

The complaint

Mr K is unhappy with the way that TSB Bank Plc ('TSB') processed three international transfers he made to Estonia. He expected the payments to be processed without conversion to another currency, but that didn't happen.

What happened

Between 26 April 2024 and 20 May 2024 Mr K sent payments of £8,900, £10,000 and £35,000 to an account he holds in Estonia. Mr K's said that he made the payment via the TSB banking app and wanted them to remain in GBP as his Estonia account accepts the currency. However, after each payment was made, he received a text to confirm it had been converted to Euros.

Mr K called TSB shortly after the £35,000 payment was made to check it was sent in GBP and they confirmed that it was. So, Mr K sent a further £50 payment and said that he ensured that he selected the right options, but this was also converted to Euros.

As Mr K was unhappy that the payments weren't sent as he'd requested, he called TSB to complain. TSB responded explaining that while he sent the payments in GBP, he didn't select the 'do not convert' option – which would prevent the correspondent or beneficiary banks converting them. However, they paid £30 compensation for some complaint handling issues. Unhappy with TSB's response, Mr K referred the complaint to our service.

The Investigator reviewed the complaint and issued three opinions. Their initial opinion was that TSB hadn't made an error as the evidence showed that 'do not convert' wasn't selected. After receiving evidence from Mr K, they issued a second opinion upholding the complaint as they thought the 'do not convert' option wasn't on the app. However, following further evidence from TSB, the Investigator issued a third opinion explaining that TSB hadn't made an error and the £30 compensation was reasonable.

Mr K remained unhappy and asked for an ombudsman to decide the case. As such, the complaint has been passed to me.

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.

Mr K feels strongly that he selected the correct options when sending the payments. While he has provided screenshots showing the payment journey, none of these show whether the correct option was selected at the time the payment was made.

So, I'll be taking the information he and TSB have provided about the payments and I'll be making a finding on balance, based on what I think was most likely to have happened at the time.

The payment process

All of the payments involved in this complaint were made via the TSB app. In order to send

this payment Mr K would have inputted the amount and recipient details. He would then choose the currency that the money is sent in and choose how he wants the conversion to work.

If GBP to GBP is selected, TSB won't convert the payment themselves and the money will leave in Pounds sterling. This will result in a fee being charged in line with TSB's payment terms – which aren't in dispute. If GBP to Euro is selected, TSB will convert the payment themselves and it will leave in Euros. This won't result in a fee if it's being sent to an EEA country.

If GBP to GBP is selected and the recipient country isn't in the UK, two options will be presented – one of these needs to be selected in order to complete the payment instruction. This includes the option to keep the payment as GBP, or to consent to it potentially being converted to an accepted local currency.

TSB's provided SWIFT messages to show that the first option will result in 'do not convert' appearing in the message to corresponding banks, this will prevent them from converting it. If the second option is selected, TSB's shown that the above line doesn't appear in the SWIFT message and while the payment leaves them in GBP, it may be converted before arriving at its destination.

Was the correct option selected?

TSB has provided evidence for each payment showing that 'do not convert' wasn't included in the SWIFT message, which suggests that Mr K didn't select the correct option when completing the payment instruction.

Mr K disagreed with this and provided screenshots of a £50 test payment he said he'd completed on 21 May 2024. These show that 'do not convert' was selected, but this payment was still converted to Euros by TSB's correspondent bank. However, after reviewing the screenshot and the timing of the transactions, I'm convinced that it relates to a £50 payment Mr K made on 8 August 2024.

TSB has provided evidence to show that the SWIFT message for the payment on 8 August 2024 included 'do not convert' and would have arrived at its destination in GBP. While this isn't the payment included in Mr K's complaint, it shows me that when the correct option is selected in the app, the payment is made as Mr K intended. As the payment process worked as intended here, I can't reasonably say why it wouldn't have worked for the payments made in April and May 2024.

Mr K believes that as he was charged a fee for his payments, he must have selected the correct options. However, based on what I've seen, the fee relates to the currency that the payment leaves in, not whether it's converted after that stage. So as Mr K selected GBP to GBP, a fee would always be charged.

Based on the above, and the fact that the test payment made in August 2024 shows this process sent as intended when the 'do not convert' option is selected, I think it's more likely than not that Mr K selected the second option when sending the three payments in April and May. If he had selected 'do not convert' I can't see why the SWIFT messages wouldn't have reflected this.

Mr K's requested that calls are listened to, but I've decided not to do this as the calls took place after the three payment instructions were completed. The crux of this complaint comes down to how the payments were made. Based on what Mr K's said, TSB advised in the call that the payment left in GBP, which was correct for all of the transactions. So, I don't think listening to this call would impact the outcome.

Finally, I note Mr K's also expressed concerns about how TSB handled his complaint. However, as complaint handling itself isn't a financial activity under our rules, it's not something I can comment on further. Based on this, I don't think the £30 TSB paid to Mr K is unreasonable.

My final decision

For the reasons I've explained above, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 15 January 2025.

Chris Lowe

Ombudsman