

## **The complaint**

Mr C complains that Barclays Bank UK PLC delayed the closure of his Everyday Saver Account causing him financial loss. He goes on to say Barclays transferred his funds in New Zealand Dollars rather than sterling, despite his specific instructions, which caused further losses due to exchange rate movements. Mr C wants to be awarded significant compensation, and recompense for both his actual and potential losses in relation to those exchange rate movements, loan payments and a lost investment opportunity.

## **What happened**

Barclays wrote to Mr C because it'd made the decision to limit its services to customers living outside the UK. So, it said Mr C had to close his account.

Mr C sent in a closure form in March 2023 and was sent two letters dated 12 April 2023, one asking Mr C to provide banking details for his account in New Zealand (which he'd already supplied) and a certified copy of valid photographic identification. Mr C says he didn't receive these letters.

Barclays wrote again on 15 May 2023 and 14 August 2023, reminding Mr C that his account needed to be closed. The second letter said that if instructions hadn't been received by 30 August 2023, the account would be closed and transferred to a secure central account. Again, Mr C says he didn't receive these letters.

Having heard nothing, Barclays closed Mr C's account and transferred it when it said it would.

Mr C wrote to Barclays on 23 June 2024 to say the details supplied on the account closure form were correct and that'd been checked with his New Zealand bank. He also said he was providing a copy of his passport.

Barclays wrote to Mr C in July 2024 and awarded £100 compensation for the delays he'd experienced and the lack of an explanation as to why the account closure form hadn't been accepted. Mr C responded to Barclays to say the compensation was inadequate and he wanted £500 as compensation together with the transfer made immediately.

Barclays re-opened the complaint on receipt of a further letter from Mr C in late July and awarded a further £250 compensation (bringing the total to date to £350). It confirmed receipt of a certified copy of Mr C's passport and said the team dealing with the reclaim of Mr C's money would be in touch.

Between late July and mid-October, the team dealing with the reclaim of Mr C's funds required additional information which Barclays tried to deal with in-house. But it did have to reach out to Mr C for some additional information.

The transfer was finally made on 23 October 2024 for a sterling value of £123,387.12 with a value date of 24 October 2024. But the transfer was sent as New Zealand dollars (NZD) not sterling (GBP) contrary to Mr C's instructions.

Mr C contacted Barclays to complain which prompted a further final response letter on 29 October 2024. Barclays admitted its error and asked Mr C for a copy of his bank statement showing the exchange rate used by ANZ Bank so it could ensure Mr C wasn't financially disadvantaged. No rate conformation was supplied by Mr C and so, on 6 November 2024, Barclays sent another final answer awarding £750 compensation (in addition to the £350 already awarded) and advising a payment of £1715.08 had been sent to Mr C to correct the shortfall. It said if Mr C could show that he'd have got a better rate, he should provide evidence, and it'd look to compensate him accordingly.

Mr C remained unhappy and referred his complaint to this service where one of our investigators considered the merits of his complaint.

Our investigator thought Barclays had acted fairly and reasonably. They said £1,100 was fair and in line with what we'd be awarding if compensation hadn't already been paid. They also said Barclays use of the central banking rate to determine the loss to Mr C was reasonable in the absence of proof from him of what rate his bank would've converted GBP to NZD on the day the funds hit his account.

Mr C disagreed with our investigator. He said the point had been missed. His points were:-

- All correspondence from Barclays had been answered and that he'd had no further correspondence from Barclays other than to ask (incorrectly) for correct bank details
- He was only asked for a certified copy of his passport in 2024 not 2023

Mr C said that he'd been disadvantaged because:-

- Barclays hadn't requested the certified identification until 2024 and had it been requested in 2023 he'd have provided it
- Barclays had delayed sending the funds because it didn't understand the New Zealand banking system and then sent the money in the wrong currency
- He'd missed out on the opportunity to invest in a business venture which later turned out to be profitable
- He'd had to take a loan for medical treatment for his wife at a rate of 7%.
- The trauma and strain of the episode has caused him and his family great distress and many sleepless nights.

