

The complaint

Mr S complains Barclays Bank UK PLC unfairly closed his accounts, failed to refund multiple direct debits, and provided poor customer service. He wants a refund of the direct debits and compensation for the losses he says he experienced.

What happened

Mr S held several accounts with Barclays. He raised multiple direct debit refund requests on 16 September 2023 and 5 October 2023, only some of which were refunded.

Barclays decided to close Mr S' accounts on 20 September 2023, giving him 62 days' notice. But they then sent him another letter on 11 October 2023 giving him another 62 days' notice.

Mr S was told the later notice to close was correct and his accounts would close on 12 December 2023, but they proceeded to close his accounts on 4 December 2023, and it appears they prevented him accessing the accounts from 21 November 2023. They refused to tell him what led to their decision to exit him as a customer.

Prior to the accounts formally closing Mr S applied for an account switch via another provider, but Barclays refused the request. Mr S says this caused him to miss out on a £200 switch offer from his new account provider.

Mr S complained. Barclays responded and said their decision to close the accounts was correct and they could not tell him why. But they apologised for causing him confusion by providing two different closure dates and not closing his account on the date they said they would, causing his switch request to be rejected. They offered £450 for the poor service he received, although this did not account for missing out on the £200 offer.

They also said they needed to complete a manual review to decide whether to refund his remaining direct debit claims. And, they said his account balances had been moved to a sundry account, which he could access in branch by bringing two forms of identification. Mr S doesn't appear to have accessed his funds since this time.

Mr S rejected Barclays' offer and brought his complaint to our service.

Our investigator upheld the complaint in part. They decided Barclays ought to pay Mr S £200 for missing out on the offer, and £100 for the delay in providing an outcome to his direct debit claims, in addition to the £450 they had offered. They said they weren't able to consider whether Barclays should refund the remaining direct debit claims as Barclays had yet to complete their review.

Barclays agreed to our investigator's recommendations, but Mr S asked for a final decision from an ombudsman. He says Barclays should refund the remaining claims and pay him £2500 compensation for the impact this has had on him.

I issued a provisional decision, as I found that unlike our investigator I should consider whether Barclays ought to refund the remaining direct debits, as this was part of the

complaint he brought to our service. I decided to uphold Mr S' complaint in part, but I didn't require Barclays to pay any more compensation than our investigator recommended. I said:

"I asked Mr S for information about the payments and his understanding about what had happened on his account and how. Unfortunately, he did not answer my questions or provide further information. So, I have decided this matter based on the information I do have. Having done so, I don't find there is a sufficient basis to conclude the payments Mr S raised should be refunded.

Mr S raised a large number of direct debit claims on 16 September 2023. He contacted Barclays again on 5 October 2023 to re-raise the payments which hadn't been refunded. But notably he also raised a number of new direct debit claims, including two large debits to one insurer, and another large debit to another insurer, which debited his account during the same period as many of the payments he disputed previously (August 2023). I would reasonably have expected Mr S to have identified those payments at the time of raising his first claim if he thought they were errors or didn't recognise them – they were to my mind quite noticeable. I have placed weight on him not doing so.

Barclays have told me they sent out a questionnaire for the payments they didn't refund, and their system records indicate a questionnaire was sent. I can't know for certain whether a questionnaire was sent or not in September or October 2023, but I'm persuaded Barclays' decision not to refund the payments at that time wasn't an administrative error. Instead, I find they wanted more information about the payments before deciding whether to refund them. I'm persuaded a manual review was still required for the payments they didn't refund even when the accounts were open, and I'm satisfied Barclays were entitled to require further information from Mr S.

Following our investigator's involvement, Barclays received a completed questionnaire from Mr S in 2025, but they then sent him a letter with follow up questions. I'm satisfied Barclays remain able to ask Mr S questions to decide whether the payments ought to be refunded under the direct debit guarantee or under any other basis.

On balance, I haven't found the evidence shows Barclays should have refunded the payments prior to Mr S bringing his complaint to our service. This doesn't mean that Barclays should not still refund the payments in the future if Mr S provides them with responses and information they find satisfactory. But that is not something I can consider as part of this decision.

Barclays system notes have an indicator that they sent a questionnaire to Mr S about the claims and no response was received, but I can't see reference to this in their communication with Mr S shortly after the time of his claims or that they went on to contact him shortly after sending their final response letter. So, I'm not persuaded Barclays progressed Mr S' remaining claims as they should have and there has been a delay. I agree £100 is sufficient compensation to make up for this failing.

Mr S wants to know why they closed his account, and I understand why. Having your account closed can be concerning and emotive, particularly for a longstanding customer. But I've considered Barclays' reason alongside the other information available to me, and I find they were able to close Mr S' account and they don't need to tell him why due to their reason being commercially sensitive.

Mr S tried to switch his account to another provider, but Barclays refused the request. Our investigator said Barclays should pay him £200 - the sum he would have received from his new account provider had the switch been successful. I haven't seen persuasive information that shows Barclays acted fairly by refusing the switch given what looks to have been a premature closure, so I find they should pay him this sum.

Barclays clearly should have handled Mr S' customer journey better than they did, and they identified several failings, which would have no doubt caused Mr S considerable inconvenience and worry. But on balance I'm satisfied £450 represents fair compensation for their failings. This includes the potential financial loss he may have experienced not being able to access his funds from 21 November 2023 up until being told he could access them by attending branch, and for not having access to an account until his new account opened. I was sorry to hear how Mr S says he was affected, but I have seen insufficient evidence that establishes a larger sum is warranted.

I provisionally require Barclays Bank UK PLC to pay Mr S £750 compensation."

The deadline has now passed for any further submissions from either party. Mr S did not provide further information or answer my questions. Barclays provided no further response. I've now proceeded to make my final decision based on the information and evidence I have.

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.

I've not been provided any further information or evidence since my provisional decision that has caused me to change what I find to be the fair and reasonable outcome to Mr S' complaint. So I've decided to uphold Mr S' complaint for the reasons I gave in my provisional decision. My findings are copied above and now form my findings for this final decision.

Putting things right

Subject to Mr S accepting this decision by the deadline below, I require Barclays Bank UK PLC to pay him £750 compensation.

My final decision

My final decision is I uphold Mr S' complaint and Barclays Bank UK PLC should compensate him according to my above direction.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or

reject my decision before 10 March 2026.

Liam King
Ombudsman