

## **The complaint**

Mr P complains about Barclays Bank UK PLC failing to execute his payment instruction which caused him distress, inconvenience and a financial loss.

## **What happened**

Mr P has a savings account with Business A. As he wanted his Barclays bank account to be the account for paying funds into this savings account, to have this as a linked account, he listed Business A as a payee on Barclays' online banking system.

Mr P says that, between 5 May and 5 June 2023, this payee stopped being listed. He thought the deletion was caused by online site changes and he re-entered the details on 5 June 2023.

Mr P says that he then made several successful payments of between £100 and £3,000 between 5 and 7 June 2023, but a larger payment for £10,000 wasn't immediately processed and no reason was given.

Mr P subsequently realised the £10,000 payment was picked up by Barclays' fraud detection system. A fraud representative called Mr P to establish if the payment was genuine. However, Mr P discontinued the call because of fraud concerns, and this resulted in the payment being cancelled and the account being temporarily blocked.

Mr P was dissatisfied. He thinks the £10,000 transaction shouldn't have been delayed and stopped. He complained to Barclays about his time, trouble and lost interest. Barclays didn't uphold his complaint and said they hadn't made an error and their processes were to protect customers.

Mr P brought his complaint to our service, looking for lost interest, compensation and assurance for future transactions. However, our investigator didn't think Barclays had done anything wrong.

As Mr P remains dissatisfied, his complaint has been referred to me to look at.

## **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'm not upholding this complaint and I'll explain why. I'll focus on what I think are the important points to reach a final decision. But I've carefully considered all the points Mr P has made, even if I don't specifically address them all.

Barclays have an obligation to protect their customers from potential fraud or scams, so it might also be expected to make reasonable enquiries including – but not limited to – the circumstances surrounding a payment instruction. Against that, they have a contractual duty to promptly execute a valid and proper order to execute its customer's instruction. If it

doesn't do so, it's liable for any consequential loss to its customer. This is essentially the basis of Mr P's complaint.

I'm satisfied there was a technical issue which caused Mr P to re-enter the payee details. This is because of Mr P's persuasive submission and the following statement from Barclays:

- *'There is an ongoing incident whereby payees may drop off the system and unfortunately we do not have an expected resolution date'*

Unfortunately, the logic or range of risk factors Barclays' system considers can't be divulged due to the risk of compromising security. So, it isn't possible for me to know if either the reset alone or the reset and other factors triggered the check. But, for the following reasons, it's also possible that it didn't play any part:

- Online transactions are highly susceptible to fraud and scams
- Mr P processed several transactions after resetting the payee and before the payment that was selected for verification
- £10,000 is a large payment and was by far the largest of the several transactions Mr P made
- Any payment, even to a known payee, may be picked up for verification checks

I can understand Mr P being cautious and not wishing to proceed with Barclays' security call. However, Mr P was able to call them back and I'm satisfied Barclays' call and temporary blocking action was prompt and precautionary to protect his account in the event there was a fraud or scam.

I recognise Mr P was sending funds to his own account and had previously made larger payments and I understand his point that banks should "know their customer". However, customers can be persuaded to transfer funds to an account elsewhere where a scammer has control and / or influence within limit payments and, to keep up with scam and fraud intelligence, risk parameters frequently change. And Barclays made efforts to speak with Mr P.

So, having considered the above and all the information on file, I don't think it would be fair or reasonable to say that Barclays didn't act diligently or promptly here. And I'm not upholding this complaint.

### **My final decision**

My final decision is that I'm not upholding this complaint against Barclays Bank UK PLC.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 30 April 2024.

Paul Douglas  
**Ombudsman**