

## **The complaint**

Mr C has complained, via a representative, that Barclays Bank UK PLC (“Barclays”) failed to act on a signed third-party authorisation (TPA) letter sent in August 2019, which allowed the representative to act on behalf of Mr C, pending a Lasting Power of Attorney (LPOA) being granted.

Once the LPOA was granted, Mr C’s representative says that a copy of the LPOA was sent to Barclays in February 2020, but Barclays says it never received it. The representative then sent another LPOA in January 2021, and Barclays subsequently registered the LPOA in its records.

During this time, Mr C’s account went overdrawn. Mr C’s representative says that Barclays proceeded to repeatedly call him about the overdrawn balance that had built up on Mr C’s account. However, Barclays was unable to discuss the matter with the representative, due to the lack of either a TPA or LPOA being registered in its records for Mr C.

## **What happened**

Barclays issued its final response letter, and it didn’t think it had done anything wrong, although it did agree to pay Mr C’s representative £300 compensation due to how long it took to investigate matters.

One of our adjudicators assessed the complaint, and they didn’t think that Barclays should do anything more than what it had already agreed to do.

Mr C’s representative disagreed with the adjudicator’s assessment, so the matter was referred for an ombudsman’s decision.

I issued a provisional decision on 28 April 2023 explaining why I thought Barclays should pay more compensation to Mr C. I have included an extract of my provisional decision below, and it forms a part of this decision:

*“What I’ve provisionally 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 reviewed everything, I currently think that Barclays didn’t deal with the matter fairly, and therefore I’m currently minded to uphold this complaint in part. I will explain why.*

*Who can we award compensation to?*

*Having looked through everything that has been provided, I can see that Mr C’s representative does not believe the £300 compensation offered by Barclays reasonably reflects the impact this matter has had on him.*

*I do appreciate that dealing with this matter, which started in August 2019, has been difficult for Mr C's representative. I can see he has had to direct a large amount of time and effort into communicating with Barclays and administering Mr C's finances. And I also recognise that it would've been distressing for him to receive a number of phone calls from Barclays, calling up about the outstanding balance on Mr C's account, but was then unable to speak to Barclays about Mr C's account.*

*However, this complaint is specifically about Barclays' handling of Mr C's affairs. That means, for the purposes of this complaint, the eligible complainant is Mr C – not his representative.*

*This is an important distinction to make, because we can only award compensation (if it's warranted) to eligible complainants. But we can't generally make any awards of compensation for any distress or inconvenience experienced by a representative (or other family members) of an eligible complainant.*

*So, as explained by the adjudicator, although Barclays can choose to offer the representative compensation, I wouldn't be able to award compensation for any distress or inconvenience caused to the representative (even if I thought some was warranted) in relation to this matter, as he is not an eligible complainant. This means I'm limited to only consider what impact, if any, this matter has had on Mr C directly.*

#### *Third Party Authority request*

*In August 2019, Mr C sent Barclays a signed letter asking for his address to be updated to that of his representative. He also provided his representative's mobile phone number and explained that he had applied for his representative to be a Power of Attorney. And Mr C gave his authority to Barclays to speak with the representative about his accounts until the LPOA was granted.*

*Barclays acknowledges receiving this letter, as reflected by Barclays changing Mr C's address and telephone numbers to the representative's. However, in its final response letter, Barclays said that it was unable to give the representative any authority over Mr C's accounts as requested - due to not receiving any relevant paperwork to set up a registered authority.*

*Based on what I've seen so far, I don't think Barclays dealt with the TPA request reasonably.*

*It was clear from the letter that Mr C had given his authority for the representative to act on his behalf. And – if it was necessary that certain paperwork be completed – Barclays should've helped Mr C by sending him the relevant forms that needed completing. As far as I can see this paperwork was not sent out, and Barclays essentially ignored the request.*

*In my view, Barclays' failure to assist Mr C in setting up a TPA meant that it'd become more difficult for Mr C to manage his accounts – bearing in mind that the reason he'd asked for the TPA in the first place was because he was suffering from ill health. Mr C's representative has explained that Mr C was distressed by the fact that Barclays had not set up the TPA on his account as requested. This added further distress to Mr C because, due to his medical condition, he was unable to recall his online banking details, which meant that the account was essentially operating of its own accord i.e. only automated payments were leaving the account.*

*As such, I think that Barclays's failure to respond to Mr C's TPA request in a useful manner did cause Mr C some distress and inconvenience. And based on what I have seen, and what the representative has said about Mr C's circumstances, I currently think a reasonable award to reflect the impact it had on Mr C (not his representative) is £300. This is to reflect the frustration caused by his request not being actioned. But also to reflect the initial distress caused to Mr C in the knowledge that his finances were essentially left to flounder, given that neither he (due to ill health) nor his representative (due to the TPA request not being actioned) were in a position to be able to fully manage his finances.*

