

The complaint

Mr H complains about a delay in receiving an international transfer into his Nationwide Building Society bank account.

What happened

On 31 August 2022 a family member who lives abroad sent a transfer of £75,000 to Mr H's account with Nationwide. Mr H has explained that this was one of a number of transfers he was expecting to receive and that the funds were intended to help with a property purchase.

Mr H started to contact Nationwide to chase receipt of the funds. But Mr H says Nationwide was unhelpful and referred him back to the sending bank to try and find out what had happened to the funds. An outbound trace was ultimately completed by the sending bank which found the transfer had been sent to Nationwide's intermediary bank (H) on 31 August 2022, the date the transfer was instructed.

Mr H has explained he regularly chased Nationwide for updates but felt it was reluctant to assist. Ultimately, Mr H raised a complaint and Nationwide was able to trace the missing funds and applied them to his account on 27 September 2022. Nationwide issued a final response and explained the delay had been caused by its intermediary bank using an incorrect reference for the payment. Nationwide paid Mr H £175 for the delay and inconvenience caused.

Mr H referred his complaint to this service and it was passed to an investigator. They upheld Mr H's complaint and asked Nationwide to pay an increased settlement of £300 for the distress and inconvenience caused. Nationwide agreed but Mr H requested 8% interest on the missing funds and an increase to the compensation offered. Nationwide agreed to pay 8% interest. The investigator remained of the view that £300 fairly reflected Mr H's experience and didn't ask Nationwide to increase the award further. Mr H asked to appeal and said he remained of the view that £300 was too low.

As Mr H asked to appeal his complaint has been passed to me to make a 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.

I'm aware I've summarised the events surrounding this complaint in less detail than the parties involved. No discourtesy is intended by my approach which reflects the informal nature of this service. I want to assure all parties I've read and considered everything on file. I'm satisfied I don't need to comment on every point raised to fairly reach my decision. And if I don't comment on something, it's not because I haven't considered it. It's because I've focused on what I think are the key issues. My approach is in line with the rules we operate under.

I can understand why Mr H was very concerned when the funds sent to him to assist with a property purchase went missing for around a month. The sums involved are substantial and purchasing a property can be a stressful experience. I agree with Mr H that Nationwide could've been more proactive when he initially raised the issue with it. I'm pleased the sending bank was quickly able to show the funds had been sent to H. And whilst it took around a month, I'm pleased the funds were ultimately found and applied to Mr H's account.

In response to the investigator's view, Mr H asked Nationwide to pay 8% interest on the funds for the period they were unavailable. Nationwide agreed and has told us the payment has now been made to Mr H's account. I'm satisfied the payment of interest is a fair settlement to reflect the time Nationwide retained Mr H's funds and they were unavailable for use.

The complaint has been referred to me predominantly on the basis that Mr H feels the £300 award for the distress and inconvenience caused is too low. As I've said above, I agree with Mr H that the issues raised did cause a reasonable level of trouble and upset over a period of around a month. And I agree it's fair for Nationwide to compensate Mr H in the circumstances of his complaint. I've considered the overall impact of the delays and service provided on Mr H. I accept the funds took around a month to be credited and that Mr H was referred back to the sending bank for investigations. I also accept Mr H was very concerned about the potential loss not just of the funds sent but the property purchase he intended to complete.

Whilst I don't doubt how frustrated and concerned Mr H was, I think the investigator's recommendation that Nationwide pays him £300 is a fair and reasonable reflection of the issues raised. I want to assure Mr H I've considered the impact of the delay and service on him and taken our approach to awards of this nature into account when reaching my decision. I'm sorry to disappoint Mr H but as I'm satisfied the award of £300 for the distress and inconvenience caused plus 8% interest on the funds whilst they were missing is fair and reasonable in all the circumstances, I'm not increasing the award further.

My final decision

My decision is that I uphold Mr H's complaint and direct Nationwide Building Society to pay him £300 plus 8% interest on the funds between 31 August 2022 and 27 September 2022.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 26 September 2023.

Marco Manente
Ombudsman