

The complaint

Mrs C complains Barclays Bank UK PLC (“Barclays”) closed her accounts, didn’t notify her of this, and continue to withhold her funds despite her following its instructions, and making substantive efforts to reclaim them.

Mrs C says Barclays’ actions have caused her significant distress, inconvenience, and physical impairment. Mrs C is represented by her son, but to keep matters simple I will refer to her in my decision.

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.

In January 2023, Mrs C attempted to use her debit card and it had stopped working. Mrs C lives abroad and not in the UK. Because of this she contacted Barclays who informed her that her accounts were being closed and that it had informed her about this six months before in July 2022. Mrs C said she hadn’t been informed about the closures nor given sufficient time to make alternative arrangements. She questioned the reason Barclays closed her accounts, and wanted her funds transferred to her nominated external bank account.

Barclays say it sent notice of its intention to close Mrs C’s accounts to her registered address and followed up with periodic chaser letters for her to get in touch and explained what she needed to do to reclaim her funds.

Barclays’ process to retrieve the funds included sending certified proof of identity and address, and a unique reference number (“URN”). Mrs C says she sent the documents Barclays requested, but Barclays say it hasn’t received everything in the certified format it requires. Mrs C says she hasn’t been sent a URN.

Unhappy with Barclays’ actions, Mrs C complained. Barclays didn’t uphold Mrs C’s complaint. In summary, it made the following key points in its response:

- Barclays’ products are designed for customers within the UK. As the UK left the EU at the end of 2020, Barclays reviewed the services it offers to customers outside of the UK. And it decided, as a policy, not to offer its service to them.
- Three letters informing Mrs C of her account closures were sent respectively in July 2022, October 2022 and January 2023 for the address Barclays held for her. Further letters were sent to that address in March, July and September 2023 asking for further information.
- The team dealing with the transfer of funds say they have certified copies of Mrs C’s proof of address and details of where the funds need to be sent to. But Barclays still requires certified copies of Mrs C’s identification before it can release the funds.

Barclays also listed the URN number and referenced the change of address as per this service's complaint form Mrs C had completed.

Mrs C referred her complaint to this service. One of our Investigator's looked into it, and they recommended it wasn't upheld. In short, their key findings were:

- Barclays notified Mrs C her accounts were closing as she wasn't a UK resident in July 2022. Mrs C was given six months to make alternative arrangements. And the letter was addressed to the one Barclays held for Mrs C. The letter was sent correctly, and sufficient notice of closure was provided.
- Mrs C was notified by letter in October 2022 and January 2023 that her accounts were being closed and how to reclaim the funds. Three reclaim letters were also sent which explained which documents Mrs C needed to provide. Barclays provided sufficient information of what it needed to release the funds.
- Mrs C has provided insufficient information as required by Barclays to release the funds. In asking for this information Barclays is following its security processes.

Mrs C didn't agree with what our Investigator said. She made the following key points:

- All the information Barclays requested had been sent and it has been certified as required. Not all the letters' Barclays say it sent, were received. Particularly any with the URN on them.
- Barclays has no basis to hold Mrs C's funds. Letters Mrs C sent to Barclays often go unanswered, and she'd been told to go into branch to remedy matters when she lives abroad.
- By not having access to her funds since 2023, Mrs C has been deprived of medical care as she doesn't have the funds to pay for it. Because of this, she has lost the sight in one eye.
- There is no Brexit rule that requires Barclays to close her accounts for living abroad.

As there's no agreement, this complaint has been passed 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.

Having done so, I have decided not to uphold this complaint. I'll explain why.

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 Mrs C had to comply with, say that it could close the account by giving her at least two months' notice. And in certain circumstances it can close an account immediately or with less notice.

Barclays has provided me with copies of all the letters it sent Mrs C. I note it first wrote to her in July 2022, in which it explained why it was closing accounts where customers resided outside of the UK. Barclays gave Mrs C six months' notice and explained what she needed to do. Subsequent letters, as referenced above, were sent to Mrs C at her registered

address, and follow up letters also set-out what she needed to do to reclaim funds. I have seen copies of all these letters that were sent periodically.

Mrs C questions the basis on which Barclays has closed her accounts. But I'm satisfied Barclays notified Mrs C in line with the terms of its accounts. Barclays gave Mrs C six months' notice in an endeavour to give her more time to make alternative arrangements. I'm satisfied it acted flexibly and reasonably here. I'm also satisfied Barclays' decision to close accounts where its customers are resident abroad is a legitimate exercise of its commercial discretion.

Barclays has provided me a copy of its internal notes. And I can see Mrs C contacted Barclays in January 2023 by phone after her card stopped working. Its clear from these notes that Mrs C was living at a different address with a friend, and the address Barclays held was where her son used to live. I accept it's a strong possibility Mrs C didn't receive the letters because of this. But updating Barclays with correct contact details including a correspondence address is Mrs C's responsibility. So, I don't think Barclays did anything wrong by sending correspondence to the address Mrs C had given it.

Barclays must take appropriate steps to ensure it is communicating with Mrs C, and releasing the funds to her, and that includes requiring documents to prove her identity and address before doing so. After all, the consequences of getting this wrong would cause significant detriment. Barclay say Mrs C hasn't provided certified documents of her identity in its final response. Mrs C and her representative say she has provided everything Barclays asked for.

I haven't seen any evidence the correct certified proof of her identity documents has been provided. Though I accept its equally possible they haven't been received despite being sent. Barclays also provided the URN in its final response letter which our Investigator can send to Mrs C if she still hasn't received this. I note the URN was sent in previous letters Barclays sent Mrs C. If Mrs C has copies of her certified identity documents, she can send them to our Investigator to forward to Barclays in the interest of expediting access to her funds and meeting the security processes Barclays has in place.

As I don't think Barclays has acted improperly, I see no basis in which to award any compensation for the distress and inconvenience Mrs C suffered. But given her circumstances I think Mrs C and her representative should send the above to our Investigator to help her gain access to her funds as quickly as possible.

My final decision

For the reasons above, I have decided not to uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs C to accept or reject my decision before 25 April 2025.

Ketan Nagla

Ombudsman