

## **The complaint**

Mr M and Mrs M complain that Barclays Bank UK PLC blocked their account while on holiday abroad. They'd like compensation and expenses for the stress and worry caused, and the cost of phone calls made.

## **What happened**

Mr M and Mrs M have an account with Barclays. On 6 November 2023 they were on holiday when Mr M's bank card and app for his Barclays account stopped working without warning.

Mr M called Barclays on 6 November to ask what was happening and explain the impact that the blocked card would have. He told Barclays repeatedly on this call and over the next few days that he was on holiday with no access to any other way of making payments, and he had to pay his hotel bill, and both him and his wife were worried about what might happen if they can't pay by the time they needed to leave.

Mr M received an email to answer some questions about a payment that came into his account a few days earlier, and on 8 November Mr M called Barclays again to provide the information that Barclays were asking for. Mr M called regularly to try and unblock his account between 6 and 11 of November but was repeatedly told he'd need to wait for the outcome of the review, and this could take up to seven days from the start of the review.

Mr M was informed on 10 November that the review had been completed and his account unblocked, but had to call back on 11 November as the card hadn't been unblocked. By 11 November the account and card were fully unblocked.

Mr M has said that the calls he'd made to Barclays while abroad cost him £120.50, and he's provided his phone bill to evidence this. Mr M has also said that during the time of the block he and his wife were fearful of what might happen if they were unable to gain access to the money. They needed to pay the hotel bill when they left, and not doing so could result in luggage and passports being withheld and they could potentially have been arrested.

When back in the UK Mr M made a complaint to Barclays. Mr M called to make an appointment to discuss his complaint, and says he had to follow up this appointment with a phone call the next day, during this call Barclays offered to refund the cost of the phone calls at £120.50.

Barclays completed its complaint investigation and issued Mr M a response offering £100 as the blocks on the card were not removed on 10 November, when it had informed Mr M they would be. It also offered Mr M some advice on how to stay safe from fraud including not to share personal information, bankcard details or memorable information.

Unhappy with Barclays response Mr M and Mrs M brought the complaint to our service.

One of our investigators looking into Mr M and Mrs M complaint identified that Mr M didn't appear to have paid the hotel bill at the end of the holiday on the account that had been blocked and asked about this. They also asked if Mr M had access to his credit card at the

time. Mr M didn't specify when and how he paid for the hotel bill, but said that the question should be why Barclays did not enquire about the Barclaycard at the time, given Mr M had told them he had no access to money. He'd thought that as Barclays had blocked access to the whole app this included his Barclaycard.

Our investigator also gathered more information from both parties, including asking for clarification on what Barclays were offering as part of the complaint. Barclays provided the information requested and confirmed that it was willing to offer £100 as compensation and £120.50 to cover the cost of calls.

After reviewing all the evidence from both parties, our investigator didn't uphold the complaint. They said that Barclays were complying with their legal and regulatory obligations when blocking the account, but acknowledged it should have been unblocked a day earlier. They felt the offer of £100 as compensation and £120.50 to cover the call costs was fair in the circumstances.

Mr M was unhappy with this response so asked for the case to be escalated to an ombudsman. Mr M still felt Barclays were unreasonable in blocking the account, and said our investigator hadn't made reference to the poor attitude of Barclays staff who dealt with his complaint over the phone. He felt Barclays provided no help, including not telling him he could use his Barclaycard.

As Mr M didn't agree it's been passed to me to decide. As part of my investigation I've reviewed all the information provided and asked Barclays for additional recordings of the calls between Barclays and Mr M. After reviewing all the evidence and circumstances of this complaint, I reached the same conclusions as the investigator but expanded on the reasons. I issued a provisional decision setting out why I think the complaint should be upheld in part, and why I was planning on awarding £100 compensation and the cost of the calls, that Barclays had offered.

Mr M responded to my provisional decision and I've read and considered Mr M's responses in full, and summarise his response as:

- Mr M accepts the timeline and that Barclays actions may be within their terms, but that he didn't think it reasonable given his length of banking relationship with them.
- Mr M believed it should have been dealt with by a human and not an automated block, and adds more information regarding blocks following a discussion with his MP.
- Mr M explains a call he had with Barclays after he arrived back in the UK.
- Mr M explained that the bill to be paid was waived as he was a regular guest, and the bill was made up of smaller costs like laundry, so was not the full cost of the hotel stay.

Mr M doesn't accept that Barclays helped him, and by not explaining he could use his credit card, it should take responsibility for the stress and worry of that lack of information. Barclays responded agreeing with the provisional decision and supplying no further comments or information.

### **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.

In my provisional decision I said:

*Barclays have a responsibility to protect Mr M and Mrs M from the risk of fraud or financial harm. So it ought to be on the look out for any transactions that would appear suspicious or unusual and question those transactions.*

*On 4 November Mr M and Mr M's account received a payment for £315.47. Whilst I appreciate Mr M's frustration that a payment of such a seemingly normal amount and nature was flagged for questioning, I've seen evidence and information Barclays received about the payment that satisfies me that it was reasonable for it to have flagged the payment for questioning – and to have restricted the account while it did so. In doing so, I'm satisfied that Barclays did this in line with its responsibility to protect Mr M and Mrs M and their account from the risk of fraud and financial harm, and in line with its regulatory requirements.*

*Whilst I understand Mr M wanted his account unblocked at once and made this clear to Barclays on multiple phone calls whilst he was away. I must consider whether or not Barclays completed its review of the account in a timely manner in view of the nature and complexity of the investigation and normal industry standards. Barclays told Mr M that the review can take seven days to complete.*

