

The complaint

Mr O complains that Barclays Bank UK PLC didn't automatically renew his one-year savings bond on maturity. Mr O would like the interest on his bond.

What happened

The details of this complaint are well known to both parties, so I won't repeat them again here.

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 don't think that Barclays have done anything wrong. I'll explain why below.

I would add too that our rules allow us to receive evidence in confidence. We may treat evidence from financial businesses as confidential for a number of reasons – for example, if it contains information about other customers, security information or commercially sensitive information. It's then for me to decide whether it's fair to rely on evidence that only one party has seen. It's not a one-sided rule; either party to a complaint can submit evidence in confidence if they wish to, and we'll then decide if it's fair to rely on it. Here, the information is sensitive and on balance I don't believe it should be disclosed. But it's also clearly material to the issue of whether Barclays has treated Mr O fairly. So, I'm persuaded I should take it into account when deciding the outcome of the complaint.

Mr O's main concern has been that he considers he lost money because Barclays didn't renew his bond at the end of its year anniversary. Mr O's savings bond was due to mature in December 2024. In November 2024 Barclays wrote to Mr O and said the bond would automatically renew if he didn't instruct to the contrary. Barclays had frozen Mr O's accounts previously for sanctions concerns. Mr O has said that on previous occasions bonds have renewed automatically and so he had an expectation that it would. The letter he received in November further cemented this expectation. Barclays have said that Mr O shouldn't have expected the bond to renew automatically given the circumstances.

I agree that Barclays shouldn't have given Mr O incorrect information in the November letter. Having said that we don't punish institutions for mistakes. When we look at a case, we look to see the impact the error had on the particular consumer. So, I need to establish whether this mistake resulted in a financial loss for Mr O.

The letter from Barclays told Mr O his bond would renew automatically – had the letter told Mr O the correct position, that his bond was frozen with his other accounts and would not renew automatically, he wouldn't have been in any better position. I say this because Mr O wouldn't have been able to take his money and invest it elsewhere. So, although Mr O was given the wrong information in November 2024 it didn't cause Mr O to suffer a financial loss.

So, although Barclays made an error because no financial loss has occurred as a direct result of that error, I won't be awarding Mr O compensation in this situation.

Mr O has let us know that the Office of Financial Sanctions Implementation (OFSI) have written to him in March 2026. OFSI have said that lifting restrictions and allowing Mr O to operate his accounts in the ordinary course of banking do not seem to engage financial sanctions prohibitions.

Mr O has said that this further shows that Barclays were unfair in freezing Mr O's accounts. Mr O has requested that I consider the OFSI letter as key evidence when assessing the fairness and lawfulness of Barclays' actions, including the failure to renew his savings bond and the resulting loss.

I appreciate what Mr O is saying here. But Barclays have provided evidence in confidence which is sufficient for me to conclude that Barclays were not acting unreasonably when they froze Mr O's accounts in January 2024. I'm satisfied it wouldn't have been appropriate given the information available to them, to allow Mr O access to his accounts. Given that, I can't say they have done anything wrong in blocking Mr O's accounts as they had legitimate concerns and they were complying with their legal and regulatory obligations.

OFSI's advice about the need for a licence was received after Mr O had made his complaint and after the investigator had issued his preliminary view. It may be that Barclays will wish to review its position in the light of that advice and, depending on the bank's further response, Mr O will want this service to consider the bank's position, as a fresh complaint. In the meantime, I make no comment on the effect of OFSI's advice. I believe however that Barclays' decision to block the accounts was a reasonable one at the time it was made. It follows I don't think Barclays have done anything wrong by not allowing Mr O's bond to renew automatically.

My final decision

For the reasons mentioned above I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr O to accept or reject my decision before 15 May 2026.

Esperanza Fuentes
Ombudsman