

The complaint

X complains Barclays Bank UK PLC closed her accounts without taking adequate steps to notify her given it knew she resided abroad. She also complains Barclays didn't take reasonable measures to help her retrieve her funds causing undue delay.

X says Barclays' actions have caused her financial loss, substantive distress, and inconvenience for which she should be compensated.

What happened

The details of this complaint are well known by both parties, so I won't repeat them again here in detail. Instead, I'll focus on setting out some of the key facts and on giving my reasons for my decision.

It's important to note that this decision doesn't deal with Barclays' decision to close X's ISA accounts for dormancy reasons as she hasn't complained to it about this.

In February 2023, Barclays say it sent X a letter which notified her that it was closing her accounts in six months' time as her residential address was outside the UK. Barclays say it sent further notification in May 2023, August 2023, before the accounts were closed in September 2023.

X says she only realised her accounts were closed after contacting Barclays when she was unable to access her OLB – and she didn't receive any of Barclays' correspondence. X says she contacted Barclays several times over the phone, as she couldn't use the communication channels in the OLB.

X says she then learnt what she was required to do to reclaim her funds. She adds that what was being asked of her was onerous given it included providing Barclays with certified copies of two ID documents and completing an online form.

X says she needed these funds as she was moving her family abroad, and they would help pay for their new home. And because she couldn't pay for their preferred property, she had to settle on something less optimal. X says Barclays' actions have severely affected her mental health and she has lost out on income as she is self-employed and had to take time away from paid work to resolve the matter.

X also says Barclays failed to communicate effectively with her about the closures as it knew about postal issues in some countries and didn't email her despite having her email address. She added that Barclays later used secure email to communicate with her – and so, should've used this method to inform her about the closures. X also thinks Barclays should've kept her OLB open so she could communicate with it.

Unhappy X complained. Barclays upheld X's complaint in part. In summary, Barclays made the following main points in its February 2024 response:

- Three letters were uploaded to X's Barclays' OLB message centre to notify her about the closures and recommended actions she needed to take. This was done in line with X's communication preferences, so Barclays hasn't made any error. This part of X's complaint isn't upheld
- As Barclays hasn't made an error in the way it communicated the closure of the account, it can't reimburse X for the costs she incurred in certifying her documentation
- X informed Barclays she was having trouble with reclaiming her funds through the online process. X said they raised a complaint about this in January 2024, this was logged but closed erroneously by the call agent. Barclays is sorry about this
- Barclays can see X is currently in the process of reclaiming her funds and has been told she needs to provide a Unique Reference Number (URN) which was sent as part of the Final Exit reminder letters. X should've been informed of this by the call handler. Barclays is sorry for the further delay and inconvenience this has caused.
- Barclays sent a separate letter in February 2024 informing X she needed to provide a URN to reclaim her funds
- For the poor service provided, and inconvenience caused by these failings, Barclays would like to offer X £300 compensation

X referred her complaint to this service. One of our Investigator then started looking into X's complaint. In addition to the points above, the main points X added were:

- Barclays could've sent her an email about her closures given it sent her one about her savings rewards in November 2023
- She couldn't read any messages related to the closures after the accounts and OLB were closed
- Barclays made the reclaim process unnecessarily arduous and complex. The online form she had to complete didn't work, so she was told to print and send it by post
- Barclays could've used other methods to identify her instead of asking her to get documents certified. And it has taken more than six months and she still doesn't have her money returned. Barclays have been very unresponsive and unhelpful
- She is facing financial difficulties and has had to devise ways to avoid getting into debt. Paying a cheque also with the fear of it bouncing has caused incredible anxiety given the country she later moved to, may imprison her or charge fines for this

In May 2024, X received their funds from Barclays. X isn't happy that she can't check the correct amount has been sent to her as she doesn't have access to any statements.

