

The complaint

Mr S complains that Barclays Bank UK PLC (“Barclays”) decided to close his account as he lives overseas. Mr S says Barclays didn’t inform him it had decided to close his account and took too long to return his account balance to him. Mr S is also unhappy about the service Barclays provided to him in branch.

What happened

Mr S had an account with Barclays, which he’d opened in 2002.

Barclays wrote to Mr S on 10 November 2022 to say that it was applying limitations on accounts registered to addresses outside of the UK. It said that as the address registered for Mr S’s account was a non-UK address, it had taken the decision to close his account. The letter explained that if Mr S was unable to provide a UK address, then it would close his account by 27 May 2023.

Barclays sent Mr S a follow up letter on 13 February 2023 – reminding Mr S what would happen to his account. Barclays sent a final reminder letter on 10 May 2023 advising Mr S that if he didn’t provide an address in the UK, he would need to remove his account balance. And if he didn’t do so Barclays would close the account on 4 June 2023. The letters were posted to Mr S’s UK correspondence address. These letters were also uploaded to online banking.

Throughout the notice period Mr S had full access to his account and received a new bank card in April 2023, which Barclays automatically dispatched. Barclays didn’t hear from Mr S, so it closed his account on 6 June 2023.

Mr S says despite his wife and daughter living at his UK address, he didn’t receive any of the letters sent by the bank, so he wasn’t notified his account was going to be closed. Mr S has explained that he doesn’t access his online banking often and that it difficult to do so from overseas. So, he never noticed the letters Barclays uploaded about its intention to close his account.

Mr S says that he only discovered his account had been closed when he tried to use his bank card in June 2023, which was unsuccessful, and he received a refer to branch message.

Mr S visited a branch to find out why he couldn’t access his account. Mr S says when he spoke to staff at the branch, they were rude and unhelpful. And didn’t explain to him why the bank had decided to close his account. Mr S says this left him feeling frustrated and upset – especially as he had been a long standing customer of the bank. So, he raised a complaint in branch.

In response, Barclays said it hadn’t done anything wrong in closing Mr S’s account and had done so because he didn’t have a UK address. The staff explained to Mr S he’d need to complete a funds release form in order to have his account balance returned to him.

On 12 June 2023, Mr S completed a funds release form and provided certified identification and evidence of his address so that he could have his closing balance released to him. Mr S also asked Barclays to transfer his closing balance to another account he held. However, because Mr S put a different address on the form to the one Barclays had recorded for him, instead of making a funds transfer, Barclays sent a cheque for Mr S's closing balance to the address Mr S had recorded on the form, which was overseas.

Mr S said he didn't receive the cheque. So, he wrote to Barclays and raised a complaint. Barclays reviewed the complaint and re-iterated the response provided by its staff when Mr S visited a branch June 2023 – that it hadn't done anything wrong when it had closed Mr S's account.

Mr S got back in touch with the bank as he remained unhappy with Barclays response. Barclays explained the cheque had been sent to Mr S's overseas address and explained that its products are designed for customers living within the UK. Barclays said that as Mr S's registered address was located outside the UK, it had decided to close his account. Because of the problems of not receiving the cheque, Barclays then arranged for an exception to be made and a bank transfer was completed for Mr S's account balance in September 2023.

Mr S remained unhappy, so he referred his complaint to our service where one of our investigators assessed the complaint. The investigator didn't think Barclays had treated Mr S unfairly when it had closed his account. She said that Barclays' decision to close Mr S's account was a commercial decision that it was entitled to make. She also thought it was likely Mr S did receive the letters Barclays sent to him, and that it hadn't caused any undue delays in returning his account balance back to him. So, she didn't uphold Mr S's complaint.

Mr S disagreed with the investigator's assessment. He wants Barclays to provide a proper explanation about why it closed his account, apologise and pay him compensation for the trouble and upset the whole matter has caused him.

As no agreement could be reached the matter has come to me to decide.

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 can see that Mr S had a UK bank account with Barclays for many years. So, I can appreciate that Mr S would have been upset by Barclays decision to close his account. And I'm very aware that I've summarised the events in this complaint in far less detail than the parties and I've done so using my own words. No discourtesy is intended by me in taking this approach. Instead, I've focused on what I think are the key issues here. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts. If there's something I've not mentioned, it isn't because I've ignored it. I'm satisfied I don't need to comment on every individual argument to be able to reach what I think is the right outcome. I do stress however, that I've considered everything that Mr S and Barclays have said before reaching my decision.

Barclays has explained that following the UK leaving the EU, it reviewed the services it offered to customers outside of the UK. This resulted in a letter being sent to Mr S to inform him that, unless he was a UK resident and could provide a UK address, his account would be closed.

