

The complaint

Miss H complains about the service received from Barclays Bank UK PLC when trying to transfer funds to a third-party.

What happened

In July 2022, Miss H attempted to make a transfer from her mobile banking app for £1,500. The payment was for Miss H's late partner's funeral costs and was going to Miss H's late partner's daughter. Miss H said she attempted the payment whilst at work using both her phone and laptop, but she couldn't proceed due to poor signal and because she didn't have her PIN sentry device to verify the transfer. She ultimately tried again on her banking app when she left work.

Miss H said that the banking app then said the transfer had gone through, but she noticed the money hadn't been taken from her account. After waiting for a few hours, Miss H said she tried to contact Barclays through the banking app. But her access was blocked and there was a notice on the screen with a contact number to call to resolve matters.

Miss H called the number and was put through to an adviser from Barclays' fraud department. The adviser asked Miss H some questions and then said she had passed security. However, later in the call, the adviser said he was unable to complete the transfer and said Miss H needed to go into a branch with two forms of identification.

Miss H said she had to ask for emergency compassionate leave from work the next day to visit a branch. The transfer was ultimately made and the block on the banking app was lifted. But Miss H remained unhappy. She said that she'd passed security on the phone and had confirmed the payment was genuine, and the adviser initially said they'd be able to proceed. But she was then asked to visit a branch. Miss H was also unhappy that Barclays didn't explain why it was unable to process the transfer and lift the block on the banking app, despite her asking several times.

Miss H also complained about the service received on the phone call. Amongst other points, she said the adviser wouldn't put her through to a manager when she asked, and the adviser laughed when she said she was going to complain about matters. Miss H also said it was distressing to keep being asked what the payment was for, both on the phone and face-to-face in the branch.

Miss H complained through the webchat function. An adviser agreed to raise a complaint but asked whether Miss H would be happy if it was closed in Barclays' favour. The adviser also offered Miss H £25 compensation, but this was withdrawn when Miss H said she wasn't happy to close the complaint. Matters were ultimately escalated to Barclays' complaints team.

Barclays reviewed the complaint and explained that even though Miss H had passed security, the adviser had concerns about processing the payment. It said it couldn't provide any further information about why this was, but it confirmed that the correct process had been followed. It apologised if the service it provided had added to Miss H's distress at a

difficult time and offered her £50 compensation. Miss H remained unhappy and brought her complaint to this service.

One of our investigators reviewed matters. She thought Barclays had followed the correct security processes, and it couldn't provide further details about why the transfer wasn't processed on the phone because it was commercially sensitive information. But she thought that the service provided by the initial adviser on the phone could have been better. She ultimately thought Barclays' compensation offer of £50 was fair.

Barclays didn't dispute our investigator's findings, but Miss H did. In summary, she mostly repeated her earlier points and also pointed out that Barclays hadn't provided her with a transcript of the call like she'd asked.

Our investigator clarified with Miss H that she thought the £50 compensation Barclays offered was fair for all the service issues which occurred, including the initial phone call, the issues with the transcript and the conversation on the webchat function. And Barclays had since explained how to obtain the call transcript. In summary, Miss H said her complaint wasn't about the compensation offered, but in relation to how Barclays managed the situation. Miss H also repeated some of her earlier points of concern.

As an agreement couldn't be reached, the case has come to me to decide.

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.

Miss H has provided lots of detail about her complaint, and I'd like to thank her for taking the time to do so, particularly as I appreciate that she has been through a very difficult time. It's important I explain, however, that my findings will only address those matters I consider central to the outcome of this complaint. So, while I have considered all the evidence provided by both parties, I won't address each and every point that has been raised. I trust this won't be taken as a discourtesy, but this reflects the informal nature of our service.

Miss H says she wasn't notified that her payment hadn't been processed. Barclays has provided contact notes which show it attempted to contact Miss H by calling her to ask about the payment, but it appears the call wasn't connected. So, I do think Barclays made an attempt to notify Miss H her payment hadn't been processed. And, in any event, Miss H noticed a message on her banking app which asked her to contact Barclays some hours later, which she did. So, it doesn't appear that Barclays' inability to reach Miss H had any prolonged negative impact.

