

The complaint

Mr M complains Barclays Bank UK PLC didn't action drawdown requests from his Open Plan Mortgage (OPM) facility in a timely manner.

What happened

In September 2021 Mr M requested to drawdown funds from his Barclays OPM facility; this request was increased in October 2021. The drawdown wasn't actioned until November 2021. Mr M has said he suffered a financial loss because of Barclays' delays as he needed to use his Barclays overdraft to bridge the gap in his borrowing need, and this attracted a higher rate of interest.

Mr M brought his complaint to our service earlier this year after being dissatisfied with Barclays' investigation into the delays. He also made us aware of similar delays with a drawdown request he made in January 2022.

Our investigator reviewed the complaint and didn't uphold it. She understood there had been a technical error which had caused the delays. Barclays had offered Mr M £200 in recognition of the distress and inconvenience this had caused, and she considered that to be fair in the individual circumstances of Mr M's complaint.

Mr M didn't accept our investigator's findings, so the complaint was passed to me to decide.

I recently issued a provisional decision where I set out, with reasons, my initial thoughts on this case and what I was intending to decide. The following is an extract from that provisional decision:

"I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

This includes Mr M's specific requests and requirements on what he considers our service should do as part of our investigation of his complaint; and what my decision should comment on and make a finding on. I'd like to assure Mr M that I've carefully reviewed all of the evidence I have on file at this time, provided by both him and Barclays. But my decision here focuses on what I consider to be the key details of this complaint. That isn't to say I've not considered everything he's said, but that I won't be commenting on everything within my decision.

Mr M's original complaint to Barclays was about the time taken for the drawdown in September 2021 to be actioned. Mr M has made us aware of further time delays with a drawdown requested in January 2022. So, as this appears to be an ongoing issue, and Barclays has provided this service with comments in relation to the January 2022 drawdown, I've also considered this as part of this complaint. However, I haven't reviewed the historical issue Mr M has commented on. This is because, as our investigator explained, it appears to have occurred around 12 years ago and there are time limits Mr M needs to adhere to when bringing a complaint to our service. However, I have taken into account as part of my review here that Mr M has experienced similar issues on a number of occasions.

I think it's important I'm able to understand how the drawdown process should work once requested by a Barclays customer, so I can consider whether Barclays met its standards and procedures and its actions here were fair and reasonable. I asked Barclays to provide me with its policy and/or procedure for drawdown requests from an OPM facility.

Barclays has provided some information in relation to the OPM facility which appears to indicate the process it follows when a drawdown is received. But this information doesn't comment on timescales for the process to be completed. From the information I've been provided it is silent on this. It therefore leads me to conclude, currently, that Barclays may not have a defined timescale for drawdowns from an OPM facility. So, in the absence of any other evidence specifically providing details of its timescales, I've proceeded to consider along the lines of how long, on balance, I would reasonably expect this process to take.

The OPM facility is a pre-approved facility which means no assessment of affordability is required when a request is received. In fact, it appears it is solely an administrative process for the funds to be drawn down from the OPM facility into a nominated bank account. Within Barclays internal communications I've seen reference to requests taking between three to five working days. So, I'm currently minded to say that a reasonable timeframe to process the request would be up to five working days.

In Barclays final response dated November 2021, it has said the September 2021 drawdown was delayed because of 'technicalities'. In its submissions to this service I've seen the technicalities it mentions appear to be in relation to the 'spend limit' on Mr M's facility being set at zero; which was communicated to Mr M during its complaint process. It appears from Barclays internal communications that there was much confusion as to why a zero limit had been set. There was much activity in identifying this issue which became apparent after a week or two, and further investigation in identifying how to resolve the issue. From the evidence I have, it doesn't appear that Barclays were able to identify why the limit had been reduced – but it has agreed throughout the process that Mr M had well in excess of the £25,000 available to him in September 2021 that he'd requested.

It took Barclays around two months to resolve this issue before Mr M received the drawdown. A similar situation appears to have occurred in January 2022 when Mr M requested a further drawdown from his OPM facility. This drawdown was successfully completed within a shorter timeframe; but was still significantly longer than the five working days that I consider, as I've found above, to be a reasonable timeframe for a drawdown to be completed.

