

## **complaint**

Mrs K complains that the actions of Barclays Bank Plc prevented her from completing the purchase of a property, causing her financial loss. She also says that the bank's dealings with her, in respect of the matter, weren't appropriate.

## **background**

Mrs K authorised a payment of just over £5,200 to be made in June 2014 and the recipient account was credited – this isn't in dispute. But Barclays didn't debit Mrs K's account until February 2015. Barclays contacted Mrs K to tell her that the debit still needed to be made but she'd intended to use those funds to pay stamp duty for a property she was buying.

Mrs K asked if Barclays would agree a monthly repayment plan with her so she could spread the cost of it over a number of months. Mrs K says it was initially suggested that this would be possible; but ultimately the bank didn't agree to the request and Mrs K says this is the sole reason the property purchase fell through.

Mrs K is also unhappy that Barclays implied to her that this service had made a decision about her complaint, before it was referred here, and with the general level of service she received, particularly the attitude of its staff during phone calls.

Barclays doesn't have call recordings to explain why it went back on its original agreement to discuss a repayment plan. However, the bank accepts that initial discussions may well have given Mrs K the impression that it would. Our adjudicator also accepted that Barclays staff could have dealt better with Mrs K on the telephone and it had apologised for this and offered Mrs K compensation of £450.

It is also accepted that miscommunication between Barclays and Mrs K led to her thinking that this service had some involvement in dealing with her concerns before it had.

The issue for the adjudicator was, therefore, as to whether Barclays ought to pay more compensation to Mrs K and, if so, how much. The whole situation arises out of Barclays making an error in the processing of the original payment and dealing with that later has caused Mrs K trouble and upset.

However, the adjudicator didn't consider that it was adequately shown that the bank's actions alone caused Mrs K to not complete the property purchase. She referred to a letter from Mrs K's solicitor, addressed to Barclays and dated 16 February 2015, which says that a number of other issues were preventing the exchange of contracts.

She also said that Mrs K had already spent the funds that the bank wished to debit and Mrs K ought to have been aware that a transaction of that value hadn't been debited. When the debit was made, Mrs K also had significant other funds in her account and the adjudicator wasn't persuaded that Mrs K couldn't have still arranged for the property purchase to go through. She understood that Mrs K didn't try to borrow funds elsewhere or juggle the finances.

The adjudicator, while acknowledging that Mrs K was going through a difficult time, concluded that it wasn't likely that the bank was solely to blame for the property purchase not completing. Therefore, she didn't recommend that Barclays needed to reimburse Mrs K for any losses she incurred related to the failed property purchase.

As for the manner in which Barclays dealt with this whole issue, and the impact that this had on Mrs K in terms of upset and inconvenience, she recommend that Barclays pay her further compensation of £250.00.

Mrs K didn't accept total compensation of £700 to settle her complaint and has asked for it to be reviewed.

### **my findings**

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

This is a most unfortunate matter. Barclays should have debited the account at the correct time which would have meant that the funds needn't have been taken from her, later, when she had plans to use them; Mrs K could have planned, not assuming funds were available to her. Barclays also indicated to Mrs K that she would still have the funds available before changing its mind. And it hasn't dealt with Mrs K, on the phone, as well as it might have.

Also, I find Mrs K to be an entirely credible witness as to what has happened. It wasn't appropriate for Mrs K to be left with the impression that this service had agreed the position of the bank before she had referred any concerns here – which I accept it did. And it's a shame that the bank can't produce telephone call recordings to show what happened.

I also recognise that Mrs K was experiencing some very difficult circumstances in her life while this was going on. Most of all, however, Mrs K had progressed her property purchase some way and had plans to utilise the funds that were removed, regardless of what other funds she had.

Against all that background, I have considerable sympathy for Mrs K - although I do recognise that there would be other considerations if I was to require the bank to compensate Mrs K for her losses from not being able to purchase the property. But I don't need to set them out here.

It remains that when the bank identified that it hadn't debited Mrs K's account for a properly authorised transaction that she had made, it was entitled to do so. Regardless of the manner in which it went about it, the debiting of the account didn't itself place Mrs K into financial difficulties and I can't fairly and reasonably say that the bank wasn't entitled to debit the account.

Of course, Barclays could have offered arrangements to Mrs K that meant she still had access to the funds, through some form of loan arrangement. Indeed, it could have decided to write off the sum altogether. But it didn't. And I can't say that it was wrong to have acted as it did. And in light of that, as I've said, I can't require the bank to pay compensation to Mrs K for the failed property transaction.

That all said, Barclays handled matters poorly. Barclays accepts this and it has agreed to pay total compensation to Mrs K of £700. I have thought carefully about the appropriateness of this level of compensation. And I acknowledge the severe impact of the bank's actions on Mrs K, at a difficult time for her. But, if I separate out those areas of impact related to the failed property purchase, I come to the view that £700 is appropriate compensation.

I know Mrs K will be disappointed with this decision. I recognise that she's adamant that the property purchase only failed because of the debit made by the bank – although the evidence suggests that mightn't be the case. I also note Mrs K says she wasn't in a position to make alternative financial arrangements to ensure the property purchase went through. And I understand the extent of her upset with the bank's handling of the whole matter.

But I consider the compensation already offered to Mrs K to be appropriate in this matter.

**my final decision**

My final decision is that Barclays Bank Plc should pay £250 to Mrs K, in full and final settlement of this complaint, if that sum has still to be paid.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs K to accept or reject my decision before 29 December 2015.

Ray Neighbour  
**ombudsman**