

The complaint

Mr W complains Barclays Bank UK PLC caused him a financial loss and distress and inconvenience when its systems were affected by an IT outage.

What happened

Barclays had an IT outage over the weekend of 31 January to 2 February 2025, and Mr W was looking to do some payments during this time. Mr W says he was unable to cancel a direct debit for his mortgage or pay his mortgage off in full.

Mr W says he was unable to pay wages to people, couldn't buy food, pay for fuel, pay his gas or electricity or pay for a meal he went out to have, having to borrow money to pay for it.

Mr W has a medical condition aggravated by stress and says the distress of not being able to make payments led to him needing surgery. Mr W complained to Barclays about his inability to make payments and says he was told his complaint would be resolved in a day.

Barclays responded to say it accepted the IT outage affected Mr W and he was given some poor information about timescales. Barclays said it had offered £200 to compensate for this, but Mr W had declined this offer.

Unhappy with this response, Mr W brought his complaint to this service. An investigator looked into things and thought the £200 Barclays had already offered was fair. The investigator said they couldn't see any declined transactions.

Mr W didn't accept this assessment and said the poor service element hadn't been looked at or compensated for. Mr W said the additional stress had an adverse effect on his health and he could prove he needed surgery because of this.

Mr W also said he could prove he'd experienced a financial loss from his mortgage payment not being made, Mr W asked for an ombudsman to decide things.

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.

The IT outage at Barclays appears to have affected customers in different ways, some could make transfers, some couldn't, some could use their cards, others couldn't.

Mr W says he was unable to make any transfers to pay wages or clear his mortgage in full, something he'd been planning to do.

I've looked at Mr W's transactions and he was able to transfer money to what appears to be his employee at around 7.30am on 1 February 2025, so I think Mr W was able to pay wages.

And looking at the previous week, and later payments, it seems this payment should have been made on 31 January 2025. I think there was a slight delay in Mr W being able to pay wages to a member of staff.

Around the same time on 1 February 2025 Mr W was able to transfer a large amount from his savings account to his current account, in anticipation of paying his mortgage.

I've read the call transcripts for Mr W's complaint call on the same day, and he seems to be trying to make the payment while on the call. Looking at when Mr W logged in, this fits the timings. I don't think Mr W was able to transfer to his mortgage company at the first attempt.

But I can see Mr W did transfer a large amount to his mortgage company, a little before 11.45am, on 1 February 2025. I can see two declined payments, for over £50,000, and Barclays says these were declined as they were over the limit for the day.

Mr W appears to have paid the balance of his mortgage on 3 February 2025, the Monday.

Mr W's said he can prove a financial loss around not being able to pay his mortgage, but hasn't provided this service with any proof. I think Mr W was able to pay his mortgage, by the Monday, the first working day, so I'm not sure there was loss.

If there was a loss, I think it's for Mr W to prove it, and he's failed to do this. I can't ask Barclays to pay a loss when it's unclear what this loss was or whether it was incurred.

Mr W also says he was unable to cancel the direct debit for his mortgage., but I can see this was cancelled on 1 February 2025. It seems the payment was due on 3 February 2025, so I think Mr W was too late to not pay this payment even if he had cancelled it on the Friday.

I don't think Mr W was caused further detriment because of this paid direct debit, it was always likely to pay on 3 February 2025 unless Mr W had cancelled it prior to the IT outage. And if Mr W's mortgage company has been overpaid, he should ask it for a refund.

Mr W says he was unable to buy food, buy fuel, pay for top up energy and he had to borrow money from a friend to pay for a meal.

I've looked at Barclays' records and I can't see any card payments were attempted by Mr W. A card payment was made, a regular debit card payment Mr W makes, but it doesn't seem any were attempted by him.

Even though Barclays had an IT outage, I'm satisfied the card schemes, in this case Visa, have information about attempted, successful and declined card payments. Since there are no records it follows I'm satisfied Mr W didn't try and spend on his card during the IT outage.

Mr W's Barclays account hasn't historically been used for many in store card purchases, and certainly no food shopping in the previous few months, so I think Mr W holds an account elsewhere for his day-to-day shopping.

And it appears Mr W pays his gas and electricity by direct debit, these payments are showing on his statement. Even if these direct debits aren't for Mr W's gas and electricity, I can't see any previous card payments to top up utilities.

Overall, I'm satisfied Mr W wasn't impacted by the IT outage in relation to his card. There was one successful regular card payment and no other attempts, so I don't think Barclays

needs to compensate Mr W here.

Mr W says he was told he'd get a resolution to his complaint in 24 hours, but didn't. I've read the transcripts of the call Mr W made, and I can't see Mr W was told this. But Barclays accepts this happened in its final response.

Barclays has eight weeks to consider a complaint and send a final response, or Mr W can bring his complaint to this service. Mr W's already brought other complaints, about Barclays, to this service, so I'm satisfied he knows the process.

I accept Mr W was given some poor service here, and shouldn't have been told his complaint would be resolved so quickly. But, overall, I think the impact was low, especially as Mr W was sent a final response on 5 February 2025, just a couple of days later.

Mr W says he caused so much stress by Barclays his medical condition was aggravated, resulting in surgery. Mr W told the investigator he could send in proof of this, and the investigator asked Mr W to do this.

Mr W hasn't sent anything in, so I can't fairly ask Barclays to pay distress for this considerable impact Mr W's been unable to prove.

But I do think Barclays caused Mr W some inconvenience and worry. I don't think Mr W was able to pay wages or his mortgage payment as quickly as he'd have liked to.

But it seems the IT outage only temporarily affected Mr W, he was able to pay the wages the next day and send his mortgage payment a few hours after what I think was his first attempt.

Looking at the specific circumstances of Mr W's complaint, there was some impact here, but for a short duration. Having considered everything Mr W and Barclays have said, I think a payment of £200 to compensate Mr W is fair in the circumstances.

My final decision

My final decision is I uphold this complaint, and Barclays Bank UK PLC should pay Mr W £200 to compensate for the inconvenience he was caused by the IT outage.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 1 July 2025.

Chris Russ
Ombudsman