

The complaint

X complains that Barclays Bank UK PLC (“Barclays”) closed his accounts without notice. And by doing so, has failed to reasonably consider his circumstances.

What happened

X had been customer of Barclays for over fifty years, having been taken by his father to open accounts with the bank as a child.

X had two accounts – a current account and savings account. X has explained that he had a number of other bank accounts but has said that he used his Barclays accounts to pay for important insurance premiums related to his profession, health insurances and direct debits to pay for expenses associated with his UK assets, including a property he still owns. So, the accounts were important to him.

X has lived and worked abroad for several years. X told Barclays that his preferred method of communication was paperless.

Barclays sent X letters that it had decided to close X’s accounts on three different occasions – on 10 March 2024, 10 June 2024, and 7 September 2024. The letters were available for X to view virtually via his online banking and Barclays mobile banking app. The letters explained that X’s accounts would be closed as X’s residential address wasn’t in the United Kingdom (U.K.) The letters told X that if he couldn’t provide an address in the UK it would close X’s accounts on or around 2 October 2024.

Barclays also sent X two SMS text messages on 18 June 2024 and 17 September 2024. The SMS stated “As you have an address outside the U.K. you’ll need to close your accounts by 2 October 2024. For more info, please see the letter we’ve sent and uploaded to your ‘Statements and documents’.

X has said that he never received any letters or text messages from Barclays about his accounts being closed. He discovered his accounts had been closed in early October 2024 when he tried to log onto his online banking and couldn’t do so.

X contacted Barclays to try and find out what had happened to his accounts. Barclays told him that his accounts had been closed as he didn’t live in the UK.

Unhappy with this X complained to Barclays. X said Barclays had failed to notify him his accounts had been closed. He said had he been made aware he would have taken steps to move his funds and rearrange the important payments that were made from his account. X asked Barclays to delay the closure of his accounts for two weeks so that he could make alternative arrangements for his financial commitments. He also asked Barclays if he could sort things out over the phone with them rather than by way of letter. Barclays told X it wasn’t able to provide X an extension as his accounts had already been closed and said it couldn’t deal with the matter over the phone.

Barclays issued a final response letter and explained that its products are designed for customers within the UK. Barclays said that as X's registered address was located outside of the UK, it had decided to close his accounts. However, it apologised for telling X it wasn't able to provide him with an extension to the closure of his accounts – it said it could have provided a temporary extension. It also said that it could have spoken to X over the phone. Barclays apologised and paid X £150 compensation to recognise any inconvenience and upset this had caused him.

Unhappy with this response X referred his complaint to our service where one of our investigators assessed the complaint. They didn't uphold the complaint. In summary the investigator said:

- Barclays had closed the accounts in line with the terms and conditions which say it can close an account if a customer resides outside of the U.K.
- Barclays clarified the misinformation and had done enough to put things right.
- Barclays had communicated with X via his preferred method of communication – paperless and he'd seen evidence that Barclays had sent letters and SMS text messages. So, he was satisfied Barclays had given X notice it was closing his accounts.

X didn't agree with what the investigator said. He said he never received any letters or SMS text messages. And had he done so any reasonable person would have taken steps to move the £50,000 he had in his savings account. X also said Barclays had contradicted themselves by saying it sent him SMS text messages after telling him they don't communicate via phone. X said that £150 compensation doesn't adequately reflect the amount of trouble and upset he has been caused – especially as he has been a customer of the bank for decades.

As no agreement could be reached the matter has come to me to decide.

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.

Firstly, I want to make it clear that it is for Barclays to decide on its commercial strategy as to how to run its business. We can't make Barclays change its policies or procedures. That's the role of the regulator, The Financial Conduct Authority. My remit here is to decide whether I think Barclays acted fairly and reasonably when it decided to close X's accounts

Barclays is entitled to close an account just as a customer can 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.

Having looked through the account terms and conditions I can see that they say:

“If you aren't eligible for the account, you hold We can close an account (or stop or restrict a service) if we find out that you aren't eligible for it. This may include the following:

- You (or a joint account holder) reside outside the UK or do not have leave to remain in the UK.”

Barclays wrote to X on 10 March 2024 and gave him just under seven months' notice of its intention to close his accounts. The letters explained this was because it had decided to no longer offer its products and services to customers who don't hold a U.K residential address. Barclays say it loaded the letters onto X's online banking and mobile banking app as X's preferred method of communication was paperless.

X has confirmed that he has lived overseas for around 15 years. Given what the terms say, and X does not reside in the U.K, I'm satisfied that Barclays has acted fairly in applying them by closing X's accounts.

I would expect Barclays to provide sufficient notice so that X had enough time to make alternative arrangements from overseas. I'm satisfied that over six months is sufficient time for X to have done that.

I'd also add that Barclays should show reasonable care and flexibility where a customer's situation merits it do more in these circumstances. X was using his accounts to meet his UK financial commitments which included paying important health insurances and expenses related to his profession. So, I understand the closure of X's account has caused X inconvenience.

There are likely several reasons Barclays considered when reaching its decision to close the accounts of all customers who didn't have a U.K residential address. I'm satisfied that this is a legitimate exercise of its commercial discretion. What this means is I can't tell Barclays to reverse its commercial decision for X.

I can understand why being such long-standing customer is an important factor that X feels Barclays should have taken into account. But this doesn't change my mind given I think Barclays applied its terms fairly.

The crux of X's complaint is that he says Barclays didn't let him know it had decided to close his accounts. He says he never received any of the letters Barclays sent and didn't receive the SMS text messages Barclays sent about closing his accounts. He says he only discovered his accounts had been closed when he tried to log onto his online banking to pay bills. But Barclays has provided evidence to show that it did send X SMS messages and loaded the letters to X's online account. It is of course possible X never saw these letters and SMS text messages, but I can't reasonably hold Barclays responsible for this. As such, whilst I'm sorry to hear that X didn't receive the letters and messages, it does look they were sent to him. So, I can't say that Barclays has acted unfairly or unreasonably if it is the case that X didn't receive them.

Finally, Barclays has accepted that it shouldn't have told X it couldn't extend the notice period and deal with matters over the phone. Barclays has apologised and paid X £150 compensation for the trouble and upset this caused him.

X has explained that he is seeking more compensation to resolve his complaint. X has said that he wasn't able to pay his bills and had to rearrange important insurances to stop them from being cancelled. So, he says £150 is insulting.

Having looked at the circumstances of this complaint and what X has said about how the matter has impacted him; I consider the level of compensation paid by Barclays is fair for the distress and inconvenience X was caused. So, I won't be increasing the level of compensation.

In reaching this conclusion I should explain that our awards are designed to reflect the actual loss, trouble, and upset caused to the consumer by something a financial business did

wrong. We are not here to punish financial businesses. Nor can we award compensation as a means of punishing a business for a consumer bringing their complaint to this service.

My final decision

For the reasons I've explained, my final decision is that I won't be asking Barclays Bank UK PLC to do anything more to resolve this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask X to accept or reject my decision before 22 October 2025.

Sharon Kerrison
Ombudsman