

The complaint

Mr A is unhappy Barclays Bank UK Plc (Barclays) closed his accounts and delayed releasing the money to him.

What happened

This complaint concerns a Saver account and a multicurrency account comprising of a Sterling account, a US dollar (USD) account and Euro account.

Barclays sent Mr A notice that it would be closing his Sterling and Saver accounts in September 2018. These closed two months later in November 2018. Mr A was living abroad at the time so didn't receive this letter.

Mr A has told us that when he couldn't log into his online banking in September 2019, he called Barclays and was told his accounts had been closed. He says the representative he spoke with confirmed the balances in his Sterling and USD account but couldn't locate the Euro account.

Mr A says he continued to call and email throughout the start of 2020 asking for his accounts to be reopened or the money transferred to a different account. However, he says his emails were ignored and when calling Barclays, it told him it couldn't do either.

Barclays has record of one call in January 2020. In this call Mr A asked what happened to the money contained within his accounts before he moved abroad and was told how to access this.

Barclays then sent Mr A notice that it would be closing his USD and Euro account in May 2020, and these closed two months later in July 2020. Again, Mr A was still abroad at this point due to the Covid-19 pandemic, so he didn't receive this letter either.

Mr A returned to the UK in the second part of 2020. He wanted to purchase a property and had employed a property advisor to help with this and was due to go to several house viewings. He attended branch in October 2020 to find out what was going on with his accounts and the money contained within them. At this point Barclays verified his ID and arranged a cheque for the balances of Mr A's Sterling and Saver accounts and Mr A collected this in November 2020. However, he was told his USD and Euro accounts couldn't be located. These accounts had over £180,000 in them.

Mr A says he couldn't continue with his property purchase as a result and had to return home without the rest of his money. Mr A complained at that point.

Barclays issued a final response in January 2021 explaining it had located the rest of his money and offered £200 for the service he'd received. Because Mr A was now abroad, he couldn't collect the money in branch and asked for it to be transferred electronically. Barclays agreed and initially asked Mr A to provide ID, which he did. However, Barclays then said this would need to be validated by a solicitor, the police, or his bank before the money could be released. Following his referral to our service Mr A provided this and his money

was sent to him in October 2021.

Mr A remained unhappy after he received his money due to the issues he'd had up to that point and the time taken for Barclays to release his money. Our investigator was satisfied Barclays was entitled to close Mr A's accounts and that the £200 it has offered was sufficient for the delays he'd experienced when trying to access the funds in his USD and Euro accounts. She explained that Barclays was entitled to ask for verified ID to have the money sent electronically.

Mr A disagreed so the complaint has been passed to me to decide.

What I provisionally decided – and why

I issued my provisional decision on this complaint on 13 March 2023. These were my findings:

'Barclays has commercial discretion and can choose who it does business with, just as Mr A can choose who to bank with. Of course, we expect Barclays to use its commercial discretion to make decisions free of prejudice and discrimination. And having reviewed the reasons for the closures, I'm satisfied in Mr A's case it did this. Barclays doesn't have to provide a reason to Mr A for this decision and it wouldn't be appropriate for me to require it to or disclose the reason myself.

Taking all this into account and reviewing the information Barclays has provided, I'm satisfied it was entitled to close Mr A's accounts and did so in line with the applicable terms and conditions by giving two months' notice. I appreciate Mr A was abroad when the letters were sent and he therefore didn't receive these, but I can't hold Barclays responsible for this as it sent them to the address it held for Mr A. It isn't required to send these electronically.

It seems a lot of the issues in this complaint stem from Mr A being unable to access his money once the accounts were closed.

Mr A told us he realised something was amiss with his accounts in late 2019 when he tried to log onto his online banking. He called at that point and was told his accounts had been closed. Mr A went on to say he contacted Barclays several times in early 2020 to ask it to reopen his accounts or transfer his money to another of his UK accounts. Mr A hasn't been able to provide any evidence of this contact and Barclays only has one record of a call in January 2020. It's therefore unclear exactly what happened during this period.

From what Mr A has explained he wasn't able to travel to the UK until the second half of 2020 due to the Covid-19 pandemic. It was at that point he travelled to the UK to carry out property viewings as he wanted to make a purchase. He also took the opportunity to attend branch to obtain his money. So, whilst it is possible Mr A contacted Barclays more than the one time it has on record, I'm not minded to say Barclays delayed releasing Mr A's money at that point. Instead, I think it's most likely Mr A waited to pursue this fully until he returned to the UK and needed the money for his house purchase.

Mr A attended branch in October 2020 to find out what was happening with the money in his accounts. During this visit Mr A provided ID and he later returned to branch on 2 November 2020 to collect a cheque for the balances of his Saver and Sterling accounts. However, from the notes Barclays has provided and Mr A's testimony, it would seem Barclays were unable to locate the money in the USD and Euro accounts. It's unclear why this was as the accounts had been closed back in July 2020 following the notice period. I'm satisfied Mr A should have been able to receive the money in all of his accounts at that point. Had this been done it would have prevented everything that followed, including the additional delay in

Mr A receiving his funds and the inconvenience he faced in having to provide his ID again.

