

The complaint

A company, which I'll refer to as C, complains about requests made by Barclays Bank UK PLC for information relating to its internal controls and about certain payments it received from customers.

Mr G, a director of C, brings the complaint on C's behalf.

What happened

In June 2021, Barclays requested information from C relating to C's anti-money laundering policy, including its due diligence processes, and about certain payments it had received from customers between 2018 and 2020. Mr G was concerned about disclosing this information as it was sensitive and confidential, relating to C's internal controls and its customers. Mr G asked Barclays whether it was authorised to request this information and expressed his concern about breaching the General Data Protection Regulation (GDPR). He asked Barclays to indemnify C against any action brought by either its customers or the information commissioner.

Barclays responded by reasserting that it required the information to comply with its legal and regulatory obligations.

This pattern continued. Barclays continued to chase C for the information, with Mr G continuing to express his concern about releasing it. In July, Barclays said that if the information wasn't supplied, it would have to review its banking relationship with C.

After further exchanges, in early July Mr G reluctantly provided Barclays with a partial response. However, Barclays said the response was insufficient and asked for more information, focussing on two specific payments.

Barclays continued to chase for this information, repeatedly explaining that it required it to comply with its legal and regulatory obligations.

At this point, Mr G responded to Barclays expressing his frustration at the way he had been treated. Mr G said he'd felt harassed, threatened and bullied by Barclays's requests, and there had been no recognition of his request for an indemnity. In July, he had also notified Barclays that he wished to be treated as a vulnerable customer, but he believed this had not been reflected in how Barclays had engaged with him. He said his mental health had suffered.

Barclays responded initially in August, saying that it had found nothing untoward. It said that its operative had been transparent and honest. Barclays repeated that C's continuing failure to supply the required information would result in its banking relationship being reviewed.

Barclays later issued its financial response to the complaint, again saying that it required the information to be compliant with regulations. Barclays recognised Mr G's vulnerabilities but was satisfied that the situation had been managed appropriately.

Mr G was not happy with this response and did not believe that Barclays had considered it adequately. He also believed that he still had not received a response to his request for an indemnity. Mr G said that C would provide the information if Barclays demonstrated that it was legally entitled to receive it.

Mr G brought C's complaint to our service.

Subsequently, in September, Barclays cited to Mr G the provisions of the GDPR relevant to its request. Later, it also explained to Mr G why it wouldn't provide C with an indemnity, but it did set out in slightly more detail how it would treat C's information by reference to the terms and conditions of C's account.

In November, Barclays phoned Mr G giving him notice that it would be ending its banking relationship with him on all his business and personal accounts in 90 days.

Our investigator issued his view on C's complaint, saying that Barclays had done nothing wrong in requiring the information, given its regulatory obligations. He said that Barclays had acted in accordance with the terms and conditions of C's account. Mr G did not agree, so the matter was passed to me to decide.

I issued a provisional decision in May 2022 and invited further responses from both C and Barclays. C did not respond. B said it agreed with my provisional 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 am aware that Barclays has since ended its banking relationship both with C and with Mr G personally. However, the current complaint relates to Barclays actions in how it requested information from C between June and September 2021, and the interactions between Mr G and Barclays at this time. Mr G has also complained about how Barclays assessed his complaint but, as already explained by our investigator, this is not something we can consider in these circumstances.

Therefore, my focus has been on whether Barclays acted fairly and reasonably in how, between June and September 2021, it asked for certain information from C.

Barclays operates under certain regulatory obligations and, having reviewed the information requested, I believe Barclays had legitimate reason to request this information.

However, Mr G's concern was not so much about Barclays reasons for requesting the information but whether he would be culpable for providing it given its sensitive and confidential nature.

I accept that Barclays was under no obligation to provide an indemnity, and that it was for C to assess the risk of providing the information. However, I believe it was reasonable of Mr G to request more explanation from Barclays on how it would handle the confidential information C provided.

In September 2021, three months after Mr G's repeated requests, Barclays provided a fuller explanation, pointing to the relevant paragraphs in the terms and conditions of C's account, and citing relevant clauses of the GDPR. I believe this provided Mr G with helpful context, and could have been provided three months earlier.

Mr G isn't looking for compensation but an apology, and an acknowledgement that Barclays could have done better. I believe this is deserved to the extent that Barclays could have responded better upfront to Mr G's concerns about providing confidential information. Barclays couldn't have said much but it could have provided Mr G with at least the explanations it offered later in September.

I acknowledge Mr G says his health has suffered but, as C had the relationship with Barclays relevant to this complainant, I can't compensate Mr G for any distress he has experienced personally. Moreover, given I believe Barclays did nothing wrong in requesting the information, any inconvenience to C is limited to that caused by Barclays not responding more clearly earlier to Mr G's concerns. For this, Barclays should pay C £150.

Mr G has also said that he didn't like Barclays' threats to review its relationship with C if the information were not provided. However, in this regard I don't think Barclays did anything wrong. I don't believe these messages were malicious but rather sought to set out clearly the actions Barclays would take, in line with the terms and conditions of C's account.

Mr G also believes his request to be treated as a vulnerable customer was not reflected in how Barclays communicated with him. I can see that Barclays continued to chase for the information it had requested and at times these requests were received by Mr G when he had important caring responsibilities. However, Barclays did ask Mr G to delegate the provision of the information to another representative of C, and I don't believe it acted unreasonably in continuing to seek the information. I have seen that Barclays recognised Mr G's difficult circumstances, logged the information appropriately on its systems and, on occasion, sought to communicate with some sympathy.

I am aware that Mr G's relationship with Barclays has broken down and I'm sure he would like me to go further in my criticism of Barclays. However, I believe the information request Barclays made to C was legitimate and it communicated with Mr G appropriately. Where Barclays could have done better was in providing a reasonable response much earlier to Mr G's concerns about releasing the information requested.

My final decision

I uphold this complaint in part, and require Barclays Bank UK PLC to pay C £150.

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

Andy Wright
Ombudsman