

complaint

Mr Y complains Barclays Bank Plc hasn't told him why it closed his account or compensated him enough for the problems that followed on from this.

background

Barclays wrote to Mr Y saying it was closing his account straight away. He says this caused him lots of problems. His insurance was cancelled and he couldn't get his money back from the bank. So he complained to Barclays.

The bank explained it'd carried out a (regular) review of Mr Y's account and he no longer met the bank's criteria to have an account with it. Barclays asked him to visit a branch, with identification, to get his money. The bank did accept it took too long to deal with Mr Y's complaint and offered to pay him £25 for the delay.

Mr Y wasn't happy with the bank's response. He didn't think Barclays had explained why it'd closed his account. He didn't think £25 recognised the problems he'd had – and he still hadn't got his money. So he contacted us.

One of our adjudicators looked into Mr Y's problems (in the meantime, Mr Y had got his money back from the bank). He didn't think Barclays had done anything wrong in closing Mr Y's account. But he did think it should have paid him his money quicker – there was no reason for the bank to hold onto Mr Y's wages. So he recommended Barclays pay Mr Y £50 for the unnecessary delay and inconvenience he'd suffered.

Neither party was happy with the adjudicator's recommendation. So the case has been passed to me to review and issue a final decision.

Mr Y was adamant the bank hadn't properly explained why it'd closed his account. And £50 wasn't enough to recognise the problems he'd had. Barclays didn't think it'd done anything wrong – so didn't think it should pay Mr Y any compensation.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

It's clear both sides are quite set in their positions. So I suspect neither party will be happy with the outcome. In summary, I think the adjudicator has struck the right balance with his recommendation. I agree with what he's said to both sides.

Looking at the problems from Mr Y's point of view, I'm satisfied Barclays has given him an explanation for why it's closed his account. Banks do carry out regular reviews of accounts – and their customers – to make sure they meet their criteria. Those criteria are a matter for the bank to decide. That's a legitimate exercise of their commercial judgement and not something we'd normally interfere with.

Here, Barclays told Mr Y he no longer met the bank's criteria – so it closed his account. I don't have any reason to ask the bank to change its mind or give Mr Y any more information about the review it carried out. In this respect, Barclays is right.

But I think the bank could have done more to speed up the process for Mr Y getting his money. I agree with the adjudicator there wasn't any real reason to delay giving Mr Y his wages – even if Barclays delayed giving him the balance of his money for a short time.

It's clear to me that Mr Y suffered some inconvenience as a result of this. As this could have been avoided, I think it's right Barclays pay him some compensation. I'm not persuaded the problems Mr Y had are quite as bad as he suggests. So I think a payment of £50 is enough to deal with this part of his complaint.

The £25 previously offered by Barclays was for the delay in dealing with Mr Y's complaint. The £50 award here is on top of that. Overall, I think a total of £75 is the right amount of compensation.

Mr Y's previously rejected the bank's offer of £25. So he probably hasn't cashed the cheque the bank sent him. To avoid any problems with this, I'm asking Barclays to cancel this cheque and send him another one (on the assumption he hasn't cashed the original).

my final decision

For the reasons I've given, my final decision is that Barclays Bank Plc should pay Mr Y £50 for the unnecessary inconvenience he suffered because of the delay in him getting his money after the bank closed his account.

If Mr Y has not cashed the cheque for £25 Barclays sent him for the delay in dealing with his complaint, it should cancel the cheque and send him another one. If Mr Y has cashed the original cheque, Barclays need take no further action in this regard.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr Y to accept or reject my decision before 9 November 2015.

Andrew Davies
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