

## The complaint

Miss R complains that Barclays Bank UK Plc (“Barclays”) mistakenly allowed third parties to send payments to her closed Pingit account using her mobile phone number (Paym).

## What happened

Miss R opened a Pingit account with Barclays in September 2014. The account was closed in June 2018. After the account was closed, a third party known to Miss R sent payments from their account to her using her mobile number, through Paym. These sums totalled to around £400 and were payment for services Miss R provided as part of her own business.

But as the account was closed this money didn’t reach Miss R’s account.

Miss R feels that Barclays didn’t handle her account closure correctly, as she said she shouldn’t have been registered for Paym. So third parties shouldn’t have been allowed to send money using this method to begin with. Barclays says the payments didn’t credit Miss R’s account and would’ve been refunded shortly after. So it said Miss R’s customer would need to trace the payments through the sending bank. And because Barclays didn’t receive any funds, it said it couldn’t offer any assistance.

Our investigator didn’t uphold this complaint – he said that despite the mobile number being saved, the account was still closed so the funds wouldn’t have been received by Barclays. He said that Barclays didn’t instruct the payments and it was Miss R’s responsibility to make sure third parties sent payment to her in a suitable way.

Because Miss R didn’t agree with our investigator, this case was passed to me for an ombudsman’s decision. I issued my provision thoughts on this complaint on 16 September 2020 explaining why I felt the complaint should be upheld. I’ve included my findings below.

*“Barclays says it didn’t receive any of the funds that Miss R has said were sent to her, so it can’t offer any assistance on tracing and recovering them. And that the individuals who made the payments would have the sums refunded into their accounts or need to contact their own respective banks to recover the money.*

*Based on the evidence Barclays has provided, and considering the account was closed and the account wasn’t credited, I’m satisfied it’s correct in saying it cannot help trace the funds. This means the matter of the owed funds between Miss R and her client remains between them to resolve and not one for Barclays to become involved in.*

*However, as the payments were allowed to be made (albeit it not received) I’ve also considered whether Barclays made a mistake when previously closing her account.*

*The account was closed in June 2018 and Barclays has said within its internal notes that the Pingit registration had been frozen, and not cancelled. And that while the account was frozen, people were still able to send funds to her using this function. It has said only at the point Barclays was investigating Miss R’s complaint that it cancelled the Pingit registration.*

*From what I've seen, it seems Barclays was wrong to freeze the Pingit registration and not cancel it. And had it done this, no payments could've been sent to Miss R's account simply using her mobile number, and this confusion would likely have not happened.*

*Miss R has requested Barclays pay her the sum that the third party had intended to send her. But I'm not persuaded this is fair as ultimately that party still owes her the money and she will have channels available to her to pursue this if she needs to. I also can't ignore Miss R's own responsibilities to specify to her clients how payments should be made to her.*

*But given Miss R will need to request this money from a client, I'm sympathetic to the situation Barclays' mistake has caused. Especially as she may need to request payments from a client that may believe they have already paid her.*

I concluded Barclays should pay Miss R £150 for the distress and inconvenience caused by caused by its failure to close the account correctly. I gave both parties until 30 September 2020 to reply, which now passed and neither party has responded.

### **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.

As I've received nothing new from either party in response to my provisional decision, I see no reason to change my mind from my provisional decision. And I'm upholding this complaint for the reasons I've previously given.

### **My final decision**

My final decision is to uphold this complaint. Barclays Bank UK PLC must pay Miss R £150 in compensation as a result of its mistake.

Barclays must pay the compensation within 28 days of the date on which we tell it Miss R accepts my final decision. If it pays later than this it must also pay interest on the compensation from the date of my final decision to the date of payment at 8% a year simple.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss R to accept or reject my decision before 29 October 2020.

Jack Baldry  
**Ombudsman**