

## **The complaint**

Mr F, who was a sole trader, is unhappy with the service he received from Barclays Bank UK PLC surrounding their failure to set up a direct debit.

## **What happened**

Mr F took out a Bounce Back Loan (“BBL”) with Barclays to assist with his business’s finances during the Covid-19 pandemic. Tragically, Mr F’s wife later became seriously ill, and Mr F made the decision to cease trading and become a full-time carer for his wife.

Mr F visited a Barclays branch and explained what had happened. Barclays staff were sympathetic and arranged for the closure of Mr F’s business current account and, at Mr F’s request, set up a new direct debit from Mr F’s personal current account to repay the BBL. However, this new direct debit wasn’t set up correctly, and so the next instalment wasn’t taken, meaning that the BBL fell into arrears.

Mr F received a letter from Barclays about the BBL being in arrears and he telephoned the number on the letter to resolve the issue. However, while a direct debit from his personal current account was eventually set up, Mr F found the conversation distressing, especially as he felt that Barclays agent had initially suggested that Mr F had taken the BBL with the prior intention to stop working and not repay the BBL. So, Mr F raised a complaint.

Barclays looked at Mr F’s complaint. They acknowledged that the direct debit from his personal account hadn’t been set up correctly by themselves, and they apologised to Mr F for this and ensured that Mr F didn’t incur any fees or adverse credit file reporting for what had taken place. Barclays also made a payment of £100 to Mr F as compensation for any upset or inconvenience he may have experienced.

Mr F wasn’t satisfied with Barclays response, so he referred his complaint to this service. One of our investigators looked at this complaint. But while they sympathised with Mr F, they didn’t feel that the Barclays agent with whom Mr F had spoken on the telephone had been accusatory in the manner which F had felt, and they thought that the response that Barclays had issued to Mr F’s complaint, including the £100 compensation, already represented a fair and reasonable resolution to what had taken place.

Mr F remained dissatisfied, so the matter was escalated to an ombudsman for a final 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.

I issued a provisional decision on this complaint on 10 October 2022 as follows:

*I’ve listened to the telephone call between Mr F and Barclays which Mr F found to*

*be upsetting. And having listened to that call I can appreciate why our investigator felt that the Barclays agent who handled the call had acted in a professionally acceptable way.*

*But the fact remains that this call should never have needed to have taken place. And this is because when Mr F made the decision to close his business, he made a visit to a Barclays branch and ensured that appropriate alternative arrangements to repay the BBL from his personal current account were put in place.*

*But Barclays didn't set up this new direct debit arrangement correctly, which meant that it was Barclays' fault that the next scheduled loan replacement wasn't taken, and consequently also that Mr F received the letter which led to his telephone call with Barclays agent.*

*And regardless of how a third party such as myself may consider how Barclays' agent handled that telephone call, I can absolutely understand how that call would have been upsetting for Mr F, given the wider context here.*

*I also feel that as well as ensuring that Mr F's replacement direct debit was set up correctly, Barclays also missed the opportunity to make appropriate notes on Mr F's profile to alert other staff members as to the difficult circumstances that Mr F was presently dealing with.*

*Ultimately, I feel that Mr F did everything required of him when visiting Barclays branch in the first instance, and I feel that it was Barclays errors that led to Mr F having to deal with a missed payment issue and engage in a telephone conversation he found to be upsetting at a time when his family's personal circumstances rendered him as being particularly vulnerable, and when the impact upon him of these events was greater than otherwise might be the case. And when considering what's happened here in this light, I don't feel the £100 that's already been paid to Mr F by Barclays does represent fair compensation.*

*All of which means that I'll be provisionally upholding this complaint and instructing Barclays to make a further payment of £400 to Mr F, bringing the total amount of compensation payable up to £500, which I feel more fairly reflects the significant personal impact that the events under consideration here have had on Mr F.*

Both Mr F and Barclays have subsequently confirmed that they accept my provisional decision. As such, I see no reason not to issue a final decision upholding this complaint in Mr F's favour on the basis explained above. And I can confirm that my final decision is that I do uphold this complaint on that basis accordingly.

### **Putting things right**

Barclays must make a further compensation payment of £400 to Mr F.

### **My final decision**

My final decision is that I uphold this complaint against Barclays Bank UK PLC on the basis explained above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 29 November 2022.

Paul Cooper  
**Ombudsman**