

The complaint

Mr and Mrs R complain that Barclays Bank UK PLC (Barclays) caused confusion when they tried to pay a third party using a cheque.

They said they received conflicting information from Barclays, which in turn caused them distress and inconvenience. They're not satisfied with the £25 compensation offered.

The details of this complaint are well known to both parties, so I won't repeat everything again here. Instead, I will focus on giving the reasons for my 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 done so, I've reached the same conclusion as the investigator. I'll explain why below:

- It's clear there was an issue when the cheque was first processed. There's no dispute that Mr and Mrs R were given conflicting information about why. Barclays has accepted that and apologised.
- The second time the cheque was sent for processing, it cleared. I asked Barclays why that was the case, when they'd previously informed Mr and Mrs R the reason it couldn't be processed the first time was because the signature didn't match what they held on record. They said the second time it was submitted it didn't go through image clearing, so it didn't pick up the issues with the signature. They have explained that not all cheques are presented to the image clearing system. I'm satisfied with this explanation and agree with Barclays that Mr and Mrs R may want to attend branch to update their mandate to avoid any future issues.
- Barclays has offered to pay £25 to Mr and Mrs R for the customer journey they experienced, and the conflicting information provided to them and the third party. I understand Mr and Mrs R said Barclays caused reputational damage between them and the third party and they'd like further compensation. I have thought about what Mr and Mrs R have said and I don't doubt the misinformation caused some issues with the third party. But, I'm satisfied the compensation offered is fair in the circumstances. I also cannot hold Barclays responsible for any decisions the third party has made in relation to future payments from Mr and Mrs R.
- Having thought about everything in the round, I think the offer of £25 compensation made by Barclays is reasonable. Therefore, I won't be asking them to pay anything further.

My final decision

Barclays Bank UK PLC should pay Mr and Mrs R £25.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R and Mrs R to accept or reject my decision before 21 April 2025.

Rachel Killian
Ombudsman