

The complaint

G, a community organisation, complains about Barclays Bank UK PLC's failure to make changes G requested to its signing mandate and correspondence address.

What happened

G told Barclays it wished to change the signatories on the mandate for its account and change its correspondence address.

Barclays sent G the relevant forms, which it completed and returned. The process was repeated on a number of occasions over the next couple of years. But each time, Barclays wrote to G to say that there were issues with the way G had completed the forms and that it needed further information. By the time G raised its complaint with Barclays in early 2023, it had completed the forms numerous times and each time they had been rejected.

In early summer 2023 Barclays sent G a new form, and explained that it needed G to say whether it required cheques to be signed by two authorised signatories or just one. G says that this was the first time that Barclays had explained what it needed. G completed and returned the form. But the new mandate was never put in place. At the end of July 2023 Barclays closed G's account. Barclays says this was due to G not completing a business review as requested, and is unrelated to this complaint.

G has told us it spent a considerable amount of time on phone calls, meetings and visits to the post office and Barclays to try to resolve the issue. It says that it was unable to make payments it would normally have made to members and their families, and that it lost members as a result.

Barclays issued two final responses to G's complaint in July 2023. In each of them it apologised for the overall poor experience that G had had with its mandate change team. It said it was sorry for the inconvenience G had experienced, and the effect it had had on the day-to-day running of G. And in each case, it paid £100 into G's account.

G didn't consider the compensation that Barclays had paid to be enough, so it brought its complaint to this service.

One of our investigators considered the complaint and thought it should be upheld. In summary, she thought that Barclays could have provided guidance to help G complete the forms much earlier. And she recommended that Barclays pay G a further £200 in recognition of the inconvenience it had experienced.

G didn't agree with the investigator's view, so the complaint's been passed to me.

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 accept that Barclays could have provided G with clearer guidance, much earlier on, about exactly what information was needed in order to make the requested changes. And I think it's likely that if Barclays had done so, G would have been spared a considerable amount of inconvenience. It might also have avoided the reputational damage it says it suffered among some members as a result of its inability to operate as normal.

I can understand how frustrating the situation will have been for G's officers. But I can only award compensation for the impact of wrongdoing by a financial business on an eligible complainant. In this case, the eligible complainant is G, an organisation, rather than any individual. An organisation can't itself suffer distress or frustration, but I can consider the inconvenience caused to G.

Barclays has already paid G £200 to apologise for the inconvenience it experienced. Having thought carefully about everything that G and Barclays have said, I consider that the £200 additional compensation recommended by the investigator is fair. Once this has been paid, G will have received a total of £400 compensation for this complaint.

I have only considered G's complaint about the delays in making changes to its signing mandate and correspondence address. I make no finding here about the closure of G's account, which happened after Barclays issued its final response to G's complaint. If G wishes to complain about the closure of its account, it should raise this as a separate complaint.

My final decision

My decision is that I uphold this complaint. I require Barclays Bank UK PLC to pay G a further £200.

Under the rules of the Financial Ombudsman Service, I'm required to ask G to accept or reject my decision before 25 June 2024.

Juliet Collins
Ombudsman