

## **The complaint**

Mr and Mrs W complain Barclays Bank UK PLC (“Barclays”) notified them of its intention, and later closed, their account – by doing so, has failed to reasonably consider their circumstances.

## **What happened**

Mr and Mrs W were longstanding customers of Barclays for around 50 years. In 2015, they moved abroad.

In May 2023, Barclays sent Mr and Mrs W a letter of notice that their account will be closed as their residential address isn’t in the United Kingdom (“U.K”) Unhappy with this Mr and Mrs W complained. They say Barclays told them on the phone that it had no choice but to close their account due to government regulations.

Barclays didn’t uphold Mr and Mrs W’s complaint. In short, it said a business decision has been made to no longer offer its products and services to customers who don’t hold a U.K residential address. Barclays also said that if Mr and Mrs W do return to the U.K, it hopes they’ll bank with it again.

Barclays sent a similar reminder notice to close the account to Mr and Mrs W in August 2023, in which it repeated what it had said earlier in its May 2023 correspondence.

Mr and Mrs W referred their complaint to this service. One of our Investigator’s looked into their complaint, and they recommended it wasn’t upheld. Some of their key findings were:

- Barclays has closed the account in line with its terms and conditions which says it can close an account if a customer resides outside of the U.K
- Whilst this has inconvenienced Mr and Mrs W, Barclays hasn’t done anything wrong, gave the necessary notice to them, and was entitled to close their account

Mr and Mrs W didn’t agree with what our Investigator said. Some of the key points they make are:

- The fact they’ve been customers for over 50 years hasn’t been considered
- They are looking to return to the U.K as soon as they can sell their house abroad and need a U.K account to transfer their funds to
- The account allows Mr and Mrs W to receive any premium bond winnings, send gifts and payments to close relatives in the U.K, and is used when they visit the U.K

As there is no agreement this complaint has been passed to me.

Please note I will need be dealing with Mr and Mrs W’s point about a £50 cheque which was paid to them for winning a bonus for a premium bond they held. That’s because they have informed this service that it was paid by a friend into a separate building society account they

hold. So this matter is resolved.

### **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 have decided not to uphold this complaint. I know this will disappoint Mr and Mrs W, so I'll explain why.

Barclays is entitled to close an account just as a customer may close an account with it. But before Barclays closes an account, it must do so in a way, which complies with the terms and conditions of the account.

Barclays gave Mr and Mrs W six months' notice of its intention to close their account and explained this was because it's decided to no longer offer its products and services to customers who don't hold a U.K residential address. Barclays terms and conditions say:

*"We can close an account (or stop or restrict a service) if we find out that you aren't eligible for it. This may include the following.*

*You (or a joint account holder) reside outside the UK or do not have leave to remain in the UK"*

Given what the terms say, I'm satisfied Barclays has acted fairly in applying them by closing Mr and Mrs W's account. I would however expect Barclays to provide sufficient notice so that Mr and Mrs W had enough time to make alternative arrangements from overseas. I'm satisfied six months is sufficient for them to do that.

I'd also add that Barclays should show reasonable care and flexibility where a customer's situation merits it do more in these circumstances. Mr and Mrs W were already getting their U.K pensions to their overseas account, and I imagine, though not their preference, they could use that account to send gifts to their close relatives. I also don't see why not having a U.K bank account could curtail their travel plans to the U.K - as they should be able to use their overseas account for this.

Mr and Mrs W say they need a U.K bank account to send the money they have, and that from a potential house sale, when they move back. But the sale of their house abroad wasn't guaranteed, and it remained on the market well after the closure date in December 2023. So I don't think Barclays were inflexible here. I note also Barclays would be happy to welcome Mr and Mrs W back as their customers when they move back to the U.K. Its also possible that their building society, where they hold an account, may be able to help them with receiving payments from overseas when they do move back.

I can understand why being such long-standing customers is an important factor that Mr and Mrs W feel Barclays should've taken into account. But this doesn't change my mind, given I think Barclays have applied its terms fairly.

I note Mr and Mrs W say they were told Barclays were complying with government legislation by closing their account. I don't know exactly what was said on the phone, but if this is what they were told verbatim, I don't think its helpful.

There are likely several reasons Barclays considered when reaching its decision to close non-UK residential accounts. And I'm satisfied this is a legitimate exercise of its commercial discretion.

It's not clear if Mr and Mrs W have claimed and received their account balance since it was closed by Barclays in December 2023. If they haven't, Barclays' letters explain what they need to do.

Mr and Mrs W say Barclays' actions have caused them distress and inconvenience. But as I don't think Barclays has done anything wrong in closing their account in the way it did, I see no basis of making a compensation award.

### **My final decision**

For the reasons above, I have decided not to uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs W to accept or reject my decision before 2 August 2024.

Ketan Nagla  
**Ombudsman**