

The complaint

Mr C complains about the way Barclays Bank UK PLC has administered his account.

What happened

Mr C has a current account with Barclays and has explained that payments have been held for additional checks without good reason. In addition, Mr C's told us that a claim he made to try and recover a payment that was made as part of a scam wasn't successful.

In April 2022 Mr C's account was charged for two card payments of £372.72 for tickets. Mr C has explained that he fell victim to a scam as he wanted to buy two tickets at £84 each. Barclays went on to refund £372.72 on 21 April 2022 as it accepted one of the payments had been taken in error. But Barclays didn't make a further refund to Mr C.

In September 2022 Barclays stopped a £5,000 payment Mr C tried to make for dental work abroad. Barclays spoke with Mr C about the payment he intended to make but wasn't satisfied it was genuine. As a result, Mr C asked Barclays to transfer the funds to an account he holds with another bank with a view to making the payment from there.

On 6 January 2023 Mr C attempted to make a payment of £1,300 to his partner to purchase a mobile phone. But Mr C's payment was picked up by Barclays' fraud prevention systems and held for further checks. Mr C discussed the payment with Barclays' Fraud Team. But the Fraud Team wasn't willing to release the payment and directed Mr C to his local branch. Mr C visited on the same day and provided further details about the payment he was trying to make. Branch staff ultimately weren't satisfied the payment Mr C tried to make was genuine and Barclays says it called the Police in line with banking protocols to discuss it further. Police officers attended the branch and spoke to Mr C who later cancelled the payment request. Mr C then asked Barclays to transfer the funds to his account with the other bank.

On 19 January 2023 Mr C tried to make a payment for £200 but it was blocked by Barclays. When Barclays called Mr C to check the transaction was genuine he didn't answer the security questions used to identify customers. Barclays didn't release the payment.

Mr C complained about the way Barclays had referred payments for additional checks. Mr C said he thought there was a marker or note on his account that was causing payments to be picked up unnecessarily. Barclays issued a final response on 22 February 2023 and apologised for delays when dealing with his complaint. But Barclays confirmed that each of the payments held had been picked up by its systems for further checks. Barclays said there was no marker on his account that was causing payments to be blocked and that transactions were only held when there was a genuine concern about fraud.

Barclays' final response added that the Police were contacted due to genuine concerns Mr C was being scammed and didn't agree it had acted unfairly by contacting them.

Barclays issued a follow up response on 8 March 2023. Barclays apologised for the inconvenience caused and recognised Mr C had informed it about mental health difficulties.

Barclays gave information about support it and external sources could provide but didn't take any further action in terms of his complaint.

An investigator at this service looked at Mr C's complaint and upheld it in part. Whilst the investigator wasn't persuaded it was unfair for Barclays to place holds on payments its systems identified as being at risk of fraud, they thought asking the Police to attend the branch to speak with Mr C was heavy handed. The investigator asked Barclays to pay Mr C £200 for the distress and inconvenience caused. Barclays agreed, but Mr C asked to appeal.

Mr C said Barclays had failed to provide the full refund following his attempt to purchase tickets in April 2022. Mr C also said he thinks Barclays has marked his account as suspicious and made it inoperable. Mr C explained the issues raised have had a significant impact on his mental health conditions and that he didn't think the compensation agreed of £200 was fair. As Mr C asked to appeal, his complaint has been passed to me to make 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.

I'm aware I've summarised the events surrounding this complaint in less detail than the parties involved. No discourtesy is intended by my approach which reflects the informal nature of this service. I want to assure all parties I've read and considered everything on file. I'm satisfied I don't need to comment on every point raised to fairly reach my decision. And if I don't comment on something, it's not because I haven't considered it. It's because I've focused on what I think are the key issues. My approach is in line with the rules we operate under.

Mr C's told us that when Barclays looked at his dispute in April 2022 it failed to deal with it fairly. Mr C's told us it took Barclays several weeks to review his dispute. But I can see that Mr C made two payments of £372.72 on 4 April 2022 and one of those payments was refunded on 21 April 2023. Barclays has confirmed it wasn't able to refund the other payment. I'm sorry to disappoint Mr C but I haven't been persuaded there were undue delays in dealing with his payment dispute. And I'm satisfied Barclays took reasonable action when one of the two payments Mr C disputed was refunded. I haven't been persuaded that Barclays acted unfairly.

