

The complaint

Mr M complains Barclays Bank UK PLC ("Barclays") told him he'd need to come into branch to collect a refund sent to his closed account. Mr M was also incorrectly told he was unable to request a chargeback claim or raise a complaint as the account was now closed.

What happened

Barclays closed Mr M's accounts on 14 October 2024. Soon after, Mr M received a refund of £6.69 which was moved to Barclays' internal holding account. When Mr M asked the bank to refund the amount, he was advised that he'd need to attend branch to obtain the money.

In December 2024, Mr M tried to raise a chargeback claim of £49.95 with Barclays. But he was told he was unable to raise the claim as the account was now closed. Unhappy with Barclays, Mr M raised a complaint via our service.

Barclays looked into the complaint. Acknowledging his mobility issues, the bank agreed to refund the £6.69 without him needing to go into branch. They also said they'd incorrectly advised Mr M that he couldn't raise a chargeback on a closed account. They gave Mr M details of what they'd need to consider the claim. Finally, Barclays recognised Mr M had incorrectly been told he couldn't raise a complaint. Barclays offered Mr M £50 compensation. Unhappy with their response, Mr M brought the complaint to our service.

When the complaint was with our service, Barclays offered to pay Mr M the disputed amount of £49.95. Our investigator looked into the complaint and ultimately considered that Barclays' offer to refund the payments of £6.69 and £49.95 along with £50 compensation was fair. However, Mr M didn't agree – and didn't think his vulnerabilities and disabilities had been taken into account when considering the impact this had all had on him.

Our investigator then asked Barclays and Mr M whether they would agree to resolve the complaint if £100 was awarded instead of £50 – but both parties disagreed. Barclays considered £50 compensation was fair, whereas Mr M considered £500 would be more appropriate in the circumstances.

After reviewing the complaint, we explained to Barclays my initial thoughts were that £100 would be fair in the circumstances in addition to the agreed refunds – and so Barclays agreed to pay £100 compensation to resolve the complaint. But as Mr M is seeking a higher award – I've gone on to consider everything to make my final decision.

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've reached the same conclusion as our investigator for broadly the same reasons and consider that £100 compensation is fair in the circumstances of this complaint. I appreciate Mr M will be disappointed by this outcome, but I'll explain my reasons why.

For avoidance of doubt, what I am considering under this complaint is about the issues surrounding the refund of £6.69 and disputed amount of £49.95. I am not considering Mr M's complaint about the closure of his account by the bank which has already been considered as a separate complaint.

Barclays have explained their normal process when a refund has been received to a closed account is to ask the customer to attend branch. I note Barclays were aware of Mr M's circumstances. So, the bank should have recognised at the time that he may have difficulty in visiting the branch and therefore should have considered refunding the money directly without him needing to come into the branch. Barclays have since agreed to pay Mr M the payment of £6.69 directly, outside of their normal process. However, I can see their initial refusal caused avoidable distress and inconvenience to Mr M.

Regarding the chargeback claim, Barclays have acknowledged that Mr M was told incorrect information, and he should have been able to raise his chargeback when he first tried to do so on 3 December 2024.

Barclays subsequently tried to help Mr M raise his chargeback claim, but they said Mr M didn't wish to speak to them further on the phone. In their final response to Mr M's complaint, Barclays did outline what information they'd need from Mr M and provided details of how he could continue with his claim if he wished.

Since the complaint has been with our service, Barclays have agreed to refund the disputed amount in full. That is the most Mr M would have received had his chargeback claim been presented and been successful. So, I don't find it necessary to deal with this issue further. What's left for me to decide is whether Barclays have paid a sufficient amount of compensation for the trouble and upset caused on their handling of these matters.

I note what Mr M has said regarding the length of time this complaint and these matters have taken to resolve. And I've taken Mr M's vulnerabilities and circumstances into account. On the other hand, I have also taken into account that Barclays tried to assist Mr M when they issued their final response letter in December 2024 and had Mr M chosen to discuss the claim with them at that time or provided his bank details for the £6.69 refund at this point – things might have been resolved sooner. So, I must also consider that Mr M hasn't mitigated the circumstances here.

I appreciate Mr M's strength of feeling about this matter and I recognise Barclays could have done more early on to support Mr M. However, I do think that once the complaint was raised with Barclays, they acknowledged their errors and acted to resolve matters and have since offered both refunds. So having considered everything, I consider paying the refund to Mr M directly, paying the disputed amount, along with £100 compensation is fair and reasonable in the circumstances of this complaint.

My final decision

My final decision is that I uphold this complaint and instruct Barclays Bank UK PLC to:

- Refund Mr M £6.69,
- Pay Mr M £49.95 for the disputed amount he tried to raise via a chargeback claim,
- Pay Mr M £100 compensation

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 29 July 2025.

Laura Davies
Ombudsman