

The complaint

Mr F complains Barclays Bank UK PLC (“Barclays”) closed his account for dormancy without notifying him in line with his communication preference – and subsequently withheld his funds. Mr F is also unhappy Barclays:

- Removed access to his online and mobile banking services following the closure despite later saying he could use these services to reclaim his funds. Mr F says the withdrawal of these services has made it impossible for him to reclaim his funds
- Sent him a letter notifying him of the closure when he no longer lives at that address, he isn’t in the UK and won’t be there for a while, and had asked Barclays for electronic mail only
- Can’t find his funds nor accounts after being a longstanding customer

To put things right, Mr F wants an apology from Barclays, compensation for the significant distress and inconvenience he’s suffered. And compensation for the time Mr F has been deprived of his funds.

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 November 2023, Barclays say it sent Mr F a letter that it was planning to close his account in February 2024, as he hasn’t made any transactions from it in a while. Mr F says he has been overseas for some time now, and he had instructed Barclays only to send correspondence to him electronically. Mr F also adds that the notice to close letter hadn’t been received at his UK address.

In February 2024, a couple of days after Barclays said it would close the account if it didn’t hear from Mr F or he didn’t use his account, the account was closed. Around £1,061, which represented Mr F’s balance, was moved to one of Barclays’ internal holding accounts.

Mr F couldn’t log onto his online banking and discovered his account had been closed due to dormancy. Unhappy, Mr F complained. Barclays didn’t uphold Mr F’s complaint. In summary, it made the following key points:

- Barclays has attempted to contact Mr F, but due to security not being completed, it couldn’t discuss his complaint with him
- As there have been no transactions on the account for a while, Barclays has correctly followed its dormancy process to reduce the potential risk of fraud
- Barclays issued a letter in October 2023 explaining that if it didn’t hear from Mr F, the account will be closed on or shortly after February 2024. As there is no evidence of any communication with Mr F between those dates, the closure went ahead
- In the SMS message Mr F sent Barclays in December 2024, he explained the address held for him is no longer valid. That would explain why Mr F didn’t receive his dormancy letter

- Customers can reclaim any funds in one of Barclays' branches. But as Mr F isn't in the UK for the next six months, he has three options available to him (i) he can write to the dormancy team; (ii) he can download and complete a claim form online; or (iii) complete a dormancy claim online – online address inserted

Barclays say it didn't send Mr F the complaint final response letter as it doesn't know what his current address is. Mr F referred his complaint to this service. One of our Investigator's then started looking into it and asked for further information from both parties. Mr F questioned the impartiality of this service, and said a dormancy letter hadn't been sent by Barclays as his friend lives at the UK address and would've informed of if that was the case.

Our Investigator recommended Mr F's complaint wasn't upheld. In short, the key findings they made were:

- Barclays closed Mr F's account due to dormancy, and it did so fairly and in line with the terms and conditions given there hadn't been any payment activity since before November 2022. This is a long time.
- They can't consider Mr F's complaint point about the way his complaint has been handled. That's because complaint handling isn't a regulated activity.

Our Investigator also communicated the three options Barclays had set out in its final response letter for him to reclaim his funds – including the web address for claiming online. Mr F didn't agree with what our Investigator said. In summary, some of the key points he made, which he hadn't made previously were:

- As Barclays erased all Mr F's records it was impossible for him to reclaim his funds
- Barclays failed to communicate electronically with Mr F as it had done so for previous matters
- There's no proof the letter was sent or received. And had Barclays genuinely wanted to inform Mr F about the closure, it would've sent such a letter by recorded delivery
- Barclays falsely claim to have attempted to call Mr F
- Barclays' reclaim process is unreasonably complex

As there was no agreement, this complaint has been passed to me to decide.

What I've decided – and why

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 Mr F and Barclays have said before reaching my decision. It's important to note, my decision focuses on Barclays' actions in regard to the closure of Mr F's UK Barclays current account.

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 Mr F's complaint. 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 Mr F had to comply with, say that it could close the account by giving him at least two months' notice. And in certain circumstances it can close an account immediately or with less notice.

Barclays says that it closed Mr F's account due to dormancy. Barclays terms say:

"If you stop using your account

If you haven't used your account for a long time, we may close it. We'll give you two months' written notice if we plan to do this, and explain to you what you can do to keep it open.

If there's any money in the account, we'll tell you how to reclaim it".

Barclays has provided me with Mr F's bank statement from November 2022 until November 2023. I note there are no transactions on there for that period. Barclays gave Mr F around three months' notice to close his account. Because of this I'm satisfied that Mr F hadn't used his account for a long time, or for a reasonable time for Barclays to have taken the decision to close it. So, I'm satisfied Barclays' decision to close Mr F's account was in line with the terms and conditions - and was fair.

Closure communication

Mr F says Barclays failed to send him the closure letter, and even if it did, it should have been sent electronically in line with his communication preferences.

