

The complaint

Mr O complains about the way that Barclays Bank UK PLC handled his US Dollar (USD) business account.

Mr O wants Barclays to pay the interest he says is due together with compensation.

What happened

Mr O holds a USD business premium account (BPA) with Barclays. Mr O received interest on the BPA until 2020. Mr O thinks that interest on the BPA should have started again in 2022 but Barclays still didn't pay interest on the balance in the account. Mr O thinks that Barclays owes him interest on the account since January 2022.

Mr O has provided PDF from Barclays' website which shows details of the interest payable on the BPA from 23 March 2023. Barclays said that the link Mr O supplied relates to currency accounts held by international clients only. In its final response in October 2022, Barclays said Barclays UK business currency accounts weren't eligible for interest.

Our investigator didn't recommend that Mr O's complaint be upheld. He thought that the screenshots which Mr O provided were for Barclays corporate accounts and not the account that Mr O holds.

Our investigator said that Barclays was entitled to decide what interest rate it applies. He thought Barclays offer to pay £150 compensation for any failure in service was fair.

Mr O disagreed with the investigation outcome. He said Barclays previously paid interest and that he didn't receive notification of any changes to this. Mr O said the website he sent showed details of interest rates on the Barclays.com website and not the international website.

Mr O said the £150 compensation was for another UK current account and had nothing to do with his complaint about the BPA.

Mr O thinks Barclays should have been paying interest at the stated rates and in line with its own website.

Mr O has just been in touch to say that when he complained to Barclays, it said the rates were for overseas customers. Mr O says this is incorrect as Barclays used to pay interest on his BPA which was never offered to overseas customers.

Mr O says Barclays has recently told him that it is going to start paying interest on the account again. However, Mr O says that the rate it proposes is not in line with the rate advertised on Barclays UK website.

After considering everything, I issued a provisional decision on 17 October 2023 which said:

I can see that Mr O feels very strongly about the way that Barclays has treated him and has provided information which he says shows Barclays is in the wrong. I'm

sorry to disappoint Mr O but after reviewing everything on file and after asking Barclays to provide some further information, I don't consider Barclays has made a mistake and I will explain why.

I don't think there's any dispute that Barclays previously paid interest on Mr O's BPA so I don't think I need to say more about this. Mr O also seems to acknowledge that there was a time during the Covid pandemic when Barclays was not paying interest on his BPA. Where there remains a disagreement is that Mr O thinks Barclays should have been paying interest on his BPA since early 2022.

More recently, Barclays has told Mr O that it will start paying interest on his BPA but Mr O thinks the proposed interest rate is wrong and not in line with the rate advertised on Barclays' website.

I will start with the first part of this complaint. I can't interfere in a commercial decision to change interest rates but I can consider whether Barclays made the change fairly and in line with its terms and conditions.

Mr O has provided a copy of a letter from Barclays dated 7 May 2020 which says that as of 24 July 2020, the standard interest rate on the BPA will change from 1.75% to 0%. I'm satisfied that, in line with the terms of Mr O's account, Barclays gave him more than two months' notice of the change in interest rate. So, I can't find that Barclays didn't make Mr O aware of the change.

Although Mr O has provided a spreadsheet with details of estimated interest payable from January 2022, the evidence from Barclays shows that the interest payable on Mr O's BPA remained at 0% until 14 July 2023. The link to the relevant page of Barclays' website can be found at: barclays.co.uk/business-banking/accounts/historical-interest-rates. Under the heading US Dollar Business Premium Account, the annual equivalent rate of interest between 24 July 2020 and 14 July 2023 was 0%.

When looking at the rates applicable to Mr O's BPA, he needs to access these through the Barclays UK website, not the corporate website. Our investigator has already told Mr O that following UK financial reforms, Barclays set up a ring-fenced bank - Barclays Bank UK PLC - in early 2018 which is separate from Barclays Bank PLC.

The information provided by Barclays on its website explains that the two banks run side by side but operate independently from one another. This allows Barclays Bank UK PLC to set different rates to Barclays Bank PLC.

My understanding is that when Barclays told Mr O that the rates he was referring to were only available for international customers, this is because Barclays Bank PLC operates around the world – hence the reference to international.

Based on everything I've outlined above; I'm satisfied that Barclays didn't make a mistake when it stopped paying interest on Mr O's BPA between 24 July 2020 and 14 July 2023 after giving Mr O notice in writing of the change in interest rate. It follows that I won't require Barclays to pay Mr O any interest for this period.

Turning to Mr O's recent email concerning the rate of interest Barclays is now paying on his BPA. He still doesn't think the rate is in line with the rate on Barclays' UK website.

