

The complaint

Mr N complains Barclays Bank UK PLC delayed transferring funds to him after it closed his account.

What happened

Mr N was informed in early December 2022 that his account would be closing as he lived outside the UK.

Barclays was due to close the account, but Mr N had an outstanding balance of £16.45. Barclays issued Mr N a cheque for this amount. Mr N returned the cheque to Barclays on 16 February 2023 asking for it to be cancelled and an online transfer to be made to a nominated account. Barclays says it never received this letter and the enclosed cheque.

Mr N contacted Barclays in March 2023 raising a complaint about his outstanding balance. Barclays responded explaining it had issued a cheque for the relevant amount and it didn't need to take any further action. Barclays reminded Mr N of the need to cash the cheque issued to him in early May 2023, and Mr N reiterated that he required an online transfer and the cheque had been returned to Barclays.

Mr N, concerned with the lack of progress with Barclays referred his complaint to our service in August 2023. An Investigator reviewed Mr N's complaint and found Mr N's request to be reasonable and that Barclays should've actioned the transfer sooner than it did. The Investigator recommended:

- Barclays transfer the outstanding balance of £16.45 to Mr N.
- Apply 8% interest to this amount from 16 February 2023.
- Pay Mr N £50 compensation for the inconvenience caused by Barclays' delays and poor service.

Mr N accepted the proposed settlement. Barclays responded, explaining it would transfer the funds to Mr N's nominated account but that it didn't think the interest and compensation recommended was fair. It said it never received communication from Mr N about the transfer and the cheque was never returned to it. It said there were no errors or failings on its part.

As Barclays disagreed, the complaint was referred to me – an ombudsman – for a final 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.

Barclays' decision to close Mr N's account is not in dispute. The key issue here is the handling of the outstanding balance in Mr N's account. Having considered all the available evidence, I uphold this complaint. I will explain why.

Mr N who resides in Spain held an account which didn't accept cheques. Barclays issued a cheque of the outstanding balance upon the closure of Mr N's Barclays account. Mr N says he returned the cheque by post, and this was accompanied by a letter asking for an online transfer. Barclays says it never received Mr N's letter and the accompanying cheque. It says although Mr N has subsequently sent in copies of these letters, this doesn't prove the cheque was returned. I can't say for certain what happened to the cheque and letter Mr N says he sent. But I am still required to make a finding, based on what I think is *most likely* to have occurred. The letters provided by Mr N are clearly addressed to Barclays and other correspondence he has sent to Barclays has been received without issues. The cheque issued to Mr M was also never cashed. In light of this, I think it's more likely than not that Mr N sent the letter and the cheque.

Barclays says Mr N should've tried to contact Barclays via other channels. But I don't think this is a fair argument. I say this because Mr N lived abroad and chose letter as his main means of communication. The cost of calls may have been a factor in Mr N's choice of communication. I can also see Mr N tried to contact Barclays online regarding the funds held, but as his account had been closed, he was unable to effectively use his online banking facility. And in any event, Mr N chose to communicate via letter, which was a valid option for him. If Barclays considered this to be an unreliable form of contact for customers who resided abroad then it should've explained this to Mr N.

Barclays also says that as Mr N lives abroad and chose to have a UK based account so he should be willing to cover the cost of postage. But I think this misses the key issue here. Mr N had to write to Barclays numerous times regarding the transfer of funds and his complaint. If Barclays had effectively actioned his request in February 2023, Mr N wouldn't have had to spend additional funds on postage.

Overall, I am satisfied Mr N took the necessary steps to outline his request to Barclays. Mr N's request was reasonable, and I think Barclays failed to action this request in a timely and effective manner. For these reasons, I uphold this complaint.

Putting things right

In full and final settlement Barclays Bank UK PLC should pay Mr N:

- Apply 8% interest to £16.45 from 16 February 2023 to the date of settlement.
- Pay Mr N £50 compensation for the inconvenience caused by the poor service provided.
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My final decision

My final decision is that I uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr N to accept or reject my decision before 17 July 2024.

Chandni Green
Ombudsman