

The complaint

Mr A complains Barclays Bank UK PLC processed a payment without his consent.

What happened

Mr A attempted to make a £4,000 payment over the telephone to his neighbour, but the payment was flagged by Barclays' systems and wasn't paid immediately. Mr A contacted Barclays to chase the payment up on more than one occasion and he says he was told different things by Barclays staff. Mr A says he was expecting their fraud team to give him a call before releasing the payment, but they paid the money late in the evening without checking if he still wanted it paid. Mr A had paid the neighbour £4,000 in cash due to the delay, so he says he has lost £4,000 as a result of what happened, and he's been charged a £250 late fee. Mr A made a complaint to Barclays.

Barclays partially upheld Mr A's complaint. They said transactions can be delayed or cancelled if they deem the activity to be suspicious, unusual or out of character for his account, and they took this action in line with their terms and conditions. Barclays apologised for the poor service, and they paid him £100 compensation. Mr A brought his complaint to our service.

Our investigator did not uphold Mr A's complaint. She said she didn't think Barclays acted unfairly by holding the payment or processing it when they did, and it was processed on the same day that Mr A had requested it. She said Barclays were unaware that Mr A had already arranged a cash payment, so if Mr A arranged another method of payment she thought he should've contacted Barclays to cancel the transaction that was pending. She said this was because there was a chance, given the conflicting information he received, that the payment would potentially be processed without the need to contact Mr A for further information, as this was mentioned to him during one of the phone calls. She said £100 was fair for the poor service he received.

Mr A asked for an ombudsman to review his complaint. He said the reason that he didn't cancel the payment with Barclays is because he was under the impression they would be contacting him before releasing the payment, and that is what they were supposed to do.

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.

Mr A has made a number of points to this service, and I've considered and read everything he's said and sent us. But, in line with this service's role as a quick and informal body I'll be focusing on the crux of his complaint in deciding what's fair and reasonable here.

I'd like to explain to Mr A that it is not within this service's remit to tell a business how they should run their security procedures, such as when to block attempted payments and how or if they should notify customers when the funds are released. It would be the role of the regulator – the Financial Conduct Authority, who have the power to instruct Barclays to make

changes to their policies and procedures, if necessary.

Banks and building societies have an obligation to try and keep their customers' accounts safe and prevent fraudulent transactions. Sometimes they identify and block legitimate payments that a customer wants to take place. This can cause distress and inconvenience to a customer – but it doesn't necessarily mean they have acted incorrectly.

Here, Barclays decided to hold the payment to allow them to carry out internal checks. Barclays have been able to locate two call recordings and a chat transcript that Mr A had with them about the payment. On the call he had with Barclays at 2:39pm when he made the payment he was told that the fraud department had picked up the transaction, they would be assessing the transaction, and if they deemed the payment as genuine then the payment would be sent shortly, but they would need to do some security checks on the transaction.

Mr A queries why the payment couldn't be made on the call, and the call handler tells him *"our team they will just have a look at it, ok, and if they do the security checks on it, they will release it, erm, or they will just give you a call and double check a few things, but it's out of my hands"*. Near the end of the call, the call handler says *"they might give you a call or they might release the payment"*. So I'm not persuaded an expectation was set on this call that they would definitely give Mr A a call, or that their process is to check with him that he still wants the payment to be made.

But on the second call I listened to, Mr A was set an expectation that he would get a call from Barclays about the payment. So this was contradictory to what the first call handler told him.

Mr A also had a chat with Barclays which started at 5:40pm when he told them he was still waiting for the payment to be authorised. The chat agent gave Mr A a telephone number to call where the issue could be resolved, and they told him it would be resolved after that call confirmation. After reading through the chat transcript, it appears Mr A still wanted the payment to be processed and the chat agent did not say that Mr A would get a call from the fraud department. The chat agent raised a complaint for Mr A and the chat ended with Mr A thanking the chat agent.

I've had a look online at what Mr A's terms and conditions say about Barclays obligations, and what they can and can't do. Page 33 of the terms sets out when Barclays don't have to follow Mr A's instructions, so I'm persuaded that Barclays acted in line with the terms here. The terms also set out that *"While we are checking that none of the reasons above apply, there may be a delay in getting the payment to its destination. This might happen even if everything turns out to be fine."*

So Barclays do set out that there may be a delay in getting the payment to the destination. The terms do not show that Mr A will get a phone call about the payment. Nor would I expect them to. I say this as not every investigation will need to have further involvement/interaction with their customer. And this is an example of where Barclays were able to complete their checks without contacting Mr A for further information as the first call handler confirmed that this might be the case.

So I've considered what would be a fair outcome for this complaint. I'm not persuaded that it would be proportionate for Mr A to put more weight on what one call handler said over another call handler. So while one call handler set an expectation that he would get a call, the other call handler set an expectation that the payment might be released without a call.

But neither of the call handlers told Mr A to make a separate payment of £4,000 cash to his neighbour, so it would not be proportionate for me to ask Barclays to pay Mr A this money

(or the late fee) when he took the decision to pay this separately. While I have sympathy for the position Mr A is in now, it would have been proportionate for him to contact Barclays before he paid his neighbour £4,000 cash, and let Barclays know he changed his mind as he was going to pay cash for the transaction instead. He could have instructed Barclays to make sure the original transfer was cancelled on their end before he made the payment, especially when Mr A was made aware on the first call that they may release the payment without his involvement.

Barclays acted in line with their terms, and they released the payment on the same day Mr A requested to make the payment. They did not have to check his consent for the payment, as Mr A had already given his consent on the original payment call, and he didn't tell Barclays he didn't want the payment to go through before it was processed. So I'm persuaded that this would be a civil issue between Mr A and his neighbour if his neighbour is unwilling to give Mr A the £4,000 back.

But I do think Mr A was given poor service with his communications with Barclays as he was given contradictory information and poor service. So I do think compensation is due for what happened here. Barclays have paid Mr A £100 for the poor customer service. This is in line with our awards for what happened here. So it follows I don't require Barclays to do anything further.

My final decision

I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 7 March 2024.

Gregory Sloanes
Ombudsman