

The complaint

Mr H and Mrs C complained that Barclays Bank UK PLC ('Barclays') provided them with poor customer service in relation to issues Mr H experienced when attempting to make payments using his debit card and using a third-party digital wallet (sometimes called an 'e-wallet').

Mr H feels that Barclays should pay more compensation than it has so far offered in connection with its admitted poor service regarding the various issues he experienced.

What happened

Barclays admitted there had been shortcomings in the service it provided saying (in brief summary):

- it understood why it was upsetting when Barclays' fraud team had cancelled the fifth debit card issued to Mr H after the joint account had only been open around four months or so.
- An IT incident had been logged to try and resolve Mr H's inability to complete verification through the mobile app, as well as the ongoing difficulties experienced trying to add his debit card to his third-party digital wallet.
- Barclays had failed to log his complaint when Mr H first complained and he didn't receive a promised call back.
- Mr H's calls weren't handled as well as he was entitled to expect, including the fact that Mr H had to call back after call disconnection issues.
- the service Mr H received was below standard, particularly given the amount of time spent on the phone and in branch trying to resolve the issues.
- Barclays apologised for conflicting information provided '*...throughout the process*' and particularly regarding Mr H's device being deleted and his debit card not being able to be added to his third-party digital wallet.

Barclays said it was sorry and that this wasn't the level of service it aimed to provide. It had previously made a £50 payment to this account as a goodwill gesture when Mr H had complained earlier about these issues. It offered to pay Mr H a further £150.

Mr H didn't feel this went far enough to resolve things and he brought this complaint to us. Our investigator felt that Barclays should do more to put things right and recommended Barclays should pay Mr H £350 compensation.

Barclays made a counter offer to pay Mr H £200 on top of the £50 already paid to him, saying there had been no further issues with Mr H's debit card. Barclays also said it wasn't able to offer assistance to customers having issues with e-wallet apps they installed on their devices.

Mr H requested an ombudsman review saying the situation was resolved through his own efforts when he updated his phone, and that this had been the only way to fix the problem after Barclays deleted his old phone from his account. He doesn't feel that Barclays has taken responsibility for its actions.

So the complaint 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.

We provide an informal complaint handling service and this is reflected in the way I've approached the complaint. It's part of my role to identify and concentrate on the core issues I need to address in order to reach a fair outcome. This means I won't necessarily comment in detail on everything that's been mentioned. But I will comment on everything that makes a difference to the outcome of the complaint.

Mr H faced a series of ongoing problems when attempting to use his debit card and/or make payments using his third-party digital wallet. Barclays admits there were repeated shortcomings in the service it provided, as described above. So the key issue here for me to decide is the question of fair redress and whether Barclays has done enough to put things right.

I haven't been provided with any information to show that what happened impacted on Mrs C, the joint account holder. So my focus is on the consequences for Mr H of Barclays' poor service.

I've listened carefully to the call recordings provided and I appreciate how upsetting and frustrating this whole experience has been for Mr H. I've kept in mind that banks have an obligation to take steps to keep customers' accounts safe and prevent fraudulent transactions. Sometimes this can mean the bank identifies and blocks legitimate payments that a customer wants to make. Understandably, this can cause distress and inconvenience to a customer – but it doesn't necessarily mean the bank has acted incorrectly or unfairly. Checks undertaken as part of Barclays' security process are designed in the interests of Barclays' customers to help keep their money safe and prevent fraudulent activity on their accounts. Nonetheless, Mr H found his debit card transactions were repeatedly being declined and Barclays has acknowledged the significant inconvenience this caused.

Mr H firmly believes he had issues trying to add his debit card to his e-wallet because the fraud team deleted the wrong device from his account. And he is very clear that he was told by Barclays' fraud department that they had deleted his old phone from his profile and so he needed to buy a new phone. When Barclays followed this up, it wasn't able to find anyone in its fraud department (or elsewhere) who thought this would have been correct advice. But even if Barclays had given Mr H reason to think only a new device could be registered on his account for the purpose of enabling him to use a third-party digital wallet, it doesn't follow that Barclays should be held responsible for the cost of the new phone Mr H bought.

Barclays' IT team were looking into the matter when Mr H upgraded his phone – so he effectively pre-empted the outcome of Barclays' investigations into whether it could identify if there was a problem at its end and fix it. And it's unclear why links to the e-wallet app were de-activated so that Barclays couldn't link the device again. I appreciate that these difficulties were resolved when he used a different device. But there are a number of reasons beyond Barclays' control that could explain what was happening - his old phone could've developed

a fault or some technical issue to do with the way the e-wallet he'd installed operated on that handset. I wouldn't reasonably expect Barclays to be able to investigate or fix issues to do with how the third party app works – that would be up to the third-party digital wallet provider.

I've also taken into account that Mr H was able to use his debit card on occasions when he was unable to use his preferred e-wallet method of payment. So whilst the issues he had trying to add his new debit card to his e-wallet were undoubtedly problematic for Mr H, I can't fairly say that he needed to buy a new phone to operate his Barclays account.

But Barclays agreed it caused confusion when Mr H was told different things by different people. And Barclays accepted that the level of service it provided Mr H was below par and caused Mr H significant inconvenience, particularly around the issue of misinformation regarding his device being deleted and rendered ineligible for his e-wallet. It's also agreed by Barclays that his initial request to log a complaint wasn't actioned and he didn't receive a callback after one of its calls disconnected.

Thinking about all this, I am satisfied that the £250 overall figure suggested by Barclays matches the level of award I would make in these circumstances had it not already been proposed. I don't doubt that Barclays' poor handling of matters, as described above, caused Mr H significant distress and inconvenience. I am satisfied that the £50 Barclays has paid already is insufficient in these circumstances. I consider that a further £200 payment is in line with the amount this service would award in similar cases, and fair compensation for Mr H in his particular circumstances. Beyond this, I don't consider that Barclays needs to take any further action.

Putting things right

Barclays should pay Mr H £250 compensation in total to reflect the extent and impact on him of its poor service.

Barclays can set off against my award the £50 it has already paid Mr H in connection with this complaint – so in effect, it is required to pay Mr H the further sum of £200 as it offered to do (if it hasn't yet done so).

My final decision

I uphold this complaint and Barclays Bank UK PLC should take the steps set out above to put things right.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H and Mrs C to accept or reject my decision before 15 May 2025.

Susan Webb
Ombudsman