

complaint

Mr and Ms F complain that Barclays Bank PLC failed to take sufficient steps to help them recover money paid by them to a fraudster.

background

Mr and Mrs F do not bank with Barclays. They sent money from their bank account to an account held at Barclays by a third party, which they had been asked to send as a guarantee and deposit for a flat rental.

Unfortunately, this turned out to be a fraud. When they realised what had happened, Mr and Ms F contacted Barclays to explain the problem. They say they were assured by Barclays that the account would be blocked immediately, and so cannot understand why Barclays is unable to return their money.

Barclays says that, by the time Mr and Ms F contacted them, the money had already been drawn out and so it was not in a position to return it.

As things were not resolved, Mr and Ms F brought their complaint to this service where it was investigated by an adjudicator. The adjudicator obtained evidence from Barclays about the third party account.

From that evidence, the adjudicator was satisfied that Barclays had not been made aware of any difficulty on the account until it was contacted by Mr and Ms F. The account had been blocked at that point, but the money in it had been withdrawn by then. So the adjudicator was satisfied that Barclays had not been in a position to return the money to Mr and Ms F.

However, Barclays had accepted that it was slow to deal with Mr and Ms F's complaint and offered compensation of £100 in respect of that. In the circumstances, the adjudicator recommended that offer to Mr and Ms F.

Mr and Ms F were concerned to know what security steps Barclays had taken before opening the account in the first place, how the account had been used and what further evidence was available that might enable the recovery of the funds. They were willing to accept Barclays' offer only if this information was provided to them.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

Mr and Ms F are not customers of Barclays, but they are able (under our rules) to bring a complaint in relation to the payment service that occurred when they sent money to an account at Barclays.

This means that I may investigate whether Barclays made any errors in relation to the payment service. It is not in dispute that Mr and Ms F sent the money and Barclays applied it to the account that they had specified it should be paid into.

I am satisfied, from the evidence, that Barclays had not received any prior complaint about this account – and so there was no reason for it not to carry out the instructions on Mr and Ms F's payment.

Once Mr and Ms F realised what had happened, they contacted Barclays without delay. But the money in the account had already been drawn out several days earlier, so there was nothing that Barclays could, realistically, have done at that point that would have reduced Mr and Ms F's loss.

I realise that Mr and Ms F are anxious to obtain details about the opening of the account, including the documentation provided by the account holder and details of the prior transactions made on the account. They would also like to see CCTV footage from any cash machines used to withdraw money from the account.

But Mr and Ms F do not have a right to information about the account and the person who opened it, even if the account holder defrauded them. So I cannot provide that to them, or direct Barclays to do so. The adjudicator has already given Mr and Ms F information about how they can report the fraud, and explained that the police have powers to obtain information and evidence as part of an investigation. I am afraid there is nothing further that I am able to disclose to Mr and Ms F about the account..

I note that Barclays has offered Mr and Ms F £100 in respect of its delay in dealing with their complaint, which appears reasonable in the circumstances.

my final decision

My final decision is that Barclays Bank PLC should pay Mr and Ms F £100.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr and Ms F to accept or reject my decision before 15 May 2015.

Jane Hingston
ombudsman