DRN-5546957

The complaint

Mr S complains that Western Union Payment Services GB Limited trading as Western Union (WU) made a payment he requested in cash to a bank account not in the requested recipient's name.

What happened

In December 2024 Mr S requested WU to make a payment to a recipient overseas (R1). He says that he requested the payment to be made in cash. However he found that WU had made the payment to a bank account belonging to a recipient in a different country (R2). Mr S had made transfers to R2 before but he insists that he completed the forms for payment by cash to R1, for collection, and not to any bank account.

Mr S contacted WU to get the money refunded. It appears that WU established that the transfer had gone through and was in R2's bank account. So it couldn't be refunded.

WU said that it hadn't made any error and that the transfer was processed according to Mr S's instructions. It said that its operators were not able to override any information on the system provided by the customer.

On referral to the Financial Ombudsman Service, our Investigator said that as there wasn't a clear and obvious banking error, they couldn't hold the business responsible for any impact that may or may not have arisen.

Mr S disagreed, particularly pointing out that he hadn't seen any evidence of the form he had completed online or of any attempts by WU to recover the money.

The matter has been passed to me for review.

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.

Where the evidence is incomplete or contradictory, as some of it is here, I have to make my decision based on what I think is most likely to have happened. But it may be that I can't make a finding and if this is the case I shall say so. I have a duty to be impartial so I have to assess both parties' evidence fairly.

I’m aware that Mr S is concerned about the direct evidence of his transaction or of WU’s attempt to recover the money. We asked WU for further evidence after the matter was passed to me. Whilst it has provided further explanations of the transactions, it hasn't been able to provide screenshots of the original transaction as these are only kept for 60 days. So, the screenshots that are available set out what WU tells us were the steps Mr S would have taken to carry out his transaction. As I've said, as there’s no direct evidence of those steps, I have to base my decision on what I think is likely to have happened.

In order to carry out a transaction the customer has to select from the opening screen whether the payment is to be made by cash or bank transfer. WU has told us that its operators can’t change the method of delivery and I think that’s likely to be the case. Mr S has told us that he has previously sent through WU several payments to R2's bank account. I understand that he believes that WU in error used those details to send the money, but I don't think that's likely to be the case. The online form requires the customer to complete the details of the recipient. But I understand from WU that it is possible, if the customer selected “edit and resend”, for the transfer to have been sent to a previous recipient as all those details will be available on the system.

Given that, I have to say that my view is that it’s likely that the monies went through to the wrong recipient due to customer error. I'm not persuaded that, if Mr S had selected payment by cash, WU’s operators could have changed this.

As for telephone conversations after the transfer, regrettably recordings are not available and I've only seen brief notes of calls on 18 and 19 December 2024 and 21 January 2025. WU has no notes of any other telephone calls. I don't disbelieve Mr S when he says he made those calls but from my review of what happened I think it's likely that he was told that WU would attempt to recover the money. And that it contacted the recipient bank and established that the money was in R2’s bank account. I don’t think it’s likely that WU promised that the money would be refunded. Once the transfer had gone through then WU had no power to require the bank to transfer the money back. As the bank is overseas and not regulated in this country, we can't ask that bank to take any further steps.

So overall I don't think that WU made any error in the processing of Mr S’s transfer. Further I think that its options were limited in getting the money back, But I think it acted reasonably in that respect. I'm sorry that this is an unsatisfactory result for Mr S.

My final decision

I don’t uphold the complaint.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr S to accept or reject my decision before 1 October 2025.

Ray Lawley
Ombudsman