

## **The complaint**

Mrs H, who is a director of a business I will call Company M, complains that Barclays Bank UK PLC delayed making a recall for a payment that Company M had made in error. Company M believes that it incurred a significant loss as a result of the delay.

## **What happened**

On 3 October 2025, Company M made a payment through its bank account with Barclays. The amount of the payment made by Company M was incorrect and later the same day it asked Barclays to recall the payment it had made.

Barclays delayed in sending a Faster Payment Recall ('FPR') until 10 October and £176.68 was subsequently returned by the payee's bank.

Company M complained to Barclays, and in its final response to the complaint, Barclays accepted it made a mistake with the initial recall process. And, that when it started the correct process on 10 October 2025, it followed its standard timescales. Unfortunately, Barclays apologised and said it could only recover £176.68 due to insufficient funds in the payee's account.

Barclays offered to pay Mr J – a director of Company M - £150 to reflect the additional work this had caused him, but said that the payment had been made to an existing payee of Company M and their system only performs enhanced checks for first time payees, not repeat payments.

Mrs H, on behalf of Company M, brought the complaint to the Financial Ombudsman Service and one of our Investigators looked into things.

During the investigation, Barclays offered to reimburse the amount which was available in the payee's account at the close of business on 6 October, less the amount which was subsequently returned to Company M – which gives a net payment of £20,201.95. Barclays also offered to add 8% per annum simple interest to this amount, payable from 7 October 2025 to the date of settlement. Barclays also confirmed it would pay £150 to reflect the additional work this had caused Company M.

Our Investigator thought this was a fair and reasonable offer in the circumstances of this case.

Company M did not accept Barclays' offer and Mrs H asked that an Ombudsman makes a final decision. This case has been passed to me to decide.

## **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 understand Mrs H will be disappointed with my final decision, but I'm satisfied the offer made by Barclays is a fair and reasonable one in the circumstances of this case. I will now

explain why.

There's no dispute that Barclays delayed the attempt to recall the payment and it took longer than it should have. So, I don't need to consider whether Barclays should reasonably have done something differently. Instead, my decision will focus on whether the offer Barclays has made is a fair and reasonable one taking into account it got things wrong.

Company M made an incorrect payment on 3 October and made Barclays aware of this the same day in a telephone call. Company M asked that Barclays make a claim for the difference in the payment to be recalled.

As Company M first raised the error with the payment on 3 October, I would expect Barclays to contact the payee's bank within two working days to begin the recall process. This is in line with their published process. If the mistake's clear, it should ask the payee's bank to prevent the money being spent. As long as the money's still available and the recipient doesn't dispute what happened, the sender should get the money back within 20 working days.

Barclays told Company M that the recall could not be guaranteed, but that it would expect the payee's bank to use its best endeavours to protect the funds. Barclays explained that it could take up to 25 days before it was able to confirm whether the recall had been successful.

Unfortunately, Barclays did not process the recall correctly and I've seen there was a delay of five working days. And, when the payee's bank responded, the payee had limited funds in his account, which meant Company M only received £176.68.

In assessing what is fair and reasonable in this complaint, I've considered what is more likely to have happened if Barclays had followed the process it should have.

If Barclays had processed the recall within two working days – which is what I would have expected – the payee's bank would have been made aware of the recall on 6 October. This is because the 3 October was a Friday and Barclays does not consider the weekends are working days.

Mrs H asked that I consider that the payment made out of Company M's account on 3 October was inconsistent with payments it regularly paid, and was significantly above the amount it would normally pay to individuals. In general terms I wouldn't expect a bank to monitor Company M's bank account on a daily basis. Of course, if the payment had been flagged as suspicious or a potential known scam, it wouldn't be unreasonable for Barclays to have questioned it. But, in this case, the payment was to an existing payee, and it had been requested by Company M. So, in this case I think it's unreasonable for to conclude it was something Barclays should have questioned at the time.

### **Putting things right**

I've seen that on 6 October, the payee's bank account balance was £20,378.63. Although this is significantly below what Company M sent to the payee on 3 October, in my opinion, this is a reasonable reference for me to use to assess what amount Barclays was likely to receive by way of the recall if it had correctly processed it within two days.

I've seen that Barclays did receive £176.68 when the recall completed.

So, it doesn't seem unreasonable for me to conclude that Barclays should pay Company M the following amount to resolve the complaint:

Balance of payee account on 6 October 2025	£20,378.63
Less amount received from payee bank	£ 176.68
Total for Barclays to pay Company M	<b>£20,201.95</b>

Company M says that on 5 October the closing balance on the payee's account was £40,092 and that the offer of compensation should be no less than this. But in this case, as I've explained, Barclays had two working days to process the recall, and I've decided that it's fair and reasonable for me to use the balance in the account after two working days i.e. 6 October. And, regardless of this, Barclays would still be reliant on the payee's bank to contact the payee and seek consent, before it could take action to protect the account.

Barclays offered to pay Company M 8% simple interest on £20,201.95 from 7 October 2025 until the date of settlement. I think this is a fair and reasonable offer in the circumstances as it's in line with our guidance at the time of the complaint.

I note that Barclays has also offered to pay Mr J – the director of Company M who initially raised the complaint with Barclays – the sum of £150 to reflect the distress and inconvenience the matter has caused him.

### **My final decision**

Barclays Bank UK PLC has already made an offer to pay Company M £20,201.95 to settle the complaint, and offered to pay Company M 8% simple interest on this amount from 7 October 2025 until the date of settlement.

Barclays has offered to pay Mr J – the director of Company M - the sum of £150.

I think this offer is fair in all the circumstances to resolve the complaint and I won't be asking Barclays Bank UK PLC to do anything else

Under the rules of the Financial Ombudsman Service, I'm required to ask Company M to accept or reject my decision before 20 May 2026.

Paul Lawton  
**Ombudsman**