

The complaint

Mrs R complains that Barclays Bank UK PLC unfairly closed her accounts without giving her notice of its intention to do so.

What happened

Mrs R complained to Barclays after it closed her accounts in December 2022. She says she wasn't notified beforehand and that she received a poor level of service from the bank when trying to retrieve her funds. Mrs R says this meant she couldn't pay for essentials, such as medicine she urgently needed, and that it affected her plans to move to another country.

In its response, Barclays explained that its decision to close Mrs R's accounts was because she was no longer a UK resident. The bank pointed out that it had written to her three times to notify her of its plans to close her accounts. Barclays also recognised that it provided a poor level of service to Mrs R after her accounts had closed and offered her £250 compensation to put things right.

Remaining unhappy, Mrs R asked for this service to independently review her complaint. Mrs R says she never received any of the letters the bank says it sent. She wants Barclays to pay her around £1,500 in compensation because she says the delay in retrieving her funds caused her partner to go into debt.

Our investigator concluded that the bank had acted fairly when it offered Mrs R £250 compensation. The investigator was satisfied that the bank had taken reasonable steps to notify Mrs R of its decision to close her account. The investigator also didn't feel the bank was responsible for the financial issues Mrs R says Barclays caused.

Mrs R doesn't agree. She says Barclays should have tried to contact her using other means other than just via letter. She also thinks the bank should have shown more urgency after she informed it that she was unwell and needed her funds.

Because Mrs R doesn't agree, the complaint has been passed 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.

Having done so, I share the opinion that Barclays has acted fairly – I'll explain why.

The terms and conditions of Mrs R's account explain that Barclays can close her account if it finds out that she's no longer eligible for it. The terms say that the bank can do so if Mrs R is no longer residing in the UK. At the time Barclays made its decision, Mrs R was living outside of the UK and has remained so since. So I'm satisfied the bank applied its rights under this term fairly.

Mrs R is unhappy with the bank's decision, particularly because she says she was given no notice of the closure. Barclays says it wrote to her in May, August and November 2022,

notifying her of its decision to close her account. It then went ahead and completed the closure in December.

Mrs R says she didn't receive any of the correspondence the bank says it sent and questions why Barclays didn't attempt to contact her via other means – such as email or SMS – especially given the fact that Mrs R says she received an SMS in December 2022, confirming her account had been closed.

Barclays says it sent Mrs R its letters in line with her communication preferences. Barclays says Mrs R's preference was set to receive correspondence via online banking and the bank has sent its internal records that show this to be the case. The bank adds that, with each letter, Mrs R would've received an email notification informing her that new correspondence had been uploaded to her online banking account. Barclays doesn't have copies of these emails anymore, but its records show that Mrs R would've been sent an email each time.

Given this, I'm persuaded that the bank sent Mrs R these letters. It's unclear why Mrs R says she didn't receive any of these letters – I recently asked her for her comments on the information Barclays has shared but I've had no response from her. So I think Barclays took reasonable steps to notify Mrs R of its decision to close her account.

Following the closure of her account, Mrs R says she experienced a poor level of service from Barclays, leading to a delay in the reclaim of her funds. Specifically, Mrs R says the bank failed to give her the relevant reference number to include on her application to reclaim her funds. She adds that she informed the bank in December 2022 that she needed her funds urgently due to medical reasons, but Barclays failed to act quickly enough. Mrs R also says that Barclays unfairly requested that she provided notarised documents.

Upon review of the relevant calls, Barclays says that Mrs R didn't mention that she needed her funds urgently. And I can see the bank provided her unique reference number over the phone too. When Mrs R first submitted her reclaim form, the reference number wasn't included, and this unfortunately delayed the process a little. Given the bank provided Mrs R with this reference beforehand, I can't fairly conclude that it did something wrong here.

Barclays however does acknowledge some other service failings, including failing to call Mrs R back as agreed, giving poor advice over the phone and accepting that its reclaim process is complex and is something many of its own advisors aren't familiar with. Barclays offered Mrs R £250 compensation to put things right. I can't see that these errors caused Mrs R a significant degree of distress and inconvenience, so I think this compensation offer is fair and I won't be asking the bank to increase its offer.

I empathise with Mrs R as she's had to rely on her partner's income during the period she didn't have access to her funds. I understand this caused her partner financial difficulties too. My remit only allows me to consider the making an award if I decide that Barclays acted unfairly. In this instance, I think the bank treated Mrs R fairly when it decided to close her account. So I can't consider any losses Mrs R says was caused by the bank's decision.

Moreover, Barclays says that it received Mrs R's initial reclaim request in March 2023, but this couldn't be processed due to the missing reference number. It wasn't until April that Mrs R's reclaim request was processed successfully. Given the time it had taken Mrs R to submit her reclaim form, I can't fairly say that Barclays is solely responsible for the delay Mrs R experienced when trying to retrieve her funds.

So I won't be asking Barclays to do anything more regarding this complaint.

My final decision

For the reasons set out above, I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs R to accept or reject my decision before 5 June 2024.

Abdul Ali
Ombudsman