

The complaint

Mr S complains Barclays Bank UK PLC didn't complete a transfer he instructed them to.

What happened

Mr S lives in the USA and described how he travelled to the UK specifically to close a bank account he had held with Barclays for over 40 years. Mr S explained the account held over £190,000 which he wanted to transfer to a bank in the USA.

Mr S explained after his flight landed, he travelled to a branch of Barclays and met with the branch manager. He described providing his identification, including his passport and UK driving license and provided the details of the bank he wanted the funds transferring to.

Mr S said the branch manager said he would receive a telephone call, but they didn't check whether the contact details on record were up to date. Mr S also said the manager didn't stress how important this phone call was in ensuring the transfer was successfully made.

Mr S said he returned to the USA and contacted Barclays several days later when he realised the funds had not arrived. He said Barclays told him the transfer had been stopped by its fraud department.

Mr S then logged a complaint where he discovered Barclays didn't hold up to date contact details for him, including an incorrect telephone number.

Barclays issued a final response to Mr S. It explained the transfer was '*deferred by our Fraud Detection System*'. Barclays explained it had a duty of care to protect customers and can delay transactions if it deemed the activity to be suspicious, unusual or out of character. Barclays explained this was in line with its terms and conditions.

Barclays explained as it was unable to reach Mr S to discuss the transfer, it cancelled the transaction the following day.

Barclays apologised for not telling Mr S the payment had been deferred when he was in the branch and paid £100 compensation for this, explaining this was not the service it expected Mr S to receive.

Barclays concluded by explaining Mr S could make the payment using online banking, but daily limits of £100,000 would apply.

Mr S explained Barclays limit for phone transfers, was £50,000 so he would have to make three separate transactions with fees for each one. He explained the exchange rate was now much lower than when he travelled to the UK in late September 2024. Mr S said the failure to process the transfer when he requested would cost him approximately \$25,000 now due to the significant change in exchange rates since then. He also explained the rates offered in branch were only available by visiting a branch, which is why he chose to travel to the UK.

Mr S didn't think the £100 was adequate compensation for the flights, hotel accommodation, food and drink costs and his time.

As a resolution he said he wanted Barclays to honour the transfer he agreed to when he visited the branch at the rate agreed.

Our investigator didn't think Barclays needed to take any further action. They thought Barclays had made Mr S aware he should expect a telephone call and there was some responsibility on Mr S to ensure his details with Barclays were maintained and up to date.

Our investigator explained Barclays were willing to waive the transactions fees as a gesture of goodwill, which he could do through the methods previously outlined.

Mr S rejected our investigator's recommendation explaining he thought it was the duty of the branch manager to have carried out any checks when he was physically in the branch. He also said he thought the manager should have checked his contact details for the transaction and, because of the difficulties encountered with mobile phones when travelling internationally, made him wait for the call-in branch.

As Mr S has rejected our investigator's recommendation, his complaint has been passed to me to make 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.

Firstly, I would like to say how sorry I was to hear of the difficulties Mr S had when trying to arrange this transfer. I do appreciate he went to quite some lengths to visit a branch and ensure the transfer was made, so I can understand how frustrating and upsetting this must have been for him.

I also appreciate how strongly Mr S feels about his complaint. Although I may not mention every point raised, I have considered everything but limited my findings to the areas which impact the outcome of the case. No discourtesy is intended by this, it just reflects the informal nature of our service.

The starting position in law is a bank is expected to process payments and withdrawals a customer authorises it to make, in accordance with the terms and conditions of the customer's account. I have taken this into account when deciding what is fair and reasonable in this case.

Having said that, there are also obligations on banks to detect and prevent certain transactions, I consider Barclays should fairly and reasonably:

- have been monitoring accounts and any payments made or received to counter various risks, including anti-money laundering, countering the financing of terrorism, and preventing fraud and scams,
- have had systems in place to look out for unusual transactions or other signs that might indicate that its customers were at risk of fraud (among other things). This is particularly so given the increase in sophisticated fraud and scams in recent years, which banks are generally more familiar with than the average customer,
- in some circumstances, irrespective of the payment channel used, have taken additional steps, or make additional checks, before processing a payment, or in some cases declined to make a payment altogether, to help protect customers from the possibility of financial harm from fraud.