Our Investigator then recommended the complaint wasn't upheld. The main findings they made were:

- Barclays was entitled to close X's account and gave reasonable notice of six months which is more than the two months' its terms and conditions say it needs to exercise
- Barclays sent X the notification of closure letters and uploaded them onto the OLB portal in line with her communication preferences. Barclays have also shown that it sent email notification when a new letter was uploaded to its OLB portal

- As X hadn't removed her funds before the closure date, Barclays moved them into one of its sundry accounts. Barclays also made X aware in its closure notifications that after the date of closure she wouldn't be able to access her OLB – so it hasn't done anything wrong here
- Barclays has its own process for customers to reclaim their funds. They can understand why X found this onerous, but it's not this service's role to ask a business to change its policies or processes
- On 8 February 2024, Barclays did receive X's reclaim request, but it required further information, the URN, and sent a letter about this. Barclays accepted in its final response the call handling agent should have told X about this on the call and apologised about this
- Barclays offered to pay X £300 compensation for the poor service she received and not supporting her more on the 24 January phone call. The cost of X having to send her reclaim form by post due to the online issues was covered within this
- Barclays doesn't need to do anymore, and the £300 offer of compensation is fair

X didn't agree with what our Investigator said. In summary, they made the following novel points:

- X strongly disagrees Barclays treated her fairly and didn't cause unnecessary delay given it took almost six months for her to receive the funds after making several expensive international calls
- The compensation offered by Barclays doesn't cover the full costs X has incurred, nor the loss of earnings, and severe distress and inconvenience suffered – particularly as she was forced into financial hardship
- Barclays only acted when she was forced to breaking point given the sensitive nature of what she said she would do herself

Our Investigator then looked into the complaint further and asked Barclays for more information in relation to the points X made. X also sent in further information that detailed the costs she had incurred and what she felt Barclays needed to pay to compensate her fairly.

X explained what her hourly business rate was; the costs associated with certifying her ID documents and sending them by post; the time she spent dealing with this matter including on phone calls and trying to submit the online reclaim form; travelling to business centres to make copies of documents; using a taxi to the post centre and notary; and, in drafting letters to Barclays. X also sent in some supporting evidence.

Our Investigation then sent both parties their revised recommendations. In short, their key findings were:

- Whilst X says the OLB email notifications were generic with no heading, Barclays hasn't done anything wrong as it made them accessible and notified her that they'd been uploaded
- Barclays didn't do anything wrong and acted in line with its processes when asking X to get her ID documents certified

- Barclays received X's reclaim form on 8 February 2024, and had it informed her that she needed to insert her URN on the call on 24 January 2024, its likely she would have included it. So as Barclays say it needs 15 working days to process such a reclaim once it has the requisite information and documents, its likely X would've been sent her money on 29 February 2024. Therefore, Barclays did cause unnecessary delay
- They would need to see the costs of travel X says she incurred for having to print out the reclaim form given she says there were issues doing it online – and for telephone costs. X would also need to send in clear evidence of any loss of earnings
- They still think £300 offered by Barclays is fair compensation for what it did wrong. But it should now pay her 8% simple interest from 29 February 2024 until settlement for the delays caused

Barclays accepted what our Investigator said. X didn't agree with the revised recommendations. The main novel points she made were:

- X still doesn't know the balance of her accounts and if the full balances have been refunded
- She's not sure what more evidence of losses she can provide as X hasn't kept many of the receipts. The redress offered remains insufficient
- X never received any of the letters with the URN, so she couldn't provide it and had to ask for subsequent communication through email following a call with Barclays on 28 February 2024. A secured email was sent to X at that point with the URN. X therefore questions why Barclays say it only got the reclaim information it needed on 15 May 2024

Our Investigator responded that to consider any financial loss, evidence would need to be provided. This includes for loss of earnings. X reiterated she was self-employed and had planned to start her consultancy services after moving to a new country in February 2024 after planning for two months out of work for the new move. X also said that a cheque for a new property payment had bounced.

As there was no agreement, this complaint was passed to me to decide. I then sent both parties my provisional decision in which I set-out what I was planning on deciding. For ease of reference, here is what I said:

Provisional decision

"I'm very aware that I've summarised the events in this complaint in far less detail than the parties and I've done so using my own words. No discourtesy is intended by me in taking this approach. Instead, I've focussed on what I think are the key issues here. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts.

If there's something I've not mentioned, it isn't because I've ignored it. I'm satisfied I don't need to comment on every individual argument to be able to reach what I think is the right outcome. I do stress however that I've considered everything X and Barclays have said before reaching my decision.

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

Having done so, I am planning on upholding this complaint in part. I'll explain why.

Account closure

Barclays is entitled to close an account just as a customer may close an account with it. But before Barclays closes an account, it must do so in a way, which complies with the terms and conditions of the account.

The terms and conditions of the account, which Barclays and X had to comply with, say that it could close the account by giving her at least two months' notice. Barclays has provided me with the notice of closure letters it sent to X based on the overseas address it had registered for her.

