

The complaint

Mr R complains about the service he received from Barclays Bank UK PLC (“Barclays”) when he wished to arrange a time sensitive international payment to invest in a business located abroad.

What happened

Mr R wished to invest in a family business “S” located abroad and visited a branch of Barclays on 3 December 2024 to arrange an international payment of £48,475. The payment was due by 12 December.

Barclays internal guidance notes state that both beneficiary and intermediary bank details need to be provided when making payments such as the one Mr R wished to make. Mr R provided Barclays with both the details of S’s account held with “N” and the intermediary bank “A”.

The payment wasn’t successful due to the swift code entered on the payment instruction not being correct and was returned the same day to Mr R’s account. The payment was attempted again on 4 December but was also unsuccessful for the same reason and returned to Mr R’s account on 13 December.

Mr R understood the issue had been caused as the payment wasn’t going directly to S’s account and that an intermediary bank was being used. So Mr R obtained the details of a different business account “F” where he could make the payment without the need to use an intermediary.

Mr R attempted to make the payment for his investment for a third time on 13 December. This time the recipient bank had queries about the incoming payment before it would release the payment to F’s account and so sent Barclays a swift message on 16 December 2024 raising its questions.

Mr R was informed by a family member that questions had been raised about the payment and so as he was concerned that the deadline to make his investment had passed and needed the payment to be released as a matter of urgency phoned Barclays a number of times between 16 and 20 December to find out what information he needed to provide in order to secure the release of the payment to F. But Mr R was told Barclays hadn’t received any messages.

So Mr R took it upon himself to provide the information directly to the recipient bank via a family member and the payment was released on 20 December and subsequently received by S on 21 December.

Mr R was unhappy at the delays experienced and believed it was Barclays errors that had caused the delay in his investment reaching the intended beneficiary and raised a complaint with Barclays about this. Mr R explained that he had raised the money for his investment by obtaining a mortgage on his home and so his home is now at risk as he’d lost out on the return he’d expected from this investment.

Barclays considered Mr R's complaint and issued a final response letter on 3 January 2025 upholding Mr R's complaint. Barclays said when keying in the recipient details its auto checker had changed the swift code and populated the payment instructions with a different code resulting in the payment being made with an incorrect swift code and so apologised for this and agreed the service Mr R had received at times had been poor and its international team haven't shown ownership when Mr R had called it. For the distress and inconvenience caused Barclays credited Mr R's account with £300.

Mr R was dissatisfied with this and raised a further complaint on 13 March but this time having spoken to the branch Barclays didn't agree it had made an error as the swift code it had used had been confirmed by Mr R despite him being told that the payment would go through with a new system generated code. Mr R signed the paperwork and understood that providing incorrect details could cause the payment to be delayed, cancelled and/or incur additional costs.

Mr R remained unhappy and so brought his complaint to this service. Mr R says that when he was in branch on 3 December that Barclays staff member entered the swift code he provided but that Barclays system changed it. He says on checking the instructions he told the staff member it was wrong and that the instructions were ripped up twice. Mr R says he'd never made an international payment before and queried why this number kept changing and was told it must be the swift code that will allow the payment to go through and so on this basis he signed the payment instructions.

One of our investigator's looked into Mr R's complaint and after considering both Mr R and Barclays view of the matter they were more persuaded by Mr R's testimony that he wasn't familiar with making international payments and relied on Barclays help with this. Barclays own guidance states that both beneficiary and intermediary bank details need to be provided with payments such as this but as no intermediary details were entered on the payment instruction they thought it reasonable that Barclays staff ought to have realised that the details on the payment instruction weren't correct before asking Mr R to check them and before sending the payment.

And as they were satisfied that it was due to this reason the payments attempted on 3 and 4 December were returned, they thought that Barclays was responsible for the payment being delayed.

They also thought despite Mr R informing Barclays how urgent the payment was that it failed to reach out to Mr R following the recipient banks request for information within a reasonable time causing further delays.

Overall although they accepted the delays in the payment were mainly down to Barclays errors and that this had caused Mr R much distress and worry, that as there is an element of risk when making any investment and we can't be certain what return Mr R would've received if his investment had been successful - and because our service can only award for losses that have materialised - we couldn't compensate Mr R for any loss on the returns he expected to receive.

