

## **The complaint**

Mr G complains that HSBC UK Bank Plc (“HSBC”) provided poor service and inaccurate information when he asked them about exchanging currency and depositing into his currency account.

## **What happened**

Late September 2021, Mr G called HSBC to ask questions about a currency account he’d opened with them. He wanted to know whether he could pay currency into the account if he was to purchase it through a third party. Mr G says that after various calls, he was eventually transferred to someone who understood his requirements.

Mr G explained to HSBC he wanted to exchange a large sum of UK currency into Euros and transfer it into his currency account. HSBC confirmed they could arrange this. So, Mr G asked HSBC to provide details of the exchange rate that would be used to convert the currency. He says HSBC told him the rate of exchange would be 1.183. Mr G was pleased with the rate provided and explained he needed to arrange for the amount to be transferred to his current account first, as it was being sourced from various savings and investments.

Mr G called HSBC again the following business day. He says he was on the phone to them for two hours, during which time, his call was transferred to various different agents at HSBC. Mr G says HSBC then told him the exchange rate was 1.12. He wasn’t happy with this as it was considerably less than he’d been told the previous business day. He accepted that rates were prone to fluctuation, but he thought the movement wasn’t right.

Mr G asked HSBC to check the rate from the previous day. But HSBC said they couldn’t do that as they only had access to live exchange rates. Mr G wanted HSBC to allow him to listen to a recording of his original conversation the day before. But HSBC said they couldn’t do that either.

HSBC agreed to raise a complaint and transferred Mr G’s call to a manager. HSBC’s manager agreed that the service Mr G had received wasn’t good enough and offered to compensate Mr G financially for his experience. Mr G told HSBC he didn’t want that. He insisted they listen to the original telephone call and feed back to him their findings.

Mr G then received a letter from HSBC apologising that he’d had cause to complain. HSBC said they hoped Mr G was satisfied with how the complaint was resolved. Mr G wasn’t satisfied with HSBC’s response as they hadn’t returned to him with the outcome of their investigation. So, he decided to refer his complaint to this service.

Our investigator contacted HSBC for information relating to Mr G’s experience with them. HSBC provided the information and agreed Mr G had been provided an incorrect exchange rate. But they didn’t agree that any rate difference should be paid as they would never have been able to provide the original rate given. HSBC offered compensation of £100 to reflect the incorrect information they’d provided.

Having considered all the circumstances here, our investigator thought HSBC’s offer was fair. But Mr G didn’t think HSBC’s offer was enough. He’d arranged for funds to be released from savings and investments on the strength of the exchange rate HSBC had quoted. He thought any compensation should reflect any losses as a result.

As an agreement couldn’t be reached, Mr G’s complaint has been passed to me to consider.

## **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've listened to recordings of the various calls and discussions Mr G had with HSBC across the two days concerned. And I agree that Mr G appears to have spent considerable time in his attempts to obtain advice and guidance so that he could complete the transaction he wanted to. However, I think it's relevant that there were elements of those calls that related to Mr G's request to release funds from an investment he held with HSBC. And as this was a separate, albeit related matter, I don't think it's unreasonable that this might involve speaking to different agents within HSBC. This is part of HSBC's own processes and procedures.

It isn't the role of this service to ask a business to alter its procedures or processes or impose improvements on the level of service offered to their customers. These aspects fall firmly within the remit of the regulator – in this case, the Financial Conduct Authority (FCA). But it is our role to examine and decide whether a business has been fair and reasonable in the manner in which those policies and procedures are applied in the individual circumstances of Mr G's experience with them.

In a conversation on the first business day, Mr G asked HSBC what the exchange rate was for exchanging UK currency into Euros. He told HSBC, *"I'm trying to bank the rate as it is at the moment by going through a currency company or yourselves"*. HSBC told Mr G, *"I'll get you an indicative value of what that will be just now... So that rate, it's £1 is worth €1.194073"*.

Having listened to further calls from the following business day, Mr G was told the rate was lower. He was quoted a rate of 1.128053 this time. HSBC agree Mr G was provided with an incorrect rate on the first occasion. But they don't believe they should be held liable for that rate as they would never have been able to provide it as part of a currency exchange transaction. Their systems wouldn't have allowed that.

I agree Mr G was given an incorrect indicative rate. But as it's indicative, I don't consider it to be binding. A rate would only be binding if confirmed as part of a live currency exchange transaction. And Mr G wasn't in a position to complete the transaction on that day as he still needed to transfer funds into his current account.

I think it's also relevant that Mr G confirmed he'd also had discussions with, and presumably had access to, other currency exchange providers. So, in the event that he wasn't happy with any rate quoted by HSBC, he still had the option to use another provider. That would be his choice.

Mr G made the decision to realise funds from various savings and investments. And he says that decision was based upon the indicative rate given by HSBC. But as currency exchange rates are constantly subject to live fluctuation, there was never any guarantee about the rate he would ultimately secure. So, while I appreciate and understand Mr G's point of view, I can't reasonably hold HSBC responsible for his decision.

## **Putting things right**

As I've already said, I agree HSBC provided Mr G with inaccurate information during a call. HSBC have acknowledged this and offered £100 to Mr G by way of an apology.

Compensation is a personal thing. What is seen as reasonable by one party may not be considered so by another. Mr G was given inaccurate information. But I think the amount offered feels fair in all the circumstances here. I appreciate Mr G doesn't agree. But it isn't the role of this service to make awards in order to penalise HSBC for their mistake. Any award is considered based upon the impact HSBC's mistake had upon Mr G. And I think HSBC's offer does that here.

I will be upholding Mr G's complaint. But while I appreciate Mr G will be disappointed, I won't be asking them to pay any more.

**My final decision**

For the reasons set out above, I uphold Mr G's complaint.

I require HSBC UK Bank Plc to pay Mr G £100 in full and final settlement of his complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 25 August 2022.

Dave Morgan  
**Ombudsman**