

The complaint

E, a limited company, complains that Barclays Bank UK PLC wrongly converted an international payment from sterling to currency before sending it resulting in financial loss.

What happened

E said that it gave instructions to Barclays to send a payment abroad in sterling when the director was in a branch. But it found that this payment had been converted by Barclays to the currency of its account abroad. E said that this was a mistake and that it would have been better for it if the overseas bank had received the money in sterling and converted the money. E is unhappy at the time it took Barclays to respond to the complaint and issue a final response letter.

Barclays said it hadn't made a mistake. The director of E had visited a branch on 6 July 2023 to make the payment. The instruction was to send the payment of £400,000 in the overseas currency. On 7 July 2023, the director had called about the payment and had said he understood the payment would have been converted by Barclays before being sent.

Our investigator didn't recommend that the complaint be upheld. She had received a copy of the instruction and each part had been initialled by the director and then the document signed. This document showed that the payment would be converted. She said she had listened to a recording of the call with Barclays, and this did demonstrate that the director knew that the payment would be converted before being sent. She said that we couldn't consider a complaint about the actual exchange rate used as this hadn't been raised with and addressed by Barclays. And nor would we consider here its complaint handling which isn't a separate regulated activity.

E didn't agree and wanted the complaint to be reviewed. The director said that it was easy for a clerical error to be made – as he had seen happened in one item of correspondence from this service. There are two sides to this, and we'd unfairly sided with Barclays. The recording was crystal clear that the payment and an earlier one had been sent in sterling. He stated that *"this is an administrative error made by the clerk in the branch that I have missed."* And that he would have expected Barclays to tell him what the exchange rate was. There is a large sum at stake here.

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 understand that E made two international payments to its account abroad which was operated in local currency. The first was for a sterling equivalent amount of £100,000 on 5 July 2023 and from the call recording with Barclays the director says that this was made while he was overseas. In response to the investigator's view Barclays has now provided information that this was an online banking payment. The next was made on 6 July 2023 while the director was in branch. Both were converted to overseas currency by Barclays. I understand that the money was later remitted back to this country by E and resulted in a

£44,000 exchange difference to the original amount when it was converted back to sterling. And that the director states that E would have received a better conversion exchange rate from its bank overseas.

I have reviewed a copy of the instruction signed in branch relating to the £400,000 payment. The director accepts that he initialled and signed this. Notably there was a section that specifically confirmed the payment details, and that the money was to be sent in overseas currency. I appreciate that the director's position is that both the member of staff input this incorrectly and he didn't notice this.

I have also listened to the call of 7 July 2023 clearly after the payment instruction was made. The director does refer to sending payments in sterling. But also, at approximately six minutes into the call he in my assessment acknowledges that Barclays will have converted this into currency "*presumably*" and then sent it.

Taking all this into account and also noting the information that the earlier payment it seems instigated online by E was converted before sending I'm not persuaded that there is a reasonable basis to find that Barclays made a mistake. And I think that E had a sufficient opportunity to check and confirm the payment made in branch.

I appreciate what is at stake for E here but in light of my findings about this complaint I won't be requiring Barclays to do anything further.

My final decision

My decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask E to accept or reject my decision before 16 September 2024.

Michael Crewe
Ombudsman