

The complaint

Mrs T is unhappy with Barclays Bank UK Plc.

Mrs T wanted to close her bond account with Barclays and move her money elsewhere. Mrs T is unhappy about the delays, loss of interest and the distress and inconvenience it caused her.

What happened

Mrs T arranged for Barclays to send her a cheque. It did but when she took the cheque to the bank it was declined. A further cheque was issued and this led to further delays in moving the money which Mrs T said cost her to lose interest.

Mrs T sent the instructions to Barclays before Christmas 2024 about her bond that was maturing between Christmas and New Year. But Barclays said this wasn't received until the very end of December 2024/early January 2025.

Mrs T said she got a letter from Barclays but there was no cheque enclosed. Barclays put a stop on the cheque and issued a replacement. After this it appears the original cheque was received, and Mrs T went to the bank to cash it, but it had already been stopped by Barclays. The second cheque was cashed in early February 2025.

Barclays accepted that mistakes had been made. It apologised and paid Mrs T £27.02 for the loss of interest between 30 December and 6 January and a further £27.03 to reflect the lost interest between 23 January (when the first cheque arrived) and when the funds left the internal Barclays account on 3 February. It also paid a further £200 as compensation for the issues she had encountered and for her distress and inconvenience.

Mrs T didn't accept this and brought her complaint to this service.

Our investigator upheld the complaint. After lots of further discussion and further evidence our investigator said the details she had reviewed gave the distinct impression Barclays had seen the request to move the account just prior to Christmas 2024. Our investigator said Barclays records showed the bond maturity instruction form had been received by Barclays on 24 December 2024.

So, she asked Barclays to pay 3.9% interest from 27 December (maturity date of the previous bond) to 29 December 2024 (as this was the next date it could issue a cheque rather than do it on the day) and to pay the difference between 4.25% interest and 3.9% interest from 14 January to 3 February 2025. This second period was because the cheque should have been with Mrs T to be paid in by 14 January. This was based on the interest Mrs T would have got with the new account she wanted to take out with another Building Society – N. So, overall this was extending some of the time periods compared to what Barclays had originally offered.

Barclays accepted this but Mrs T didn't and asked for her complaint to be passed to an ombudsman for a 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.

This is an informal service so I'm not going to comment on everything included within this complaint. Instead, I'm going to stick to what I think are the central points that apply here. I can confirm all the evidence provided by both sides has been considered.

Barclays originally claimed it didn't get the instruction from Mrs T until 6 January 2025 at another point it said it got the instructions on 30 December 2024. But it accepted there was some confusion about when it sent the cheque to Mrs T. It said based on the 30 December date it accepted not getting a cheque out until 9 January 2025 was letting the customer down. Barclays agreed the original cheque reached Mrs T 23 January 2025 and when she went to cash it the next day it had been stopped. It's agreed that the money eventually left the Barclays account on 3 February 2025.

Barclays said its process meant cheques can only be issued on Tuesdays and Thursdays. It said even though the first chance to issue the cheque would have been Thursday 2 January 2025 it wasn't able to complete the task on that date for some internal reasons. Barclays accepted the cheque should have been with Mrs T by 14 January at the latest.

Barclays said the £200 for distress and inconvenience on top of the interest was because Mrs T hadn't been made aware the original cheque had been stopped, and she had received a letter saying the cheque was enclosed and it wasn't. Barclays accepted Mrs T made many phone calls and had been backwards and forwards to the branch, so it felt the £200 was required to compensate for that.

Barclays confirmed it paid the interest and compensation to Mrs T's joint account with her husband with another bank - S.

I think our investigator was right when she noted the bond maturity instructions had the date stamp for 24 December 2024 on them. So, Barclays were aware of Mrs T's intentions in advance of the bond maturity date on 27 December 2024. These dates seem to fall in line with dates provided by Mrs T who said she signed and returned the instructions on 18 December 2024.

Barclays noted Mrs T's point that if it could pay out to an external account upon maturity as opposed to issuing a cheque or if branch staff could issue cheques on the day this situation wouldn't have occurred. It accepted these points and confirmed it would feed this back internally.

I note that with the changes around dates discussed throughout this complaint this could have got a little fraught for the parties. And I'm pleased to see as different dates and interest amounts were put to Barclays by our investigator it has been willing to accept the amounts put forward.

I think it was a fair point made by Mrs T about potential loss of investment opportunities and I'm grateful she was able to provide proof of the 4.25% interest rate she wanted to move her money too. I think based on the amounts and dates referred to by our investigator the lost interest offered has been dealt with fairly here.

Based on the dates I think the request to pay the 3.9% interest for the two days when Barclays could have first arranged a cheque and sent it to Mrs T is reasonable. This covered the period 27 to 29 December 2024.

In view of service levels there's an acceptance from Barclays that at the latest Mrs T should have had a cheque in her possession by 14 January 2025. And this service has been given proof to show Mrs T aimed to put the money into a new bond account elsewhere paying 4.25%. So, for the period from 14 January 2025 to 3 February 2025 Barclays should pay this interest rate on the money as it was only on 3 February the money finally left the Barclays account. I think that's fair and reasonable.

Barclays has accepted the service should have been better and it explained why it offered Mrs T the £200 compensation for any distress and inconvenience caused. I think that is a reasonable amount based on the mistakes made.

Putting things right

I require Barclays Bank UK Plc to – if it hasn't already done so:

- Pay 3.9% interest from 27 to 29 December 2024.
- Pay 4.25% interest from 14 January to 3 February 2025.
- If it hasn't already done so pay the £200 compensation for distress and inconvenience.

My final decision

I uphold this complaint.

I require Barclays Bank UK Plc to – if it hasn't already done so:

- Pay 3.9% interest from 27 to 29 December 2024.
- Pay 4.25% interest from 14 January to 3 February 2025.
- If it hasn't already done so pay the £200 compensation for distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs T to accept or reject my decision before 16 March 2026.

John Quinlan
Ombudsman