

The complaint

Mr V complains Barclays Bank UK PLC (Barclays) failed to carry out his instructions to transfer funds from his currency account to his sterling account when asked, resulting in a large foreign exchange loss.

What happened

Mr V says he wrote to Barclays in late September 2022 by recorded delivery requesting a transfer of US dollars (USD) 250,000 from his USD account to his sterling current account. Mr V says as he hadn't heard from Barclays he sent a chasing letter but still heard nothing back. Mr V says he then telephoned Barclays on 17 October 2022 and was informed the transfer hadn't gone ahead as Barclays were unable to identify his account details from the letters he had sent in because he had used X's rather than the full account details.

Mr V says he gave similar instructions before to Barclays and these had been implemented as requested and he'd also instructed other banks in this way without any issues.

Mr V says as a result of the delay in the transaction, which was carried out after he called Barclays, he has lost several thousand pounds on the exchange rate movement and wants Barclays to reimburse him for that.

Barclays says the instructions in the written request provided by Mr V weren't clear, as he had used X's in place of certain numbers for his account details and sort code, so it wasn't able to carry out the transfer as it couldn't locate Mr V's account details from the information it had.

Barclays says it didn't telephone Mr V on the phone number on the letter provided as it was unable to verify this from its contact details. Barclays says it hasn't made any error here.

Mr V wasn't happy with Barclays' response and referred the matter to this service.

The investigator looked at all the available information but didn't uphold the complaint. The investigator says although there is no doubt Barclays received the transfer instructions in September 2022, these were not clear as Mr V had used X's in place of certain numbers for his account details – therefore Barclays weren't able to carry out the transfer for security reasons.

The investigator says although Mr V provided his contact telephone number on the instruction letter, Barclays have explained its process only allows it to use contact numbers held on file for security purposes.

The investigator says although Mr V felt Barclays should have tried to contact him sooner regarding this matter, it wasn't his role to tell Barclays what security measures it should have in place in these circumstances. The investigator also felt given the sum involved it wasn't unreasonable for Barclays to take a more cautious approach here.

Mr V didn't agree with the investigator's view and asked for the matter to be referred to an

ombudsman for a final 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 done so, I won't be upholding this complaint and I will explain how I have come to my decision.

I can understand it would have been upsetting and frustrating for Mr V to have gone to the lengths of providing written instructions by recorded delivery to Barclays, to transfer funds from his USD account to his sterling account only for those instructions not to be carried out until he rang them the following month.

When looking at this complaint I will consider if Barclays acted reasonably when it took the decision not to carry out the written instructions Mr V sent in late September 2022, to transfer funds from his USD account to his sterling account with them.

The first thing to say here, there's no dispute over the fact the USD transfer instruction letter Mr V sent Barclays in late September 2022 was received by Barclays as Mr V says. The issue here and the centre of Mr V's complaint is the instructions to carry out the transfer of USD 250,000 wasn't carried out, as there was insufficient information contained in those instructions for Barclays to do so.

From the information I have seen, the letter Mr V sent in September 2022 and a follow up letter in mid-October 2022, had the letter X in place of certain account details. Mr V feels this is a reasonable security measure to take and adopted by governmental departments themselves and he has in fact employed this method before with Barclays some time back and more recently with other financial businesses without any issues. Additionally, Mr V feels Barclays, rather than not carrying out the transfer, should have made contact with him by phone or letter.

While I understand the points Mr V makes here I'm not fully persuaded by his argument. I say this because while Mr V may not agree, it remains his responsibility to provide Barclays with the full details of the bank accounts he holds with them, so it can clearly identify that it has a genuine authority to conduct the transaction in question.

Barclays have confirmed to this service if it's unable to trace the bank account from the limited information it has been presented with at any time, its process is that it wouldn't then write to the address on such an instruction, for security reasons - this is what happened here. Although Mr V says he'd carried out similar transactions with Barclays some years before without issue, and that may have been the case, it's unreasonable to expect Barclays given the volume of transactions it's presented with to alter its standard process to identify its customers on occasions like this – after all these processes are in place in part, to protect its customers from fraud.

While Mr V says other banks have acted on similar types of instructions – I can only consider Barclays processes here and it isn't for me to tell it how its processes must work in these circumstances.

While Mr V will be disappointed with my decision, I won't be asking anymore of Barclays here.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr V to accept or reject my decision before 25 December 2023.

Barry White
Ombudsman