

The complaint

Mrs S has complained that Barclays Bank UK PLC (“Barclays”) closed her accounts without her knowledge.

Mrs S has also complained that she was unable to open a new account with Barclays and had issues accessing money in her ISA.

What happened

Mrs S went to log in to her account and was unable to and after contacting Barclays, she discovered that all of her accounts, apart from an ISA, had been closed.

Unhappy with this Mrs S complained to Barclays, but Barclays didn’t uphold the complaint.

After Mrs S referred her complaint to this service, Barclays agreed to pay Mrs S £300 for the distress and inconvenience caused to her by this matter.

One of our investigators assessed the complaint and overall, they thought that £300 compensation was reasonable for the distress and inconvenience caused to Mrs S by this matter.

As Mrs S didn’t accept the investigators conclusions, the matter was referred for an ombudsman’s 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 reviewed everything, I partly uphold this complaint, for broadly the same reasons that the investigator provided. I will explain why.

Firstly, I have considered whether Barclays was able to close Mrs S’s accounts in the way that it did. And to determine this, I have reviewed Barclays’s account terms and conditions.

Under a section called *‘If you aren’t eligible for the account you hold’* Barclays’ terms and conditions say:

“We can close an account (or stop or restrict a service) if we find out that you aren’t eligible for it. This may include the following.

- You (or a joint account holder) reside outside the UK or do not have leave to remain in the UK.”*

In Mrs S’s case, I understand that Barclays had an overseas address registered for Mrs S on its system. So Barclays contacted Mrs S to explain that it had an overseas address registered for her and explained that, if Mrs S lived in the UK, then she should get in contact to confirm that she lived in the UK and to ensure that Barclays had the correct addresses recorded for her – otherwise it would close her accounts. Unfortunately, as Mrs S didn’t get in contact with Barclays, most of her accounts were closed.

However, Mrs S says she wasn’t made aware of this and only realised what had happened when she went to access her accounts and was unable to do so. So, I have reviewed the

evidence to decide whether Barclays took reasonable steps to notify Mrs S that her accounts would be closed if she didn't confirm that she lived in the UK.

Barclays has provided copies of notifications that it says it sent Mrs S. These include letters sent on 10 July 2024, 8 October 2024, 16 October 2024 and 7 January 2025. Having looked through all of these letters, I'm satisfied that they made it clear that Mrs S's accounts would be closed – which most of them were shortly after 1 February 2025. They explained the reasons why that was and the next steps Mrs S should take before her accounts are closed. I understand that Barclays had also written to a joint account holder (regarding a joint account that Mrs S held with Barclays) and it also tried to send Mrs S SMS text message notifications as well. Unfortunately, as none of the notifications were responded to, the bulk of Mrs S's accounts were subsequently closed on 14 February 2025.

Given that the first notification was sent in July 2024 and her accounts were not closed until February 2025, I'm satisfied that Barclays provided Mrs S with reasonable notice of the changes that were due to take place, to ensure she had time to make alternative arrangements.

Mrs S says she didn't receive these notifications and was unaware that her accounts were due to close. Whereas Barclays has said that the letters were sent in accordance with Mrs S's communication preferences i.e. notifications were sent via email and the letters were upload to Mrs S's 'Cloud IT' online document messaging system for her to review.

When Mrs S referred her complaint to this service, she did say that she does receive email notifications from Barclays and admitted that she doesn't always look at them. So, whilst it was unfortunate that Mrs S didn't get round to reviewing the documents uploaded to her Cloud IT inbox, I can't say that Barclays has acted unfairly or unreasonably here. And overall, I think that Barclays did take reasonable steps to try and reach Mrs S about the addresses it had recorded for her (and the implications that had on her accounts).

Mrs S says that she has not lived at the overseas address for many years and says that she'd updated her address details to a UK address. However, although that may be the case, the whole point of the notifications being sent to her was to check that it had the correct addresses for her, and if not (as seems to be the case here) then it gave Mrs S reasonable opportunity to update the addresses it had stored for her to prevent her accounts from being closed.

Because of this, I don't think it would be appropriate to say that Barclays can be held responsible for the subsequent inconvenience Mrs S incurred because her closed were subsequently closed.

Mrs S has also complained, that she went to withdraw money from her ISA and the transaction was blocked. Having looked into this, I can see that Mrs S attempted to withdraw money from her ISA on 26 May 2025 and the transaction was blocked. Barclays has explained that it had placed a block on the transaction as it had concerns that Mrs S may be being scammed.

Looking through Barclays's notes I can see that Barclays' fraud team did try to call Mrs S on the same day to check that the payment was not linked to any scams or fraud but they were unable to reach Mrs S.

I can see that Mrs S did speak to Barclays' fraud team on 29 May 2025 and Mrs S was successfully able to make withdrawals from her ISA on the same day.

I appreciate that this must've been frustrating for Mrs S, especially as she said she needed the money urgently. But Barclays is obliged to monitor accounts for any unusual activity and to intervene if a payment is detected as being unusual, out of character or suspicious. In this case it's clear that Barclays' fraud team had concerns and did try to contact Mrs S on the same day the payment was blocked to verify that it was not linked to a scam. And the fraud

block was released on 29 May 2025, once Mrs S had spoken to Barclays' fraud team. As such, I can't reasonably say that Barclays acted unfairly or unreasonably here.

Following the closure of most of her accounts, Mrs S updated her address and confirmed she lived in the UK. Mrs S wanted to withdraw the full balance of her ISA, as her son needed the money, but to avoid losing access to her online banking profile, Mrs S tried to open a new savings account first. However, despite Mrs S trying to do this a number of times, she was unable to do so.

I note that Mrs S contacted Barclays a number of times about this, particularly in early June 2025. And Mrs S was given differing information. From what I understand, the issues Mrs S faced in opening an account were also caused by Barclays' still having an overseas address recorded for her. I note that Mrs S was told the overseas marker had been removed from her profile, but even after waiting a few days, she was still unable to open a new account.

Overall, I don't think Barclays dealt with the issue well. I think that it could've removed all indications that she had an overseas address sooner than it did. And having listened to many of the calls that took place, it's clear that this issue caused a great deal of distress and inconvenience to Mrs S.

In response to the complaint, Barclays has agreed to pay Mrs S £300 compensation for this issue. I have considered the impact this matter had on Mrs S, and note the inconvenience that was caused to Mrs S, particularly in having to speak to Barclays a number of times over the phone to try and rectify matters.

In my view, the £300 offered by Barclays fairly reflects the impact this matter had on Mrs S. And so, whilst I agree with Mrs S that things didn't go as they should've, I also don't think Barclays needs to do more, than what it has already agreed to do to put things right.

Putting things right

To put things right, I require Barclays to pay Mrs S £300 for the distress and inconvenience caused to her by this matter.

My final decision

Because of the reasons given above, I partly uphold this complaint and require Barclays Bank UK PLC to do what I have outlined above, to put matters right, in full and final settlement of this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S to accept or reject my decision before 1 January 2026.

Thomas White
Ombudsman