Both Mr C and Barclays were asked for clarification on certain points and responded as follows:

Mr C

- Why were the letters of 12 April 2023 not responded to until June 2024?  
Mr C responded "I didn't receive a request to send a certified copy of my passport until 16 July 2024 which was responded to on 30 July 2024"
- Please provide loan documentation to show the interest paid, start and end dates so redress can be paid if appropriate  
Mr C replied "I got a loan from a finance company but didn't keep any documentation"
- You've said that you would've chosen a beneficial time to convert the GBP into NZD and yet you've also said you needed NZD to pay for medical treatment. Can you explain further?  
Mr C said "Only a small portion of the money was required for the medical treatment, the remainder would've remained in GBP until the exchange rate was favourable."
- You've said on the day the funds arrived in New Zealand a considerably better rate was available from ANZ Bank. Please provide written confirmation from ANZ Bank of the rate they'd have exchanged your funds at.

Mr C replied "Because of the rate used, he received 261,346.26 NZD but at the rate ANZ would've used to convert his GBP into NZD (0.4469) he'd have received 276,095.59. The loss is therefore 14,749.33NZD (less the £1715.08 awarded by Barclays)

- Barclays sent a letter on 12 April 2023 asking for a certified copy of his identification (copy attached) does he have any comment on this?

Mr C says he never received the letter

- Why weren't the funds converted into sterling when they arrived so you had what you wanted – a sterling amount in your sterling account?

Mr C said "Funds weren't converted because Barclays had said any shortfall would be compensated and the funds couldn't be changed into sterling because banks have substantially different rates for buying and selling currency"

Barclays

- Please provide a timeline for what happened between the certified passport being received and the funds being sent

Timeline sent

- Please confirm the exchange rate used and where this was obtained from  
Barclays said "The rate used was 0.4652 (Central Bank Rate 22 October 2024)

No further information was received from Barclays or Mr C.

Following this, I issued a provisional decision in which I expanded on the reasons why I believed Barclays had done enough to resolve Mr C's complaint. I said

This complaint breaks down into a number of different points and, for the sake of clarity, I'll deal with each separately.

#### *Delays with releasing Mr C's funds*

It's not in dispute that the closure request started in February 2023 with Barclay's request for Mr C to close his account due to residency being outside the UK.

Mr C received that letter and sent back a closure form. Barclays in turn sent two letters to Mr C on 12 April 2023, one saying that more information was needed on Mr C's account information to be able to send the funds and the second saying that a certified copy of valid photographic identification was required. Mr C has made a specific point of saying that Barclays didn't ask him for certified identification until July 2024. He says several times in his conversations with this service that the earlier letters from April 2023 were never received. But I note in Mr C's letter to Barclays of 23 June 2024, he says

*"I am writing to you regarding the closure of my account and also in response to your letter dated 12 April 2023..... I have also provided a copy of the ANZ Bank Instructions in my correspondence which clarifies this as well as a copy of my passport."*

Given that I have copies of the letters on file, and Mr C has referred to a letter from April 2023, I'm persuaded that Mr C did get the letters in April 2023. Having looked at those letters, I see it says:

*We're writing to let you know we need certified copy of a valid photographic form of identification – this can be a passport, driving licence UK armed forces card.*

When Mr C replied in June 2024, I questioned why he'd have sent a copy of his passport

(albeit not certified) and commented on the bank information if he wasn't aware of what Barclays still needed. The further letters sent by Barclays on 15 May 2023 and 14 August 2023 were sent to the same address as all correspondence and so, in line with our usual practice, we say that if a letter has been sent by the business but hasn't been received, that's not the fault of the business as it's entrusted the delivery to a delivery agent.

Turning now to events after Mr C had returned a certified copy of his passport. Barclays had to reclaim the funds from its central account and to do that, various checks and procedures had to be followed. Having looked at the detailed timeline provided by Barclays, I'm satisfied that it dealt with the transaction reasonably with no avoidable delays.

So, I believe the delays between February 2023 and July 2024 are not solely Barclays responsibility and it would be unfair of me to hold it liable. Despite this, I see that Barclays has paid a total of £350 in compensation for the delays and I consider this to be both fair and reasonable.