This means that, there are circumstances where a bank should fairly and reasonably take additional steps, or make additional checks, before processing a payment, or in some cases decline to make a payment altogether, to help protect customers from the possibility of financial harm.

Banks have to strike a difficult balance between how to detect unusual activity on an account and to also not interfere with the vast majority of perfectly normal transactions which are not fraudulent or related to scams.

In these circumstances, Mr S had apparently not used his account for some time in the UK and additionally, was now seeking to make a significant withdrawal from this account. I can therefore see why this transaction was '*deferred*' for extra checks. This isn't unusual and I don't think this, in itself, was unreasonable or unfair for these reasons.

Financial businesses are subject to legislation which makes them accountable for some transactions if they are fraudulent, they need to take steps to detect and prevent fraud. It is therefore not unusual for business to ask for further details after a transaction has been initially accepted if they associate risk with a transaction or an account.

How businesses assess risk is not made available for obvious reasons that if it were publicly known, fraudsters would be able to circumvent such measures. Businesses appetite and decisions related to risk are often sensitive commercial decisions.

The issue left for me to consider is whether Barclays could and should have done more to assist Mr S when he visited the branch and when it became clear further checks would be required.

The systems note I have seen, provided by Barclays, show it arranged the transaction on the afternoon of 30 September 2024, the transaction flagged a few minutes later and this triggered an outbound call to a number Barclays had on its system for Mr S. The fraud team making the call recognised Barclays only had a '*foreign*' number for the customer and noted there wasn't a voicemail option on this number. Barclays therefore couldn't ask the further questions it wanted to, and the transaction was ultimately cancelled on 1 October 2024.

Mr S has said Barclays told him to expect a call about the transaction. This seems reasonable in the circumstances and demonstrates to me the manager had recognised the transaction would trigger further examination by the fraud team and made some effort to explain what the next steps were. I appreciate Mr S has explained he wasn't made aware of the importance of this call, but I am satisfied from the evidence Barclays did notify Mr S that he would need to speak with someone regarding this transaction.

I can see the contact details Barclays held for Mr S were not correct. Mr S has accepted Barclays held the '*wrong number and wrong email address on file*' at the time he visited the branch. Barclays terms and conditions make it clear customers '*must*' tell it about changes to personal details. It would seem reasonable to place this duty on customers as they are the only party to know of any such changes.

I therefore think Mr S had the opportunity to tell Barclays about any changes to his personal details at any time before his visit, or whilst he was in branch. Furthermore, Barclays told him to expect a call, this again presented an opportunity for Mr S to ensure the details were correct in line with the terms and conditions of his account.

I note Mr S chose to travel to the UK to undertake this transaction. I do understand and sympathise with Mr S that this will appear to have been a waste of his time and money. However, I can't reasonably hold Barclays liable for the costs associated with his decision to continue to hold a bank account in the UK after he moved to the USA. I think it is reasonable to expect there are likely to be issues which occur which may be more difficult to resolve in such circumstances.

I can see Barclays has explained Mr S could have, and still can, undertake the transfer online or by telephone banking. Barclays has also agreed to refund the transfer fee costs as a gesture of goodwill following our services contact with it. I further understand the exchange rate has recently recovered from when Mr S made this complaint, so the potential losses previously expressed may not still be the case.

Barclays have accepted it could have provided more information about the deferred payment in branch and has already paid £100 compensation for the poor service Mr S received regarding this point.

Whilst Barclays has accepted it could have provided better service, I do agree the compensation for this is distress and inconvenience only and should not include the financial losses Mr S is claiming for the reason I have given above. I am satisfied I can't reasonably hold Barclays liable in these specific circumstances for essentially following processes it is required to by law and to protect customers.

I therefore do not think I can reasonably hold Barclays liable for the losses Mr S has explained he feels Barclays should pay him. I Have considered the compensation already paid for the service element of Mr S's complaint and am persuaded the amount of £100 is fair and reasonable for the distress and inconvenience caused and is in line with what our service would expect in the circumstances.

My final decision

For the reasons I have given, my final decision is I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask X to accept or reject my decision before 11 June 2025.

Gareth Jones
Ombudsman