

## **The complaint**

Mr D says that due to Barclays Bank UK Plc's actions, his account with the bank went overdrawn.

## **What happened**

The background to the complaint is known to both parties and so I won't repeat it at length here.

Briefly, as I understand it, on 30 March 2023 Mr D's debit card, linked to a basic bank account he had with Barclays, was cancelled.

The bank says that when a card is cancelled any transaction attempted around or after the card becomes inactive, will be held in an internal 'suspense' account. A letter will then be sent to the card holder seeking confirmation that those transactions are genuine.

When Mr D's card was cancelled on 30 March, eight transactions that took place on 29 and 30 March (totalling £287), were moved to the suspense account. A letter was sent to Mr D on 4 April 2023 seeking confirmation that the transactions were genuine. The letter also advised Mr D that if the bank doesn't hear from him within 21 days, it would go ahead and debit the account with those eight transactions. Mr D didn't respond and so on 25 April, the above transactions debited the account. Meanwhile, as Mr D continued to make further card payments, this resulted in the account being overdrawn.

It appears that Mr D initially claimed that the above transactions weren't made by him, but later accepted that they were by him. However, Mr D said that the transactions happened due to his gambling problem. He said that two years ago he made the bank aware of his problem and asked the bank not to let him make any payments relating to gambling. He says that the bank agreed and when he tried with his card in betting shops, it was declined. However, he then tried online gambling and was able to make the transactions. So, he called the bank again, explained his problem and requested the bank not to allow payments to gambling sites. Despite this, he says that the bank somehow allowed him to make the above transactions.

So, Mr D complains that his account was put into the overdrawn position because of the bank's failure to stop the payments connected to gambling.

One of our investigators considered the complaint and concluded that it couldn't be upheld. They noted that Barclays wrote to Mr D about the pending transactions and that he didn't respond. They also noted that when the transactions re-debited on 26 April 2023, he contacted the bank. That time the bank explained to Mr D why the transactions had been re-debited. As Mr D disputed that he made the payments, the agent agreed to raise a fraud dispute, but Mr D did not complete and return the disclaimer form. Mr D then raised the complaint on 4 July 2023, and it was agreed a further dispute form would be sent out. Unfortunately, Mr D didn't complete and return the form again. The investigator also noted

that there is no evidence of Mr D advising the bank of his gambling problem before this issue came to light.

Taking all of this into account, the investigator concluded that the bank didn't do anything wrong.

Mr D did not agree. He insisted that the bank was made aware of his gambling problem two years ago and it failed to help him by blocking the payments which eventually resulted in the overdrawn position.

### **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.

It appears that it is no longer in dispute that the above referred transactions were made by Mr D. I have also not seen any evidence to persuade me otherwise.

Mr D's complaint to us is essentially that the bank shouldn't have allowed him to make those transactions as, in the past, it was made aware of his gambling problems. Barclays has told us that there is no evidence of him informing the bank about his vulnerability until after the current problem occurred and it has provided us with the relevant account's customer contact information, by way of evidence. Further, on my request, it reviewed Mr D's another account with the bank to check whether there is any record of Mr D informing the bank of his problem on that account and has confirmed that the debit card attached to this account too didn't have any blocks applied for gambling.

I know that Mr D is insistent that he did make the bank aware of the problem in the past and the bank did try to block some payments of his at the betting shops. However, unfortunately, he hasn't been able to provide any evidence to support this and the submissions from the bank doesn't support this either. So, it is difficult for me to conclude that the bank was made aware of his gambling problem in the past and therefore it failed to act to prevent the above transactions.

I can see why, as a fraud prevention measure, the bank blocked some payments following the cancellation of the card and attempted to verify with Mr D that it was he who made those payments.

I have seen the letter the bank sent to Mr D in connection with this. I can see that the letter was sent to the correct address and so there is no reason why that wouldn't have been delivered to Mr D.

I consider that the letter adequately explained that the above referred transactions have been withheld and that the bank was seeking to get his confirmation that the payments were his. The letter said that if the transactions were made by Mr D, he didn't need to do anything, and the bank would simply take the money to cover the listed transactions out of the account after 21 days. The letter also advised Mr D to make sure that he had enough money in the account to cover the transactions.

As Mr D didn't respond, the bank went ahead after 21 days to debit Mr D's account with those transactions. Meanwhile as Mr D didn't leave enough money to cover these transactions, unfortunately the account went into overdrawn position.

In the circumstances, I agree with the investigator that it wouldn't be fair to ask the bank to do anything more in relation to this complaint.

The bank has advised me that Mr D's debt has been passed to a team that deals with vulnerable customers, to consider the appropriate way forward. This seems fair, given his vulnerability. I would expect the bank to treat him positively, sympathetically, and flexibly.

### **My final decision**

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 13 September 2024.

Raj Varadarajan  
**Ombudsman**