

complaint

Mr K complains on behalf of a limited company ("N") that Barclays Bank Plc (trading as Barclaycard) lost manual transaction slips which led to a delay in these being processed; that it sent confidential information about a third party; that it does not offer itemised billing for its merchant services machines, and that it debited N's customers twice.

background

During a period when N's phone line was not working, it had to use manual transaction slips to accept Barclaycard credit/debit card payments. Mr K says these slips were taken to a Barclays branch to avoid delays in the payments being credited to the organisation's account, but on at least one occasion Barclaycard lost the slips. He, and others, then spent considerable time trying to resolve the matter, both on the phone and in faxing and posting details of the missing slips. The payments were eventually credited to N's account, but Mr K says the delay was unacceptable and that N received poor service from Barclaycard.

For its part Barclaycard agrees that N paid nine slips into a Barclays branch on 7 June, and that ordinarily these should have been credited to its account on 12 or 13 June. However, because the slips were mislaid, the account was not credited until 4 July. But Barclaycard contends that because Mr K did not initially notice that the slips had not been processed, and therefore did not chase Barclaycard until 21 June, it cannot be held responsible for that initial two week delay. It further argues that although Mr K then supplied the faxed copies it requested, because these were not legible and postal copies had then to be supplied, N is in some way responsible for part of this delay as well. However, in recognition of its initial error, Barclaycard paid N compensation of £100.

With respect to the third party transaction slip mistakenly sent to N, Barclaycard agrees that this happened and has apologised for its error.

As far as providing itemised billing for its merchant services machines is concerned, Barclaycard has said that this would not be a practical adjustment for it to make because some of its retailers process hundreds or thousands of transactions on a daily basis. However, N's comments have been noted.

As for debiting N's customers twice, Barclaycard said that it did not believe it had done so and the organisation had not provided any evidence in support of its claim.

our adjudicator's view

The adjudicator was satisfied with Barclaycard's responses to all elements of N's complaint except for that concerning the delays in processing the transaction slips. She said that it was unreasonable to hold N responsible for any of that delay because once it had deposited the slips, responsibility for dealing with them rested solely with Barclaycard. The fact that it then took N two weeks to notice that Barclaycard had failed to credit its account was largely irrelevant, as the initial error had been made by Barclaycard. However, she thought Barclaycard's payment of £100 for the inconvenience its error had caused to be reasonable, and in line with the amount we would normally award in similar circumstances.

But she then considered that Barclaycard had not fully taken account of the potential impact its error might have had on N. She said that the sum involved was significant in the context of N's operation, and that lack of access to that amount of money for the period involved

might have been a very real concern to the organisation. She therefore considered that Barclaycard should pay N a further £150 as compensation for the inconvenience of being unable to access the money attached to the lost payment slips.

Although N accepted the adjudicator's findings, Barclaycard did not. In summary, it argued that it was not responsible for the four weeks processing delay, as it had taken N two weeks to complain and there had been further delay whilst legible replacement copy slips were provided.

my provisional decision

After considering all the evidence, I issued a provisional decision on this complaint to N and Barclaycard in July 2013 as set out below.

Like the adjudicator, I was satisfied that Barclaycard's responses to those elements of N's complaint not concerning the lost transaction slips were fair and reasonable. But I did not fully agree with all of her findings about the lost slips.

Barclaycard accepted that it did not process N's transaction slips as it should have done once these had been deposited. But I was not in the least persuaded by its argument that because it then took N two weeks to realise the slips had not been processed, that in some way mitigated Barclaycard's error with the consequence that responsibility for that initial two weeks delay therefore transferred to N. Equally, I was satisfied that N had provided replacement slips in the format then requested by Barclaycard (fax), and should not therefore be held responsible for the subsequent delay in processing those because some were not legible.

From information supplied by N it appeared that it had made three phone calls to Barclaycard between the slips being deposited and finally being credited to the account, although I accepted that representatives of the organisation also spent considerable additional time contacting each other as part of that process. However, I considered Barclaycard's payment of £100 to be fair and reasonable recompense for the inconvenience its delay had caused to N.

But unlike the adjudicator I did not consider that any further compensatory payment was justified. Whilst I fully accepted that N did not have access to some money because of Barclaycard's processing delay, there had been no suggestion of any resulting detriment from that lack of access either because payments that should have been made were not, or that N was prevented from conducting its business because of the unavailability of funds. The fact that it might have experienced either or both of these possible impacts of the delay was not I considered sufficient reason for me to award further compensation. My provisional decision was therefore that I did not uphold the complaint.

my findings

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

In response to my findings Barclaycard said it had nothing to add. For its part N said that Barclaycard's merchant statements made it impossible to identify customers who had been charged twice for their purchases, and that it was not convinced by Barclaycard's argument that its statement format should be dominated by the requirements of its larger customers.

With respect to the first of these two points, I am afraid that without some persuasive evidence that some of its customers were charged twice, I cannot reasonably uphold this part of N's complaint. And on the second point, Barclaycard's decision about the format of its statements is a legitimate business decision, and as such, it is not one with which we would generally seek to interfere.

Accordingly, for the reasons set out in my provisional decision, which I have explained above, and given the responses from N and from Barclaycard, I find no reason to depart from that decision.

my final decision

My decision is that I do not uphold this complaint.

June Brown
ombudsman