

## **The complaint**

Mr B complains Barclays Bank UK PLC incorrectly closed his account and provided a poor service.

## **What happened**

The facts of the complaint are well known to both parties, so I will only provide a summary of the key points of the complaint.

In April 2024 Mr B spoke to Barclays regarding closing some of the savings' accounts he held with Barclays. At this time Mr B's current account was also closed in error. Mr B was assured that the account would be reopened. However, Mr B discovered the account had not been reopened as he was unable to make payments using his debit card. Mr B had direct debits which failed, and Mr B had to make multiple payments manually. Mr B was also unable to access pension payments that were due to be made into his account. Mr B's account was fully functional again at the end of May 2024.

Mr B raised a formal complaint about the handling of his account and the service he received. Mr B explained that he was a long-standing Barclays customer, and the closure had a significant financial impact on him. During this period Mr B was also experiencing significant life changes as his wife had moved into a care home. Mr B says the catalogue of errors by Barclays exacerbated what was already a very stressful time.

Barclays accepted that there were failings. It explained that the closure of the account was due to human error. It said the account should've been reopened sooner than it was, and it agreed that its mistake had a significant impact on Mr B. In order to resolve the complaint Barclays apologised and paid Mr B £2,500 in compensation to recognise the distress and inconvenience caused.

Mr B remained unhappy and referred his complaint to our service. Mr B reiterated to the Investigator the severe impact the closure had on him and Barclays' poor service. The Investigator agreed with Mr B's complaint – but found that the steps it had taken to reopen the account and the £2,500 compensation was a fair way of resolving the complaint. Mr B disagreed, saying £5,000 would be appropriate compensation.

As no agreement could be reached, the complaint was referred to an ombudsman for a final 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.

Firstly, I'm aware that I've only summarised Mr B's complaint points. No discourtesy is intended by this. Our rules allow me to take this approach. It simply reflects the informal

nature of our service as a free alternative to the courts. I can assure Mr B that I have carefully considered his submissions.

Mr B's complaint focuses on the errors made by Barclays when it closed his current account. Both parties are in agreement that the service provided to Mr B fell below the required standard. The closure had a substantial impact on Mr B given it was his main account. Mr B has detailed the time he had to spend to ensure payments were made. Mr B also spent time discussing the issue with Barclays both in branch and on the phone, and time was spent contacting third parties who Mr B had direct debits with.

Based on the evidence I've seen the account has been reopened and the necessary recurring payments have been set up. It seems the key issue that remains is whether Barclays has done enough to remedy the situation for Mr B. When a business has made an error, our service can direct a business to take certain steps to remedy that error. This first step appears to have been taken by Barclays with the reinstatement of the account. In instances where the error has caused distress and inconvenience, we can award compensation.

Barclays has paid Mr B £2,500 in total in recognition of the poor service it provided and the impact on Mr B. I understand Mr B thinks this amount fails to recognise the numerous issues he experienced. Mr B has highlighted that he is a long-standing customer and the account closure occurred at what was a very difficult time for Mr B. Reaching an award for distress and inconvenience is seldom straightforward. The issues involved are subjective by their very nature and the impact on the consumer can be difficult to determine. Our awards are not intended to be punitive for businesses and their fundamental aim is to recognise the impact on a consumer where there have been shortcomings. The amount paid by Barclays is what our service would consider a substantial payment and based on the circumstances the payment is in excess of what our service would normally recommend. I say this because the compensation paid is usually what we consider appropriate in cases where there is a pro-longed impact on the consumer for many months or years.

In Mr B's complaint the closure had a detrimental impact for roughly eight weeks. I don't underestimate the distress the sudden closure caused Mr B during these weeks. I can see that the additional worry at this time had a particularly significant impact on Mr B. I can see one of Mr B's complaint points is that Barclays paid him compensation without having a discussion with him about the numerous problems he experienced. I do appreciate Mr B's frustration with the repeated poor service from Barclays, but I can see Barclays has apologised for this and explained feedback will be provided to those involved. Ultimately, in Mr B's case there are limited steps Barclays can take to try and resolve the issue, and I'm satisfied it's taken those steps and paid Mr B fair compensation.

I'm sorry this isn't the outcome Mr B hoped for. While the amount Barclays offered isn't what he was looking for, it does fall into what our service considers to be a significant payment. So I hope Mr B can see that I'm not suggesting his experience was any less severe and stressful than he says. Ultimately, I consider the compensation amount paid to Mr B to be fair and reasonable.

### **My final decision**

Barclays Bank UK PLC has already paid fair compensation in the circumstances of this complaint. I make no further award.]

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

Chandni Green  
**Ombudsman**