

The complaint

Mr P is unhappy about the way that Barclays Bank UK PLC dealt with the recall of payments from his bank account.

What happened

Mr P transferred two sums of £600 to someone I'll call X. He meant to pay the funds to someone else. Later that day Mr P tried to recall the payments. He told Barclays he had used incorrect account information from a spreadsheet. Barclays chose "*incorrect sort code and/or account number input*" as the reason for the recall when contacting X's bank. About ten days later X's bank rejected the recall on the ground that there hadn't been an error as X's details were correct.

Barclays made a second recall request and selected "*wrong payee*" as the reason. X's bank accepted the recall request and asked X for authority to return the funds. X didn't agree to this, saying that the payments hadn't been made in error.

Mr P complained to Barclays. He thought an error on the part of Barclays in processing the recall had caused a few days' delay and made it less likely that he would get his money back. Barclays explained that there is no guarantee that a faster payment can be recalled. It didn't agree that using the incorrect recall code would have affected the chances of him getting his money back as X would always have had to agree to the recall. But Barclays accepted that it should have asked for more information about the transfers in which case it would have used the correct recall code. It offered Mr P £50 for the inconvenience it had caused him. Mr P didn't accept this.

Mr P referred his complaint to this service. Our Investigator didn't uphold the complaint. He didn't think the mistake with the recall code had made a difference to Mr P being able to recall the payments. Mr P thought Barclays should increase the amount of compensation.

As Mr P didn't agree with our Investigator's view, the matter has been referred to me.

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've considered whether Barclays treated Mr P fairly when trying to recover the payments once it had been made aware that Mr P had sent them to the wrong person. When this happens, we expect the bank sending the money to make reasonable efforts to recover the funds. But they can only try to do this on a best endeavours basis which isn't guaranteed to be successful.

Barclays contacted X's bank and they in turn contacted X. X's bank would always need X's permission to send the money back in these circumstances, no matter how soon they were contacted after the mistake was realised. X replied along the lines that it wasn't a mistake and they were entitled to the funds. X also provided emails to their bank supporting this. In

the light of this I think it's reasonable to say that there would probably have been the same outcome even if the correct recall code had been used on the first attempt.

Barclays has agreed to pay Mr P £50 compensation for the mistake with the recall code. I think that's reasonable in the circumstances. I appreciate Mr P will be disappointed by this decision but I don't think Barclays should be required to refund funds which were sent to the wrong person by mistake when it wasn't responsible for this happening. If Mr P wishes to accept the offer of compensation, he should contact Barclays direct.

My final decision

For the reasons given above, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 4 February 2025.

Elizabeth Grant
Ombudsman