

The complaint

Mr and Mrs C are unhappy Barclays Bank UK PLC ("Barclays") have taken the decision to close their accounts because they no longer reside in the UK – they believe their circumstances to be exceptional and want Barclays to allow them to keep their accounts open.

What happened

Mr and Mrs C who reside outside the UK held accounts with Barclays. The terms and conditions of Barclays accounts say it can close an account for any reason providing it gives two months' notice.

On 13 February 2023 Barclays wrote to Mr and Mrs C and explained that it was putting limitations on the banking services it provides to customers with UK bank accounts with an address outside the UK which meant it has to close Mr and Mrs C's accounts.

The letter explained that at least one of the addresses it held for Mr and Mrs C was outside of the UK and that to keep using their account everyone needs to be living in the UK and all addresses it holds needs to be in the UK too. There were some exceptions to this but none of these applied to Mr and Mrs C. A further letter about this was sent on 15 May.

Mr and Mrs C contacted Barclays about this and were wrongly advised if they change their address to a UK address their account would remain open. Mr and Mrs C complained to Barclays about this.

Barclays partially upheld their complaint and agreed they were wrongly advised to change their residential address to one in the UK to avoid having their account closed and compensated Mr and Mrs C £200 for this. But didn't uphold their complaint in relation to its decision to close all bank accounts held by customers residing overseas.

Mr and Mrs C were dissatisfied with this response and contacted Barclays again – they didn't feel that all parts of their complaint had been addressed. Barclays agreed that it had provided Mr and Mrs C with misinformation and apologised for the service received around this and access to information and credited their account with a further £150 compensation.

Mr and Mrs C were still dissatisfied with this outcome and brought their complaint to this service. Mr and Mrs C say they have financial obligations in the UK and would like Barclays to allow their account to remain open.

One of our adjudicators looked into Mr and Mrs C's concerns and reached the conclusion that Barclays was entitled to close Mr and Mrs C's accounts in line with the terms and conditions of the account and wasn't obliged to offer an account to them – as it was a commercial decision Barclays was entitled to take.

Furthermore, they thought that the £350 compensation Barclays had paid Mr and Mrs C for providing them with incorrect information was fair and reasonable in the circumstances and more than they would've recommended.

Mr and Mrs C disagreed, Mrs C says they are UK citizens with financial obligations in the UK including owning a residential property and view Barclays decision to close their accounts as unfair and unethical and have asked 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.

I hope that Mr and Mrs C won't take it as a discourtesy that I've condensed their complaint in the way that I have. Ours is an informal dispute resolution service, Mr and Mrs C have made it clear that they are not after financial compensation and are happy with how Barclays have dealt with their complaint, so I've concentrated on what I consider to be the crux of the complaint – Barclays decision to close their bank accounts as they reside overseas. Our rules allow me to do that.

It might help if I explain that my role is to look at the problems Mr and Mrs C have experienced and see if Barclays has done anything wrong. If it has, I would seek – if possible - to put Mr and Mrs C back in the position they would've been in if the mistakes hadn't happened. And I may award compensation that I think is fair and reasonable.

As has already been explained by our adjudicator, as a general rule, Barclays isn't obliged to continue offering an account to a customer if it doesn't want to – providing banking facilities and to who is a commercial decision and not something for me to get involved with.

That being said it wouldn't be fair for Barclays to close Mr and Mrs C's account outside the terms and conditions of the account or without reasonable notice.

The terms and conditions of the account say that Barclays is able to close an account provided it gives two months' notice.

I can see that Barclays gave Mr and Mrs C the required notice on 23 February 2023 explaining that it was limiting its banking services to customers who reside outside of the UK.

Mr and Mrs C say that they do not have access to another payment account in the UK with basic features and as such they fall within one of the exceptions to when Barclays can close an account. But in relation to this point the terms and conditions say Barclays can close a basic current account if:

- *You have access to another payment account in the UK with basic features*
- *You're no longer legally resident in the UK or*
- *There haven't been any transactions on your account for more than 24 months.*

So I think Mr and Mrs C are mistaken in their interpretation of the terms and conditions in that Barclays uses the word 'or' which means it only needs one of the above reasons to close the account – not all three.

So I'm satisfied Barclays was entitled to close Mr and Mrs C's account in line with the terms and conditions of the account as they no longer reside in the UK and Barclays has provided them with the notice period it has to and that no error or mistake has been made.

I appreciate that this has caused some distress to Mr and Mrs C and finding a new account to host their funds and service their mortgage will be an inconvenience. But ultimately Barclays aren't obliged to keep offering banking facilities just as Mr and Mrs C are free to choose what banking services they wish to uptake.

So, I don't think Barclays has done anything wrong or treated Mr and Mrs C unfairly and it follows that I do not uphold Mr and Mrs C's complaint.

My final decision

For the reasons I've explained I've decided not to uphold Mr and Mrs C's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs C and Mr C to accept or reject my decision before 27 December 2023.

Caroline Davies
Ombudsman