I note Barclays gave X six months' notice of the closures. Given X was living abroad, I'm satisfied that an extended notice period beyond that which was in the terms and conditions was both fair and reasonable – and would allow greater flexibility and time for X to make alternative banking provision in the country she had moved to.

Barclays has also sent me a screenshot of its internal systems which shows X had opted for online communication as her main preference. In addition to sending the letters in the post, Barclays also uploaded the letters to X's OLB message portal. X says she only received generic email notifications, so wouldn't have known such important communication had been uploaded.

But X made a clear choice of how she wanted to be communicated with. So as Barclays sent letters in the post and followed up by uploading the letters in the way X had said she wanted, I'm satisfied Barclays didn't do anything wrong in how it communicated the closure of the accounts with her.

I would also add that I'm satisfied Barclays fairly exercised its commercial discretion when it closed the accounts. I note also that the letters Barclays sent went into significant detail about the process X had to follow to withdraw her funds and what would happen if she didn't do it before they closed.

So, after weighing everything up, I'm satisfied Barclays acted fairly in deciding to close the accounts, and the way it went about communicating this. X says she didn't get the postal letters, and I have no reason not to believe her. But she had a responsibility to check her OLB documents, particularly as she was prompted to and as it was what she had chosen.

X argues that Barclays should've done more, in so far as sending her secured emails as it has shown it can do this. But for the reasons I've explained above, I'm persuaded that what it did do, was enough.

To be clear, I'm satisfied that Barclays didn't do anything wrong with how it communicated and closed the accounts. The letters also explained that X's banking services, including her OLB would be closed.

Reclamation of funds

When X discovered her OLB access wasn't working she made several calls to Barclays to find out what had happened. It's likely from what X says she did this to assess her savings with Barclays ahead of moving to another overseas country. It's unfortunate that it took

nearly six months for X to retrieve funds she and her family needed to start a new life in another overseas country.

So, I need to carefully consider if Barclays did anything wrong that has caused this delay – and that which has caused X severe distress and inconvenience.

From the evidence I've been presented with, it appears that X was able to discuss reclaiming her funds and what she needed to do in a call in January 2024. Based on this, she sent in the form – which I note she had problems doing online. But Barclays couldn't process this further after receipt in February 2024 as it didn't contain the URN it says it sent as part of the closure notifications.

X had told Barclays she never received any of the postal letters and couldn't use the OLB to see those letters in the portal as her access had been revoked because of the closures. I agree that had Barclays properly understood her situation, as it should have, it would have made some provision in the way it later did by sending this using secure email to X's personal email address.

As part of Barclays' reclamation of funds process, it required X to send certified identity documents. This process allows Barclays to ensure it has taken adequate security measures to pay its legitimate customer. Such measure therefore ensures it has taken diligent steps to avoid paying the funds to an incorrect beneficiary. So I don't think it's done anything wrong here by asking for this. That means I won't be asking Barclays to refund any costs X incurred because of having to get her documents certified and sent to it.

Had Barclays acted properly in identifying X's issues with the URN, I'm satisfied she would have received her funds much sooner than she did. Barclays internal records show that it received the reclaim form, albeit incomplete due to the URN issue, on 8 February 2024. So had it done what it should have by providing X with her URN in January 2024, it's likely the transfer of funds would have happened 15 days later as per Barclays' processing time. I make that the 23 February 2024.

X wasn't sent her funds until late May 2024. I'm persuaded therefore that had things have happened as they should have, there wouldn't have been a delay of around three months in X receiving her funds. That means X should be compensated and Barclays needs to put things right had it done what it should have.

Fair redress

In its final response Barclays accept that X should've been informed she needed to provide a URN by the call handler in January 2024, and so it's sorry for the further delay and inconvenience this has caused. It also noted that X's complaint about reclaiming the funds and other issues weren't escalated but closed at that point.

I'm satisfied that the complaint handling issues relate to the underlying issue and regulated activity here, so I'll take this into consideration when making any awards of compensation. For these failings, and poor service, Barclays offered X £300 compensation. I'm persuaded that this falls short of what I think is fair redress.

So that there is a clear understanding, I am considering what fair compensation is for the delay caused by Barclays not taking appropriate action by telling and helping X with getting a URN she could forward to Barclays. X may argue that Barclays could've circumvented the need for this code given what it knew about her circumstances. But such codes are typically generated in isolation from its staff for security. So I think Barclays didn't do anything wrong by requiring it – but it should have sent her a secure email with it in late January 2024.

