

The complaint

Mr S has complained about Barclays Bank UK PLC, trading as Barclaycard, not contacting him when it blocked a transaction on his account. He's explained this led to additional costs.

Mr S has been represented in bringing his complaint. But for simplicity, I've referred to all submissions made on his behalf, as having been made by him directly.

What happened

Mr S was abroad, and went to collect his hire car. However, Barclaycard had blocked his account, due to fraud concerns. It didn't contact him to let him know, so this resulted in Mr S needing to call Barclaycard to find out what had happened. When he did, the card was unblocked. Unfortunately, the original car hire company then refused to accept it, leading to Mr S losing his deposit, and having to hire a car elsewhere.

Mr S complained to Barclaycard. It paid him £100, on the basis that it should have contacted him when it blocked his account, as per its normal procedure. It had his details, so there was no reason for it not to have done.

Mr S didn't agree, as he felt Barclaycard was also responsible for the other costs he incurred, specifically:

- the loss of his deposit with the first hire car company; and
- the costs incurred with the second hire company (which I understand are in dispute).

Our investigator looked into what had happened. She thought the complaint should be upheld in part. She thought it fair that, in addition to the £100 already paid, Barclaycard should also refund Mr S's call costs, upon receiving proof of them. But, she didn't think Barclaycard should be held responsible for the further losses/costs, because it unblocked the card.

As Mr S disagreed, his complaint's been passed to me.

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.

I have considerable sympathy for the situation Mr S is in. It appears that what should have been a smooth car collection, ended up with things going wrong, one after another. It must have been very stressful, and I'm also aware that the costs involved are substantial. Mr S did what he needed to, in a very difficult situation.

It's clear to me that the chain of events started when Barclaycard didn't contact Mr S, which it's accepted it should have. Had it done, Mr S would presumably have responded, and the card wouldn't have been blocked. But, I need to think about how much of what then

happened Barclaycard should fairly be held responsible for.

When Mr S tried to pay again, after the card had been unblocked, the original hire car company didn't process it. I can't know why not, as the card was no longer blocked. But, there's no evidence to suggest that this was because of Barclaycard. Once the card was unblocked, it's not clear to me why the transaction shouldn't have gone ahead. For this reason, I don't think it fair to hold Barclaycard responsible for losses incurred regarding the original hire car company.

I'm afraid it follows that Barclaycard shouldn't be held responsible for costs/losses regarding the second hire car company, because I don't think they're sufficiently closely linked to Barclaycard's initial mistake.

Putting things right

To put things right, as far as I think Barclaycard should, it must refund the call costs incurred as a result of trying to sort out the block. It should add 8% simple interest a year, from the date of the call(s), to the date of settlement.

This is in addition to the £100 already paid. If it hasn't been, it must be now.

My final decision

It's my final decision to uphold this complaint in part. I require Barclays Bank UK PLC, trading as Barclaycard, to take the actions set out above, in the section entitled 'Putting things right'.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 15 January 2024.

Elsbeth Wood
Ombudsman