Barclays has provided me with a copy of the closure notification letter it says was sent to Mr F. The letter is dated 16 November 2023 and is addressed to Mr F's UK address – the same one as his bank statement. The letter sets out Barclays is intending to close his account in around three months due to account inactivity to help it protect Mr F from any potential fraud. Barclays say that to keep the account open, Mr F would have to affect a transaction on it.

In his submissions, Mr F has said he is overseas and will be there for a substantive period. He's also said he no longer lives at that address which Barclays hold. Later he informed our Investigator that a friend of his lives at the address and they would have alerted him to any such closure notice being received from Barclays.

Barclays has also said that it always sends important communication by post, but as Mr F had online banking with it, the letter would have been uploaded to its portal for him to access. Barclays has sent me a screenshot of its internal systems which shows Mr F logged onto his online banking in October 2024 and in April 2024. So, I can't see Mr F tried to access any letters to that previously. Unfortunately, given Mr F's account and profile have been closed, Barclays don't have any other information.

Where evidence isn't always complete or conclusive, I am able to make a finding on what I think is most likely to have happened – that is, the balance of probabilities. Given I haven't seen any information to show Mr F's letter of intended closure wasn't uploaded to the online portal, and given how Barclays operates for its online customers, I think its most likely the letter was uploaded.

I know Mr F feels strongly that a letter wasn't received at his UK address nor sent electronically – but I simply don't have compelling evidence it wasn't. I have seen a copy of the letter which is correctly addressed, and I've said it's more likely than not it was uploaded online. I would add too that I haven't seen any evidence Mr F told Barclays that he wanted all correspondence to be sent electronically. Barclays have sent me a call recording from June 2023 where Mr F is discussing his euro account with Barclays. This is a long call, but I haven't heard Mr F once say anything about electronic communication.

So taken together, I don't find that Barclays failed to communicate its intention to close Mr F's account effectively. I would add too that it appears Mr F was, and/or is, overseas for some time and he hasn't given any international forwarding address to Barclays. It was after all Mr F's responsibility to ensure Barclays has an up-to-date address for him, including where necessary, for correspondence in the event he is resident elsewhere.

Mr F says Barclays should have sent such important correspondence by recorded delivery, but Barclays is under no obligation to do so.

Access to banking services

Mr F is unhappy that Barclays removed his profile from its systems, which he says made reclaiming the funds impossible. He adds that given his longstanding relationship with Barclays over more than 30 years, not being able to locate his accounts is unacceptable.

I've already said I think Barclays took the decision to close his account fairly – and likely communicated this appropriately. So that would mean the physical process of closing the account, including any access to online services, was fair. So, I don't think Barclays has done anything wrong here.

Withholding and reclamation of funds

Barclays' closure notice explains that if it doesn't hear from Mr F or he doesn't make a transaction, it will cancel his cards and move any balance to a secure central account. And that he can reclaim his money at any time.

Mr F says without his account profile being active, it is impossible to reclaim his funds. He adds that Barclays' process to reclaim the funds – after our Investigator presented the three options to him – were overly complex.

I've already set out the options presented to Mr F above, but for ease of reference they are:

- (i) Mr F can write to the dormancy team;
- (ii) Mr F can download and complete a claim form online; and
- (iii) Mr F can complete a dormancy claim online – website address provided

More recently, Barclays has informed this service that given the value, it wouldn't need certified ID from Mr F. And if for any reason Mr F can't reclaim his funds using any of the options provided, it needs an up-to-date address for him, contact details, and details of the account he wants the funds transferred to.

Having carefully considered this, I'm satisfied Barclays is acting fairly and reasonably – and showing flexibility to help Mr F retrieve his funds.

Mr F questions that Barclays attempted to call him. Barclays have provided a text message from Mr F which says he received a call from Barclays' operative, but because the agent refused to provide a secure way of identifying themselves, the call was cut off.

I have no reason to question what Mr F says. But I haven't seen he attempted to call Barclays directly thereafter.

As I don't think Barclays has done anything wrong in moving the funds to one of its internal accounts in lieu of Mr F completing a process that securely allowed him to reclaim his funds, I'm satisfied Barclays doesn't need to pay Mr F any compensation for being deprived of his funds. If Mr F provides the details Barclays needs from him, our Investigator can send them to ensure his funds are retrieved.

As I don't think Barclays has done anything wrong in deciding to close the account, how this was communicated, withdrawing all account services, moving the funds to an internal account, and requiring Mr F to use its processes to reclaim the funds, I see no basis in which to award any compensation for any distress and inconvenience he has suffered.

Lastly, in response to the Investigators view, Mr F has questioned the impartiality of this service. Whilst I do recognise his concern, as an ombudsman service our approach is to consider what both parties say and then reach our own independent conclusions on that evidence. That is what we have done in this complaint. If Mr F does not agree with our view, he does not have to accept it, and if he does not accept this final decision, he will be free to continue to pursue his concerns by other means should he wish to do so. I cannot, however, advise him on how to go about doing that.

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 Mr F to accept or reject my decision before 15 July 2025.

Ketan Nagla
Ombudsman