

The complaint

Miss T complains about the service she received from Lloyds Bank PLC when she instructed it to send an international money transfer.

What happened

On 3 August 2023, Miss T instructed Lloyds to send an international money transfer to pay for stock she'd ordered from abroad. Due to a problem with the exchange rate, the transfer didn't go through. But Miss T was unaware of the problem as Lloyds didn't contact her.

Miss T contacted Lloyds on 9 August 2023 via its messaging service - as she was on holiday when the beneficiary chased her for the payment. Miss T says that she didn't get the help she needed using the messaging service, and she had to make the transfer using a different service provider which incurred additional fees.

Miss T complained to Lloyds and it upheld part of her complaint. It acknowledged that due to an error the money transfer had not been sent and it hadn't contacted her. It credited Miss T's account with £170 compensation by way of an apology for the inconvenience caused and to cover the cost Miss T having to send the payment an alternative way. But it said it said its mobile messaging service is a 24-hour service rather than an instant messaging service, so it didn't agree that it had done anything wrong when responding to Miss T's messages.

Miss T didn't think the compensation paid by Lloyds went far enough. So, she referred her complaint to this service. She said the £170 only covered the fees incurred to send the payment via another method and it didn't recognise the inconvenience she'd suffered or the poor service she had received. She also said she had made a financial loss as the stock she'd ordered was received later than expected due to the problem with the money transfer.

One of our investigators looked into Miss T complaint. He acknowledged Lloyds had made an error, but he thought the compensation it had paid was fair. He said the compensation payment covered the costs Miss T incurred because of sending the payment by an alternative method and recognised the inconvenience the error had caused. But he didn't think Lloyds had caused Miss T to make a financial loss as Lloyds' international money transfers can take up four working days.

Miss T didn't accept this outcome, and she asked for her complain to be reviewed again. 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've come to the same overall conclusion as the investigator. I know Miss T will be disappointed, so I'll explain why.

It's not in dispute that Lloyds didn't process Miss T's international money transfer or that it failed to contact her promptly so the problem could be resolved. Miss T had to contact Lloyds while on holiday to find out what had happened, and she then arranged to send the payment via a different service provider. So, I'm satisfied that Lloyds let Miss T down. And as a result, a compensation payment is appropriate.

Lloyds has paid Miss T £170 - £80 for the inconvenience caused and £90 to cover the cost of sending the payment by an alternative method.

Miss T has said the cost she incurred in sending the payment by an alternative method was more than £90. But I've seen that Miss T told Lloyds the cost was £90 when she raised her complaint, and that's also what she said when she submitted her complaint form to this service. As Miss T hasn't provided any other evidence that the cost was more than £90, I think Lloyds' payment of £90 is fair as I'm persuaded this covers the additional cost she incurred.

Miss T has said that the service she received when she contacted Lloyds and found the payment hadn't been sent was poor. Lloyds has explained that its messaging service is not an instant service. Rather customers can ask a question and the service will respond usually within one hour – but it can take longer at night-time. And if the automated system can't answer the question raised, the 'chat' is passed to a person to look into. Lloyds has provided a transcript of the 'chat'. And I've seen this is what happened in this case.

I've also seen that the messaging service couldn't initially answer Miss T's questions and she was told to contact another department. But when Miss T sent a further message another agent was able to eventually reach the international payment department established the transfer hadn't been sent.

Overall, while I'm persuaded that Lloyds was trying to assist Miss T within the limits of what a messaging service can provide, I can understand why Miss T became frustrated and upset. It took around two hours before Lloyds was able to confirm the payment hadn't been sent. And I appreciate that, as a result, Miss T decided to send the payment another way. But overall, I find that £80 compensation fairly recognises the inconvenience caused. Miss T was made aware within around two hours that her payment had not been sent and she was able to make arrangements elsewhere for the payment to be made.

Miss T has said that the money transfer was a payment for stock she ordered to sell. And due to the delay, her order was not received in time to sell at a prearranged event. Miss T hasn't provided any documentary evidence of this loss. But in any event, having given this careful thought, I'm not persuaded that I can safely say that Lloyds' error caused Miss T a financial loss in this respect.

I've seen that in the 'chat' Miss T said she'd been told – when the transfer had been set up, that it could take four to five days. Miss T became aware of the problem on day five and she was able to make arrangements for the payment to be sent another way. And Lloyds covered the cost of sending the payment.

Overall, considering the above, I've not seen enough to conclude that Lloyds' error resulted in Miss T making a financial loss. And I'm satisfied the compensation payment it has made is fair. So, I won't be telling Lloyds to take any further action in respect of this complaint.

My final decision

For the reasons given, I don't uphold this complaint – in the sense that Lloyds Bank PLC has already paid Miss T fair compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss T to accept or reject my decision before 5 March 2024.

Sandra Greene
Ombudsman