

The complaint

Ms B complains about the poor and misleading information provided on exchange rates when she was looking to receive a payment from her foreign bank account.

What happened

The details of this complaint are well known to both parties, so I won't repeat them again here in detail.

In summary, around August and September 2024 Ms B contacted Lloyds to clarify the potential exchange rate for an incoming transfer she wanted to make from her foreign bank account, where the funds would need to be exchanged from Euros to Sterling. Ms B says she needed to contact Lloyds because the information on its website wasn't clear.

Ms B has told us that she wasn't given the correct information when she contacted Lloyds, and she was put through to the incorrect department. As she wasn't satisfied with the information provided, she complained to Lloyds. Lloyds responded to her concerns in the mobile messaging service on 27 September 2024. It acknowledged she wasn't given the right information on the indicative exchange rate, so it agreed to uphold her complaint and offered £20 in compensation. But Ms B didn't feel the complaint had been appropriately considered. So she asked for the complaint to be escalated.

Lloyds responded in November 2024, it accepted Ms B had been given the incorrect information regarding the indicative exchange rate for incoming international payments. It also accepted Ms B had been transferred to the incorrect department, and that a complaint wasn't initially logged by the mobile messaging team when she requested. Lloyds paid Ms B a further £80 in compensation taking the total to £100 for the distress and inconvenience caused.

Lloyds also confirmed the information Ms B wanted about any charges or fees that may be charged for incoming international transfers. It also explained that the indicative rates were subject to change, but she could get information on them on its website, which would also include information on its fees, standard exchange rate and margins.

Ms B remained unhappy and asked us to investigate. After looking into things the investigator felt Lloyds had appropriately compensated Ms B for the errors. Ms B didn't agree, she felt the incorrect information meant she had to delay the transfer and the rate has now decreased so she felt she was at a financial loss.

Because a resolution wasn't reached the complaint has been passed to me to make a final 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.

Having done so, I come to the same conclusions as the investigator for largely the same reasons. I'll explain why.

Lloyds has accepted that it provided Ms B with some incorrect information and could have communicated more clearly when discussing the indicative exchange rate at the time of initial enquiry.

However, based on the evidence, I'm satisfied that Ms B was given the key information she needed during her mobile messaging conversation with Lloyds on 27 September 2024. Lloyds confirmed there would be no charges applied by them for incoming payments, but Ms B would need to check with the sending bank whether any fees would apply on their side. Lloyds also provided her with the indicative exchange rate available at the time. Most of this information was also publicly available on Lloyds' website.

Given that Ms B received the relevant information shortly after her inquiry, I consider the £100 compensation offered by Lloyds to be fair and reasonable in the circumstances.

I understand Ms B feels that the initial misinformation led her to delay making the payment and that, as a result, she would now receive a less favourable exchange rate – causing her a potential loss of £180. However, I don't agree that Lloyds is responsible for this. As noted, by 27 September 2024 Ms B had the information needed to make an informed decision about the transfer. Whether or not to proceed at the time was her choice.

Additionally, on 23 September 2024, Lloyds advised Ms B during the mobile messaging conversation that she could call the relevant department for an up-to-date indicative exchange rate. This gave her a clear path to obtain the latest rate, and I'm satisfied that Lloyds acted reasonably in how it handled her query.

I appreciate Ms B wished for her complaint to have been looked at in more detail and was dissatisfied with Lloyd's final response letter lacking a detailed explanation. But even if I thought the letter should've been more detailed, I must point out that there are rules (known as DISP Rules) laid down by the Financial Conduct Authority which means complaint handling is not a regulated activity. So, I'm unable to consider complaints about response letters or escalation processes.

I recognise that Ms B will be disappointed with this outcome. However, my decision is that Lloyds acted reasonably in its handling of her concerns, and I will not be asking the bank to take any further action.

My final decision

For the reasons mentioned above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms B to accept or reject my decision before 29 May 2025.

Jag Dhuphar
Ombudsman