

The complaint

A company, which I will refer to as J, complains that after its account was transferred to another bank, Barclays Bank UK Plc did not give it appropriate access to previous statements. It also complains that the communications for Barclays' Know Your Customer (KYC) review were threatening.

Ms D, who is a director of J, brings this complaint on J's behalf. (I am aware that Ms D has raised a number of other complaints about Barclays, but this decision relates solely to the issues mentioned above.)

What happened

Ms D told us:

- Barclays asked her to complete a form which required sensitive information about her company, including future forecasts. It threatened that if she did not complete the form, it would close J's accounts.
- In light of Barclays' threats, she switched J's account to another bank. Barclays told her that she would still be able to see J's historic statements through Barclays online banking after the switch, but in fact she is not able to do so.
- She would like a full response as to on what authority Barclays were able to force her to complete a questionnaire in relation to her fiscal projections, directorships, and other sensitive financial information. She would also like Barclays to continue to provide her with online access to J's account statements; paper statements will not suffice because they will not keep for seven years.

Barclays told us:

- It accepts that it did tell Ms D – wrongly – that if she switched J's account to another bank, she would still be able to see J's historic statements. In fact it is not able to offer continued online access to statements after an account has been switched to another bank. It would like to offer J £200 to apologise for its error.
- It has provided Ms D with 11 years' worth of statements, both through secure mail and through the post. J's account has been correctly transferred, and it does not believe that it has any further information that it can give her.
- It has a regulatory responsibility to periodically review business records to ensure that all KYC information is correct and up to date. It is sorry to hear that Ms D found its communications in relation to the KYC process threatening, but "the content is deliberately direct and strict in nature, this is in order to convey the importance of the outreach, and the necessity of the response...this ultimately helps us to fight and prevent financial crime".

One of our investigators looked at this complaint, but did not uphold it. He accepted that Barclays had given Ms D the wrong information about whether statements for J's account would still be available through online banking after the switch, but he thought that Barclays had already offered enough to put things right. He didn't have any concerns about its KYC process.

Barclays accepted our investigator's opinion, but Ms D did not. She explained that her primary concern is not to get compensation; what she wants is a remedy – and for the bank to allow her online access to J's historic statements. The matter was therefore referred to me.

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 Ms D has a large number of concerns about the way UK banks are regulated. As an ombudsman, I can only issue determinations on the individual complaints referred to me. I cannot investigate the wider issues she has raised.

In addition, I have not answered all the questions Ms D has asked. But I am not required to do so. My role is to determine the individual complaint in front of me by reference to what is, in my opinion, fair and reasonable in all the circumstances of the complaint. That means I will concentrate on what I consider to be the crux of the issues in dispute. I mean no discourtesy by that; it simply reflects the informal procedures of the Financial Ombudsman Service.

Looking at this specific complaint, it is clear that Barclays made an error. It told Ms D that she would still be able to see J's statements online after J's account had moved to a new bank. That was not true, and I think it is fair that Barclays compensates J for its error. I discuss that further below.

I don't think Barclays made an error in relation to its KYC review. Banks in the UK are strictly regulated, and must take certain actions in order to meet their legal and regulatory obligations. That sometimes means – as in this case – that a bank chooses to carry out a KYC review.

Barclays told Ms D that if she did not answer the questions it asked, then it would close J's account. It is unfortunate that Ms D interpreted the bank's statements as a threat, but I consider that it was simply telling her what the consequences would be if she didn't provide the information it had asked for.

Banks are entitled to decide that they do not wish to carry on a relationship with a particular customer, just as banks' customers are entitled to decide that they do not wish to continue to hold an account with a particular bank. Here, I've seen nothing to suggest that Barclays "forced" Ms D to answer its questions. Instead, it said that it was only prepared to provide banking services to her company if she answered them. Barclays was entitled to take that approach, just as Ms D was entitled to choose to take her company's business elsewhere.

Putting things right

Having considered all the available evidence, I agree with our investigator that Barclays has already offered enough to resolve this complaint.

I would not normally expect a bank to provide online access to information about a closed account. However, in this case, Ms D had a reasonable expectation that Barclays would do exactly that – because Barclays told her that it would.

Barclays says that in fact it is not prepared to allow Ms D online access to historic statements. I recognise that Ms D is very disappointed by that, but in the circumstances here I don't think it would be fair for me to order Barclays to give her the online access she wants. As our investigator explained, it is not our role to interfere with a bank's process. Here, Barclays has provided copy statements to Ms D, and it has also offered to pay £200 to apologise for the inconvenience that it caused. I think that is enough. It is now for Ms D to make arrangements to keep the statements for as long as she wishes to do so.

My final decision

My final decision is that Barclays Bank UK Plc should pay J £200.

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

Laura Colman
Ombudsman