

## **The complaint**

Miss B complains Barclays Bank UK PLC's IT outage meant two payments were taken from her account, putting her overdrawn and causing significant distress.

## **What happened**

Barclays had an IT outage over the weekend of 31 January to 2 February 2025, and Miss B had a regular card payment for her rent and council tax due to leave on 1 February.

This payment didn't leave Miss B's account, so she spoke to Barclays, and it told her the payment hadn't been made, paid her £60 and Miss B made another card payment.

In March, her regular card payment was taken but her February payment also left her account. This second payment put Miss B overdrawn without an agreed overdraft.

Miss B spoke to Barclays again and it raised a chargeback but didn't give her a temporary credit for the disputed payment. This meant Miss B was still overdrawn.

Miss B says she was unable to top up her electricity or pay for food, and this caused her and her family significant distress. Miss B complained to Barclays, and it acknowledged it had made a mistake and paid Miss B a further £400 in compensation.

Unhappy with this response Miss B brought her complaint to this service. An investigator looked into things but thought Barclays had already paid Miss B a reasonable amount to compensate her for the knock-on effects of the second payment.

Miss B disagreed and said she was assured by Barclays the payment wouldn't be taken and budgeted accordingly, and it wasn't her fault the payment left her account twice.

Miss B said she'd done everything right but was left at risk of committing benefit fraud and a potential breakdown of the relationships with her family as Miss B couldn't help her parents.

Miss B 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.

I don't think there's a dispute Barclays' IT outage caused the duplicate payment.

It seems the payment Miss B was expecting to leave, on 1 February, was a continuous payment authority – a regular card payment put through by the company wanting the money.

I can see the payment on 1 February shows on an internal payment screen for Barclays, but it's also clear it never left Miss B's account at the time.

The IT outage Barclays had caused lots of problems with payments, but mostly these were fixed on or around 3 February when the system was working again.

In Miss B's specific complaint, it seems the payment sat with Barclays until the March payment was requested, and then Barclays sent both February and March payments.

By this time, Miss B had already sent a separate payment. And Miss B didn't have enough money in her account to cover a duplicate February payment and her March payment, but both payments left her account, and it went overdrawn.

Barclays raised a chargeback for the payment but didn't pay the disputed amount into Miss B's account.

The chargeback had to go to arbitration before it was refunded, so I don't think it's unreasonable Barclays didn't credit Miss B with the disputed amount.

Arbitration meant there was a chance Miss B might not be refunded, if Barclays had paid her the money back, then taken it back again, this could have caused further distress for Miss B.

And I think Barclays did the right thing in taking the chargeback to arbitration, this isn't something businesses often do.

But it was right Miss B was refunded her February payment, she'd paid it twice

Miss B's explained she had no money to top up electricity or buy food. And Miss B receives benefit payments for a family member into her account, and this was in part used to pay her overdrawn balance off, leaving Miss B with less money.

Looking at the timeline of payments, Miss B went overdrawn on 4 March 2025 but was back in credit on 12 March 2025, although Miss B took all the money in her account out.

On 13 March 2025 Miss B received another payment and remained in credit on her account until the chargeback was successful and refunded to her.

I accept being overdrawn will have been very stressful and distressing for Miss B, she'd done nothing wrong here.

Barclays hasn't charged Miss B for going overdrawn, and this is the right thing for it to do, this wasn't Miss B's fault. So, I'm left deciding whether the £460 Barclays has already paid is enough to fairly compensate Miss B, and I think it is.

Miss B has explained she had no money for electricity or food, and I accept this, and this was a significant impact, but for a short time. Miss B has mentioned some things she was worried would happen, but I can't compensate for things that might have happened.

I also can't compensate for any effect this had on Miss B's family, I can only look at the impact on Miss B. Having done this, and it was a significant, short lived, impact, I think a total payment of £460 is fair compensation in Miss B's specific circumstances.

## **My final decision**

My final decision is I uphold this complaint, but I think the £460 Barclays Bank UK PLC has already paid is enough to fairly compensate Miss B.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept

or reject my decision before 30 December 2025.

Chris Russ  
**Ombudsman**