

The complaint

Mr J complains that First Rate Exchange Services Ltd ("FR") sold him a Travel Money card but did not load it with the €400 he gave them, and they later said he had been given the funds as cash in branch.

What happened

Both parties are aware of the circumstances of the complaint, so I won't repeat them here. I'll instead focus on the findings I have reached and my reasons for them.

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 should be noted that this complaint is against FR so I will be focussing on their actions, but I've also had to consider evidence relating to the Post Office.

Mr J says that he went into the Post Office branch on 1 August 2022 in order to purchase a Travel Money Card. He says he asked for €400 to be loaded onto it and provided his passport details. He was told to wait until 10:30am the following day in order to activate it. The next day, he flew to his holiday destination and telephoned FR to activate to card, but was told no funds had been loaded onto it. He's said that he did not receive a receipt for the Travel Money Card.

FR says that no funds had been loaded onto the Travel Money Card as the evidence shows Mr J withdrew €400 as cash instead. This is a different version of events to what Mr J has said. Where this happens, I have to consider all of the evidence available to me to determine what I think is *more likely* in the circumstances.

FR has sent evidence provided by the Post Office showing that their systems listed the transaction as 'Sell Currency' which indicates it was a cash withdrawal for currency. They have explained that a Travel Money Card loading would have a different description so they feel this indicates there was a cash withdrawal on that day. In addition, they've said that the branch had no discrepancy on their Euro currency balance on that day, which there would have been had Mr J not taken the €400 in cash as that is how it had been logged onto the system. They've again said this shows the transaction was a cash withdrawal and not a Travel Money Card being loaded.

In addition to this, FR has said that had a Travel Money Card been issued in the branch, there would have been a 'know your customer' check recorded on the system as part of the verification process. However, there is no record of one on the system for the transaction.

Considering all of this, the way in which the transaction was logged on the system, the fact there was no discrepancy in the balance of Euros in the branch that day and there was no

know your customer check recorded on the system, leads me to think that on balance it's more likely the transaction was a cash withdrawal and not the loading of a Travel Money Card.

Mr J has said that FR should have requested CCTV as this would show what happened in the branch. It has been confirmed that CCTV only remain on the system for 28 days, after which time it is automatically wiped. I therefore have to consider if it was reasonable for FR to have requested the CCTV within the 28 days.

While I can see that Mr J had raised a complaint within the 28 days, FR had issues locating the transaction in question. This is because Mr J had initially quoted the incorrect transaction amount as he said it was between £200 and £300 – however the transaction was for £347. In addition to this, at the time, no accusation had been made about fraud being committed by a staff member or a reason given that would require looking over the footage from the day. So I don't think it was reasonable to expect FR to request the CCTV footage within the 28 days as I don't think it was relevant information at the time.

I've finally considered Mr J's comments that the member of staff could have committed fraud in order to steal the €400. This is a serious allegation and I've once again had to consider all of the evidence available to determine what I think is most likely. As part of my considerations, I asked if there had been any other complaints made against the branch within a reasonable time-frame to understand if there was a pattern of behaviour. No other complaints had been made, and with nothing else to suggest fraud had been committed, I think it's more likely the cashier handled Mr J's request appropriately.

While I understand this will be disappointing for Mr J, based on the evidence available, I think it's more likely the transaction was a cash withdrawal and not a Travel Money card being loaded. So I don't think FR needs to pay Mr J the £347.83 (€400).

FR has offered Mr J £50 compensation in recognition of the delays in providing him with a meaningful response. On balance, I think this is a reasonable offer and in line with what I would have recommended in the circumstances.

My final decision

First Rate Exchange Services Ltd do not have to refund the £347.83 to Mr J, but they should now pay him the £50 compensation offered if they have not already done so.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 21 July 2023.

Rebecca Norris
Ombudsman