#### *Funds being sent in the wrong currency and rectification for that error*

I'm pleased to see that as soon as Mr C told Barclays the funds had been sent in the wrong currency, it admitted its mistake and offered compensation of £750. It also told Mr C that any loss he suffered would be covered by it.

It asked Mr C to advise what rate ANZ bank would've converted GBP to NZD on the date of receipt and it'd cover the shortfall. But Mr C never gave Barclays the proof it'd asked for. This service has also asked for proof of the rate Mr C quoted (0.4469) but this hasn't been provided. If Mr C can provide confirmation from ANZ Bank on its headed paper or by an official e-mail of the rate it would've applied, then both I and Barclays would be willing to reconsider the shortfall. But, in the absence of that proof, I think Barclays did the reasonable thing by using the mid-market central bank rate.

Mr C has said that he's short by 14,749.33 NZD. But there's an error in the calculation made by Mr C. He said

'I would receive £123,387.12 x 2,1665 which meant I should have received \$276,318.19 NZD'.

But £123,387.12 x 2.1665 is 267,318.19 not 276,318.19 – a difference of 9,000 NZD. So, the maximum loss is 5,749.33 NZD less the equivalent of £1715.08 already paid.

Mr C has made much in his submissions about how he could've retained sterling until rates were advantageous for him and then converted the funds. Barclays offered to recall the NZD and send the funds again in sterling which would've met Mr C's objectives. But he refused that offer. Mr C also chose not to ask ANZ Bank to convert the NZD received into sterling – because of the difference in rates. But, had he done so, the loss would've been crystalised and Barclays would've had a definite figure to work with.

It would be unfair of me to allow Mr C to choose a rate from a point in the future which was to his best advantage.

The principle this service works on is the customer should be put back in the position they would've been in had the mistake not happened. In this case, the mistake was the wrong currency was sent and Mr C received NZD not GBP. So, the redress here is to pay Mr C the difference between what he should've received and what he did receive. Barclays has done that and arrived at a figure of £1715.08 and I'm satisfied that this is correct. I appreciate Mr C doesn't agree that this is the way his loss should be calculated but I think it's the one

which fits with our policy on redress.

Barclays paid £750 in compensation, and I think that's fair for this error which Barclays acknowledged and corrected quickly.

#### *Consequential losses arising from the delay in funds*

Mr C cites two examples of where he's missed out an investment opportunity and had to pay interest on funds borrowed because Barclays didn't send the funds quicker.

I'm sorry to hear of Mr C's losses. But for me to award a refund of interest on the loan, I'd need to see evidence of it and what Mr C had been charged. I asked for that evidence as I'd have been prepared to consider such an award. But Mr C says he retained none of the paperwork in connection with the loan. That being the case, I have nothing to base a calculation on and so I can't make any award.

Similarly, Mr C says he could've invested in a business which is now profitable. I'm sorry he's missed out on that opportunity but that can't have been a foreseeable consequence of Barclays delays and so it would be unfair of me to ask Barclays to pay compensation for that.

#### *Distress and Inconvenience*

Mr C has said from the outset that he wants significant compensation for the trouble and upset caused to him and his family. As Mr C is the only eligible complainant on this complaint, I can only consider the trouble and upset he's been caused by Barclays errors.

I'm of course aware of the situation Mr C has found himself in whilst this complaint has been ongoing and I do offer him my sincere sympathy. But when I'm assessing compensation, I have to look at what I think has realistically been caused by Barclays errors and what's been outside of its control. In this case, I think the mistakes Barclays have made have been adequately compensated for in its payment of £1,100 and I don't think it would be fair to ask it to pay anything further.

In response to my provisional decision, Barclays said it accepted it and had nothing further to add.

Mr C asked for a telephone call to discuss the complaint with me. In order to retain impartiality, it would be highly unusual for an ombudsman to discuss a complaint with one party. For that reason, our investigator told Mr C that any further comments or evidence should be presented in writing for my consideration. Mr C was very unhappy about this and said I was being inflexible. I'm sorry Mr C feels that way. As I've said above, I wanted, and still wish, to ensure that my impartiality is clear for all to see and that's why I didn't engage in a phone call with Mr C.

