

The complaint

Ms B complains that Barclays Bank UK PLC has failed to carry out a balance transfer, but still debited her account.

What happened

In March 2023 Ms B requested that Barclays make a balance transfer from her credit card account with another bank, H. It was to do this by paying money from her account to her H credit card account. She made the request on 2 March, but she had input the wrong card number. She made a second request on 15 March advising Barclays that H hadn't received her funds. Barclays attempted to recall both payments and in the meantime applied two temporary credits to her account for the two payments of £2,500 each and the associated fees (£85 each) (effectively negating the transactions). H agreed to the recall of the first payment but rejected the recall for the second payment. So Barclays then re-debited that sum of £2,500 from Ms B's account.

H then applied a payment to Ms B's credit card account, described as a credit refund of £2,500 which means that she now has balances on both accounts of £2,500.

Ms B complained to Barclays but it asserted that it had done nothing wrong, but offered to review the statements from H. Ms B didn't accept this.

On referral to the Financial Ombudsman Service our Investigator said that overall he couldn't say that Barclays had acted unfairly. He recognised that Ms B had clearly been affected by what happened but that the problems were not caused by Barclays. We also passed on the statements from H to Barclays but it reiterated that its payments were shown on the statements.

Ms B didn't agree, pointing out that she still has balances of £2,500 on both accounts.

The matter has been passed to me for further consideration.

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.

The situation is a little complicated to explain, but I shall set out below why I don't think Barclays is at fault here.

Ms B made a request for a balance transfer on 2 March 2023. The funds clearly went out from Ms B's Barclays account. However she'd keyed in the wrong card number, and asked Barclays to make a further balance transfer on 15 March, which it duly did so. She contacted Barclays to tell it that H hadn't received the funds. So Barclays attempted to recall both payments. At the same time it applied two temporary credits to Ms B's account of £2,500 plus £85 fee in respect of both balance transfers.

The recall was successful, Barclays tells us, in respect of the first balance transfer. We know

this must have been received by Barclays as this meant the temporary credit it had applied for the transaction became permanent. It tells us also that the recall wasn't successful for the second balance transfer on 15 March. So on 27 April it re-debited the account with £2,500 plus £85 fee. Thus the credit for this one was cancelled out.

We know that H must have received the first balance transfer – if Barclays hadn't received it back it would be looking to re-debit Ms B's account with this. We also know that H received the second balance transfer because it appears on Mrs B's statement the day after it was debited from her Barclays' account.

So the sequence is (on Barclays' account):

- 2 March 2023 debit £2,500 plus £85
- 15 March debit £2,500 plus £85
- 29 March credit 2 x £2,500 and 2 x £85
- 27 April re-debit £2,500 plus £85 (cancelling out the second credit)
- 27 April confirmation that the recall of the first amount was successful, justifying applying the credit for this.

We've sent Barclays the statements from H and it says they concur with its records. And they do appear to do so. That appears to account for the activity on Ms B's Barclays account and I can't see that it made any error here.

There is a figure of £2,500 which appears on H's statement dated 3 April 2023 described as a "credit balance refund". There's nothing which correlates to that on her Barclays' statements. Our Investigator invited Ms B to raise a complaint with H about that but I haven't seen that she has done so.

So, whilst I recognise that Ms B has ended up with two balances of £2,500 on different accounts, from the evidence I've seen, Barclays is not at fault. I can't make any finding against H as it is not a part of this complaint.

My final decision

I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms B to accept or reject my decision before 11 January 2024.

Ray Lawley
Ombudsman