

## **The complaint**

Ms P is unhappy that Barclays Bank UK PLC blocked her account leaving her without access to her money for 17 days.

## **What happened**

Barclays placed Ms P's account under review on 31 August 2021. However it had led her to believe on a call with fraud that it was authorising the payment it had originally blocked on that same day. This was incorrect. The suspension was lifted on 17 September 2021, so within 15 working days as Barclays had advised Ms P. Barclays paid Ms P £100 compensation for the trouble caused by its misinformation on the first call and poor service.

Ms P says the block was a bank error. She had to spend hours on the phone trying to resolve it and was left in a very vulnerable position away from home with no money. She wants an apology; a direct debit she was unable to cancel at the time refunding; fair compensation for the stress and embarrassment caused; and a commitment to change this protocol that can leave people with no access to any money.

Our investigator found the bank had not made an error when it restricted Ms P's account access. She explained the terms of Ms P's account allow the bank not to follow payment instructions, and to suspend access, if it has concerns about fraud, scams or any type of financial crime and wants to investigate further. The bank had told Ms P it would take up to 15 working days during which time she could access her money in a branch. She explained we cannot review a bank's policies or processes as we are not the regulator. She found the £100 compensation was fair for the inaccurate communication, but felt the bank should also refund the direct debit Ms P had been unable to cancel. Barclays accepted this and processed the refund on 6 July 2022.

Unhappy with this assessment Ms P asked for an ombudsman's review. She said, in summary, the bank told her it would authorise her transaction, but it placed a block on instead – so this is an error. She had passed security and confirmed the payment was genuine, so no further investigation was needed. This means the term the bank has relied on is not relevant. Its error left her without access to money, including the funds her employer had given her, for food, drink and accommodation in a remote, rural area. Barclays failed in its duty of care to her and this is wrong.

## **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 have read and thought about all of Ms P's correspondence with this service carefully. In keeping with our role as an informal dispute resolution service, and as our rules allow, I will focus here on the points I find to be material to the outcome of this complaint.

Having done so, I am not upholding Ms P's complaint in full. I'll explain why.

I understand that Ms P views the bank's action to suspend her account access as an error after the call she had about the £2,000 transaction. But restricting her account was not the error, rather it was the communication on the call that was incorrect. And for that and the poor service it therefore provided, Barclays paid Ms P £100. I find that to be fair.

This means the term the investigator set out to explain why the bank was entitled to restrict Ms P's access is relevant. This read *'when we don't have to follow your instructions: – when we reasonably think that a payment into or out of an account is connected to a fraud, scam or any other criminal activity. This includes where we reasonably think the funds are being obtained through deception.'*

Barclays has told this service why it was concerned about Ms P's account and while I can't share these reasons with Ms P, I am satisfied from its submission that Barclays was entitled to reach this decision based on its risk policy. So I disagree with Ms P that the account was suspended in error. Her access was reinstated within the set 15 working day timescale.

Barclays agreed to refund the £28 direct debit that Ms P said she wanted to cancel during this time, and did this on 6 July 2022 so I need make no further comment on this point.

I can see given Ms P's situation at the time of the restriction, and the fact her account contained money deposited by her new employer for use on location, it would have been stressful and embarrassing for her. Luckily, as she said, she had people who could help her out. But given I have found the restriction was fairly applied I can't award any further compensation. Whilst I accept Ms P suffered, this was not as result of the bank incorrectly blocking her account. It needs to take such steps to proactively protect both its accountholders and itself if it has concerns about an account.

Ms P also asked that the bank look at this protocol that leaves account holders with no access to their money. Ms P was told she could access her funds at a branch, and whilst she was unable to do this due to her location, it is the way account holders can access their money until a suspension is lifted. We cannot interfere in a bank's policies as we are not the regulator.

It follows I am not asking Barclays to take any further action.

### **Putting things right**

Barclays refunded the £28 to Ms P on 6 July 2022.

### **My final decision**

I am upholding this complaint in part. Barclays Bank UK PLC has already put things right as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms P to accept or reject my decision before 3 November 2022.

Rebecca Connelley  
**Ombudsman**