M complains that HSBC UK Bank Plc (HSBC) failed to keep her properly informed when a transfer she made from her account to a foreign bank was rejected. Mrs M also complains that when she made a formal complaint to HSBC this was badly handled.

What happened

Mrs C said she had to make numerous calls to find out what was happening to her bank transfer and didn't receive all the information she needed from the rejected transaction. I have looked closely at the timeline of events as provided by the parties.

On 7 June 2024, Mrs M made an international money transfer from her HSBC account to a foreign bank which I'll call "Bank C". The amount of the transfer was £6,878.26. As HSBC didn't have a direct relationship with Bank C the transfer had to be sent through an intermediary bank which I'll call "Bank B".

On 10 June 2024, Bank B asked HSBC for further information about the transfer. Mrs M provided HSBC with the additional information, and it passed to Bank B on 11 June 2024. On 12 June 2024, Bank B asked HSBC for even further information. Again, Mrs M provided this to HSBC who forwarded it to Bank B on 14 June 2024.

On 18 June 2024, Bank B asked, yet again, for additional information. This was provided to HSBC by Mrs M, and it forwarded it to Bank B on 21 June 2024.

On 24 June 2024, Bank B told HSBC that the transfer was rejected by Bank C. Bank B sent the transfer back to HSBC who credited it to Mrs M's account on 26 June 2024.

Mrs M complained to HSBC about the service she'd received, and the lack of information given to her about the rejected transfer. HSBC issued a Final Response to the complaint on 17 June 2024. It explained that due to regulations that govern international transfers these transactions can take longer than expected and difficulties in completing the transaction are often beyond HSBC's control.

Mrs M asked for more detail and HSBC responded on 1 July 2024. In it, HSBC explained that it was sometimes necessary to ask for additional information on more than one occasion when making international transfers and repeated its conclusions from its earlier response. Mrs M was still unhappy and made a further complaint to HSBC. She asked for more specific detail about the international transfer and further complained about HSBC's complaint handling.

HSBC responded on 30 July 2024. It said it would refer the points relating to the international transfer to the original complaint handler to re-open that complaint and respond. And it agreed with Mrs M that the service she'd received in making her complaint was poor. HSBC apologised and offered Mrs M £100 for the poor service.

Mrs M didn't think the apology and £100 was enough to compensate her for the inconvenience she'd been put through. And she asked for a timescale on the response to her points relating to the international transfer.

HSBC said it couldn't provide a timescale for this and it also said it wouldn't change its conclusions given in its response of 30 July 2024.

On 19 August 2024, Mrs M asked for an update on the additional complaint points she'd been told were being considered. HSBC responded by saying that the complaint handler had already covered these points in its response of 17 June 2024 and had nothing further to add. Mrs M was still unhappy so brought the complaint to this Service.

Our Investigator looked at the case and thought that HSBC had done nothing wrong with the way it dealt with the international money transaction. He also thought that HSBC had given Mrs M poor service when it handled her complaint and thought that the apology and £100 compensation was a reasonable resolution.

Mrs M was still unhappy with this outcome, so the complaint has been passed to me 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 don't uphold this complaint for broadly the same reasons as our Investigator. I'll explain why.

The regulations that govern international money transactions are wide ranging and complex and can differ across geographical areas. They can also be dynamic with additional requirements being applied in different international territories sometimes at short notice

It follows then that the timescales involved in making these transactions can be subject to change dependant on the information required at any time. The involvement of intermediary banks and the subsequent additional communication layer is also likely to add time to the process. It also follows that some elements of the process are beyond the sending banks control.

From the evidence I've seen in this complaint I think the process followed by HSBC in sending, monitoring, and returning the transaction was fair and the timescale reasonable in the circumstances.

I say this because it was bound to use an intermediary bank as it had no direct contact with the recipient Bank C. All it could do was to provide the intermediary bank with whatever additional detail was required in a timely manner and once rejected, ensure the funds were recredited to Mrs M's account as soon as reasonably possible. And I think this is what HSBC did.

But the crux of Mrs M's complaint is that it was herself, rather than HSBC, who caused this to happen. She says HSBC didn't contact her about the additional information needs, rather it was she who had to constantly chase HSBC and that only then were the additional information requests made known to her. Mrs M also feels that she wasn't given more detailed information relating to the rejection of the transfer – such as the reason for the rejection.

From the evidence I've seen, HSBC don't dispute the requests for further information and updates in general were given to Mrs M when she called – rather than HSBC calling Mrs M.

HSBC say it did send a text message to Mrs M asking her to call it as more information was received. It also says that as all relevant updates and information was given to Mrs M when she called it, no other update calls were necessary as there was nothing material to update her on.

I can understand Mrs M's frustration. She was understandably anxious to know what was happening with the transfer as it was for a family member and a large amount of money. But whilst it may have been of obvious benefit to Mrs M if HSBC had called her daily with updates, I can't say it did anything wrong by not doing so. I can't see from the evidence that Mrs M was given incorrect information or that HSBC delayed the transfer.

Mrs M feels HSBC gave her incorrect information during these calls when she was told the payment would be made in three to four days. Again, I can understand why Mrs M would feel frustrated by that, but I think HSBC were repeating the expected timescales in the assumption that there were no further concerns or queries. It wouldn't have known that further information would be needed so, as it wasn't expecting any further delays, was providing the expected timescale at that time rather than incorrect information.

Overall, what I would have expected HSBC to do is to ensure the requests for additional information were passed between Mrs M and HSBC in a timely and accurate manner. And similarly, once the transaction had been rejected HSBC should return the funds in a reasonable timeframe at the accurate exchange rate to Mrs M's account. From the evidence I've seen this is what it did.

HSBC has accepted that it made errors when Mrs M made a formal complaint to HSBC about the service she received when making the international transfer.

Complaint handling isn't a regulated activity and so it's outside the jurisdiction of this Service. So, I can't consider what Mrs M has said about the way HSBC handled her complaint.

Having said this, HSBC awarded Mrs M £100 and apologised for the failings in its letter of 30 July 2024, and this seems a fair and reasonable reflection of the distress and inconvenience that this poor service caused Mrs M.

In summary, I don't think HSBC did anything wrong in the way it handled the international transfer, but I can see that it made errors when it dealt with Mrs M's complaint.

If it hasn't already done so HSBC should pay Mrs M £100.

My final decision

For the reasons stated above I don't uphold this complaint

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M to accept or reject my decision before 12 March 2025.

Ben Castell
Ombudsman