

The complaint

Mr R complains that a cheque he wrote on his account with Barclays Bank UK PLC was rejected 3 times, and that the delay caused him to lose interest on an ISA he had planned to open.

What happened

In August 2024, Mr R wrote a cheque on his account to another bank, with the intention of investing in an ISA. The cheque was rejected because Barclays said the signature didn't match the record it had. In fact, it had no official record of his signature. Mr R updated his signature record and wrote another cheque which the other bank attempted to pay in at the end of September. This cheque was rejected, this time because it didn't match the signature record.

Mr R wrote a further cheque which was again rejected. The reason given to Mr R this time was "suspected fraudulent/counterfeit cheque". In his complaint to Barclays, he explained that he was only able to invest in the ISA with a cheque from his Barclays account - he couldn't make the payment online.

Barclays provided a final response letter on 12 December 2024. It paid him £150 compensation for the poor customer experience. Mr R asserted that he had lost interest of £11.00 per day but Barclays declined to pay anything towards this. Following this letter Mr R wrote a further cheque, this time it was accepted.

On referral to the Financial Ombudsman Service our investigator said that the compensation paid by Barclays was reasonable and they wouldn't ask it to take any further action.

Mr R disagreed, and the matter has been passed to me for review.

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.

In respect of the first cheque, I think it has been established that Barclays had no record of Mr R's signature. I wouldn't have expected it to contact Mr R to update this unless it became an issue, as here. I appreciate that the letter explaining this referred to it not being signed in accordance with the signature mandate, but it achieved the same result as Mr R updated his signature record.

As regards the second cheque, I think it was likely the signature didn't match the updated signature mandate. I say this because the signature on the cheque does appear to be different whereas signatures on subsequent cheques do appear to match the mandate.

The third cheque was rejected as a suspected fraudulent/counterfeit cheque. Unfortunately due to security reasons, Barclays couldn't go into further details. But I'm satisfied that it acted in line with its process. That process says the cheque has to be rejected and the

customer will be asked to use an alternative method of payment. Unfortunately, this was not possible in this case. The cheque itself couldn't be represented.

I understand that Mr R didn't want to write out another cheque if it wasn't going to be paid again. However the situation remained the same, as set out in the final response letter in that if he wrote another cheque, it would be reviewed in line with Barclays' guidelines and paid if no issues were found.

I understand that this was very frustrating for Mr R, and that he feels that the payment of £150 doesn't adequately compensate him. However, Barclays acted correctly in line with its procedures and attempted to call Mr R on each occasion that the cheque was rejected. It also responded to his complaint within the time allowed. I think the compensation paid is appropriate and is in line with awards we have made in other cases.

My final decision

I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 3 October 2025.

Ray Lawley
Ombudsman