Having reviewed the details currently available to me it's clear the delays in the drawdowns were due to errors on Barclays' part; and had these errors not occurred these drawdowns should reasonably have been completed in a much shorter timeframe. So, Barclays needs to ensure Mr M hasn't lost out financially as a result of its errors. In order to do this Mr M will need to provide the details of the losses he says he's incurred.

As part of our review we asked Mr M to provide evidence of the financial loss he says he's suffered because of the time it took Barclays to process the request in September 2021. Mr M said he has suffered losses since 2010 as he has paid interest on his overdraft which attracts a higher rate of interest. He didn't provide details of the financial loss as he said it should be for Barclays to provide our service with this as it holds the information.

As I've explained above, my decision here deals with the drawdown requests in September 2021 and January 2022 – so, I'm not looking at the drawdown request Mr M refers to from around 2010.

While I understand Mr M's sentiment about Barclays having access to the information, there is a responsibility on both parties to a complaint to provide evidence to support their arguments; and claims to any redress they consider is owed. So, while I understand Mr M's bank account is held with Barclays, he would need to provide the exact details of how much money was borrowed by way of the Barclays overdraft and for how long, as while this information is available to Barclays, only Mr M will be aware of the finer details.

I've also considered the non-financial loss Mr M has suffered. Barclays made an offer in its final response dated November 2021 to pay Mr M £200 in recognition of the timescales involved in the September 2021 drawdown; and the level of service he received as part of that process.

Mr M has provided a great level of detail in relation to the communication he sent Barclays and conversations he had with its staff on phone calls and in branch around the September 2021 drawdown request. It appears, from the evidence I have, that most – if not all – of Mr M's email communication went unanswered from around late September 2021 to around late October 2021.

I note there were occasions where Mr M sent multiple emails and chased answers the following day. I do consider Mr M's level of communication to be excessive at times, and Barclays should be provided a reasonable period of time to reply. But I do understand Mr M's frustration that no responses appeared forthcoming from Barclays; and that what appeared to him to be a straightforward drawdown request was taking an unreasonably long time to complete – which had financial and non-financial implications on him. I note from Barclays' internal communications that there was a lot of activity to try and resolve this issue for Mr M, but I consider it should have kept Mr M better updated throughout.

I've also taken into account the same issues Mr M appears to have encountered when he requested further funds from his OPM facility in January 2022. While the timescales for the funds to be drawn down appear to be shorter here, it was still longer than I consider reasonable based on my findings above. And I can understand Mr M's concerns that Barclays hadn't learnt and taken on board its previous errors.

I consider the issues Mr M suffered with both drawdowns will have caused him distress and significant inconvenience. I've thought about the £200 Barclays has offered for the delays in processing the request in September 2021, and I'm currently minded to say it should pay more. Mr M didn't have the funds from his OPM facility for around two months and he needed to obtain funds via a different means. Mr M was put to a fair amount of inconvenience chasing Barclays for updates; having many phone calls as well as email communication – with much of the email communication seemingly going unanswered. And he experienced similar issues just a couple of months later.

Because of this I'm currently minded to say Barclays should pay Mr M a total of £500 for the distress and inconvenience I consider its errors and level of service has caused him."

Barclays didn't respond to my provision decision. Mr M responded with a number of points which I've summarised below:

- There is no mention within the provisional decision as to Barclays' breach of the principles of Treating Customers Fairly (TCF) in relation to its operation of the OPM facility;
- Mr M has requested evidence that Barclays has implemented procedural changes to ensure its customers don't experience the same issues with OPM facility drawdown requests in future;
- Mr M has requested evidence that our service has reviewed all of the OPM facility

- drawdowns he's made since 2010; and
- Mr M says a minimum of £500 compensation should be considered for each of the September 2021 and January 2022 drawdown requests, when taking into account his time involved in dealing with the matters and the emotional distress suffered.

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've carefully considered the additional points Mr M has provided; but it doesn't lead me to reach a different conclusion to that of my provisional decision. I've explained why and answered each of Mr M's points below.

