

## **The complaint**

Mr C complains that Barclays Bank UK PLC made an error in administering his foreign currency account which resulted in a delayed transfer of funds, causing him to lose money.

## **What happened**

Mr C holds a currency account with Barclays. Mr C had asked Barclays to close another account he held with it, and as a result Barclays closed the currency account in error.

On 2 September 2022 Mr C visited a Barclays branch to arrange a transfer of funds from his currency account to a sterling account. Because the currency account had been incorrectly closed he was unable to complete this transfer. Barclays took steps to correct the issue with Mr C's currency account, and he was able to make the transfer on 9 September 2022, but by that time the exchange rate had changed and so he lost out financially because of this delay.

Barclays had looked into Mr C's concerns about this issue and, to resolve his complaint, it offered to pay him the difference between the exchange rate it was offering on the 2 September and the exchange rate Mr C received on 9 September – £554.25. Barclays also offered Mr C a further £445.75 as compensation for the impact of its error.

Mr C didn't feel this offer was fair. He says that when he first visited the branch to make the transfer he was intending to use a broker, which would have offered a much better exchange rate. He wants Barclays to pay the difference between what the broker would have offered him on 2 September 2022 and what he received when he was able to make the transfer on 9 September 2022.

Barclays said it would consider this if he could provide evidence of the exchange rate the broker was offering that day. But although Mr C provided an email from the broker setting out the exchange rates available on 2 September 2022 Barclays did not consider this to be adequate evidence of any additional loss over and above the offer it had already made, so it was not willing to increase its offer.

As Mr C remained unhappy one of our Investigators reviewed his case. Overall, they felt that Barclays' offer was fair, and did not think they could ask it to increase its offer based on the evidence Mr C had provided.

Mr C didn't agree, so he asked for his complaint to be passed to an ombudsman.

I issued my provisional decision on this case on 8 June 2023. Both sides have since confirmed that they accept my provisional 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.

In my provisional decision I explained the following:

*“To be clear, both parties do seem to be in agreement that a fair resolution to this complaint is for Barclays to reimburse Mr C his losses, based on the difference in the currency exchange rate between 2 September 2022 and 9 September 2022. I agree this is the fairest way to resolve matters. So, what is left for me to decide is how Barclays should most fairly calculate those losses.*

*Mr C says that he should receive the rate the broker told him was available on 2 September – which he says was noted down on a leaflet when he was in branch. Whereas Barclays has calculated his losses based on its own exchange rate on those days.*

*My role is to try and put Mr C back, as near as possible, to the position he would’ve been in, had it not been for any shortcomings on Barclays’ part. So, this means putting Mr C in the position he would’ve most likely been in, had he been able to make the transfer as he wanted to on 2 September 2022. And I think it is clear from all the correspondence Mr C has had with Barclays and with our service that, if he had been able to make the transfer that day, he would have used the services of a broker to ensure he obtained the best exchange rate.*

*So as long as Mr C has evidence of the rates the broker would likely have used, I consider it is fair for his loss to be calculated on the difference between the rate he ultimately got on 9 September and the rates the broker was offering on 2 September.*

*Barclays has said that the evidence Mr C has provided does not prove the loss he is claiming. Mr C has provided an email, from the broker he would have used, giving the range of exchange rates that were available on 2 September. The broker can’t, however, pinpoint the exact rate Mr C would have received as rates fluctuate throughout the day. Mr C has also provided a handwritten note which he says is the rate the broker was offering while he was in the branch on 2 September trying to make the transfer.*

*Barclays has said it would need something from the broker on headed paper stating the difference in rates and showing the loss that Mr C is claiming. But I don’t consider it is reasonable to say that the evidence Mr C has provided is inadequate. The email from the broker is from an individual who does appear to work for the specific foreign exchange broker, is from an email address associated with that broker, and has the appropriate footers and other details identifying it as an email from the broker. I can’t see why something on headed paper would be necessary here as there appears to be no question about the legitimacy of this email.*

*I also don’t think it is reasonable to expect the broker to pinpoint the specific rate that Mr C would have received on the day, we cannot know exactly what time the transfer would have taken place, so it seems entirely reasonable to me for the broker to have provided a range of possible exchange rates, as he has done. And I think it is worth noting here that the rate Barclays has used to calculate Mr C’s loss is not within the range set out by the broker.*

*Overall, I am satisfied that, had Mr C been able to make the transfer as he wanted to on 2 September 2022, he would have received a rate within the range set out by the broker. So I consider it is reasonable to use that range to calculate the appropriate compensation that should be paid to Mr C.*

*Mr C has provided us with a handwritten note, which he says is the amount he was told he would have received at the time he was trying to make the transfer. This amount is within the range set out by the broker, and I’ve not seen anything to make me think this handwritten note wasn’t made at the time and under the conditions Mr C says it was.*

*I do note that Mr C has said he did not use the broker when he ultimately was able to make the payment on the 9 September. But Mr C has explained this is because he had been clearly told by Barclays that he would not lose out financially because of what had happened. With what I've seen so far this does not seem to me to be an unreasonable action on Mr C's part.*

*On that basis I am intending to find that a fair and reasonable way to resolve this complaint would be for Barclays to calculate Mr C's loss using the figure he recorded on the day he intended to make the transfer - £172,115.78. This equates to a loss of £1,596.60.*

*Mr C has also made further comments about the potential impact of the error regarding his currency account. I've thought carefully about what he's said regarding what could have happened. But my role here is to ensure he is appropriately compensated for what did happen, and I'm satisfied that the additional payment for distress and inconvenience that Barclays has already offered - £445.75 – is fair and reasonable in the circumstances of this complaint, so I won't be asking it to increase that aspect of the compensation paid to Mr C.”*

As both Mr C and Barclays have accepted my provisional findings, I have no further comments to add to what I have already said, and my decision remains unchanged from the provisional findings set out above.

### **Putting things right**

To resolve this complaint Barclays should:

- Pay Mr C £1596.60, representing the financial loss he incurred, and
- Pay Mr C £445.75 compensation for any distress and inconvenience caused.

### **My final decision**

I uphold this complaint. Barclays Bank UK PLC should put things right in the way I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 24 July 2023.

Sophie Mitchell  
**Ombudsman**