

## **The complaint**

Mr and Ms M have complained that Barclays Bank UK PLC “Barclays” blocked an online transfer that Ms M attempted to make from her account.

Mr and Ms M say this caused them a large amount of inconvenience.

## **What happened**

On the 18 July 2023 Ms M tried to pay £50,000 from her Barclays account via online banking, but the transfer was blocked by Barclays. Ms M received a text message from Barclays asking if Ms M had made the transfer and Ms M responded saying ‘yes’.

However, despite confirming that she’d made the transfer, it still did not go through. Ms M called Barclays and it confirmed that a block was in place and that Ms M would need to attend a Barclays branch with ID to get the block released.

Mr M called Barclays again to see if the block could be removed, but Barclays maintained that Ms M would need to attend branch with ID, to get the block removed.

Mr and Ms M attended the branch and the transfer was cancelled. The funds were placed back into Mr and Ms M’s account to do the transfer again.

Mr and Ms M attempted to make the transfer again, but it was blocked again. After speaking with Barclays, they explained what’d already happened. Barclays’ fraud team was able to get the transfer released.

Unhappy with the difficulties they faced, Mr and Ms M complained to Barclays. Barclays issued its final response letter on 11 August 2023 and explained that transfers may sometimes get stopped and Mr and Ms M may be required to attend branch with ID again. However, Barclays did apologise for the level of service Mr and Ms M received and offered to pay Mr and Ms M £100 compensation.

Mr and Ms M did not accept the offer and referred their complaint to this service.

One of our investigators assessed the complaint and they concluded that Barclays’ offer was fair in the circumstances.

As Mr and Ms M did not agree with the investigator’s assessment, the matter was referred for an ombudsman’s decision.

## **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.

Having reviewed everything, I agree with the outcome reached by the investigator for broadly the same reasons. I will explain why.

Firstly, in terms of the transfer that was blocked, I appreciate that this would’ve been frustrating for Mr and Ms M.

However, financial businesses have important legal and regulatory obligations they must meet when providing accounts to customers. They can broadly be summarised as a

responsibility to protect persons from financial harm, to ensure it has accurate and up-to-date information about its customers and to prevent and detect financial crime. Because of these requirements, financial businesses may sometimes block transfers for various reasons - for example to check that the account holder had authorised the transfer, and also to safeguard the account holder from potential scams.

In this case, I understand that shortly after the transfer was blocked, Ms M received a text message asking if she'd made the transfer. Ms M responded saying she had, but I understand that Mr M was on the phone to Barclays around the same time, and he said to Ms M to ignore the message, as he was on the phone to Barclays' fraud team.

During the conversation Mr M had with Barclays' fraud team, he was told that Ms M would need to attend a branch with ID to get the block released. Barclays confirmed that the block would remain in place until that happened.

I acknowledge that this was inconvenient for Ms M. But equally, I think that Barclays are reasonably entitled to verify the ID credentials of account holders in such circumstances i.e. before releasing a large transfer. Afterall, such requirements are put in place to protect account holder's money from various risks – such as fraud and scams. And as the investigator said, the inconvenience of visiting a branch with ID is preferable to losing £50,000 to a scam – which Barclays was potentially trying to protect Ms M from by asking that she attend branch. So I don't think it would be appropriate to say that compensation should be awarded just because Ms M was asked to attend branch and this was inconvenient for her.

I note that when Ms M and Mr M had attended branch with ID, the transfer was not released and was instead cancelled. And when Mr M went to make the transfer again, it was blocked again. In the circumstances, I can see that this would've been very frustrating for Mr and Ms M, especially as they had gone to the effort of attending branch with ID to resolve matters. Unfortunately, it seems the transfer was stopped as the previous one had still not been removed from Barclays' system. This led Mr and Ms M having to speak to Barclays again – although this time the transfer was released.

Having reviewed everything that has happened, I think that Barclays' offer to pay Mr and Ms M £100 is fair and reasonable given the issues they faced after visiting the branch.

I say this particularly because, although the calls to the fraud department and the visit to branch would've been inconvenient, I also think that it was fair for Barclays to require such contact with Mr and Ms M in the circumstances. I also note that Mr M called Barclays again (before he attended branch), in an attempt to get the blocks removed - even though he'd already been told that they won't be until Ms M attends branch with ID. So I don't think it's fair that compensation is paid for these particular calls when Mr M had already been told what needed to happen to remove the blocks.

So in summary, when weighing everything up, I think that £100 is reasonable compensation given what happened.

### **Putting things right**

So to put matters right I think that Barclays Bank UK PLC needs to pay Mr and Ms M £100 compensation to resolve this complaint.

### **My final decision**

Because of the reasons given above, I uphold this complaint and require Barclays Bank UK PLC to do what I have outlined above, to put matters right, in full and final settlement of this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M and Ms M to accept or reject my decision before 14 June 2024.

Thomas White  
**Ombudsman**