

## **The complaint**

Mr R complains about the service he received from Barclays Bank UK PLC.

## **What happened**

In November 2023, Mr R made an online purchase using his Barclays' debit card. He later discovered that the payment he had made was marked in his Barclays app as a recurring payment sometimes known as a continuous payment authority (CPA).

Mr R says that he called Barclays but did not speak with anybody as there was going to be a one hour wait. Instead, Mr R decided to log a complaint using his Barclays app. As he wasn't able to include a description of the problem within the app, Mr R logged a fraud complaint and cancelled his card. Mr R says that Barclays then gave him confusing and contradictory information. Mr R says that it took 17 days for his replacement card to arrive.

He found the experience worsened his anxiety and caused him to have sleepless nights. Mr R thinks that it is Barclays fault as he did not give his permission to set up a CPA.

Barclays said that Mr R may have accidentally clicked a link which set up the CPA. It said that after Mr R raised the fraud dispute, it ordered a replacement debit card on 12 February 2024. As Mr R said he had not received the debit card, Barclays ordered another debit card on 26 February 2024. Barclays said that in the meantime, Mr R could have used the debit card in his Barclays mobile banking app.

As Mr R closed his current account on 27 February 2024 and opened a new account on the same day, this closed the use of his mobile banking app. Barclays said that its agents disconnected some calls after Mr R became frustrated over the phone. Barclays said it would credit £25 to Mr R's account to apologise for any upset and inconvenience caused.

Our investigator didn't uphold Mr R's complaint. He explained the nature of CPAs meant that Barclays could not have set one up if Mr R had not initiated it through the online merchant.

Our investigator said that Barclays rejected Mr R's fraud dispute as it was logged incorrectly. Although it didn't send a letter about this, Barclays made Mr R aware of the outcome during a call on 17 February 2024.

Our investigator appreciated Mr R's frustration with the delays when receiving his debit card but said that this was due to a failure on the part of the postal service. He said that Mr R could still use his card in his mobile banking app during this time.

Overall, our investigator thought Barclays compensation payment of £25 was fair.

Mr R was unhappy with the investigation outcome. He thought that the Financial Ombudsman Service would investigate how the CPA came to be set up. He didn't think it fair to blame the postal service for the delays. Mr R said that he couldn't fully understand the person he spoke to about the fraud claim so was reliant on receiving a letter to explain the outcome. Mr R didn't think it acceptable for customers to have to wait on the phone for an

hour to receive a reply.

After listening to the call recording, our investigator said that Barclays had already acknowledged the error by saying it would send a follow up letter. But as Mr R confirmed he understood the outcome of the dispute during the call, our investigator thought the impact of not receiving a letter was limited.

Our investigator explained that he could not ask Barclays to change the delivery service it uses. He didn't think that Mr R's concerns about long call waiting times had any impact on the complaint matter about the CPA.

Mr R remains unhappy that we have not found out how the CPA came to be set up and that neither the Financial Ombudsman nor Barclays have offered any support over this.

### **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 realise that I have summarised this complaint in less detail than the parties and that I have done so using my own words. The rules that govern our service allow me to take this approach. But this does not mean I have not considered everything the parties have given to us.

I appreciate Mr R was concerned to find the recurring payment entry on his account, but as our investigator has said, Barclays did not initiate this. Instead, it came from the merchant which took Mr R's payment online. Barclays says that when a payment is sent through as a recurring transaction or CPA, it suggests that the customer has signed up for a membership or subscription of some sort. So, the merchant involves saves the card details for future transactions. This may have been contained in the merchant's small print leaving Mr R unaware of what he was signing up to at the time.

I have also read information from a merchant processing website which suggests that recurring payments sometimes occur because the customer ticks a box to save their card details for future payments to avoid the need to input their CVC number each time they make a purchase. It's possible that this is what happened here for Mr R but I think it would be for the merchant involved to confirm this to him. Overall, I can't fairly find Barclays responsible for the fact a CPA was set up.

If the merchant had taken a payment which Mr R then said was unauthorised, I may have expected Barclays to find out more about the recurring payment. But in Mr R's case, only one authorised payment was made to the merchant, so there were no further unauthorised transactions to investigate.

When Mr R discovered the recurring payment entry, he logged a fraud complaint as he didn't want to spend a long time on the phone to Barclays. This was his choice to make, so I can't blame Barclays when it didn't uphold his fraud complaint as the evidence showed that Mr R approved the transaction. Barclays agrees that it misinformed Mr R when it said it would send a letter about the fraud complaint and for this failing it offered £25 compensation. I consider this offer to be fair as Barclays was still able to explain the outcome of the fraud complaint to Mr R during a call.

The evidence supplied by Barclays shows that it sent a new debit card to Mr R on 12 February 2024. As Mr R didn't receive the card, Barclays sent a replacement later the same month. I don't know why Mr R didn't receive the first card but I can't fairly find that this was

because of something that Barclays did wrong. In the meantime, Mr R had access to the debit card in his mobile banking app, so the inconvenience caused by the delay was limited.

Overall, I am satisfied that Barclays has done enough to apologise for the miscommunication it had with Mr R about the fraud complaint. As I don't consider Barclays made a mistake which led to the CPA being set up and it was not responsible for any delay receiving the debit card, I don't require Barclays to pay additional compensation or take further action in response to Mr R's complaint.

### **My final decision**

Barclays has made an offer which I think is fair. So, my final decision is that if it has not already done so, Barclays Bank UK PLC should pay Mr R £25.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 1 November 2024.

Gemma Bowen  
**Ombudsman**