DRN-5641421

The complaint

Miss M complains about the service received from MoneyGram International Limited ("MoneyGram") when using it to send money.

What happened

On 27 January 2024 Miss M sent £1,090.75 using MoneyGram to a relative's account and the money never arrived as intended.

Miss M says she requested the transfer in a post office branch and believes that following her giving the agent the correct account details and information on a slip of paper that the agent imputed an incorrect account number.

When the money didn't arrive as expected Miss M contacted MoneyGram on numerous occasions by both email and phone, chasing and trying to retrieve the money and raised a complaint. Miss M was eventually informed by email and in its final response letter dated 24 April 2024 that MoneyGram wasn't able to refund her the money because it had been utilised by the account holder at the recipient bank and that it wasn't upholding her complaint.

Miss M was unhappy with this and so brought her complaint to this service. Miss M says that the money was intended for her mother's medical treatment which has now been denied and that she's had to make several trips to the post office to resolve the issue and sent many emails to MoneyGram but the money hasn't been recovered.

One of our investigator's asked for more information from MoneyGram on 5 November and 21 November 2024 but MoneyGram failed to respond and as MoneyGram hadn't provided enough information to evidence a mistake hadn't been made on its part, they thought that to put things right MoneyGram should:

- Refund the transaction of £1,090.75 and pay 8% simple interest from the date the payment was made to the date of settlement; and
- Pay £150 compensation for the trouble and upset caused.

Both Miss M and MoneyGram accepted our investigators recommendations. MoneyGram confirmed it would issue a refund via a MoneyGram money transfer that would be made available for Miss M to collect from an agent's location but has failed to pay the compensation so far or engage further with this service and so the complaint was progressed for an ombudsman's 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.

It might help if I explain here my role is to look at the problems Miss M has experienced and see if MoneyGram has done anything wrong or treated her unfairly. If it has, I would seek – if possible - to put Miss M back in the position she would’ve been in if the mistakes hadn’t happened. And I may award compensation that I think is fair and reasonable.

The background provides a summary of all the material information and evidence provided regarding Miss M’s complaint and having considered everything I don’t think there is anything much more of use that I can add that our investigators hasn’t said already.

So as MoneyGram has continued not to engage in this process or provide anything of use to this service to aide resolution of Miss M’s complaint, I’m in agreement with our investigator that MoneyGram has provided Miss M with poor service and that Miss M is out of pocket as a result.

So it follows that I uphold Miss M’s complaint to put things right MoneyGram should refund the amounts Miss M paid it (£1090.75) plus interest of 8% from 27 January 2024 to the date of settlement as this would put Miss M back in the position she’d be in if she hadn’t employed MoneyGram’s services. And I think the £150 compensation as recommended by our investigator is fair for the poor service received.

My final decision

For the reasons I’ve explained, I’ve decided to uphold Miss M’s complaint and direct MoneyGram International Limited to pay the fair compensation as outlined above.

Under the rules of the Financial Ombudsman Service, I’m required to ask Miss M to accept or reject my decision before 7 August 2025.

Caroline Davies
Ombudsman