

The complaint

Ms C is unhappy that the automated fraud prevention systems of Barclays Bank UK PLC stopped payments that she wanted to make, and with the service she received from Barclays surrounding this.

What happened

Ms C wanted to make some large payments from her Barclays account. However, the payments were flagged by Barclays automated fraud prevention systems which stopped the payments from going through.

Ms C went into Barclays branch to ask why the payments had been stopped. It was explained to Ms C that the payments had been stopped by Barclays automated fraud prevention systems, and Ms C passed Barclays security process and verified the payments in branch. Shortly afterwards, the payments were released.

Ms C wasn't happy that the payments had been stopped by Barclays, and she wasn't happy about service she received from Barclays surrounding the matter, including while in branch, or that she incurred a parking ticket while in branch. So, she raised a complaint.

Barclays responded to Ms C and said that they didn't feel that they'd done anything wrong by blocking the payments for the reasons they had. And Barclays also didn't feel that their staff had been unprofessional in how they'd interacted with Ms C while in branch.

However, Barclays did apologise to Ms C for the inconvenience that she'd incurred in having to come into branch and they paid £25 to her as compensation for this. Barclays also paid a further £60 to Ms C to cover the cost of the parking ticket she'd received. Ms C wasn't satisfied with Barclays response, so she referred her complaint to this service.

One of our investigators looked at this complaint. But they didn't feel that Barclays had acted unfairly in how they'd administered Ms C's account. And they felt the apology and payments totalling £85 for the inconvenience Ms C had incurred already represented a fair resolution to that aspect of Ms C's complaint. Ms C didn't agree, and so the matter was escalated to an ombudsman for a final 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.

In her correspondence with this service, Ms C has explained that she was experiencing difficult personal circumstances around the time of the events in question which she feels heightened the impact of these events on her. As such, I'd like to begin by confirming that I have taken the information that Ms C has provided about her personal circumstances into account when reviewing this complaint.

Ms C is unhappy that Barclays automated fraud prevention systems blocked payments that she wanted to make. I'm sympathetic to Ms C here, and I appreciate that it can be frustrating and inconvenient when instructed payments are flagged for further checks by banks such as Barclays. However, I'm also mindful of the regulatory and moral obligations binding on all financial institutions, including Barclays, to have systems in place to protect their customers' money.

Automated fraud prevention systems are used by many financial institutions to meet those obligations. These systems flag activity or instructions that may be of concern and prevent further usage of an account where it's felt that there is a possibility that fraud or a scam may potentially be occurring. Furthermore, it's incumbent on banks to employ these systems with a degree of vigilance – to err on the side of caution, as it were – which unfortunately means that there will be instances where legitimately authorised transfers are flagged erroneously by the fraud prevention systems.

This can be frustrating and inconvenient for the customer involved. But it doesn't necessarily follow that because some frustration and inconvenience has been experienced that an unfair act has taken place. Instead, it can be the case that an unfortunately necessary amount of frustration and inconvenience may be required for a bank such as Barclays to meet its account security obligations. And I feel that this is what happened in this instance.

Ms C has explained that a member of Barclays staff told her that the fraud prevention systems were operating to an excessive level on her account, which was why other smaller 'everyday' payments that she tried to make were being declined. And Ms C has also explained that Barclays staff member promised to 'tone down' the fraud prevention systems on her account.

Barclays have no record of Ms C ever being told this. And they note that the tailored approach that Ms C refers to here, whereby their fraud prevention systems can be adjusted on an account-by-account basis, isn't how their fraud prevention systems work. Furthermore, Barclays note that the reason Ms C was experiencing smaller payments being declined was because when the fraud prevention systems activated, they placed a block on all transactions leaving her account, regardless of value.

I'm unsure whether the Barclays agent that Ms C spoke with made a mistake in explaining Barclays fraud prevention systems to Ms C, or whether Ms C misinterpreted what she was told. But I am satisfied that it was reasonable for Barclays automated fraud prevention systems to have stopped the payments in question and to have applied cautionary blocks on Ms C's accounts. And I'm pleased to see that when Ms C did attend branch and passed Barclays security protocols that the restrictions on her account were removed, and the payments released.

Ms C is unhappy that Barclays didn't inform her that restrictions had been placed on her account, or with the nature of the questions she was asked by Barclays branch staff when verifying the payments and with questions that were asked of her by branch staff when she gave an in-branch instruction to transfer money from her account.

But it's not unusual for banks to not inform a customer if they feel that customer might be in the process of being scammed, because to do so might alert any potential scammer and prompt them to take different action. And it would be expected that Barclays would have asked questions about the blocked payments before they would lift the restrictions on Ms C's account, and that Barclays would ask questions about the nature of any new transfer instruction that Ms C wanted to make.

Unfortunately, there aren't any contact records of the conversation surrounding the transfer instruction that Ms C is unhappy with. But I don't doubt Ms C's testimony that the transfer took longer than it should have taken because of questions being asked by Barclays staff member. However, as explained, I'm satisfied that it would generally be reasonable for Barclays to ask questions about a transfer instruction if they have concerns about it.

I also note that Ms C has said that the staff member in question was inexperienced, which may have influenced whether that staff member held concerns. I appreciate this would have been frustrating for Ms C. But all staff members are inexperienced before they are experienced, and I wouldn't consider it unreasonable for an inexperienced staff member to be cautious. Thankfully, Ms C was eventually able to instruct the transfer as she wanted.

Finally, regarding the payments totalling £85 that Barclays paid to Ms C for the inconvenience she experienced in having to come into branch and the cost of the parking ticket she incurred, this feels fair to me. And I can confirm that it's commensurate with what I might have instructed Barclays to have paid to Ms C in this regard, had they not already done so.

This is especially the case given that I don't feel that Barclays acted unfairly in blocking the payments as previously discussed or requiring Ms C to come into branch to remove the restrictions from her account. And I confirm that my position on this matter is also in consideration of the difficult personal circumstances that Ms C was experiencing around this time.

All of which means that I won't be upholding this complaint or instructing Barclays to take any further action here. This is because I don't feel that Barclays have acted unfairly towards Ms C in how they've administered her account in these regards and because I feel that the apology and payments totalling £85 that Barclays have made to Ms C already fairly resolve the inconvenience aspect of her complaint.

I realise this might not be the outcome Ms C was wanting, but it's my hope that she will understand, given all that I've explained, why I've made the final decision that I have.

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 Ms C to accept or reject my decision before 12 February 2025.

Paul Cooper
Ombudsman