Mr C then sent a further e-mail in which he said that my provisional decision contained inaccuracies and potentially questioned his integrity. Again, I'm sorry Mr C feels that way. My comments are based on the evidence on file and the conclusions which I believe can be reasonably drawn from that evidence.

Mr C says in his e-mail:

"I wanted reasonable compensation; I never received the aforementioned letters from Barclays and I provided them with all the information they requested. Furthermore, they did not request additional information."

Mr C also questions whether I've taken into account the conversations he had with a Barclays employee in which culpability was admitted as well as failings by Barclays staff.

### **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'm satisfied that the conclusions I reached in my provisional decision are correct. But I do want to respond to Mr C's comments.

Firstly regarding the non-receipt of letters from Barclays. Mr C is adamant that he never received the letters from April 2023 requesting information about his New Zealand bank account and a certified copy of his passport.

In saying I've reached a different conclusion, I'm not impugning Mr C's integrity. I'm saying that the evidence I have suggests it's more likely than not that the letters were received. Although I did explain my reasoning in the provisional decision, I think it worth repeating.

Barclays sent two letters in April 2023. The first said

*"Thank you for writing to us on 30/03/2023.*

*We're writing to let you know we need certified copy of a valid photographic form of identification - this can be a passport, driving licence, UK armed forces card. Kindly note we are unable to accept EU National Identity card.*

*The above documents must be certified by Barclays staff or independently certified by a Notary Public. If you are sending certified documents in a language other than English, please make each one is accompanied by an official certified translation."*

The second said

*"In order to complete the request we need to complete an International Funds Transfer. Unfortunately, we are unable to proceed with this request as there are insufficient details to enable us to transfer the funds. Please re-submit your request with the following details:"*

Mr C wrote to Barclays on 23 June 2024 and said

*"I am writing to you regarding the closure of my account and also in response to your letter dated 12 April 2023 Ref 6329247370/20230412082213."*

And

*"I sent you my account closure form which I have attached again in this letter but you state in your letter dated above that there is insufficient details to complete the transfer, however you don't indicate what details are missing? .....I have also provided a copy of the ANZ Bank instructions in my correspondence which clarifies this as well as a copy of my passport."*

As Mr C's letter of 23 June 2024 quotes Barclays letter reference from April 2023, and responds to the matters raised, I can only say that I believe on balance the correspondence must have been received.

Barclays sent two separate letters dealing with different matters. Mr C's letter dealt with both matters. The question I had to ask myself was if Mr C hadn't received the letters Barclays sent, how would he have known what information to question or send and how would he have known the letter reference? Although Mr C disputes this, the only conclusion I feel I can reasonably reach is that the letters must have been received.

Barclays asked for closure instructions which were sent, bank details for the transfer which were sent (albeit Barclays questioned the adequacy of the information incorrectly) and a certified copy of Mr C's passport which wasn't supplied until mid-2024. So, I don't believe Barclays were in receipt of all they needed until mid-2024. After then, as I said in my provisional decision, Barclays had to carry out checks and follow procedure to reclaim Mr C's money from the central fund. I accept this took longer than Mr C wanted it to – and he attributes some of that delay to Barclays failings. I did ask Barclays for a detailed timeline of events following all of the required information being received and Barclays supplied that.

Having reviewed that information, again as I said in my provisional decision, I'm satisfied that Barclays didn't cause any avoidable delays.

Mr C didn't send me the proof of rate that I'd asked him to send to consider whether the rate Barclays used was fair. In the absence of that, I have decided that Barclays use of the Central Bank mid-market rate was appropriate and so it doesn't need to do any more.

Finally, in relation to compensation, I'm satisfied that Barclays has accepted its failings and paid appropriate compensation. Mr C has asked if I've considered the admissions made by Barclays staff. I have. Mr C wants significant compensation. Our compensation awards are for the distress and inconvenience caused by a mistake – they're not punitive. So, I believe that Barclays award of £1,100 fairly compensates for the errors Barclays made and the inconvenience caused to Mr C.

### **My final decision**

For the reasons given above, my final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 20 October 2025.

Stephen Farmer

**Ombudsman**