

The complaint

Mr H complains that Barclays Bank UK PLC (“Barclays”) didn’t send him a telephone banking passcode which meant he wasn’t able to make a large payment over the phone and he had to visit a branch instead to make the payment.

What happened

Mr H no longer has the mobile phone number that was registered with Barclays and as he can’t use online banking, telephone banking is his main way to transfer funds.

Mr H attempted to make a payment of £3,500 through telephone banking but as he had only been verified through alternative identity and verification processes and didn’t have a telephone banking passcode Barclays wouldn’t allow the payment. Barclays ordered Mr H a passcode and advised him that he could visit a branch to make the payment whilst he waited for his passcode to arrive.

Mr H was unhappy with this and so Barclays made a record of his dissatisfaction and awarded Mr H £20 as a gesture of goodwill.

Mr H attended a branch of Barclays the following day and made the payment in person.

Barclays didn’t uphold Mr H’s complaint as it hadn’t made an error as in-line with its security processes it was unable to complete the transfer over the phone due to the low level of verification completed it was only able to transfer up to £500 per day to an existing beneficiary.

Mr H was dissatisfied with this as he feels that Barclays should’ve automatically sent him a telephone banking passcode when he removed his mobile phone from his record. And so Mr H brought his complaint to this service. Mr H says as a result of having to attend a branch to make a payment the payment was delayed resulting in lost interest for which he wants to be compensated for as well as requesting a copy of Barclays terms and conditions.

Barclays have explained that when customers are making payments over the phone it has different payment limits depending on the level of security the customer is able to pass. The security levels include things like one-time passcodes, logging into online banking and telephone banking passcodes. Depending on what level of verification is undertaken customers can make payments over the phone up to different limits.

One of our investigators looked into Mr H’s concerns but didn’t think Barclays had treated Mr H unfairly or had made an error in not allowing the payment without a telephone passcode as this was part of its security processes and they didn’t think it would be reasonable to expect Barclays to assume Mr H wanted a passcode when he hadn’t requested one. They didn’t think Mr H had lost out on interest due to an error on Barclays part so they didn’t think any compensation was due but arranged to send out a copy of the terms and conditions as per Mr H’s request.

Mr H remained dissatisfied and has asked for an ombudsman’s 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.

My role is to look at problems that a consumer has experienced and see if the business has done anything wrong or treated them unfairly. If it has, we seek to put the consumer back in the position they would've been in if the mistakes hadn't happened. And we may award compensation that we think is fair and reasonable.

Mr H is unhappy about the service he received from Barclays when it wouldn't allow him to make a payment of £3,500 over the telephone without a passcode resulting in lost interest and inconvenience for him as the payment was delayed a day as he had to attend a branch to make it.

It might be helpful for me to say here that, I don't have the power to tell Barclays how it needs to run its business and I can't make Barclays change its security systems or processes – such as how or when payments are processed or authorised for fraud prevention. These are commercial decisions and not something for me to get involved with. Nor can I say what procedures Barclays needs to have in place to meet its regulatory obligations. We offer an informal dispute resolution service and we have no regulatory or disciplinary role.

That said I don't think it was unreasonable for it to have security systems in place – in this case having different levels of security and verification methods depending on the type of payments being made. This helps ensure a higher protection for higher risk payments. And as I'm sure Mr H understands this is needed not only to protect businesses against criminal activity, but also their customers.

And in this case due to the not insignificant amount of the payment Mr H wished to make I don't think it unreasonable that Barclays wouldn't allow it without a more secure method of verification undertaken in-line with its policy and processes on such payments. And as Mr H didn't have a telephone passcode, or the ability to make payments online the only option available for Mr H was to visit a branch to have this done.

I appreciate Mr H was inconvenienced by this, but I've not seen any evidence that the processes Barclays followed regarding the payment isn't applied to all its customers, its in-line with its terms and conditions and regulatory obligations and ultimately, Barclays is taking this action to protect Mr H's interests. And so I don't think Barclays acted unreasonably or treated Mr H unfairly here.

I accept this matter was frustrating for Mr H because he wasn't aware of the payment limits and thinks Barclays should've automatically sent out a telephone passcode when he removed his mobile phone from his record. But I don't think it would be fair to expect Barclays to assume Mr H wanted a passcode when he hadn't requested one, especially as he'd removed his mobile phone from his record.

So I don't think there has been an error on Barclays's part as I don't think the actions it took or the advice it gave were wrong, and because Barclays promptly ordered a telephone passcode for Mr H as soon as it became aware of the issue, I don't think it has treated Mr H unfairly either.

My final decision

For the reasons I've explained, I've decided not to uphold Mr H's complaint Barclays Bank UK PLC.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 6 March 2026.

Caroline Davies
Ombudsman