I therefore think Barclays should pay 8% simple interest on the money contained in Mr A's USD and Euro accounts from 2 November 2020 to the date this money was transferred to him in October 2021. This is to compensate Mr A for loss of use of those funds during that time.

I also think a higher award than £200 should be paid for the trouble and upset caused, as it was clearly inconvenient and time consuming for Mr A to go through the additional security steps to have the money in his USD and Euro account sent to him once it was located. I should point out that Barclays is entitled to go through these security steps. However, the point here is it shouldn't have been necessary in Mr A's case as his money should have been released to him when he was in branch and had presented valid ID at the time. In addition to this, it was also understandably worrying and frustrating for Mr A to be told his USD and Euro accounts couldn't be located, especially considering how much money was contained within them. Not to mention all the additional time and effort Mr A spent contacting Barclays after November 2020.

I therefore think a payment of £400 is fair and reasonable in the circumstances.

I've taken into account that Mr A has mentioned that he lost out on purchasing a property because he couldn't access the money in his account. He's explained he employed a property advisor to help him with this and attended viewing during his visit to the UK in 2020. However, because he couldn't access all the money in his accounts, he was unable to proceed.

Whilst I don't doubt being unable to access all of his money had an impact on his decision not to proceed with a property purchase, for me to make a larger award of compensation to Mr A for the loss of his property purchase, I need to be happy that a purchase would have definitely gone through had Barclays released the money to Mr A in November 2020. Given how early on in the process he was, I can't conclude this would have been the case. There are numerous steps to purchasing a property and Mr A was only at the beginning, in so much as he was viewing properties. It's therefore difficult for me to attribute the loss of a property purchase solely to Barclays' error here. So, keeping this in mind, I'm satisfied £400 is an appropriate figure.'

Barclays responded, agreeing with the provisional decision. It explained that if Mr A accepts the decision it will pay him £400 compensation, plus 8% interest totalling £10,986.32. This total has had 20% tax deducted, which will be paid to HM Revenue & Customs (HMRC). Barclays said this deduction totals £2,746.57.

Mr A responded to the decision agreeing with the interest payment. However, he wanted me to consider directing Barclays to compensate him for his travel and accommodation costs when he returned to the UK in order to collect his funds. He said he returned to collect his money and view properties on the basis he would buy one with the money in these accounts. He mentioned to the investigator about a call he's provided to us where Barclays request that he attends branch to collect his funds. He would also like his call costs to be covered but isn't able to get any evidence of these costs. Finally, he would like the £750 he paid to the property advisor to help him secure a property as he couldn't go on to buy because Barclays wouldn't release his money.

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 remain of the opinion that whilst Barclays was entitled to close Mr A's accounts, it delayed him access to the funds in his USD and Euro accounts and in turn caused him unnecessary trouble and upset.

I've taken Mr A's additional comments into consideration and will address these in turn:

In relation to the costs Mr A incurred for travelling to the UK to obtain his money in October 2020, this isn't something I will be asking Barclays to refund. I say this because I can't be persuaded Mr A returned to the UK solely for this purpose. He's explained he also came to view some properties for example. Given this, it wouldn't be fair to ask Barclays to cover these expenses. I'd like to assure Mr A that I took the call recording he provided to us into consideration. I can see Barclays did advise him to visit branch, but it would seem this call took place after he'd left the UK in November 2020. I say this because he tells the advisor about his visit to branch to collect the cheque for the funds in his Sterling account. I can't see he had to return to the UK again as he received the money in his Euro and USD account via bank transfer.

I don't doubt Mr A spent time on the phone to Barclays trying to get his money back and this would have come at a cost. And given Barclays' errors, I would expect it to cover these costs. Unfortunately though, Barclays doesn't have record of these calls and Mr A isn't able to obtain any evidence of how many calls he had or the cost of them. This means I'm unable to direct Barclays to reimburse Mr A for these.

Finally, as I explained in my provisional decision, I'm unable to attribute the loss of a property solely to Barclays' actions. Mr A was at the start of the property process and there is no guarantee he would have been successful in securing a property at that time. It therefore wouldn't be fair to ask Barclays to pay him the £750 fee for the property advisor.

My conclusions above shouldn't take away from the fact Barclays let Mr A down on this occasion and caused him unnecessary worry and inconvenience. But I'm satisfied the 8% simple interest and £400 compensation is a fair and reasonable resolution to this complaint.

It therefore remains that I uphold Mr A's complaint and direct Barclays to carry out the below settlement.

Putting things right

In order to put things right for Mr A, I direct Barclays to do the following:

- Pay 8% simple interest on the money contained in Mr A's USD and Euro accounts from 2 November 2020 to the date this money was transferred to him in October 2021. If Barclays considers that it's required by HMRC to deduct income tax from that interest (as it has indicated), it should give Mr A a tax deduction certificate if he asks for one, so he can reclaim the tax from HMRC if appropriate.
- Pay £400 for the trouble and upset caused.

My final decision

My final decision is that I uphold Mr A's complaint against Barclays Bank UK Plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 25 May 2023.

Sarah Brimacombe
Ombudsman