

## **The complaint**

Miss V complains that TSB Bank gave her wrong information which led to a currency exchange loss.

## **What happened**

Miss V says that she spoke to TSB twice on the phone and a few times on their online chat facility to understand their exchange rates from Euro's (EUR) to British Pounds (GBP). She says she was told TSB uses the Bank of England exchange rate, and the next time she was told they use the Visa Exchange rate. Miss V says that on 14 March 2023 she received a payment, but the amount she received was around £2,000 lower than she expected. This is when she found out from TSB that they use their own exchange rate which is lower than the exchange rates she was told about. Miss V made a complaint to TSB.

TSB partially upheld Miss V's complaint. They said they had given incorrect information about how their exchange rates are calculated so they credited £100 compensation into her account, but as the payment was credited to her account correctly, they wouldn't look to refund any losses she felt she had. Miss V brought her complaint to our service.

Our investigator did not uphold Miss V's complaint. He said there was incorrect information provided by TSB – which resulted in a loss of expectation – as Miss V expected one amount, but she received less money when the currency was converted to GBP. However, he thought TSB did enough to acknowledge their mistake with the compensation provided on this occasion.

Miss V asked for an ombudsman to review her complaint. She made a number of points. In summary, she said she was led to believe the rate TSB would've used was the Visa Exchange rate, which was tied to the European Central Bank (ECB). Had she known TSB would use their own rate, she wouldn't have proceeded with the transfer, because their rate was not good. She said she was given incorrect information on the phone by their representatives multiple times, which made her feel safe that the rate was tied to the ECB.

## **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.

Firstly, I'm aware that I've only summarised Miss V's complaint points. And I'm not going to respond to every single point made by her. No discourtesy is intended by this. It simply reflects the informal nature of our service as a free alternative to the courts. If there's something I haven't mentioned, it isn't because I've ignored it. I haven't. I'm satisfied I don't need to comment on every individual point to be able to reach what I think is a fair outcome.

I've listened to a call Miss V had with TSB on 10 March 2023 – four days before she received the payment. Miss V asks the call handler what TSB's exchange rate was for that day for EUR to GBP. She is told 1 EUR is 88 pence. Miss V asks if there is any chance he knows what the Bank of England exchange rate is and he tells her it is 1.12 EUR to 1 GBP.

Miss V asks *"and your one is?"* and the call handler says *"err we go off the Bank of England exchange rate"*.

Miss V says *"just to confirm your one is 0.82?"*. The call handler says *"that will be our exchange rate as we go off our Bank of England"*. Miss V asks if he knows how long it will take for an international payment to be received. The call handler says *"do you know if it's been sent already?"* and Miss V replies *"it has, yes, it's been erm, sent yesterday"*. The call handler tells Miss V it is dependent on the bank it is being sent from.

Miss V was quoted two different exchange rates on this call even though the call handler seemed to confirm TSB use the Bank of England exchange rates. So this should have been an indication that this information wasn't correct. I'm persuaded Miss V also had doubts that this information was correct, based on the chats she forwarded to our service.

The chat shows she asks the chat agent the same questions, such as what the exchange rate from EUR to GBP is, and how long would it take to receive an international payment. The chat agent said they wouldn't be able to tell her how long it would take as the sending bank would be the ones who could confirm this. But the chat agent also says *"We would use the Visa Exchange rate applicable at the time, but we wouldn't be able to provide an exact figure of what rate applied until it's received"*.

So the exchange rate which Miss V was told here – that it's the Visa Exchange rate was different to the call handler saying it was the Bank of England exchange rate. So again Miss V had conflicting information here.

It was only on 14 March 2023 that Miss V was told the correct information on the chat – the same day she received the payment, when she was told *"We do this based on our own daily rates"* and she was given clear information.

I've considered what Miss V has said about if she knew TSB used their own rate she wouldn't have proceeded with the transfer. But she confirmed on the call on 10 March 2023 that the payment had been *"sent yesterday"*, which would have meant the payment had been sent by the overseas bank on 9 March 2023. So I can't say that the wrong information affected her proceeding with the transfer, as by Miss V's own admission on the call, the funds had already been sent the previous day.

TSB have located no other calls that Miss V had with them prior to 10 March 2023 about the exchange rates, and they have searched their systems from 1 March 2023. And I've been provided no evidence from either side that Miss V spoke to TSB prior to 1 March 2023. The earliest evidence either party has provided is from 10 March 2023 (the chat and the phone call).

So Miss V would have needed to speak to TSB before the payment was made on 9 March 2023 if she had questions about how TSB exchanged the funds. And I've found no evidence that she did this. When she was on the phone on 10 March she doesn't refer to a previous call or say what she's been told before. So it does appear that the call on 10 March 2023 is the first time she asked these questions to TSB. The chat messages I've seen don't refer to any chats prior to 10 March 2023 either.

I've considered what would be a fair outcome for this complaint. While Miss V was told incorrect and conflicting information at times, the evidence suggests this was provided to her after the payment had already been sent. So I can't fairly say that this incorrect and conflicting information resulted in Miss V making the decision to have the funds transferred to TSB, as she confirmed the payment had already been made. So it is not proportionate for

me to ask TSB to refund the difference between what she received in GBP to what she thought she would receive from TSB's incorrect information.

But even if Miss V had been told the incorrect and conflicting information before the payment had been sent, it would have been proportionate for her to realise she had been told conflicting information and refer to the terms and conditions for how the funds would be exchanged, based on her getting different answers from a call handler and chat agents. The terms show "*We'll convert the currency into pounds using our standard exchange rate on the day we make the conversion*".

TSB have paid Miss V £100 for the incorrect and conflicting information. I'm satisfied that this compensation is proportionate for the distress and inconvenience she was caused. It would have been distressing to find out she wouldn't receive the exchange rates she expected based on the incorrect and conflicting information – even if she would have never been eligible for these rates with TSB's exchange rates. And she was inconvenienced to have to keep contacting TSB for the correct information. The £100 compensation is in line with our awards for what happened here. So as TSB have already paid her this, it follows I don't require TSB to do anything further.

### **My final decision**

I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss V to accept or reject my decision before 24 May 2024.

Gregory Sloanes  
**Ombudsman**