

## The complaint

An organisation, which I will refer to as S, complains that Barclays Bank UK Plc wrongly failed to release its funds.

## What happened

One of our investigators looked at this complaint, and wrote to both parties to set out his findings as to what happened. He said:

- The signatories on the account at the centre of this dispute were a Mr W (who represents S in this complaint) and a Mr H.
- In May 2017 Barclays wrote to S to say that the sort code applicable to the account would change in September 2017. At the same time, the bank issued a new cheque book with the updated details. The bank said that cheques drawn on the old sort code would only be honoured for three years after the change. The bank sent further reminders in August and September 2017.
- On 17 March 2022 Barclays wrote to S to say that since the account hadn't been used in some time it would be closed on or after 14 June 2022. The bank's letter explained what S needed to do to reactive the account if it was still wanted.
- Following receipt of the bank's 22 March 2022 letter, S issued a cheque for £442 (the balance of the account). However, the cheque was from S's old cheque book (issued before the September 2017 sort code change). It was presented more than three years after September 2017, and so it was returned unpaid.
- In April 2022 S's representatives contacted Barclays. The bank explained why the first cheque had been returned unpaid and issued a new cheque book under the new account details.
- On 28 May 2022 a duplicate cheque for the account balance was issued from the new cheque book. However, it wasn't presented for payment until 27 July 2022, more than seven weeks after the bank had said the account would be closed, and so that cheque was also returned unpaid.
- Mr W and Barclays agree that he visited a branch in August 2022 to discuss the matter. The bank's records say that it told Mr W about the process for reclaiming S's balance, and that it also explained that both Mr W and Mr H would need to confirm they wished to reclaim the balance and provided two methods of identification.
- He could not find any evidence of further contact between S and the bank until 17 May 2023, when Mr W and Mr H attended a Barclays branch together. They completed a claim form and provided identify evidence. They were told it could take up to six weeks to process the claim.

- Barclays said that it wrote to Mr H on 4 July 2023 asking him to get in touch because it needed further information. It also said that the claim form was signed by only one person, but the mandate said two signatures were needed. Barclays said it did not receive a response, so the claim was closed on 3 October 2023.
- Mr W said that he visited a branch again and was told it could take longer. Barclays does not have a record of that visit.
- By October 2023 Mr W had still not received S's money, so he made a complaint to the Financial Ombudsman Service. At that time the complaint had not been referred to Barclays, so we were unable to assist.
- Following our involvement, Barclays reviewed the complaint and issued a final response on 5 March 2024. It said it had written to Mr H in July 2023 asking for his confirmation of the transfer but did not get a reply – and so the bank did not uphold the complaint. The bank provided a new claim form, and said that if the form was completed and returned the funds would be released.
- The forms were later completed, and the bank said on 12 April 2024 that the forms were acceptable and the balance was to be repaid.

Our investigator accepted that there had been a considerable delay between the bank's 17 March 2022 letter and the funds being paid, but he didn't think that delay was Barclay's responsibility.

Barclays accepted our investigator's findings, but Mr W did not. He noted that Barclays' position is that it had sent various letters to Mr H, but it also had his address and could have contacted him. Mr W said there were various inconsistencies in the evidence Barclays had provided. In any event Mr H is adamant that he received neither a letter nor a cheque book from Barclays.

Mr W said it was unfortunate that the person responsible for cashing the second £442 cheque failed to do so before the account was closed, but he said that he had no control over that. Overall, he said that he had been trying to recover S's funds for over two years – which is an incredible amount of time and was extremely frustrating. He is concerned that if he had not brought the matter to the attention of the Financial Ombudsman Service Barclays might have simply kept the money.

### **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, there is very little I can add to what our investigator has already said. I am sorry to further disappoint Mr W, and I acknowledge that he has been through an extremely frustrating experience, but I am not satisfied that Barclays is responsible for the delays.

Barclays is not required to send copies of its correspondence to everyone associated with an account, and I don't think it would be fair for me to criticise Barclays for writing to Mr H (only) and not to Mr W. Barclays has provided sufficient evidence to persuade me that it did write to Mr H as it said it did, and whilst it is very unfortunate that Mr H does not recall receiving Barclays' correspondence I cannot say that that was Barclays' fault.

Similarly, whilst I accept that Mr W had no control over the person who was supposed to cash the second £442 cheque, I am not persuaded that Barclays had any control over that

person either. I do not criticise Barclays for failing to honour a cheque many weeks after it had said the account that cheque was drawn on would be closed.

Overall I consider that Barclays treated S fairly and reasonably in this matter. The bank released the funds as soon as it had properly verified instructions from both of the people named on the mandate, and I am not persuaded that the bank should have released S's money earlier.

### **My final decision**

My final decision is that I do not uphold this complaint against Barclays Bank UK Plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask S to accept or reject my decision before 25 October 2024.

Laura Colman  
**Ombudsman**