

## **The complaint**

Mr C complains that Barclays Bank UK PLC did not give him the correct information to activate two restricted accounts, which resulted in delays accessing his money.

## **What happened**

Mr C lives overseas. Mr C had two accounts with Barclays which he wanted to access as he was trying to buy a house. The last time he looked at his accounts he thought there was a balance of between £40,000-£45,000, however, when he logged into his online banking, his accounts weren't showing.

Mr C says he contacted Barclays several times over the following few weeks, but the only help he was given was that his accounts may have been moved into a dormant status. He says that contacting Barclays dormancy team was impossible, even for Barclays staff. He was told to use a third party website to find his lost accounts, but Barclays responded to say they had been unable to identify any accounts with a balance.

Mr C made a complaint to Barclays, who said that their policy was to write a single letter to the address they held on file, advising of their intention to close an account that hadn't been used for some time. They also said the letter told Mr C how to prevent this from happening. Mr C brought his complaint to our service.

Barclays told our investigator that they had wrote to Mr C in March 2020, advising it was their intention to restrict activity on his accounts. The letter stated what Mr C needed to do to keep the accounts open and if he didn't take this action by 10 May 2020, then his accounts would become dormant. The letter explained that after this date, to reactivate his account he would need to visit a branch with the letter and identification. Barclays included a list of acceptable identification documents.

Barclays also explained that as Mr C's accounts were currency accounts then these were not recorded on their system in the same way as sterling current accounts were. This was why the dormancy team were originally unable to locate Mr C's accounts and balances. Barclays informed Mr C of the requirements (through our investigator) in order to reactivate his accounts. Barclays said that they had not given Mr C the support he needed when he was trying to reclaim the funds in his account. In light of this they offered Mr C £100 in compensation.

Mr C did not accept Barclays offer as he said it was too low. He said the £100 offer would be unlikely to cover the cost to pay for a notary and the translation of the documents that Barclays required to reactivate his account.

Our investigator felt the £100 offer was fair and reasonable. She said that Mr C didn't receive the initial letters as he didn't inform Barclays of his change of address. But she agreed that Barclays could have provided better service to Mr C when locating his accounts. She noted Mr C now has access to his funds.

Mr C asked for an Ombudsman to review his complaint. He made a number of points. In

summary he said he could not change his address online to the overseas address he wanted to when moving out of the UK, which meant the letters went to his last address. He said he receives emails from Barclays but didn't receive an email about his accounts becoming restricted. Mr C also added that he spent roughly 100 hours trying to resolve the issue and multiple attempts to communicate with Barclays failed.

As my findings differed in some respects from our investigator's, I issued a provisional decision to give both parties the opportunity to consider things further. This is set out below:

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

*Mr C has made a number of points to this service and I've considered and read everything he's said and sent us. But, in line with this service's role as a quick and informal body I'll be focusing on the crux of his complaint in deciding what's fair and reasonable here.*

*I've considered what Mr C has said regarding not receiving the initial letters from Barclays and them sending the letters via post instead of email. I can sympathise if Mr C wasn't able to update his address to an overseas address online, however, it is still his responsibility to ensure Barclays had an up to date address for him.*

*I say this as I've looked at the terms and conditions for personal customers of Barclays. It states "It's essential that you keep us informed if there are any changes to your situation, contact or personal details or any other important changes that are relevant to us. This is so that we can continue to manage your banking, protect your account, and communicate with you safely and quickly." So while Mr C says he was unable to update his address online, there were other ways in which he could and should have contacted Barclays to ensure they had his most up to date details. So I can't hold Barclays responsible for Mr C not receiving the initial letters informing him his account would be restricted if he didn't act by the deadline. I'm persuaded that if Mr C had updated his address, then he would have received the letters and he would have taken action to stop them becoming restricted.*

*In terms of Barclays sending a letter to Mr C instead of an email, Barclays terms and conditions state "Where we can, we'll contact you using your preferred method. We may not always be able to do this – for example, sometimes the law may require us to send you something by post." So here, I'm satisfied it's clear that even if Mr C's preferred method of contact is emails, as he's said he often receives emails from Barclays, there will be times where Barclays are required to send certain communication by post, and that's what Barclays did here.*

