

The complaint

Mr S complains about how Lloyds Bank PLC dealt with an international transfer.

What happened

Mr S says he wanted to transfer just under £200,000 from his Lloyds account to his account in Australia. He says he wrote to Lloyds in April 2023 and told it to contact him before the transfer so he could check and confirm the exchange rate being used. Mr S says his instructions were not followed and Lloyds didn't check the exchange rate. He says he was unaware of the location of his money and Lloyds used an unfavourable exchange rate. Mr S would like compensation for what took place and an apology.

Lloyds accepts it made a number of mistakes and has apologised. It accepts it didn't follow Mr S's written instructions and has now recalculated the transaction based on the exchange rate Mr S says it should have used. Lloyds has paid £300 compensation and says it also reduced its fee. It accepts overall Mr S received poor service from it.

Mr S brought his complaint to us, and our investigator thought Lloyds had paid appropriate compensation. The investigator thought Lloyds accepted it made mistakes but had reduced its fee and paid the exchange rate difference.

Mr S doesn't accept that view and says the compensation isn't enough for his money being missing. He says he couldn't contact Lloyds which caused increased concern.

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 have come to the overall view that Lloyds has acted fairly by apologising and paying appropriate compensation. I appreciate Mr S says he tried to contact Lloyds, but I can't fairly hold it responsible for that part of this complaint and think it likely that time differences may have played a part in that attempted contact.

There is no dispute here that Lloyds made a series of mistakes. They are well known and in summary Lloyds didn't follow Mr S's written instructions and dealt inappropriately with him during the telephone call. I accept Mr S was caused distress and inconvenience and would have been concerned about what was going on as well as for the safety of his money. But I can see that Lloyds has fairly apologised for its mistakes and can see that Mr S wanted an apology which he has in writing.

I can also see that Lloyds has used the exchange rate Mr S wanted it to use to recalculate the transfer which has resulted in an additional payment to Mr S. Lloyds has also fairly reduced the fee it uses for international transfers and has paid interest at 8% on that additional payment. I'm satisfied those actions are fair and reasonable.

The only real issue for me to decide upon is the compensation level which Mr S says is

insufficient. I don't think Mr S suffered any financial loss and think that matters were sorted out in a relatively short time period. I'm satisfied that the compensation payment of £300 is fair and reasonable in the circumstances and I have made clear that Lloyds has also taken additional steps such as reducing fees which I can fairly consider when considering the compensation level.

Overall, I accept Lloyds made a series of mistakes which it has apologised for and has paid appropriate compensation as well as putting Mr S back in the position he would have been. This now brings an end to what we in trying to resolve this dispute informally can do.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 10 February 2024.

David Singh
Ombudsman