I can see there is a history of payments being held for further checks by Barclays. In response to the investigator, Mr C's told us he believes Barclays has marked his account as suspicious which is causing genuine payments to be held for unnecessary checks. But Barclays has confirmed that no marker or notation of that nature has been applied to Mr C's account or profile. And I haven't seen anything that shows Barclays has a marker of that nature in the information I've seen. Barclays says that payments Mr C tried to make were genuinely picked up by its fraud prevention systems as they appeared suspicious and out of character. I've looked at whether Barclays' claim is reasonable.

Barclays stopped a payment of £5,000 Mr C tried to make for dental treatment abroad. Mr C's told us this was a genuine payment. But Barclays has pointed out it was an unusual transaction in terms of Mr C's account history and represented the vast majority of the funds held in his account. And when Barclays asked Mr C about the payment, the responses he gave contained details that often feature in cases of fraud and scams. Whilst I understand Mr C was satisfied the payment was genuine, I haven't been persuaded it was unreasonable for Barclays to hold the payment for further checks. I've reviewed Barclays' contact notes from when it discussed the payment with Mr C and I'm satisfied it had reasonable grounds to

decline to proceed. Ultimately, as Barclays wasn't convinced the payment was genuine, I'm satisfied it acted reasonably to protect Mr C's funds. I've looked at the relevant account terms and conditions and they allow Barclays to take the step of declining to make a payment for that reason.

I think it's fair to add that Barclays did approve a transfer from Mr C's account to his other bank account elsewhere. I'm sorry to disappoint Mr C but I haven't seen anything that shows Barclays acted unfairly or made a mistake.

Barclays stopped another payment on 6 January 2023. Mr C's explained he was sending £1,300 to his partner to purchase a phone. Mr C spoke with the Fraud Team and explained why he was sending the money to someone else to make a purchase on his behalf. But Barclays felt the circumstances of the payment were suspicious and raised concerns about the risk of fraud. Ultimately, Barclays wasn't willing to proceed due its concerns that Mr C was being scammed. Again, I'm satisfied that was a decision Barclays was free to make, in line with the account terms.

Barclays says it followed banking protocol by contacting the Police when Mr C confirmed he still wanted to proceed with the payment. Barclays says it wanted the Police to discuss the transaction with Mr C and provide further guidance on the risks of scams. I appreciate Mr C found the involvement of the Police to be distressing, especially as he was in branch at the time. But I'm satisfied Barclays was seeking to try and offer further protection against the risk of fraud. I agree with the investigator Mr C's branch visit could've been handled more sensitively. And I can understand why Mr C was upset by what happened. In my view the payment of £200 recommended by the investigator fairly reflects the way Mr C's branch visit was handled and the level of distress and inconvenience caused.

On 19 January 2023 a payment for £200 was blocked and later cancelled when security questions weren't answered. I appreciate Mr C's view that the timing of the account blocks made him feel as Barclays was targeting him directly. But Barclays has provided systems evidence that confirms the payment was identified by its system as suspicious and held for further checks before being made. In the circumstances, I wouldn't have expected Barclays to have released the payment without carrying out further checks with Mr C. But the contact notes show that Mr C declined to complete the verification questions Barclays asked so the payment wasn't approved. I'm sorry to disappoint Mr C but Barclays' approach is in line with the account terms and conditions and I'm satisfied it was seeking to protect him from the risk of fraud.

I haven't seen anything that shows Barclays was targeting Mr C specifically and I'm satisfied that each of the payments that were referred to the Fraud Team were highlighted as potential scams.

Mr C has told both Barclays and this service about his mental health issues as well as other health concerns he suffers with. I can see that Barclays has recorded that Mr C's health conditions and provided details of support it and other organisations can provide in its final response. I also note Barclays offered to carry out a video interview on 6 January 2023. In my view, that shows Barclays is willing to make adjustments for Mr C should he request them. And whilst I understand that the way payments have been held has caused Mr C a substantial level of frustration and concern, I think the award of £200 reflects that and is a fair way to resolve his complaint.

As I'm satisfied Barclays has agreed to pay a settlement that is fair and reasonable in all the circumstances I'm not telling it to do anything else.

My final decision

My decision is that I uphold Mr C's complaint and direct Barclays Bank IK PLC to settle by paying him £200 for the distress and inconvenience caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 1 December 2023.

Marco Manente
Ombudsman