*Quickly after identifying that Barclays required further checks on the account, it wrote to Mr M and Mrs M for more information. Mr M called Barclays and provided this information over the phone on 8 November. Barclays then completed an investigation into the payment based on all the information it had received. Whilst I appreciate the urgency Mr M wanted Barclays to act with, given the nature of the information it had, and the explanation Mr M had provided, I'm satisfied that Barclays dealt with the investigation in a timely manner. It unblocked the account, and told Mr M that the account was unblocked on 10 November. So I think Barclays had acted fairly in the blocking of the account, and took a reasonable length of time to investigate and unblock the account.*

*Barclays accept that whilst it removed some blocks on 10 November, it hadn't removed a block on Mr M's card, which caused Mr M to call in again to remove this block. Here I agree Barclays should've removed all the blocks without the need for an additional phone call.*

*Mr M has said he'd made the assumption that his Barclaycard was also blocked, as the app had been blocked. Barclays has said that the credit card hadn't been blocked and Mr M could have used the credit card while away. I've listened to many of the calls that Mr M had with Barclays during the time that he was on holiday, during these calls he tells Barclays that he has no access to money at all. I've not heard any call during this time where Mr M was told by Barclays that his Barclaycard was not blocked and that he could have used his credit card balance.*

*Mr M feels that Barclays were not very helpful over the phone when he contacted them. Having listened to all the calls provided by Barclays, I think Barclays were generally empathetic with the situation and looked into the possible ways in which they could help Mr M. I don't think they showed a poor attitude. During these calls Mr M wanted Barclays to unblock the account immediately and Barclays couldn't do that until its investigation team had the chance to look into the issue and complete its investigation. So whilst I can understand why Mr M would have found this unhelpful, I don't think that Barclays reasonably should have unblocked the account over the phone and that left little else they could do until the investigation team completed the review. So whilst I agree that it missed the opportunity to tell Mr M that his Barclaycard was unblocked, this apart, I don't think they dealt with the issue poorly.*

*I understand Mr M and Mrs M's situation as it's been explained was an urgent one, and I'm sorry to hear that the stress and worry impacted the enjoyment of the holiday. As explained above Barclays had made some mistakes in not removing all the blocks the same day it told*

*Mr M it would, and not informing him the credit card was unblocked. These mistakes did mean that Mr M had to call an additional time, and it likely would've relieved some of the stress and worry knowing that he did have a credit card to fall back on.*

*Having said that, Mr M's repeatedly told Barclays and our service that the key issue for him was that he needed to pay the hotel bill, the consequences of not being able to do so, and this was the only card he had available to pay it. Barclays unblocked the card before Mr M and Mrs M have said they were due to leave the hotel, but based on the statements of the account, the card wasn't used to pay for the hotel at this time. Our investigator asked Mr M to provide some more information to help them locate the payment to the hotel, or understand how it was made. Mr M told us that he was unhappy we were looking at his statements and believed the questions the investigator was asking didn't directly relate to the issue.*

*For our service to fully consider the complaint we must consider the impact of any mistake that Barclays have made. I'm afraid without any evidence and explanation as to how and when the payment to the hotel was made, I can't be certain of the impact of the block on Mr M and Mrs M.*

*I think the majority of the impact caused here was as a result of the block on the current account and the time taken to unblock that account. And as I've explained above, I think Barclays have done this fairly and in a reasonable length of time.*

*Taking all this into consideration, I think the offer that's been made of £100 compensation and £120.50 for the cost of the calls is a fair way to resolve the situation on this complaint, so I'm not currently thinking of asking Barclays to pay more than what it's already offered.*

In response to my provisional decision Mr M made some submissions which I will now address. In doing so, I've considered all the available evidence and arguments again to decide what's fair and reasonable in the circumstances of this complaint.

Whilst I acknowledge Mr M's comments regarding his length of relationship with Barclays, and the general comments around how blocks are applied, this doesn't change my decision on the block applied in his case.

I'm satisfied that Barclays blocked the account fairly based on information and evidence it had about the specific payment it asked Mr M about. Whilst Barclays can and will rely on information it already holds about long-standing customers, it doesn't mean it should ignore genuine concerns. As I've mentioned, based on the information it had, it was fair for it to block the account and ask questions.

I've listened to a number of calls and Mr M has highlighted a specific call and has explained the conduct within it. However, based on Mr M's explanation of the call, I don't think the conduct Mr M has explained is inappropriate or incorrect. Mr M has explained that he can't see the relevance of being advised on how to stay safe from fraud and scams, and when you are accepting money to ask where it has come from. Given the information and evidence I've seen, and the circumstances around the block that's happened here, I'm satisfied that Barclays advice was appropriate. Mr M has made other comments about the phone call, but none that relate specifically to his case, so I'm satisfied that based on the calls I've heard and Mr M's explanation of the calls he's unhappy with, Barclays have dealt with the matter in a reasonable manner.

Whilst I acknowledge that there would've been a degree of worry and anxiety with Mr M thinking he didn't have a card he could use, I'd only look to compensate Mr M for something that happened, and not something that could've happened. In this instance, Mr M has said

his concern was over bills he'd need to pay while on holiday, but in the end, he didn't need to make a payment or use his card while on holiday. On that basis I'm satisfied that the offer Barclays has made to Mr M and Mrs M is fair and reasonable and fairly considers the worry and stress that's been caused.

### **Putting things right**

Due to the distress and inconvenience caused by the mistakes that have been made I'll be awarding £100 compensation and £120.50 for the cost of the calls.

### **My final decision**

My final decision is I partially uphold Mr M and Mrs M's complaint and direct Barclays Bank UK PLC to:

- Pay Mr M and Mrs M £100 compensation.
- Pay Mr M and Mrs M £120.50 for the cost of calls.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M and Mrs M to accept or reject my decision before 14 January 2025.

Simon Yates  
**Ombudsman**