

The complaint

Mr O complains that Barclays Bank UK PLC didn't transfer his funds as arranged in branch in August 2022 and then closed his accounts without notice.

What happened

Mr O visited a Barclays branch in August 2022. Because he isn't a UK resident it was agreed that he would transfer the money in his Barclays account to his Irish bank account. Mr O received a letter dated 11 August 2022 saying that a single Euro payment area credit transfer had been submitted for processing and providing the transfer details. He expected the transfer to happen within a few days but when this didn't happen, he contacted Barclays and was told that his transfer had been referred to the fraud team and then cancelled. Mr O said he wasn't contacted about the transaction being cancelled. He was asked about his debit card, and as this had expired, he was sent a new card and PIN. He contacted Barclays after receiving this and he was told he would need to make several transfers using his PINsentry. He said while discussing this the call cut off and he wasn't called back. Mr O said he wanted the original transfer as agreed on 11 August 2022 actioned.

Barclays sent Mr O a final response letter dated 21 October 2022. It said the payment was initiated on 11 August and cancelled on 15 August after it could not be confirmed as genuine. It understood that Mr O wasn't contacted at this time, and it apologised for this. It said there was no error in the cancelling of the payment, but it offered £100 compensation for not contacting Mr O about the payment and the time Mr O had spent dealing with this issue.

Our investigator issued a view in May 2023 upholding this complaint. At this time Barclays hadn't responded to our investigator's information request and so the view was issued on the information available at that time. Our investigator noted that Mr O was transferring his money due to the advice received from Barclays and that as he completed the transfer request in the branch all due diligence should have happened at that time. He noted the final response letter acknowledged that Mr O wasn't contacted before his transfer was cancelled and he was paid £100 compensation for this which our investigator thought was reasonable. However, he didn't think it reasonable that the transfer was cancelled based on concerns about whether it was genuine given it had been set up in branch. Given this he thought that Barclays had made a mistake and should send the money in line with Mr O's original request and at the exchange rate applicable at that time. He also recommended that Mr O be paid 8% simple interest on the amount that had been withheld from him since 11 August 2022.

Barclays responded to this service following our investigator's view. It said that Mr O visited a branch on 11 August to request an international payment for £500,000. The request was submitted and later that day was flagged by its fraud prevention team. It says no conversation was held with Mr O and the transaction was cancelled on 15 August. It said that Mr O attempted the transaction again on 6 December and it was again flagged by its fraud prevention team. A conversation was held on 7 December, but the payment still wasn't processed. Barclays said it had no details as to why the payment wasn't made and that the money remained in Mr O's savings account. It noted that our investigator had said the payment should be made at the same rate as would have been applicable on 11 August and

said that Mr O would need to speak to the Premier Banking Team to do this.

Our investigator said the information provided by Barclays didn't change his view. That being that Barclays should send the money in line with Mr O's original request and at the exchange rate applicable at that time and pay him 8% simple interest on the amount that had been withheld from him since 11 August 2022.

Mr O then received notification that his accounts had been closed. He said he wasn't told this would happen. Barclays said that it had sent Mr O several letters explaining that his account would be closed and the reasons for this and actions that needed to be taken. Our investigator said that Barclays had closed Mr O's account despite the recommendations set out in the view not having been actioned or responded to. He didn't think it was fair that Mr O was required to go through the claim process to receive his money given the issues with the initial transfer and Barclays lack of response to the view.

Barclays then responded to this service saying it agreed with our investigator's findings regarding paying any exchange rate losses arising from the issues with the transfer and compensatory interest. However, it said it wouldn't agree to overturn the account closure decision.

Given Barclays' acceptance of the view regarding the transfer, our investigator attempted to find a solution to reclaiming Mr O's money from the now closed accounts. Barclays said that there was a team that would be able to deal with the transfer. It confirmed the amounts held in Mr O's account at that time and that his statements and reminder letter contained his reference number. Our investigator assisted Mr O with the process of reclaiming his money from the closed accounts and Mr O provided copies of what he thought was the required documentation. However, Mr O then received a letter from Barclays asking him to provide the unique reference number from his account closure letter, a certified copy of photographic identification and a certified copy of a document containing his address. As Mr O believed he had provided the required documentation he raised this with our service.

While our investigator tried to resolve this complaint informally, as this hadn't happened after an extended period and issues were still being raised which meant that Mr O still hadn't received his money, this case was passed to me an ombudsman to issue a decision.

My provisional conclusions

I issued a provisional decision on this complaint the details of which are set out below.

There are a number of issues that have been raised through this complaint and investigation and based on the evidence provided I do not find that Barclays has provided Mr O with the service it should have. I have set out the details of my findings below.

