

The complaint

Mr A and Miss I are unhappy with Barclays Bank Plc.

For ease I will refer to Mr A throughout this decision as he has dealt with the complaint throughout.

A CHAPS payment arranged by Mr A with Barclays Bank didn't go through on the same day as it was expected to. This meant Mr A's house purchase was delayed and he was charged £5,481.95 in additional costs by the vendors solicitors.

Mr A said this was Barclays fault.

What happened

Mr A said he visited his local Barclays Branch on 4 March 2025 to check on transferring substantial funds to his solicitor's bank account for a property purchase. He was told the option to use was CHAPS as this would allow the transfer to be done on the same day for a fee of £25. Mr A said he was told as long as the transaction was done by 15:00 pm it would go through the same day.

On 28 March 2025 Mr A went to the same branch at around 10:00 am and made the CHAPS payment. Mr A said the payment went through and Barclays confirmed it had left his account by 10:45 am. Mr A said he was told it would reach the solicitors account within a couple of hours.

Mr A said the solicitor confirmed at both 14:00 and 16:00 pm that no funds had been received. On checking with Barclays, it confirmed the money had gone and should be with the recipient bank – in this case "H".

Mr A said he ended up chasing this up multiple times with both Barclays and H and even the next day neither was able to provide clarity or resolve the issue.

A further two days passed and despite Mr A spending a further five hours on the phone the situation remained unresolved. Barclays maintained the money had been sent and H denied receipt. Due to the delays Mr A said he breached a contractual deadline regarding the property purchase and got a penalty costs notice of £5,481.95 from the seller solicitors.

The next day around 11:30 am the funds arrived in the solicitor's account. On top of the extra costs Mr A said he suffered emotional distress and anxiety over the days knowing that he might lose the property. Aside from the costs he was forced to pay he wants compensation too.

Barclays apologised but said it wasn't to blame. It said H (the recipient bank) that held the solicitors account stopped the payment going through so it could do some further compliance checks on it. Barclays did say H could do this as part of their terms and conditions. But it did say as this was an action carried out by H, Mr A would need to raise his issues with H directly as Barclays wasn't responsible.

Barclays did say H came back to it late on the original day of the attempted CHAPS payment. Barclays said it was then waiting on H to let it know if H needed more information. Barclays said if H did, it would have contacted Mr A to ask him for that information on behalf of H.

Barclays said its staff made significant efforts to try and help Mr A. It maintained it wasn't responsible for the extra costs Mr A suffered and Mr A would need to talk to H about this.

Mr A remained unhappy and brought his complaint to this service.

Our investigator eventually upheld the complaint. He said Mr A had confirmed the branch staff had guaranteed the funds would reach the solicitors account on the same day as the transfer, if it was sent before the cut off time. Our investigator noted Barclays website said CHAPS payments should arrive on the day they are made. But he accepted Mr A's position that he was guaranteed the funds would arrive rather than they should arrive. Our investigator referred to Barclays internal guidance, this said payments in sterling to UK accounts were guaranteed to arrive the same day as long as they were made before cut off time, and the payment passes Barclays screening checks. Our investigator said the internal guidance supported Mr A's position. He accepted if Mr A hadn't been given the advice in the first place he would have sent the funds earlier to avoid any potential issues. He said Mr A visiting the branch to ask about such options weeks in advance of the payment confirmed this. Our investigator said Barclays should pay Mr A's increased costs of £5,481.95. He also accepted this had caused distress and inconvenience and said it should also pay £100 as compensation for this.

Barclays didn't accept this and asked for the complaint to be passed to an ombudsman for a final decision.

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 can understand Mr A's upset. He had visited the branch weeks earlier, taken advice and then expected to be able to follow that advice. In his position I think most people would be looking to someone else to pick up the extra cost he has been charged.

Mr A pointed out he first visited the branch on 4 March 2025 to get information on how to transfer the funds for the property purchase. He said he was told the money would be with his solicitor within a couple of hours on the day of transfer. Mr A said this was clearly incorrect. He said Barclays should have been aware that H can hold up the money for a compliance check and if it had told him this could take five days he would have done the transaction a couple of weeks earlier. I've no reason to dispute this.

Mr A said despite his repeated calls Barclays failed to complete the transfer over numerous days. Mr A said he never got a call from Barclays to let him know about any issues and it was its responsibility to complete the payment on the same day. Mr A tried to get the matter resolved on the day – 28 March and each following day until the payment did complete on 1 April 2025.

Mr A said he was notified about the penalty costs and that he has already paid it. Mr A has provided this service with a copy of the letter from the solicitor breaking down the costs that make up the penalty total amount of £5,481.95. The solicitor said H had asked Barclays for more information on the initial date Mr A made the CHAPS payment (28 March 2025). H said

that Barclays provided this information on 31 March and once H had reviewed the information it then released the payment into the solicitors account on 1 April 2025.

Mr A said the uncertainty of the situation was also very stressful and he and his family were anxious about the property sale completing. I can understand that. It is a stressful situation to be in at any time, but Mr A was rightly concerned that the purchase might collapse – it's clear that was through no fault of his own. He had made the payment based on the advice received from Barclays.

