

## **The complaint**

Mr B complains about the service provided by Barclays Bank UK PLC ('Barclays') when it stopped a payment he wanted to make online and blocked his debit card.

He's also unhappy that Barclays stopped corresponding with him after telling him it didn't uphold his complaint.

To put things right Mr B would like Barclays to apologise and pay him financial redress.

## **What happened**

When Mr B tried to complete an online purchase, Barclays sent a one-time-passcode ('OTP') to Mr B's phone so he could authorise the payment. Before Mr B was able to input the OTP on his computer, Barclays declined the payment and also blocked his debit card.

After speaking to Barclays over the phone, the debit card block was lifted and Mr B was subsequently able to transact with the payee.

When Mr B complained to Barclays about what happened, Barclays didn't uphold Mr B's complaint. It mainly said his payment was declined when he hadn't responded to a text message ('SMS') to confirm the payment was genuine (by inputting the OTP). And his debit card was blocked to protect his account when that happened as this caused Barclays concern about the risk of fraudulent activity on his account.

Mr B didn't feel this was a satisfactory response – he didn't think Barclays had properly understood or addressed his complaint and Barclays wasn't responding further, so he brought his complaint to us. Mr B's main concern was that the timing of Barclays' SMS messages hadn't allowed him sufficient opportunity to use the OTP before blocking the payment and preventing use of his debit card.

Our investigator didn't think she had seen enough to ask Barclays to take any further action. She said that we couldn't tell Barclays how it should operate its SMS process. And she thought it was reasonable to expect Mr B should have been able to input the OTP before Barclays' second SMS (blocking the payment and his debit card), given that he was familiar with this payment process and expecting to receive an OTP. She was satisfied that Barclays had followed its fraud security processes correctly and that it hadn't acted unfairly or unreasonably overall.

Mr B strongly disagreed with our investigator. He particularly felt that Barclays' SMS messages must have been sent at the same time or otherwise, just a few seconds apart. He said it was wholly unreasonable to allow customers less than a single minute to input a code and suggested the delay should be changed to allow at least five minutes or more. He also didn't agree that Barclays didn't need to reply to a customer once it had concluded its complaint procedure. He felt this demonstrated a '...couldn't care less attitude' and said Barclays should, at least, have acknowledged his letter as a matter of courtesy.

Mr B has asked for an ombudsman to review his complaint, so it comes to me to decide.

## **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 can understand why what's happened has been upsetting and frustrating for Mr B. But having thought about everything, I've independently reached the same overall conclusions as our investigator. I'll explain my reasons.

I've approached this complaint in a way that reflects the informal complaint handling service we provide. My role is to consider the evidence presented by the parties and reach an independent, fair and reasonable decision based on the facts of the case and the evidence provided by both sides. In doing so, I may not address every single detail that's been mentioned and I've summarised what happened only briefly. But it doesn't mean I haven't considered the evidence and what's been said here – it just means I haven't needed to specifically refer to everything in order to reach a decision in this case.

In order to uphold Mr B's complaint and award the redress he is seeking I would have to find that Barclays made an error or acted in a way that wasn't fair and reasonable and this led to Mr B suffering financial loss or some other detriment. So I've looked at what happened with this in mind.

Mr B has said that Barclays should have continued to engage with him when he wrote back about its response to his complaint. But the industry regulator, the Financial Conduct Authority (FCA), says our service can only look into complaints about regulated activities, and complaint handling isn't a regulated activity. I can however consider the customer service Mr B received. So that's the focus of my decision and I'm concentrating on Mr B's complaint about Barclays blocking his payment attempt and his debit card.

As I understand things, Mr B had sent payment to the same payee previously and had ample funds in the account to cover the transaction. And he was a longstanding and loyal Barclays' customer. But this doesn't mean that Barclays' usual anti-fraud procedures shouldn't have applied.

Mr B was aware that he'd be getting an OTP to enable him to authorise the payment he wanted to make. I can see from the timings of the SMS messages sent that he didn't have long to input the OTP. But he would've had his computer screen open in order to process the transaction and he would've been aware he'd be receiving the OTP on his phone. He'd used this process before when sending payment to this payee. So I think it's reasonable to expect that he could have completed the information required to authorise the payment in the time he had available.

I wouldn't expect Barclays to allow the payment to proceed if its authorisation process was incomplete.

When the OTP wasn't entered in time, Barclays' fraud detection system identified the need for a further check before Mr B's payment could be authorised. I don't underestimate how stressful and inconvenient this was – particularly as Mr B was anxious to complete a price sensitive transaction as quickly as possible. But these checks are designed in the interests of Barclays' customers to help keep their money safe and prevent fraudulent activity on their accounts. The relevant account terms and conditions, which Mr B would've agreed to in order to be able to use his account, allowed Barclays to refuse his payment instruction and block his debit card in these circumstances.

So I don't find that Barclays made any error or did anything wrong when it blocked the transfer Mr B wanted to make and his debit card.

Nonetheless, Barclays still needed to act in a fair and reasonable way towards Mr B. Barclays is required to satisfy regulatory requirements and have in place measures to combat fraud and protect customers from scams. It has a duty of care to protect customers' money. I don't think what happened here was unreasonable, particularly given the amount involved was a substantial sum. So, I don't think Barclays acted unfairly or unreasonably when it took the steps it did to verify what it needed to know about Mr B's payment request.

After Mr B called Barclays and it was able to complete the necessary checks, Barclays immediately unblocked his card, allowing Mr B to make the payment again. So I don't find that Barclays held up the transaction or blocked the debit card for any longer than was fair and reasonable in these particular circumstances.

I recognise that Mr B found all this frustrating. But I haven't seen enough here to fairly say that Barclays made an error or acted in a way that wasn't fair and reasonable. It follows that I can't award the compensation Mr B would like me to. So I won't be asking Barclays to do anything more.

Although this isn't the outcome Mr B hoped for, I hope that he will at least feel that the Financial Ombudsman Service has fully considered the complaint.

**My final decision**

My final decision is that I don't uphold Mr B's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 20 December 2024.

Susan Webb  
**Ombudsman**