*Of course, I have considered whether this award should be higher, however the representative says that it was decided not to keep Mr C updated with what was happening with his account, so as to prevent him from suffering further distress. As such, whilst Mr C clearly did experience some distress initially, from what I have seen, I can't reasonably say that Mr C experienced ongoing distress due to Barclays' failure to assist Mr C in setting up a TPA on the account.*

*I'm also mindful that Mr C's medical condition and change in circumstances would, regardless of the issues he had with Barclays, be very distressing – both for him and his family. However, when considering how much redress is due, I have to be mindful that I can't hold Barclays responsible for any distress that Mr C would've naturally experienced because of his sudden deterioration in his health. It is for these reasons that I currently think that awarding Mr C £300 for the distress and inconvenience caused by Barclays not assisting him in setting up an TPA in August 2019 is reasonable in the circumstances.*

#### *Original LPOA not received*

*I note that the representative says that a LPOA was eventually obtained and then sent to Barclays in February 2020. Barclays says that had it been received, it would've been passed on internally to the relevant department. However, Barclays has no record of the LPOA documentation being received around February 2020. And in the circumstances, I can't rule out the possibility that it was lost in the post. It therefore follows that I can't hold Barclays responsible because the LPOA was not set up in early 2020.*

#### *Impacts on the account*

*After it'd been established that Barclays had not received the LPOA, the representative obtained a further copy. From the evidence I have been provided with, the representative obtained a copy in October 2020 and submitted it to Barclays in January 2021. Barclays then processed the LPOA and it was registered on Mr C's profile in February 2021.*

*Unfortunately, in that time, due to no money being credited into the account, the overdraft was eventually removed in September 2020. This had the knock-on effect that the automated payments that had been set up on the account were then being returned unpaid from October 2020 onwards.*

*One of those payments was for an insurance policy. I understand that the representative was fortunately able to get the policy reinstated with the insurer, once the premiums were made up to date.*

*The representative has said that not having access to the account for so long had a number of other impacts. For example, the representative says that Mr C had no*

*access to the funds in the account and could not deposit funds into the account from a pension, due to having no access to the account. The representative also says that one of the payments that got cancelled was for an investment in wine. The representative says that, because of non-payment to the organisation who held the wine, the wine was taken out of storage (by which stage it was beyond its recommended drinking date) and sold off at a greatly reduced price.*

*Having considered everything, it seems that a large part of the issues caused – especially with the payments being returned unpaid - was because of the amount of time it took the representative to provide another copy of the LPOA to Barclays. I appreciate that a lot of the events referred to occurred during the pandemic, and so the representative may've had difficulties obtaining the relevant documents. But equally I can't hold Barclays responsible for the delays that the representative experienced. And I think that Barclays allowed a reasonable amount of time for another LPOA to be resubmitted, before it eventually took action regarding the ever increasing overdrawn balance by eventually removing the overdraft - which in turn resulted in payments not being made.*

*As such, whilst I'm sorry to hear about the difficulties that Mr C experienced, and I do think that Barclays didn't handle the initial request for a TPA correctly, in the circumstances I don't think I can reasonably hold Barclays responsible for the consequences of the delay in the LPOA documentation being sent to Barclays.*

*Indeed, the representative has explained that once the LPOA document was submitted, the various departments within Barclays dealt with the process in a reasonable fashion.*

*Therefore, in summary, from what I can see about the turn of events, it seems that the bulk of the distress and inconvenience was experienced by the representative(s) in trying to get matters sorted, and rather than by Mr C directly. But that said, I do think Barclays could've handled Mr C's initial TPA request better, and I do think that some distress and inconvenience was caused directly to Mr C by Barclays' poor handling of the request.*

*Putting matters right*

*Based on what I've seen so far, I'm currently minded to say that, in addition to the redress that Barclays has already agreed to pay the representative, Barclays should pay Mr C £300 compensation for the distress and inconvenience caused to him in this matter."*

After issuing my provisional decision, neither Barclays nor Mr C's representative responded.

### **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 reconsidered everything, as neither party has provided any further information, I see little reason to reach a different outcome to the one I reached in my provisional decision.

As such, in summary, I think that Barclays should've done more when Mr C first contacted Barclays to give his authority for Barclays to speak with his representative about his finances. And I think that Barclays' failure to do this caused Mr C to experience distress and

inconvenience as a result of his request not being actioned (i.e. for failing to explain that further paperwork will need to be completed for the TPA request to be set up).

### **Putting things right**

In addition to the redress that Barclays has already agreed to pay Mr C's representative, I require Barclays Bank UK PLC to pay Mr C £300 compensation for the distress and inconvenience caused to him in this matter.

### **My final decision**

Because of the reasons given above and in my provisional decision, I uphold this complaint and require Barclays Bank UK PLC to do what I have set out above, to put matters right, in full and final settlement of this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C, via his representative, to accept or reject my decision before 19 June 2023.

Thomas White  
**Ombudsman**