Mr O visited a branch in London in August 2022. He has explained that his pension is deposited in his Barclays account. He says he discussed his situation in branch and as he is no longer a UK resident it was thought the best action was for him to transfer his money from his Barclays account to his account in Ireland. The payment request was made but it was flagged by Barclays fraud team. Banks are required to have fraud prevention measures in place and these are for the protection of its customers. But given the payment request was set up in branch I think that Barclays should have been able to do more to assist with the processing of the payment. Instead, the payment was cancelled without Mr O being contacted. Barclays didn't tell Mr O his transfer had been cancelled and so he contacted Barclays again to find out why he hadn't received his money. Barclays apologised for this and offered to pay Mr O £100 compensation.

The transfer was attempted again on 6 December. I have looked through the notepad entries from December 2022 and these state the international payment was checked and verified on 7 December and the funds should have been released. However, this didn't happen and further details explaining the reason for this haven't been provided.

In this case, I do not find that Barclays provided Mr O with the service it should have in regard to the transfer of his money. This caused him stress and inconvenience. Our investigator agreed with Barclays offer to pay £100 compensation for not telling Mr O that his transfer had been unsuccessful but also said that Barclays should treat the transfer as if it happened on 11 August 2022 and pay him 8% simple interest on the amount that had been withheld from him since that date. Barclays accepted our investigator's recommendation saying it would pay any exchange rate losses arising from the issues with the transfer and compensatory interest. I find this a reasonable resolution to this part of the complaint and as it has been accepted by both parties, I haven't considered this further.

Mr O said that his accounts were closed without him being told this would happen. However, Barclays has provided copies of letters with Mr O's correct address dated February, May and August 2023 explaining that his accounts will be closed on 7 September 2023 if certain requirements weren't met. Therefore, I accept that Barclays did provide notice of the account closure. However, given there was an outstanding complaint regarding the transfer of Mr O's money and a recommendation to resolve this had been put to Barclays by our investigator in May 2023 (before the account was due to be closed) I think Barclays should have taken action to have this issue resolved before the 7 September. Barclays accepted our investigator's recommendations regarding the transfer in November 2023 which was after the account had been closed. So, while I do not find I can say that Barclays did anything wrong by closing Mr O's account, I find the delay in not addressing the issue of the transfer before the account closure occurred resulted in further trouble and upset for Mr O as he now had to reclaim his money from closed accounts.

Our investigator asked Barclays to assist with the reclaim of Mr O's money from his closed accounts, but Barclays explained that Mr O would need to complete a reclaim form and upload the required documents. Our investigator assisted Mr O with this but Mr O then received a letter asking for various information to be provided (which he thought he had already submitted). The letter Mr O received dated 5 February 2024, asks for certified copies of Mr O's identification documents. Having looked at what has been provided I can see Mr O has provided a copy of his passport and a utility bill but these weren't certified copies. I have looked at the information about reclaiming money from closed accounts and this states that certified copies are required. Therefore, I do not find I can say that Barclays has done anything wrong by requiring this before the reclaim can be completed.

That said, I can see that this process of reclaiming the money has caused Mr O stress and inconvenience, all of which could have been avoided had the initial transfer been successful, or if Barclays had actioned our investigator's view before the accounts were closed.

Barclays offered to pay Mr O £100 for not telling him that his initial transfer attempt in August 2022 hadn't been successful. But since then, a further failed transfer attempt has happened and while Barclays agreed to pay exchange rate losses and compensation regarding the delayed transfer, it didn't provide its response in a timely way and so the accounts were closed before this could be actioned. This has caused further inconvenience and delay for Mr O which I think he should be compensated for. Therefore, in this case, along with the initial recommendations made by our investigator (which Barclays accepted) I think Barclays should pay a further £300 compensation for the stress and inconvenience caused by the delays in addressing the issue raised by Mr O and the subsequent inconvenience he has been caused in trying to reclaim his money.

Both parties accepted my provisional decision.

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.

As I set out in my provisional decision I do not find that Barclays provided Mr O with the service it should have both regarding the initial transfer of the funds from Mr O's account and then subsequently in response to the issues raised. I have set out my reasoning for upholding this complaint and the actions that should be taken to resolve it. As both parties accepted my provisional decision, I have no reason to change my conclusions and my final decision is that I uphold this complaint.

Putting things right

Barclays Bank UK PLC should as it has agreed:

- Pay Mr O any exchange rate losses incurred to reflect that the transfer of his money should have happened on 11 August 2022.
- Pay 8% simple interest on the amount that has been withheld from Mr O from the 11 August 2022 to the date the transfer has been completed.

Barclays Bank UK PLC should also:

- Provide Mr O with any assistance that might be needed for him to complete the reclaim forms (once the certified documents have been provided) so his money can be transferred to his preferred accounts.
- Pay Mr O £400 compensation (this includes the £100 already offered) for the trouble and upset he has been caused.

My final decision

My final decision is that I uphold this complaint. Barclays Bank UK PLC should take the action set out above in resolution of this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr O to accept or reject my decision before 9 April 2024.

Jane Archer
Ombudsman