

## The complaint

Mr and Mrs C complain that Barclays Bank UK PLC should pay them more compensation than it has offered after they were locked out of online banking.

## What happened

Mr and Mrs C relied on receiving monthly paper statements and using Barclays' online banking service to log in whenever they wanted to, in order to check daily balances in their Barclays' accounts. In November 2024, before they were able to log on and view account balances, they were presented with an on-screen message that required them to agree to 'go paperless'. Mr and Mrs C didn't want to agree to this and complained when this resulted in them being unable to use their online banking.

When they were unable to resolve their complaint with Barclays, Mr and Mrs C brought their complaint to us. After our investigator got involved, Barclays offered Mr and Mrs C £150 in settlement of their complaint. Our investigator thought this was a fair overall settlement but Mr and Mrs C disagree and they've asked for an ombudsman to consider their 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.

Having thought about everything I've seen and been told, I've independently reached the same overall conclusions as our investigator. I'll explain why I say this.

The main background facts are not in dispute so I don't need to say more about what happened. As I understand the crux of Mr and Mrs C's complaint, they mostly feel that Barclays shouldn't have required them to agree to something they didn't want to sign up to and hadn't been asked about, or made this a condition of being able to use online banking. So I've made this the main focus of my decision.

Barclays initially told Mr and Mrs C that the way its system was set up meant that customers attempting to access online banking were being asked to opt-in to paperless banking – and the screen couldn't be bypassed. I appreciate that Mr C feels it was unacceptable for Barclays to take what he described as 'unilateral action' when it introduced this change. Mr C put things this way when he spoke to Barclays: '...I'm not prepared to say I'm anything in relation to going paperless...it should be nothing to do with my access...'

How businesses choose to operate and their internal processes come under the oversight of the regulator - the Financial Conduct Authority (FCA). So it's not up to me to tell Barclays how it should operate its online banking. Nevertheless, I've thought carefully about whether Barclays acted fairly and reasonably here – and I think it did.

This feature was introduced by Barclays to encourage customers to think about reducing the need for paper, as part of an initiative to operate in a more environmentally friendly way.

That doesn't seem unreasonable to me on the face of things. And Mr and Mrs C were able to see that they had an option not to go paperless if they didn't want to. On the same screen that required them to press the button saying: 'Continue to go paperless', there was also information explaining that customers could switch back to paper at any time. This option was set out in bold text and there were detailed instructions explaining how to select communication preferences. So I think it's fair to say that Mr and Mrs C could have seen on-screen that they were able to proceed with the log on process – and, had they wished, that they could straightaway undo the new default setting that Barclays was encouraging customers to choose.

Barclays re-iterated this option to Mr C when discussing his complaint over the phone. And the call handler also explained that their preferred account settings could be re-set for Mr and Mrs C over the phone.

So I am satisfied that Barclays has done enough to resolve the underlying complaint issue. It's my understanding that Mr and Mrs C have regained their online banking facility and Barclays has invited them to phone in the event of any continuing problems and is confident this can be sorted out.

I am mindful though that Barclays also told Mr and Mrs C that the 'go paperless' button was a feature of Barclays' online service that couldn't be turned off, but in the event, that is what Barclays was able to do after we asked it to look into the complaint. Barclays told us that its digital team had been able to remove the marker that caused the 'go paperless' prompt to appear when Mr and Mrs C attempted to log on – and that it had changed Mr and Mrs C's account settings to prevent it reappearing. So I consider that Barclays' initial misinformation about this and the delay in identifying a solution that could have put things right sooner for Mr and Mrs C amounts to poor service. For this reason, I am upholding this complaint. I've thought carefully about what is fair and reasonable redress for Mr and Mrs C in these particular circumstances.

We are impartial and aim to be fair to both parties.

I've taken into account that Mr and Mrs C were left feeling frustrated and anxious when they found themselves unable to check their current account balance online. It was important to them that they were able to actively manage regular outgoings and payments-in, to avoid the risk of going overdrawn and incurring overdraft fees. I agree with Mr and Mrs C that a monthly paper statement wouldn't have been enough to give them peace of mind.

I don't doubt that what happened has been frustrating and inconvenient for Mr and Mrs C. It doesn't however automatically mean that a large financial payment from Barclays is due as compensation. We expect consumers to take reasonable steps themselves to limit the impact of things going wrong. I've kept in mind that Mr and Mrs C understood that they could obtain a daily balance by phoning Barclays – I understand they did this on a number of occasions. So they were able to monitor account activity and had an alternative way to keep a close eye on the account balance at any given time, which could have helped to put their minds at rest about what was happening on the account.

And whilst phone banking might have been less convenient for Mr and Mrs C than simply logging-in to their account, Barclays had made them aware that there was a workaround solution that would enable them to access their account information online. I am satisfied that if online access had been a priority for Mr and Mrs C, Barclays had done enough to provide them with the information they needed to make a choice about exercising that option.

I've thought about Mr C's proposal for working out redress. Looked at overall, I think the £150 compensation offered by Barclays is fair and reasonable in all the circumstances.

It reflects the distress and inconvenience Mr and Mrs C were caused by the poor service on Barclays' part that I have identified above. Beyond this, I don't agree that Mr and Mrs C's experience warrants further compensation. I haven't been provided with anything to show that Mr and Mrs C are out of pocket as a result of any poor service on the part of Barclays. I am satisfied that £150 is sufficient to cover the level of award I would make in these circumstances had it not already been proposed by Barclays. It is in line with the amount this service would award in similar cases, and it is fair compensation for Mr and Mrs C in this particular situation. I have set out below the steps I require Barclays to take.

### **Putting things right**

Barclays should pay Mr and Mrs C £150 compensation, as it has already offered to do.

### **My final decision**

My final decision is that I uphold this complaint and direct Barclays Bank UK PLC to take the steps set out to put things right for Mr and Mrs C.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C and Mrs C to accept or reject my decision before 8 May 2025.

Susan Webb  
**Ombudsman**