But they thought Barclays should compensate Mr R £200 in addition to the £300 already paid for the anxiety, worry and stress caused to him for the delayed payment.

Barclays accepted our investigators recommendation but as Mr R remained dissatisfied, he has asked for an ombudsman's decision on the matter. Mr R says because he won't be getting the return expected he will struggle to pay his mortgage and wants to be compensated for this.

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 hope that Mr R won't take it as a discourtesy that I've described the background and condensed his complaint in the way that I have. Ours is an informal dispute resolution service, and I've concentrated on what I consider to be the crux of the complaint. Our rules allow me to do that. And the crux of Mr R's complaint is that due to Barclays errors a payment he made was delayed which resulted in a loss on expected returns in an investment he made.

And after considering everything carefully, I'm in agreement with our investigator and I don't think there is anything of much more use I can add.

Having carefully considered all the information provided by both Mr R and Barclays I'm in agreement with our investigator that the reason Mr R's payment was returned on 3 and 4 December 2024 was due to the wrong swift code being entered into the payment instruction. And I think the reason this happened was when keying in the recipient details Barclays system didn't recognise the details Mr R had provided and its auto checker changed the swift code and populated the payment instruction with a different code.

I accept that Mr R agreed to continue with the payment instruction despite understanding the swift code had changed. But I think that given Mr R's lack of knowledge about the process of making international payments that he was entitled to rely on Barclays expertise and advice regarding this and that he signed the payment instruction as he believed the swift code Barclays had suggested was correct.

I think given the not insignificant amount of the payment and the urgency in making it, if there was any questions or concerns about what details should be put on the payment instruction that Barclays counter staff should've checked this and confirmed why the swift code keep changing from the details Mr R provided and the process in place for making these types of payments.

But as this wasn't done the payment was returned not once but two times resulting in Mr R having to find an alternative way to make the payment and by which time it was too late to meet the payment deadline of 12 December as the funds were only returned on the 13th.

So I'm satisfied that Barclays is responsible for the payment being delayed.

I'm also in agreement with our investigator – and Barclays have accepted this – that the service following this was poor. Mr R had made it clear how urgent the payment was and took it upon himself to do all he could to mitigate the issues by arranging payment to another account. And when this payment was legitimately delayed - while the recipient bank carried out its checks – and Barclays weren't being proactive in assisting him Mr R found an alternative way to provide the information needed to get the payment through. But unfortunately, by this time it was too late.

So the question I now need to answer is what Barclays should do to put things right for Mr R. Mr R says as a result of the delays he's lost his investment of £48,000 and the returns he expected to receive from making the investment and wants to be compensated for this.

But as our investigator has already explained when making an investment there is always an element of risk and it is not possible to say for sure exactly what return Mr R would've

received had this investment been successful, especially considering Mr R had indicated to Barclays that this was a long-term investment. And as a service in general we can only award for losses that have materialised.

And even if I could equate with certainty what the losses on the return of the investment were or would be, I don't think we could compensate Mr R for this as I note that the investment agreement is between Mr R's limited company and S and not between Mr R in his personal capacity and S. And so on this basis Mr R hasn't suffered any loss on a possible investment return, but rather his company has as it is this company that holds the investment and not Mr R.

I also note that even once the deadline of 12 December had passed Mr R still went ahead with the payment with the knowledge the deadline had passed. And so I don't think it would be fair to hold Barclays entirely responsible for the loss of the funds from this investment.

So I won't be awarding compensation for any loss of potential returns from the investment.

But I do agree Mr R has suffered significant distress, worry and inconvenience due to the service he received regarding this matter. Barclays have already compensated Mr R £300 and have accepted our investigators recommendation of a further £200 on top of this. And taking everything into consideration I think this is fair for the impact this has had on Mr R personally.

And so it follows that I uphold Mr R's complaint and to put things right Barclays should compensate Mr R a further £200 bringing the total award to £500.

My final decision

For the reasons I've explained, I uphold Mr R's complaint against Barclays Bank UK PLC and direct it pay Mr R £200 further compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 26 March 2026.

Caroline Davies
Ombudsman