As it was a policy decision by Barclays to limit certain services provided to customers living outside of the UK and Mr S was affected by this, I can't say Barclays did anything wrong or treated him unfairly by notifying him of the account closure. I have looked at the closure letter sent, and this provided details of the timing of the closure and what action Mr S needed to take – which was to either provide an account in the UK or remove his account balance prior to the account being closed.

Mr S says he never received any of the letters Barclays sent to him about its intention to close his account. I've seen copies of each of the letters Barclays sent to Mr S between November 2022 and May 2023, and I can see that they are correctly addressed. Mr S hasn't made this service aware of any problems he was experiencing with his post, so, whilst I'm sorry to hear Mr S didn't receive any of the letters, based on the evidence I've seen, it does look like they were sent to him.

I've also kept in mind that Barclays sent all of the letters to Mr S's online banking inbox. Mr S has said that he checks the inbox infrequently, but I can't hold Barclays responsible for this – especially as I've seen evidence that Barclays did upload the letters. So, overall, I'm satisfied that Barclays took steps to inform Mr S about its decision to close his account. And that Barclays took reasonable steps to inform Mr S of his options. I'm also satisfied that Barclays gave Mr S plenty of time to consider his options – nearly six months – before the account was eventually closed. So, taking everything into account, I can't say that Barclays has treated Mr S unfairly or unreasonably when it closed his account.

Mr S has said that Barclays took too long to return his account balance back to him. As part of its account closing process Barclays asked Mr S to complete a funds release form. Mr S complied with Barclays request and returned his form along with certified identification paperwork and proof of his address on 12 June 2023.

I've seen a copy of the form Mr S completed and noted that the address Mr S recorded on the form differed from the address Barclays held on its systems. When this happens, Barclays has explained that its process is to issue a cheque for the closing balance and send it to the address recorded by the customer. Barclays did this on 4 July 2023. So, I can't say Barclays did anything wrong here in following its processes – I'm also satisfied that no undue delays were caused in issuing the cheque.

Mr S says he never received the cheque and that he had to spend time writing emails to Barclays executive to finally get access to his balance. I've read the emails Mr S wrote and I can appreciate that at the time Mr S was frustrated at not receiving the cheque. However, Barclays has provided evidence to show that it sent the cheque to the address Mr S recorded on his refund form. So, I'm satisfied that a cheque was dispatched. I'm sorry to hear that Mr S didn't receive the cheque. But I can't hold Barclays responsible for any issues with the postal service – here or overseas, which may have led to Mr S not receiving the cheque.

When Mr S notified Barclays that he hadn't received the cheque, it had sent, Barclays cancelled it and transferred Mr S account balance as an exception to its usual processes. So, overall, I'm satisfied that Barclays took reasonable steps to ensure Mr S got the money in his account returned as quickly as possible to him.

Finally, Mr S has said that he was very upset by the service he received when he visited a branch to try and sort everything out. He has said that the staff were rude, unhelpful, wouldn't give him any information about why his account was being closed, and were generally dismissive towards him. Barclays has spoken to the staff that dealt with Mr S in branch and have provided quite a different picture to what Mr S has described. They have

said that Mr S refused to listen to staff explanations, was angry and aggressive. So much so, that a more senior member of staff had to step in to deal with him.

I appreciate that there is a disagreement over exactly what happened on Mr S's visit to the branch and that Mr S feels very strongly about his complaint. I don't think it is unreasonable that there are variations on what happened as memories fade over time, and individual recollections can be different. I can't be certain what happened in branch as I wasn't there, so I think it would be unfair for me to conclude that Barclays provided Mr S with poor service when he visited the branch. I simply don't have enough evidence to say that Barclays provided Mr S with poor service or that the staff involved were rude or sought to upset Mr S in anyway.

However, from looking at letters and emails Barclays sent to Mr S, including the final response letter Barclays sent to Mr S, on 25 July 2023, I can see that Barclays has apologised to Mr S for any inconvenience closing his account caused him and that it provided him with an explanation about why it was closing his account. And what he needed to do to keep his account open and access the funds in his account. So, I don't agree that Barclays didn't provide Mr S with the reasons behind its decision to close his account. I'm also satisfied that Barclays apology acknowledged the impact that this was likely going to have on Mr S. So, I won't be asking Barclays to do anything else to resolve this aspect of Mr S's complaint.

In summary, Barclays' decision to no longer allow customers with a non-UK based address to have an account is a reasonable exercise of its commercial judgement. Because of this, I don't think I can say that Barclays was being unfair or unreasonable for its decision to close Mr S's account. So, I won't be asking Barclays to do anything to resolve Mr S's complaint.

My final decision

For the reasons I've explained, 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 S to accept or reject my decision before 17 April 2024.

Sharon Kerrison
Ombudsman