

## The complaint

Mr S complains that Barclays Bank UK PLC did not close his account when he asked, which led to adverse information being recorded on his credit file.

## What happened

Mr S says that he closed his Barclays bank account in November 2017 as he was moving overseas, so he would no longer require his account. He says he visited a Barclays branch and spoke to a member of staff to close his account and Mr S left the branch believing his account had been brought up to date and was closed. He says when he returned to the UK, he checked his credit file as he wanted to apply for a mortgage, only to find out his credit file was showing a debt management company (DMC) debt of £392. Mr S says he paid this immediately and he was told that it was regarding his Barclays bank account.

Mr S visited a Barclays branch and the staff told him the account had not been closed and a standing order continued to debit the account. Mr S said that he signed paperwork in branch for the account closure, but Barclays say they have no records of this. Mr S made a complaint to Barclays.

Originally Barclays returned the amount of £392 as a gesture of goodwill and awarded him a payment of £50 for any distress and inconvenience and they said they would remove the adverse information from his credit file. Barclays then said they were unable to amend his credit file as there was insufficient factual evidence regarding a closure request. Although they were able to see he'd reduced his debit balance, they could find no supporting information regarding a closure request. Mr S brought his complaint to our service.

Our investigator did not uphold Mr S' complaint. She said that unfortunately, there was no evidence of the closure request in branch and therefore Barclays Credit Reference Agency Team have said that they're unable to remove the adverse information recorded on his credit file. So, she was unable to conclude that there had been a bank error.

Mr S asked for an ombudsman to review his complaint. He said by looking at his bank statements we would see that he had brought the account up to date that day (27 November 2017) to be closed. He said he was overseas when Barclays allegedly sent him letters and no post was forwarded to him and asked why post from Barclays would be forwarded when he believed his account had been closed down.

As my findings differed in some respects from our investigator's, I issued a provisional decision to give both parties the opportunity to consider things further. This is set out below:

*"I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint."*

*"When it comes to complaints where it's one word against another, I have to consider the evidence available to me. I then have to weigh the evidence against the balance of probabilities, that is, what's more likely to have happened in the circumstances."*

*I've considered what Barclays have said that there is no evidence of a visit to the branch as there was no note about the account closure. I requested Mr S' statements to see if I could get an indication of what might have happened here. Factually speaking, his account balance was overdrawn by £250.56 on 23 November 2017. I can see that on 27 November 2017, he transferred £250.56 into the account. But his statement for the same day shows a transfer of 7p into his account and this has the name of the branch on this entry which Mr S says he visited to close his account. So while Barclays have said there was no evidence that he visited the branch to close the account, I'm satisfied that he did actually visit the branch on 27 November 2017 – the same day he brought his account up to balance, and the same day he believed his account was closed.*

*As it appears that Mr S did visit the branch that day, on the balance of probabilities, I'm persuaded that he did ask for his account to be closed as he was travelling overseas for a prolonged period of time. I've looked at the previous six months transactions on Mr S' account statements and there does not appear to be any other transactions carried out at a branch. Mr S had often transferred into the account via a third party account he had, so he would have been able to transfer money into his account to clear the overdraft without visiting a branch, or to transfer from his savings which he did do for £250.56. So the fact there is a small branch transaction and then the transfer to pay off the rest of the overdraft supports Mr S' version of events that he visited the branch to close his account and left the branch believing his account would be closed, otherwise there would be no other logical reason for the small branch transaction when he never usually transacted at the branch.*

*As Mr S believed the account was closed after visiting the branch, then he would naturally expect a standing order not to be debited from a closed account. But as the branch had not closed his account this continued to debit his account. As Mr S was overseas he would have been unaware of this. The standing order caused him to be overdrawn again, and Barclays started their collections procedure and sent Mr S post about this, but as he was overseas, he didn't receive this. While Barclays have said that family members could have either opened his post or sent post onto him that they were sending him about the arrears, I am not persuaded by this.*

*I say this because of a few reasons. There are security issues with other people's post being opened, regardless of if it is family members. Mr S may not want his family to know his financial situation. Barclays have assumed that Mr S and his family were regularly talking or that Mr S had a fixed address to send post to. But the reality is that Mr S could have been travelling and had no fixed abode and didn't talk to his family about his finances. As he believed the account was closed, even if he had a fixed address overseas, it would not be proportionate for his family to send multiple letters at a potentially considerable cost to the country Mr S was residing in at the time, especially when Mr S believed the account was closed, and this could just be marketing letters Barclays were sending him. So I'm not persuaded that it's fair for Barclays to hold Mr S responsible for actions his family didn't take. And as he was living overseas and thought his account was closed, then he would have no reason to give Barclays a forwarding address if he was in one fixed location.*

*Barclays did originally set an expectation to Mr S originally that the default/adverse information would be removed from his credit file, they refunded the £392 and paid him £50 for distress and inconvenience. Looking at the complaint notes, it seems more than one member of staff had accepted Mr S' version of events and they set an expectation for him that the adverse credit information would be removed. So it would have been very upsetting for him to find out that Barclays Credit Reference Agency team refused their request to cleanse his credit file.*

*So I've considered what would be a fair outcome for this complaint. On the balance of probabilities I am persuaded that Mr S visited the branch on 27 November 2017 to close his*

*account. He transferred an amount to clear the overdraft and the statement shows the name of the branch he said he visited, so I can't agree that there was no evidence that he wasn't in the branch. In addition, Barclays had also set an expectation to him that they would remove the adverse data as they originally believed what he told them. They refunded £392 and paid him £50 distress and inconvenience, which I think was a positive step, but I'm not persuaded that it is fair for them to now not honour the cleansing of his credit file given what they originally told Mr S.*

*So I'm persuaded that the fairest thing for Barclays to do is to honour what they originally told him as the evidence supports that he was in the branch on the day that he cleared the overdrawn balance and to close his account. Barclays should remove any adverse information they have registered on his credit file from 27 November 2017 – the date he cleared his overdrawn balance. So it follows I intend to ask Barclays to put things right for Mr S."*

I invited both parties to let me have any further submissions before I reached a final decision. Mr S accepted the provisional decision. Barclays did not respond to the 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.

As neither party have provided me with any further information to consider, then my decision and reasoning remains the same as in my provisional decision.

### **Putting things right**

In my provisional decision I said I intend to uphold this complaint. I said I intend to ask Barclays Bank UK PLC to remove any adverse information from Mr S' credit file that they registered about his bank account from 27 November 2017 – the date he cleared the overdrawn balance. I'm still satisfied this is a fair outcome for the reasons given previously.

### **My final decision**

I uphold this complaint. Barclays Bank UK PLC should remove any adverse information from Mr S' credit file that they registered about his bank account from 27 November 2017 – the date he cleared the overdrawn balance.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 1 December 2023.

Gregory Sloanes  
**Ombudsman**