

## **The complaint**

Mr P's complained about the amount of compensation he was offered by Barclays Bank UK PLC ("Barclays") when a cheque paid into his account was returned as it was illegible.

## **What happened**

Mr P paid a cheque for a substantial sum into his bank account. The amount was credited to his account. But, when Mr P checked the next day, he found the credit had been reversed. When he contacted Barclays to find out what had happened, Barclays told him the cheque details were illegible. After some persistence, Mr P established it was illegible because Barclays' scanner had "stretched" the cheque image, so key details couldn't be read.

Barclays said they couldn't re-present the cheque. So they suggested Mr P contact the person who wrote it and ask them to provide a new one. Mr P says, because of the commitments he'd made in expectation of receiving the money, he made a 20 mile round trip to collect a fresh cheque.

He paid in the second cheque the day after the credit was reversed. The second deposit was successful.

Mr P complained to Barclays about what had happened. Barclays investigated and wrote to Mr P with their response. They enclosed a photocopy of the cheque.

Barclays acknowledged the cheque was returned due to a processing error by their staff. They apologised for this and offered Mr P £100 compensation, which he declined. Barclays increased their offer to £110 after Mr P called them because he'd not received their complaint response and was kept on hold for over an hour.

Mr P also rejected the increased offer and brought his complaint to our service. He told us the mistake had caused frustration, embarrassment, and inconvenience because of what he had to do to get another cheque and to chase up a response to his complaint. He didn't think a payment of £110 adequately recognised this.

Our investigator considered the complaint and concluded Barclays didn't need to offer any more to resolve it. They said £110 was in line with what they would have recommended Barclays pay for the mistakes they'd made. And all correspondence was correctly addressed, so they couldn't hold Barclays responsible for Mr P not receiving the complaint response.

Mr P didn't agree with our investigator's view. So I've been asked to make a decision.

## **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 that I'm upholding Mr P's complaint. But I'm not directing Barclays to pay him any more than the £110 compensation they've already offered. I'll explain why.

I've seen a copy of the scan and I agree it's not possible to read key details, such as the amount. Both parties agree that was Barclays' fault, as there was a scanning error. So I've focused on how much compensation Mr P should receive for that error and its consequences.

I can't comment on Barclays' processes. So, while I know Mr P is unhappy they couldn't re-scan the original cheque, I can't say Barclays were wrong to conclude they couldn't do that. But that did inconvenience Mr P.

I've thought carefully about the extent of that inconvenience. Mr P became aware the credit had been reversed the day after he paid in the cheque. So, although he complained to our investigator that Barclays wrote to him about the unpaid cheque - rather than using a faster medium, such as email – I'm satisfied that didn't add to Mr P's inconvenience, because he already knew what had happened and could do what he had to do to put matters right.

Mr P visited the person who'd written the cheque to get a new one, which was then credited to his account two days after his original deposit. So the impact of the scanning error was two days long.

I appreciate the extra travel and interaction with the cheque writer was inconvenient and embarrassing for Mr P. But when the investigator asked about what was involved, he mentioned "a few miles" to collect the cheque and a 20 mile round trip to the branch to deposit it. I'm satisfied that would have left him only a few pounds out of pocket. Mr P hasn't provided any evidence to persuade me it was anything more.

So I think £100 compensation is reasonable for this – as is the additional £10 Barclays offered Mr P for having to make a lengthy call to find out why he'd not received a written response to his complaint. I'm satisfied the letter was sent to him promptly and was correctly addressed. I can't hold Barclays responsible for Mr P not receiving it through the post.

### **My final decision**

For the reasons I've explained, I'm upholding Mr P's complaint about Barclays Bank UK PLC and deciding they should pay him the £110 compensation they've previously offered to him.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 19 August 2022.

Helen Stacey  
**Ombudsman**