Miss H says that she then successfully answered the security questions and confirmed the payment was genuine on the phone. She said she was led to believe matters would be sorted out during the call, only to be told later in the call that this wasn't possible. I can appreciate why Miss H would be unhappy, particularly given the circumstances she was already dealing with at the time, and the fact that she was attempting to make a genuine payment.

That being said, Barclays has a responsibility to keep its customers' money safe. And the terms of Miss H's account outline that Barclays might restrict the use of payment tools or not process a payment instruction if it thinks it's necessary to protect the security of the account, or it has concerns that a payment isn't genuine.

In this case, whilst Miss H did verify her identity and confirm that the transaction was genuine, the adviser still had concerns about processing the payment later in the call. As such, he asked Miss H to visit a branch with two forms of identification to complete the payment.

I'm mindful that there will be times that genuine payments are stopped, which is what it seems has happened here. But this doesn't mean that Barclays' actions were unreasonable. I'm persuaded that the adviser had concerns about the payment being made and that the relevant action was taken in line with Barclays' duty to protect its customers. It follows that I don't think Barclays acted unreasonably here. And, as I understand it, the transfer was processed and the block was lifted the next day, following Miss H's visit to a branch.

I know Miss H wants to know exactly why Barclays decided not to proceed with matters over the phone, but Barclays isn't under any obligation to share this information. To explain further, it's not unusual for firms to have fraud prevention processes in place. And, firms generally will keep this information confidential, in order to protect both them and their customers. I don't think this is unreasonable.

As well as issues with the payment and the block on the mobile app, Miss H has also raised concerns about the overall service received. I've listened to the call Miss H initially had. Having done so, I can certainly understand why Miss H may have thought the adviser's tone wasn't empathetic given her circumstances. I also appreciate that the adviser had concerns over the security of the account, so I can understand why his tone may have been more direct. That being said, I do think the adviser could have been more understanding of the situation Miss H was in. And, I do think the overall service could have been better here, particularly when Miss H asked to be put through to a manager and this wasn't done.

I also appreciate Miss H was unhappy that the adviser she spoke with on the webchat function wanted to close the complaint in favour of Barclays. They also initially offered £25 compensation, which was then taken away when Miss H wanted to escalate the complaint. The contact notes provided by Barclays outline that Miss H was later provided further context around this, and it was explained that the webchat adviser would have tried to resolve the complaint in the first instance. But because matters were then escalated, they were likely trying to explain that the compensation may not be offered once the complaint was fully investigated.

I've thought carefully about this and, whilst I don't think this was unreasonable in principle, I do think this could have been explained more clearly during the conversation on the webchat function, and I can understand why this would have caused Miss H some concern about the service she was receiving.

I also note Miss H says she asked for a copy of the call transcript and said there had been a lack of clarity from Barclays about providing this. It's unfortunate that Barclays didn't provide this when requested and I think it could've been clearer with Miss H about how she could obtain this information. But matters have progressed whilst the complaint has been with this service, and Barclays has since explained that Miss H can request a copy of the call and the transcript through her online banking facility. I also note our investigator has since communicated this to Miss H. So, whilst Barclays wasn't sufficiently clear about this previously, I consider that its recent commentary explains how Miss H can obtain this information, should she still wish to. I think that's reasonable.

In its review of Miss H's complaint, Barclays apologised for the impact its service had on her and offered her £50 compensation. Having considered all the above – including the overall service received and the lack of clarity provided about the call transcript – while I think there

were some shortcomings in Barclays' service, I think the £50 offered is a fair way to compensate Miss H for the issues raised.

In summary then, whilst I think Barclays has acted within the terms of the account when restricting the payment and access to the payment tool in question, I do think the service offered overall could have been better. But having considered all of the evidence available, ultimately, I'm satisfied that Barclays' offer of £50 compensation is fair in the circumstances.

My final decision

My final decision is I uphold this complaint, and direct Barclays Bank UK PLC to pay Miss H £50 compensation for the service it provided her with, if it hasn't already done so.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss H to accept or reject my decision before 13 January 2023.

Hana Yousef
Ombudsman