As Mr O's concerns have been raised after Barclays' final response, Barclays may ask that he makes a fresh complaint. However in the interests of saving time, I'm not persuaded that Barclays has made a mistake with the rate.

The PDF which Mr O has provided is headed Business Premium account and shows interest payable on USD accounts at the rate of 2.100%. However, the page appears to have been accessed through the Barclays corporate website for Barclays Bank PLC (barclayscorporate.com/interest-rates/currency-interest-rates/business-premium-account) and not the Barclays UK website (barclays.co.uk/business-banking/accounts/compare-accounts). If Mr O follows the link to Barclays UK website, he will see the correct rate applicable to his BPA.

I can see that Barclays and our investigator have previously explained much of what I've said to Mr O but I hope that some of the links I've provided in my provisional decision will help to clarify why I don't consider Barclays has made a mistake about the interest on Mr O's BPA.

Mr O is correct to say that Barclays paid compensation of £150 for the poor service he received in connection to his current account. As I don't consider Barclays has done anything wrong in relation to Mr O's BPA, I don't require Barclays to pay further compensation. I'm sorry if this comes as a disappointment.

Further submissions

Barclays didn't have anything to add but Mr O disagrees with my provisional decision.

Mr O says his BPA has always been based in the UK and that he is not aware that the BPA is offered to international customers as he can't find it on the international website. Mr O says that interest rates reduced during the Covid pandemic but that over the last 18 to 24 months, rates have risen again. Mr O says that when he complained about the interest rates on his BPA, the only reason Barclays gave to him was that the rates he'd found on Barclays' website were only for international customers so this should be the focus of his complaint.

Mr O points out that nobody has said his calculation of lost interest is wrong. He wonders how many others are affected. Mr O asks how the UK advertised interest rates he's provided for the same BPA as he holds, can be international when the rates are not displayed on Barclays international site and the BPA is not offered to international customers.

Mr O is unhappy that nobody has told him what the rates are that would have been paid to UK customers if for some reason the rates were incorrect.

Mr O says he's provided updated interest rate information that still shows the rate he's being paid is less than Barclays continues to show on its UK website.

Mr O is unhappy with the time spent on the complaints process and feels that we are biased towards Barclays. He says Barclays has not provided any evidence to support what it says about only offering the advertised rates to international customers.

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 am sorry to disappoint Mr O but after having read his response to my provisional decision, my view of his complaint has not changed. As I said in my provisional decision – he holds a

BPA with Barclays Bank UK PLC - so the relevant information about his account can be found on the UK website using the link I shared in my provisional decision.

Barclays has a section on its website which explains the structure of its two divisions – Barclays UK and Barclays International ([home.barclays/who-we-are/structure-and-leadership](https://www.barclays.co.uk/who-we-are/structure-and-leadership)). Barclays UK is the UK ring-fenced bank which offers services to personal customers and business clients, which includes Mr O. Barclays International consists of Barclays' corporate and investment bank (plus its consumer, cards, and payments businesses) which is run by Barclays Bank PLC.

So, when Barclays told Mr O that the rates he provided were only for international customers – this was correct because the rates were provided by Barclays corporate bank on the Barclays corporate website which is part of Barclays International and run by Barclays Bank PLC. Mr O is not a customer of Barclays Bank PLC – he is a customer of Barclays Bank UK PLC. I don't consider Barclays needs to provide any further explanation of this as part of resolving Mr O's complaint.

As the evidence provided by Barclays shows that the interest rate payable on Mr O's BPA remained at 0% until 14 July 2023, I haven't considered the lost interest calculation that he provided. No discourtesy is intended by this.

Mr O says he's provided updated interest rate information that shows he's being paid less interest than Barclays shows on its UK website. By this, I assume Mr O is referring to the PDF accessed through Barclays' corporate website which he provided to us by email of 17 October 2023. For the reasons I've already outlined, I don't think the rate set out in the PDF is the interest rate applicable to Mr O's BPA.

I appreciate Mr O has concerns about the length of time this has taken and he thinks the process is biased in favour of Barclays. I am sorry that Mr O has spent time setting out his concerns only for me to decide not to uphold his complaint. But having considered everything that both parties have provided, I don't agree that Barclays made a mistake or mislead Mr O.

Finally, I should say that the Financial Ombudsman is not the regulator of Barclays – that is the role of the Financial Conduct Authority (FCA) – so I don't comment on whether other account holders may be affected or what would happen if the rates paid to UK customers were wrong. It would be for the regulator to make decisions about how Barclays runs its business. My job is to decide individual complaints. Mr O is of course free to take his concerns up with the FCA if he remains unhappy.

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 O to accept or reject my decision before 29 November 2023.

Gemma Bowen
Ombudsman