*Next, I've considered what happened when Mr C got in touch with Barclays when he realised his accounts had disappeared from his online banking. I am persuaded that Mr C was let down here by Barclays. He was directed to a third party website, which wouldn't have been able to locate his accounts, based on how Barclays had restricted his accounts. Then Mr C received letters from Barclays to say he had no balance in his accounts, which would have been distressing for him, especially as he was using the money in his accounts to buy a new home.*

*Mr C had to spend a considerable amount of time to try and find out what was happening. While there would always be an element of time spent trying to resolve the issues which lead to a complaint, I'm persuaded that Mr C was inconvenienced by Barclays here, through no fault of his own, as nobody was able to take ownership of the issues and help Mr C locate his restricted accounts.*

*So I've thought about what a reasonable amount of compensation would be. Barclays have*

*offered £100, but Mr C thought this was not enough, as it wouldn't cover the costs of the notary and translation of documents required by Barclays to reactivate his account. But I'm not persuaded it is reasonable for Barclays to cover the costs of this. I say this as if Mr C had changed his address, as he was required to when he moved property, he would have received the letters and wouldn't have been required to have provided additional identification at this point (unless he wanted to transfer the funds elsewhere).*

*Once Mr C's account became restricted, he was always responsible for providing identification (and paying any associated costs) to Barclays, regardless of the delays Barclays actions may have had in reactivating the accounts. So I won't be considering this as part of the compensation I intend to award.*

*Compensation is a discretionary remedy that we sometimes award if we feel that a business has acted wrongfully and therefore caused distress and inconvenience to their customer over and above that which naturally flows from the event. When we recommend compensation, it is often modest and within our established guidelines.*

*I'm satisfied that a fair amount of compensation is £250. I say this as it was a couple of months from when Mr C first contacted Barclays, to when they told our service how Mr C could activate his accounts. Mr C was attempting to purchase a house around this time, so this would have been a stressful period for him, especially when he was relying on the funds in his Barclays accounts to assist him with the purchase. Thankfully, his accounts being restricted didn't impact on the house purchase, but it would have been distressing for Mr C to receive letters from Barclays saying they couldn't locate a balance in his accounts.*

*Barclays have also inconvenienced Mr C as they directed him to a third party website for dormant accounts, even though his account couldn't be located this way. His account was "pseudo closed", which meant that when Mr C wanted to reactivate the account, it should've been able to be reactivated quickly (after Mr C provided the relevant identification). Mr C had also made several phone calls to Barclays to get the issue resolved, but the call handlers he spoke to didn't realise that the process for dormancy on currency current accounts was different to the process for a sterling current account and this delayed matters also. So I intend to ask Barclays to put things right for Mr C."*

I invited both parties to let me have any further submissions before I reached a final decision. Barclays accepted the provisional decision. Mr C said he wanted £500 compensation and Barclays to donate a further £500 to a charity to help with the Ukraine crisis.

### **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 considered what Mr C has said about the compensation he wants to settle the complaint. But as I explained in my provisional decision, "*compensation is a discretionary remedy that we sometimes award if we feel that a business has acted wrongfully and therefore caused distress and inconvenience to their customer over and above that which naturally flows from the event. When we recommend compensation, it is often modest and within our established guidelines.*"

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In summary, Mr C's response hasn't changed my view and my final decision and reasoning remains the same as in my provisional decision. I know Mr C will be disappointed that I haven't awarded additional compensation, but I hope he understand my reasons.

### **Putting things right**

In my provisional decision I said I intend to ask Barclays Bank UK PLC to pay Mr C £250 for distress and inconvenience. I'm still satisfied this is a fair outcome for the reasons given previously.

### **My final decision**

I uphold the complaint. Barclays Bank UK PLC should pay Mr C £250 for distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 29 April 2022.

Gregory Sloanes  
**Ombudsman**