

The complaint

Mr G and Mrs D complain that Barclays Bank UK PLC closed their account as it required a United Kingdom (UK) address to be held on its records.

What happened

The details of this complaint are well known to both parties. So, I won't repeat them again here. Instead, I'll focus on the reasons for my 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.

As a result of the UK leaving the European Union (EU), Barclays – like all banks, couldn't continue offering banking facilities for customers with an address in the European Economic Area (EEA). Barclays contacted all customers impacted by this change to explain that their accounts would be closed unless they could provide a UK address.

While Mr G and Mrs D have lived in the UK for many years, Barclays contacted them as their account with it still held an EEA address. I find it was fair and reasonable for Barclays to contact Mr G and Mrs D in relation to this as it was in line with the guidance issued when the UK left the EU.

Barclays offered several alternative ways for Mr G and Mrs D to update their address. And they chose to return a form by post because they didn't want to visit a branch during the on-going pandemic. As this was an option provided by Barclays, I find it was reasonable for Mr G and Mrs D to update their address in this format. And I'm satisfied that completing and returning the form should have been sufficient for their address to be updated. I say this because there is no dispute that Barclays received the completed form and it's what Barclays asked Mr G and Mrs D to do.

But despite Mr G and Mrs D returning the form to update their address, Barclays contacted them again as it wanted to verify their identities (ID). It said this was because Mr G and Mrs D were amending their address from an overseas address. But as mentioned above, Mr G and Mrs D sent the form to update their address at Barclays' request. So, I'm not persuaded that Barclays should have been surprised or indeed had any concerns about them wanting to update their address. It follows that I'm satisfied Barclays should have updated Mr G and Mrs D's address at this time. As it didn't do so, I'm satisfied Barclays caused them distress and inconvenience.

Mr G and Mrs D attempted to comply with Barclays' request. One option offered was via telephone banking and Mr G and Mrs D opted for this method. But Barclays then went on to ask them to attend a branch, despite Mr G and Mrs D following all its instructions. When Mr G objected, ultimately, Barclays agreed it would accept telephone instructions to update the address.

However, the bank's representative didn't establish that the account was a joint account and it also needed to speak with Mrs D. Given Barclays are the 'expert' in this situation, I would have expected the representative to ask for the phone to be passed to Mrs D so her instructions could be taken to update her address. As this didn't happen, I'm satisfied Barclays caused further distress and inconvenience. I say this because, as a result of both addresses not being updated, the account was closed. And this led to further problems as Mr G and Mrs D couldn't access the balance in their account for some consideration time. While I appreciate that Barclays offered various ways for Mr G and Mrs D to reclaim their account balance, given I think Mr G and Mrs D did enough to enable their address to be updated in the first place, I'm satisfied these subsequent problems could have been avoided.

I understand that this matter was now been resolved as the parties have been in touch about the balance being released following our investigator's involvement. But I'm satisfied Mr G and Mrs D have suffered distress and inconvenience because of Barclays actions. So, like the investigator, I'm satisfied this complaint should be upheld. And I've gone on to consider what fair compensation should be.

Putting things right

Our investigator recommended that Barclays should pay Mr G and Mrs D £300 compensation in recognition of the distress and inconvenience caused. Barclays agreed to offer this amount. But Mr G and Mrs D didn't. Mr G initially said that he wanted a letter of apology from the Barclays' Chief Executive Officer (CEO). He also said £300 was insufficient and he wanted the highest amount possible to be awarded and paid to a charity. He's also mentioned being unable to pay bills as his account was closed.

Having thought about this carefully, I'm not going to ask Barclays to provide a written apology from its CEO. As the investigator has explained, it's not general practice for a CEO to become involved in individual complaints and I see no reason to make an exception here.

But I did ask the investigator to contact both parties to explain that - in addition to the investigators recommendation, I thought it was fair and reasonable for Barclays to pay Mr G and Mrs D 8% interest on the balance in their account from the date of closure to the date the funds were released to them. I also thought Barclays should cover any financial loss Mr G and Mrs D had suffered as a result of not being able to pay bills from their account after it was closed.

Barclays responded to say that it was willing to offer 8% interest on the account balance from 5 January 2021 to 6 October 2021. It said that it had made numerous attempts to contact Mr G and Mrs D about reclaiming the account balance but had been unable to reach them. It also pointed out that the account was funded from another account not held with it. So, it thought Mr G and Mrs D would have had access to funds to pay any bills due. But it did agree to review any financial loss incurred subject to evidence Mr G and Mrs D provides to it to demonstrate a financial loss due to unpaid bills.

Mr G responded to say he made numerous calls and had had to seek the help of professionals to get his money back. But he didn't provide any documentary evidence of a financial loss.

So, I've thought further about all of the above. And overall, I consider £300 compensation plus 8% interest on the account balance from the date the account was closed to the date the funds were released is fair. I've considered what Barclays said about the time period for the 8% to be applied. But, as mentioned above, I'm satisfied that Barclays should have accepted the form Mr G and Mrs D completed to change their address and had it done so the inconvenience and delays that occurred wouldn't have happened. But, as a result,

Mr G and Mrs D have been deprived of their account balance. If Mr G and Mrs D want the funds paid to a charity, it is for them to facilitate this. I can only ask Barclays to pay the redress directly to them.

As Mr G and Mrs D haven't provided any evidence of financial loss, I make no award. But if they have any evidence of a financial loss, they should provide it Barclays for its further consideration.

My final decision

My final decision is that I uphold this complaint and require Barclays Bank UK PLC to pay Mr G and Mrs D:

- £300 compensation in recognition of the distress and inconvenience caused.
- 8% interest on the account balance from the date the account was closed to the date the funds were released.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G and Mrs D to accept or reject my decision before 21 July 2022.

Sandra Greene
Ombudsman