

The complaint

Mr S complains that Barclays Bank UK PLC (Barclays) incorrectly stopped a cheque from being processed. He says this has caused him distress, anxiety and inconvenience and he would like compensation.

What happened

Mr S presented a cheque to Barclays to pay some court fees. A few days after presenting the cheque, Mr S received a letter from the court saying that the cheque had been returned as unpaid.

Barclays also wrote to Mr S to explain there'd been a problem with his cheque and they hadn't been able to process it. They explained that the cheque was not signed in accordance with his signature mandate. The letter explained that Mr S may need to contact the beneficiary of the cheque to arrange alternative payment and he needed to update his signature mandate, to avoid any future problems.

Mr S attended the branch to update his signature. He also complained to Barclays because he didn't think there were any differences between his signatures, and he thought Barclays had purposely stopped his cheque and this caused him inconvenience.

Barclays sent multiple final response letters to Mr S. Originally, they didn't uphold his complaint and explained that the cheque had been stopped because the signature on the cheque did not match the signature on their systems. They explained that while the difference was subtle, due to the amount of money the cheque was for, they chose not to accept it, to protect him from fraud.

Mr S disagreed and replied to Barclays requesting a copy of the cheque. Barclays couldn't locate this and paid Mr S £75 compensation to apologise. Mr S and Barclays continued to communicate about his complaint, but Barclays did not change their stance on why the cheque was rejected. They were satisfied they'd followed their processes, and they'd stopped it for security reasons.

Mr S remained unhappy and brought his complaint to this service. One of our Investigators considered the matter, but she didn't uphold his complaint. She thought Barclays were entitled to stop the cheque because they couldn't verify his signature. She said she'd reviewed Barclays system notes and there was no signature mandate on file, as such this is the reason it was stopped.

Mr S disagreed. He said there was a signature on the system, he saw it when he attended the branch, and the branch staff confirmed the signatures were the same. He maintained that Barclays should never have stopped the cheque. He asked for an ombudsman to review the 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.

I'd like to reassure Mr S that I have seen all his emails – especially those where he raises concerns about there being a record of a mandate signature previously. I also note he has made several legal references and arguments. Whilst I am required to take account of the law; I am not required to answer each question in turn or provide a legal basis for my answers. We are an informal dispute resolution service and an alternative to the courts. My role is to review both sides of the story, decide the crux of the complaint and make a finding on whether I think a business has acted fairly.

In this instance, the crux of the complaint is whether Barclays acted reasonably when they decided to stop processing a cheque Mr S presented. Having considered all the evidence, I think they have acted fairly and reasonably, and I've explained why below.

Why the cheque was stopped from processing

When deciding whether to process a cheque or not, Barclays have confirmed that it follows an internal process. In summary, if there's concerns about a cheque once it has been presented, it is passed to a specialist team to do a manual check in line with Barclays internal business rules. Barclays have confirmed that in this case, Mr S' cheque was flagged on their internal fraud system for further checks. This meant it was passed to the specialist team who completed a manual review of the signature and decided that the cheque was not signed in accordance with the signature mandate. Following this, it was marked unpaid, and a letter was sent to Mr S explaining why. The reason for the further manual check is usually for security reasons and to prevent fraudulent cheques from being processed.

Having looked at the evidence from both parties, it isn't clear whether the cheque was stopped because there wasn't a signature mandate on Mr S' profile, or whether it didn't match. From looking at the system notes that Barclays have provided, it does appear that when a search was completed in April 2024, there wasn't a signature for comparison. But I'm aware Mr S attended the branch shortly after and was able to see his signature, and some of the correspondence from Barclays also suggest there was one on file. So, I think it's most likely that there was a signature held on file, but either it needed updating because it was out of date, or there were concerns about the signature matching.

Regardless, I'm satisfied from the notes that Barclays cheque processing team noted that there was a concern with the signature and as such made the decision to stop it from processing – which they are entitled to do and was in line with their processes. They followed up with Mr S in a timely manner and explained the reasons for stopping the processing of the cheque and confirmed this with the beneficiary. This allowed Mr S to take steps to update the mandate signature and arrange for payment later.

I know Mr S says the signature held on file and the signature on the cheque were the same. But the specialist team who reviewed the cheque are trained to pick up on variances, including very subtle differences, which could indicate potential fraud and may not be easily identifiable. As such, I don't think Barclays were wrong to stop the cheque. Whilst it wasn't the case here, had the cheque been fraudulent – Barclays would've prevented Mr S from becoming the victim of a fraud. So, these additional checks are put in place to protect customers.

Compensation for distress and inconvenience

I appreciate that the stopping of the cheque caused Mr S some inconvenience, such as having to attend the branch to update his signature and wait to arrange payment again. But because I don't think Barclays did anything wrong by stopping the cheque – I do not think it

would be fair to ask Barclays to pay compensation for this.

I understand Barclays paid £75 compensation to Mr S because they couldn't locate the original cheque when he requested it. I'm satisfied this compensation reflects the distress caused and do not think Barclays need to do anything further. I also understand that they have now been able to provide Mr S with this.

Overall, I appreciate this isn't going to be the answer Mr S is hoping for. I note from his submissions how strongly he feels about this matter, and he has concerns about Barclays practices – including the information they have provided to this service. But, having reviewed all the information on the file, I do not share the same concerns as Mr S. I say this because, unless I'm given persuasive reason to think evidence has been fabricated or otherwise tampered with, I generally accept submissions from both parties in good faith. The consequences of firms knowingly providing false information to our service can be severe.

Having reviewed the evidence provided by Barclays (and Mr S), I've not been presented with anything which leads me to think either party have been in any way disingenuous. I am therefore satisfied that the information provided is genuine.

My final decision

For the reasons I've explained above, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 15 October 2025.

Rachel Killian
Ombudsman