

The complaint

Miss J complains that Barclays Bank UK PLC failed to tell her that she could ask it to take action to recoup over £17,000 that she lost in what would appear to have been a scam. Because Barclays' staff incorrectly told her that there was nothing that could be done, she spent £4,800 on debt recovery services. She would like that sum refunded to her.

What happened

In August 2021, Miss J began to suspect that she had been scammed, for over £17,000. She tried to contact Barclays in various ways, leaving a secure message, but struggled to get through on the phone, and ultimately went into a branch to speak to someone. She was told that, because she had not used a debit or credit card, and had instead done a bank transfer, there was nothing that Barclays could do to help her. She was told to speak to Action Fraud. Miss J raised a complaint with Barclays about the poor service she felt she'd received.

On 13 September 2021 Miss J paid £4,800 to a debt recovery company, having read that they had had some success in getting money back from this type of scam. On 15 September 2021 a Barclays representative spoke to her and correctly told her that she could log a "scam claim" with a dedicated team. She did, and the original amount was ultimately returned to Miss J's account.

Miss J complained to Barclays that she had only paid the £4,800 debt recovery fee because it had failed to let her know that it could potentially help, so she believed it was her only chance of getting *any* money back. Therefore she wanted Barclays to refund that amount.

Barclays accepted it had got things wrong and its staff hadn't let Miss J know that she could log a "scam claim". But it refused to refund the £4,800 to Miss J, saying that it hadn't recommended she use a debt recovery firm. Instead it paid £400 for the distress and inconvenience the situation had caused.

Miss J didn't accept that and came to this service. The adjudicator thought that Barclays should refund the cost of the debt recovery firm, so upheld the complaint. Barclays hasn't responded to that view, so the case has been passed to me for 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 so, I'm upholding it, for broadly the same reasons as the adjudicator did.

Barclays accepts it made mistakes in this case, both in respect of not dealing with things in a timely matter, and giving incorrect information in branch. In its final response letter to Miss J, it states that this incorrect information "...has resulted in you appointing a Debt Collection Company..." So it would seem Barclays accepts the link between its mistake and Miss J seeking the services of the debt recovery firm.

Of course there is no suggestion that Barclays recommended that Miss J did so, but it is my role to determine any loss that is caused by a business's mistake. Not what it did or didn't recommend. I think it is more likely than not that Miss J would *not* have paid for the services of a debt recovery firm had Barclays taken one of the opportunities it had to direct her to its fraud team, for the logging of a scam claim.

To be clear, there were multiple opportunities for Barclays to do this. It seems not to have responded to Miss J's secure message of 5 August 2021 in which she clearly says she has been scammed. I can then see an internal query being raised by a Barclays staff member on 11 August 2021 asking colleagues whether Miss J's problem should be "*...logged as a scam...*" and "*...re-allocated to the scam queue...*" Again, it seems no action was taken. And then at the end of August 2021 branch staff said there was nothing that could be done.

So I am satisfied that Barclays made mistakes in this situation, and that, on balance, those mistakes did lead Miss J to unnecessarily pay for the services of a debt recovery firm. Barclays hasn't responded to the adjudicator's uphold view, so it has raised no further defence or evidence for me to review. It therefore follows that I uphold this complaint.

Putting things right

To put things right for Miss J, I direct Barclays to:

- Pay Miss J £4,800 to cover her costs as outlined. This is in addition to the £400 compensation it has already paid, which I consider to be fair in respect of the clear distress and inconvenience Barclays' mistake caused Miss J.
- Add 8% simple interest* to that amount from 13 September 2021 to the date of the complaint is settled and pay her that.

*HM Revenue & Customs requires Barclays to deduct tax from this interest. It should give Miss J a certificate showing how much tax it's deducted, if she asks for one.

My final decision

For the reasons I've explained, I uphold this complaint and require Barclays Bank UK PLC to put things right as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss J to accept or reject my decision before 12 August 2022.

Siobhan McBride

Ombudsman