

The complaint

Mr A complains Barclays Bank UK PLC acted unfairly in refusing him access to money he held with it. He says he lost out as a result of being unable to undertake transactions.

What happened

I issued my provisional decision on this complaint, setting out what I intended to find and why. I invited both parties to let me have any further comments/evidence before I reconsidered matters. Below is a copy of my provisional decision.

Copy of my provisional decision

What happened

Mr A's accounts were subject to a Court Restraint Order, which meant he was unable to use them or access the money he held with the bank. On 4 January 2023, the Court issued a Discharge Order lifting those restrictions. Barclays received a copy of the Discharge Order but didn't remove the block on Mr A's accounts until 1 November 2023, despite repeated efforts on Mr A's part.

Mr A was unhappy it had taken Barclays almost 11 months to remove the restrictions and said he'd made it clear he needed the issue resolved urgently as he'd wanted to trade shares in two different companies. Due to the blocks, he'd been unable to trade and had lost out as a result. He believed he'd been treated poorly and suffered unnecessary distress and inconvenience.

Barclays issued conflicting accounts of its actions, but in summary, its final position was that it hadn't acted on the Discharge Order because it had been told there was a possibility that a further Restraint Order was being sought. It had been unable to obtain any update in the meantime, and its process was to keep the accounts blocked. Once Barclays was able to confirm no further Restraint Order had been made, it removed the blocks. It apologised for its earlier mistakes and offered Mr A £500 for his distress and inconvenience.

Mr A referred his complaint to us, as he didn't think Barclays' offer adequately recognised the financial and emotional impact on him.

Our investigator didn't think the bank had done enough to support Mr A. He felt Barclays could and should have acted more effectively to gather any information it required to establish the position with any further Restraint Order. The investigator considered the £500 offered was fair for trouble and upset the matter had caused. But he thought Barclays should recognise the financial cost of Mr A being unable to buy and sell the shares as he'd planned. He recommended Barclays pay Mr A the interest he could have earned on a high interest savings account.

Neither Mr A nor Barclays accepted the investigator's recommendation. Mr A said his loss should be based on the profit he would have made on buying and selling the shares he'd intended to trade. He'd told Barclays when he wanted to buy and sell them. And he believed

£500 was too low for what he'd been put through.

Barclays said that the matter of the further Restraint Order was outside of its control, and that there could have been far reaching implications if it had acted on the Discharge Order in such circumstances.

Our investigator wasn't persuaded to change his proposed outcome, and the complaint has been passed to me for review and determination.

What I've provisionally 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'm minded to uphold the complaint but intend to assess fair compensation in a different way from that outlined by the investigator. So I'll set out here my findings and proposed conclusion.

The Court's Discharge Order of 4 January said that proceedings against Mr A had been concluded. Within that document the court ordered that the Restraint Order be discharged. This meant that the basis on which Barclays had blocked Mr A's accounts was no longer valid. I do not think it unreasonable to expect Barclays to comply with an Order of the Court.

By its own acknowledgement, Barclays did not remove the restrictions on Mr A's accounts. I've thought about the reasons Barclays has given for maintaining the block on his ability to undertake transactions. But I'm not satisfied they represent adequate reason for the bank's decision to continue restricting Mr A's access to his money.

A Restraint Order of the type applied to Mr A's accounts is a significant sanction. It is normally granted only after application to a Crown Court. The intention to seek a further Restraint Order is not – and should not be treated as – the same as if a Restraint Order had already been made. Were that the case, it would not be necessary to obtain such an Order. It would be sufficient to say that one was being sought.

I've not seen a copy of what Barclays received that led it to take the action it did, as this information wasn't provided as part of its file submissions. But noting that ultimately no further Restraint Order was pursued, let alone granted, the bank has offered no proper basis on which I should conclude that it acted reasonably in maintaining a block on Mr A's accounts after the Discharge Order.

That the bank has an internal process which it says it followed is not determinative that it has acted fairly. That process appears to have caused unfairness to Mr A. I'm conscious, of course, of the argument the bank has made about the potential implications of allowing Mr A access to his accounts in light of the expressed intention to seek a further Restraint Order. But I think it's a reasonable presumption that the Court considered this when it granted the Discharge Order.