I'm required to take into account relevant laws and regulation (amongst other things) in deciding what I consider to be fair and reasonable in the individual circumstances of a complaint. I accept the Financial Conduct Authority's Principles (relevant at the time of these two drawdown requests) require Barclays to pay due regard to Mr M's interests and to treat him fairly – and to conduct its business with due skill, care and diligence. It isn't for me to say if there has been a technical breach of the Principles or to punish Barclays if there had been. But I agree having looked at everything that's happened here, that Barclays hasn't acted fairly or reasonably. As a result, I will look for Mr M to be put back in the financial position he would have been in had Barclays acted fairly; and to compensate him for the distress and inconvenience he has been caused because it did not do so.

Similar to what I've explained above, it's not this service's role to tell a business how it should operate or what policies or processes it should have in place. It is Barclays' responsibility to ensure it has adequate procedures in place to allow the effective operation of its products and services. As such, I'm not in a position to tell Barclays or ensure it has appropriate procedures in place to ensure the effective operation of OPM facility drawdowns in future – for Mr M or any other customer.

Mr M's original complaint to this service concerned the drawdown request made in September 2021; and later evolved to include the similar issues experienced with a further drawdown request made in January 2022. My decision here doesn't consider any previous drawdown requests Mr M may have concerns with. While he made reference to similar historic issues, this wasn't the basis of his complaint to Barclays; or this service. As I explained within my provisional decision, if Mr M wishes to raise concerns with historic drawdown requests, he'll need to first raise these with Barclays, if he hasn't already, and allow it to provide its response in line with its regulatory obligations before our service can become involved.

Mr M has said he should receive a minimum of £500 compensation for the issues encountered with each of the drawdown requests I've considered. I don't doubt the inconvenience Mr M was put to because of the delays with the drawdowns, the time he spent trying to resolve the issues, and the distress this inevitably caused; but I can't agree that an award of around £1,000 would be reasonable compensation here.

We publish guidance about awards for non-financial loss on our website. Based on the individual circumstances of Mr M's complaint I'm satisfied a total of £500 is in line with this guidance; and fairly compensates him for the impact of the delays with the drawdowns.

I say this because I do agree that Mr M was put to considerable distress and significant inconvenience because of Barclays errors; and this needed extra effort from Mr M to resolve. This is evidenced by the level of contact Mr M had with Barclays, both between September

and November 2021; and in January and February 2022. Mr M needed to chase Barclays on numerous occasions and, as I've found above, didn't always receive timely acknowledgements or updates to his requests. The drawdown in September 2021 took around two months to complete; and the drawdown in January 2022 took around a month to complete, so the impact to Mr M here did last weeks and months. Mr M has said he had to arrange other finance at a higher cost to him because of the delays with the drawdowns – but redress here is reflected in the financial loss compensation.

So, to summarise I consider Barclays didn't action Mr M's OPM facility drawdown requests in September 2021 and January 2022 within a reasonable period of time; and it failed to reasonably acknowledge and provide Mr M with updates during the complaint process and drawdown request in September 2021.

Putting things right

In order to resolve this complaint Barclays should:

- Upon receipt of reasonable evidence, compensate Mr M for any additional debit interest he has paid when using his Barclays overdraft above the interest rate of his OPM facility while the drawdown requests of September 2021 and January 2022 were being processed. This compensation should be calculated from the point Mr M used his Barclays overdraft to bridge the funding gap but allowing for five working days after the drawdown requests were made (as I've found this is a reasonable timeframe for Barclays to have made the funds available to Mr M), up to the point the OPM facility funds were available to Mr M – so:
 - 7 September 2021 drawdown request – compensate from 14 September 2021 to the date the funds were available to Mr M
 - 31 January 2022 drawdown request – compensate from 7 February 2022 to the date the funds were available to Mr M; and
- In any event, pay Mr M a total of £500 for the distress and inconvenience this situation has caused him. This is an additional £300 on top of the £200 it has already offered.

My final decision

For the reasons set out above, and in my recent provisional decision, I'm upholding Mr M's complaint about Barclays Bank UK Plc and require it to put things right as detailed above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 30 December 2022.

Richard Turner
Ombudsman