H said Barclays was responsible for ensuring the Chaps Payment from Mr A reaches the other account. It said as Barclays initiated the payment *"It is an industry recognised acceptance that the bank that initiates the payment is responsible for ensuring it reaches the destination successfully. Should you experience any delays with the payment or be unhappy with service that you received regarding the payment you must direct your concerns to Barclays Bank. They are responsible for ensuring that a trace is placed on the payment and keeping you informed if there are any unexpected delays. As the payment was being made to your solicitor who banks with H, we would not be able to provide you with details as to why the payment may have been delayed."*

But Barclays see the situation very differently. It said it didn't cause the delay, it said it did its part and said the beneficiary bank did receive the funds the same working day. Barclays position is that H stopped the payment for compliance checks. It said Mr A would need to raise this with H directly. It said, *"We were waiting to hear if they needed any extra information from you, and we would've contacted you if they did."*

Barclays said it also spoke to Mr A's solicitors. It said, *"I advised the solicitor that their accounts department need to contact global payments at H as they have the funds and we replied to them on the 28th March confirming the information they requested."*

Barclays concluded H called it, *"16:03 on 31 March 2025."* Barclays said this was after the 15:00 cut off time. It said it forwarded the details on 1 April 2025 and later that day received confirmation [the payment had gone through] from H.

Barclays also said Mr A, *"called us and advised us the information towards the end of 31 March 2025. We advised HSBC of this the following morning (1 April 2025)."*

So, the evidence I have seen is contradictory from Barclays. It said it would have asked Mr A for more information to pass to H if it had requested anything. But it then said it told the solicitor it responded on the same day as H requested the information. H said Barclays didn't respond until 31 March 2025. And Barclays then say it was requested by H on the 31 March and that information was provided by Mr H on 31 March. I did give Barclays the opportunity to explain exactly what it did do and when to clear this up, but it chose not to.

Barclays said Mr A asked for the information shared between the banks on the international payments system, but Barclays said, *"We couldn't provide this as its confidential information that can only be seen by the two corresponding banks."*

Barclays insisted it made it clear to Mr A that H was causing the delays on the day of the transfer when it came back saying it needed more information. It said it told Mr A he needed to speak to H. It later said this shouldn't be direct to H, it said Mr A should go through the solicitor as Mr A has no direct relationship with H. I note from the records I have seen that at no point in advance of arranging the CHAPS payment did Barclays warn Mr A that the recipient/beneficiary bank may choose to stop the payment completing.

Barclays said, "According to the Bank of England website, CHAPS is a same-day sterling payment system that delivers irrevocable and risk-free settlements once processed by the Real-Time Gross Settlement (RTGS) infrastructure.

As soon as the payment is placed into the CHAPS system, the funds are irrevocably committed, Barclays no longer retains control over the funds.

Mr A's payment was indeed processed by Barclays within the required CHAPS timeframe, meeting our obligations under the system's requirements.

Having fulfilled our duty by submitting the payment on time, the subsequent delay occurred at the receiving bank, which is outside of Barclays' control. The design of CHAPS ensures that once funds leave a sending bank, the receiving bank assumes responsibility for timely application.

Based on our review, I am satisfied that Barclays met its responsibilities in processing your CHAPS payment correctly and without delay. The subsequent delay occurred at the beneficiary bank and outside Barclays' control.

It shows that H are responsible for crediting the customer's account and we have no involvement in this part of the process. We have therefore completed our obligations correctly in line with the process."

Barclays continued, "Even if it was believed that guaranteed was said to Mr A, any delay after the payment has been submitted (assuming before cut-off times as in this case) to the Bank of England's Real Time Gross Settlement system – such as fraud or compliance checks by the receiving bank – is outside of the CHAPS' guarantee. In other words, CHAPS guarantees that the payment is settled between banks on the same day (if submitted in time) but does not guarantee that the beneficiary's bank will immediately credit the funds to the recipient."

I think that Barclays appears to have found all of this information out from the Bank of England website after this situation has occurred. It didn't warn Mr A of the possible delays in advance. And I think this only occurred due to the guarantees Barclays gave Mr A about the CHAPS payment completing on the same day. To provide this information after the problem and the extra costs have occurred feels unfair and unreasonable.

Its clear Mr A had checked what he needed to do. He asked Barclays weeks in advance. Barclays was aware of the money being for a house purchase and it told Mr A the payment was guaranteed to go through. Despite what it says now and the contradictory information it has provided it gave Mr A no warning that the payment might be held up by the recipient/beneficiary bank.

There's no doubt that the extra costs were applied to Mr A purely because of the delays and that these delays could have been avoided as he was clearly willing to make the payment earlier. I don't think Barclays can place the blame elsewhere as its customer acted on the information and details it provided. Barclays should pay the extra costs Mr A incurred of £5,481.95.

I also mentioned that the problems caused by the delayed payment added to an already stressful situation for Mr A. In view of this I think Barclays should pay him £100 compensation for the distress and inconvenience caused.

Putting things right

I require Barclays Bank Plc to pay Mr A and Miss I:

- £5,481.95 for the extra costs.
- £100 compensation for distress and inconvenience.

My final decision

I uphold this complaint.

I require Barclays Bank Plc to pay Mr A and Miss I:

- £5,481.95 for the extra costs.
- £100 compensation for distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A and Ms I to accept or reject my decision before 2 February 2026.

John Quinlan
Ombudsman