

complaint

Ms H, a sole trader, complains that Barclays Bank plc didn't close her business accounts when she asked them to.

background

On 6 February 2018 Ms H sent an email to her business manager at Barclays asking them to close two accounts and telling them she would close a third one soon. Her business manager responded asking if she wanted closing statements. Ms H replied that she did. On 8 February 2018 Ms H sent another email asking to close a third account.

Ms H chased a number of times for confirmation her accounts were closed. Her business manager told her on 22 February 2018 and again on the 5 March 2018 that they were.

The first and second accounts were closed on 8 February 2018 and 21 February 2018 respectively. The third account wasn't closed until the 6 March 2018 after Ms H complained to the bank.

Ms H has told us that the delays meant her accountant couldn't complete her accounts before the end of the financial year. Her VAT registration expired at the end of this period so she can't claim back VAT for accountants fees after this. She estimates this will cost her £800.

Barclays have offered her £150 for the inconvenience caused by the delay in closing her accounts. Ms H does not think this is enough to reflect the frustration this has caused her. She also thinks they should pay her additional accountants fees.

Our adjudicator felt that the compensation Barclays offered was fair. Ms H still disagrees, so the case has been passed to me to review.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. I know Ms H will be disappointed, but I'm not going to ask Barclays to increase their offer of compensation. I'll explain why.

Barclays have told us that they sent a request to close the first two accounts the day they were asked to. One of the accounts was closed the next day, but there was a technical error which meant the second one wasn't closed. The business manager missed the initial notice about this and didn't realise there was a problem until 19 February 2018 when they corrected it.

I appreciate Ms H's frustration, and Barclays have admitted that they made an error here. I do think that her business manager could've told her about the mistake when they realised it had been made. Instead they waited until after the account had been closed to confirm it was done and didn't acknowledge that there had been any delay.

Ms H emailed the same business manager asking them to close her third account on 8 February 2018, the day after they responded to her first email. Barclays have told us that the business manager didn't see this email and so didn't ask for the account to be closed. It didn't get closed until Ms H raised a complaint.

Ms H is unhappy that on two occasions she was told all of her accounts had been closed when they hadn't been. She feels she was lied to by the bank, and is frustrated that she had to chase them to sort it out. I don't think they intentionally lied to her. I accept their explanation that the business manager made a mistake and hadn't seen the email asking for the closure of the third account. But I agree the service Ms H received was far below the standard she should expect, and Barclays have acknowledged this with their offer of compensation.

Barclays have said that it isn't a business manager's role to deal with requests to close accounts. They aren't always in the office so it might take them longer to respond to emails and requests. And they don't have access to all the systems to complete servicing activities. They've told us Ms H had been advised before that the best way to make requests like this is to call their business telephony team or use their secure messaging service. It also says this on her business manager's email signature.

Ms H says she didn't know this. But either way I think that as her business manager replied to her first email and asked her if she wanted closing statements, it was reasonable that Ms H thought her request was being dealt with. Her business manager could have asked her to contact the business telephony team or use the secure messaging service, but they didn't. They also didn't say that she should do this when she wanted to close her third account which she told them she intended to do. So I think it was reasonable that Ms H then sent her business manager another email when she wanted to close her third account.

I appreciate that the business manager was trying to provide Ms H with good service by not asking her to redirect her initial requests to close her accounts. But she received very poor service as a result. It's clear from the information Barclays have given us that by accepting instructions to close accounts from an email they weren't following their own process correctly. And by doing so they also let Ms H think she was following the correct process. So I think that they've treated Ms H unfairly by not telling her about the correct process, when she asked to close her accounts, which would have likely prevented the delays she experienced.

I understand why Ms H feels so strongly about the stress and inconvenience she has suffered here. I don't think Ms H was treated fairly and reasonably for the reasons I have explained above. But I do think that Barclays offer to pay her £150 compensation reflects this and so I'm not asking them to increase it.

Ms H feels that the bank should compensate her for her additional accountant's fees as a result of her financial accounts not being completed before the end of the financial year. She says the reason this wasn't done is that the third bank account was not closed in time.

I know she will be disappointed, but I agree with Barclays that as her accounts had a nil balance and no activity after she requested the closures, her accountant could have started preparing her financial accounts with this information.

Ms H tells us that she didn't ask them to do this because the account was subject to regulation. But she hasn't given us any specific details of what these regulations say or how they would have prevented her from doing this. So I can't agree that her additional costs are due to the errors made by Barclays, or that it would be fair for them to compensate her for this.

my final decision

My final decision is that I don't uphold this complaint against Barclays Bank plc. But I do require them to pay Ms H the £150 compensation they have offered, and to send her a letter as she has requested confirming the dates she asked for her accounts to be closed and when they were closed by the bank.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms H to accept or reject my decision before 3 January 2019.

Jenette Lynch
Ombudsman