

## **The complaint**

Mrs D complains that Barclays Bank UK PLC didn't make a payment she'd requested and blocked her account.

## **What happened**

In August 2021, Mrs D asked Barclays to make a payment of just over £4,000 to a printer in Poland which was doing some work for her. Barclays' fraud system picked up the transaction as it was unusual, and Mrs D was asked to contact the bank. She did so, but the call handler was unhappy with the answers she gave to questions he asked, so the transaction was blocked. Mrs D was asked to visit a branch with her identification.

Mrs D lives abroad so was unable to visit a branch. She explained this to Barclays, but as it refused to remove the block on the account or make the payment, she raised a complaint.

Barclays looked into her complaint and issued a final response. It said if she was unable to visit a branch, she could provide certified documents and it would review the situation.

Mrs D provided certified copies of her passport as well as other documents, but Barclays still didn't remove the block, so she referred her complaint to our service. One of our investigators looked into it. She said it wasn't wrong of Barclays to block the transaction or account initially, but it ought to have provided greater detail about the documentation required from Mrs D to enable the block to be lifted. She said Barclays should pay Mrs D £150 in compensation for the distress and inconvenience she suffered as a result.

At this stage, the block was still on the account and Mrs D replied to our investigator explaining that she was unable to provide some of the documents required as she is a foreign national and lives abroad. Our investigator liaised further with Barclays, and it suggested a phone call between Mrs D and the bank as well as a 'selfie' of Mrs D with her passport. Our investigator felt that was reasonable and explained it to Mrs D.

Unfortunately, due to health reasons, Mrs D explained she is now unable to use the phone for a voice call. As there was no agreement between the parties, the complaint has been passed to me for a 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 disagree with our investigator and don't think Mr R's complaint should be upheld. I issued my provisional decision saying:

*"The priority for me in this complaint was to work with the parties to get the block on Mrs D's account lifted. I recommended Barclays should undertake a video call with Mrs D in order to obtain sight of the required documentation. I'm pleased to say that's gone ahead recently and the block has been lifted. So all that's left for me to consider now is compensation for*

*the problems caused to Mrs D as a result of the payment and account being blocked.*

*I've carefully listened to the conversation which led to the payment being blocked and all that flowed from there. It is evident there were communication issues during the conversation which led the bank to take the action it did. But these communication issues were on both sides. As the advisor had a strong regional accent and English isn't Mrs D's first language, it seems clear to me she didn't understand some of the questions she was being asked, and she didn't understand the reasons for them. So it's not surprising that the answers she gave were confused.*

*Towards the end of the conversation, Mrs D was told the money had left her account, so I believe at that point, she thought the transaction had been carried out. Otherwise, I think she'd have pushed harder to have the transaction paid.*

*Mrs D's account was blocked for approximately 20 months before the issue was resolved. While Barclays attempted to flex its procedures to assist Mrs D to provide evidence, it wasn't explicit in what it wanted. And it's only after my involvement that Barclays agreed to a video call with Mrs D to resolve the account block. That's something it could've instigated itself which might have brought about a resolution much sooner.*

*Overall, I think Barclays was wrong to have blocked the transaction in the first place. If it had been clearer in its communication with Mrs D, it's likely to have received clearer answers and been satisfied the transaction was genuine. For example, one of the questions asked was why the printer had the name it did. I don't see how that would assist Barclays in identifying the validity of the transaction and I think it ought to have known it was highly unlikely Mrs D would know the answer to it. And Barclays could've done much more to resolve things for Mrs D more quickly. So I need to consider what it should do to put matters right for her.*

*Mrs D has told us the problems have damaged her professional reputation due to the payment not being made. She couldn't get the work carried out she needed to do. She says too, that as her account was blocked, she was unable to buy food and medicine. Mrs D told us she's seeking "compensation equal to the sum that I couldn't access during the past two years while Barclays blocked my private account", a sum of around £5,700.*

*Mrs D has provided letters from a couple of businesses she's involved with on a professional basis. One of these refers to the work the printer was meant to be producing for Mrs D and threatens to terminate its contract with her. I note however it's signed by someone with the same name as her son and is from a business with a similar name to one she is a director of. It's not clear what the contract was or whether it was eventually cancelled.*

*The second letter is from a publisher. It urges her to send the payment to the printer as soon as possible and cites Mrs D's "lack of professionalism". It goes on to say it will take action against her for breach of contract. Again we have no evidence of what the contract was or that any action was taken. I note however that Mrs D's son and husband appear to be directors of the publisher, although the letter is signed by someone else with the title 'Production Director' who isn't listed at Companies House as a director.*

*I don't doubt Mrs D would have been frustrated and inconvenienced by the payment not going through. But the letters she's provided don't persuade me her reputation was damaged to the extent she suggests it was and that could give rise to compensation of the level she's requested.*

*I've asked Mrs D to provide evidence of the problems she had with the purchase of food and medicine. I noted she'd not been using the account with Barclays on a regular basis, so I*

*asked why she'd needed to use it since the block. Mrs D explained she needed to use it as she was unable to work following the failure of Barclays to make the payment she'd requested. I'm not persuaded by what she's said – let me explain why.*

*There had been very little activity on the account prior to the blocked payment, so it's clear that it wasn't being used as her main bank account. It's likely Mrs D had accounts elsewhere into which any income was paid, and her day-to-day expenditure would've been made from. She's not provided any evidence to show she was unable to meet her usual expenses from that account, or that she had to borrow in order to do so.*

*Overall, I'm satisfied that Mrs D experienced distress and inconvenience due to the issues with Barclays and they could've been resolved much more quickly. I think compensation in excess of that proposed by our investigator is warranted here. But based on the evidence and information I have to hand, I can't see a case for Barclays to pay Mrs D £5,700 as she's requested.*

*On balance, having considered the complaint as a whole and all the evidence, I think Barclays should pay Mrs D £500 in recognition of the distress and inconvenience it caused her."*

Both Mrs D and Barclays have rejected my provisional decision.

In summary, Mrs D reiterated how her reputation has been harmed, and increased her claim for compensation to £10,000. Barclays' response – again in summary – centred on failed attempts of Mrs D to provide the required documentation it requested and the terms and conditions of the account. It said the terms allow it to block a "payment tool" and that it won't be liable for loss of business, goodwill, opportunity or profit.

In light of these objections, I've looked again at my decision and have reached the same outcome. Let me explain why.

Mrs D's claim is very difficult quantify and evidence. While she's provided more detail around her circumstances, she hasn't provided any new evidence which shows she's suffered a loss or that helps to quantify the loss she's claiming.

Barclays on the other hand has provided further evidence supporting its' position. The terms and conditions of the account do indeed allow it to block a transaction and / or an account if it has security concerns as it did here. And they also exclude losses as I've mentioned above.

But I do think Mrs D should be compensated for the service issues she experienced since the block was placed on the account and when it was released in April 2023. Barclays could have done more to suggest a way forward to unblock the account, although I do recognise the difficulties it had in communicating with Mrs D.

Overall, while I appreciate both parties will be disappointed with my decision, I remain of the opinion that £500 is a suitable level of compensation to resolve this complaint.

### **My final decision**

My final decision is that I uphold this complaint. For the reasons set out above, Barclays Bank UK PLC should pay Mrs D £500 in full and final settlement of this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs D to accept or reject my decision before 18 July 2023.

Richard Hale  
**Ombudsman**