

The complaint

Mr B and Mrs M have complained about Barclays Bank UK PLC's actions in relation to their joint current account.

What happened

From August 2024 onwards, Barclays wrote to Mr B several times asking him to make payments into his joint current account as it was overdrawn, but the account was actually in credit.

Mr B spent time calling Barclays to try sort things out. Eventually, Barclays withdrew the arranged overdraft and suspended Mr B's access to a travel wallet, which held more than €900. Mr B complained.

In response, Barclays accepted it had made mistakes. Barclays said there was a fault with its systems that led to it sending letters asking for Mr B to pay money into his account, showing credit balances as overdrawn and hiding access to his travel wallet. To apologise, Barclays credited Mr B and Mrs M's account with £50 compensation for the loss incurred by withdrawing money from the travel wallet, and £100 to compensate them for the distress and inconvenience caused by its actions. Barclays reassured Mr B there was no adverse information recorded on his credit file.

Unhappy with Barclays' response, Mr B referred this complaint to our service. One of our Investigators reviewed this complaint and thought Barclay's compensation of £150 was fair in the circumstances. Mr B disagreed, so his complaint was referred to me for a decision. Having reviewed this complaint, I issued a provisional decision on this complaint on 9 October 2025, which explained my provisional findings:

"I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Having done so, I think it is important to start by explaining I do not have the power to tell Barclays to change its systems to recognise interest being paid into a current account as a credit, and I can't stop it from sending out letters showing a credit balance as overdrawn. I also can't punish or fine Barclays for its mistakes. Mr B and Mrs M may find it helpful to review our website for examples of case studies which provide case studies explaining the levels of compensation our service may or may not award:

<https://www.financial-ombudsman.org.uk/consumers/expect/compensation-for-distress-or-inconvenience#compex>

Barclays has already accepted it made mistakes, so the only issue for me to decide is whether it has done enough to put things right.

Barclays has already paid Mr B and Mrs M £50 to cover any financial losses caused by

withdrawing funds from their travel wallet. I've not been provided with evidence of further financial loss, so I've not made any further award here. The issues with the overdraft and travel wallet were also rectified. I don't have the power to check Mr B and Mrs M's credit files, and I've not been provided with any evidence to show there has been any impact on Mr B or Mrs M's credit scores as a result of Barclays' actions. As Barclays has said it hasn't recorded any adverse information on their credit files, it doesn't appear there is anything further to ask Barclays to do here. I do, however, think Barclays needs to pay additional compensation for the distress and inconvenience caused by its actions.

Barclays initially offered Mr B £100 compensation during a phone call at the end of August 2024, but not only did he continue to receive letters, he experienced further problems with his travel wallet and overdraft limit being removed. This led Mr B to call Barclays to try sort things out. Mr B and Mrs M were also caused inconvenience with the removal of their overdraft and problems with their travel wallet. In the circumstances, I think total compensation of £250 compensation reasonably reflects the further distress and inconvenience caused by Barclays' actions. Barclays has already paid Mr B and Mrs M £100 compensation for the distress and inconvenience caused by its actions (in addition to the £50 set out above), so only a further £150 is payable.

On Mr B's calls with Barclays, I heard him say he wouldn't accept anything less than £900 compensation, as this is what Barclays had asked him to pay them. We're all inconvenienced at times in our day-to-day lives – and a certain level of frustration and minor annoyance is expected. We also don't take into consideration Mr B's hourly rate, or salary, when compensating him for the time taken to sort things out. I understand Mr B's frustration, but my role isn't to punish or fine Barclays for its mistakes. In the circumstances, I think a total of £250 compensation for the distress and inconvenience caused is reasonable in addition to the £50 paid to compensate for the travel wallet problems."

Mr B and Mrs M didn't respond to my provisional decision, and Barclays accepted it.

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 neither party has provided new evidence or arguments to consider, I see no reason to depart from my provisional findings set out above and remain of the view that Barclays should pay Mr B and Mrs M a further £150 compensation. This is in addition to the £100 compensation already paid for distress and inconvenience and £50 paid for the financial loss caused by withdrawing money from Mr B and Mrs M's travel wallet.

My final decision

Barclays Bank UK PLC should pay Mr B and Mrs M a further £150 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B and Mrs M to accept or reject my decision before 26 November 2025.

Victoria Blackwood
Ombudsman