So, this means, X had been deprived of her funds for longer than she should have. It is this service's approach to direct a business to pay 8% simple interest where a consumer has unfairly been deprived. I see no reason not to award such compensation here.

X has explained that she needed the funds to set up a new home for her and her family when she moved to another overseas country. And not having access meant she had to settle on a less preferential property. She also explained that she had to find ways of dealing with her forced financial difficulty as she couldn't pay for what she wanted without access to her funds with Barclays. The amount that was held with Barclays was substantive, so I think it's likely this would have been the case here.

X was also caused further distress and inconvenience by having to chase and explore ways of getting Barclays the URN code. I also accept that having a cheque bounce in the country she had moved to could carry severe repercussions in the way of fines – but not imprisonment based on the information she's provided.

X hasn't shown she was fined, so this isn't a loss I can reasonably award. But I will take into consideration the anxiety this likely caused her. As I've said, I won't be awarding any compensation related to X having to certify her documents. But I do find her account of the issues with completing the reclaim form online plausible. So any compensation I award will take this into consideration.

Having referred to what our website says about awards for distress and inconvenience, I'm persuaded the impact of Barclays failings – which I've made findings on above – caused X considerable distress, upset and significant inconvenience. And that it needed a lot of effort on her part to sort out, the impact of which lasted many months.

After careful consideration, including Barclays' acceptance it provided poor service and complaint handling, I'm persuaded an award of £700 is fair compensation for the distress and inconvenience she suffered because of what it did wrong. In making this award, I've considered that the delays caused X severe distress to the extent she has disclosed to this service and Barclays in confidence.

I note that once X made it clear how badly the delays were affecting her, Barclays acted more expediently. But its avoidable delay led to such a situation manifesting.

X says she has lost out on income as she was self-employed and couldn't carry out some paid work due to having to spend time sorting things out. X hasn't provided compelling evidence of this, and it's arguable that this isn't a reasonably foreseeable loss. I'd also have expected X to have mitigated against this by making time outside of her business, or moving paid appointments, when attempting to speak to Barclays. So I won't be making an award, based on what I've seen for any loss of earnings.

Lastly, I note X says she hasn't been provided with statements of all her accounts to check she has been sent the correct closing balance. This is something Barclays should do – and it should do so using its secure email platform to avoid any repetition of the issues X has said she has had with communication.

I'd also add here that it's important to explain that it's not the role of this service to supervise, regulate or impose fines on any business. It's also not our role to ask a business to alter its procedures or enforce changes to policies. That's the role of the regulator, The Financial Conduct Authority. My remit here is to decide whether I think Barclays has acted fairly and reasonably when applying those policies and procedures in the individual circumstances of X's complaint. And that is what I have done.

Putting things right

So, based on what I've said above, I'm planning on directing Barclays to:

- Pay 8% simple interest from 23 February 2024 on X's balances held with Barclays until it sent her the funds**
- Pay X £700 compensation for the distress and inconvenience caused by its failings*
- Send X her closing balance statements by secure email that represent what was sent to her"*

The deadline for both parties to provide further evidence and comments has now passed. X hasn't responded and it's been around a month since my deadline passed. Barclays say it accepts what I said I was planning on deciding in my provisional decision and has asked for X to provide her overseas bank details, her address and the currency for the compensation to be sent to.

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 done so again, and as X hasn't responded and Barclays accept what I said I was planning on deciding, I have decided to uphold this complaint in part. The reasons for doing so are in my provisional decision – as above.

Putting things right

To put things right, Barclays must now:

- Pay 8% simple interest from 23 February 2024 on X's balances held with Barclays until it sent her the funds*
- Pay X £700 compensation for the distress and inconvenience caused
- Send X her closing balance statements by secure email that represent what was sent to her

*If Barclays considers that it's required by HM Revenue & Customs to deduct tax from that interest, it should tell X how much it's taken off. It should also give X a tax deduction certificate if she asks for one, so she can reclaim the tax from HM Revenue & Customs if appropriate

My final decision

For the reasons above, I have decided to uphold this complaint in part. Barclays Bank UK PLC must now put things right as directed above.

Under the rules of the Financial Ombudsman Service, I'm required to ask X to accept or reject my decision before 16 January 2025.

Ketan Nagla
Ombudsman