

The complaint

Mrs M and Mr W complain about how Barclays Bank UK PLC (Barclays) treated them when they tried to operate a trust account. I will refer only to Mrs M for ease of reading.

What happened

Soon after Mrs M opened a trust account with Barclays, she experienced problems in attempting to operate it. This included not being allocated a manager point of contact, emails not being replied to, issues with Barclays' app, phone and internet banking problems, and issues when dealing with Barclays branches.

As a result, Mrs M complained to Barclays who investigated the issues but not as a complaint. Nevertheless, Barclays tried to telephone Mrs M to discuss it but were unsuccessful so provided a written response. In it, they said they could not identify any errors they had made. Barclays said they don't offer a direct contact for the trust account or email services. They did say that Mrs M could use the telephone, or speak to a staff member within a branch, or the chat facility within their app. Barclays went on to say that they could see that the account was set up correctly online, but as the account signing requirements were set up as both Mrs M and Mr W to sign, normal app functionality was not available. They ended by saying that the account signing requirements could be changed, but they would require the necessary paperwork from the trust.

Remaining unhappy, Mrs M brought the complaint to our service reiterating the poor service she had received, to the extent that she could not access the funds she had deposited to pay bills. Specifically, Mrs M said that due to Barclays's poor service, she was unable to pay a tax bill resulting in penalties and interest.

After our investigator completed their review, they said they didn't think that Barclays had acted entirely fairly. They said that Barclays should have told Mrs M how to efficiently manage the trust account. Our investigator also said that Mrs M could not fully use the app due to the signature requirements but could use the online services, therefore they could not award any compensation as Barclays explained what Mrs M could do to operate the account. They ended their view by saying they could not insist Barclays provides a named contact but Barclays could have dealt with Mrs B's concerns in a timelier manner and suggested Barclays pay Mrs M £50 as compensation.

At the same time that our investigator issued their view, Mrs M provided some more information so our investigator issued a revised view in which they said that Barclays could have done more when they tried to call Mrs M about the complaint, and when they learnt of Mrs M's preference for email communication. Our investigator went on to say they could not determine how much sooner, if at all, the issues Mrs M had could have been overcome. Consequently, they could not hold Barclays responsible for the late completion of tax

paperwork. They concluded their view by suggesting a total of £100 compensation is appropriate.

As Mrs M rejected the view, the complaint has been passed to me as an ombudsman to review.

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 have looked at the information Barclays has supplied to see if it has acted within its terms and conditions and to see if it has treated Mrs M fairly.

It is always regrettable when we see something relatively simple result in dissatisfaction and a prolonged complaint, and I sympathise with Mrs M for the frustration she experienced. It's our role to identify if a business has made a mistake and if so, look at the impact this has had on the consumer.

Firstly I want to address how this matter was classed when it was received by Barclays initially as they decided not to log it as a complaint, but a concern. From the evidence that I've seen, it was clear from the start that Mrs M submitted an expression of dissatisfaction and accordingly, Barclays should have logged it as a complaint. That said, I understand that a complaint handler did investigate and respond to the matter so I don't consider that the logging of this as a concern significantly detrimentally affected the outcome. Going forward, I hope Barclays take the relevant learning from this complaint.

Barclays's are entitled to design their products as the commercial entity that they are. And it follows that certain features will be offered, and some will not, such as a named contact, access via an app, and email services. I agree with the investigator that more clarity could have been given earlier to Mrs M in terms of how she could manage the trust account efficiently. And I find that the investigator's suggestion of £100 compensation is an appropriate reflection of this.

I now move on to a point that Mrs M feels very strongly about, and holds Barclays responsible for. This is her inability to access the account funds, meaning she was unable to pay a tax bill and as a result, has been charged interest and penalties. Mrs M has said she tried several methods at the time including visiting a branch, attempting to pay it online, and issuing a cheque, all of which failed due to Barclays.

I wanted to address this point in detail as looking at the evidence presented in the case file, I'm inclined to disagree with Mrs M's claim that Barclays are responsible for this. Mrs B said she visited a branch in an attempt to pay the bill but the staff could not help and would not deal with her. However, I've seen evidence that Mrs B has liaised with a Barclays branch successfully and managed to obtain another service she required.

In terms of Mrs M's comment that she could not make the payment by cheque, I can see that Barclays did reject a cheque of a significant amount but that was due to a signature issue and, insufficient funds in the account from which the cheque was drawn, both reasons for which I can't blame Barclays. And additionally, I have seen another cheque drawn from the same account paid successfully by Barclays so I can't find a systemic cheque issue here.

Also, I've not seen any evidence of liaison with the tax authorities by Mrs M in an attempt to make them aware of her issues and to try and work with them to determine if there was any other way to pay the bill. Finally, given the size and importance of the bill and the financial consequences of not paying it on time, I'd normally expect to see more evidence of liaison with Barclays to convey the urgency and importance, especially given Barclays had provided an address to which Mrs M could write. I do acknowledge this address was provided mainly for the purposes of closing the account, but I would expect Barclays to also respond to a tax bill payment request to this address.

With all of the above factors considered, I agree with the recommendation of our investigator for Barclays to pay Mrs M £100 compensation. I know Mrs M will be unhappy with my decision but it's vital that I look at the case using the facts, and compensation through the lenses of fairness and reasonability.

My final decision

For the reasons I have given it is my final decision that the complaint is upheld and I require Barclays UK Bank Plc to pay Mrs M £100 compensation, less any amount already paid.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M and Mr W to accept or reject my decision before 28 November 2024.

Chris Blamires
Ombudsman