I appreciate Barclays did make some attempts to follow up on the expressed intention. But these fell some way short of what I might expect the bank to do in the circumstances. The impact on Mr A was both direct and foreseeable, as would be expected when a restriction is applied to financial activity. Further, when Mr A contacted Barclays' Court Orders team on 16 March, reattaching the Discharge Order and requesting it be actioned, over two months had passed since the bank had last heard about the intention to obtain a further Restraint Order. At that time Mr A told Barclays about his share dealing account and that he wanted to buy shares in particular companies. He said he hoped to hear back as a matter of urgency.

Barclays had the Discharge Order and nothing new had come in to suggest either that this had been replaced by a further Restraint Order. In light of this and Mr A's email that he wanted to transact but couldn't, at best it would have been reasonable for Barclays to take immediate and effective steps to clarify the position. The bank says it sought clarification in April but didn't get a response.

I don't think it was good enough for the bank to accept this position, particularly given the information Mr A had provided on 16 March. Had Barclays been more robust in its efforts, I think it's likely it would have been informed (as it belatedly was) that there was no active Restraint Order and lifted the restriction on Mr A's ability to transact. Had Barclays taken these steps this would have also alleviated the concerns it might have had about the implications of removing the blocks.

Mr A says he's lost out as a result of being wrongly refused access to his money. He's provided details to show what shares he intended to buy and at what price. There's also other contemporaneous evidence from him in the form of a further email that he'd sent to Barclays dated 17 April 2023. In this, Mr A says that he would have sold the shares had he been able to buy them. I'm satisfied Mr A has presented a persuasive argument for his claimed loss, substantiated as far as possible by evidence of his intended trades.

However, Barclays doesn't think there's a basis for meeting Mr A's claim. It's referred to a clause in its terms and conditions, which says it won't be held responsible for consequential losses in any circumstances. In this case, however, Mr A's claim is not of consequential loss but of direct loss. Barclays had a contractual obligation to conform to Mr A's withdrawal instructions, which was no longer amended by the Restraint Order. It did not comply with that contractual obligation, which caused Mr A to be unable to buy the shares he would otherwise have been able so to do. The sale value simply quantifies the extent of Mr A's loss.

Having weighed everything, I think Barclays needs to compensate Mr A for that loss. This is based on him buying 100,000 shares in company A and 20,000 shares in company B on 16 March 2023, and selling these investments on 17 April 2023.

Of course, Mr A would have had to pay costs on this. I asked him to provide details, which he has done and which I have attached with this provisional decision. Mr A's overall loss inclusive of these costs is £12,320.99, which I will be requiring Barclays to pay, unless I receive persuasive evidence to show this figure is wrong.

Turning to the matter of what level of compensation reflects the distress and inconvenience caused. It appears Mr A was able to get by day-to-day, though having to pursue the Discharge Order with Barclays over the course of many months would have been frustrating, upsetting, and inconvenient, particularly when considering he couldn't achieve some of his financial aims. Barclays also misinformed Mr A initially, suggesting it had received another Restraint Order when this wasn't correct. Taking all of these things together, I think £700 is fair. This together with the bank addressing Mr A's financial loss in the way he has evidenced it is in my view a fair way to resolve the complaint.

My provisional decision

My provisional decision is that I intend to uphold this complaint and require Barclays Bank UK PLC to settle it by paying Mr A the following amounts:

- £12,320.99; and*
- £700*

Responses

Barclays responded to say that it accepted my provisional decision. Mr A responded to say, his only comment was whether the ombudsman would add interest to the loss based on 8 percent.

The case was passed back to me to reconsider.

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.

Mr A has asked whether he should get 8 percent on top of the award. I've considered whether to add interest; I have discretion to do so where I consider it appropriate. Having thought about this aspect, I'm not going to require Barclays to pay interest on the award I have made. In this individual case I'm satisfied that the redress I've proposed is a fair way to resolve the complaint. I appreciate Mr A might feel differently, but I will leave it to him to decide whether, on reflection, he now feels able to accept the sum proposed or pursue matters elsewhere. Either way, my decision does now complete our consideration of his complaint. It follows that I fully adopt my provisional decision as part of this final decision.

My final decision

My final decision is that I uphold this complaint and require Barclays Bank UK PLC to settle it by paying Mr A the following amounts:

- £12,320.99; and
- £700

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 18 March 2025.

Sarita Taylor
Ombudsman