

## The complaint

Mr B has complained that when he transferred money from an account he held with a third-party payment provider, Barclays Bank UK Plc (“Barclays”) didn’t credit the money to his account.

## What happened

Mr B made the following payments from an account held with a third-party payment provider into his Barclays current account:

- 7 December 2023 - £45.77 (Transaction: \*0163).
- 15 December 2023 - £250 (Transaction: \*8940).
- 17 January 2024 - £70 (Transaction: \*7644).
- 17 January 2024 - £100 (Transaction: \*1214).
- 18 January 2024 - £1219.29 (Transaction: \*7260).
- 21 January 2024 - £394.05 (Transaction: \*0523).

Mr B says that although the amounts left his account with the third-party payment provider, they never arrived in his Barclays account. Following this, Mr B complained both to the third-party payment provider and also to Barclays.

Barclays issued its final response to the complaint on 8 March 2024 and said that it could not find the missing payments. Barclays said that Mr B will need to pursue matters further with the third-party payment provider as it was responsible for sending the payments.

This service has already looked into the complaint against the third-party payment provider. In that complaint this service concluded that the third-party payment provider had successfully processed the payments and that the payments were showing up as being sent on its systems.

One of our investigators assessed this complaint against Barclays and they concluded, albeit on balance, that Barclays in all likelihood had received the payments but not credited them to Mr B’s account.

Barclays disagreed with the investigator’s assessment and so the matter was referred for an ombudsman’s decision.

I issued a provisional decision on 25 July 2024, explaining the reasons why I was minded to find Barclays responsible for reimbursing Mr B for the missing money. I have included an extract of my provisional decision below, and it forms a part of this decision.

### ***“What I’ve provisionally 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 looked into this matter, it very much seems to be the case that the two businesses involved in the transfers are blaming each other for the money going missing, with Mr B stuck in the middle, unfairly incurring a loss as a result. This can't be the first time something like this has happened. And the third-party payment provider is a large well-known company.*

*So I'm surprised, following Mr B raising his complaint, that Barclays has not proactively reached out to the third-party payment provider in an attempt to locate the whereabouts of Mr B's money, so as to resolve Mr B's complaint.*

*In my view this is not fair on Mr B, and ultimately, I do think it is the case that Barclays needs to work with the third-party payment provider, and between them, work out where the funds have gone.*

*But, whilst that may be the case, in this complaint, I'm tasked with deciding whether it's fair and reasonable to lay the responsibility of the missing funds with Barclays. And having considered everything, I think it is fair to do that. I will explain why.*

*Mr B has provided his account statements from the third-party payment provider. They show the disputed amounts leaving his account. The payments are showing as complete and have been transferred using a debit card ending \*\*8025. There is nothing to suggest the payments were returned into Mr B's account (at the third-party payment provider) unpaid.*

*From what I understand, a reason why the payments may've been affected is because the debit card that they were processed under had been cancelled as it had been marked as lost/stolen on 11 July 2022. This explains why the payments may've gone astray. Of course, it does naturally raise the question as to why the third-party payment provider allowed the payments to be made in the first place. But regardless of whether the payment provider should've declined the payments or not, the payments were allowed to be made, the money left Mr B's account and the records are showing the payments as being complete.*

*So based on all the evidence I have seen, I think it's most likely the case that the payments were successfully sent to Barclays. But for reasons that aren't entirely clear, the money didn't credit Mr B's account but it also wasn't returned back to Mr B's account with the payment provider either – the latter of which I would've expected if the card details used to process the payment were no longer valid. But Barclays says that it neither credited the money into Mr B's account nor did it decline the payments either. Which is what makes me think the money is mostly likely being held in a suspense account somewhere within Barclays' systems.*

*Because of this, I currently think it's fair in the circumstances to hold Barclays responsible for reimbursing Mr B with the missing amounts.*

### **Putting matters right**

*To put matters right, I'm currently minded to say that Barclays should pay Mr B £2,079.18 for the missing funds.*

*Also, as Mr B has not had the benefit of this money in that time, I intend to say that Barclays should pay Mr B 8% simple annual interest on the missing payments. This should be calculated from the date of each payment to the date of settlement, less deductible tax."*

After I issued my provisional decision, Mr B responded and said he had no further comments to add. Barclays also responded. Barclays asked that Mr B obtain Acquirer Reference Numbers (ARN's) from his payment provider (and provided a web link where he could do that), so that it can locate the whereabouts of the missing money.

Mr B did contact the business via the link that Barclays had provided and asked for ARN's. However, the business responded and said that it was a separate platform to Mr B's third-party payment provider and so said it was unable to provide that information. It did however say that it had contacted the relevant business and asked that it provide the relevant ARN's to Mr B.

The investigator contacted Barclays and explained the above. The investigator also pointed out that if Barclays needed this information it should've asked for this prior to reaching an ombudsman, as part of its own investigation. Following this, Barclays responded and said it accepted my provisional 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.

Having reconsidered everything, as neither party added new information when responding to my provisional decision, I still think that Barclays should be held responsible for reimbursing Mr B for the missing payments.

So in summary, as Mr B has provided evidence that the transactions in question were successfully paid from his account with the third-party payment provider, but not paid into his Barclays account, I think it's most likely to be the case that the money was sent to Barclays and is sitting in an suspense account. I say this particularly as Barclays says that it didn't pay the money into Mr B's account, nor does it have any evidence that it had returned the payments in question back to the third-party payment provider either.

I recognise that Barclays asked Mr B to obtain ARN's, and Mr B did try and comply with Barclays' request. But it seems that Barclays may've referred Mr B to the wrong entity. Nevertheless, I can see that the request for ARNs has been forwarded on to Mr B's payment provider. Should Mr B receive this information, he should forward this information on to Barclays.

Finally, I note that the investigator had recommended that Barclays pay Mr B £150 compensation for the distress and inconvenience caused. Although I had not mentioned that part of the redress in the provisional decision, I do think it's reasonable that Barclays pay that too. I say that because Mr B has been left in a very difficult position, whereby Barclays and the third-party payment provider have blamed each other, and Mr B has been left in the middle, out of pocket. I can see that Mr B has taken reasonable steps to try and get this matter resolved with both business and I recognise that being out of pocket by that amount, with seemingly no prospect of recovering the money (given that Barclays said it hadn't received or returned the money) would've been distressing for Mr B. So I think the award recommended by the investigator is fair.

### **Putting things right**

As I think Barclays most likely has the missing funds, I require Barclays to pay Mr B £2,079.18 to reimburse him for the missing funds.

Also, as Mr B has not had the benefit of this money in that time, Barclays should pay Mr B 8% simple annual interest on the missing payments. This should be calculated from the date of each payment to the date of settlement, less deductible tax.

Barclays should also pay Mr B £150 compensation for the distress and inconvenience caused by this matter.

### **My final decision**

Because of the reasons given above and in my provisional decision, I uphold this complaint and require Barclays Bank UK Plc to do what I have outlined above to put matters right, in full and final settlement of this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 5 September 2024.

Thomas White  
**Ombudsman**