

The complaint

Mr L has complained that Barclays Bank UK PLC (“Barclays”) incorrectly opened a savings account, in his sole name, without his knowledge.

Mr L says that he didn’t apply for the savings account to be opened and says that it was opened in error by Barclays.

What happened

Mr L was appointed as a deputy for his sister (Ms L) in 2010, which in turn ensured that Mr L was able to manage Ms L’s financial affairs. This included granting him access to her accounts with Barclays.

On 17 February 2021, Mr L transferred £200,000 into an everyday savings account, which Mr L says he thought was in Ms L’s name. However, it has since transpired that this savings account was in fact in his sole name.

Due to the issues this caused in settling the late Ms L’s estate, Mr L says he has had to pay for a solicitor to resolve matters.

As a result, Mr L complained to Barclays, as he wanted Barclays to reimburse him for his legal fees, as he said that Barclays was at fault.

Barclays issued its final response letter on 12 September 2023 and did not uphold the complaint. Barclays said it had checked its records and was satisfied that the savings account had been opened by Mr L in his sole name. Barclays confirmed that it had created a Subject Access Request for Mr L as requested.

Unhappy with the response Mr L responded to Barclays a number of times. Barclays responded on 1 November 2023. It confirmed that Mr L had been recorded as a deputy for Ms L, but it incorrectly said that her current account was a joint account. It said (amongst other things) that the address on the savings account in Mr L’s sole name had not been amended from what was on the statement at the time.

Barclays responded again on 30 November 2023 explaining again that the savings account was in Mr L’s sole name, and that it found no evidence of the ‘toolbox process’ being used to process the application for the savings account (which its staff would have to follow if they set up an account for a customer). So Barclays concluded that the savings account must’ve been opened online by Mr L. Barclays also acknowledged that what it said before about Ms L’s current account being a joint account with Mr L was incorrect. It clarified that Ms L’s current account was in fact in her sole name, had not been a joint account with Mr L and that Mr L was only recorded as a deputy for her on that account.

Barclays issued another response on 27 December 2023. It said that Mr L’s costs to involve a solicitor was not something Barclays would pay for, as it was Mr L’s decision to involve solicitors and Mr L could’ve raised the matter directly with Barclays. Barclays explained that when Mr L was added as a deputy on Ms L’s account, it had to create a customer profile for him. And so once that was in place, Mr L was able to open accounts in his own name if he wanted to. Barclays maintained that the evidence shows the savings account was opened by Mr L online and was in his sole name and that was Barclays’ final position on the matter.

Following his communication with Barclays, Mr L referred his complaint to this service.

One of our investigators assessed the complaint, and they were unable to say that Barclays was at fault. As Mr L didn't accept the investigator's assessment, the matter was referred for an ombudsman's 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.

Having reviewed everything, I don't uphold this complaint. I will explain why.

I think it may help to explain that where evidence is incomplete and matters are in dispute, as is the case here, I have to decide what I think most likely happened, based on all of the available evidence. I would also only be able to uphold this complaint, if I was able to conclude that Barclays had acted incorrectly, or unfairly or unreasonably. But having reviewed everything, I'm unable to conclude that it has.

I note that there was initially confusion caused when Barclays said that the late Ms L's current account was held as a joint account with Mr L. I can see Barclays subsequently clarified in its response to Mr L's complaint on 30 November 2023, that was not actually the case and that the Ms L's account had only been a sole account. Therefore, what is left for me to consider is the matter relating to the savings account that was opened in Mr L's sole name.

Firstly, I note that Mr L is not saying that he applied for the account, but meant for it to be in Ms L's name. If that were the case, then I could perhaps understand how matters may have come about.

Instead, Mr L says that he didn't apply for the savings account in question, had no knowledge of its existence and didn't receive any documentation to say that the account had been opened either. Conversely, Barclays has provided a copy of a letter it says it sent Mr L confirming that the savings account had been opened. This letter is dated 17 February 2021, it looks to be correctly addressed and explains that Mr L had opened a savings account. Barclays has also provided this service with evidence to indicate that Mr L had logged into online banking twice on 17 February 2021 i.e. the same day the savings account was opened. Barclays said that, due to the absence of markers showing that it was opened by a member of staff i.e. either in branch or over the phone, it was therefore likely opened by Mr L via an online application.

Having considered everything, including the competing testimonies alongside all of the other evidence, I'm not persuaded by Mr L's testimony. At least not enough to say that Barclays is at fault in this matter.

I say this because, firstly the savings account was in Mr L's sole name. So no one else, other than him, would've been able to open it. Secondly, I can't see any compelling reason why Barclays would randomly open a savings account for Mr L, especially when he'd not had any interaction whatsoever (as far as I'm aware) with Barclays staff on that day. So I find it unlikely, as Mr L is suggesting, that Barclays opened the savings account in question without any application or input from him.

Also, the fact that Mr L transferred £200,000 into the savings account on the same day that it was opened, makes me think that he probably did apply for the account during the time he was logged into online banking that day and he was aware of the account. I say this because it strikes me as being particularly implausible that Barclays had accidentally opened a savings account in Mr L's sole name - without him applying for one - and Mr L had then happened to transfer £200,000 into that same account on the same day that it was 'erroneously' opened. Everything I have seen makes me think the most likely explanation is that Mr L applied for the savings account himself when he'd logged into online banking that day.

I understand one of Mr L's arguments to say that he didn't open the savings account is that he does not deem himself to be a customer of Barclays. But Barclays has explained that it had to create a customer profile for Mr L, to enable him to be able to access Ms L's account via its online banking platform. Therefore, for the purposes of Barclays' records, Mr L was essentially a customer with access to its online banking platform prior to 2021 (albeit without an account in his own name until February 2021). So there was nothing to prevent Mr L from applying for Barclays' products in his own name, if he so wished, when he logged into its online banking service when dealing with his sister's account.

Turning now to the issue regarding the savings account being in Mr L's sole name, I understand that Mr L is saying he was unaware it was in his sole name. In the circumstances, I accept it's possible that Mr L may've applied for the savings account, but incorrectly opened it in his name (perhaps not realising that was possible) rather than in Ms L's name. But even if that is what happened, there is still no evidence to indicate that Barclays was somehow at fault, or that it had acted unfairly or unreasonably in allowing Mr L to do that.

Overall, the evidence I have been provided with and the circumstances surrounding the savings account opening doesn't make me think that Barclays acted erroneously, unfairly or unreasonably. Because of this, I don't think it would be appropriate to say that Barclays should be held responsible for Mr L's legal fees - or for any distress and inconvenience he may've experienced - which come about due to him transferring £200,000 from his sister's account into a savings account that was in his own name.

My final decision

Because of the reasons given above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 19 September 2024.

Thomas White
Ombudsman