

## **The complaint**

Mr A complains about what happened when his direct debit to pay his mortgage to Barclays Bank UK PLC failed. Mr A said Barclays didn't do enough to support him, although it was aware of his vulnerability.

## **What happened**

Mr A told us that on 30 June 2023, he noticed his direct debit to pay his mortgage with Barclays hadn't been taken from the other bank where he holds his main current account. He said he tried to contact Barclays right away, but couldn't get through, and the messages he left didn't produce any call back.

Mr A said he was very worried, he wanted to make sure his payment was received because he was on a payment plan and didn't want that to be broken. But he also thought if he made a manual payment he might end up paying twice, which would cause him problems. He said things were made worse, because he'd experienced problems with Barclays' litigation team before.

Mr A said Barclays hadn't helped. Although it said it sent a letter on 1 July, he never got that.

Mr A said he asked the other bank about the issue, and it said the problem wasn't with it. Mr A said it appeared Barclays was responsible for what had gone wrong, although it hadn't accepted that and just tried to shift the blame.

Mr A said Barclays had offered £100 for its mistake, but he didn't think that was enough. Mr A told us about the time all this took, and the effect it had on him. Mr A said things were made worse by the problems he'd had with Barclays before. He said he'd felt he needed to change his banking arrangements, to avoid this happening again. I

Mr A said he wanted Barclays to carry out a full review of what had gone wrong. He wanted it to tell him why this happened, and provide a written apology. He wanted to be given a dedicated point of contact for the future, someone who would case manage his mortgage. And he wanted more compensation.

Mr A has provided medical evidence about his mental health, which he says has been significantly impacted by what happened. Mr A says that Barclays is aware that he is a vulnerable person, so it ought to have done better here.

Barclays said it was sorry that neither of Mr A's calls on 30 June had reached the litigation team, and that team hadn't managed to call him back on the same day. It said this was just a result of the volume of work at the time. Barclays sent us a call recording from the following day, a Saturday, when its litigation team did speak to Mr A.

Barclays said that it had paid Mr A £100 for the inconvenience, and it thought this was fair.

Our investigator didn't think this complaint should be upheld. She said Barclays had confirmed the issue with Mr A's direct debit wasn't on its end, and previous payments were collected with no issues. Although Mr A's other bank had apparently said this wasn't its fault, Barclays had said the same. Our service can't say for sure which business was liable for the direct debit not being taken.

Our investigator said she understood that this caused Mr A stress, but there was no financial impact, and no negative effect on his mortgage. His agreed plan remained in place. Although Mr A had phoned Barclays twice on 30 June and not spoken to anyone, Mr A was then able to speak to someone shortly after the payment was due, and the agent explained that Mr A had a grace period to make his payment. To help in future, Mr A now has a direct debit linked to his Barclays current account.

Barclays paid £100 in compensation for the service Mr A received when trying to rectify the payment not being taken, and our investigator said that was in line with what our service would have recommended. So she wouldn't ask it to do anything further.

Mr A didn't agree. He didn't think Barclays had provided fair compensation. He raised additional points he wanted us to consider. Those were the impact on his mental health, and particularly bearing in mind that Barclays was aware he was a vulnerable customer. He said the stress of this had exacerbated his long-term health conditions. He felt Barclays' response to him as a vulnerable customer was inadequate, and that our service should now also consider the needs of vulnerable customers. He said the distress he experienced was not adequately addressed by the £100 compensation, which didn't reflect the seriousness of the situation for someone in his position.

Mr A also said Barclays' failure to determine responsibility for the direct debit issue left him in a state of uncertainty and distress. He felt a more thorough investigation or clearer resolution would have been appropriate. He repeated that £100 was insufficient compensation for the experienced distress, particularly given his previous problems with Barclays, and the fear of litigation that he lives under.

Mr A wanted his complaint to be considered by an ombudsman, so this case was passed to me for a final 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've reached the same overall conclusion on this complaint as our investigator.

I'm sorry to hear about the mental health issues that Mr A has told us he's experiencing. I have taken account of the detailed description of Mr A's circumstances that he's sent us and of what he's told us about the effect this had on him, as well as the medical evidence he's provided. But I do still think that a payment of £100 does provide a fair and reasonable outcome to this complaint. I'll explain why I think that.

Mr A told us that the bank he holds his current account with, said the problem with the direct debit was at Barclays' end. However, I note that the complaint response letter he sent our service, doesn't appear to confirm this. That simply states that Mr A was previously making payments to Barclays for his mortgage by direct debit, one payment left his account then was returned as unpaid, and future payments weren't taken. (The dates given by that bank

for the previous payments, and the failed payment, were in 2022, although we know this issue happened at the end of June 2023.)

I don't think that I can rule out, on the evidence Mr A has sent us, that the problem lay with the bank that Mr A was paying from. And I haven't asked Mr A to show us the statements from this account, because even if I could see that this direct debit ought to have been collected from Mr A's current account, I still wouldn't be able to rule out some other problem at this bank.

I think the important thing here is that this letter from Mr A's other bank does tell me that the payment was requested from Mr A's nominated current account. It just wasn't paid. So we know the direct debit payment was requested by Barclays on 30 June, and this request was received by the other bank. And Barclays has told us it can see on its internal systems that the direct debit was still in place, there were no issues on its end. So, on the evidence I've seen, I do think it's a little more likely that the issue, whatever it was, happened at the bank Mr A holds his current account with, rather than at Barclays.

I know that Mr A says he has found the uncertainty about this, with each bank blaming the other, most upsetting. But I can only consider here what Barclays is responsible for. And I do think it's less likely that Barclays is responsible for this payment being missed.

I understand that Mr A then called Barclays twice on Friday 30 June, because he was worried about the status of his payment plan. He wasn't able to speak to anyone in the litigation team at that time. I appreciate this would have caused Mr A concern, and that he was left worrying about the status of his mortgage overnight. But I can see that this team did then call him the next day, on a Saturday, and the person he spoke to was able to resolve the issue for him then.

I've listened to this call, and I think that when Mr A did speak to Barclays, it handled things sensitively and supportively. Mr A was reassured that there was no problem with his plan. He was offered options for a manual payment later, if making one right away might have caused any financial problems, but Mr A preferred to pay straight away. And he was supported to achieve a resolution which would mean he wouldn't need to worry about direct debit payments being taken from this account in future, as he now has an earlier payment, taken from a current account he also holds with Barclays.

I can hear that the agent also empathised with Mr A, and said that although she was unable to designate herself as his case manager, the litigation team is a small one and she'd be happy for him to ask to speak to her again in future.

I understand that Mr A would have been greatly worried when he wasn't able to speak to Barclays on the day he'd understood his payment was due, but I do think that Barclays then acted quickly and appropriately to support Mr A. It paid £100 for poor service, because he hadn't been able to get in touch on Friday. I have taken on board the points Mr A has made, and taken account in particular of the vulnerabilities he's alerted us to. However, given the issues I think Barclays is responsible for in this case, I do think its payment provides a fair and reasonable outcome to this complaint. I don't think Barclays has to pay more than that. So, although I understand that Mr A will be disappointed, I don't think this complaint should be upheld.

### **My final decision**

I don't 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 1 May 2024.

Esther Absalom-Gough  
**Ombudsman**