

The complaint

Mr D has complained about how Barclays Bank UK PLC behaved during the closure of his account.

What happened

Mr D closed his account with Barclays, but unfortunately this did not go smoothly. He's explained that he had to visit two different branches and make numerous phone calls over the course of two and a half years, to resolve issues about his mortgage payments and the refund of his balance.

Since the complaint was referred to our service, Barclays have offered Mr D £200 compensation. He feels this is too low, and that £10,000 would be more appropriate to address all that's happened.

One of our investigators looked into things. He could see that on 13 February 2023, Barclays told Mr D that the account would be closed, unless he could provide a UK holding address by 20 August 2023. This was connected to changes because of Brexit. It also sent reminders on 15 May and 14 August, then closed the account on 8 September 2023 when no response was received.

Our investigator could see that on 26 September 2023, a Barclays representative had confirmed the closing balance, provided the Unique Reference Number (URN), and helped with the reclaim process. And on 22 March 2024, Mr D was again advised of the URN and the steps required to reclaim the funds. The reclaim request was received on 27 March 2024, at which point address and ID verification were requested, as previously advised.

On 6 June 2024, Mr D again contacted Barclays, to check about a mortgage direct debit being switched. And he was reminded about the process for reclaiming his balance. However, Mr D contacted Barclays on 29 July 2024 that he was having trouble with the reclaim process. Barclays advised him what to do, and also tried to contact him four times in August 2024.

Our investigator explained that on 30 September 2024, Mr D called to report that he had not received the reclaim form. He was given guidance on submitting certified documents, and the case was referred to the mortgage team due to lack of progress. And on 11 November 2024, Mr D called again for an update on the funds from the closed account, and was advised he would receive a follow-up call. On 19 November 2024, Barclays confirmed that once the URN was provided again, the funds could be released. Ultimately, this happened in June 2025 when a payment instruction was completed by phone.

Barclays subsequently offered Mr D £200 compensation. It agreed that there had been delays regarding the mortgage account direct debit. Although this had no impact on Mr D's credit file, and there were no additional charges or interest, the matter was still inconvenient.

Our investigator thought this was fair. And he noted that Barclays made multiple follow-up calls and provided the URN and guidance on several occasions. So, he didn't think it was

responsible for all delays. Given the steps taken and the £200 already offered, he thought this was appropriate to put things right.

As Mr D disagreed, the complaint's now been passed to me.

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, it's clear there have been delays. These have been set out above. And, Barclays has taken responsibility for the delays regarding the mortgage direct debit. But, I'm mindful that although this caused inconvenience, it didn't have any financial implications. And, I can also see that in its contact with Mr D, Barclays regularly gave Mr D the information he needed to have his funds returned, and it has also explained why manual mortgage repayments are necessary.

So, although some errors were made, I think Barclays largely did what it should, and tried to assist Mr D. If I were to make an award for the distress and inconvenience suffered, it would be around £200. As this is what Barclays has offered, I'm not going to interfere with it.

Putting things right

To put things right, Barclays should pay Mr D the proposed compensation of £200, should he choose to accept this.

My final decision

It's my final decision to uphold this complaint, and require Barclays Bank UK PLC to take the actions set out above, in the section entitled 'Putting things right'.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 13 October 2025.

Elsbeth Wood
Ombudsman