

The complaint

J, a company, complains Barclays Bank UK PLC won't refund a direct debit.

What happened

J has an account with Barclays.

In August 2024 J cancelled a direct debit.

In February 2025 J contacted Barclays asking for all the payments that had been made under the direct debit to be refunded. J said that it had been under the impression that the direct debit was an account fee – it wasn't. J says it was for a service it had no need for, and that Barclays acted as introducer – and that it had never authorised the payment.

Barclays looked into J's claim and said that it couldn't find any evidence of an error on its part and questioned why J had not questioned the payment before. Barclays also suggested J contact the service provider.

J was unhappy with Barclays' response and complained to our service. In the meantime, Barclays says it refunded approximately six months' worth of fees.

One of our investigators looked into J's complaint and said that any payments made before 22 February 2019 were outside our jurisdiction. J disagreed. In the meantime, our investigator didn't recommend that J's complaint be upheld as far as its merits went.

J asked for a decision from an ombudsman on jurisdiction and on merits. J's complaint was, as a result, referred to me. I've issued a decision saying what I think about jurisdiction. In that decision, I said that we can only consider payments from 22 February 2019 and onwards. In this decision, I'm going to say what I think about the merits of this complaint.

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.

As I explained in my jurisdiction decision, J has, in effect, put its complaint two different ways. On the one hand, J has said that Barclays mis-sold a service to it when it originally opened its account in 2011. I say that because J has told us that if Barclays had explained what the fee was for – services it says it didn't have a need for – it would have declined the services. And on the other hand, J has said that it never signed a direct debit form agreeing to pay this fee, so Barclays had no authority to take it. In my jurisdiction decision, I explained that J's claimed mis-sale complaint was out of time. So, I'm only considering J's claim under the direct debit indemnity scheme / J's claim that these payments were unauthorised.

In order to make a claim under the direct debit indemnity scheme, something needs to have gone wrong with a direct debit. In this case establishing what has and hasn't happened isn't entirely straightforward given that this involves establishing what did or didn't happen in 2011. J has, however, accepted that the direct debit form for this fee was included in a

package of documentation it received when it opened the account. I've looked at that form and it not only refers to a "MyBusinessWorks Subscription" – an option that is ticked – but also refers to "MyBusinessWorks Training" as well as a "website builder". The direct debit is listed on J's statements and refers to "MyBusinessWorks". In the circumstances, I'm satisfied that J ought reasonably to have become aware shortly after opening the account that it was paying a fee for a subscription for a service for which training could be provided. In other words, that this wasn't an account fee as J has claimed. More importantly, given everything I've seen, I don't think Barclays acted unfairly or unreasonably when it said it couldn't evidence the fact that there'd been an error or, more importantly, when it questioned why J had taken so long to question this payment. That isn't unreasonable when a customer makes a claim under the direct debit indemnity scheme that goes back many years.

Given everything I've said, and in light of the fact that Barclays has refunded some of the more recent fees charged, I agree with our investigator that Barclays doesn't need to do more. In other words, I agree that this complaint isn't one that I should be upholding.

My final decision

My final decision is that I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask J to accept or reject my decision before 22 August 2025.

Nicolas Atkinson
Ombudsman